

## Balkan Travellers

### How to Buy Property in Bulgaria

#### General Overview

The combination of relatively straight-forward legal procedures, good property prices and returns, Bulgaria's economic development, climate, geography and culture place the country among Eastern Europe's top emerging property markets. In the past few years, the country has experienced a boom in foreign real estate investments and prices are rising, but still remain affordable.

#### Who's Buying?

Foreigners' interest in buying property in Bulgaria is constantly growing. Among the citizens of the EU, the British and Irish are the most active but, following Bulgaria's entry into the union, Greeks and Romanians have also shown a high interest in investing in Bulgarian property. Another group of buyers is that of Russian speakers, with growing purchase rates by citizens of Latvia, Russia and Estonia, and even some of the former Soviet republics, such as Kazakhstan. It is also expected that there will be a growth in property purchases by citizens from Denmark, Finland, Belgium, France, Hungary and the Czech Republic.

#### Why Buy Property in Bulgaria?

Foreign interest has been spurred by the country's entry into the EU in January 2007, but there are many reasons why you should consider investing in property in Bulgaria. Here are some of them:

- **Relatively low property prices:** Despite the continued rise of property prices in Bulgaria, they are still much lower than those in Western Europe. As one real estate agency points out, you can buy an entire property in Bulgaria for the amount of a deposit in Spain. In addition, property taxes are significantly lower.
- **Low cost of living:** The cost of living in Bulgaria is significantly lower than in Western Europe. This is especially true for smaller towns and the countryside, but living in the cities is also comparatively cheap. A loaf of bread and half a litre of beer cost less than 0.50 euros each, a three-course meal in a decent restaurant can cost between 5 and 10 euros, and taxis in most cities are dirt cheap.
- **Climate, geography and location:** Bulgaria's geographic location allows for access to a variety of properties, ranging from seaside apartments and villas, mountains chalets, houses in small quaint villages, or flats in the bigger cities. There are four distinct seasons on Bulgaria's territory, with all the benefits this offers – from skiing in the mountains in winter, to basking in the sun in the summer and the pleasantness of the blooming spring and colourful autumn. Finally, Bulgaria's location should not be underestimated – it is reachable by air from all of Europe's airports in no more than three hours. Sofia is an easy car ride away from Thessaloniki, Istanbul and other Balkan cities.
- **Stability and security:** As a new EU member, investing in properties in Bulgaria is a relatively safe endeavour, as the country is growing more stable economically. In the next few years, buying real estate and residing in the country is expected to become even more hassle-free and easier. Bulgaria is quite a safe place to live and crime is usually petty, even in the bigger cities.
- **Culture:** Bulgaria offers a wealth of cultural sites and activities. Many ancient excavations can be seen throughout the country. Towns and cities also provide the opportunity to view churches, mosques and other architectural traces of Bulgaria's varied and multicultural history. In additions, there are jazz and film festivals; modern, folk and classical music concerts; and theatre events around the country throughout the year.

## Practical Tips

While the procedure through which foreigners can acquire real estate in Bulgaria varies depending on their nationality, overall it is relatively hassle-free and straightforward.

**Citizens of EU member states** are allowed to buy property in Bulgaria since the country entered the union in January, 2007. They are allowed to buy regulated land (meaning land that can be built upon), as well as houses and apartments with adjoining land. Until 2012, EU citizens will be allowed to own only one such property, but after that date, it will be legal for them to buy more than one property, as well as agricultural lands and forests.

The situation is slightly different for citizens of states outside of the EU. While they are allowed to buy real estate, the property cannot include any adjoining land. So, as individuals, they cannot purchase any land, but only flats, garages, studios, and other similar kinds of real estate that do not include any land. There is, however, a relatively simple way to bypass this restriction, which includes the registration of a company – land or property with adjoining land can then be bought in the name of that company. The real estate firm in charge of the deal usually assists with this process. According to most real estate firms, the entire process between finding the property and the closing of the deal takes between three and five weeks.

The above information was compiled with the kind assistance of Address Real Estate Agency.

## Useful Links

- The following **books** are good resources - both in the preliminary stages of selecting a country in which to buy property and in the more advanced stage of carrying out the process and settling in:
  - [\*Buying Property in Eastern Europe: The Essential Guide to Purchasing Property in 13 Countries, from the Baltic to the Balkans\*](#)
  - [\*Buying a Property in Eastern Europe For Dummies\*](#)

Bulgarian **real estate news** and information:

- [\*Bulgaria Property Wise: The Magazine for Property Investors in Bulgaria\*](#)
- [\*Sofia Echo: Property Bulgaria News\*](#)
- [\*My Bulgaria\*](#)
- [\*Bulgaria Real Estate: Quick Introduction into the Bulgarian Property Market\*](#)