

Residential Market Overview

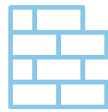
Sofia | 2017



INDICATORS



7,900 ↑
residential units
Supply



2,800 ↑
residential units
Under construction



7% ↓
residential units
Vacancy

DEMAND, BASED ON PROPERTY TYPE



25% ↓
Apartments
2 bedrooms



42% ↑
Apartments
3 bedrooms



33% ↑
Houses/
Row houses



25% ↔
For investment



75% ↔
For living



50% ↔
With bank loan



50% ↔
With personal
funds

* The report covers the mid-plus and high-end residential market in Sofia

Highlights

- ★ Total supply in the mid-plus and high-end residential market registered a 12% increase, reaching 7,900 residential units in 70 projects.
- ★ The number of projects under active construction continued to grow, coming in at 2,800 residential units.
- ★ The trend since 2015 of buying residential property “under construction” has remained in place.
- ★ Clients buying properties for personal use sustained demand again; the share of buyers for investment purposes remained at 25%.
- ★ The highest construction activity was witnessed in the areas of Business Park Sofia, Krastova vada and Vitosha neighborhoods.
- ★ Asking prices for mid-plus and high-end residential units increased 7% in 2017, varying widely between 1,000-1,600 euro per m² (including VAT), depending on the additional characteristics of the property and the environment.

Forecast

- ★ Buying properties under construction is likely to slow down due to the large number of projects scheduled for recent completion.
- ★ The share of buyers with investment intentions is likely to remain stable.
- ★ New areas with development potential in the captioned segment are in the Eastern (Lozen) and Southwestern (Vladaya) parts of Sofia.
- ★ Prices are predicted to remain stable.

AVERAGE SALE PRICES*



AVERAGE RENT PRICES



AVERAGE DISCOUNT RATE



* Including VAT and a parking lot.

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on
6 continents

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€2.3
billion in
annual revenue

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170
million square meters
under management

15,000
professionals
and staff

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