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The “Jackals” Generation Attacks – Growing Investment Opportunities for Constructor, Developer and Funds in Eastern Europe

Bulgarian Investment Consulting Agency Ltd. supports companies to set up their business in the markets of Bulgaria, Romania and Ukraine

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The new generation of investors is already a fact. The crisis opens niche investment opportunities for the very few investors that have investment capability at present. Some people call them resellers, other use the term “jackals”. The “jackals” are mostly private equity funds, financially strong international developers and private individuals. The main characteristic of the so called “jackals” is that they invest only in income generating properties or non finished projects with distressed sellers that need fast and urgent cash flow. The “jackals” always buy cheap, exit fast and make notable margins.

According to Mr. Andrey Bachvarov – General Manager of Bulgarian Investment Consulting Agency Ltd. (BICA): *“No matter how bad it sounds, the “Jackals” are necessary and very useful players at the present market. Otherwise a lot of projects wouldn’t be built up and much more local developers would be in the black list of the bank debtors.”*

Although in the capitals of the Eastern European countries (Sofia - Bulgaria, Bucharest - Romania) there is still a very low ratio office space per inhabitant (according to Bulgarian Investment Consulting Agency market report from December 2008), the bank crisis and the huge number of stopped loans don’t allow new developments and about 100 000 sq m of the foreseen office projects won’t be developed in 2009. So here they come – the “jackals”. They are on the market and actually they write the rules in the crisis conditions.

When the “Jackals” choose a market it should has many distressed projects combined with a high demand of commercial and residential units before the crisis. The dream place is one - with a shortage of office, retail and residential spaces, where following the crisis and loans problems the demand is going down, but supply is falling faster, the developers’ credit lines are stopped and here they come – distressed projects.

According to Mr. Bachvarov on such markets the price level of the real estate units is going down much slower than the price of whole non finished projects that are for sale. Therefore the margins that could be made from an almost finished distressed project are really amazing. The local developers detest the “jackals”, but they are the one and only way out at present.

Bulgarian Investment Consulting Agency reports that more and more investors of the “Jackal’s” type are coming into Eastern European markets. They are severe, bold, uncompromising and grim, but according to BICA agency the local players should respect them as the one and only saviors of the Eastern European real estate market.

Since 2008 BICA Ltd. and Inline Sales GmbH are cooperating by helping German and Eastern European corporates, developers and investment funds to get a foot into the German and Eastern-European markets and generate success in sales and marketing.

About Bulgarian Investment Consulting Agency Ltd. & Unreal Estates Ltd.

The Bulgarian Investment Consulting Agency (BICA LTD) is a private company which offers quality consulting services to foreign organizations doing business in Bulgaria or neighboring countries. BICA works with companies from EU and US looking for new markets, business partners, outsourcing providers or ways to set up their own operations.

BICA was created by customer demand and powered through research and expert work of true professionals from different industries. The value proposition is built around professional approach, true passion for success and loyalty immune to any outside influence or pressure. BICA is able to work with companies of any size, successfully serving individual and corporate business interests.

Unreal Estates Ltd. (UE) is a boutique real estate consultancy focused on city-type developments including business hotels, logistics centers, business parks, mixed-use projects, and large scale residential complexes. The company is based in Sofia, Bulgaria and operates across Bulgaria and neighboring countries like Romania, Macedonia and Ukraine.

About Inline Sales GmbH

Inline Sales GmbH, Munich, Germany is a Specialist for Business Process Outsourcing in sales and marketing. We help companies in different industries from all over the world to setup their strategic and operational business in the German speaking markets. We deliver high-quality services in sales, marketing, business development and financing. We offer high-value contacts to potential customers of all sizes and all industries. We help to generate business success and revenue.

Inline Sales GmbH is part of the international operating Inline Sales International Group and responsible for the business of the group in Central & Eastern Europe. Other subsidiaries of Inline Sales International Group are located in London, Paris and Miami. Sales offices exist in Hannover, Moscow, Prague, Poznan, San Francisco, Sofia, Valencia and Vienna.

In over ten years of business Inline Sales International Group has successfully developed international recognized references like British Telecom, BBC, Motorola, Bosch, Reed Elsevier, Samsung, EDS, Laser 2000, Linde AG as well as hundreds of small and medium sized companies.

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