

INTER NEWS



531

United in Success

The City Mayors of the Sharon are Counting on Route 531 to Attract New Companies to their Hi-Tech and Business Districts

Indulging employees:
Hi-Tech is moving into
central Tel Aviv

Forecasts threatening
a slowdown have
spurred on new deals

Contractual hiccups:
Why property
transactions require
proper advice

**Dear Readers,**

The cross-Israel highways (east-west) are major projects that will prove to be a game changer for Israel. Route 531, for instance, is set to transform transportation in the Sharon and Tel Aviv areas and improve traffic to the regional business

districts. The city mayors of Ranaana, Kfar Saba and Herzlia, interviewed in this newsletter, have expressed satisfaction with the new highway, based on the assumption that it will attract investors and businesses to the area and have a direct impact on commercial properties for these cities. Has the country begun to think not only along its length but also its breadth?

Commercial property deals tend to be complex and undergo many stages to meet client needs and assess alternatives. In what manner should deals be brokered and what is needed to accompany this process? Where to be cautious, when to choose a property consultant and not just a realtor? These questions are all addressed by Larry Garner, Director of International Consulting at Inter Israel.

And as per usual, the second quarter review of Tel Aviv's central business districts: despite recent threatening pronouncements predicting a slowdown in the commercial property market, we have actually seen more deals than in the past.

A review of the central business districts of Tel Aviv and Ramat Gan indicates a new trend of hi-tech companies flocking to Tel Aviv, to better offer their employees and guests access to restaurants, commercial areas, entertainment and tourism. All this and more in the latest issue of Inter News.

Have an enjoyable read!

Yoram Blumenthal

Partner, Inter Israel

InterNEWS, July 2014 Edition

Publisher: Inter Israel Real Estate Consultants

Senior Editor: Yair Kachel

Managing Editor: Avriël Ben-Dor

Researcher: Marissa Kerzner

Production: Naama Ochanun

Language Editor: Danny Geva

Graphic Designer: Studio Orna Cohen

Statistical Oversight: Rami Yulazri

Production Editor: Yair Kachel PR Ltd.

Translator: Ari Itzkowitz, Lion H.I. Consulting Ltd.

Inter Israel Real Estate Consultants

15 Abba Hillel Silver

Ramat Gan

research@inter-israel.co.il

www.inter-israel.co.il

Notwithstanding the accuracy of the information contained in this document, the information contained herein is not binding and may not be relied upon in any way as a basis for feasibility checks and/or business decisions, without obtaining specific professional advice and assistance. Inter Israel will not in any event assume or bear any responsibility towards the client for the accuracy of the information, in relation to any indirect, consequential or incidental damages, including, but not limited to, loss of customers and/or loss of profits, arising out of the information contained herein. It is the full and sole responsibility of any person who makes use of the information herein, to undertake the necessary examination of the accuracy and reliability of such.

Expecting a Slowdown?

The Office Rental Market is Heating Up!

Projections of a market slowdown have led developers to provide incentives for tenants, leading to an upswing in deals

● **Overall, we have observed a slight decline in rental prices**

In this report for the second quarter of 2014, we have analyzed supply and demand for office space in different geographic areas and for expectations for the coming year. We have collected data on rental pricing and occupancy rates among offices in 9 separate areas, from Netanya in the North-Central Coastal Region to Nes Tziona and Rehovot in the South-Central Coastal Region. Our data indicates a slight 1.4% drop in average office rental prices from NIS 49.7/sq.m. to NIS 49.0/sq.m.

Due to the threat of an imminent market slowdown, as well as recent dismal predictions and short term difficulties, we have noticed an atmosphere of urgency among developers to finalize deals. This has led to unprecedented concessions in rental agreements as benefits to tenants, not as direct price reductions but rather expressed in other ways such as extended and generous grace periods, improved design features, etc.

Areas with prominent rental price changes include Rosh Ha'ayin with a decline of 5% and Netanya and Kfar Saba with falls of 2%. Prices remained stable in Petah Tiqva, Nes Tziona – Rehovot, Herzlia, Ra'anana and Hod Hasharon. Airport City recorded a 2.5% rise.

Occupancy Analysis by Area**Petah Tiqva -**

No change: NIS 48/sq.m.

Marketing of a number of projects in Petah Tiqva (mainly Kiryat Aryeh) has greatly advanced in this quarter: The Amot Platinum project has exceeded 70% occupancy, attracting many financial and insurance companies (including Excellence Nessuah and Phoenix), as well as software companies – Superfish, Watchdox,



CTera and others. Intel has also expanded its operations, leasing additional space in the Azorim Park. Office space in Kfar Saba and Hod Hasharon continues to present significant competition to Petah Tiqva.

Rosh HaAyin -

Falling from NIS 39 to NIS 37/sq.m.

The Kahlon effect (Moshe Kahlon, previous Minister of Communications forced cellular companies to drastically reduce prices) continues: Being primarily leased out to communication companies, this area continues to be challenged by the shift in this sector. Rental prices fell dramatically by 5% from the previous quarter. The Afek Industrial Park continues to languish and is struggling to find tenants from other industries. In spite of this trend, Amot has consistently succeeded in renting out the area abandoned by Better Place.

Nes Tziona - Rehovot -

No change at NIS 48/sq.m.

Despite its location to the south of Tel Aviv, this area continues to enjoy high occupancy rates and strong demand from life science companies due to its location near the Weizmann Institute. Rental prices have remained steady at NIS 48/sq.m./month.

The Ben-Gurion Airport Area

A slight rise from NIS 46 to NIS 47/sq.m.

Airport City – With the shortage in immediately available space in the Tel Aviv Metropolitan Area, we believe that companies will take advantage of the availability of high quality vacant premises such as the HOT Mobile building and occupancy rates will pick up, especially in Or Yehuda and Beit Dagan. New developments in the past quarter include completion of a service strip with restaurants, which will increase the Park's attractiveness.

Or Yehuda – Occupancy in the Vitania project's commercial center is up: Super Pharm has leased 630 sq.m., ArCaffe 230 sq.m. and Kenes Tours has 1000 sq.m.

Lod - The area continues to stagnate, also during this quarter.

The Sharon Region

Herzlia -

No change at NIS 67/sq.m.

Prices have remained stable this quarter following a rise in the previous quarter. A number of deals have recently closed, emphasizing the attractiveness of the industrial area in competition with Tel Aviv. Herzlia Pituah currently has five projects under construction. As prices have crept up to approach those of Tel Aviv's less costly business areas, occupancy rates of new buildings are expected to slow down. Gav Yam is proceeding with the marketing of its Madah St. building with occupancy expected by the end of this year

Netanya -

Slight decline from NIS 40 to NIS 39/sq.m.

Rental prices for office space are slowly eroding as the City's attractiveness declines. As we have been predicting, weakening demand has led to a 2.5% drop in prices in the second quarter. Still, we assess that rising prices in Herzlia will strengthen Netanya's position as a less costly alternative.

“We believe that companies will take advantage of the availability of high quality vacant premises such as the HOT Mobile building and occupancy rates will pick up, especially in Or Yehuda and Beit Dagan”



Kfar Saba -

Slight decline from NIS 52 to NIS 51/sq.m.

A relatively large stock of available office space, in particular in Alba House, has led to a temporary drop in prices. We expect this to change in anticipation of the opening of Route 531 at the end of 2015. Kfar Saba will offer a reasonable alternative to Herzlia, especially due to the price differential. Kfar Saba is undergoing a transformation into a desirable industrial area and represents a serious alternative to companies considering relocating or expanding in Ra'anana or Herzlia Pituach.

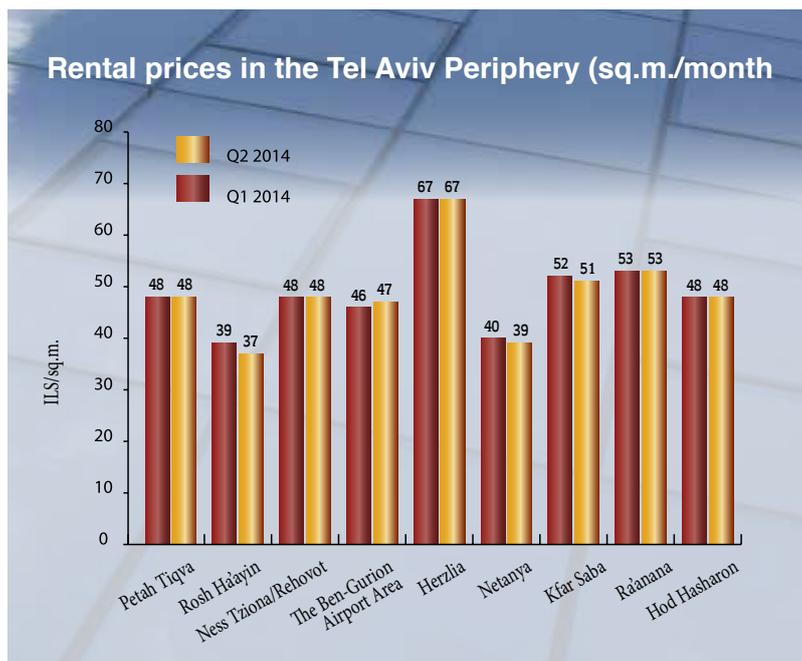
Ra'anana -

No change at NIS 53/sq.m.

Prices have remained stable after some decline during the first quarter of the year. The extension of Route 531 offers greater opportunities for Kfar Saba and Hod Hasharon and provides a challenge to Ra'anana's ability to offer competitive terms (the Route 531 effect is explained elsewhere in this issue).

Hod Hasharon: No change at NIS 48/sq.m.

Ashtrom continues to advance the development of its projects and in the meantime, prices remain stable. We expect Route 531 will raise



the profile of this area as well, being largely populated by medical device and software companies. Qualcomm's relocation to Hod Hasharon has helped to increase the location's popularity.

Starting to Think Across



531

Israel is envisioned as a narrow country – and everything therefore takes place along its length; Recent highways built to span its width (431 and 471) and currently under expansion (531), will connect the North-South highways and turn the Tel Aviv Metropolitan Area and the Sharon into a highly efficient contiguous metropolitan region; The result: improved traffic patterns and journey times and an increase in popularity of the local business districts; How will these new interconnecting highways affect the business districts and how will the mayors of Ra'anana, Kfar Saba and Herzlia get their message across to investors and entrepreneurs? We present here Route 531 as an example

Sharon residents – Herzlia, Ra'anana, Kfar Saba and Hod Hasharon

Route 531 is a national transportation mega project, located in the Sharon region and inclusive of a railway line (already a contributing factor of success to the region's business districts). This highway will connect the cities of the Sharon region along with the Tel Aviv metropolitan area and reroute traffic patterns to the main regional business districts.

Sharon residents – Herzlia, Ra'anana, Kfar Saba and Hod Hasharon – can already see on their way to and from work, that progress on this route has

shifted into high-gear. The work is scheduled for completion in 2017 and is expected to effectively alter transportation for the area and act as a major magnet attracting businesses to the regional business districts that will be highly accessible from the new road. **Ze'ev Bielski, Mayor of Ra'anana, in your opinion, what effect will Route 531 have on existing and future business districts in your city?**

“There is no doubt that Route 531 will be one of the most important intercity routes in Israel. We believe the road addresses the real needs of the

residents of Ra'anana and of the entire Sharon region and will significantly reduce congestion on Sharon roads and among the main city boulevards that are currently being used to access the North-South expressways. Route 531 brings an additional perk – 2 new train stations inside the city, one in the west by the hi-tech park near the Ra'anana Junction and one in the east by Park Ra'anana.

“To our great delight, we find ourselves experiencing a wave of development in the City: from new residential locations, including an area comprising 238 long-term rental housing units, to



Zeev Bielsky, Mayor of Ra'anana: "We are planning a new advanced industrial zone on the east side of the city that will be adjacent to the train station under construction and to Route 531"

the construction of new business and commercial properties in both the business districts and city center. For instance, SAP has decided to expand its Ra'anana offices and is building a new facility, as are a number of other international companies."

What message would you like to send to developers and companies with the paving of Route 531?

"Route 531 makes Ra'anana accessible from Israel's center as never before and there are many developers and contractors that are able to see the potential therein. In our new city plans, currently under approval, we have taken into account the impact of the new road to prompt companies to establish themselves in Israel's center, in an easily accessible location with a high level of services. Undoubtedly the strategic location of Ra'anana within the new network of planned roads, is what has led to the establishment of a new upscale business hotel in our hi-tech and commercial zone.

"Everyone knows that commercial centers, hi-tech companies and businesses spring up in areas that offer easy access. Excellent accessibility is the prime reason for the location of residential and office towers along the Ayalon Highway, together with the

Azrieli Center and many other real estate projects. This will occur also in Ra'anana which can be accessed from Route 531 by 3 junctions and 2 railway stations."

How is the Ra'anana municipality assisting to develop the City's business centers and increasing the demand for available real estate?

"Over the years, we have failed to envision and provide a long term city plan. Now, we are in the process of pushing for a significant upgrade to our industrial areas and are encouraging the establishment of a variety of businesses, including entertainment and recreation. In line with this, we are planning a new advanced industrial zone on the east side of the city that will be adjacent to the train station under construction and to Route 531."

Are you receiving enough government assistance in your plans? What else should be done to assist development of your business districts?

"The State of Israel understands that economic growth is driven primarily by proper development of national infrastructure such as transportation. However, it may still be appropriate to consider transferring certain mandates, which today lie within the central government jurisdiction, to those municipal authorities interested in accepting these responsibilities."

Yehuda Ben-Hamo, Mayor of Kfar Saba: Has the construction of Route 531 had any influence in the past year on demand or interest by developers, contractors and hi-tech companies?

"There is no doubt that Route 531, whose western branch has already been partially open for a number of years, has placed Kfar Saba and its technology park, located to the southwest of the City, very much on the business map, with high demand from developers, contractors and hi-tech companies. Undoubtedly, the chosen location of Sandisk as well as other companies in recent years is due to the existence of Route 531. In the past year alone, we can see the start of construction of the Oshira project, which will include an entertainment center and an office tower, as well as construction of office buildings by other developers in the industrial zone to the east of the City, also accessible by Route 531."

"Kfar Saba has an additional industrial zone to the west of the city and alongside both Route 531 and Highway 4. Now that work has already begun for laying the road and zoning has been approved for the office areas, we are experiencing an increase in interest by new developers for the construction of offices."

What business centers are now being built in Kfar Saba in expectation of Route 531 and what others do you expect to be built?

"The 2-stage Oshira complex, at the junction of Route 531 and Highway 40, is situated centrally for the Sharon region and is perfectly located for an entertainment center servicing our city and the surrounding areas. There are other sites in our central business districts that have advanced plans to expand their commercial and office areas in recent years due to the planned upgrade in our transportation infrastructure. Projects under construction or under planning include an office complex being built by the Fishman Group, cinemas in the G



Yehuda Ben-Hamo, Mayor of Kfar Saba:

"We are in the final stages of the development of the eastern industrial zone "Kfar Saba 50" which will include a large industry and trade center, a convention center, office towers and supporting developments. Route 531 is a central driver to our plans"



Moshe Fadlon, Mayor of Herzli: “We are planning an industrial zone by the Yad Hatisha neighborhood which will adjoin both Route 531 and the railway station. This project, currently at the planning stage, will include both residential and commercial areas”

Shopping Mall, an office tower under construction by Dor Alon and more. The Municipality is also moving ahead with the addition of three commercial centers in its “Green neighborhoods” and an office building in its northern Green neighborhood. The City is also completing the planning of the last stages of its eastern industrial zone “Kfar Saba 50” which will include a large industry and trade center, a convention center, office towers and supporting projects.”

How is Kfar Saba’s Municipality working to attract additional developers and companies?

“The Municipality has established a business department to directly assist all local enterprises, both large and small and to facilitate the establishment of new businesses as well as to develop existing businesses. The department promotes business development through centralizing and processing requests for office or commercial spaces within the City and matching them with available opportunities at business centers or with property owners. The department also regularly contacts companies and institutions that may be in the market for office space, whether to

develop or for own use. The department hosts various activities to further the development of local businesses such as a small business center, workshops for growing businesses, promotion of “green” businesses, establishing a business hub and other activities.”

Moshe Fadlon, Mayor of Herzlia, how will Route 531 affect the Sharon and in particular Herzlia?

“We greatly approve of the Route 531 national project and we believe it will improve traffic congestion in the Sharon region and strengthen Herzlia’s position as a leading business center.”

How is your municipality encouraging the development of local business to take advantage of the new road?

“We are planning an industrial zone by the Yad Hatisha neighborhood which will adjoin both Route 531 and the railway station. This project, currently at the planning stage, will include both residential and commercial areas. In addition, we are discussing with the central government a plan for a large project in the Galil Yam area which will include 4,000 residential units, offices and a commercial center. We are at all times working with developers and businesses to advance Herzlia’s business districts and to encourage international companies to take up space in existing centers. We allocate city resources as necessary and help troubleshoot bureaucratic issues.”

Yoram Blumenthal, Partner in Inter Israel: How in your opinion, will Route 531 affect the interest of international companies in the Sharon Region in the coming years?

“Route 531 will shift the balance of power from Herzlia to Kfar Saba, Ra’anana and Hod Hasharon, as Herzlia is relatively more expensive than the neighboring cities. Whilst Herzlia enjoys more developed commercial areas. Development will be spurred on in the rest of the Sharon, especially in Kfar Saba, which has enormous potential. Kfar Saba is home to far fewer international companies that characterize Herzlia and Ra’anana, but its business zones will be more accessible, thanks to Route 531. This will be an upgrade for Kfar Saba’s industrial areas and mark it as an alternative site for companies in Ra’anana and Herzlia

Pituaah who may be looking to relocate or expand. These cities – Ra’anana, Hod Hasharon and Kfar Saba – are scheduled to rise up the demand ladder in Central Israel, begin to seriously compete with Herzlia and offer a less costly and more convenient alternative for international companies.

“Route 531 will link up the Sharon region into one contiguous expanse and will benefit areas which offer better infrastructure and development, similar to that seen previously in Park Azorim, Petah Tiqva a decade ago, the Airport City industrial zone and Gav Yam in Herzlia.”

And what will be the effect on the rest of the Sharon, such as Netanya?

“Netanya is beginning to languish with declining rental prices as a result of Route 531’s linking Hod Hasharon, Ra’anana, Herzlia and Kfar Saba to the Ayalon Highway. We expect Netanya will continue to lose popularity as a result of the new traffic dynamics created by Route 531 and international companies considering relocation take into account the importance of the new west-east highway system being implemented in Central Israel.



Yoram Blumenthal, Partner in Inter Israel: “Ra’anana, Hod Hasharon and Kfar Saba, are scheduled to rise up the demand ladder of Central Israel, begin to seriously compete with Herzlia and offer a less costly and more convenient alternative for international companies”

Property Deals: How to Identify Problematic Clauses?

Contrary to common assumptions, commercial real estate deals can be complex processes, including many stages of working to understand customer needs and providing suitable alternatives. The tenant can be harmed by inappropriate decisions, which may only become apparent much later

● **How to put together a successful transaction, identify problematic clauses and why to use a property consultant rather than a realtor.**

What should be the principal considerations of a company looking to purchase or lease offices, in Israel or overseas?

“Each company has its own particular needs. These normally include location, design, infrastructure, technology and proximity to a specific workforce, e.g. engineers in the case of hi-tech. Local offices of international organizations may find themselves caught up in a complex situation when there is a difference of opinion between the Israel-based management and the home office in the US or Europe. These differences may result from localization issues over how to best present the company’s image versus the competition and may be expressed by varying preferences in design or location. Other considerations may include operational issues, payments or contractual clauses, such as mechanism for early exit or option to reserve additional space for future expansion.”

What role does a property consultancy play at each stage of a transaction? What does this cover?

“Before we begin a transaction, we must first understand the client’s needs and expectations – this is critical to a successful deal. Without making the right preparations, the process can fail, or worse, be carried out improperly and lead to an unsatisfied client. Many of our international clients come to us for our vast experience in assisting deals, both in Israel and elsewhere, or due to our partnership with Cushman & Wakefield. Companies turn to us to manage property deals in Israel,

whether buying or selling. We follow a multi-stage process, whereby we define the client’s needs and expectations, then assess the various options and available properties. At this point, we look to see how each property may best meet the needs of our client as determined at the launch of the process. In parallel, we work to understand the financial aspects of the transaction.”

How important are contractual negotiations? What points should be highlighted at this stage?

“After several sites have been considered by the client, it is time to negotiate the contract, which will define many of the specifics of the transaction. This phase is critical for the client as each clause and its ramifications must be reviewed and appraised. We will check the flexibility of the contract, its exit points and any option to reserve additional areas for future expansion – this can be a long and tedious process and may drag out for months.”

“An effective property consultancy has the experience and professional knowledge to successfully negotiate the contract for the client. This requires the right approach and an ability to extract the most from each contractual clause, which might be deliberately formulated by the property owner to be obscure or problematic. If not properly identified and attended to, contractual issues can lead to future difficulties for the client.”

Who else should be brought in on this process?

“Every deal will need the involvement of other professionals in addition to a property consultant, such as: lawyers,



Larry Garner

Status: (45) Married, with 3 children
 Position: Director of International Consulting at Inter Israel Real Estate Consultants
 Education: B.A. in Political Science, University of Michigan. M.Sc. in Real Estate, MIT, Boston
 Clients under management: HP, Qualcomm, Sapiens, Cisco, Akamai, Monsanto, Thomson Reuters
 Experience: 18 years in corporate real estate in Israel and the US
 Most recent deal: A 22,000 sq.m. sale and lease back deal for HP in Yehud

architect, project manager, surveyor and insurance agent. The architect is responsible for redesigning the space to meet the company’s needs as well as reflect the correct corporate image, an expensive process. Other important negotiation points include the infrastructure provided and payment setup. Insurance consultants are necessary for safeguarding any liabilities related to the employees, the structure and the workers contracted for redesigning the space.”

How much time does the entire consulting process take?

“Each consulting process can take around six months from start to finish and undergo many phases requiring both the knowledge and experience provided by the consultant. Success is often measured by the amount of experience a property consultant brings to each detail of each stage of a deal and in the consultancy’s skill at international transactions. In contrast, a realtor does not have the necessary expertise and is mostly interested in closing the transaction and not with managing the process, dealing with each and every component and the larger picture.”

The Trend has Reversed: Hi-Tech Returns to Tel Aviv

Facebook, which has relocated from Ramat Gan and the expansion of Google's offices are the harbingers of change. This has been followed by other companies looking to offer their employees greater access to the amenities, recreation and restaurants of Tel Aviv, after years of migrating to the periphery • Meanwhile, Tel Aviv continues to fill up – there is practically no space left to find on Yigal Alon Street. Rental price levels in the remaining central business districts (CBDs) continue to hold steady

Demand in Tel Aviv is peaking with almost unprecedented occupancy rates, due to the interest of hi-tech companies over the past year. Those who decide to wait will find many great opportunities in properties under development (the new Suzuki Tower, the Tnuva Azrieli Tower, the Amot-Gav Yam complex on Totzeret Ha'aretz Street and many others).

For the moment, office rental prices remain stable and high with extremely high occupancy rates. It is difficult to find attractive and available office space in any of the central business districts, but this will be temporary and can change rather rapidly – once the Atrium Tower and Adgar 360 – with additional inventories of 70,000 sq.m. combined are completed.

The entry to Tel Aviv of many hi-tech companies in the last half year seems to herald a new trend: hi-tech is no longer looking to reduce costs but rather to provide more amenities for employees and visitors.

Inter Israel Real Estate Consultants' office market survey for the second quarter of 2014 encompasses office space "stock" totaling 2.2 million sq.m. in 129 office buildings in the greater Tel Aviv area, of which 62 buildings were analyzed in depth. Tel Aviv includes 6 business districts – Rothschild, Shaul Hamelech, the Coast, Menachem

Begin, Yigal Alon and Ramat Hachayal. In addition, we have analyzed the Diamond Exchange area and the BBC area (Bnei Brak Business Center).

Rental prices remain stable

During the second quarter of 2014, occupancy rates have remained unchanged at an average of 97.5%. Also, average monthly rental prices remained at NIS 97/sq.m./month. When including Bnei Brak and Ramat Hachayal, the calculated price falls to about NIS 91/sq.m./month.

Rothschild Blvd. maintains very high rental prices, though slowly declining in relation to the market. Rental prices are now NIS 108/sq.m./month, a decline of NIS 1/sq.m./month from the previous survey (NIS 109). A reminder: the average price per sq.m. per month stood at NIS 111 in the last quarter of 2013.

Shaul Hamelech remains the most expensive, maintaining stability at NIS 110/sq.m./month in the most recent quarter. Menachem Begin remains at NIS 100/sq.m. from NIS 99/sq.m. Yigal Alon also remains without change at NIS 98/sq.m./month. The Diamond Exchange rose slightly to NIS 86/sq.m./month – a rise of NIS 1/sq.m./month from the previous quarter. Bnei Brak continued at NIS 72/sq.m./month. The Coast maintained stability at NIS 78/

sq.m. likewise, Ramat Hachayal, where prices are NIS 72/sq.m. on average.

Occupancy Rates remain stable

Growth in occupancy rates during the quarter under review stood at 17,000 sq.m. and an annual rate of 72,000 sq.m. In the quarter under review the office rental market remained stable with extremely high occupancy rates. The amount of unoccupied space in the BBC, during the quarter under review, rose to 18% compared with 16% in the previous quarter.

While rental prices on Menachem Begin have remained flat (NIS 100), there is practically no available office space there for rent. Available space



“Rothschild Blvd. is being transformed from a stronghold of financial institutions to hi-tech. Hi-tech companies are flocking in unprecedented numbers to Tel Aviv and to this area in particular”

is also dwindling on Rothschild Blvd., falling from 5% in the previous quarter to 3% in the current period.

Rothschild Blvd. is being transformed from a stronghold of financial institutions to hi-tech. Hi-tech companies are flocking in unprecedented numbers to Tel Aviv and to this area in particular. It is still too early to say whether this is a lasting trend, but during the past year the migration of hi-tech companies to Tel Aviv has accelerated. For example, Facebook has relocated from Ramat Gan to 4,000 sq.m. of offices on Rothschild Blvd., Google has located to

the Electra Tower in Tel Aviv, Rivizer has leased 2,000 sq.m. in the Psagot Tower, Autodesk is renting on Rothschild Blvd and other start-ups have also chosen to locate in Tel Aviv, in the wake of larger companies.

Inter Israel Real Estate Consultants explains: “Leading the decision to open in Tel Aviv are foreign companies who have acquired Israeli start-ups. They are attracted by the trendy atmosphere of the streets of Tel Aviv, especially in the area of Rothschild Blvd. This has influenced the decision of many hi-tech companies who are electing to offer their workers and guests better access to the comforts, recreation and restaurants available in Tel Aviv.

