

## OPINION

of a PhD thesis entitled "Management of Investments in Real Estate"  
with author PhD candidate Tsondyu Stoichev Tsondev, PhD No.  
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of Economics

Prepared by Prof. Dr. Stoyan Prodanov, scientific field 05.02.05 "Finance,  
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Form of doctoral study: Full-time PhD student

Leading department: Department of "Finance and Credit", Faculty of Finance

Scientific supervisor: Prof. DSc Bozhidar Bozhinov

Doctoral program: "Finance, Money Circulation, Credit and Insurance"  
(Finance)

Dear colleagues,

The topic of the dissertation of PhD candidate Tsondyu Stoichev Tsondev is "Management of Investments in Real Estate". The opinion has been prepared in accordance with the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (LDASRB), its Implementing Regulations, and the internal regulations of D. A. Tsenov Academy of Economics.

### 1. General information about the PhD candidate

PhD candidate Tsondyu Stoichev Tsondev is enrolled in a doctoral program at the Department of "Finance and Credit" at D. A. Tsenov Academy of Economics in the scientific specialty "Finance, Money Circulation, Credit and Insurance (Finance)". He holds higher education both in the field of "Finance" from D. A. Tsenov Academy of Economics and in "Law", obtained from New Bulgarian University, Sofia, which forms a solid academic foundation for his professional and research activities. His professional career is consistently related to notarial

practice – initially as an assistant notary (2010–2014), subsequently as a substitute notary (2014–2024), and currently as a practicing notary.

The accumulated practical experience in the legal servicing of real estate transactions, including registration, transfer of ownership, and contractual relations, gives the dissertation research a clearly expressed practical orientation and a high degree of applicability. His professional activity is directly linked to the dynamics of the real estate market, which implies an in-depth understanding of the institutional and legal environment in the sector.

## **2. General presentation of the dissertation, assessment of its format and structure**

The dissertation consists of 155 standard pages and is structured in accordance with good academic practices and regulatory requirements for a doctoral dissertation. The study is logically and consistently organized following the classical model and includes an introduction, three main chapters, a conclusion, references, and appendices. Each chapter is clearly defined and contributes to achieving the overall objective of the research. The structure ensures a good balance between theoretical foundations, empirical analysis, and practical recommendations.

The bibliography includes 101 sources, including legal acts, strategic documents, scientific literature, and publications from reputable international databases. Citations are correctly formatted in APA style, with consistency between in-text references and the reference list. The study is illustrated with 13 figures and 13 tables that support the interpretation of data and analytical conclusions. The conclusion summarizes the main results, highlights the achieved scientific and applied contributions, and provides recommendations and directions for future research. A declaration of originality is included

## **3. Scientific and substantive assessment of the dissertation**

The object of the study is investments in real estate as a specific form of capital allocation in contemporary financial and economic conditions in Bulgaria.

The subject of the dissertation includes the managerial processes, methods, and tools for making investment decisions, including price dynamics analysis, risk assessment, and optimization of geographically diversified portfolios.

The main objective is to develop a comprehensive concept for managing real estate investments based on empirical research of the Bulgarian market for the period 2020–2025.

The central research thesis states that effective management of real estate investments requires an integrated approach combining traditional financial methods with quantitative techniques that account for legal and market specifics.

Three working hypotheses are formulated:

- Identification of statistical relationships between real estate prices and macroeconomic factors;
- Adaptation of traditional financial analysis methods to the specifics of real estate;
- Development of an integrated predictive model for strategic management.

The methodology includes historical, comparative, descriptive, regression and correlation analysis, sensitivity analysis, stress testing, and data processing using MS Excel 365.

The research demonstrates strong analytical capability, systematic reasoning, and practical applicability.

#### **4. Content of the dissertation**

The dissertation is structured into three logically interconnected chapters, which consistently build the theoretical, methodological, and empirical foundation of the research. The internal logic of the study follows a clear trajectory, beginning with clarifying the nature and specifics of real estate investments, proceeding through the development of an analytical toolkit, and culminating in empirical validation and the formulation of a practically applicable management model.

The first chapter, “Theoretical Foundations and Socio-Economic Factors for

Real Estate Investments”, focuses on the theoretical foundations and socio-economic determinants of real estate investments. The exposition begins with a conceptual definition of real estate investment not merely as a legal form of ownership, but as a complex managerial process involving strategic planning, capital allocation, risk assessment, and return management. A classification of real estate assets by purpose and investment profile is presented, analyzing differences in liquidity, profitability, and risk across residential, commercial, office, and industrial properties.

Special attention is devoted to the socio-economic determinants of investment decisions, such as demographic processes, urbanization, transport accessibility, infrastructure availability, income levels, and human capital. This section establishes a connection between the territorial organization of the economy and the dynamics of the real estate market. Classical approaches to property valuation—income, market, and cost approaches—are examined, with an assessment of their applicability in Bulgarian conditions. The chapter also analyzes key categories of investment risk and the possibilities for diversification through portfolio strategies. A distinct emphasis is placed on the legal framework of property ownership, contractual relations, transaction registration procedures, and institutional constraints that directly influence investment risk.

The second chapter, “Methodological Approaches and Evidence for the Analysis of Real Estate Investments”, develops the analytical toolkit for studying and managing real estate investments. The author systematizes the methods for financial analysis of investment projects, with a focus on discounted cash flow techniques (NPV, IRR), sensitivity analysis, and scenario analysis. Issues related to market analysis and pricing are examined, including the construction of price indices and the study of relationships between property prices and macroeconomic indicators.

The chapter introduces regression models for price forecasting and optimization models for portfolio management, adapted to the specific nature of real estate as a low-liquidity and heterogeneous asset. A significant contribution

is the inclusion of quantitative risk assessment methods, including volatility analysis, stress testing, and extreme scenario evaluation. Particular importance is attributed to the impact of labor remuneration in the construction sector on real estate pricing, which the author identifies as an independent and empirically verifiable factor. Thus, the methodological framework extends beyond classical models by integrating production and cost-side determinants of supply.

The third chapter, “Empirical Study of Real Estate Investments in Bulgaria”, presents the empirical analysis of real estate investments in Bulgaria for the period 2020–2025. It examines the dynamics of prices for new and existing properties, taking into account the impact of the COVID-19 pandemic, inflationary pressures, and geopolitical developments. Regional disparities and market segmentation processes are analyzed, allowing the identification of trends of convergence and divergence in price levels.

A particularly valuable component is the analysis of data on notarial transactions across the 113 Registry Offices in Bulgaria, which enables tracking the dynamics of transaction volumes and determining the correlation between prices and transaction volumes. This contributes to a deeper understanding of the relationship between market activity and price trends. The influence of international raw material prices on the construction sector and property prices is also examined, including lag effects and price elasticity.

In the concluding part of the chapter, the author constructs an integrated theoretical and predictive model for managing real estate investments. The model combines price dynamics, market activity, construction costs, and macroeconomic factors and is aimed at strategic positioning of investors in conditions of increased economic uncertainty and spatial heterogeneity. Based on this, practical recommendations for optimizing investment decisions are formulated.

At the end of the content overview, it can be emphasized that the dissertation demonstrates consistency, logical coherence, and methodological soundness.

## **5. Scientific and applied contributions of the dissertation**

The dissertation of Tsondyu Tsondev contains clearly identifiable scientific and applied contributions in the field of real estate investment management.

According to the presented "Statement of scientific and applied contributions", these contributions can be grouped into three main directions: theoretical-methodological, empirical-diagnostic, and predictive-analytical. Following a review and comparison between the stated contributions and the actual content of the dissertation, the following justified assessment and verification can be made.

The first contribution consists in conceptualizing real estate investment as a long-term managerial process requiring the integration of financial, legal, and institutional competencies. Its verification is found in the first chapter, where investment is not treated as a passive asset or a one-time transaction, but as a sequence of strategic decisions. The author systematizes the classical valuation approaches (income, market, and cost) and embeds them within a broader conceptual framework including socio-economic factors, transport accessibility, institutional environment, and legal regulation. In this way, the traditional understanding of real estate as a static asset is expanded toward a modern asset management perspective. The contribution is primarily integrative and systematizing in nature.

The second contribution relates to the introduction of labor remuneration in the construction sector as an independent explanatory variable in modeling real estate prices. This contribution is empirically verifiable and is supported by regression analysis and quantitative evaluation in both the methodological and empirical parts of the dissertation. Compared to standard models focusing on macroeconomic variables such as GDP, interest rates, or inflation, this approach enriches the explanatory framework by incorporating a production-cost factor that directly affects supply and construction costs.

The third, predictive-analytical contribution lies in the development of an integrated model for managing and forecasting real estate investment decisions.

Based on analysis of price dynamics, transaction volumes, construction costs, and macroeconomic factors, an algorithm for strategic investor positioning is proposed. The model accounts for lagged and nonlinear relationships between variables, expanding the analytical capacity of traditional linear models. Although the methodological tools remain within classical econometric approaches, the contribution lies in integrating multiple factors into a unified managerial framework with practical applicability.

#### **6. Evaluation of publications related to the dissertation**

The PhD candidate is the author of three publications related to the dissertation topic, including one article and two scientific conference papers, which demonstrate the ability to disseminate research ideas within the academic and professional community. The publications are single-authored.

#### **7. Evaluation of the abstract**

The submitted abstract convincingly presents the achievements of the dissertation. Through it, the PhD candidate demonstrates the ability to analyze, synthesize, systematize conclusions, and formulate recommendations.

#### **8. Critical remarks, recommendations and questions**

There are no major critical remarks or recommendations. Despite certain limitations, related mainly to the need for clearer distinction between theoretical innovation and empirical application, the dissertation offers valuable scientific and practical insights. Additionally, some of the legal explanations could be further synthesized. However, these observations do not diminish the overall positive evaluation of the work.

I would formulate the following two questions aimed at deepening the scientific contribution and testing the robustness of the proposed model:

1. The dissertation concludes that an integrated approach to managing real estate investments improves the quality of investment decisions. In this regard, to what extent is the model applicable in highly differentiated

regional markets in Bulgaria, and what adjustments would be necessary when applying it in peripheral or demographically declining regions?

2. The dissertation convincingly argues for the importance of production-cost factors, particularly labor remuneration in construction, in shaping real estate prices. How would you assess the importance of this factor relative to behavioral aspects such as speculative expectations and investment psychology, and is it possible to extend the model by integrating such difficult-to-measure but influential variables?

### **9. Final conclusion and evaluation**

The dissertation of PhD candidate Tsondyu Stoichev Tsondev represents a completed scientific study with a clearly formulated objective, well-founded methodology, empirical substantiation, and practically oriented results. The work meets the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria and its implementing regulations for awarding the degree “ Doctor of Philosophy (PhD)”.

The presented dissertation possesses the required quantitative and qualitative characteristics, is well structured and supported by analysis, and is useful for both the academic and professional communities. It demonstrates that the candidate possesses in-depth theoretical knowledge and the capacity for independent scientific research. Therefore, I recommend that the scientific jury vote positively for awarding the educational and scientific degree “Doctor of Philosophy (PhD)” to Tsondyu Stoichev Tsondev in the field of higher education 3. Social, Economic and Legal Sciences, professional field 3.8 Economics, scientific specialty “Finance, Money Circulation, Credit and Insurance (Finance)”.

**31 March 2026**

Reviewer: .....

/Prof. Stoyan Prodanov, PhD/