

Title:

International Investment In Bulgaria Still Strong

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397

Summary:

The strong growth in the Bulgarian economy is continuing and this is emphasised by the confidence in the market shown by companies such as GE for example. GE Commercial Finance Real Estate recently announced it will be acquiring a 50% stake of the Mall of Sofia. The Mall is an enormous trade, business and entertainment centre currently under construction in the heart of the capital city.

Keywords:

bulgarian property, bulgaria, invest, real estate

Article Body:

The strong growth in the Bulgarian economy is continuing and this is emphasised by the confidence in the market shown by companies such as GE for example.

GE Commercial Finance Real Estate recently announced it will be acquiring a 50% stake of the Mall of Sofia. The Mall is an enormous trade, business and entertainment centre currently under construction in the heart of the capital city.

The acquisition is costing approximately EUR 37M and was made by a consortium of GE Commercial Finance Real Estate and Quinlan Private.

This investment can only encourage the current growing trend in the Bulgarian property market and indicates GE's intentions to expand to the countries in Central and Eastern Europe.

Copenhagen Airports has announced it will increase their planned investments in Bulgaria's Varna and Burgas airports from EUR 106M to EUR 140M by the end of 2008. The added investment is been used to bring the airport and its facilities up to date and to deal with the constantly increasing passenger traffic.

A corporate analysis on the airports of Varna and Burgas shows that unless urgent reforms are implemented at both facilities, the airports may see a decrease in expected traffic as soon as next season.

Tour operators are likely to redirect tourists to alternative destinations due to insufficient quality of services and this would have a knock-on effect for hotels with poor bed occupancy and a possible slowdown in the overall economic development of the region. Bulgaria's top three airports at Sofia, Varna and Burgas have seen a 20% increase in passenger traffic.

New European low cost air-carrier Wizz Air has completed its first flight with destination Sofia.

Tickets for the flight started selling in Bulgaria three months before, and 155 passengers were on board for the new beginning.

Wizz Air is now flying the Sofia-Budapest Route four times a week, and is looking to expand the number of flights out of other Bulgarian airports and increase the destination sites throughout Europe, focusing on the markets of Central and Eastern Europe. The airline took off at the end of May from the southern Polish city of Katowice, initially flying to Budapest, London's Luton airport, Rome, Milan, Venice and Berlin.

In closing, the above investments in the real estate sector, infrastructure and travel reflect the growing confidence in the future of Bulgaria as a major player in the region and move the country closer to expected EU integration in 2007.