

Major Chinese automotive component maker KSHG Auto Harness expands again through 13,000 sqm deal with CTP in Romania

CTP, Europe's largest listed developer, owner, and manager of industrial and logistics properties by gross lettable area (GLA), has leased 13,000 sqm of production space at CTPark Deva II in western Romania to leading Chinese automotive component company KSHG Auto Harness. The company is significantly expanding its presence at the park, having already taken 8,000 sqm of production space there in 2022, reflecting the growing demand CTP is seeing from multinationals looking to 'nearshore' the production of their goods destined for European markets.

KSHG Auto Harness now leases a total of 21,000 sqm at CTPark Deva II, which is within easy reach of motorways linking to Romania's capital Bucharest, and the Serbian and Hungarian borders. The automotive component company brought the first high-tech production line of its kind to Romania when it moved to CTPark Deva II in 2022, creating 400 new jobs in the process and since then the business has been securing new projects from European customers that will create more jobs in Romania.

Deva, a city located in the historical region of Transylvania, and its surroundings such as Baciu have become a hub for major automotive and other high tech manufacturing businesses in recent years, with ever more of these firms looking to 'nearshore' manufacturing to secure their supply chains closer to where their customers are located. This follows the COVID pandemic and geopolitical tensions disrupting supply chains, as well as new EU regulations that are encouraging manufacturers to base in the region. Central and Eastern Europe (CEE) has become a hotspot for multinational manufacturers looking to locate in Europe, with the availability of skilled labour, growing economies and good connections to Western European markets all being key factors drawing companies to the region.

As a developer-landlord, CTP always aims to have additional space at its parks available for development that its tenants, such as KSHG Auto Harness, can grow into. This explains why around 70% of CTP's new leases are signed with tenants from its existing client base.

Andrei Bentea, Senior Leasing Officer at CTP Romania, commented: "We are pleased to see KSHG Auto Harness expand into more space at CTP Park Deva II. At CTP our focus is always on creating the right space for our customers that is designed and built to suit their needs. Because we hold our parks for the long-term, we get to really understand our tenants' businesses, which means when they are ready to expand we are ready to help them. At most of our parks our strategy is to have additional land available earmarked for development, providing our tenants with the flexibility they need to expand. This has been welcomed by many of our multinational clients who are increasingly looking to nearshore the production of goods they are making for their clients in European markets."

Established in 1988, Kunshan Huguang Automotive Electric Co., Ltd. is a privately owned company, specialising in the development and production of high and low voltage automotive wiring harnesses. It is a market leader in the sector, known for its innovation and ability to develop cutting-edge products.

CTPark Deva II is strategically located in Baciu, on Romania's E79 highway, just a few kilometers from the main A1 motorway that linking to Bucharest and the Hungarian and Serbian borders. It also benefits from excellent public transport links to surrounding local areas.

Romania is CTP's second largest market, representing over 2.6 million sqm of its portfolio across Class A industrial and logistics space in more than 15 Romanian cities, including Arad, Brasov, Bucharest, Caransebes,

Cluj-Napoca, Craiova, Deva, Oradea, Pitesti, Sibiu, Targu Mures, Timisoara, Turda, Ineu and Salonta.