



Country: **BULGARIA**

Association: **NREA**

National Real Estate Association

Market outlook next 6 months:

Although there are some signs of an improving market the downward trend is likely to persist throughout the first half of 2011. The expected improvement of Bulgaria's macro- and microeconomic indicators could lead to an increase in real estate transactions not before the second half of 2011.

Mortgage loan rate:

From 7.8% up to 12 **Years:** Up to 35 years.

Max. percentage of value covered:

From 60% up to 80%.

Percentage of main-home ownership:

96.7% (NSI 2001)

New houses built 2010

15,805 dwellings (28,35% decrease, compared to 2009)

2,357 residential buildings (22,77% decrease, compared to 2009)

Comments:

The total number of property deals in Bulgaria in 2010, including sales of land, residential real estate and buildings, is 182,376 which marks a decrease from 9.12% compared to 2009. On average the costs of residential properties in Bulgaria decreased by 10% in 2010. The concluded deals are still mainly with luxurious properties or with very cheap properties, as the main requirement of the buyers is the bargain price.

Inflation rate:

The annual average inflation, measured by CPI, in the last 12 months (March 2010 - February 2011) compared to the previous 12 months (March 2009 - February 2010) is 3.1%.

APARTEMENTS		NORMAL	NORMAL	LUXURY	LUXURY
Ownership per sq. m *		Mini	Maxi	Mini	Maxi
SOFIA		520,00 €	1.000,00 €	1.200,00 €	2.500,00 €
PLOVDIV		410,00 €	700,00 €	820,00 €	1.100,00 €
VARNA		520,00 €	880,00 €	950,00 €	1.500,00 €
BURGAS		460,00 €	690,00 €	800,00 €	1.100,00 €
PLEVEN		350,00 €	520,00 €	600,00 €	850,00 €
	Average	452,00 €	758,00 €	874,00 €	1.410,00 €
VILLAS / detached houses		NORMAL	NORMAL	LUXURY	LUXURY
Ownership per sq. m *		Mini	Maxi	Mini	Maxi
SOFIA		520,00 €	700,00 €	800,00 €	1.400,00 €
PLOVDIV		450,00 €	620,00 €	700,00 €	1.200,00 €
VARNA		520,00 €	700,00 €	800,00 €	1.400,00 €
BURGAS		450,00 €	620,00 €	700,00 €	1.200,00 €
PLEVEN		320,00 €	450,00 €	490,00 €	900,00 €
	Average	452,00 €	618,00 €	698,00 €	1.220,00 €
Semi-detached houses		NORMAL	NORMAL	LUXURY	LUXURY
Ownership per sq. m *		Mini	Maxi	Mini	Maxi
SOFIA		500,00 €	650,00 €	760,00 €	1.100,00 €
PLOVDIV		430,00 €	600,00 €	660,00 €	980,00 €
VARNA		520,00 €	700,00 €	800,00 €	1.400,00 €
BURGAS		450,00 €	600,00 €	700,00 €	1.200,00 €
PLEVEN		n/a	n/a	n/a	n/a
	Average	475,00 €	637,50 €	730,00 €	1.170,00 €
OFFICES		NORMAL	NORMAL	LUXURY	LUXURY
Rent per sq. m / month **		Mini	Maxi	Mini	Maxi
SOFIA		5,00 €	10,00 €	10,00 €	14,00 €
PLOVDIV		4,00 €	9,00 €	9,00 €	11,00 €
VARNA		5,00 €	10,00 €	10,00 €	13,00 €
BURGAS		4,00 €	8,00 €	8,00 €	10,00 €
	Average	4,50 €	9,25 €	9,25 €	12,00 €

* Prices based on unit's usable area.

** Base rents without VAT and service charge.