



SOFIA

OFFICE

MARKET OVERVIEW

H1 | 2019

FIG. 1: OFFICE SUPPLY IN SOFIA CLASS A, B AND C ('000 SQM)

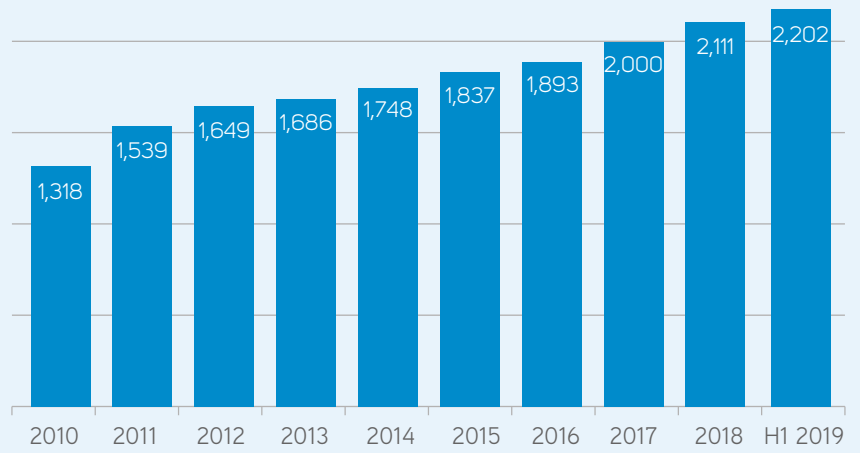


FIG. 2: DEMAND BY SECTORS

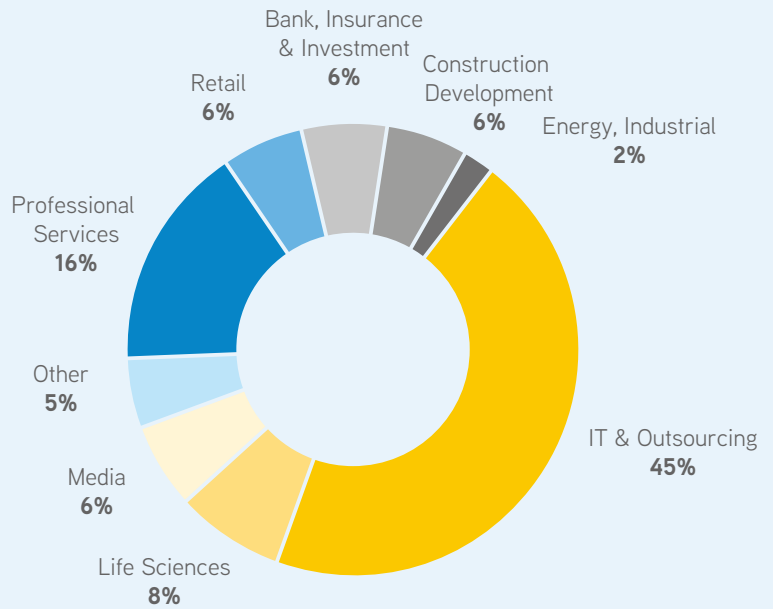
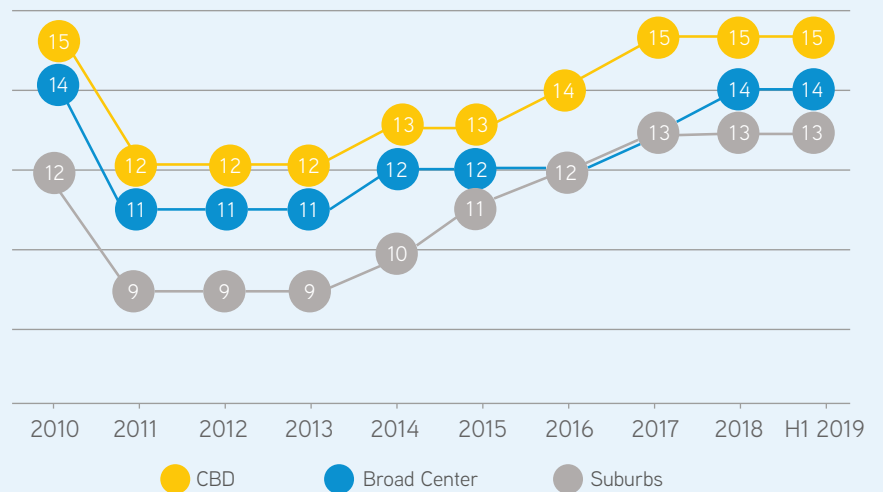


FIG. 3: AVERAGE CLASS A ASKING RENTAL LEVELS IN SOFIA (EURO/ SQM / MONTH)



SUPPLY

- In the first half of 2019, the supply of modern office space in Sofia marked a 4% total stock growth and reached 2,202,000 sqm. (Fig. 1) The completed new projects added 91,000 sqm of space, with Garitage Park Phase 1, GoldLine, Space Tower, Office A, Tower B, Adora 2 contributing the most.
- During the observed period, construction of new office buildings has started, while the gradual absorption of the existing ones continued. The total volume of space under active development amounted to 437,000 sqm.
- Insignificant increase in vacancy level was recorded, due to the high level of pre-leases in the last periods.

DEMAND

- The high demand for office space continued during the first six months of the year. Net absorption* of class A, B and C offices amounted to about 79,700 sqm. due to the large number of projects that were added to supply.
- Total take-up** i.e. all registered transactions on the market was 66,400 sqm.
- In the surveyed period, 31% of all deals were due to relocations, 25% - due to expansion of companies, already present on the Bulgarian market and pre-leases (20%).
- The main sectors on the demand side are: IT and outsourcing (45%), professional services (16%) and life sciences (8%). (Fig. 2)

RENTAL LEVELS

- Average asking rental levels*** remained unchanged. For class A offices they were 15 euro per sqm – CBD, 14 euro per sqm – Broad Center and 13 euro per sqm – for Suburbs. (Fig. 3)

FORECAST

- With the current rapid pace of absorption, the deficit of class A offices in the capital will become more distinct during the second half of the year.
- While expecting the completion of new office buildings, planned for 2020-2021 some companies will also be considering temporary short-term solutions to their current office space needs.
- The IT & outsourcing industry will remain the most active occupier on the office market.

Definitions:

* Net Absorption - Net Absorption refers to the change in occupied stock from one period to the next. It refers only to existing stock (not the development pipeline).

** Total Take-up - Total Occupational Market Activity is the total floorspace known to have been let or sold as one of the following activity types during the period:
Pre-lets, New Occupation/Lease, Expansion, Renewal/Renegotiation, Sub-lease and Sale & Leaseback.

*** without VAT

Class A
Offices
in Plovdiv

PLOVDIV PLAZA







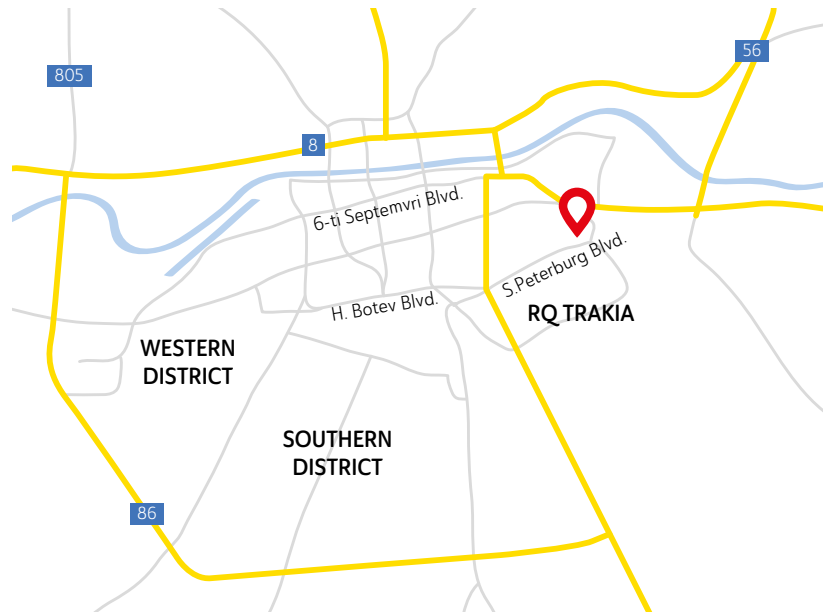
PLOVDIV PLAZA is a mixed-use development, comprising retail and class A office space. It is located in Plovdiv, the second biggest city in Bulgaria. PLOVDIV PLAZA was built in 2010, renovated in 2016 – 2017 and open in 2018.

Address	3, D-r Georgi Stranski Str., Plovdiv
TBA	122,560 m ²
GLA	45,000 m ²
Floors	3
Class A offices	10,400 m ²
Retail area	36,700 m ²
Parking lots	1,235










LOCATION

-  RQ Trakia – 7 min by car
-  City Center – 9 min by car
-  Public transportation accessibility
-  Metro Cash & Carry, JYSK, Zora, Domko, Technopolis in close proximity



BENEFITS

-  Class A office
-  Variety of services, retail brands, dining and entertainment offers
-  Adjacent retail hub
-  Nearby residential neighbourhood
-  Multiple parking lot choices
-  Easy transportation
-  Convenient location



GET IN TOUCH



Colliers International
European Trade Center, Build. B, VII
115K Tsarigradsko Shose Blvd.
1784 Sofia, Bulgaria
Mobile: +359 2 976 9 976

PLOVDIV PLAZA

3, D-r Georgi Stranski Str.
4000 Plovdiv, Bulgaria
+35 932 396 601
email: info@plovdivplaza.bg



FOR MORE INFORMATION

Verka Petkova
Partner | Director |
Business Development
phone: +359 2 976 9 976
verka.petkova@colliers.com

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


OfficeMAP
officemap.bg 

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](https://www.colliers.com)

 Colliers International | Bulgaria

