Office rent prices in Bucharest, among lowest in Europe (consultants)

The rent prices for office spaces in Bucharest are among the lowest both regionally and continentally, which represents a major point of attraction for companies in the IT&C area, along with the available workforce and the level of salaries for experts in this sector, according to the data of a real estate consulting company.

Therefore, according to a Cushman & Wakefield Echinox press release, sent to AGERPRES on Thursday, even if the level of prime headline rents in Bucharest continued to rise in Q3, reaching 19.5 EUR/sqm/month, compared to 18.5 eur /sqm/month in the beginning of the year, the Capital remains among the cheapest destinations in Europe in terms of this real estate segment. By comparison, in Budapest and Warsaw the prime headline rents are at 24.5 and 24 EUR/sqm/month respectively, and in Prague an even higher level of 27 EUR/sqm/month is recorded. In the capital of Bulgaria, offices are rented for a maximum of 15 EUR/sqm/month.

Moreover, a regional study carried out by the real estate consulting company reveals that the average annual income of IT&C specialists in Bucharest is 40pct lower than that in Warsaw and half of that in Prague.

"Bucharest is undoubtedly one of the technological hubs of Central and Eastern Europe, if we take a look at the investments that companies in this sector have made here in recent years. From a real estate perspective, in the last ten years, this industry has cumulated over 1 million square meters of office space leased in Bucharest alone, representing approximately 40pct of the volume traded in this interval. Even though this year came with many challenges, IT&C companies continued to be active on the office space rental market, with about 80,000 square meters rented in the first nine months of the year, representing 35pct of the total contracted space in Bucharest," Partner Office Agency Cushman & Wakefield Echinox Madalina Cojocaru stated.

The area of office spaces rented in Bucharest, between January and September 2022, totaled 222,600 square meters, increasing by 5pct compared to the same period last year. Over 60pct of this volume, namely 137,000 square meters, was represented by new demand, excluding the renegotiations of the existing contracts.

Furthermore, the new demand exceeded the area of the projects delivered during the first 3 quarters of 2022 in Bucharest, projects that totaled 105,500 square meters, so that the vacancy rate of office spaces registered a decrease in Q3, to the level of of 14.4pct.

"The development activity is maintained at extremely low levels, so that, by the end of next year, the delivery of only 6 projects, with a cumulative area of 129,000 square meters, is scheduled," the consulting company's press release also states.

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