

SOFIA

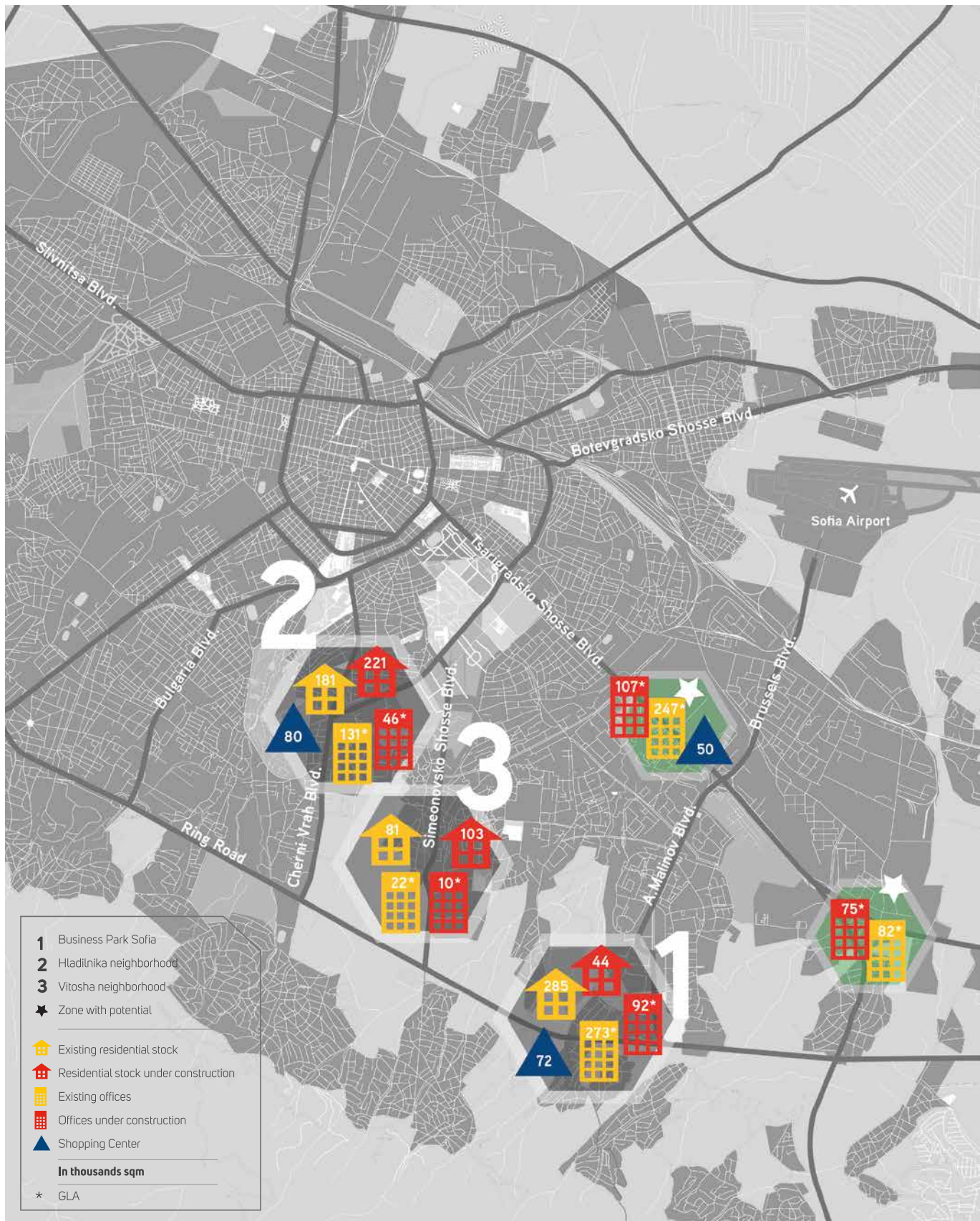
RESIDENTIAL

MARKET OVERVIEW

H1 | 2019



FIG. 1



SUPPLY

- In the first half of 2019 the segment of mid-plus and high-end residential market recorded an 11% supply growth thus raising the total stock to 9,860 residential units.
- The number of projects under active construction continued to increase. By the end of the first half of the year, those constituted 4,360 residential units – a 4% increase, compared to the previous period. The more spacious shared premises (living and dining rooms) have become typical to the interior planning of new properties. The one-bedroom apartment's size grew above 70 sqm and the two-bedroom's – exceeded 120 sqm.
- Insignificant 1% decline in the vacant residential units led to 6% total market vacancy.

DEMAND

- The shortage in the supply of completed projects continued during the reported period. As a result, 60% of the residential units under construction in the segment were pre-sold.
- The typical buyer's profile remained unchanged. There was a slight behavior shift related to spending longer time in careful consideration and deeper analysis, before taking a purchase decision. Buyers have become more demanding toward the quality of the property's surrounding environment and common areas maintenance.
- The analysis of Colliers' sales inquiries over the first six months of 2019 demonstrated solid interest in two-bedroom apartments and houses.

PRICES

The average sales and rental prices remained stable in the first half of 2019.

Average sales price** for:

- Two-bedroom apartment:
145,000 – 180,000 Euro
- Three-bedroom apartment:
210,000 – 250,000 Euro
- Row house:
250,000 – 420,000 Euro
- Single house – above 450,000 Euro.

Average rental price*** for:

- Two-bedroom apartment:
950 – 1,200 euro;
- Three-bedroom apartment:
1,300 – 1,600 euro;
- House:
above 2,000 euro.

FORECAST

- Mid-plus and high-end residential market will remain stable until end of 2019.
- The active development of office buildings around Business Park Sofia, Hladilnika district, the area around 4th km and 7-11 km of Tzarigradsko shosse Blvd. is expected to favourably impact the mid-plus and high-end residential segment. In the mid-term, it is trigger residential construction together with improvement and extension of social infrastructure. (Fig.1)
- Average sales and rental prices in the segment will stand fast.

Definitions:

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

** Including VAT and a parking lot

*** Including VAT

FOR MORE INFORMATION

Svoboda Kodjamanova
Manager | Residential Services
phone: +359 2 976 9 976
svoboda.kodjamanova@colliers.com

Adriana Toncheva
Senior Market Researcher
phone: +359 2 976 9 976
adriana.toncheva@colliers.com

colliers-residential.bg 


 colliers.residential

The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No responsibility is assumed for any inaccuracies. Readers are encouraged to consult their professional advisors prior to acting on any of the material contained in this report.

Copyright © 2019 Colliers International.

Colliers International | Sofia
European Trade Center
115K Tsarigradsko Shose Blvd.
Build. B, 7th floor | 1784 Sofia
phone: +359 2 976 9 976

colliers.com

 Colliers International | Bulgaria

