



# DELTA 3 OFFICE SPACE MARKET OVERVIEW | Q1 2018 -SOFIA

# OFFICE MARKET OVERVIEW

Q1 2018



## DEMAND

Demand has remained stable since Q3 and Q4 of 2017 and has been steadily rising since 2016. The IT and outsourcing sectors continue to be the most demanding and the trend is expected to continue.

The figures below show the average percentage of office vacancy in Sofia in buildings Class "A", "B" and "C".

VACANT SPACE  
SUBURBS

23%.

VACANT SPACE  
BROAD CENTER

14%

VACANT SPACE  
CENTER

6%

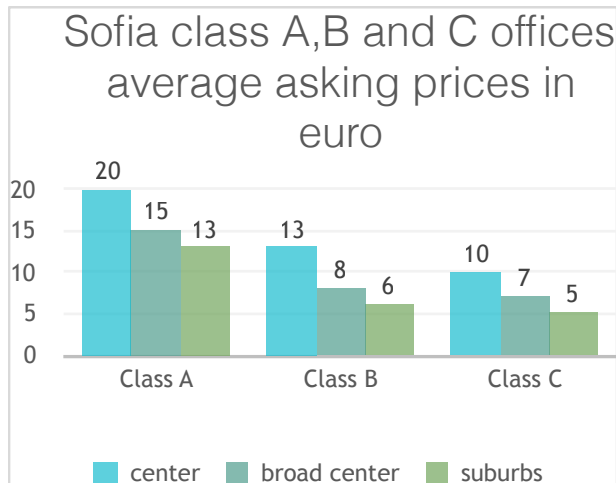
The stable rents and strong performance of prime office projects in Sofia continue to draw the investors attention.

Office market enjoys high tenant activity, stable rents and low vacancy rates.

The office market is expected to continue being a prime target for domestic and foreign investors.

## RETAIL PRICES

The asking prices of office buildings in Sofia have grown slightly due to the evergrowing demand in the last few years.



## SUPPLY

Due to the maturing of the office market in Sofia in the last 60 months and the recently added in 2017 - 22000 sq.m. meters to the market by "Millenium", 34,500 sq.m. of City tower and 24,000 sq.m. of offices added by "Garitage park", the differentiation of different classes of buildings will continue to rise.



## ECONOMICAL ANALISYS

According to EU commission:

**“Bulgaria’s economic growth remains strong. Real GDP growth in 2017 is estimated at 3.8%, driven by both consumption and investment. Higher consumption was fuelled mostly by strong wage increases linked to tighter labour market conditions and to public sector wage increases”**

## CONTACT INFORMATION

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