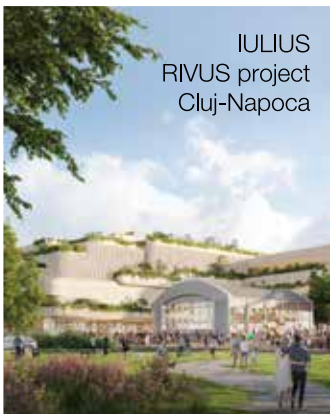


REAL ESTATE TRENDS 2026

Hagag Development Europe
Radisson RED Bucharest Old Town



IULIUS
RIVUS project
Cluj-Napoca



One United Properties
Constanta project
Faleza Nord





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**MAPPING
2026:**
*navigating volatility,
adapt & ascend*

As we enter 2026, the question for the real estate industry is no longer if challenges will arise, but how effectively we can meet them. As always, those who master the art of rapid adaptation will secure the most effective paths to growth.

Member insights for 2026 highlight a clear trend: navigating macro-uncertainty through infrastructure-led growth. As new corridors open, the path to expanded mobility and market potential becomes clearer than ever.

While challenges persist, the investment landscape remains undeterred; a surge of ambitious new developments underscores a robust belief in the market's underlying strength:

AFI Romania is advancing with key projects such as AFI Central Tower (the former Bancorex building), the second phase of AFI Home North in Bucharest and the second office building at AFI Brasov.

Iulius remains one of the key players in Romania's regional cities with complex mixed-use schemes in Cluj-Napoca and Constanta, while in Iasi a major re-shaping of Palas is under development.

From launching schools in Bucharest, major historic reconversions such as One Gallery and advancing major commercial hubs like One Technology District, One United Properties is focused on building for the long term. The company also announced regional expansions plans in Sibiu and Constanta.

Hagag Development Europe is progressing with the hotel development, a key pillar of their medium-term growth strategy. 2026 is also an important year for the company's evolution beyond real estate development, considering their strategic cross-industry diversification move and the newly established energy division – Hagag Energy.

We invite you to dive into the full report and join the conversation in person! With **over ten events** planned for 2026 across **Bucharest and major regional hubs**, there are more opportunities than ever to connect.

DESPINA PONOMARENCO
FOUNDER BREC & RPC



TOP 10 TRENDS

to watch in 2026

**SINCE 2019,
THE GLOBAL
LANDSCAPE HAS
TRANSITIONED
FROM STABILITY
TO RAPID,
RELENTLESS
CHANGE.**

In a striking World Economic Forum speech in Davos earlier this year, Canada's Prime Minister Mark Carney proclaimed the end of a "pleasant fiction" regarding the rules-based international order, marking the start of a "harsh reality" where major powers operate without constraints. He warned that this "rupture" sees great powers using economic, financial, and supply-chain coercion as weapons.

How well is Romania prepared to face new arising challenges and what shifts shall we expect to see on the local real estate market?

01. NEW URBAN POLICY IN BUCHAREST

A more open-minded and community-partnership approach from the new mayor is required to unfreeze the urban planning in Bucharest. During campaigning, Mr. Ciucu expressed his belief that vertical development and a new PUG are key factors in traffic decongestion and creating efficient social infrastructure services, which align with the real estate community's vision.

02. THE IMPACT OF THE NEW FISCAL CHANGES

We are yet to experience the effects of the sharp shifts in fiscal policy and the limits imposed on micro-companies, which previously fuelled the residential retail investors market. As all changes trigger new opportunities, a limitation on the buyer pool and an increasing affordability gap might boost professional Build-to-Rent schemes in the medium to long term.



03. ENERGY INDEPENDENCE

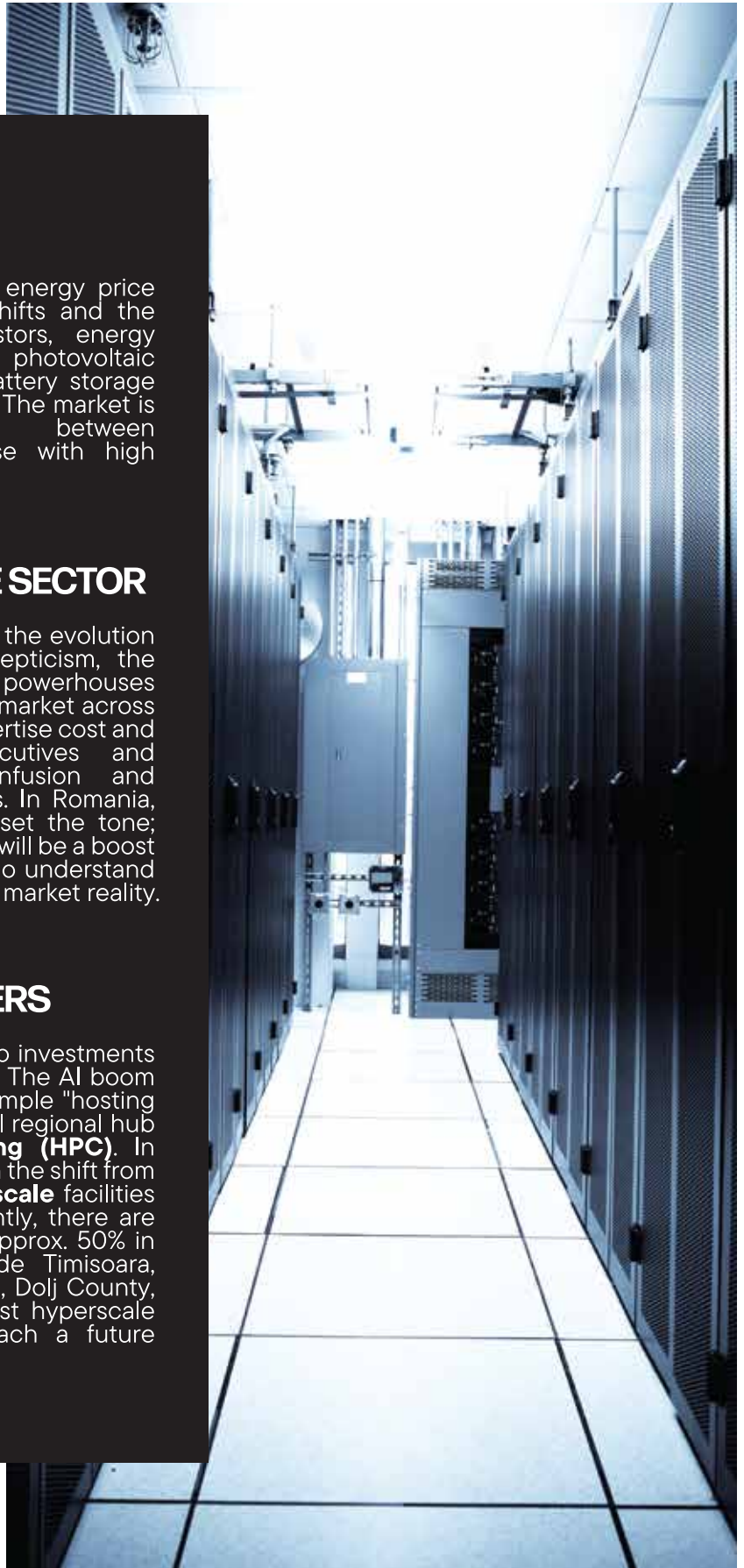
As Romania has faced significant energy price fluctuations due to geopolitical shifts and the phasing out of coal, for investors, energy independence achieved through photovoltaic (PV) systems, heat pumps, and battery storage serves as a hedge against inflation. The market is increasingly differentiating between energy-efficient assets and those with high "carbon liability".

04. AI INFLUENCE ON OFFICE SECTOR

One worldwide source of anxiety is the evolution of AI. While there was initial scepticism, the systems mainly developed by US powerhouses now pose a real threat to the labor market across the globe. The focus on near-0 expertise cost and productivity gain excites executives and investors, while it brings confusion and uncertainty to white-collar workers. In Romania, several rounds of layoffs already set the tone; however, in the medium term, there will be a boost of job creation for professionals who understand the dynamics and adapt to the new market reality.

05. THE RISE OF DATA CENTERS

The growth of AI also translates into investments in energy and digital infrastructure. The AI boom has transformed Romania from a simple "hosting and storage" market into a potential regional hub for **High-Performance Computing (HPC)**. In 2026, the "AI effect" is most visible in the shift from small-scale data centres to **Hyperscale** facilities and dedicated GPU "farms. Currently, there are 59 data centres nationwide, with approx. 50% in Bucharest. Other locations include Timisoara, Cluj-Napoca and Brasov. In Mischii, Dolj County, ClusterPower is building the largest hyperscale data centre, which is set to reach a future operational capacity of 200 MW.





06. FOCUS ON VALUE BUYING FORMATS

The rounds of layoffs in both the services and production sectors led Romania to register the steepest decline in consumption in the EU in November 2025. According to the National Statistics Institute, the retail business dropped by 4.8%. That will mean that **value buying formats**, such as retail parks and deep-discount stores, **will be the likely winners of the real estate retail market**. As the unemployment rate slightly rose and Romania registers the highest rate of NEET youth, we will likely see a shift in both the retail and residential demand structure and velocity.

07. GOING EAST

Although a slight delay has pushed back the opening of several lots from A7, it is expected to be fully functional from Bucharest to Pascani by 2026. This will streamline transportation routes and open new production and logistics facilities in an area that most needs new economic development opportunities.

08. NEW BUCHAREST INFRASTRUCTURE UPDATES

Following numerous delays, Bucharest will finally get its modern ring road, with works for A0 expected for completion in 2026. This landmark development is set to change Bucharest's logistics sector while acting as a catalyst for new investment in the affordable housing market. On the long run, the recent announced tender winners for the construction of M4 metro extension adds new opportunities. Spanning 11 kilometres, the new route connects the Gara de Nord, Uranus, 13 Septembrie, Giurgiuului, and Progresul neighbourhoods. Its trajectory cuts through Sectors 1, 4, and 5, extending into the Jilava commune within Ilfov County.





ANDREI DIACONESCU
co-founder & co-CEO, One United Properties

” We will continue to invest in urban regeneration and in complete communities, meaning developments where housing is supported by real infrastructure, services and daily-life functions, including education close to home. Actually, education has already become an important part of our agenda. This is why a significant investment was allocated to building two schools in Sector 2 of Bucharest, one within One Academy Club and one in One Lake District, as part of our long-term commitment to intelligent urban planning.

In parallel, we are advancing the next wave of large-scale commercial deliveries that strengthen the quality and resilience of our portfolio, such as One Technology District and One Gallery, a complex restoration project that we believe will add real value to the city. Last year we have also made important steps in expanding into regional markets with the new projects planned in Sibiu and Constanta.



IOANA ROMAN
Partner, Filip & Company

” Financing costs and ongoing fiscal adjustments are expected to continue influencing both deal structuring and investor appetite throughout 2026. From a regulatory perspective, foreign direct investment (FDI) clearance, as well as permitting processes and timelines, are already influencing how transactions and developments are structured and implemented. The winners in 2026 will be disciplined, well-capitalised players who prioritise legal, regulatory and technical due diligence early on. Flexibility in deal structuring, realistic timelines and strong local partnerships will be key differentiators.



YITZHAK HAGAG
Co-Founder & Chairman, Hagag Development Europe

” When it comes to commercial real estate, we are targeting a strong double-digit increase in rental income portfolio-wide. On the residential segment, our objective is to reach a pre-sale volume of at least 75–78% by December 31st, 2026.

Looking ahead, we are progressing as planned with our hotel developments, which remain a key pillar of our medium-term growth strategy. At the same time, we are actively working to unlock at least one of the planned investments in Bucharest, while continuing to evaluate new acquisition opportunities that would support our further expansion at a national level.

We see 2026 to be an important year for our company’s evolution beyond real estate development, considering our strategic cross-industry diversification move and the newly established energy division - Hagag Energy.



09. RISING INVESTMENTS IN DEFENSE

The world-order realignment draws investments in defence, with the EU budgeting circa 150 billion EUR under the SAFE program. 11% of the funds are to be allocated to Romania for the purchase of combat equipment and the completion of critical infrastructure projects such as A7 and A8 highways. Another important project is the half-billion euro deal with Rheinmetall for a powder plant in Brasov, set to be the most modern in the world. Rheinmetall will invest over 400 million, while Romania will contribute 120 million funding that will also be drawn from European programs such as SAFE.



10. RETHINK SUPPLY CHAINS

Protectionism, fragmentation, and resilience are being prioritized over globalization and efficiency, thereby forcing economic actors to **redraw supply chains, diversify their supplier base, and relocate production closer to end markets**. In light of the US' tariffs over China trade, an overflow of goods was redirected towards Europe at dumping prices. It will likely force the **EU to impose tariffs on China** as well, at least on higher-value-added products, to protect its own market. On the bright side, Germany announced an expansion of its fiscal spending program, with a likely spillover effect on traditional production partner countries, including Romania.





DORON KLEIN
Group Deputy CEO & CEO AFI Romania

” In 2026, we will continue to pursue an integrated development approach across our Office, Retail, and Residential divisions. A key priority will be the strategic expansion of our built-to-rent (BtR) segment, with the successful delivery of AFI Home North in 2025 and laying the groundwork for replicating this model even further. Our objective remains to be a long-term partner and to deliver high-quality, community-centric urban ecosystems that integrate lifestyle, work, and sustainability under one vision.

We expect a more balanced yet still demanding economic and regulatory environment, shaped by ongoing volatility, cost pressures, and fiscal adjustments. We are approaching this period with a strong balance sheet, market intelligence and flexibility and a focus on high-quality assets, which positions us well to manage short-term volatility while continuing to create long-term value.



ANDREI VACARU
Managing Director, iO Partners Romania

” In 2026, the market will continue to adjust to a combination of fiscal measures, interest rate dynamics, and broader macroeconomic rebalancing and these changes are not without short-term pressure. However, we see the recent fiscal measures as constructive over the medium to long term. While they may be challenging in the immediate phase, they are an important step toward restoring credibility, improving key macro indicators such as inflation, public and trade deficits, and ultimately supporting a lower and more stable interest rate environment. Continued investment in infrastructure is also opening up new areas for development and improving the attractiveness of secondary and emerging areas, particularly for industrial and logistics development.



BUCHAREST OFFICE *Market*



Timpuri Noi Square 2nd Phase

While the office market registered a 22.5% y-o-y decrease in total leaving activity in 2025, the outlook is far from dire. The drop was expected, as 2025 is a corresponding year for a historically low demand 5-year leasing cycle. Factually, in terms of effective take-up, we witnessed a 30% increase by comparison to the previous year.

While the overall vacancy rate decreased to 11.5%, particular submarkets are already a landlord's market. The CBD registers a 4.5% vacancy rate, while in the center the occupancy rate surpasses 97% (almost 0% for class A buildings), drawing upon the tenant's interest for a melting meeting point for ever-expanding city limits.

The total stock was stable, at 3.5 sq m, as no new deliveries came live, an unseen event in the market's history. In 2026, just a single office project is expected on the market – One Gallery, a 6,500 sq m mixed reconversion in Bucharest's prime area.

The next milestone for market evolution is expected in 2027, when 146,000 sq m of Class A offices shall be delivered. In 2028, the total potential pipeline is 100,000 sq m. However, just half of this number is an active construction site, and the delivery of the remainder depends on tenant demand.



The pre-lease market has been relatively frozen, due to both market and economic fundamentals. On the one hand, due to rising construction and financing costs, the new projects require higher headline rent, making it difficult to build a relocation business case. On the other hand, the overall economic volatility and technological transformation (with an impact on the labour force landscape) are creating a freeze moment in tenants' business plans and needs analysis.

Under the circumstances of strong demand for central locations and higher construction costs for new builds, the prime rent increased to 22 EUR/sqm, even registering peaks of 23-25 EUR/sqm. Existing buildings with functional fit-out in place market this cost advantage to argue the top-line rent; however, existing infrastructure is seldom a match for a new tenant's workflows, thus, we expect new builds to continue winning the leasing race due to modern equipment and design.

LOOKING AHEAD, 2026 IS A PROMISING YEAR
DUE TO NEW MARKET ENTRIES, THE PROSPECT
OF PRE-COMPLETION TRANSACTIONS, AND A MORE
STABLE ECONOMIC ENVIRONMENT.



ANTONIU PANAIT
Managing Director, Vastint Romania

” Our focus for 2026 is built around a few clear directions:

- Deliver Timpuri Noi Square Phase 2 on schedule and at top sustainability performance. The new building is designed as a landmark development that eliminates fossil fuels and relies on renewable sources, including 1,700 sqm of photovoltaic panels, heat pumps and geothermal wells. We are targeting LEED Platinum at the highest level (100+ points). Phase 2 also brings major facilities such as 690 underground parking spaces and an expanded retail mix, including New Tales, the largest food hall integrated into an office project in Romania, spanning nearly 6,000 sqm.
- Keep our existing portfolio highly competitive through tenant experience, efficient operations and relevant amenities, because in today's market the office decision is increasingly about performance and experience, not only location.
- Expand flexible leasing solutions such as Ready Flex Space, with turnkey, autonomous modules that support occupiers' need for speed and adaptability.
- Add new services that strengthen the ecosystem around our projects. This spring, we are launching The Venue, a fully equipped conference center with 400 sqm indoor space and an exclusive 300 sqm terrace, available both to our tenants and to companies outside our portfolio.
- Continue investing in communities, integrating our development into the city and supporting initiatives with measurable, long-term impact.

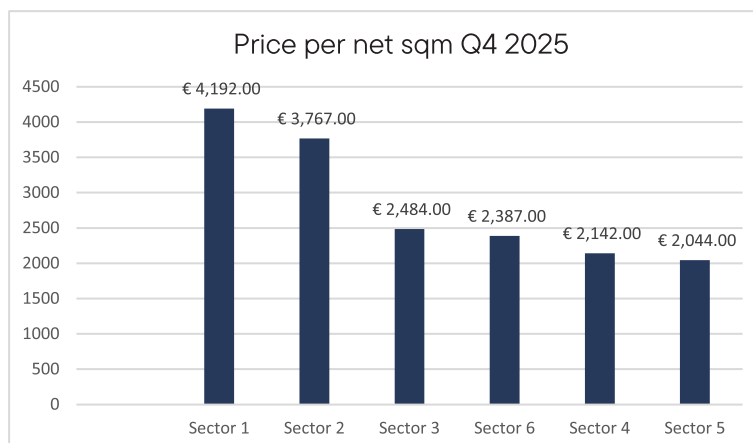


BUCHAREST RESIDENTIAL Market

Demand for new apartments remained strong in 2025, despite the challenges faced by the market. The change in the VAT rate sparked a significant number of transactions during the summer, while the volume slowed down toward the end of the year.

Market demand is underpinned by both primary residents and investors, reflecting the ongoing rapid expansion of Bucharest's tourism industry. In 2025, the annual traffic at Otopeni Airport surpassed over 17 million passengers, an YOY increase of 6.7%. There is a significant share of investors purchasing apartments to subsequently offer them as short-term rentals. In 2026 we will see the effects of the sharp shifts in fiscal policy and the limits imposed on micro-companies, which previously fuelled the residential retail investors market.

The effects of the urban blockage will still be visible in the market: the few options of projects with a good location in a 15-min radius of a metro station will be quickly absorbed by the market. Final users will be driven more and more towards periphery, as prices maintain an upward trend. Given the estimated finalization of the new modern ring road - A0 in 2026, we expect to see new announcements regarding affordable projects connected to this new infrastructure project.



Source: Imobiliare.ro

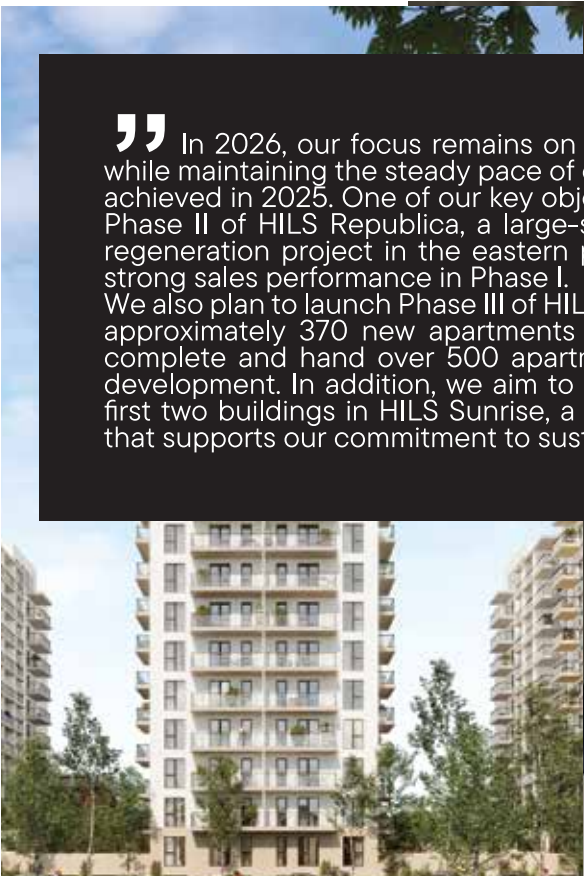
Q4 2025 vs Q4 2024	Sector 1	Sector 2	Sector 3	Sector 4	Sector 5	Sector 6
	Price per net sqm	Price per net sqm	Price per net sqm	Price per net sqm	Price per net sqm	Price per net sqm
Q4 2024	€ 3,662.00	€ 3,448.00	€ 2,267.00	€ 1,934.00	€ 1,913.00	€ 2,297.00
Q4 2025	€ 4,192.00	€ 3,767.00	€ 2,484.00	€ 2,142.00	€ 2,044.00	€ 2,387.00
Evolution (%)	14%	9%	10%	11%	7%	4%



ASHTON TOPOLINSKI
Partner,
InterO Property Development



” In 2025 we started Phase 1 of SunLight Residence, 174 affordable apartments in the most northern part of Pipera and on the border of Tunari, and we plan to complete this phase this summer. We also will fully construct Phase 1 of Pajurei 3 Residence and residents will move-in July 2026. For 2026 we target our business to progress on three goals - continue to scale adding another development to the pipeline this year, continue to provide a 10/10 employee workplace with a comfortable space at our Innovation Headquarters, health and medical initiatives and training to improve skills. We also plan to exit NorthLight Residence, New Confort City and Pajurei 3 Residence on my family’s real asset investment platform.



” In 2026, our focus remains on expanding responsibly while maintaining the steady pace of development and sales achieved in 2025. One of our key objectives is the launch of Phase II of HILS Republica, a large-scale mixed-use urban regeneration project in the eastern part of Bucharest, with strong sales performance in Phase I. We also plan to launch Phase III of HILS Titanium, introducing approximately 370 new apartments to the market, and to complete and hand over 500 apartments within the same development. In addition, we aim to finalize and deliver the first two buildings in HILS Sunrise, a green-certified project that supports our commitment to sustainable urban living.



IONUT NEGOITA
Founder & CEO,
HILS Development



BUCHAREST RETAIL Market

THE ROMANIAN RETAIL MARKET IS UNDER PRESSURE DUE TO A CONSISTENT DECREASE IN CONSUMPTION AND CONSUMER TRUST.

At present, the consumer confidence registers its lowest level since 2010–2011, whereas the numbers published by the National Statistics Institute show a 5-month downward streak, particularly in FMCG retail.

The high inflation, increase in tax base, uncertain economic environment, and public sector wages & bonuses capping have determined Romanian households to be more prudent and rein in non-essential expenses.

In Bucharest, the most awaited development is the extension of Promenada Mall by 32,000 sq m, in H2 2027.

Due to its location in an area with one of the highest disposable incomes in the country (prime office and growing premium residential hubs), the shopping center will likely weather the temporary retail contraction well.

This new addition will bring the total modern stock of shopping center retail to 807,000 sq m (from the current 775,000 sq m base) and increase density to 450 sq m/1,000 inhabitants, leaving sufficient room for growth in an ever-expanding city and metro area. Meaningful new tenant entries in Bucharest are BIPA, Helly Hansen, and Wendy's.

Professional retail schemes that feature solid anchors, a diversified tenant mix, and an urban-resilient location fabric are less prone to temporary adjustments, as they rely on long-term contracts with strong retail chains. Speculative developments, such as small retail parks in rural and less economically diversified small cities, might have to reconsider their leasing strategy and hold on to cash flow to service financial institutions' obligations.



Bucharest's prime rent for standard units in the best located shopping centers reached 85 EUR/sq m, whereas the yield stabilized at 7.25% - 7.75% - an underestimation, considering the high ticket requirement for shopping center developments and limited suitable large plots availability within city limits.

2026 will bring on the market one of the most expected projects: One Gallery. One United Properties acquired in 2022 the former Ford Hall, neighbouring its residential and office projects, part of One Floreasca City. The aim? To restore and bring it back to public use, transforming it into a vibrant destination and a must-see landmark on any visitor's agenda in Bucharest.

One Gallery will open as a retail and office space, a modern space that preserves its historical accents, an integral part of the multifunctional development One Floreasca City, enhancing the range of commercial services for both residents and the entire local community.

One Gallery will host a food hall operated by Tomcat Hospitality. This concept aims to offer not only local experiences, but to bring a new breath to the gastronomic scene in Romania, positioning Bucharest alongside other prestigious European cities by premiering an innovative premium food hall.





BUCHAREST INDUSTRIAL & Logistics Market

The Bucharest industrial market continued its upward trajectory. In 2025, the market witnessed an outstanding take up close to 1 million sq m (966,500) in Bucharest, driven by retail and 3PL providers. The strong demand brought the total stock in the capital city and its metro area to 3,815,000 sq m (48% of the country's modern industrial & logistics infrastructure). While developers took a more cautious approach to speculative development, the strong tenant demand will keep the construction pipeline active. Key transactions feature LPP's new 66,000 sqm warehouse, Leroy Merlin's 47,500 sqm (both companies signed with CTP), and WDP's partnership with Aquila (58,000 sq m), Action (54,000 sq m), and Fan Courier (32,000 sq m).

The vacancy rate remained stable at 4.75%, due to the balancing act of developers building upon firm demand, whereas the prime rents stabilized at 4.75 EUR/sq m. We expect the headline rent to slightly increase in the medium term, due to rising construction, financing, and land costs.



Selection of the most active tenants in the Industrial Market, source: iO Partners

Tenant	Sector	Leased area (sqm)	Park
Maersk - IB Cargo	3PL & Logistics	76,000	CTPark Bucharest West
Aquila	3PL & Logistics	47,000	WDP Park Dragomiresti
Leroy Merlin	Retail & Consumer goods	35,800	CTPark Bucharest West
Delamode	3PL & Logistics	25,000	CTPark Bucharest
RPW Logistics	3PL & Logistics	21,500	VGP Park Timisoara



While the A0 motorway should unlock new development opportunities, land sellers' expectations make for a difficult business case. It is more likely to see new production hubs around the new A7 segment between Bucharest/Ploiesti and Buzau.

In 2025, one key transaction marked the official entry of a new professional investor in Bucharest. Garbe partnered with Fortress on developing around the existing infrastructure in the North-West metro area. In a market concentrated around 3-4 dominant players, this new entry offers more leverage to tenants.

Lion's Head and Hillwood are to further contribute to the diversification of partnerships. While Hillwood secured land rights and is exploring commercial partnerships, Lion's Head took a proactive step in securing building permits for its large plot located south of Bucharest.

” We are delighted to develop our first project in Romania, following the high standards we have established across the CEE region, alongside South Africa's largest logistics investor, who values our solid track record and long-term development strategy. This partnership strengthens Bucharest's position as a major logistics hub and highlights Romania's growing role as a strategic logistics market at a regional level. Our objective is to build a modern park, equipped with advanced technologies, that will enable tenants, whether logistics providers or manufacturing companies, to optimize their processes and support their business growth



ANDREI JERCA
Country Head,
GARBE Industrial Real Estate Romania.

THE BRANDED BOOM: *Romania's Hospitality Transformation*

As the country is still led (80%) by non-branded hotels, investors are approaching this lucrative sector of the real estate market.

The Romanian branded hotel market is undergoing a high-speed transformation, shifting from a landscape historically dominated by independent properties to a sophisticated hub for international luxury and lifestyle brands.

Fueled by Romania's full accession to the Schengen Area and a significant surge in both business and upscale leisure travel, the sector is seeing a noticeable supply growth.

In Bucharest some of the most expected entries are Sofitel for the Oscar Maugsch Palace, Mondrian & Hoxton – One United Properties developments, Radisson RED Bucharest Old Town – Hagag Development Europe, Swissotel – NIRO Group and Hyatt – Nusco.

In the regional centers, Brasov & Poiana Brasov lead branded hotel development with both luxury & mid-market brands such Hyatt, Kempinski, AC by Marriott, Mercure and Ibis Styles.

TOP 10 AIRPORTS IN ROMANIA

AIRPORT	2025 TRAFFIC	2024 TRAFFIC	2025 VS 2024
HENRI COANDA, OTOPENI - BUCHAREST	17,001,578	15,940,443	6.70%
AVRAM IANCU, CLUJ-NAPOCA	3,582,134	3,266,447	9.70%
IASI	2,244,156	2,196,793	2.20%
TRAIAN VUIA, TIMISOARA	1,458,098	1,323,690	10.20%
STEFAN CEL MARE, SUCEAVA	769,408	746,600	3.10%
SIBIU	694,805	573,918	21%
AUREL VLAICU, BANEASA - BUCHAREST	694,718	107,087	548%
CRAIOVA	578,701	424,976	36.20%
GEORGE ENESCU - BACAU	451,036	559,644	-19.40%
BRASOV	337,353	227,900	48%

Source: Romanian Airports Association

CONSISTENT *Infrastructure Development*

Romania's network of highways and express roads exceeded 1,400 km at the beginning of 2026, following the opening of 146 km in 2025.

Another 884 km are under construction, while 486 km are in the tender process, marking a significant improvement in mobility and connectivity and opening new business and real estate opportunities.

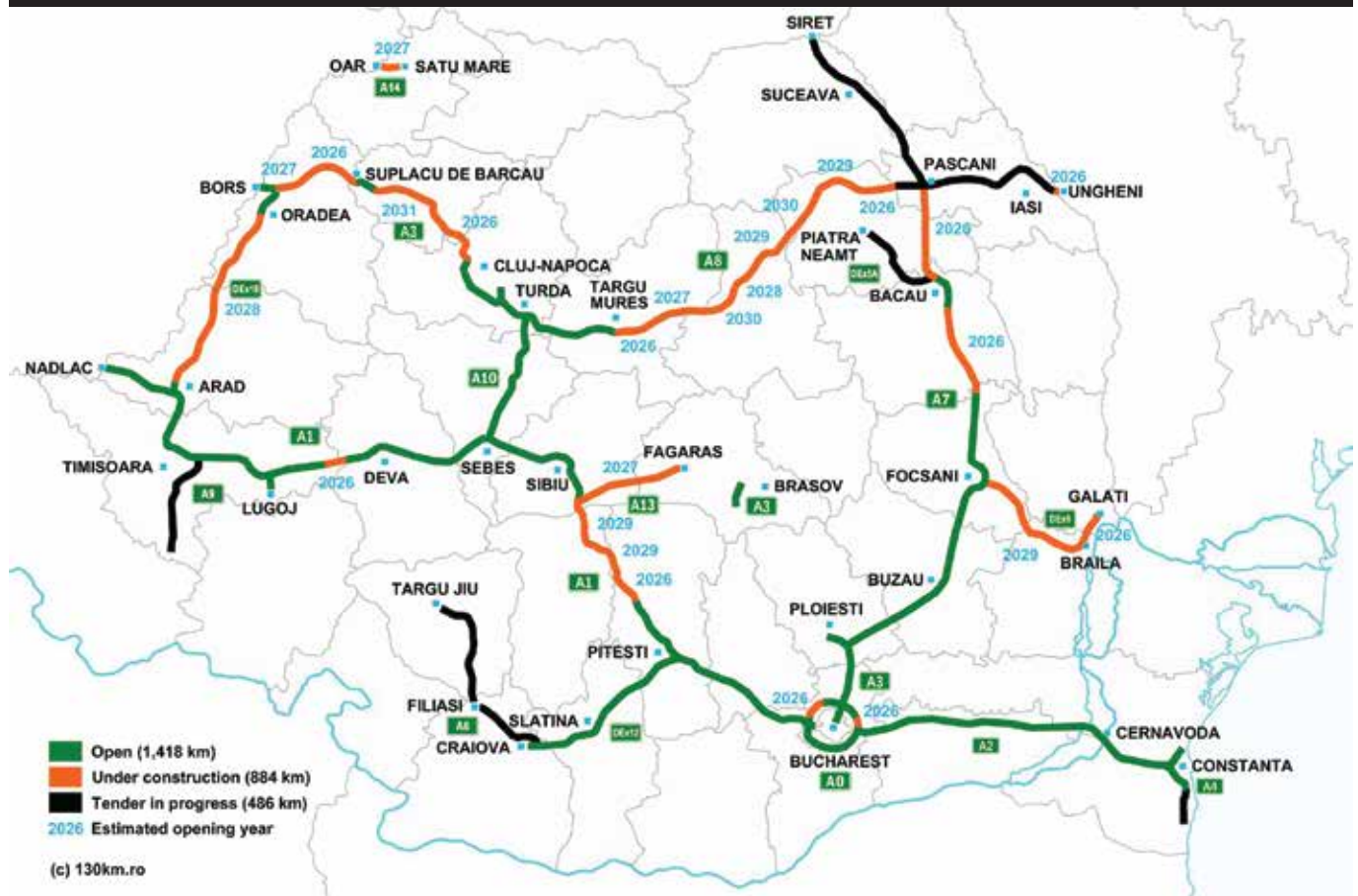
In 2026, another 244 km are to be inaugurated according to data released by Romanian authorities. Two of the most awaited projects are the new, modern ring road for the Capital City – A0 and completion for the last lots from A7 – Moldova Highway.

Following numerous delays, A0 is to be completed in 2026, and Bucharest will benefit from a modern ring road.

Logistics developers have already secured numerous lands in the area and developing activity will intensify.

Given the urbanistic blockage in Bucharest and the increased prices for good residential locations within the city, we expect to see new residential investments along A0, targeting the affordable housing concept.

In 2026 the rapid connection is expected to be fully functional from Bucharest to Pascani. This will streamline transportation routes and open new production and logistics facilities in an area that most needs new economic development opportunities. The North-East region is the least developed in terms of modern warehouses. On medium and long term, we expect this area to generate significant new modern units to the national stock, which at the end of 2025 stood at 8,16 million sqm.





CLUJ LEADS REGIONAL *real estate development*

CLUJ'S PRIVATE SECTOR SIGNIFICANTLY OUTPACES THE AUTHORITIES' PROGRESS. MAJOR INVESTMENTS ACROSS THE REAL ESTATE MARKET, ALONG WITH THE BURGEONING ENTREPRENEURIAL ACTIVITY, WHICH IS PART OF THE REGION'S DNA, MOVE THE CITY FORWARD.

Nearly 200 international investors with a headquarters in Cluj and hundreds of high-profile Romanian champions are running companies with a collective turnover of **almost 25 billion EUR**. The vast majority of international companies are centered around IT services, energy, transportation, pharma, and production, while native firms focus on retail, IT services, mining, and production of cement, plastic goods, and construction businesses. Out of the national champions, we need to highlight companies such as Nova Power & Gas (part of Electrogrou), one of the major players involved in building Romania's energy security strategy; Farmec SA, a local cosmetics brand that fosters national pride, and Banca Transilvania, which dominates the banking sector with the highest market share and an 8% distance to the next competitor.

Following much anticipated mixed-use project of Julius – Rivus- on the former 14-hectare Carbochim platform, an investment totaling half of billion Euro, a new, bold announcement was also made: Romanian-based Hexagon acquired the former CUG (Combinatul de Utilaj Greu) factory. The platform covers a surface area of 32 hectares, the value of the land transaction exceeding 20 million Euro. The estimated investment for development is 1 billion Euro.

No surprises for the local residential sector: Cluj remains Romania's most expensive residential market. The **average asking price for new apartments in Cluj-Napoca** reached **€3,357 per usable square meter in January**, a 6% increase YOY.

Cluj is most certainly **the hottest retail market in Romania**. New market entrants, award-nominated transactions, three schemes under development, and increasing wages draw attention to the region. Cluj-Napoca stays behind when talking about modern retail stock: only **158,000 sqm**, as opposed to 240,000 sqm in Timișoara and 237,000 sqm in Iași. The new deliveries will bring more equilibrium to this thriving city.

Industrial outpaced logistics in Cluj.

While there is no strong logistic pipeline for the near future, one of the most important investments is Knauf's new factory from Huedin, which received the building permit in 2025. Totalling over 75 million Euro, the new production unit will have an annual capacity of 30 million sqm, and will produce the entire range of plasterboard boards, from standard to special ones for protection against fire, moisture resistance and superior sound insulation performance.

While there were **no new Class A office deliveries**, large tenants placed their faith in the local business environment. Several notable new leases and renewals were completed in Cluj: Garmin took up 8,500 sqm with Iulius, Endava optimized operations, and Betfair renewed its office commitment at Maestro Business Center.

The major urban regeneration development that Iulius is undertaking on the former Carbochim platform is advancing. The project obtained a €400 million syndicated financing provided by Erste Bank, BCR, EBRD, and BRD. The investor is in the final stage of obtaining construction permits.

With a total leasable area of 165,000 sqm, **RIVUS** is a mixed-use project that transforms a former industrial platform into one of the most functionally diverse destinations in the country. The development integrates retail, office, cultural, and entertainment components, all centered around a **5-hectare park** that will provide direct access to the Someș River.

Through its functional mix and distinctive design, created by the renowned Dutch architecture firm **UNStudio**, which harmoniously blends natural and built elements, RIVUS is shaping up to become a **comprehensive lifestyle destination** for the people of Cluj and beyond, offering abundant leisure opportunities, debuting international brands, and introducing unique concepts to the region.

The red brick building, an iconic symbol of the former Carbochim factory, is currently undergoing extensive consolidation and restoration to become an integral part of the **RIVUS** project. The sanitation, demolition, structural reinforcement, reconstruction, and facade refurbishment works have spanned a period of approximately **24 months**.





GIVEN ITS CENTER LOCATION, JUST 185 KM FROM ROMANIA'S CAPITAL, BRASOV IS BECOMING INCREASINGLY MORE STRATEGIC ON ROMANIA'S MAP.

Prime Minister Ilie Bolojan announced at the end of 2025 the signing of a joint venture agreement with the German group Rheinmetall for the establishment of a gunpowder factory in Victoria, Braşov County. The future gunpowder plant in Victoria represents a half-billion-euro investment and approximately 700 new jobs. Rheinmetall will invest over 400 million Euro, while Romania will contribute 120 million Euro, with funding sourced partly from European programs such as SAFE.

The county prides a population of half a million residents, an unemployment rate of 2.94% and a net medium income of 1,060 EUR.

Brasov hosts Romania's largest urban mixed-use regeneration project: Coresi. Following over 10 years of development, the project hosts 55,884 sqm of retail, 59,400 sqm of offices, a 4* hotel with 133 rooms, and a residential component with over 2,400 finalized apartments as well as 90,000 sqm green spaces and 7,000 parking spots.

One of the most vibrant sectors is hotel development, due to the strengthening of Brasov as a touristic destination, making it on the recommendation list of publications such as National Geographic or Vogue. Brands such as Hilton Garden Inn, Ibis Styles, AC by Marriott, Mercue, Hyatt and Kempinski added Brasov on their development map.

The local residential market continues its development, based on a strong demand given its strategic location and the increase in interest in the city as a tourist destination. At the beginning of 2026, Brasov is the second most expensive city, following Cluj-Napoca and surpassing Bucharest. According to Imobiliare.ro, the average asking price for new apartments in January 2026 is 2,683 Euro/sqm, a YOY increase of 9%.

The Brasov retail market continues to be dominated by the two main anchors – AFI Mall and Coresi Shopping Resort, with a shopping center stock of 136,700 sqm and a prime monthly rent of 40 Euro/sqm.

Brasov is part of the Centre Logistics Region, a major hub for the manufacturing of automotive components. Brasov has a modern industrial & logistics stock of 480,000 sqm and a prime rent of 4.5 Euro/sqm. VGP, WDP, CTP and Icco Real Estate are the main active developers in the region.

The local office market was stable, as the stock of modern Class A properties remained at 152,000 sqm, the city's dominant projects being Coresi and AFI. In the medium term, as the availability of well-located quality office buildings in Bucharest becomes unsustainably low, we expect that companies will redesign their workstreams and relocate support departments in regional hubs, Brasov being favored by its proximity to Bucharest.

EMMA TOMA
Head of Office Division, AFI Romania

” AFI Park Brasov 2, the 2nd phase of the award-winning office project AFI Park Brasov, will provide the best option in terms of modern offices in the centre of Brasov city, offering a competitive mix alongside the retail services provided by AFI Brasov shopping centre. With a total surface of 12,000 sqm GLA, the office building shall be delivered in Q2 2027



TIMISOARA ATTRACTS INDUSTRIAL INVESTMENTS & *urban mixed-use developments*

One of the strongest regional poles of Romania, with a history of cultural, economic, and political leadership, Timisoara attracts investors due to its key location in Western Romania and the openness of the local authorities.

The city has successfully transitioned from an industrial manufacturing base to a high-tech, service-oriented economy. With an exceptionally low unemployment rate (below 1.5%), the city faces a perennial "war for talent." Average net salaries in Timisoara are among the highest in Romania, thus creating a robust middle class, fuelling retail consumption and a strong housing demand.

A brief economic analysis reveals that Timis is the 3rd preferred destination (after Bucharest-Ilfov and Cluj) for foreign investors. Approximately 150 companies with foreign shareholding and a meaningful economic impact (turnover exceeding 5 million EUR and employing a minimum of 10 people) have set their headquarters in Timis. These mainly run businesses in chemical & plastics, automotive and electronics components, transport, IT, and agriculture. By country of origin, Central and Western Europe dominate the investor chart.

Real estate developers also drive economic development. Iulius is one of the largest investors in the region, with a total amount exceeding 442 million Euro. Iulius Town remains the city's primary business and commercial hub, featuring a retail area of over 100,000 sqm, with 450 stores, along with four modern office buildings totalling 80,000 sqm, that accommodate 11,000 employees.

Two of the most powerful Romanian entrepreneurial groups are preparing two large-scale investments across a combined area of over 40 hectares. Ţiriac Group has secured the Zonal Urban Plan (PUZ) for a mixed-use development—comprising residential units, offices, commercial spaces, hotels, and services—in the Abator area. Pavăl Holding has obtained a PUZ for a 36-hectare industrial and logistics park located in the northern part of the city. Together, these two projects represent investments exceeding 100 million Euro.

Despite considerable growth in prices, Timisoara remains an accessible regional center, the price for new homes placing the city in fourth place, following Cluj- Napoca, Brasov and Bucharest. According to Imobiliare.ro data, the medium price for new apartments stood in January 2026 at 2,141 Euro/sqm, representing a YOY 10% increase.

The total office stock in Timisoara remained stable at 285,000 sqm, with United Business Center – Iulius Town, AFI Park, ISHO, and Vox Technology Park being the benchmarks for qualitative Class A business parks. Asking rents vary between 12.5 to 14.5 EUR/sqm, and the negotiations can become competitive, considering the 15% vacancy rate.

The city is attracting new residents: the population of the Timisoara metropolitan area is estimated at over 500,000 people. Those numbers are driving a strong retail expansion, with 200,000 sqm under development at the county level – mostly retail parks. As far as shopping malls are concerned, the stock remained at 175,000 sqm: Iulius Town and Shopping City Timisoara continue to dominate and serve the burgeoning county.

Although the tourism figures are not yet over the pre-pandemic levels (2019), the interest of international hotel brands remains high. In the following three years, there are five hotel branded projects in pipeline with a total number of 616 rooms, most of them in the “4 stars” ranking.

The Western region is second after Bucharest in terms of logistics & industrial activity. Timisoara’s total modern industrial & logistics stock grew by circa 10% in the past year, to reach 850,000 sqm, with prime asking rents at 4.5 Euro/sqm.

Notable transactions in 2025 include the Kyocera renewal with CTP and the RPW Logistics renewal with VGP. Also, Great Wall Motor announced a new partnership with the local auto components producer Elba, marking a significant market entrance. One of the largest Chinese automotive producers is signalling a more aggressive market penetration to compete with European carmakers by shortening its supply chain. Other important production companies that announced plans to open units in Timisoara include Elma Electronic (Swiss) and DDK (Taiwanese bicycle maker).



DANA BORDEI
Commercial Country Manager,
VGP Romania



” VGP aims to continue its expansion across Romania by consolidating its presence in established logistics hubs. Timisoara is a key location for VGP Romania, the park being located near the A1 highway under construction, part of the Pan-European Corridor IV, which will connect Bucharest to Budapest. The company’s focus remains on delivering high-quality industrial spaces that meet modern operational and sustainability standards.



PUBLIC POLICY AND PRIVATE INVESTMENTS

reshape Iasi urban landscape

Iasi is undergoing a modernization process, driven by both public and private actors. While the city hall contracted investments in public services and passed light coercive measures to change inhabitants' behavior to make it more aligned with European cities, the professional real estate investor communities are setting new standards in terms of urban development. They've engaged world-renowned architects for redevelopment processes, brought quality finishes to fresh living concepts, and transformed worn-down schemes into a destination for families across the broader Moldova region. Local developers took note and are now pursuing new opportunities that shall gentrify former industrial areas of the city.

The most-awaited delivery is, of course, the finalization of the A7 highway. Although a slight delay has pushed back the opening of several lots, it is expected to be fully functional from Bucharest to Pascani by 2026. This will streamline transportation routes and open new production and logistics facilities in an area that most needs new economic development opportunities. It is essential to recognize that these major infrastructure projects also generate additional positive externalities. Dorinel Umbrurescu, the owner of UMB – one of the leading companies to contribute to the A7 built, has recently announced plans to build a mini-city for its employees close to Adjud, on 200 ha. Thus, profits from EUR-funded developments are reinvested in Romania.

Retail is for sure **the most dynamic sector** of the real estate market. Prime Kapital inaugurated last year Mall Moldova, a 125,000 sqm regional destination. Iulius is working on a major makeover for Palas, the region's leading retail development with more than 22.2 million visitors per year. The functional and esthetic transformation will help optimize the existing premises and thus gain 20,000 sqm of additional leasable area, which will facilitate the access of new retailers and the expansion of current retailers.

In terms of **accessibility**, Iasi remains **the only city** among the largest six markets (Bucharest, Cluj-Napoca, Brasov, Timisoara and Constanta) with prices for new units still **under the 2,000 Euro/sqm threshold**.

According to Imobiliare.ro the price for new apartments was 1,948 Euro/sqm in January, a 10%

increase YOY.

The **Iasi office market was stable**, with no new additions to the circa 300,000 sqm stock. The vacancy rate is still in the 15% range, whereas the rents have remained stable at an asking of 15-17 EUR/sqm for prime properties.

While overseen for many years by traditional **industrial and logistics investors, Iasi is having a moment**.

Currently, according to 4BIZ Properties, the Iasi area includes over 370,000 sqm of such spaces in various stages of development (delivered, under construction, or in the planning phase), developed by investors such as: Proinvest – 108,000 sqm, Eli Parks – over 61,000 sqm, Olympian Parks – over 85,000 sqm, Oresa – 50,000 sqm, and Kaufland – 67,000 sqm.



One of the main investments undergoing is the 110 million Euro by Iulius. Following the positive results of the two Family Market projects in Iasi, the investor is expanding the concept in Tomești, a satellite locality that has developed significantly. The most challenging investment is the one in Palas, the region's leading retail development with more than 22.2 million visitors per year.

This functional and esthetic transformation will help optimize the existing premises and thus gain 20,000 sqm of additional leasable area, which will facilitate the access of new retailers and the expansion of current retailers. For the first time in Romania, Iulius is working on this 80 million Euro project with the architects at the prestigious architecture firm Foster + Partners. September 2025 marked the beginning of works for the first phase of this complex project, which will be carried out in multiple phases, in parallel with the normal operation of Palas.

NEW PRIVATE DEVELOPMENTS

reshape Constanta

Constanta is steadily continuing its path of being one of Romania's regional powerhouses. The touristic destination is also an unshakeable pillar of the country's defence, energy, and food security. Constanta is looking ahead to turbo-boosting its superpowers and a slow transition towards building a corporate culture.

Romania's most ambitious energy initiative in the Black Sea, the 4 billion Euro Neptun Deep, is hitting critical milestones. The 140-meter-tall steel jacket for the Neptun Alpha platform is being finalized. Significant progress has been made on the Tuzla gas metering station and the pipeline that will link the offshore fields to the national grid. This is a vital link for delivering the gas to Romanian households and industry. OMV Petrom has already signed eight major gas supply contracts. One of the first confirmed clients is the German state-owned energy giant Uniper, which is looking to expand its footprint in the Romanian market. Romanian authorities announced the implementation of an "Advanced Security Shield" for Neptun Deep. This involves: enhanced radar and drone detection capabilities, funding from the EU's SAFE rearmament program (€16.6 billion total for Romania through 2030) to protect maritime assets and permanent monitoring by the Ministry of Defense to mitigate risks such as floating mines or drone incursions in the Exclusive Economic Zone.

One of the country's most powerful developers & investors, IULIUS, moves forward with its master planning for the urban regeneration project on 38 hectares, which previously housed the operations of the country's largest oil products storage and import/export. To draw its vision, the company has retained one of the most prestigious UK-based architectural companies, launched public debates over future functions, and is progressing with the soil decontamination and regeneration phases. The target? One of the largest urban transformations in Romania: an unused industrial area is revalorized and given back to the city, so it becomes an active spot in community life, within the amplest reconversion, bioremediation and urban revival project in the country.

In addition to the expansion of the Mihail Kogalniceanu military base, the strategic defense role of Constanta shall be enhanced by further investments in the Military Port. The Romanian Naval Forces began work on a new wharf and advanced military logistic capabilities. Most recently, the EU unveiled its defense strategy for the Black Sea. In addition to the NATO military base, Kaja Kallas, the EU Diplomacy-Chief, announced major investments in road, air, sea, and rail logistics for heavy equipment transportation. The EU shall establish a Sea Security Hub in the Black Sea, which will serve as an early warning system for potential threats.

Constanta also experiences one of the highest increases in incoming tourists, 11.47% y-o-y growth, above the capital city's expansion (9.35%). Last year's grand reopening of the Casino, an art nouveau historical landmark, after years of restoration efforts, is expected to attract new interest.

One United Properties announced in December 2025 the signing of a preliminary sale and purchase agreement for a 34,800 sqm plot of land in the most desirable residential area of Constanta, on the Black Sea coast. The land that the company is set to acquire from the Alezzi Group, a well-known local real estate developer, is located in the Faleză Nord- Pescărie area, one of the most highly rated districts in the city, with easy access to both the beach and the main points of urban interest.

The building permit already issued for this land allows for the construction of seven tower blocks, six of which will be residential and one a 5-star hotel, a commercial and leisure area, a school and kindergarten, a restaurant area, a gym/spa, a promenade, as well as the necessary parking spaces for the complex. On this land, One United Properties intends to build a residential development with integrated commercial functions, in line with the sustainable concepts that the company already delivers in Bucharest: energy-efficient buildings, common areas, services on the ground floor of the buildings, and special attention to the quality of the urban experience. The gross development value is estimated at approximately EUR 500 million. Works are expected to start in 2026 and completion is estimated in about three years from the start of construction.



AGENDA 2026



**BUCHAREST
REAL ESTATE
CLUB**

**ROMANIA
PROPERTY
CLUB**

February:

THE TRENDS FORUM - Bucharest

March:

WOMEN IN REAL ESTATE - Bucharest

April:

BRASOV ROUNDTABLE - Brasov

May:

THE NEW DESIGN OF WORK - Bucharest

May:

IASI ROUNDTABLE - Iasi

June:

RE ACADEMY GRADUATION - Bucharest

June:

CONSTANTA ROUNDTABLE - Constanta

September:

THE RESIDENTIAL CONFERENCE - Bucharest

September:

TIMISOARA ROUNDTABLE - Timisoara

October:

REAL ESTATE ACADEMY, 7th edition

October:

OMNICHANNEL CONFERENCE - Bucharest

October:

CLUJ-NAPOCA ROUNDTABLE - Cluj-Napoca

November:

REMARKABLE AWARDS 2026 - Bucharest

December:

XMAS PARTY & BREC AWARDS - Bucharest

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