

2025
**Romanian
real estate
market
overview**



Contents

pg. 2-5

Unicredit Bank
macroeconomic and
market research

pg. 6-11

Investment
market

pg. 12-18

Office
market

pg. 19-24

Industrial
market

Macroeconomic and market research

	2022	2023	2024	2025F	2026F	2027F
GDP (€ bn)	281.7	324.4	353.8	376.6	396.4	415.5
Population (million)	19.0	19.1	19.1	19.0	19.0	19.0
GDP per capita (€)	14,790	17,024	18,556	19,784	20,857	21,894
Real economy change (%)						
GDP	4.0	2.4	0.8	0.8	1.5	3.0
Private Consumption	5.1	3.0	6.0	1.4	2.9	3.3
Fixed Investment	5.4	14.5	-3.3	3.5	4.3	4.5
Public Consumption	-1.4	6.3	0.7	-1.8	-0.8	2.0
Export	9.3	-0.8	-3.1	2.7	4.8	4.7
Imports	9.3	-1.1	3.8	4.9	4.6	6.1
Monthly wage, nominal (€)	1,303	1,489	1,710	1,828	1,895	1,977
Real wage, change (%)	-2.2	3.6	9.4	0.9	-2.2	3.2
Unemployment rate (%)	5.6	5.6	5.5	6.0	6.8	6.6
Fiscal accounts (% of GDP)						
Budget balance	-6.4	-6.6	-9.3	-8.4	-6.4	-5.7
Primary balance	-4.3	-4.7	-7.2	-5.7	-3.6	-2.9
Public debt	47.9	48.9	54.8	62.5	66.7	69.3
External accounts						
Current account balance (€bn)	-26.8	-21.5	-28.9	-31.0	-28.4	-28.3
Current account balance/GDP (%)	-9.5	-6.6	-8.2	-8.2	-7.2	-6.8
Extended basic balance/GDP (%)	-4.1	-1.9	-5.5	-4.7	-3.3	-2.5
Net FDI (% of GDP)	3.3	2.0	1.3	1.5	1.7	2.1
Gross foreign debt (% of GDP)	54.6	56.4	57.5	58.7	61.3	61.2
FX reserves (€bn)	46.6	59.8	62.1	64.8	69.1	70.7
Months of imports, goods& services	4.0	5.1	5.1	5.0	5.1	4.9
Inflation/Monetary/FX						
CPI (period avg.)	13.7	10.5	5.6	7.3	7.1	3.4
CPI (end of period)	16.4	6.6	5.1	9.7	4.0	3.2
Central Bank target	2.50	2.50	2.50	2.50	2.50	2.50
Central bank reference rate (end of period)	6.75	7.00	6.50	6.50	5.50	4.50
3M money market rate (December avg.)	7.66	6.25	5.91	6.19	5.09	4.49
USD/RON (end of period)	4.63	4.50	4.78	4.34	4.38	4.38
EUR/RON (end of period)	4.95	4.97	4.97	5.10	5.17	5.25
USD/RON (period avg.)	4.68	4.57	4.60	4.47	4.34	4.38
EUR/RON (period avg.)	4.93	4.95	4.97	5.04	5.10	5.22

Outlook

We expect an acceleration of growth to 1.5% in 2026 from below 1% in 2024 and 2025, but Romania will continue to have one of the lowest growth rates in the Central and Eastern Europe (CEE) region. Consumption and private investment are likely to be impacted by the started fiscal adjustment, while public investment could grow through an improved absorption of the EU funds. We expect the fiscal adjustment to stay on track, although additional budget-balancing measures cannot be ruled out. The risk of a rating downgrade decreased, the first signs of fiscal adjustment are visible and investor sentiment towards Romania improved. Although inflation will be on an overall disinflationary trend without intervention from the NBR, upside risks prevail and a return within the target range is possible only in 2027. There is a high probability that key rate cuts will be postponed to 2H26. Yet, the NBR will maintain an accommodative monetary stance through good market liquidity, keeping the ROBOR rates under downward pressure. We expect the EUR-RON to trade within the 5.00-5.10 range in 1H26, followed by a move to 5.10-5.20 in 2H26, if the inflationary pressures will subside.

Early signs of fiscal improvement, but still a long way to go

To restore investor confidence, the government committed to implement three fiscal consolidation packages. The first package aimed at boosting revenue was announced at the beginning of July and implemented in two steps, as of August 2025 and January 2026, while the second package was split into six projects for efficiency, with two of them experiencing delays and still under debate due to legislative hurdles and conflicting views within the

coalition members on sensitive issues, namely the magistrates' pensions and the local administration reform. There is a risk of a government reshuffle, depending on the speed of erosion of the support for the current government after the unpopular fiscal consolidation measures will propagate in the economy. Yet, the economic risks will be contained as long as there will be no political void and the fiscal adjustment remains on track.

The fiscal adjustment plan was well received by the market and worries were replaced by optimism regarding Romania's future fiscal path, leading to several positive developments:

- 1) All the rating agencies** maintained its investment grade rating and the risk of a downgrade to junk subsided significantly;
- 2) The European Commission (EC)** suspended temporarily the Excessive Deficit Procedure (EDP), implying that no further procedural steps or sanctions will be taken at this stage, allowing it to maintain full access to EU funds; yet, the EDP remains officially open, with the progress to be reviewed again in spring 2026;
- 3) Access to financing** from both the external and internal markets was maintained, at decreasing costs, with a sharp drop from a peak for the 10Y yield of 8.45% on 5 May 2025 to levels of around 6.40% as of February 2026.

The above-mentioned positive evolutions relied heavily on better risk perception and improved sentiment, leading us to believe that further

compression of premiums and another significant decrease in yields will depend on the further improvement of public finances.

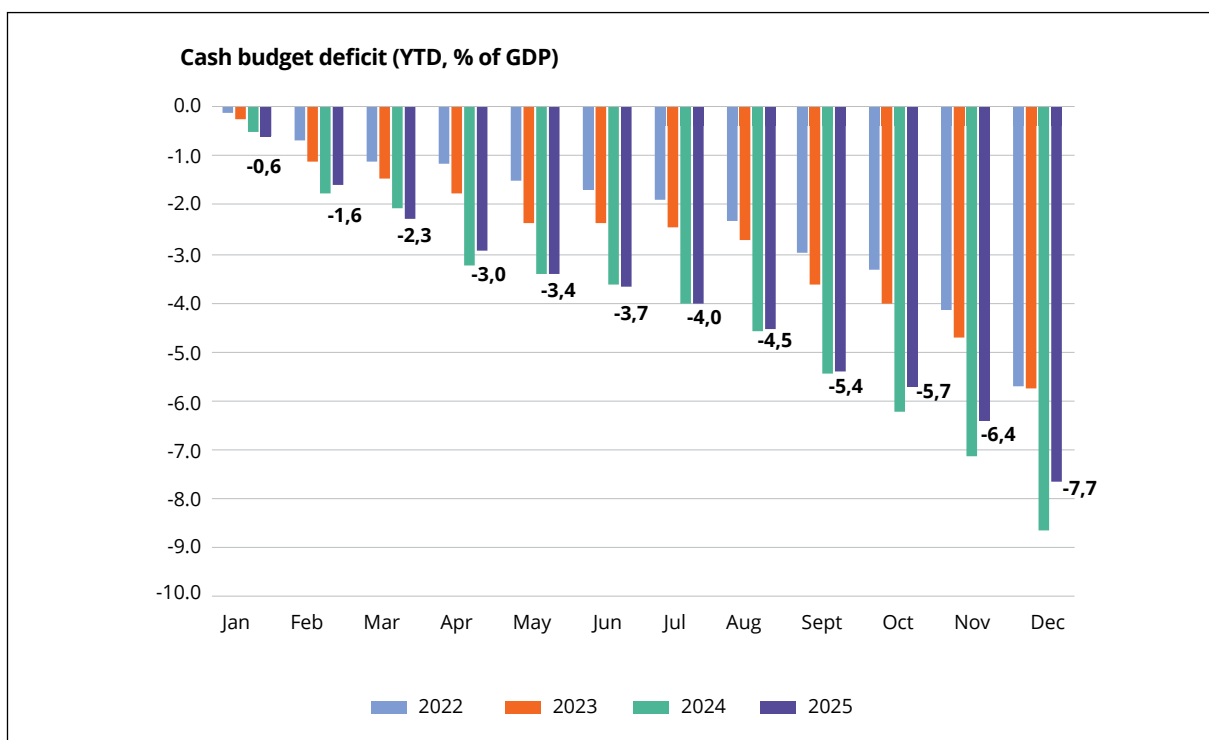
Budget deficit

While the 8.4% of GDP ESA deficit target for 2025 was most probably attained, meeting the 2026 target of close to 6% of GDP is still uncertain, as some of the cost-cutting measures are still pending.

The main risks stem from:

- 1) Increasing pressure from the population** and the political factors to temper the adjustment and implement measures to boost the economic recovery;
- 2) Uncertain future evolution of the revenue from VAT**, excise taxes, payroll and income taxes in the context of tempering wage growth and loss of purchasing power, likely to continue to weigh on consumption;
- 3) Uncertain results in terms of cuts to employees** or salaries in local administration as of 2026, although personnel expenses accounted for a lot of the correction in 2025 due to measures taken at the beginning of the year (such as reduced bonuses for some categories of public sector employees and measures to freeze 2025 salary expenses at the level of November 2024).

Starting from 2027 onwards, the planned fiscal adjustment will be easier to deliver, with only 0.7-0.8pp per year. Yet, the public debt exceeded or will soon exceed 60% of GDP, with a sustainable return below this level possible only after 2032. After running budget deficits above the 3% of GDP limit since 2019, Romania is likely to have the second highest public debt in the region in 2026-2027, hence the urgency to reduce the deficit and slow down the accumulation of debt to enable a healthy growth and lower financing costs in the future.



Source: National Statistical Offices and ministries of finance, Eurostat, The Investment Institute by UniCredit, UniCredit Bank Romania

GDP growth

Economic growth in Central and Eastern Europe (CEE) is set to pick up in most countries in 2026, with household consumption continuing to play a key role as a driver of growth and a probable pick-up in fixed-investment activity supported by EU funds,

lower interest rates and some improvement in external demand, although the latter might be felt to a larger extent only in 2027. Yet, Romania is likely to grow by 1.5% in 2026, trailing the 2.0%-3.5% growth pace in the CEE region, due to the ongoing fiscal

The information contained in this report represents UniCredit Bank Romania's view as of 5 February 2026.

consolidation limiting both consumption and private investment. Thus, 2026 will be a year for Romania to correct the imbalances and invest with the help of EU funds, in order to boost growth from 2027 onwards.

Our forecast for an acceleration in 2026 after growth rates below 1% in 2024 and 2025 relies on the assumption that the country will prioritize the use of EU funds and make room for investment through

cost-cutting measures, considering that it can access up to EUR 10bn under the Recovery and Resilience Facility (RRF) by August 2026, more than EUR 23bn funds from Multiannual Financial Framework (MFF) and EUR 16.6bn from Security Action for Europe (SAFE), mostly to be directed towards infrastructure, but supporting other investment as well, such as hospitals, digitalization, energy transition and modernization of public administration.

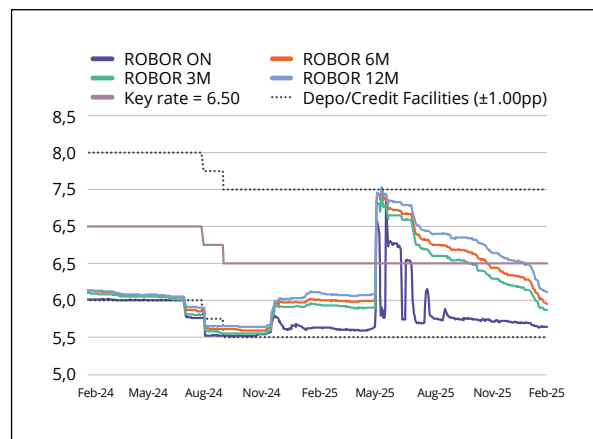
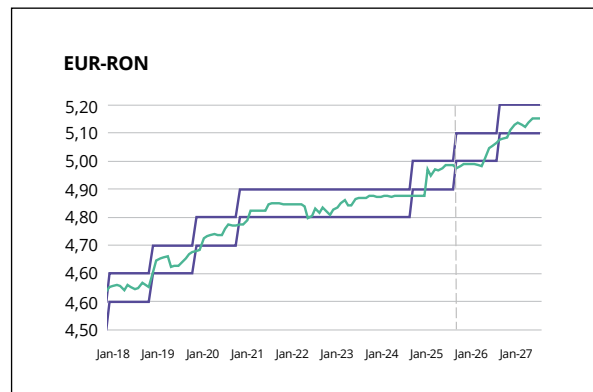
Inflation

As expected, annual inflation surged because of the fiscal measures, especially the rise in VAT and excises, and the liberalization of the electricity market. Although we expect headline inflation to follow an overall downtrend, from 9.7% at the end of 2025 to 4.0% at the end of 2026, a return within the 1.5%-3.5% target range is possible only in 2027. Moreover, upside risks for inflation linger, considering the excise hikes for alcohol, tobacco and fuel as of January 2026 and the removal of food price caps as of April 2026, along with persistent risks of new budget-balancing measures in case the ones already implemented do not provide the desired correction.

Despite the high headline figure, we estimate that core inflation will enter the 1.5-3.5% target range in 4Q26. The current supply-side shock is transitory and does not need a tighter monetary policy, but the high inflation levels prevent the central bank from cutting the key rate to support the economic activity. Consequently, we expect the NBR to keep the key rate at the current level of 6.5% until mid-2026, with rate cuts resuming only in summer and totaling at most 1pp by the end of 2026. Meanwhile, the abundant liquidity should keep ROBOR on a downward trajectory toward the 5.5% deposit facility, supporting the economic activity.

Monetary conditions became supportive last autumn, after the market sentiment improved, with the excess liquidity increasing to around RON 42bn in January 2026 from a low of RON 3.9bn in June, consolidation

limiting both consumption and private investment. Yet, the growth of loans has been tempering throughout last year and this trend is likely to continue into 2026, consistent with fewer acquisitions of households and investment by companies.



Source: NBR, UniCredit Bank Romania

Anca Maria Negrescu
Chief Economist
UniCredit Bank

anca.negrescu@unicredit.ro
+40 723 103 008

Alexander-Constantin Ragea
Junior Macroeconomic Economist
UniCredit Bank

alexander-constantin.ragea2@unicredit.ro

Nicoleta Iulia Lungu
Market Analyst
UniCredit Bank

nicoletaiulia.lungu@unicredit.ro

Investment market

Investment volume



Investment 2025 volume (million)

€532



Largest investment transaction (million)

€55

Between MAS and M Core

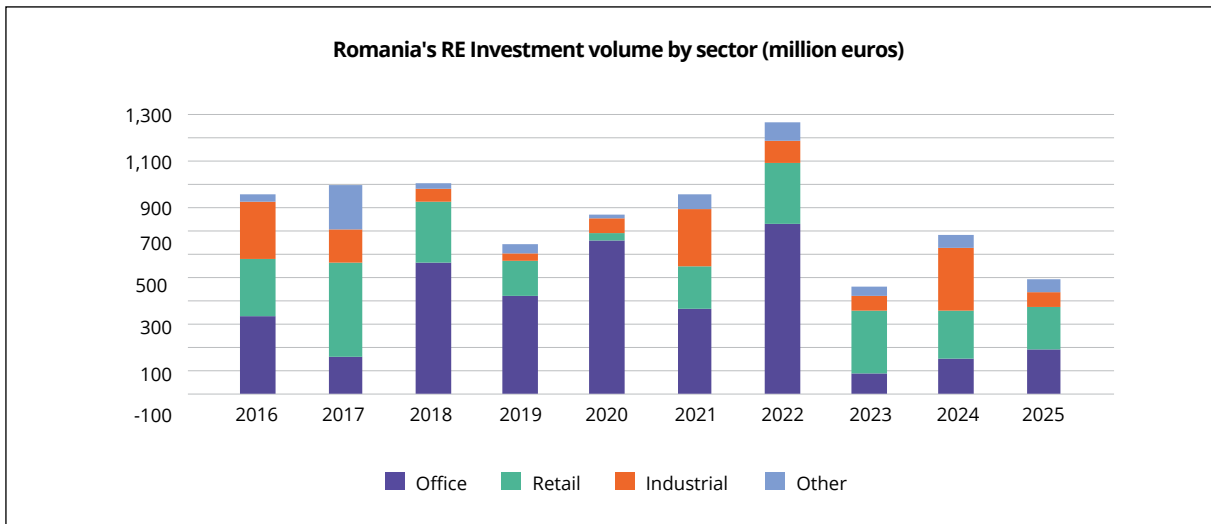
The postponement of a major investment transaction reduced the total investment volume in 2025 to approximately €532 million, representing a 27% year-on-year decline. On a positive note, properties totaling over €450 million are already scheduled for transaction completion in 2026, signaling a recovery in investment activity, with volumes expected to exceed €700–800 million.

As anticipated in our semiannual research report, office and retail assets remained at the forefront of investors' interest in 2025, accounting for approximately 75% of total annual investment volume. The largest office transaction was the sale of Equilibrium 1, developed by Skanska, to the Gordiusz Private Equity Fund, managed by Gránit Asset Management, for €52 million. This deal also marked the entry of a new investor into the Romanian market. In the retail sector, M Core emerged as a particularly active player, pursuing growth through both acquisitions of existing assets and new retail park developments. According to company statements, M Core deployed over €150 million in Romania in the first six months of 2025,

acquiring Focsani Shopping Centre from KBC, Suceava Shopping City, and seven retail parks from property investor MAS.

In the absence of notable transactions involving industrial assets, this sector accounted for only 13% of total investment volume, while hotel sector activity is estimated at approximately 10%. A key hospitality transaction was the sale of the Hilton Garden Inn Bucharest Airport, a four-star hotel located near Henri Coandă International Airport, to an undisclosed investor for approximately €40 million.

Bucharest alone accounted for 46% of the total investment volume, with a strong investor preference for office assets, which represented slightly over 80% of the capital city's investment activity in 2025. This trend is expected to continue into 2026, unless the sale of the P3 Bucharest A1 industrial park on the western ring road materializes. Regional cities continued to attract retail-focused investment, with all retail transactions completed exclusively outside Bucharest, involving retail parks, shopping centers, and department stores.

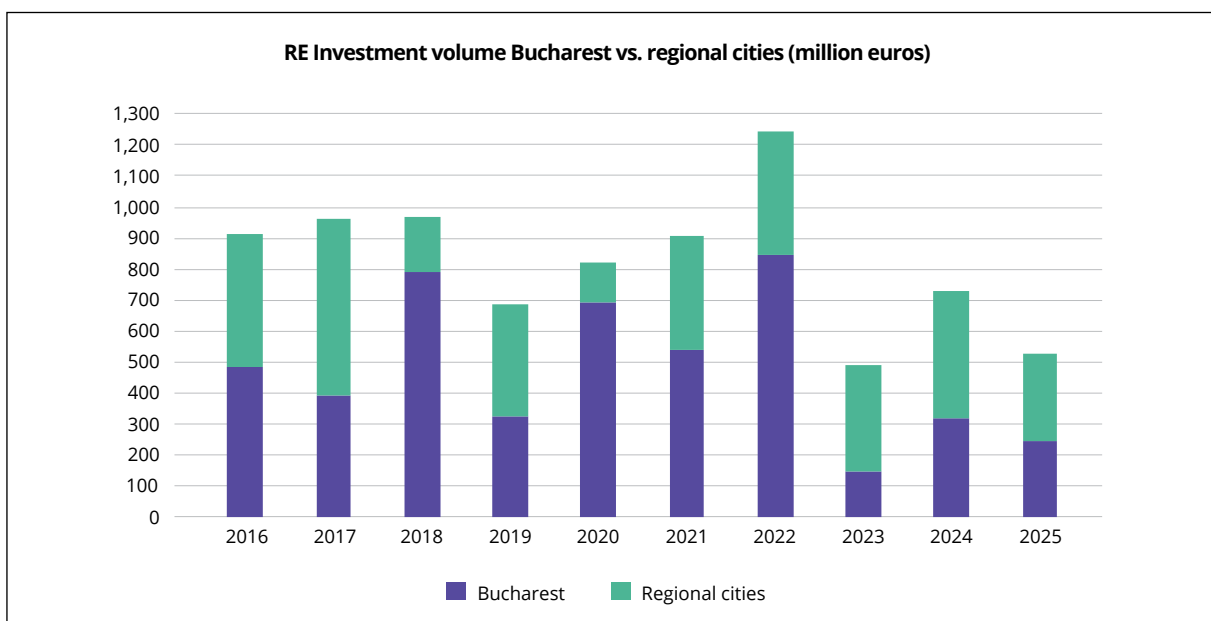


Transactional performance

The largest transactions recorded in Romania in 2025 were in the €55 million range. The leading transaction involved the sale of seven fully occupied retail parks by MAS to M Core, totaling approximately 32,000 sqm of leasable area. These assets are located in regional cities including Slobozia, Focsani, Ramnicu Sarat, Targu Secuiesc, Sebes, Fagaras, and Gheorgheni, with population sizes ranging from approximately 18,400 inhabitants (Targu Secuiesc) to around 85,700 inhabitants (Focsani). The second transaction in this value range was the partial sale of IRIDE Park by CPI Romania to the Romanian company Alfa Group. The transaction included part of the existing office stock and associated logistics facilities, as well as two adjacent buildings designated for future development. The second-largest single-asset transaction was the sale of Equilibrium 1 for €52

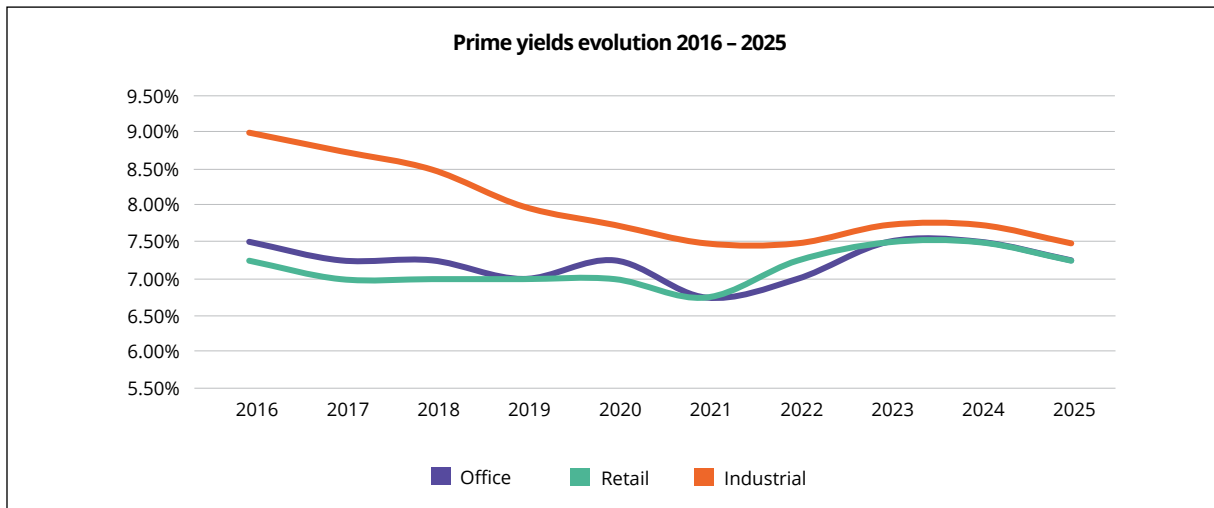
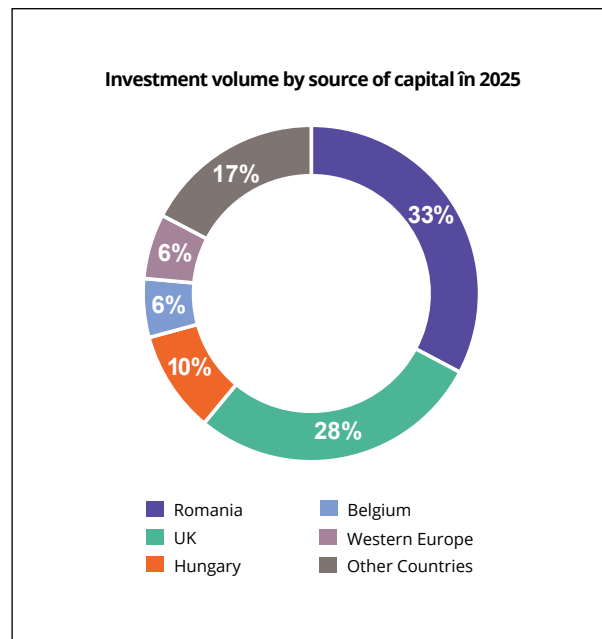
million, with Swedish developer Skanska divesting the property to Gránit Asset Management. This acquisition marked the Hungarian investor's first entry into the Romanian market. The asset was fully leased, benefiting from a strong tenant mix and a prime location along the highly sought-after Floreasca-Barbu Vacarescu corridor. With the second phase, comprising 19,900 sqm of GLA, already completed and leasing underway, the asset is expected to be sold in the coming quarters of 2026.

Also noteworthy was the sale of two shopping centers in Suceava and Focsani to M Core, with a combined gross leasable area of approximately 90,000 sqm and a total investment value of €95 million. The assets were sold by ARGO Real Estate and KBC Bank, respectively.



Beyond reinforcing the UK-based investor's commitment to the Romanian market, these transactions highlight M Core's strategic focus on eastern Romania, a region expected to benefit from accelerated economic growth supported by the A7 highway development (approximately 50% completed) and the forthcoming reconstruction efforts in the neighboring country.

The sale of Victoria Center, with a gross leasable area of 8,600 sqm, from Manova Partners (an international property investment manager) to Solida Capital for €30 million marked two significant milestones in 2025: the entry of Solida Capital into the Romanian market and one of the few investment transactions concluded in Bucharest's CBD in recent years. With the exception of a small unit, the property is fully leased and is expected to contribute to a clearer benchmark for prime office yields in the capital.



Office yield **7.25%** Retail yield **7.25%** Industrial yield **7.50%**



Aligned with regional trends, local capital accounted for approximately 33% of total investment volume, spread across around 20 transactions nationwide, with an average deal size slightly above €10 million. The diverse range of asset types acquired by Romanian investors reflects the increasing maturity and growth potential of domestic capital. Other

significant sources of investment originated from United Kingdom, Hungary, and Belgium.

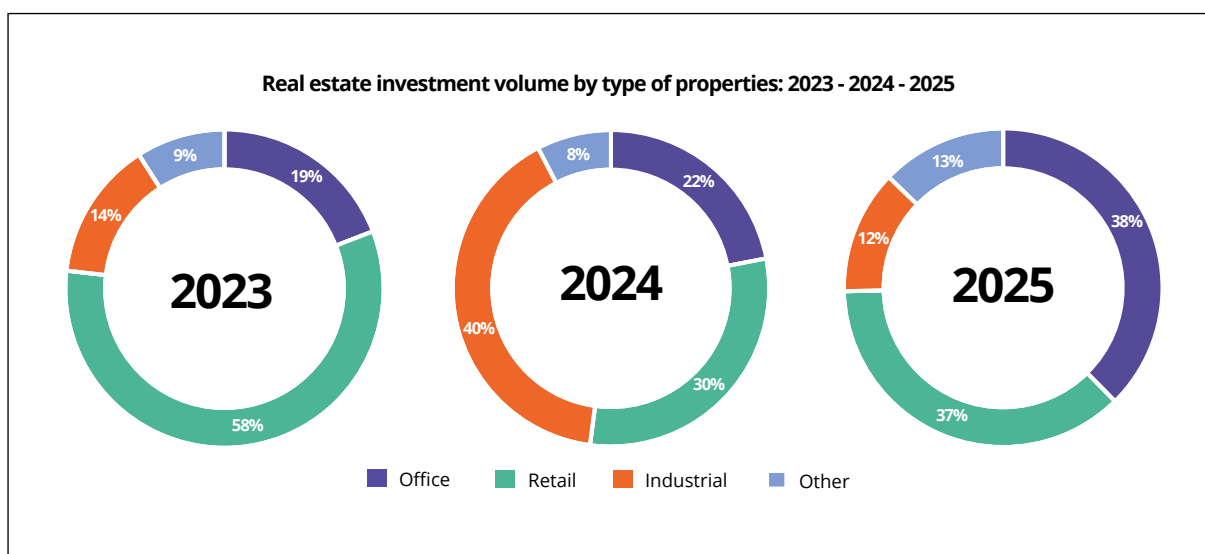
Overall, the Romanian investment market recorded 36 completed transactions in 2025, with an average deal size of €16 million, representing an almost 30% decline compared to the previous year.



Prime yields

In 2025, the market experienced a slight yield compression of approximately 25–50 basis points. By year-end, prime office yields were quoted in the range of 7.25–7.50%, while prime shopping center yields stood at similar levels of 7.25–7.50%. Prime industrial assets were transacted at yields ranging between 7.50% and 8.00%. Retail parks, the most actively traded asset class, displayed a wider yield range. While national yields generally fell between

8.0% and 9.0%, certain assets or locations were transacted at double-digit yields, reflecting differences in asset quality, tenant mix, and location fundamentals. These conditions, combined with tight financing availability and relatively uncompetitive interest rates, created a favorable environment for opportunistic and family-type investors, contributing to a more diversified investor base over the past 12 months.



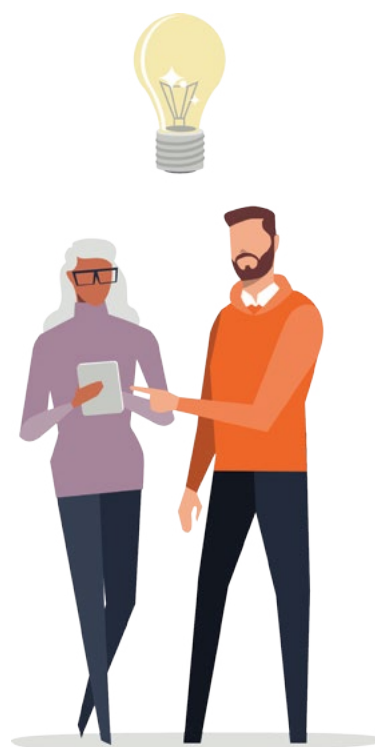
Forecast

The extended transaction timelines in 2025 resulted in the postponement of several major deals into 2026. As a result, between five and seven large transactions are currently scheduled for completion in the first half of 2026, supporting a forecast total investment volume of €700–800 million for the year. Further yield compression is expected, but still allowing Romania to maintain an attractive yield spread relative to neighboring markets.

In 2026, the market is expected to see the sale of Atenor's project in the Free Press Square area, as well as divestments within One United Properties' office portfolio. In addition, well-located small and medium-sized office buildings are expected to remain highly attractive to family-type investors, drawn by competitive yields and stable income profiles. While retail parks should continue to generate interest, transaction activity may slow as major owners increasingly favor development led growth over further acquisitions. In the industrial sector, investment activity may include both the transaction of existing parks and sale-and-leaseback deals involving production facilities.

Major infrastructure projects underway in Bucharest and across the country are expected to unlock new investment opportunities across all asset classes. In the capital, the development of the M6 metro line is set to significantly enhance the attractiveness of key

areas for office and residential developers and investors. At the national level, the expansion of the highway network will play a critical role in strengthening both established industrial hubs and emerging locations in eastern Romania (the Moldova region) and southern Romania (the Oltenia region), creating further opportunities for developers and investors alike.



2025 Main investment transactions (selection)

City	Sector	Property	Purchaser	Vendor	Price* (€ million)
Regional	Retail	Retail park network (7 assets)	M Core	MAS	55
Bucharest	Mixed use	IRIDE Park	Alfa Group	CPI Romania	55 *
Bucharest	Office	Equilibrium 1	Gránit Asset Management	SKANSKA	52
Suceava	Retail	Shopping City Suceava	M Core	ARGO RE	48
Focsani	Retail	Focsani Mall	M Core	KBC Bank	47
Otopeni	Hotel	Hilton Garden Inn Bucharest Airport	NA	Appex Alliance	40*
Bucharest	Office	Victoria Center	Solida Capital	Manova Partners	30
Bucharest	Office	Ethos House	Paval Holding	Ethos House	24*
Bucharest	Industrial	Terranova Logistic Park	Suvari	Private local investors	9,8
Mamaia/Constanta	Hotel	Zenith Conference & Spa	Steaua de Mare Hotels & Resort	RC2 and Antares Management	9,5*

* Estimated selling prices



Equilibrium 1

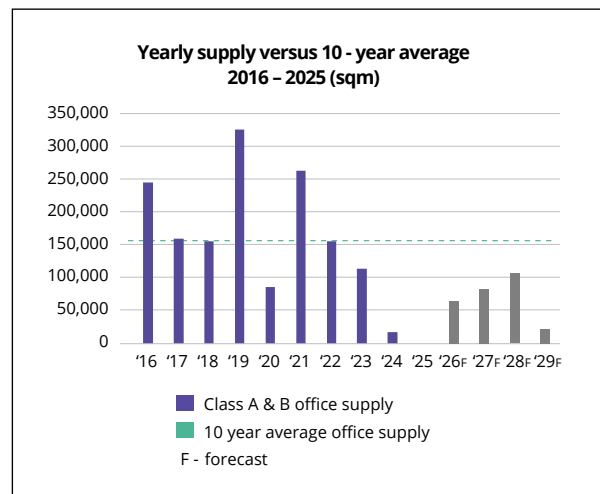
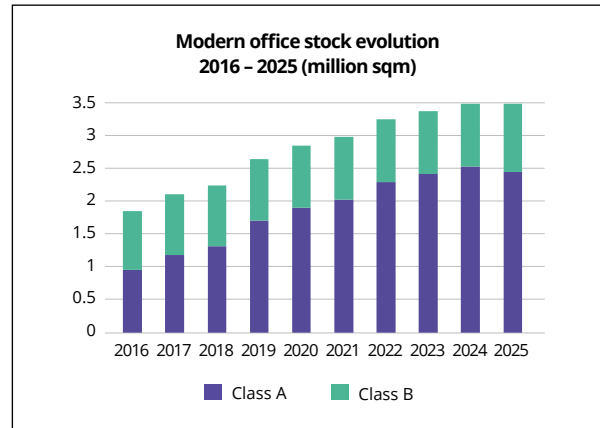


Office market

Supply and stock

With no new completions throughout 2025, the modern office stock remained unchanged at 3.4 million sqm. Noteworthy during the year were the retrofitting works that either commenced or were completed. Despite good locations and strong connectivity to public transportation networks, upgrades to reception areas, common spaces, and underground parking became common practice, particularly among institutional owners. The only project scheduled for completion in 2025 is already fully pre-let, while the delivery of One Gallery has been postponed to the first half of 2026.

On a positive note, there were no withdrawals of existing buildings from stock and no changes of use. Additionally, as highlighted in our previous research, over 70% of the modern office stock is classified as Class A, well located within city boundaries and offering convenient access to underground transportation. Looking ahead, there is a growing commitment to green certification, with existing office buildings increasingly being certified or recertified to higher standards.



Project delivery postponed
to the first half of 2026

One Gallery

This trend is driven by occupiers placing greater importance on sustainability when selecting their future office footprint.

A decrease in sublease stock was also recorded, driven by the conversion of subleases into direct leases with existing sublessees, as well as by occupiers' decisions to either withdraw space from the market or return it to the lessor at the end of their five-year lease cycles. This process has come to an end, as occupiers' workplace strategies are now largely finalized, achieving a healthier balance

between office presence and remote work. Some activity in the sublease market is expected to continue, though at a significantly lower level than in previous years.

Buildings with substantial ground floor retail space continue to improve their tenant mix, with a growing presence of food retailers. This trend is supported both by increased demand from office occupiers for on-site amenities and by retailers' interest in smaller-format units within well-located office buildings.

Pipeline

Additional projects have been added to the office pipeline, increasing it by at least 20,000–30,000 sqm. This expansion is driven by several factors, including the launch of new phases within existing business parks and the activation of projects approaching building permit expiration.

Several developments are scheduled for completion in 2026, including One Gallery, a 14,300 sqm mixed-use project in the Floreasca-Barbu Vacarescu submarket, and ARC Office Experience, a 30,000 sqm development in the Center-West area.

In Pipera South, the 20,600 sqm built-to-suit One Technology District will be fully occupied by Infineon Technologies, marking the establishment of the largest semiconductor R&D center in

Southeast Europe. Additionally, Timpuri Noi Square Phase 2 is expected to be delivered toward the end of 2026, providing approximately 55,000 sqm of office space and a 6,000 sqm food hall.

Due to the lengthy and complex permitting process in Bucharest, several announced projects such as AFI Central Tower and Queens District have extended their delivery timelines from 2027 to 2028. Overall, the current pipeline is estimated at 276,000 sqm, including under construction, with secured pre-leases or valid building permits. From a geographical perspective, 34% of the pipeline is located in the Central submarket, followed by the Floreasca-Barbu Vacarescu corridor with 33%. The Center-West area accounts for 26%, while the remainder is located in Pipera South.

Pipeline 2026-2028+, under construction and announced (Selection)

Project	Est Area* (GLA in sqm)	Developer	Submarket
One Gallery	14,300	One United Properties	Floreasca BV
ARC Office Experience	30,000	PPF	Center West
One Technology District	20,600	One United Properties	Pipera South
Timpuri Noi Square Ph 2 ^(*)	55,000	Vastint	Center
Promenada Project	14,700	Nepi Rockcastle	Floreasca BV
U-Center Ph 3	16,300	Forte Partners	Center
Queens District	22,500	Speedwell	Floreasca BV
AFI Central Tower	25,200	AFI Europe	Center
Green Court D	17,000	Globalworth	Floreasca BV

(*) - estimated GLA

Take-up

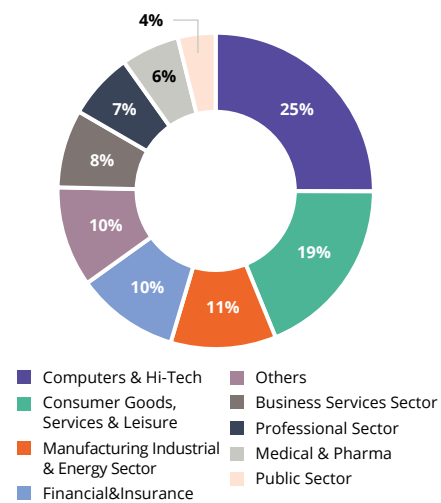
With over 90,000 sqm transacted in the last quarter of the year, gross take-up in Bucharest reached 260,000 sqm, representing an approximate 30% decrease year-on-year. Despite the downward trend observed in gross take-up in recent years, the fourth quarter showed signs of modest recovery, outperforming the previous quarters.

Several large pre-lease transactions concluded toward year-end are expected to signal a revival of major pre-leasing activity for projects currently under construction. In the absence of new supply, lease renewals accounted for only 44% of total leasing activity, down from over 50% in previous years. Notable renewals included those signed early in the year by Deloitte and WPP at The Mark (12,000 sqm) and by BCR at The Bridge (22,300 sqm). In the second half of the year, additional significant renewals were concluded by an anchor tenant from the energy & petrochemical sector at City Gate (9,300 sqm), along with several lease extensions in the Center-West submarket, particularly in AFI Park and the Campus office complex. The average size of lease renewals in 2025 stood at 2,900 sqm, slightly higher than the previous year.

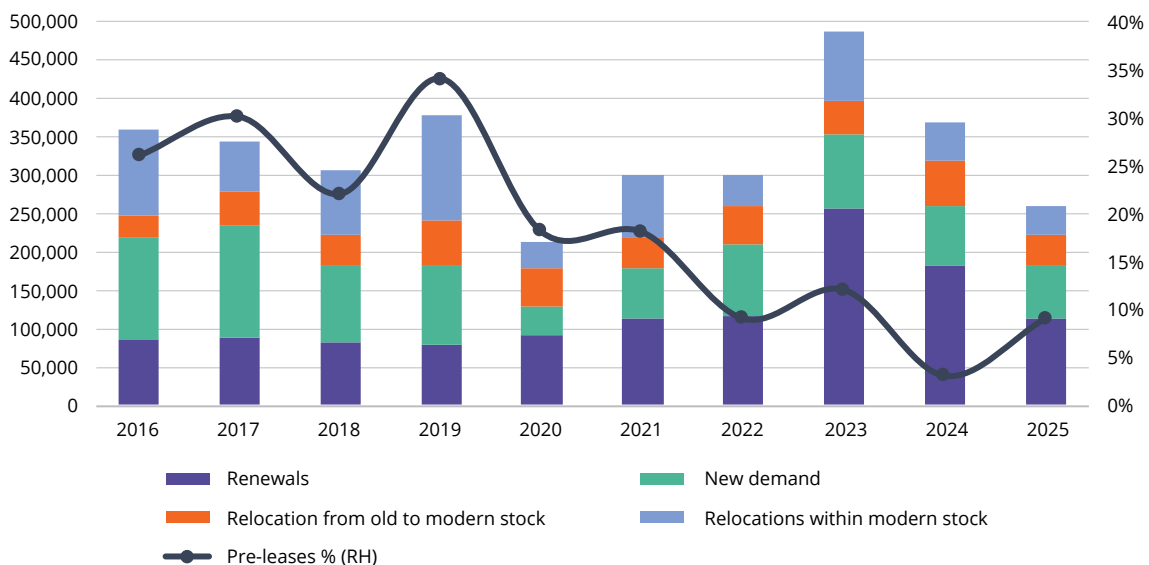
More than 75% of net take-up was generated by new demand and relocations from non-competitive stock, a positive signal indicating the market's ability to generate previously unmet demand.



Net take-up by business sector in 2025

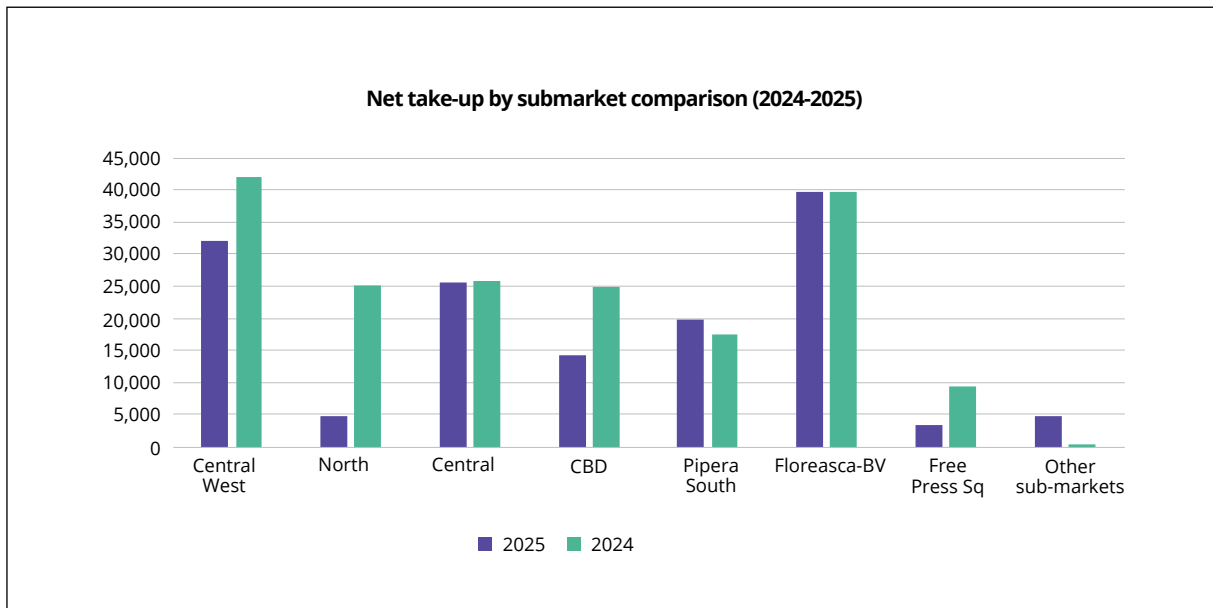
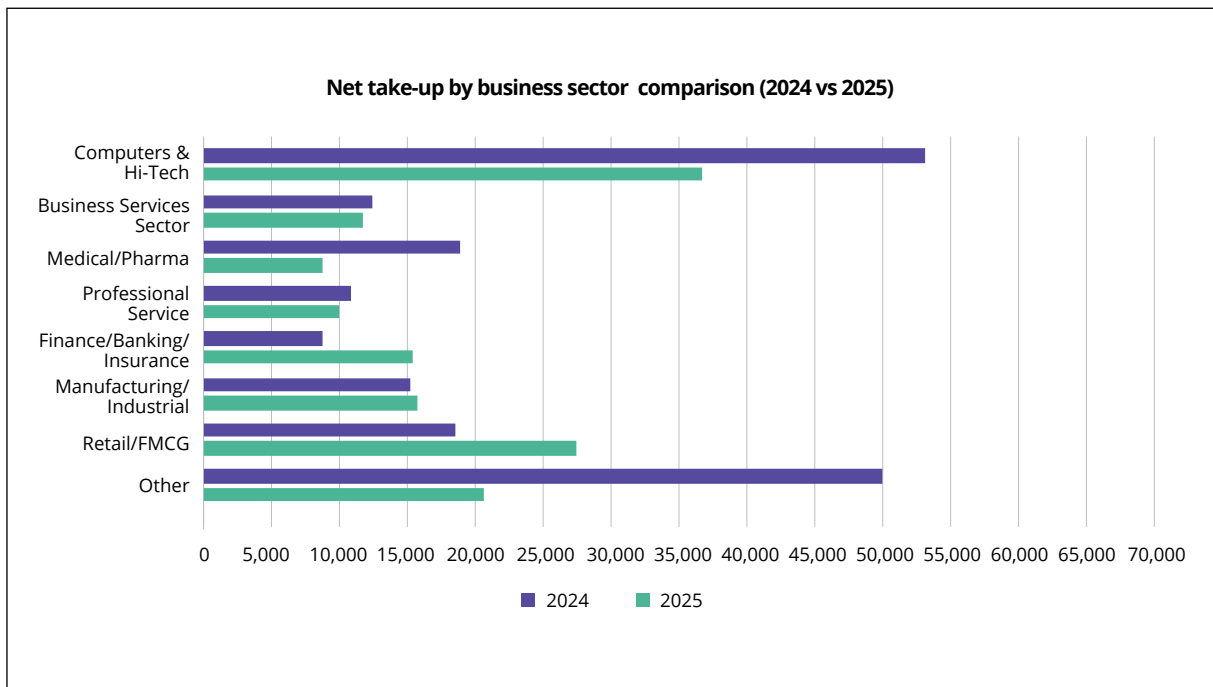


Gross take-up evolution 2016 - 2025 (sqm)



By contrast, relocations from competitive stock largely reflect occupiers moving within the modern office market and generate net demand only when accompanied by expansions. New leases were signed in projects such as Floreasca Park, J8 Office Park, Yunity Park, Hermes Business Campus, and One Cotroceni Park, underscoring their position among the most sought-after developments in 2025.

Supported by the availability of institutional-grade office space, the Floreasca-Barbu Vacarescu and Center-West submarkets accounted for approximately 50% of net take-up. These were followed by the Central and Pipera South submarkets, capturing 17.8% and 13.8% of leasing activity, respectively.



By sector, the computer hi-tech industry accounted for 25% of net take-up, followed by consumer goods and services at approximately 19%. Banking and finance, manufacturing, energy, and business services each contributed around 10% to net leasing activity. Medical and pharmaceutical occupiers declined to 6%, while the public sector has yet to record a meaningful expansion within the modern office stock.

Due to the reduced availability of high-quality sublease space, only three notable sublease transactions were recorded in 2025, in Business Garden Bucharest (Center-West), Miro (North), and Upground BOC (Pipera South). Compared to the previous leasing cycle, the contraction of both sublease stock and activity is evident and expected to persist. Instead, occupiers are increasingly meeting short-term space needs through co-working operators, with prime locations offering competitive financial terms, strong amenities, and high-quality fit-outs nearing full occupancy.



Rents

In the most sought-after office locations, headline rents continued to edge upward in the final quarter of the year. While prime rents remain quoted at €21–22/sqm/month, a limited number of smaller CBD units achieved levels of €23–25/sqm/month. With rent indexation expected in early 2026, further upward adjustment of prime rents is anticipated.

ready-to-move-in spaces. Market standards remain at one month rent-free per contractual year for leases typically signed for five years, with a break option around the third year. Additional fit-out incentives may be negotiated; however, for vacated units, fit-out costs are generally lower, as these spaces do not start from a shell-and-core condition.

Incentive packages are increasingly negotiated on a case-by-case basis as the market continues to rebalance in favor of landlords, particularly for



Vacancy

At the end of the fourth quarter, the average vacancy rate stood at 10.8%, reflecting an approximately 100 bps quarter-on-quarter decrease. The lowest vacancy levels were recorded in the Central (5.5%), Floreasca-Barbu Vacarescu (5.6%), and CBD (5.7%) submarkets. A notable decline in vacancy was also seen in the Center-West area, where vacancy declined to 13.8%. With new projects expected to be delivered in the final quarter of 2026, the average vacancy rate is expected to decline further. This process may be moderated by increased pre-leasing activity; however, it remains unlikely that occupiers will commit in large numbers

to projects scheduled for delivery in two to three years. Opportunities remain for standing buildings with prolonged vacancy, particularly in submarkets such as Free Press Square and Center-West. The conversion of these opportunities into signed leases and further reductions in vacancy will largely depend on landlords' willingness to offer competitive and compelling financial packages.



Average vacancy rate in Bucharest

10.8%

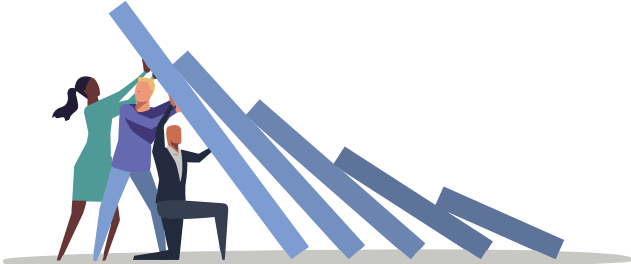


Forecast

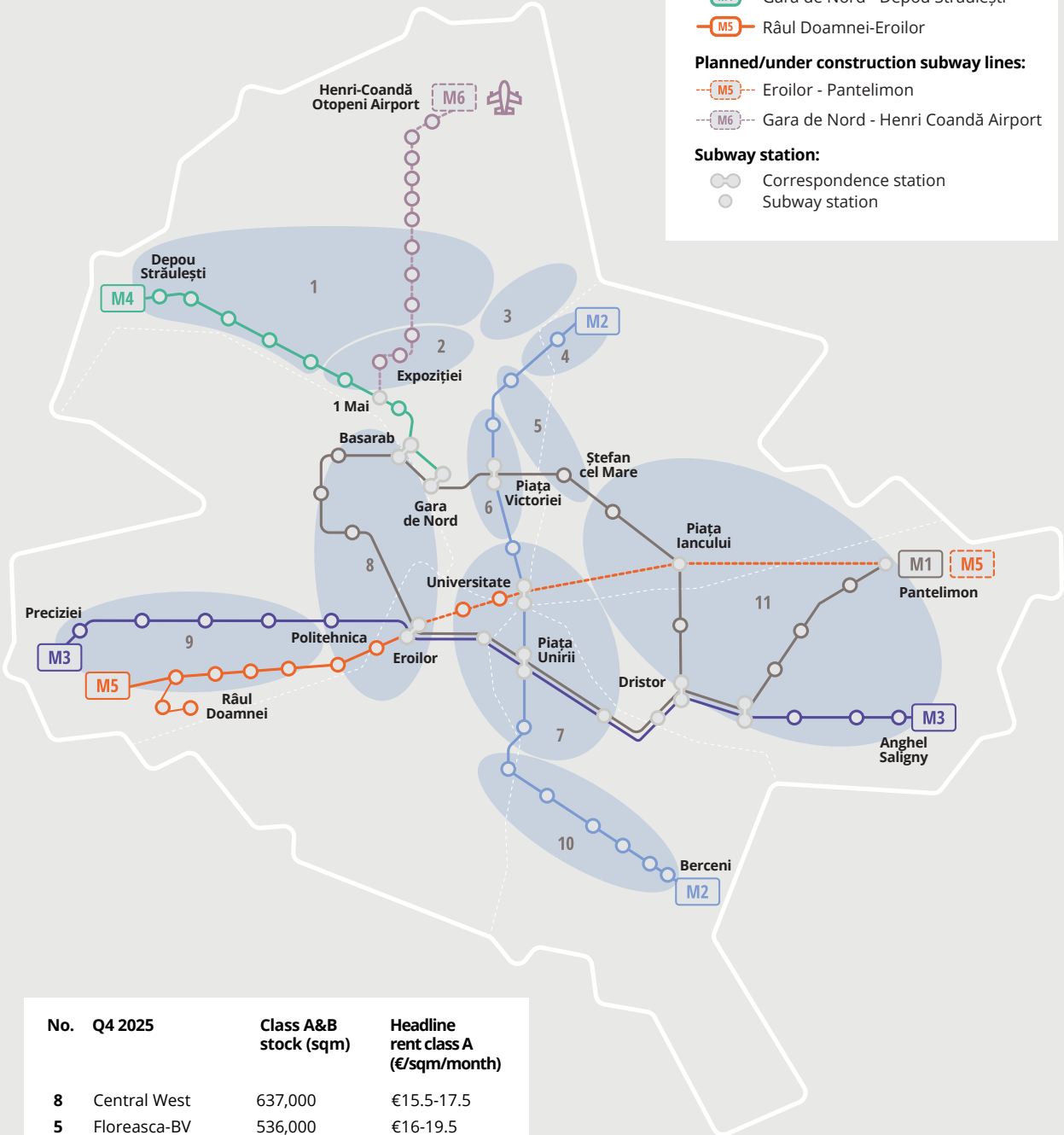
Over the past 24 months, only one new office project has been delivered in Bucharest. Despite this limited supply, leasing activity has remained resilient, encouraging developers to advance new developments. Consequently, the pipeline has expanded with the announcement of several new projects, while others are expected to commence or resume construction in the near future. Given the marginal increase in office stock anticipated over the next 24-36 months, overall vacancy rates

are expected to continue declining, particularly within Class A buildings. As demand gradually absorbs available space, the market is projected to shift further in favor of landlords, accompanied by rising rental levels across all office submarkets and a reduction in tenant incentive packages.

Mixed-use developments incorporating residential and retail components are expected to maintain strong demand over the medium to long term. These projects continue to attract both occupiers and investors, particularly in comparison with standalone office buildings, which face increasing pressure from evolving work models and occupier preferences. The flexibility, community integration, and diversified income streams of mixed-use developments position them as a resilient and attractive option in the current market environment.



Office submarkets, headline rents and modern stock



Existing subway lines:

- M1 Dristor - Pantelimon
- M2 Berceni - Pipera
- M3 Preciziei - Anghel Saligny
- M4 Gara de Nord - Depou Străulești
- M5 Râul Doamnei-Eroilor

Planned/under construction subway lines:

- M5 Eroilor - Pantelimon
- M6 Gara de Nord - Henri Coandă Airport

Subway station:

- Correspondence station (two overlapping circles)
- Subway station (single circle)

No.	Q4 2025	Class A&B stock (sqm)	Headline rent class A (€/sqm/month)
8	Central West	637,000	€15.5-17.5
5	Floreasca-BV	536,000	€16-19.5
4	Pipera South	455,000	€12-14
7	Central	402,000	€17-20
6	CBD	341,000	€21-22
1	North	323,000	€13.5-16
2	Free Press Square	253,000	€15.5-17.5
3	Pipera North	178,000	€9-11
9	West	168,000	€10-13
11	East	95,000	€10-12
10	South	52,000	€ 10-12

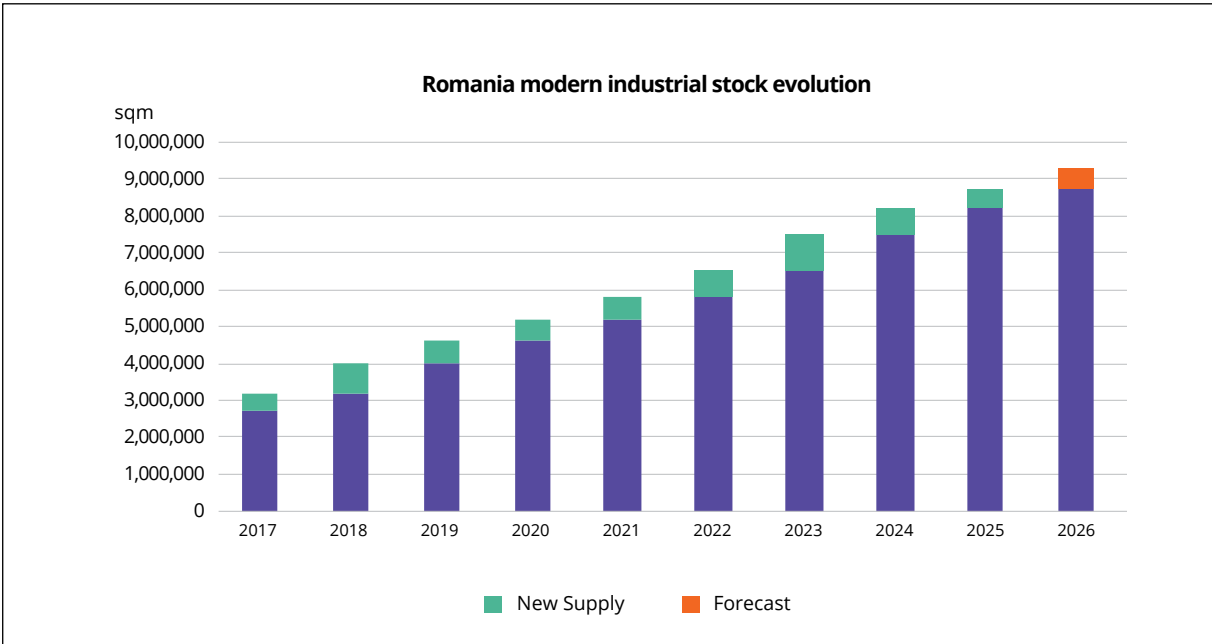
Industrial market

Supply and stock



History is in the making. Romania’s real estate industrial and logistics market is one of the success stories of the decade and, in terms of stock, one very important milestone is about to be surpassed. Romania’s modern industrial stock has expanded consistently over the past decade, increasing from approximately 2.3 million sqm in 2015 to an estimated 9.3 million sqm by the end of 2026.

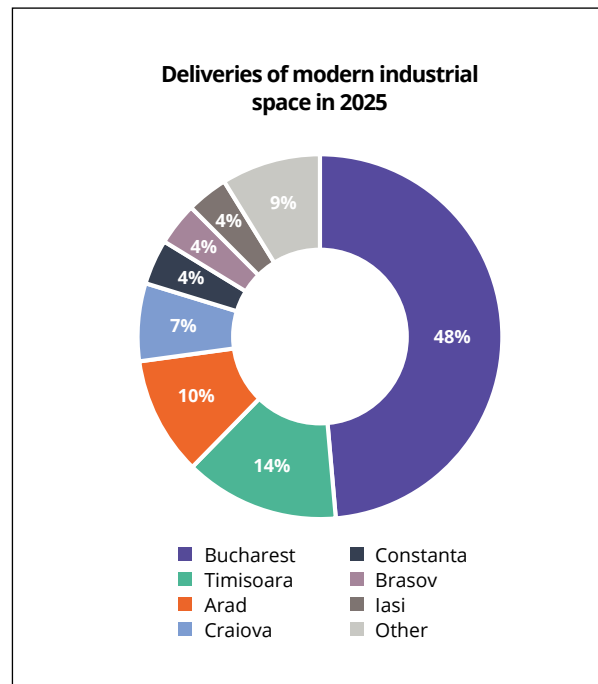
This represents a near fourfold increase in total inventory, reflecting sustained developer confidence and structurally strengthening occupier demand. The trajectory indicates a transition from an emerging to a more established logistics market. Growth is becoming more sustainable, aligned with demand fundamentals and infrastructure improvements.



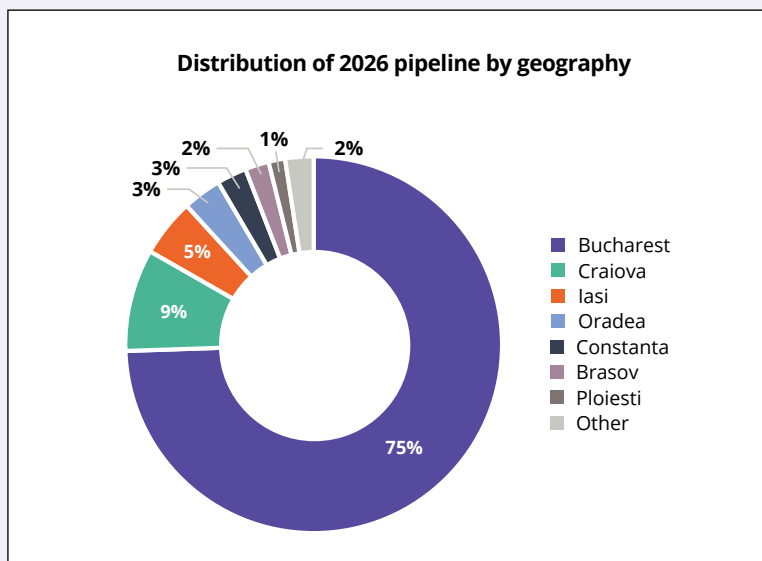


At the end of 2025, the modern stock stood at around 8.7 million sqm. Annual additions of approximately 500,000–700,000 sqm continue to expand the market. Around 45% of the stock is located in Bucharest area. This share has been on a slight decreasing trend from 48% in 2023. Bucharest still accounted for the largest share of the deliveries in 2025. This reinforces the city's position as the country's primary logistics hub, supported by infrastructure connectivity and proximity to the largest consumer market.

At the same time, nearly half of new completions are distributed across regional markets, highlighting the continued decentralisation of development activity. Timisoara ranks second with roughly 14%, followed by Arad with 10%. Together, the Western corridor continues to attract meaningful investment, benefiting from cross-border connectivity and established manufacturing clusters.



Pipeline



There is a healthy pipeline of around 600,000 sqm planned for 2026, and already some projects announced for 2027. By 2026, total stock is projected to exceed 9 million sqm, positioning Romania as one of the key industrial hubs in Central and Eastern Europe.

The 2026 development pipeline remains strongly concentrated in Bucharest; however, a notable share of upcoming projects is allocated to cities that until recently were considered tertiary hubs, including Craiova, Iasi, Oradea and Constanta. This shift represents a meaningful broadening of development activity beyond the traditional core markets. The presence of a structured pipeline in these locations signals growing occupier confidence and a more geographically diversified demand base. It also reflects developers' increasing willingness to

deploy capital in emerging regional markets, supported by improving infrastructure, labour availability and strengthening local industrial ecosystems. This evolution points to a gradual expansion of Romania's modern logistics and industrial footprint. Rather than remaining concentrated in a limited number of established hubs, the network is extending across a wider portion of the country, contributing to a more balanced and integrated national distribution platform.

Take-up

History is in the making. The fourth quarter of 2025 marked the strongest quarter ever recorded in Romania's industrial and logistics market, with approximately 500,000 sqm of gross take-up. At the full-year level, 2025 also set a new benchmark, reaching around 1,250,000 sqm of leased space — the highest annual volume on record.

This performance underscores the structural depth and resilience of occupier demand. Rather than representing a short-term spike, the record absorption reflects sustained momentum across manufacturing, logistics and distribution sectors, supported by nearshoring dynamics, infrastructure improvements and Romania's strategic positioning within the European supply chain.



Gross take-up
fourth quarter of 2025

500,000 sqm

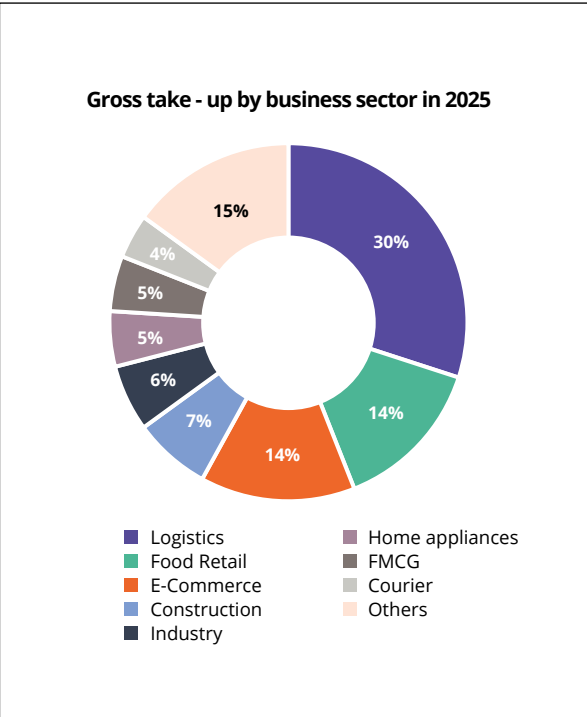


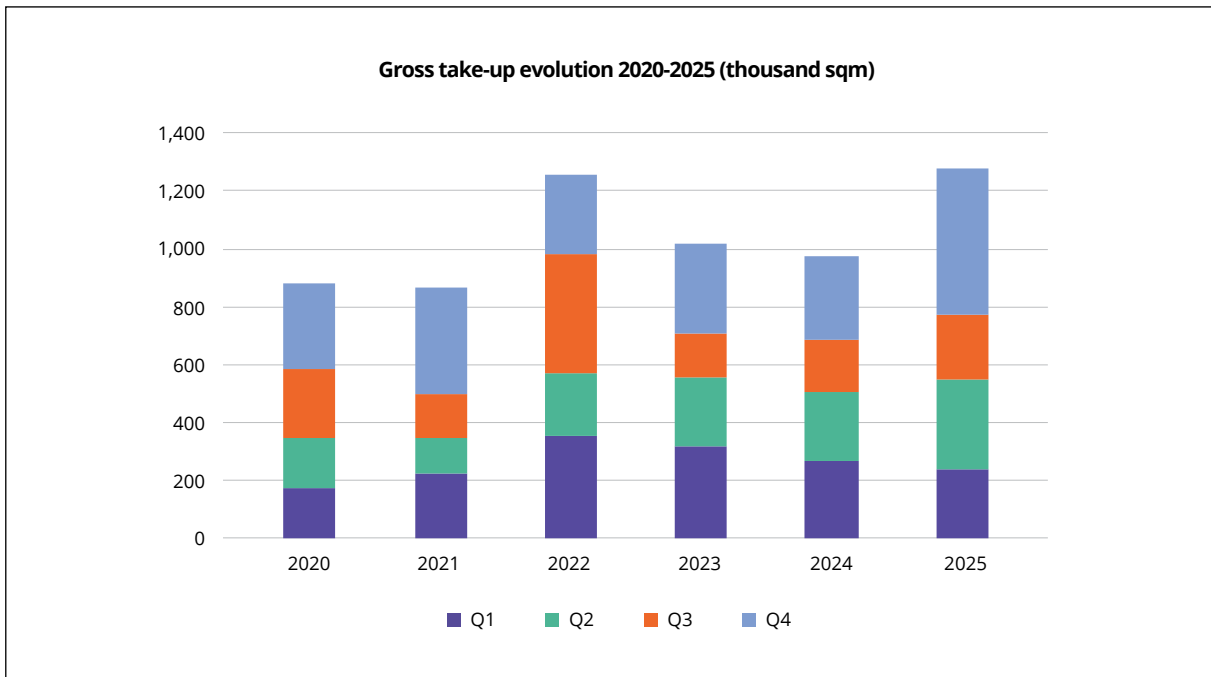
Full-year level 2025,
leased space

1,250,000 sqm

Several structural factors continue to support demand. Western corporates are increasingly repositioning production closer to end consumers, seeking to enhance supply chain resilience while maintaining cost efficiency. Central and Eastern Europe remains well placed to capture this nearshoring momentum, offering a compelling combination of proximity, skilled labour and competitive operating costs.

At the same time, the current macroeconomic and trade environment is encouraging Asian manufacturers to establish a foothold within the European Union in order to mitigate tariff exposure and secure more direct access to the single market. Romania is uniquely positioned at the intersection of these trends. Its EU membership, improving infrastructure and competitive cost base create a platform that aligns with reshoring, nearshoring and tariff-hedging strategies alike, reinforcing the depth and sustainability of occupier demand.





The 2025 demand structure highlights a clear leadership position for logistics, which accounts for 30% of total gross take-up. This confirms the supply chain optimisation and the country's strengthening position within regional distribution corridors.

Consumer-driven sectors also maintain a strong presence, with food retail and e-commerce each contributing 14% of total demand. Together, these segments represent nearly one-third of total leasing

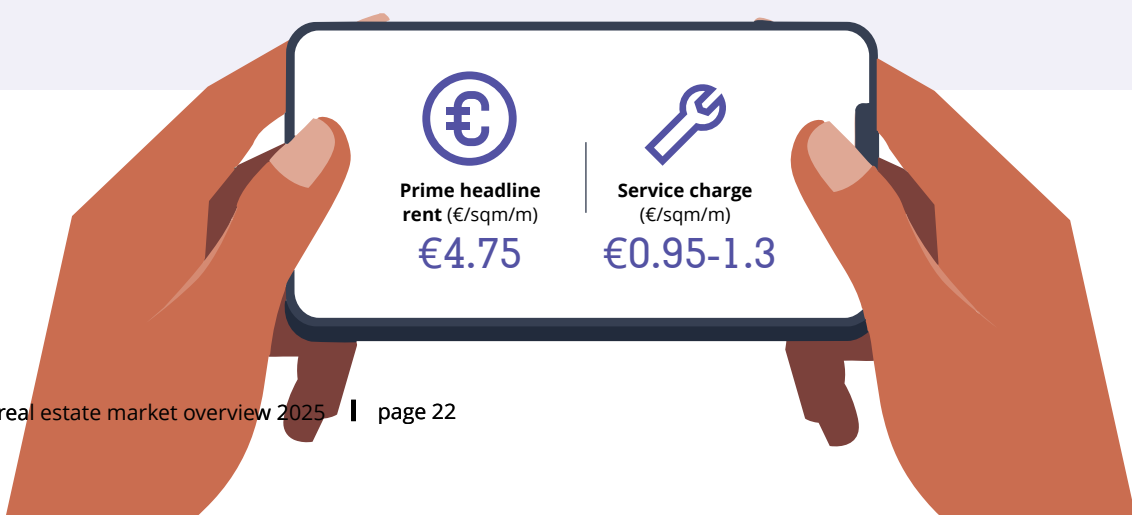
activity, underscoring the sustained relevance of consumption-led distribution and last-mile infrastructure.

Market dynamics are currently characterised by a balanced supply-demand environment, underpinned by solid demand fundamentals. Occupier activity remains resilient, supported by competitive labour costs, strategic geographic positioning and continued integration into European supply chains.

Rents

Prime headline rents in Romania's modern industrial and logistics market have followed a clear upward trajectory over the past 5 years, reflecting strengthening fundamentals and a progressively tighter balance between demand and available modern stock. Prime rents moved from approximately €4.00/sqm/month in 2020, reaching €4.75/sqm/month in 2025. Over the same period, average service charges increased from ~€0.85/sqm/month to ~€0.95-1.3/sqm/month.

Looking ahead, pricing is expected to continue trending upward, albeit at a measured pace. With demand supported by logistics-led expansion and a broad occupier base, further increases are likely to be incremental and time-phased rather than abrupt.



Vacancy

Vacancy rates are at an historic all-time low, standing at approximately 4.2% nationally and 3.8% in the Bucharest area. This compression has been driven primarily by a pronounced decline in availability around the capital, where demand has accelerated in recent quarters. In the third quarter of 2025, the vacancy rate in the Bucharest area fell

below the national average for the first time in the current cycle. This shift reflects intensified occupier activity in and around the capital, supported by its role as the country's primary consumption hub and logistics gateway. The current vacancy profile underscores a market operating at a high level of occupancy, particularly in core locations.



Forecast

Supported by solid market fundamentals, a visible development pipeline and occupier commitment, Romania's modern industrial stock is on track to enter eight-figure territory by the end of 2027.

indicates a step-change in execution capacity: annual additions increased from 29–80 km in 2021–2023 to ~201 km in 2024, with a further uplift expected in 2026.

Romania's motorway network is entering a new acceleration phase, with total highway stock rising from approximately 941 km in 2021 to an estimated 1,418 km at the end of 2025, and projected to reach around 1,837 km by 2027. The delivery profile also

From an industrial and logistics perspective, this trajectory is a meaningful structural tailwind. Improved motorway coverage reduces transit times, expands feasible catchment areas, and supports the emergence of new distribution and manufacturing nodes beyond the established hubs.



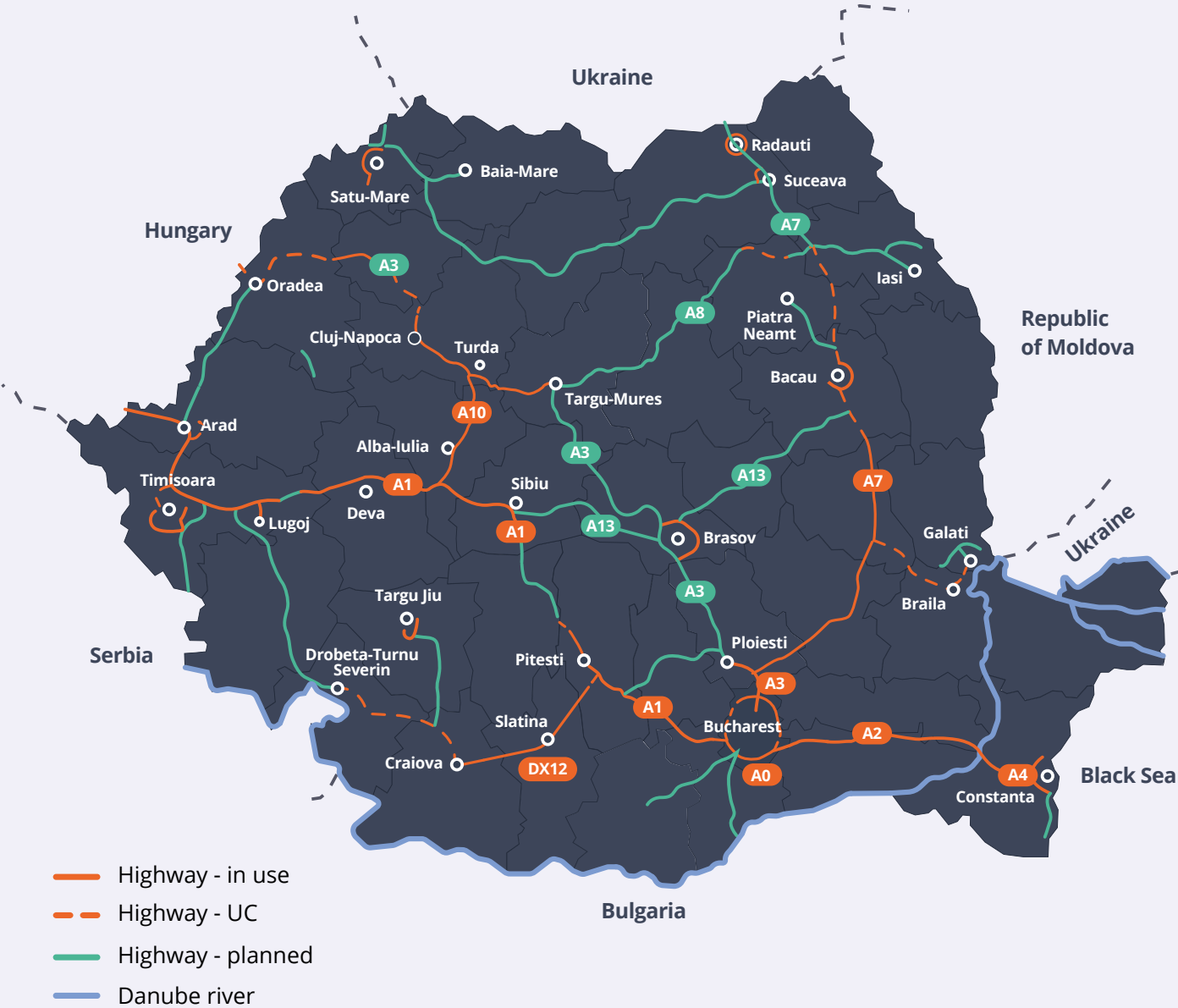
As connectivity strengthens, more of the country becomes “investable” for modern logistics development, enabling occupiers to optimise networks, improve service levels and access a broader labour pool. Enhanced accessibility in the North-East and Eastern parts of the country is expected to stimulate incremental investment activity, broaden occupier demand and support long-term asset value appreciation.

According to Eurostat data, Romania has recorded the fastest growth in road freight transport volumes across the European Union over the past decade. This sustained expansion reflects the country’s

strengthening role within regional supply chains and its increasing relevance as a logistics and distribution platform.

The country’s structural positioning remains a core strength. Membership in the European Union, accession to the Schengen Area, and NATO affiliation provide a robust framework of economic integration, security and institutional stability. Overall, improving infrastructure, geopolitical alignment with Western institutions and balanced market fundamentals create a supportive backdrop for sustained industrial and logistic activity in 2026 and beyond.

Romania infrastructure





Get more information

David Canta

**Managing Director
Romania & Czech Rep.**

david.canta@avisonyoung.com
+40 727 737 894

Levis Vlad

**Head of Research
Romania**

levis.vlad@avisonyoung.com
+40 744 333 631

Andrei Kivu

**Senior Data Analyst, Research
Romania**

andrei.kivu@avisonyoung.com
+40 744 481 955



**For the latest updates,
visit us on LinkedIn!**

avisonyoung.com

The information contained in this report was obtained from sources that we deem reliable and, while thought to be correct, is not guaranteed by Avison Young Inc. All opinions expressed and data provided herein are subject to change without notice. This report cannot be reproduced, in part or in full, in any format, without the prior written consent of Avison Young Inc.