



Bulging with opportunity

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Many Eastern European countries are very much in the limelight following their entry into the European Union and are increasingly becoming open markets. We can see evidence of this with countries such as Cyprus who joined the ranks of the EU on May 1, 2004, and strengthened its economy, boasting activity in several sectors including property development.



Bulgaria is also another country that is fast becoming a land of opportunity as its real estate sector continues to absorb foreign investment. After Bulgaria's entry into the EU at the beginning of 2007, this has become a hot market for property investors. Bulgaria is situated in south-eastern Europe and easily accessed by direct flights from most European airports. The country has something for everyone. A warm climate entices seasonal tourism, along with a wide range of cultural and historical interests for sightseeing. Bulgaria also boasts a rich variety of natural beauty, from stunning beaches to beautiful

mountains with ski resorts: no wonder that Bulgaria is one of the fastest growing holiday destinations in the world.

Investmentwise, high growth figures are very achievable while land and property prices are on the increase. Over the past two years, prices have risen by over 50 per cent in some areas and with the enormous boost to tourism currently underway, buy-to-let purchases are also proving highly lucrative. Bulgaria now offers some of the best investment opportunities available worldwide and, with strong economic growth and EU membership, Bulgaria is a wise choice for property investment. Purchasing procedures in Bulgaria are simple and secure, and let's not forget, you're getting a foot on the European property ladder.

Bulgaria, like Cyprus, will also take another step and adopt the euro soon. The target date for Cyprus' official entry into the eurozone is January 1, 2008. Bulgaria is looking to follow suit approximately two years after that. Recent research by Oxford Business Group (OBG) has shown that 29 per cent of real estate sales in Bulgaria involved foreigners, mainly from the UK.

A wider range of EU investors are expected to enter the market in the near future as more foreign firms are looking to invest in high-end developments like golf courses and luxury hotels. So where in Bulgaria? Well, there's quite a lot on offer in Bulgaria from beach resorts on the Black Sea to up and coming cities such as the capital, Sofia. Ski resorts are also booming and Bulgaria is tipped to become the fastest growing ski destination in Europe.

EU grants are also streaming into Bulgaria for developing the domestic ski industry.

The largest and most well-known domestic holiday location is that of Sunny Beach on the Black Sea. The entire coastline benefits from strong rental yields throughout the summer months. The area is not just attracting the domestic tourist industry, many tourists are flocking in from other Eastern European countries.

Bulgaria is only going one way, and that's up. Yes, it may have a long way to go before becoming a cosmopolitan European country, but the intent is there. Investing in Bulgaria now will certainly boost anyone's property portfolio offering potentially excellent returns with a solid stance in Europe.

Mackenzie Macmillan offers investment advice to investors on international property markets. It is hosting an investment interactive on May 24-26 at the Fairmont Hotel. For more information, email Alex Grose at: alex@mackenziemacmillan.com

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