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# THE SOFIA ECHO

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## BUSINESS

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### PRESS PRAISES BULGARIA'S PROPERTY MARKET

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The Wall Street Journal and London-based newspaper The Independent have published articles praising property market opportunities in Bulgaria.

In an April 18 report in The Independent, which describes Bulgaria as a "beautiful country", writer Robert Nurden says that property investment in the country falls into four main categories.

The first is in the capital city, Sofia, which is "growing economically and geographically faster than any other former East European capital". The property boom has now hit the centre, with locals themselves pitching into the market, always a good sign, the report says.

"With the country on the threshold of EU membership – and entry into the euro itself likely in about three years' time – an international and transitory population in this 'engine of the country's growth' is inevitable. This means a huge demand for good rented accommodation." The Independent says that an average, two-bedroom, newly built apartment in the centre sells for between 69 000 pounds and 87 000 pounds (195 245 to 246 190 leva), and values are "rising almost by the day". The rent from such an apartment would be up to 700 pounds a month, according to Robert Jenkin of estate agents Bulgarian Dreams.

"These are fantastic investment opportunities in a city that is becoming more cosmopolitan and whose economy is stable and performing well," he is quoted as saying.

The mountains provide opportunity number two, The Independent states.

The report praises the infrastructure at Bansko, and says that in the past two years, it has added on a large number of apartment blocks geared to the winter season. In Bansko, a typical two-bedroom, newly built apartment costs 71 000 pounds, "with the mouth-watering prospect of a rise in values of about 20 per cent a year".

"The Black Sea, with its sunshine, cheap beer and great food, beckons investors too. Locations such as Sunny Beach may be set to become the new Costa del Sol." The report says that there are signs that Bulgaria is throwing off its bottom-end-of-the-market image and moving towards building more luxurious properties. The Government has introduced legislation aimed at protecting the coast from the worst gourmandises of the Spanish costas, the report says.

The article quotes estate agent Iliana Yordanova of Home Cottage Bulgaria: "But the really canny investment, and one open to those on a low budget, is to buy land. Plots are unbelievably cheap".

She continues: "If you are prepared to look at undeveloped areas, either by the coast or inland, you can pick up good agricultural land for as a little as eight euro a square metre. The town of Kavarna would command prices of 70 euro a square metre, and Balchik 58 euro. But I have heard of a plot going for three euro a square metre inland". On April 19, The Wall Street Journal reported that real estate investors are continuing to flock to Central and Eastern Europe, to the point where there is not enough buying opportunities to go around.

"As countries join the European Union, they are viewed as more stable, making investors more likely to jump in with their money," the WSJ report says.