

H1 2024

# SEE Market Figures

## Retail

REPORT FIGURES

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Bulgaria  
Sofia

# Bulgaria

## KEY PERFORMANCE INDICATORS (H1 2024)

Average Rent | Shopping Center

▶ € 19-22

Monthly, per sq m

Average Rent | Retail parks

▶ € 8 -10

Monthly, per sq m

Prime Yield

▶ 8.25%

Shopping Centers

Retail Park completions

▼ 34K

Thousand of sq m

Sofia Shopping Center Stock

▶ 401K

Thousand of sq m

Retail Parks Under construction in Sofia

▲ 179K

Thousand of sq m

**The total shopping center stock in Bulgaria has reached approximately 812,000 sq. m, with no notable schemes delivered in the first half of the year. However, the retail park stock has continued to gain momentum during the first half of 2024.**

The inflation rate in Bulgaria is declining as a result of lower global commodity prices. The National Statistical Institute of Bulgaria has indicated that in the first quarter of 2024, the gross domestic product (GDP) grew by 1.8% when compared to the same period of 2023. The Bulgarian economy expanded by 0.4% q/q in the first half of the year and inching down from 0.5% in the previous quarter. Domestic demand supported growth, thanks to advancing public and private consumption and investment.

However, the most recent data indicates that exports remained in a decline during the first half of the year, while private consumption growth slowed. Nevertheless, it is anticipated that exports will begin to recover, and private consumption will resume growth in the coming quarters, supported by a favorable situation in the labor market.

## SHOPPING CENTERS VS RETAIL PARKS | SOFIA



The retail market in Sofia did not experience significant growth in the first half of the year. However, secondary cities saw increased activity. The construction of shopping centers is on a downward trend, with no new schemes on the horizon in the capital. The majority of landlords are focused on refreshing their offer, improving their tenant mix and keeping up with customers' needs.

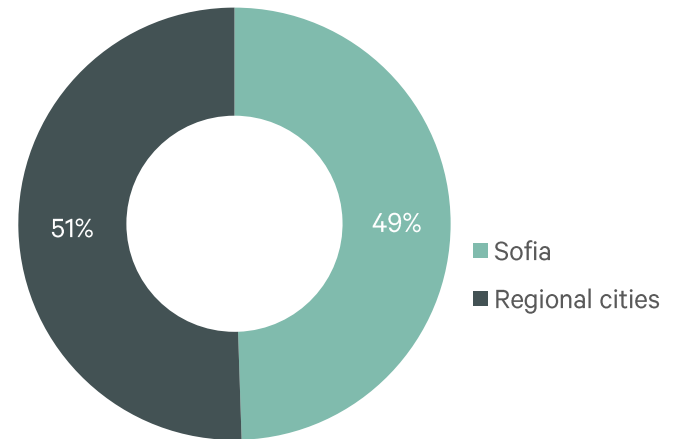
The new addition to the Sofia retail market is the new branch of the Praktiker chain, spanning 11,500 sq. m, which opened in the second quarter of 2024. It is also noteworthy that during the second quarter the renovation of the Central Hall by Kaufland was completed. As regards secondary cities, the first half of 2024 started with the opening of a new retail park in Nessebar. The park covers an area of 6,000 sq. m and includes some of the anchor tenants, such as JYSK, Technomarket, DM and others.

Furthermore, a retail park in Velingrad opened, spanning 12,000 sq. m. The retail park is home to a variety of retailers, including Technomarket, JYSK, and Sinsay. Another recently opened retail park is Vidin Plaza, spanning 16,000 sq. m. Its proximity to the border makes it an attractive destination for customers from nearby countries.

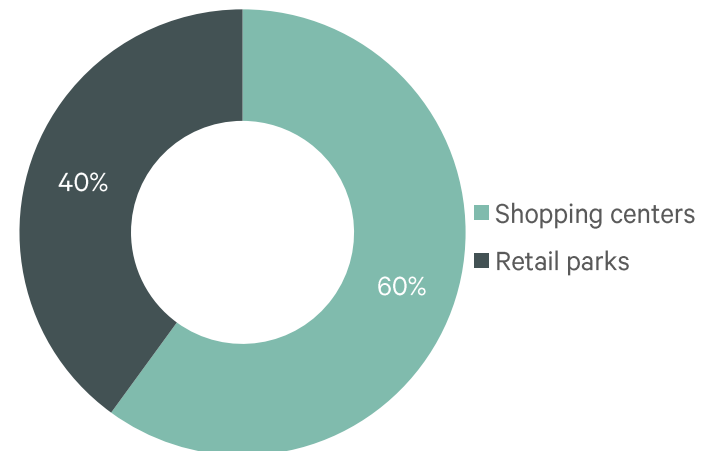
With regard to the pipeline, Holiday Park Vitosha is currently under construction by the developer Videolux Holding. The retail park will cover an area of 50,000 sq. m and is scheduled for completion in Q4 2025. The project will be located on the Ring Road in the shopping area adjacent to the Ring Mall and will have 650 parking spaces.

In terms of shopping centers, it is worth noting that the Promenada Plovdiv Mall by NEPI, is scheduled to commence construction towards the end of this summer. The project has an estimated GLA of around 57,000 sq. m, representing a significant investment in the local retail market.

BULGARIA SHOPPING CENTERS STOCK BY LOCATION



BULGARIA RETAIL STOCK BY FORMAT



Source: CBRE, 2024

NOTABLE PIPELINE PROJECTS

Project name	Status	Type	Location
Holiday Park Vitosha	Under construction	Retail park	Sofia
Holiday Park Krasno selo	Under construction	Retail park	Sofia
Retail Park Hadzhi Dimitar	Planned	Retail park	Sofia
Sofia Outlet Village	Planned	Outlet Village	Sofia

Furthermore, Outlet Village Sofia, with a total GLA of 7,600 sq. m, is scheduled to enter the market in 2025. Another complex from the Holiday Park scheme is currently under construction in Krasno selo, where the first phase - Praktiker, has been recently opened. The entire scheme will span 31,000 sq. m. Moreover, two retail parks are scheduled to commence construction in Sofia, in the neighborhoods of Hadzhi Dimitar and Nadezhda. In addition, construction is underway on several retail parks across the country.

The continued influx of retailers into the Bulgarian market is accompanied by the introduction of new brands planning to expand their presence in the country. The recent arrival of JD Sports is a case of point. They opened their first store in The Mall.

The rental rates for shopping centers have remained unchanged throughout the first half of the year, with current rates ranging from EUR 19 to 22 per sq. m per month. The rental rates for retail parks are ranging from 8 to 10 EUR per sq. m monthly.

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