

## CBRE assists TOPBAND Europe in the lease of 11,000 sq m in Olympian Park

**CBRE, the leader of the real estate consultancy market, advised TOPBAND Europe in the leasing process of a 11,000 sq m area of industrial spaces in the Olympian industrial park in Timișoara. This transaction represents the entry of the Chinese company into the Romanian market.**

„Our client, TOPBAND, solicited our expertise to identify the most suitable industrial space in Timisoara, equipped for supporting its business strategy. The company's entry on the Romanian market is planned on a long-term basis, and the needs for further development were an important point to check for making the right choice. Olympian Industrial Park conveniently accommodates the immediate requirement of 11,000 sq m, but also offers the possibility of expansion with another 12,000 sq m in the future, up to a total of 23,000 sq m.” stated **Madalin Aresmerițoaie**, Senior Industrial Services Consultant for the West region, CBRE Romania, who represented TOPBAND Europe in this transaction.

” With this new transaction, the rented volume in Timisoara reaches approximately 30,000sq m, another proof that 2021 is a prolific year for the Romanian industrial market. The modern stock of industrial spaces in Timisoara accounts for approximately 560,000 sq m with a vacancy rate of 9%. 123,500 sq m are already under development, with a deadline by the middle of 2022. Timisoara is the second largest industrial hub in the country after Bucharest and attracts new players on the market every year, especially from the production field. The share of the labor force in this field is one of the highest in the country - approximately 40% of the total active employees”, added Madalin Aresmerițoaie.

Olympian Timisoara Industrial Park is located in the northeastern area of the city, Remetea Mare, on the national road DN6 - the main entrance/exit from Timisoara to the international airport and the A1 highway, benefiting from excellent access to both exterior and interior of the country.

"The solution put forward by CBRE meets all our needs regarding not only the existing facilities, but especially the requirements that our development plans impose. We will provide about 1,000 new jobs in the area by 2025, in an investment that will amount to 30 million dollars. Our plan is to reach a capacity of 9 million pieces annually which will generate sales of approximately \$ 150 mil. All these objectives represent only the first step that TOPBAND is taking in Romania. We will provide from here excellent product and service for smart controller of home appliances and electrical tools in Europe. We intend to become part of the local community and to fully contribute to its success”, states **Shengxiang Ye**, general manager of TOPBAND Europe.

The company focuses on 4 major production directions: three of them in the electronics area, with intelligent controller solutions for industries such as home appliances, power tools, batteries, or automatic production lines, plus one direction in the technology area for the production of electric motors and IOT platforms.

In what is considered to be an excellent year for the local Industrial & Logistics market, the country's second most developed industrial region, the Western/North-Western area attracted a share of 31% from the YTD 2021 new supply, the capital city maintaining its status of gravitational point for industrial & logistics players, with the largest share of 47%. At the end of the third quarter of 2021, Romania's modern industrial stock amounted to 5.42 mln. sq m after the delivery of approx. 280,000 sq m throughout the year. At a considerable distance, the South region welcomed 14% of the new deliveries, while the Central and Eastern/North-Eastern regions jointly claimed 8% of the Q1-Q3 2021 new supply.

As concerns the new supply distribution in Bucharest, the western and north-western development areas continue to increase their modern industrial stock, with established developers in the area expanding their premises. The north-western part of Bucharest is the newest shaped industrial hub, benefiting of 17% of the capital's new

deliveries. The largest area delivered in this part of the city during the third quarter of the year was the second phase of Chitila Logistics Hub developed by Global Vision, increasing the project's total leasable area to 37,400 sq m, after the delivery of 15,000 sq m.

Already under construction at the end of the third quarter of the year, approximately 700,000 sq m are expected to be added to Romania's industrial stock by the end of 2022, pushing the modern stock over a new threshold of 6 mln. sq m, accordingly to the latest CBRE report "Romania Big Box Industrial MarketView Q3 2021". More than half of the future new supply is developed in Bucharest, and another quarter will be added to the Western/North-Western region modern stock.

The vacancy rate in Q3 2021 for the country's modern industrial stock lowered below 5%, reaching 4.75%. The impressive leasing activity started last year reflected on the occupied stock, as well. Compared with the same quarter of the previous year, the YoY change is quite impressive, the registered decrease amounting to 1.8%. Bucharest's vacancy rate recorded an even higher decrease compared with Q3 2020, lowering from 8% to 5.5%.

Moreover, with the holiday season approaching and the ongoing uncertainties related to future restrictions caused by the pandemic evolution, industrial players, either in logistics, distribution, storage, or production, aren't willing to confront with any more major supply chain disruptions and try to strategically locate near their customers. These factors, among others, should maintain the demand for logistic spaces on the upward trend that have placed this sector on the most wanted list for investors, for two consecutive years.