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Central-northern area, leader of Bucharest districts

- *Bucharest's classic residential areas- Primaverii, Kiseleff, Dorobanti, Cotroceni and Herastrau top the ranking of Bucharest districts, according to the latest survey conducted by Coldwell Banker Affiliates of Romania .*
- *They stand out as preferential areas for top clients with high and very high incomes, whereas the semicentral areas such as Dristor, Obor, Iancului, Titan, Colentina ,Militari and Drumul Taberei are boasting surging demand on the medium and medium-high segments.*

BUCHAREST, 4 MARCH 2008 – The districts located in the Capital's central-northern perimeter are leading the ranking of Bucharest residential areas, according to the latest Coldwell Banker Affiliates of Romania survey. The homes situated in these areas have the highest prices, as these locations are coveted especially for their numerous facilities: greenery (Herastrau is Bucharest's largest park, spreading on 110 hectares), easy access to public transportation and to shopping and leisure areas.

	Area/district	Old apart (Euro/sqm)	New apart (Euro/sqm built+VAT)	Transportation (Bus / Tram / Trolleybus / Subway)	Parks/Green areas	Shopping
1	Primaverii	3,000-3,500	3,000-3,500	S/B	Herastrau, Floreasca	Dorobanti, Baneasa
2	Kiseleff	N/A	3,000-3,300	S/B	Kiseleff, Herastrau	Victoriei, Baneasa
3	Dorobanti	2,500-3,200	2,800-3,500	S/B	Beller	Dorobanti high-street retail
4	Cotroceni	2,600-3,000	2,700-3,600	B/Tr/S	Gradina Botanica	Carrefour, Bricostore Orhideea
5	Herastrau	2,800-3,300	2,700-3,500		Herastrau	Baneasa
6	Floreasca	2,400-2,900	2,500-3,200	B/Tr	Floreasca	Billa, Kaulfland
7	Aviatiei	3,000-3,200	2,500-3,200	B/Tr/S	Herastrau	Baneasa
8	Baneasa	2,800-3,000	2,000-3,000	B	Herastrau	Baneasa

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9	Unirii-Alba Iulia	2,600-3,000	1,900-2,800	B/T/S/Tr	No	Unirii Shopping Center, Carrefour, Mall Vitan
10	Unirii-Vitan	2,200-2,600	1,700-3,000	B/Tr	No	Mall Vitan, Unirii Shopping Center, Carrefour, Real
11	Tei	1,900-2,100	1,800-2,500	B/Tr/T	Tei Park	Domino, high street retail, Billa
12	Tineretului	2,300-2,800	1,800-2,400	B/Tr/S	Tineretului	Unirea Shopping Center, Carrefour
13	Domenii-1 Mai	2,100-2,600	1,800-2,200	B/Tr/S	No	La Fourmi, Angst, Victoriei high street retail
14	Mosilor	2,200-2,900	1,750-2,800	Tr/T/S/B	No	Mosilor high-street retail, Obor Store
15	Stefan cel Mare	2,200-2,900	1,700-2,500	B/Tr/S	Circului	Mega Image, Nick, Stefan cel Mare high street retail
16	Dristor	1,900-2,200	1,600-2,000	B/Tr/T/S	no	Mall Vitan, Real
17	Obor	2,100-2,500	1,400-2,000	B/Tr/T/S	Obor	Obor Store, Kaufland, Carrefour Colentina
18	Iancului	2,300-2,500	1,400-2,000	B/Tr/T/S	nu	Mega Image, Obor Store
19	Titan	1,800-2,100	950-2,300	B/Tr/T/S	Titan, Prisaca Dornei	Auchan, Billa, Cora

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20	Crangasi	1,700-1,800	1,300-1,700	B/Tr/S	Giulesti Park	Carrefour and Bricostore Orhideea
21	Pantelimon	1,500-1,700	1,300-1,500	B/Tr/S	Morarilor, Pantelimon	Cora, Bricostore
22	Colentina	1,600-1,800	1,200-1,700	B/Tr/T	Plumbuita Park	Carrefour, Kaufland
23	Militari	1,600-1,800	1,200-1,700	B/Tr/T/S	no	Carrefour, Metro, Praktiker, Plaza Mall, Cora
24	Drumul Taberei	1,700-1,900	1,200-1,500	B, T, Tr.	Moghioros	Plaza Mall, Billa, Mega Image, Cora
25	Prel. Ghencea	N/A	1,100-1,500	B	no	Carrefour, Metro Militari, Cora, Plaza Mall
26	Berceni	1,600-1,800	1,000-1,500	B/Tr/T/S	Brancoveanu	Selgros, Hornbach, City Mall

Decreasing order depending on price for new apartments

B=bus
Tr=tram
T=trolleybus
S=subway

The survey reveals the steady growth of demand, mainly caused by the dearth of new constructions after 1989. Practically, since 1989, the volume of new constructions has plummeted, as for 15 years the number of new homes delivered each year revolved around 1,000, whereas in Budapest, a smaller city in terms of number of inhabitants, 10,000-15,000 new homes were delivered annually.

In the past three years, locally, the above figures have doubled, due to the opportunities granted by banks. Still, the gap between demand and supply is still significant, whereas the number of new and pipeline homes (for 2008) is insufficient, especially on the middle-class segment.

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That is why the Romanian residential market is the main destination for the most profitable long-term investments. This is also due to a range of other factors, such as: the country's fast-paced economic growth and the rapid infrastructure development, joined by the European Union accession. Bucharest ranks sixth in the top of Europe's most populated cities, surpassed only by London, Paris, Berlin, Madrid and Rome.

Luxury apartments and villas are being mainly built in Bucharest's northern and central areas, whereas real estate projects for the middle class are generally located in the city's inner areas.

The suburbs also seem very appealing for the development of residential projects. The landscape and the environment are generally factors that increase the value and the lifespan of the projects. These projects comprise villas, fitness centers, spas, swimming pools and numerous utilities aiming to increase the project's attractiveness quotient.

Apartments built in the communist period reveal numerous flaws: no clear delimitation of the day area from the night space, no parking spaces, no green spaces. However, homes from this segment do have some advantages compared to the new apartments: the possibility to move in immediately and location in accessible areas where infrastructure is already completed.

The residential complex is a new concept developed in the past four years, first in the case of villas, and then for apartment buildings. This approach solves the security issue and also offers leisure areas, greenery and private clubs.

The new homes are bought off plan, which allows the future owner to choose the finishing level. Payment can be made in several stages, so that the purchase of a new home needs not be a constraining financial effort.

The prices of old apartments have been soaring, with many developers starting to invest in high-quality residential projects, located in semicentral areas. Thus, as central areas are beginning to face a dearth of new residential projects, several projects are being developed in the surrounding areas, most of which offer large spaces: studios, 2-4 room apartments, with areas ranging between 60 and 350 square meters, large terraces and excellent finishing work.

The average price for such complexes starts at 1,500 euros/sqm plus VAT and can go as high as 3,200 euros/sqm plus VAT.

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Several of the current projects are scheduled for completion in 2008 or late 2009, but, even when these new homes are delivered, the residential market will remain attractive, due to the very high demand for modern apartments.

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About Coldwell Banker Affiliates of Romania:

Coldwell Banker Affiliates of Romania is the local representative of one of the best-known real estate companies worldwide.

Coldwell Banker Affiliates of Romania provides consultancy and brokerage services on all market segments: residential, offices, industrial, retail, land and investments. It currently has seven offices: three in Bucharest and four in the country in Ploiesti, Campulung, Brasov and Piatra Neamt.

With a 100-year history, the US company is now held by Realogy Corporation, one of the biggest real estate franchisers worldwide. The Coldwell Banker network covers 41 countries with 3,800 offices and more than 120,000 brokers.