Sofia, Bulgaria

There is increased investment interest in commercial real estate in Sofia, driven by relatively high yields.

- Considerably high yield levels of 8% to 11% make Sofia very attractive to investors. The average yield level for commercial property throughout Europe is approximately 5.5%.
- Sofia is the fastest-growing city in Bulgaria because of internal migration. It receives about 60% of the total FDI flow for Bulgaria.
- There is no shortage of available office space in Sofia. However much of the vacancy is still concentrated in class B space. The market is experiencing high demand for prime office space due to the increased business interest in the country, expanding IT companies and numerous projects that are still in the pipeline. Peak rents for top quality office space in the CBD reach € 22 per square meter on a monthly basis, while the effective average is € 12 per square meter per month.
- The demand for modern retail space is extremely high and the supply cannot satisfy its levels. As a result, 10 major retail centers will be built in Sofia in the next few years. There is no vacancy currently in the three malls in Sofia.
- The industrial and land markets are underdeveloped and maintain great capacity for high yield levels. Currently, yield levels are approximately 11% in all subdivisions. The average rental rates are stable, increasing security for tenants.

About NAI Global:

NAI Global is one of the world’s leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

At A Glance

- Offices: 350
- Countries: 45
- Professionals: 5,000
- Annual Transaction Volume: $40 billion
- MSF of Property Management: 200

For more information about NAI Global please visit www.naiglobal.com or call 1.609.945.4000