

New lease deals just the beginning in Pipera

The fact that a pair of new office deals are being signed in Pipera doesn't guarantee the end of a slump there that's hit the entire region

Robert McLean

The company Flanco will relocate its headquarters from Calea Floreasca to Pipera, north of Bucharest, in the recently opened Swan Office & Technology Park where it's rented 800 sqm of space. The scheme is now 15 percent leased, with the first tenant to have signed up for space having been the events organizer Ambery Hall.

The hope, according to David Tiplea, an associate at Colliers, is that along with further leases at the project, the deals could mark the beginning of better times for the Pipera district, which has been hampered as much by difficult transport access as by the weak market. Tiplea says that at the moment, rents are stable at their current levels of €10 - €12 per sqm.

Cautious optimism for Pipera stems from the fact that long-overdue infrastructure projects are finally nearing fruition. Crucially, a bridge

A bridge could be a make or break component of the fate of an entire business district



Is the Swan Office Park about to take off with the rest of Pipera?



over the Barbu Vacarescu Boulevard, whose completion has been promised for years now, should finally be opened to traffic in the early part of 2012. This, it's hoped, will ease the daily slog over the busy railway corridor that connects Bucharest with Constanta.

As construction work was making its slow, painful progress, however, a plan was developing that would connect the major office buildings in Pipera with the city's metro system (i.e. Aurel Vlaicu & Pipera Metro stations) by using a fleet of shuttle buses. The idea began with individual buildings and tenants recruiting their own buses. This has evolved, however, into a proposal for a more efficient system in which building employees would gain access to a single set of buses by using their ID swipe cards. This would also enable a more equitable and transparent system of payments. Whether tenants or building owners would end up paying for this is still a matter of negotiations.

Potentially, says Tiplea, Pipera could yet prove to be an sought after **business district**. "The area is attractive, because to the north is where a lot of CEO's, managers and high net worth people live. The challenge is the access from the residential areas of employees - which should improve in the coming months with the bus system and the Barbu Vacarescu overpass," he points out.

Are the recent deals signed at the Swan Office & Technology Park the beginning of a letting boom? Not so fast, he warns. "You don't have too many buildings to compete with right now, so it's mainly scarcity of supply will drive tenants to look at the area. If you have a 5,000 sqm requirement it's hard to find something, in more central areas even now."

"For two years now, this is the first transaction in the area that doesn't include the relocation of companies that are part of the group owned by the landlord," says Tiplea. "In the next months we expect an additional 2,500 sqm to 3,500 sqm to be leased in Swan."