



ROMANIAN REAL ESTATE MARKET 2024

Macroeconomic context • Investment • Office
• Industrial • Residential • Land



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Macroeconomic context



0.9%

GDP growth 2024

-1.1% y-o-y

5.2%

Unemployment rate

-0.2% y-o-y

6.03%

ROBOR 3m

December 2024

5.6%

Annual inflation rate

-4.8% y-o-y

1,135€

Net average salary

+11% y-o-y

December 2024

5.66%

IRCC

Q3 2024



GDP growth 2024

Falling short of initial expectations, preliminary data indicates that Romania's GDP annual growth for 2024 achieved only a modest increase of 0.9%. Rising domestic demand drove higher imports, while reduced exports, elevated energy prices, and wage increases weighed on economic performance.

0.9%

-1.1% y-o-y

Annual inflation rate

Romania's inflation rate remained the highest in the EU, with a 5.6% annual average in 2024. Projections indicate a gradual slowdown, with inflation expected to fall below 4% in 2025 and 2026, and the 2.5% target likely to be achieved by early 2027.

5.6%

-4.8% y-o-y

ROBOR 3m

6.03%

December 2024

IRCC

5.66%

Q3 2024

With inflation remaining well above target, the Romanian National Bank has cautiously implemented a series of small downward adjustments to the reference interest rates. The closing of 2024 recorded a reference interest rate of 6.03%.

Unemployment rate

The unemployment rate held steady at 5.3% during the first half of 2024, remaining 0.6% below the EU average. However, job vacancy rates are declining across Europe, with Romania's rate at 0.8% in Q3 2024, the lowest in the EU. The cooling labor market might have further negative implications for economic growth, potentially leading to decreased consumer spending, lower wage growth, and increased pressure on social safety nets as job opportunities become scarcer.

5.2%

-0.2% y-o-y

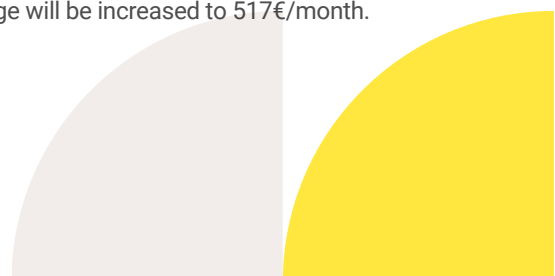
1,135 €

+11% y-o-y

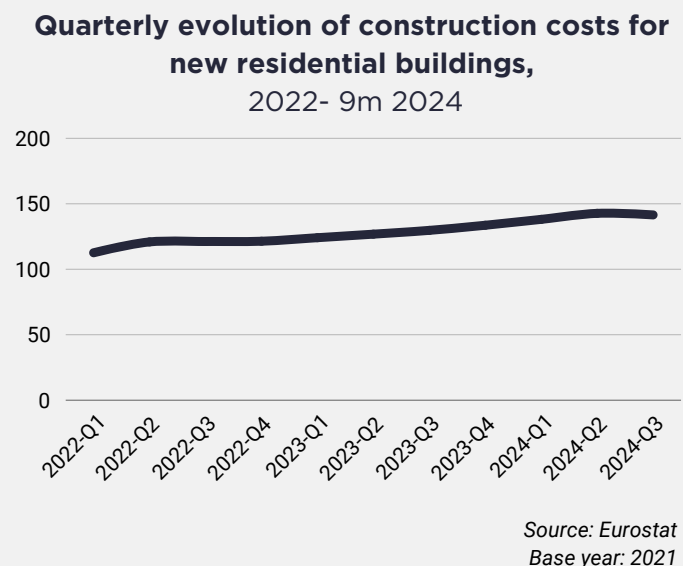
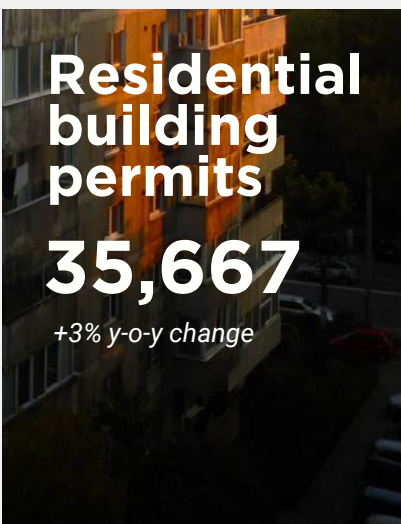
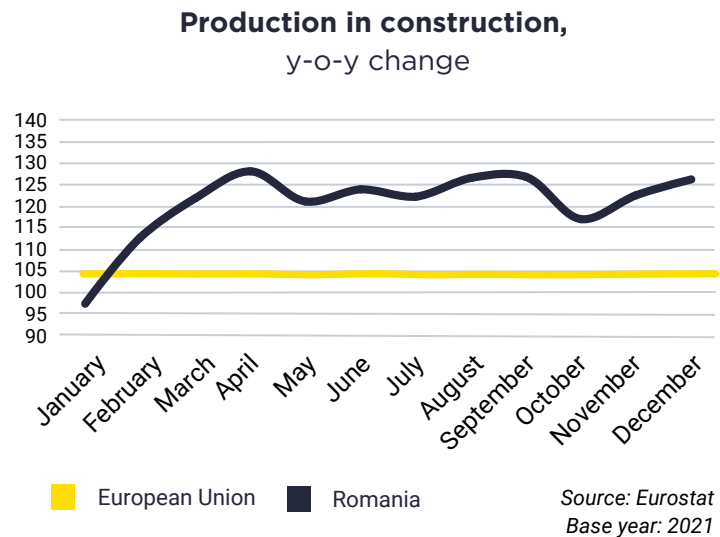
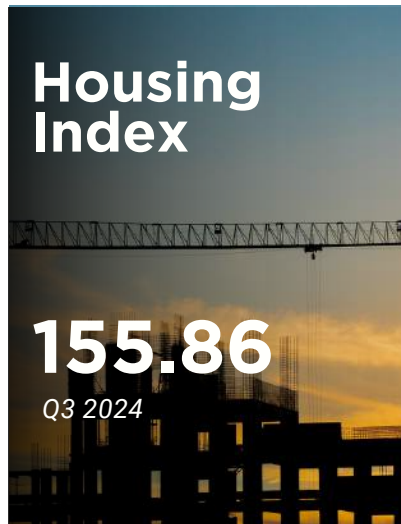
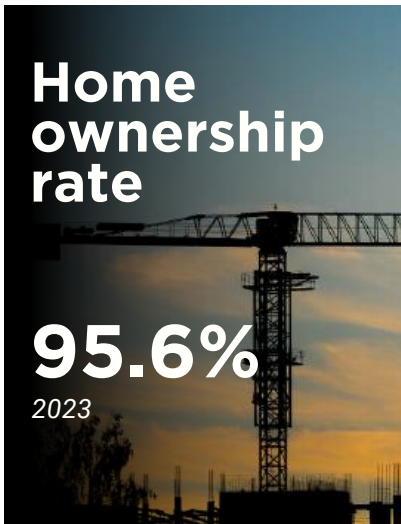
December 2024

Net average salary

The net average wage in Romania increased to 1,135€/month in December 2024, an 11% y-o-y increase, while the net minimum wage was raised to 475€/month. Starting January 1st, 2025, the net minimum wage will be increased to 517€/month.



Romanian Construction Sector, 2024



ROMANIAN INVESTMENT MARKET



Total investment volume

€719 M

▲ +50% y-o-y

Cross-border investments

€528 M

▲ +41% y-o-y

Largest transaction

€168 M

Average deal size

€26.6 M

27 transactions



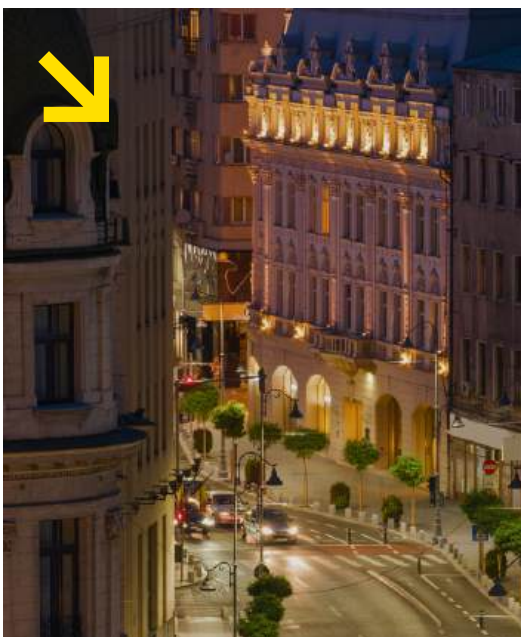
OVERVIEW

In 2024, **the global real estate investment** landscape experienced a notable resurgence, with investors re-entering markets across all sectors and geographies. The office sector, in particular, showed signs of renewed interest, marking a shift from the cautious sentiment that dominated previous years.

In Europe, the total real estate **investment volume** surged by 27%, reaching nearly **€191 billion**. The **hospitality and retail sectors led the way**, recording the most significant increases in transaction activity. Despite ongoing political uncertainties, unexpected climate-related disruptions and persistent financial market volatility, the real estate sector seemed to hold steady. Compared to 2023, investor sentiment improved considerably, with growing confidence in the market's ability to navigate economic challenges and adapt to evolving trends.

The broader geopolitical concerns that had dampened **the CEE's** appeal since the onset of the Russia-Ukraine conflict appeared to fade into the background in 2024. Investment activity nearly doubled in the region compared to the previous year, at **€7.9 billion**, with Poland leading the way at 134% year-on-year growth, followed by Romania and the Czech Republic, both seeing investment volumes rise by around 50%, and Hungary, which recorded a 27% increase.

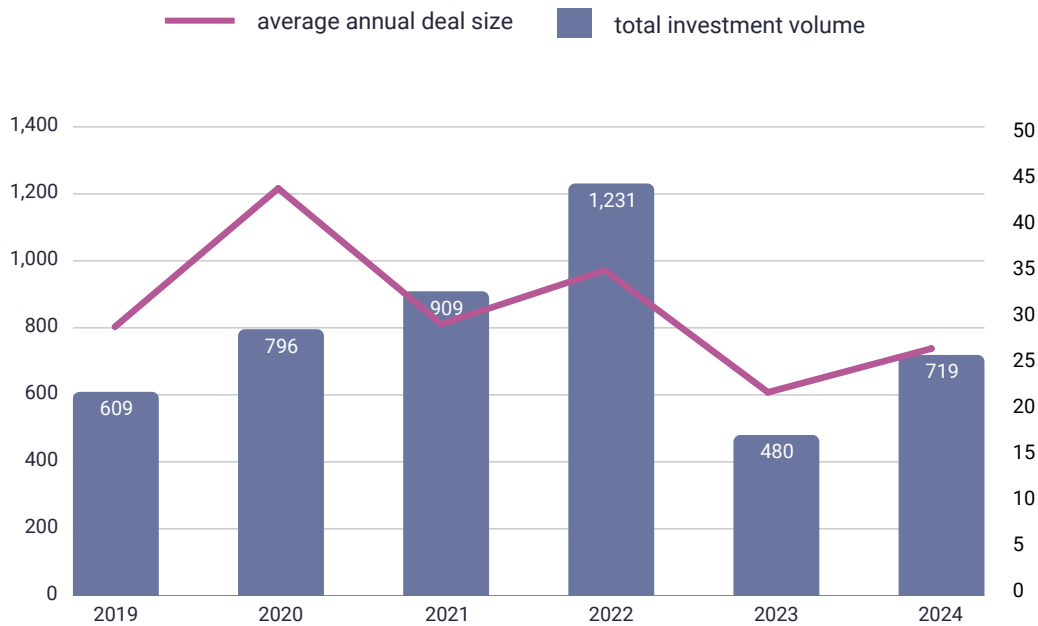
With total real estate investments exceeding **€719 million**, **Romania's investment market** gained momentum in 2024, recording a 50% year-on-year increase. Driven by **large industrial portfolio transfers, a growing interest in secondary-market retail, and a cautious revival of the office sector**, investment activity fueled a more optimistic outlook for the future. The market also saw a reshuffling of key players and the entry of new investors, signaling a fresh dynamic in the sector.



SUMMARY

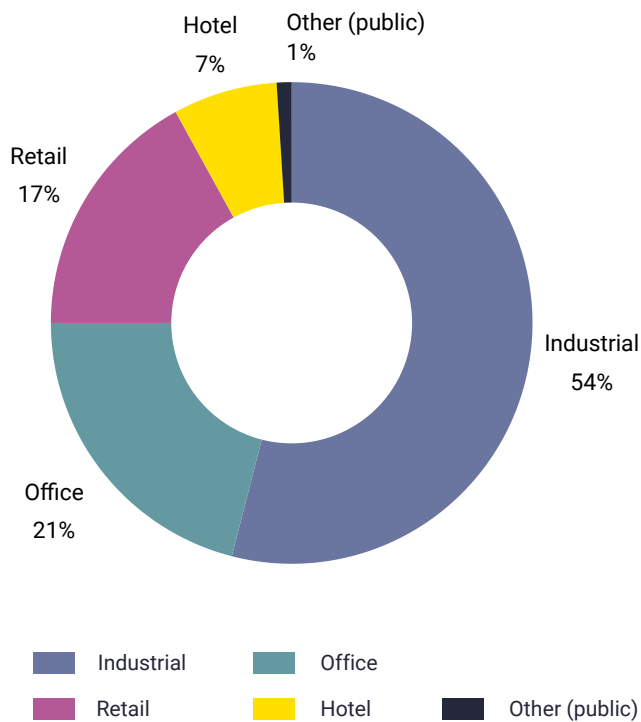
Following an underwhelming 2023, which saw the smallest investment volume in more than a decade, 2024 seemed to have unfrozen investor interest in the Romanian real estate market. Although the investment volume remained below long-term average, momentum picked up, with a series of large transactions expanding into 2025, indicating an upward trend in investment activity in the coming months.

Investment volume and average deal size (€M), 2019-2024



Source: Crosspoint research based on market information

2024 Investment breakdown by sector

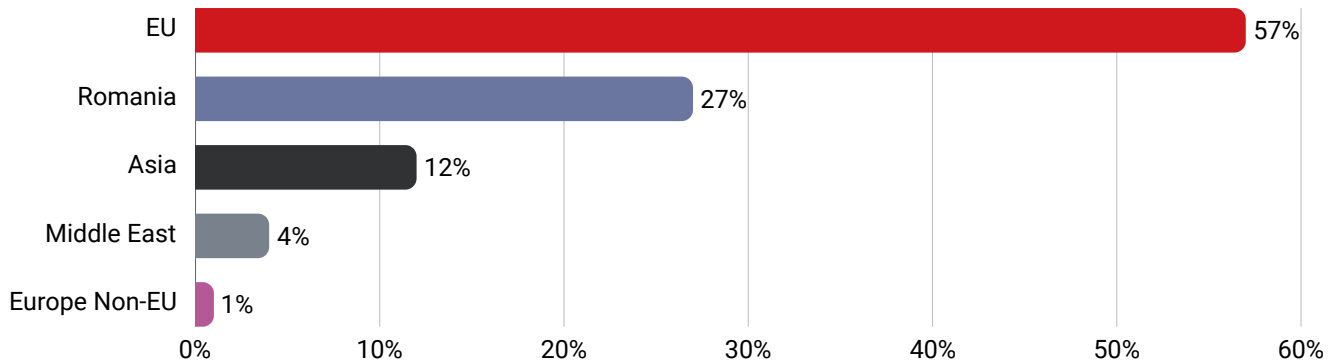


Source: Crosspoint research based on market information

The industrial sector dominated Romania's total investment volume in 2024, at over half the share in total transaction volume, with two standout transactions shaping the market. **Globalworth's exit from the sector**—selling both its individually owned portfolio and its co-owned assets with Global Vision—saw the properties split between the country's largest players, CTP and WDP. Looking ahead, at least one mid-sized player is expected to exit in 2025, leading to a smaller pool of owners and a more concentrated market.

Office assets ranked second in investor preference, accounting for **21% of total transactions**, followed by **retail** at **17%**, **hotels** at **7%**, and a **1% share from a public sector acquisition** of a shopping center set to be repurposed as an academic facility.

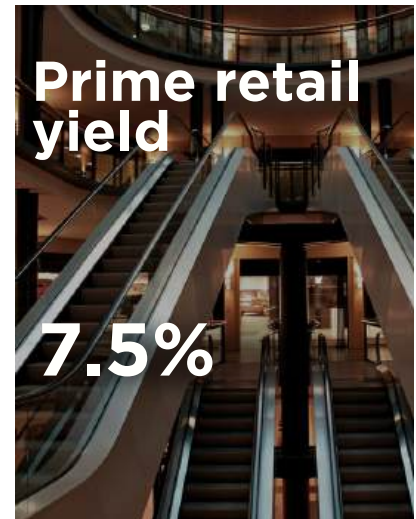
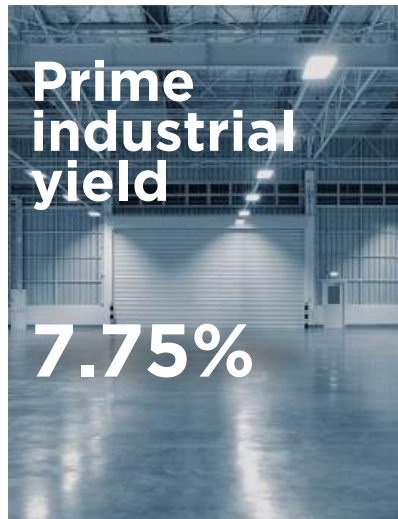
Investment breakdown by purchaser source of capital, 2024



Source: Crosspoint research based on market information

EU investors were the **most active** on the Romanian real estate market in 2024, with €409.9 million, followed by domestic investors, with €190.9 million, Asian buyers at €85.5 million, followed by Middle Eastern and other European investors outside the EU, at €27 million and €5.75 million respectively.

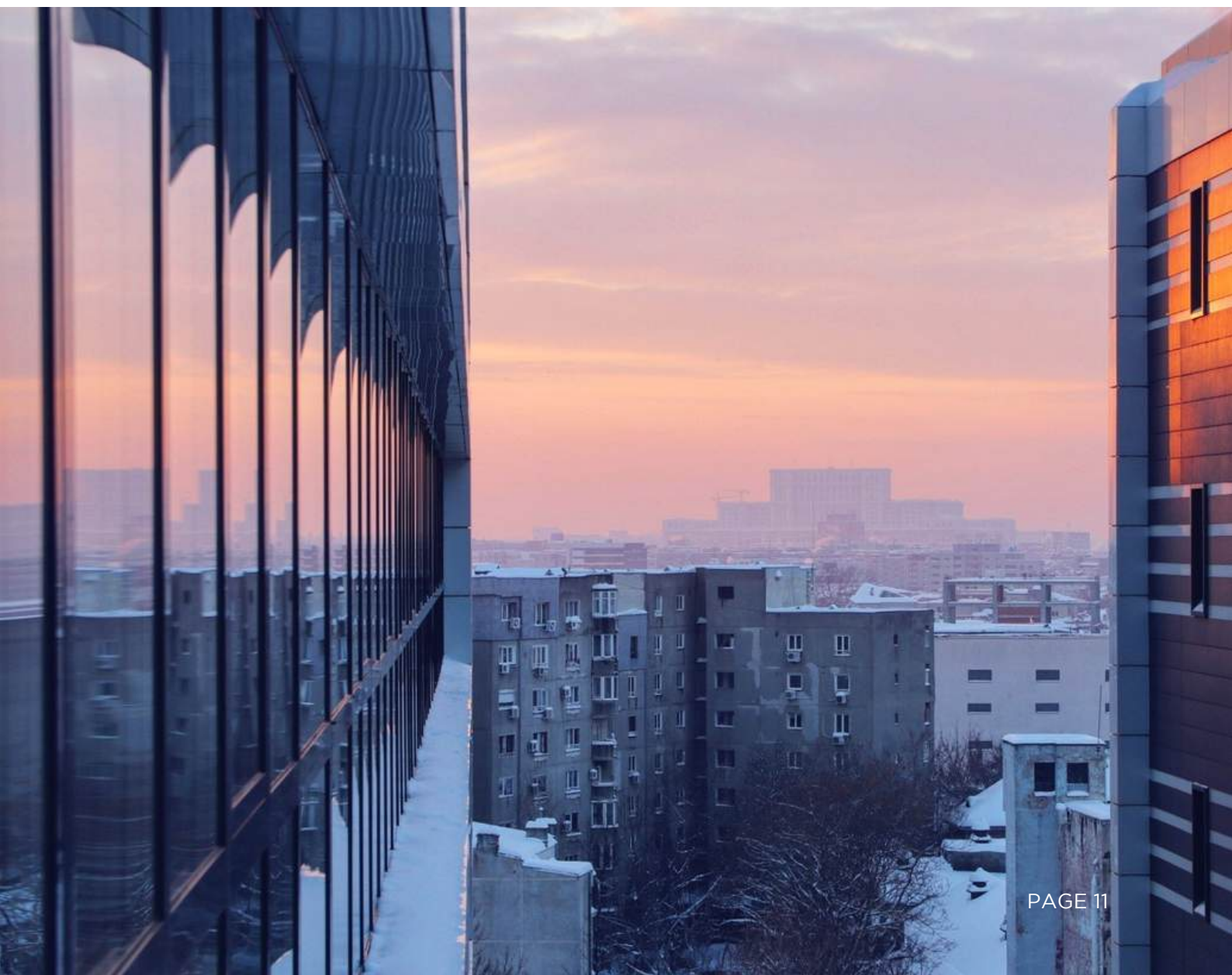
Due to the national spread of industrial portfolios transacted throughout 2024 and the focus on regional and secondary market retail products, investments were almost **evenly divided** between **Bucharest and the rest of the country**.



Prime investment yields, despite minor fluctuations throughout the year, settled at **7.5% for office and retail assets** and **7.75% for industrial & logistics**. As the gap between seller asking prices and buyer offers continues to narrow, and with high inflation driving service charges upward, yields are expected to experience modest contractions by the end of 2025.

SECTOR	PROPERTY NAME	AREA (sqm)	CITY	SALE PRICE	VENDOR	BUYER
Industrial	Globalworth portfolio	391,200	Timisoara, Arad, Oradea, Pitesti, Bucharest	€168,200,000	Globalworth	CTP
Industrial	3 Globalworth/Global Vision properties	136,374	Bucharest, Constanta	€110,000,000	Globalworth/Global Vision	WDP
Industrial	Expo Market Doraly	100,000	Bucharest	€90,000,000	50% Private 50% HSBC	WDP
Office	The Landmark	23,500	Bucharest	€75,000,000	Revetas Capital/Cerberus	Vectr Holdings
Office	Bucharest Financial Plaza	26,300	Bucharest	€27,000,000	Immofinanz	AFI Europe
Retail	Era Shopping Park	64,700	Oradea	€25,000,000	Argo Real Estate Opportunities Fund	Prima Development Group
Retail	Retail Portfolio	19,549	Cluj-Napoca	€24,300,000	SIFI Cluj Retail SA Bucuresti	Sapient Center SA
Hotel	Hotel Ambasador 4*	209	Bucharest	€20,000,000	Private shareholders (companies and individuals)	Julius Meinl Living
Industrial	Tenneco factories	19,000	Ploiesti	€15,000,000	Tenneco	WDP
Retail	Funshop Park Turda	9,000	Turda	€15,000,000	Scallier	BT Asset Management SAI

Top investments, 2024. Values are estimated
Source: Crosspoint Research based on market information



BUCHAREST OFFICE MARKET


crosspoint
real estate


savills
An International
Associate of Savills



Gross take-up

354,917 sqm

▼ -21% y-o-y

Total office stock

3.8 M sqm

Net take-up

112,984 sqm

Vacancy rate

9%

New Deliveries

16,000 sqm

▼ -4% y-o-y



OVERVIEW

Globally, the office sector in 2024 was characterized by a complex interplay of enforced return-to-work policies, a shift towards premium and flexible workspaces, significant tech sector layoffs influenced by AI integration, and stagnant occupancy rates. Companies and investors are navigating these dynamics to align with evolving work environments and economic conditions.

At the **European** level, demand remained consistent with 2023, with **net take-up exceeding 10 million sqm**. The average office occupancy rate in Europe has slightly increased to 60%, though it remains below the pre-pandemic level of approximately 70%.

The **local** office market mirrored global trends while also displaying its own specific characteristics. Amid a worldwide pause in speculative office development, Bucharest saw the completion of just one new office building in 2024, with a strong likelihood of no new deliveries in 2025. Although the wave of global tech layoffs appeared to slow in 2024, several companies, including Amazon, Gameloft, Oracle, and Accenture, carried out staff reductions in Romania throughout the year. In December 2024, Romania's unemployment rate was 0.7% lower than the EU average. However, the country's **job vacancy rate dropped to 0.8% in Q3 2024**, the lowest in Europe, indicating a decline in job opportunities nationwide.



SUMMARY

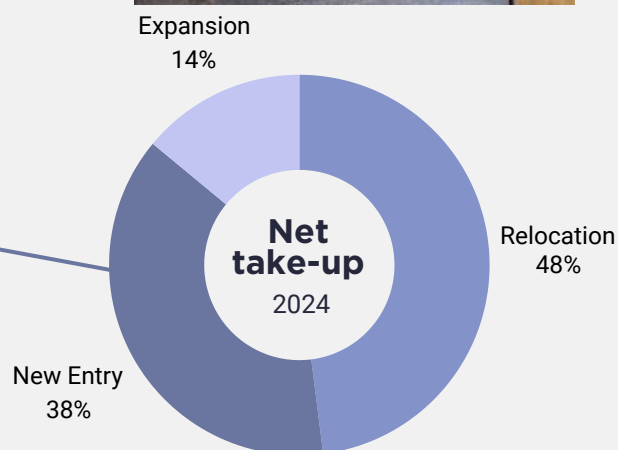
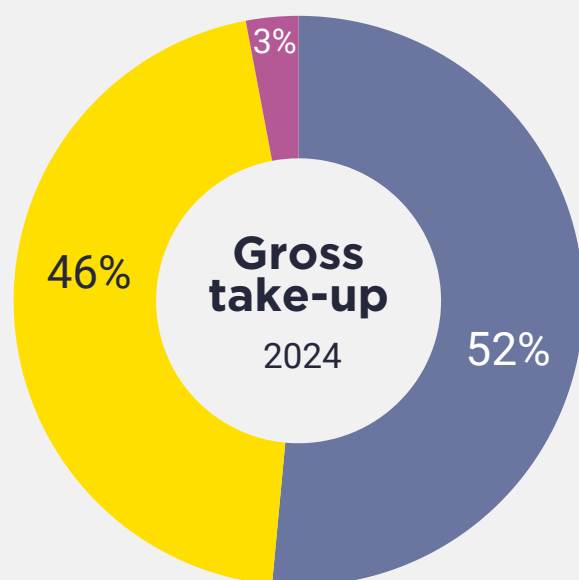
After an election year characterized by political uncertainty and a weaker-than-anticipated economic climate, Bucharest's office market saw a sluggish performance during the first nine months. However, activity picked up in Q4, a trend expected to persist into 2025.

Demand

In 2024, the **total leasing activity** for office space in Bucharest amounted to approximately **355,000 sqm**, reflecting a **21% year-on-year decrease**. **Net demand** remained relatively steady, at over half of total demand, with a **4% decrease** compared to 2023. However, the decline in net take-up was more pronounced when compared to the average of the previous five years, with a drop of 11%.



■ New Lease ■ Renewal/Renegotiation ■ Sub-lease

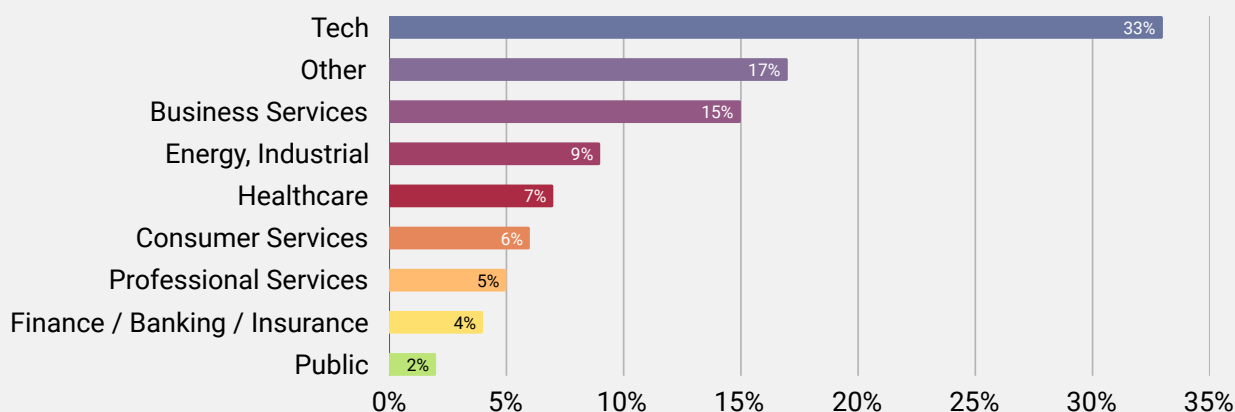


Source: Crosspoint research based on market information

In 2024, the **Tech** and **Business Services** sectors led the demand for office space in Bucharest, accounting for **over 173,000 sqm leased**. However, only 30% of these leases were new agreements, pointing to a slowdown in these sectors rather than growth or expansion.

Office leases, 2024

by industry



Top new leases, 2024

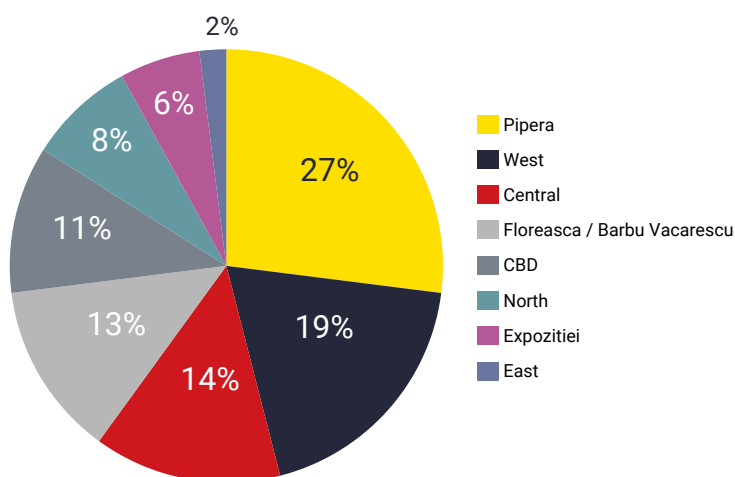


While 2023 saw an increase in the average deal size, 2024 experienced a 16% drop, bringing the average down to 1,408 sqm.

Well-connected areas of the city, particularly those with metro access, continued to dominate demand. Over 60% of leased office space was in buildings located within 500 meters of a metro station, with the highest demand in **Pipera (27%)**, **Central-West (19%)**, and the **city center (14%)**.

Demand structure

by industry



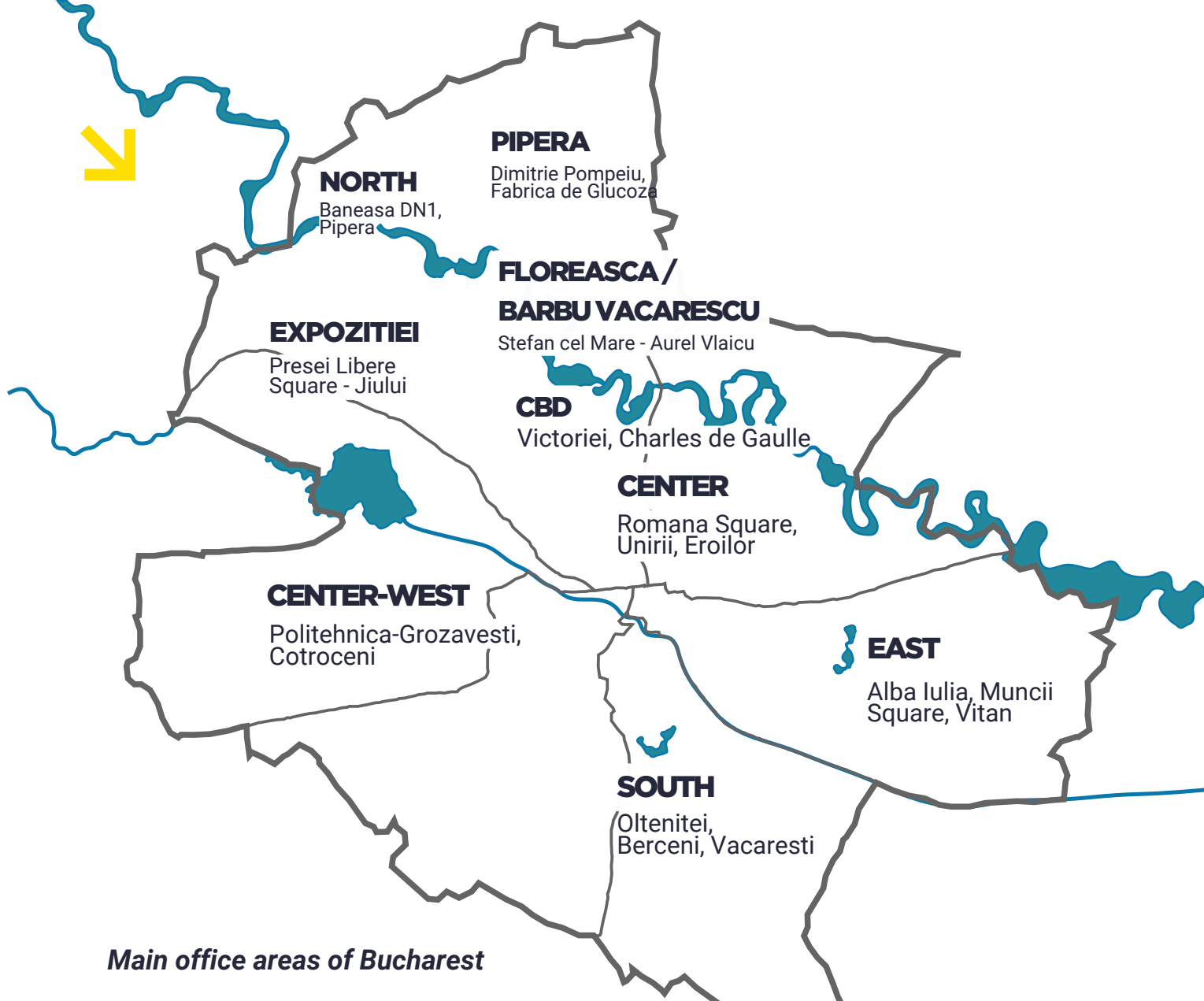
Supply

2024 saw a record low in office deliveries in Bucharest, with only one project—the **16,000 sqm AFI Loft** in the Center-West office hub—completed throughout the year. This lack of new supply is expected to be even more pronounced in 2025, with no confirmed deliveries anticipated. This situation stems from both the decreased post-pandemic demand and the ongoing blockage in building permit approvals in Bucharest. While development activity is expected to **increase** in 2026, the shift away from speculative office development is likely to shape the future of the office market, both locally and globally.

Rents & vacancy

Inflationary pressures and strong demand in specific areas have driven rents up, with **prime rent** in the CBD reaching **€22/sqm** by the end of 2024. The limited supply of new office space contributed to a decrease in the overall vacancy rate, which fell to 9% within a 3.8 million sqm stock. However, significant variations were observed across different areas, with vacancies in well-connected central locations dropping to under 5%.





Submarket	Average rent (€/m ² /month)	Vacancy Q4 2024 (%)
1. CBD	18 – 22	4
2. Center	16 – 20	3
3. Pipera	11– 15	13
4. Floreasca – BV	15.5 – 20	6
5. Center – West	15.5 – 17.5	7
6. East	10 – 14	11
7. South	10– 12.5	22
8. Expozitiei	15 – 16.5	13
9. North	9 – 14	6
TOTAL		9.0



ROMANIAN INDUSTRIAL MARKET



Total stock

7.35 M sqm

New deliveries

470,000 sqm

▼ -11% y-o-y

Total leases

595,397 sqm

▼ -5% y-o-y

Vacancy

6%

▲ +2% y-o-y



OVERVIEW

As Europe moved toward recovery in 2024, its economy remained vulnerable to both internal factors and external challenges. In particular, Germany's economic downturn, as the continent's largest economy, created a ripple effect, weakening overall growth prospects and contributing to a wider slowdown in the European industrial and logistics sectors. **European leasing activity was about 20% lower than in 2023**, as occupiers grew increasingly wary of rising labor and energy costs.

For 2025, the European industrial market is likely to face additional challenges in the form of tariffs and trade restrictions on exports imposed by the Trump administration.

Although **Romania's industrial market remained below its immediate post-pandemic peak**, its decline in activity was less pronounced than in the broader European region. The country's slower economic momentum was balanced out by constant consumer demand, the expansion of established players and growing interest from new investors, signaling increased confidence. The coming years are expected to see a realignment among smaller owners, with the market becoming even more concentrated in the hands of two dominant owners, who are poised to capture an even larger share moving forward.



SUMMARY

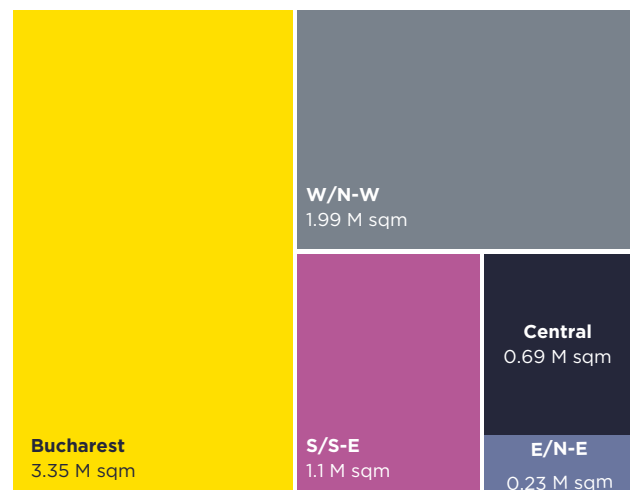
Romania's full admission into the Schengen area, alongside ongoing highway expansion and rail infrastructure upgrades in key industrial hubs such as the Port of Constanța, are expected to enhance connectivity, attract investment, and strengthen the logistics sector.



Stock & supply

By the end of 2024, Romania's industrial **stock** approached **7.4 million sqm**, supported by **the completion of over 450,000 sqm** of new supply. The West/North-West region recorded the highest volume of deliveries, totaling nearly 200,000 sqm, while Bucharest followed with approximately 130,000 sqm. This steady growth reflects the sustained demand for industrial space across the country. Looking ahead, the market is projected to maintain a similar pace of expansion in 2025, driven by ongoing developments and increasing investor interest.

Stock distribution by area



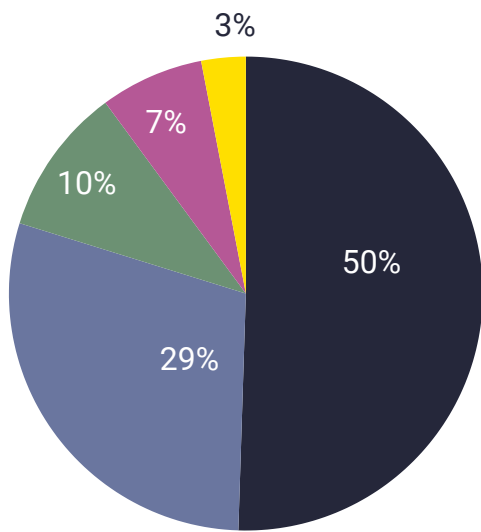
Source: Crosspoint research based on market information

Demand

In 2024, the **total take-up of industrial** space surpassed **595,000 sqm**, marking a modest **5% decline** compared to the previous year. However, the contraction becomes more pronounced when analyzing **net take-up**, which experienced a significant **20% year-on-year drop**, reaching **448,192 sqm**, reflecting a more cautious approach from occupiers, influenced by economic uncertainties, shifting market dynamics, or the postponing of expansion plans.

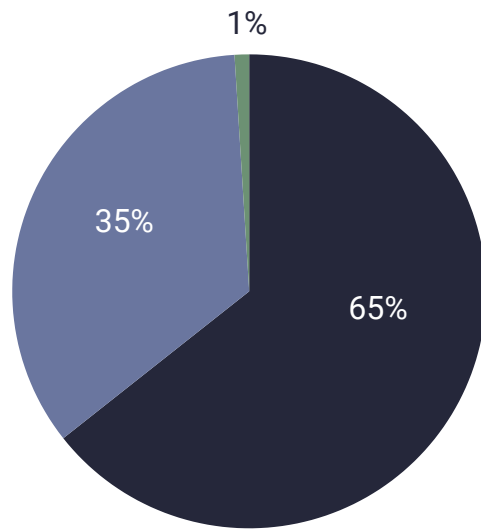
One of the standout trends of the year was the surge in leasing activity for **production facilities**, which totaled **over 200,000 sqm**—representing a **60% increase compared to the previous year**. This growth reflects the rising demand for manufacturing space, driven by both the expansion of existing operations and the entry of new players into the market. The heightened interest in production facilities highlights Romania's growing appeal as a regional manufacturing hub, supported by competitive costs, strategic location, and improving infrastructure.

Demand structure by area



■ Bucharest ■ W/NW ■ S/SE ■ Central ■ E/NE

Demand structure by activity



■ Logistics ■ Production ■ Other

Source: Crosspoint research based on market information



Demand was evenly divided between Bucharest, the country's largest industrial market, and the rest of Romania.

The **West/North-West** region accounted for a **notable share**, with over 175,000 square meters of industrial space leased in 2024, representing approximately 29% of total leasing activity and making it the **second most active area** in the country.

TENANT	SURFACE RENTED (sqm)	CITY	TYPE OF TRANSACTION	INDUSTRY	ACTIVITY
LPP	42,000	Bucharest	Expansion	Retail	Logistics
Procter & Gamble	38,000	Timisoara - Dumbravita	Renewal/Renegotiation	Industry	Production
VAT	20,900	Arad	New lease	Industry	Production
Deichmann	20,000	Bucharest	New lease	Retail	Logistics
Federal Mogul	19,000	Ploiesti	New lease	Automotive	Production
Kyocera	16,000	Timisoara	New lease	Tech	Production
Confidential	15,750	Bucharest - Stefanesti	New lease	Retail	Logistics
Confidential	15,218	Timisoara	Renewal/Renegotiation	IT&C&Electronics	Production
GXO (Trendyol)	15,102	Bucharest	Sub-lease	E-Commerce	Logistics
Freshful	13,000	Bucharest	Renewal/Renegotiation	FMCG	Logistics
Maravet	11,000	Baia Mare	New lease	Pharma	Logistics
Drim Daniel Distributie	10,000	Bucharest	New lease	FMCG	Logistics
Drim Daniel Distributie	10,000	Bucharest	Renewal/Renegotiation	FMCG	Logistics

Top industrial leases (> 10,000 sqm), 2024

Source: Crosspoint research based on market information

Rents

Industrial rents remained stable throughout 2024, averaging **€4.5/sqm**, with only minor variations between Bucharest and the rest of Romania. Given the growing demand and the comparable quality of available stock across regions, rental differences remained minimal, reflecting a more uniform pricing trend in the market.

Vacancy

By the end of 2024, the **national vacancy rate** saw a slight uptick, reaching **6%**, while **Bucharest** recorded a vacancy rate of **5.5%**.



BUCHAREST RESIDENTIAL MARKET



Apartment transactions

60,464

▲ +7.7% y-o-y

New dwellings

16,979

▼ -21% y-o-y

Average price for new units

2,090€

▲ +7.7% y-o-y

Building permits

3,833

▲ +6% y-o-y

Photo credits: [Arkor Boutique Residence](#)

*Bucharest metropolitan area, including Ilfov county

Overview

Bucharest's residential market remained marked by uncertainty throughout 2024, with demand adapting to evolving economic conditions and developers facing ongoing challenges in obtaining building permits. The results of **local elections in June further reinforced the prolonged stagnation in permit approvals**, solidifying a regulatory deadlock that has constrained new supply. Adding to the uncertainty, the much-anticipated **General Urban Plan (PUG)** failed to materialize in any form until the end of the year, leaving the market without a clear framework for future development.

Additionally, **persistently high inflation kept interest rates elevated**, limiting affordability and impacting buyer sentiment.

Demand remained strong despite these challenges but the pressure on supply has become more evident. This ongoing supply constraint is likely to put further pressure on affordability and limit options for prospective buyers.

After a year of below-average price growth, 2024 experienced sharp price increases in the residential market, both nationwide and in Bucharest. Additional tax changes and rising construction costs, combined with the removal of tax incentives for construction sector employees in 2025, are likely to further drive up prices in the following year.



SUMMARY

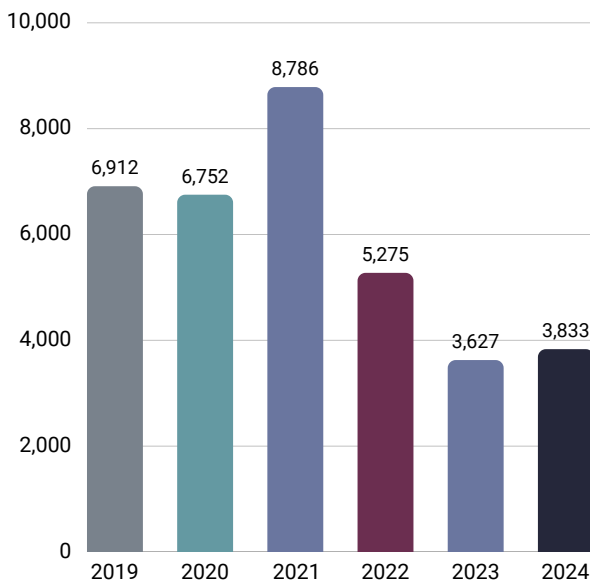
Faced with growing challenges—ranging from urban permit blockages and strong inflationary pressures to a major incident that highlighted shortcomings in Romanian legislation regarding buyer protection in off-plan acquisitions—the Bucharest residential market managed to perform better than anticipated in 2024, demonstrating resilience amid uncertainty.

Supply

In **2024**, **new unit deliveries in the metropolitan area of Bucharest** saw a **19% decrease** compared to 2023. In terms of raw figures, 2024 witnessed the completion of **16,979 new residential units in Bucharest** and adjacent areas.

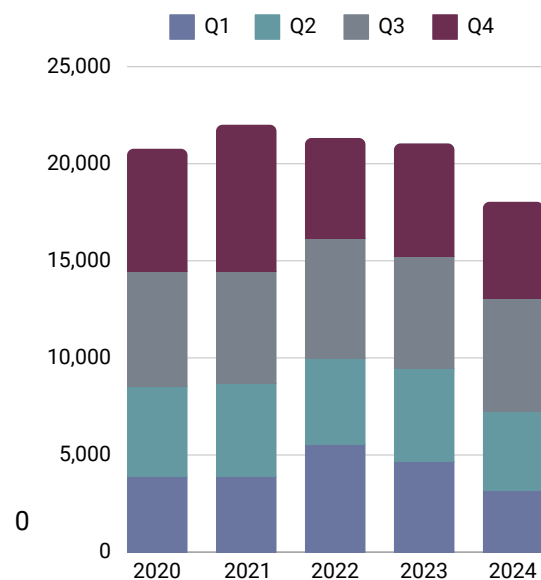
In terms of **building permit approvals**, the situation appears somewhat less severe. While new residential deliveries declined, the number of building permits issued in 2024 **increased by 6% year-on-year, totaling 3,833**. However, this figure remains significantly lower than in previous years, standing at nearly half of the 2019 level and almost 60% below the permits obtained in 2021.

Building permits, Bucharest & Ilfov, 2019- 2024



Source: INS

New residential units, Bucharest & Ilfov, 2020 - 2024



Source: INS

Demand

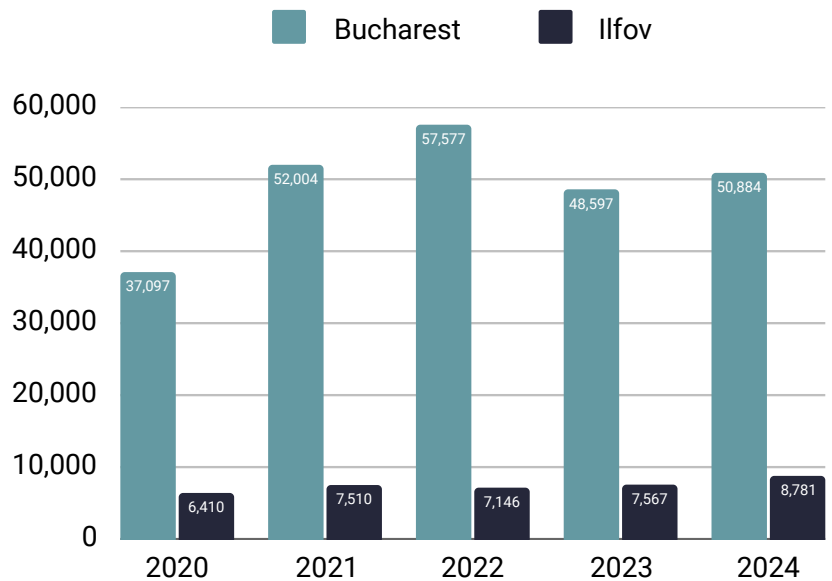
The number of **apartment transactions recorded a 5% y-o-y advance** in 2024 in Bucharest, to **50,884 units**. Taking into consideration the fact that the number of residential transactions in **Ilfov** reached a record high of close to **9,600 units**, translating into a **27% year-on-year increase**, it is reasonable to assume that some demand has shifted from inner Bucharest to the peripheral areas in Ilfov county. However, this shift is not, or not yet, significant. Given the mixed housing stock in Bucharest compared to the predominantly new residential stock in Ilfov, it is clear that the demand for new units is on the rise. Nonetheless, there is a distinct difference in buyer profiles, as most clients seeking inner-city residences are not willing to "compromise" by moving to the outskirts of the city. If the decrease in deliveries in Bucharest continues, these two factors combined could lead to **significant price increases for both new and old dwellings within the city**.



Apartment sales, Bucharest & Ilfov 2020 - 2024

Prices & rents

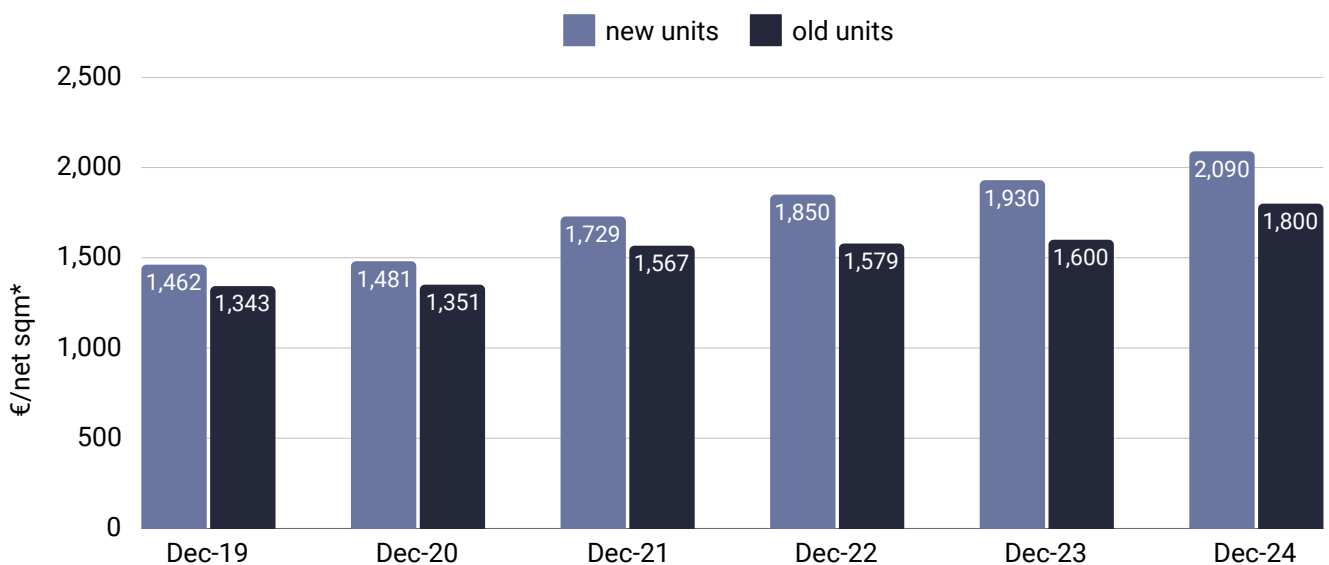
The average price for new units stood at **2,090 EUR/sqm** at the end of 2024, 8% above the level recorded in December 2023. The price hikes in central areas were primarily driven by the scarcity of newly built residential projects, while in **northern Bucharest**, the increase was fueled by **high demand** and the area's **growing status** as the city's high-end residential hub.



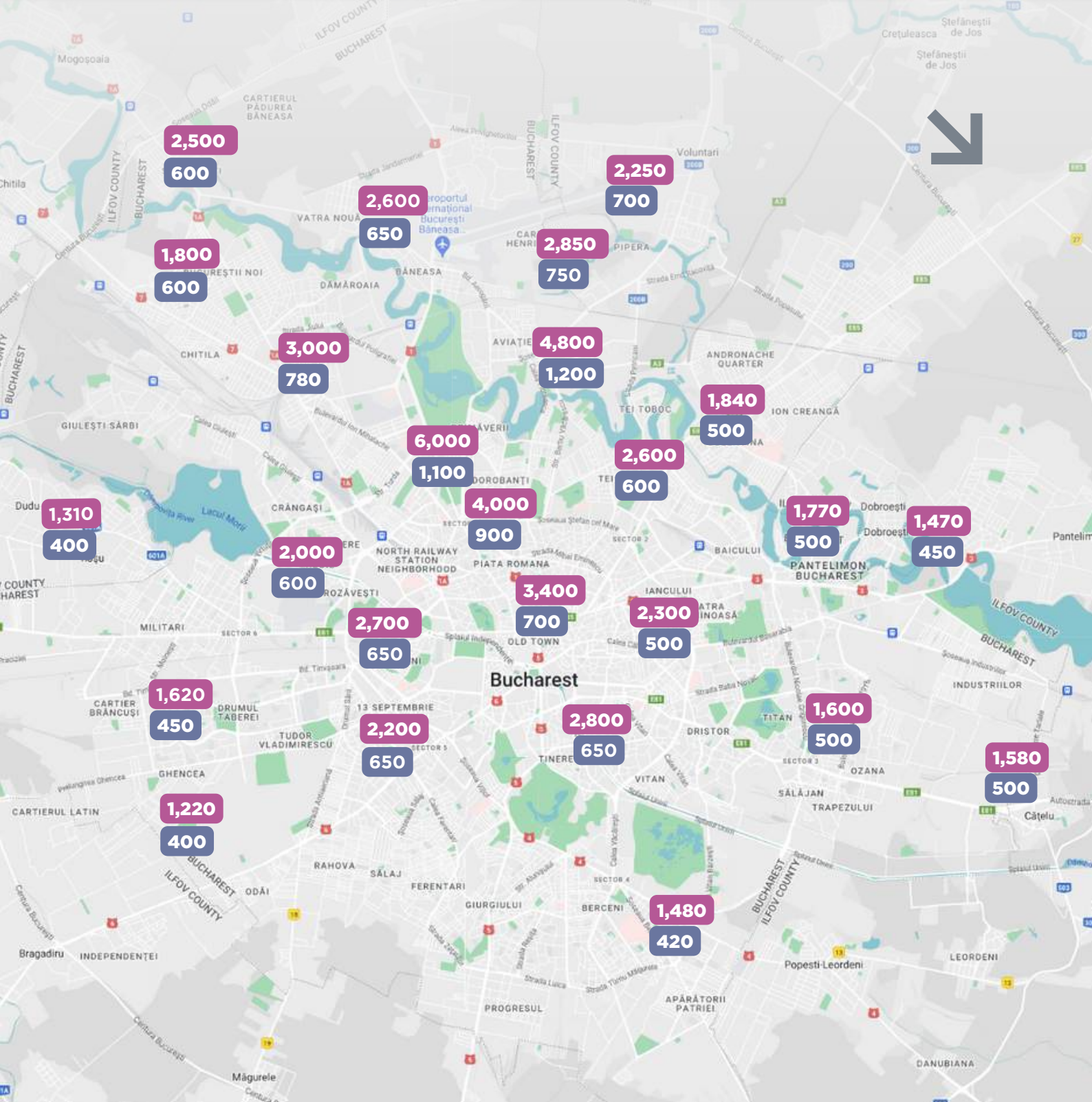
Source: ANCP

Rents experienced a **slower pace of growth** in 2024 compared to 2023, with an **average annual increase of 15%**. This rise was more tempered, reflecting a cooling in demand compared to the previous year, as the market adjusted to various economic factors, including a stabilization in demand levels across certain areas. While prices continued to climb, the overall rental market was less dynamic than in 2023, when demand had been particularly high.

Price evolution 2019 - 2024



Source: Crosspoint research based on market information
*Average price/net sqm (excl. terraces/balconies)



- Average price for new units (€/net sqm)
- Average 1-bedroom apartment rent level (new units, €/month)

Source: Crosspoint research based on market information. Due to lack of newly delivered/planned projects in some areas, we have taken into account resale prices

BUCHAREST LAND MARKET


crosspoint
real estate


savills
An International
Associate of Savills



Land transactions, Bucharest

32,185

▼ -7.3% y-o-y

Land transactions, Ilfov

25,317

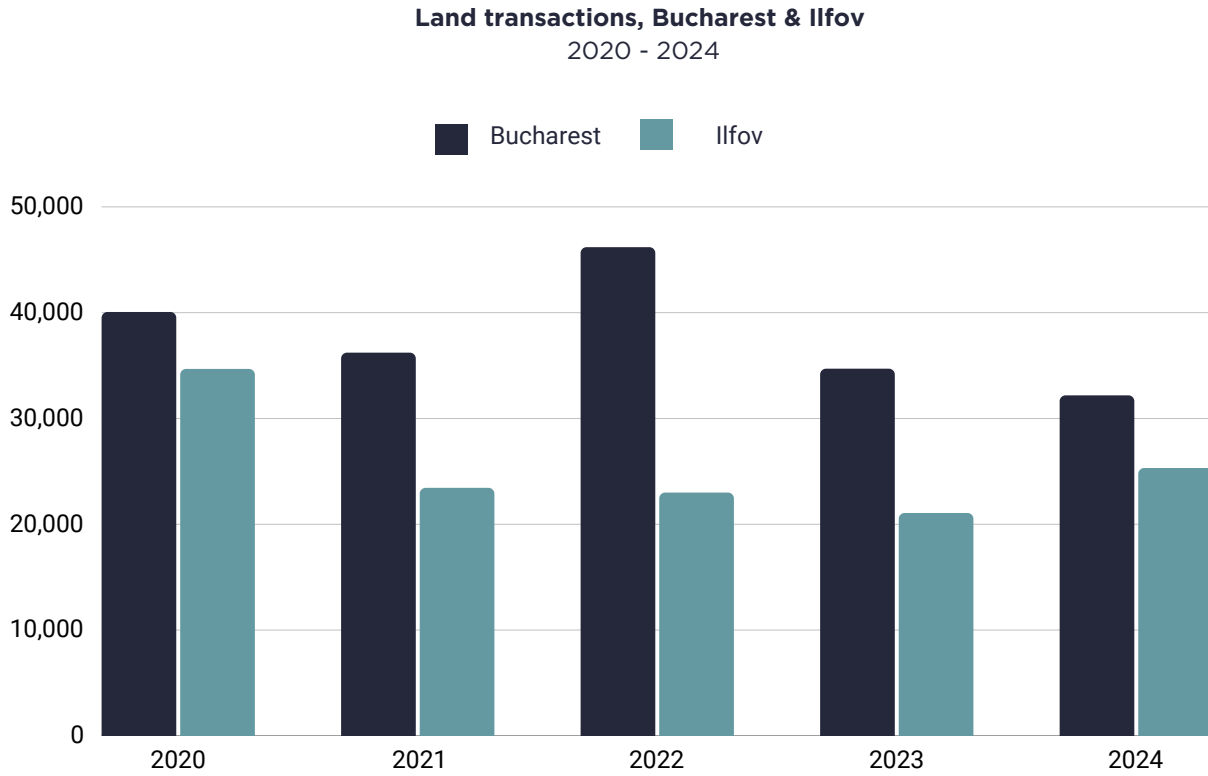
▲ +20% y-o-y

Largest transacted plot

640,000 sqm



The number of **land** plots sold in Bucharest continued to decline, **dropping by 7% compared to 2023 and 16% below the average of the previous five years**. Conversely, **Ilfov saw a 20% year-on-year increase in land transactions**, though it remained slightly below the 2019-2023 average.



Source: ANCPI



SIZE (SQM)	SELLER	BUYER	DESTINATION	AREA
640,000	Private (group of investors)	Private	Residential	West
210,000	CPI Property Group	One United Properties	Residential	South
118,000	Roca Sanitario	HILS Development	Residential	West
110,000	Private	Dragos & Adrian Paval	n/a	Pipera

Key land transactions in Bucharest, H1 2024

The challenges around building permit approvals in Bucharest did not deter investors in 2024, with the **total land area transacted** in the largest deals across the metropolitan area **exceeding 1.3 million sqm**. **Residential development remained the primary focus**, though **industrial players** also saw significant activity. The scarcity of large inner-city land plots, combined with ongoing uncertainty about future development restrictions, have pushed land investors—particularly in the residential segment—toward the city’s outskirts.



Please contact us for further information

Research	 <p>ILINCA TIMOFTE Head of Research ilinca.timofte@crosspoint.com.ro</p>	Marketing	 <p>CRISTINA VELICU Head of Digital Marketing cristina.velicu@crosspoint.com.ro</p>
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Founded in 2005, Crosspoint Real Estate offers transactional advice and real estate consultancy, as well as financial solutions needed by international investors for all types of office, retail, industrial, land, hospitality, residential and mixed-use properties.

Crosspoint Real Estate is the international associate of Savills in Romania, one of the world's largest real estate advisory companies, established in 1855, with over GBP 2.24 billion in revenues in 2023.

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Contact

Ethos House, 240B Calea Floreasca, 3rd floor
014475 Bucharest-2, Romania
Phone: +40 212 32 45 40
office@crosspoint.com.ro

crosspoint.com.ro
crosspoint-imobiliare.ro