



UNIVERSITY OF ECONOMICS – VARNA

REVIEW

By: Prof. Dr Georgi Shinkov Zabunov
Scientific specialty “Economics and management (real estate)”
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Regarding: a competition for an **associate professor** in professional area 3.8.
Economics, scientific specialty “Economics and management (real estate and evaluation of assets and businesses)” at the University of Economics - Varna

1. Reasons for the preparation of the review

The reason for the preparation of this review is the requirements of Art. 4 of the Act on the Development of the Academic Staff in the Republic of Bulgaria, art. 66 of the Regulations for the Development of the Academic Staff at the University of Economics - Varna, and the decision of the Faculty Council of the Faculty of Economics. In accordance with the above, I have been appointed as a member of the Scientific Jury determined by order of the Rector of the University of Economics – Varna № RD-06-149/14.09.2023.

2. Information about the competition

The information about the competition was published in the State Gazette, no. 60 of 14.07.2023. The competition was organised for the needs of the Department of Business, Investment and Real Estate at the University of Economics – Varna in accordance with Decision №...../..... of the Academic Council.

3. Information about the candidates in the competition

Only one person has applied for participation in the competition – chief assist. prof. Dr Ivo Angelov Kostov who is a faculty member of the Department

of Business, Investment and Real Estate at the University of Economics – Varna.

He was born on 15 June 1978 in Burgas. His education and professional development as a teacher are closely related to the activity of the Department of Business, Investment and Real Estate at the University of Economics – Varna.

In the period 1998 - 2002 Ivo Angelov Kostov did his bachelor's degree in Economics of Construction. In the period 2002 - 2004 he did his master's degree in the same specialty. In 2009, he received a diploma from the Higher Attestation Commission to the Council of Ministers of the Republic of Bulgaria for a successfully defended doctoral thesis entitled "Investments in real estate in the Republic of Bulgaria". The training in the doctoral programme was carried out in the period 2005 – 2008.

Before devoting himself to teaching, Dr Ivo Kostov managed to gain extensive experience in the field of professional evaluation of properties and businesses. From 2004 to 2005 he worked for Imoti i investicii Ltd first as a real estate agent and then as a manager. For the period 2005 - 2006 he was an appraiser at Procredit Bank (Bulgaria) Plc. Since then he has been working as a freelance appraiser preparing appraisals of real estate, machines and facilities, financial institutions, enterprises and receivables. Since 2007 he has been working as manager of N and K Ltd.

Ivo Kostov started his teaching career as an assistant professor at the Department of Business, Investment and Real Estate at the University of Economics – Varna in 2008. He has been chief assistant professor at the same department since 2009. His teaching career is considered in detail later on. So far, it is sufficient to say that he gives lectures and seminars in Bulgarian to students of nine bachelor and master programmes at the University of Economics – Varna. He gives lectures in English to ERASMUS + students from eight countries, both EU and non-EU members. His teaching activity is mainly in the field of the evaluation of properties, assets and business, but it also involves real estate management, human resources management, business planning, consumer behaviour, etc.

Along with his academic growth and improvement, ch. assist. prof. Ivo Kostov constantly raises the level of his professional qualification through adequate professional training. Only in the period 2004 - 2005, he successfully completed professional training for appraiser of real estate, of machinery and equipment, of financial assets and financial institutions, and of commercial enterprises and receivables. Since his graduation and up to present, the candidate has participated in over one hundred training courses in the indicated directions in established Bulgarian and international training and certification organisations such as the Privatisation Agency, the Chamber of Independent

Appraisers in Bulgaria, TEGOVA, the Business Appraisal Institute of the United Kingdom, the American Society of Assessors (ASA, the USA), etc. He is a member of the Polish Scientific Society of Real Estate (TNN, Poland) and the Union of Scientists in Bulgaria. He speaks English and Russian.

A conclusion can be drawn that the training, teaching activity and professional background of chief assistant professor Dr Ivo Kostov are directly related to the subject matter of the competition.

4. Fulfillment of the requirements for holding the academic position

The candidate meets all requirements for holding the academic position of associate professor in accordance with the Act on the Development of the Academic Staff in the Republic of Bulgaria and the Regulations for its implementation, as well as the specific requirements of the University of Economics - Varna.

Ch. assistant professor Dr. Ivo Kostov has the necessary teaching workload. According to the official reports presented by the Academic Department of the UE - Varna, for the last two academic years alone, the candidate had 480 academic hours in the Master's Academic Center and 462 academic hours in the Bachelor's Academic Center.

For some of the indicators, the candidate exceeds the minimum national requirements for holding the academic position of associate professor in accordance with art. 1a and art. 53 of the Regulations for the implementation of the Act on the Development of the Academic Staff in the Republic of Bulgaria (RIADASRB). For instance, for group "D" of the requirements the legislator requires 200 points, while Dr Ivo Kostov has over 268 points. The same is the situation with group "E" where the required minimum is 50 points and the candidate achieved 240. Two important facts are worth considering. The first one is the great number of publications and citations in international databases – three publications and nine citations. I use the phrase "great number" because there is no mandatory requirement for publications and citations in world databases for holding the academic position of associate professor. The second significant fact is that the candidate meets the requirements for each group. Ch. assist. prof. Dr Ivo Kostov exceeds the requirements of art. 1a, para (2) of RIADASRB. These are the specific requirements for holding the position of associate professor introduced by UE – Varna through its Regulations for the development of academic staff. According to it the minimum requirements for published scientific papers are (30 pts.) and for scientific articles and studies (80 pts.). For both groups the candidate exceeds the requirements with 128, 33 pts. and 105,16 pts. correspondingly.

To sum up, chief assist. prof. Dr Ivo Kostov fully meets the national requirements for holding the academic position of associate professor, as well as the additional requirements of the University of Economics – Varna.

5. Evaluation of teaching activities

The review of Dr Ivo Kostov's teaching activities reveals a close connection between the competition subject matter and the candidate's scope of interests and work.

The evaluation of properties, assets and businesses is a major focus of ch. assist. prof. Dr Ivo Kostov's teaching activity. It includes the courses in Business Valuation, Asset Evaluation, and Real Estate Management and Valuation, the last two being taught in English. The candidate teaches courses in a number of other disciplines related to the subject matter of the competition: Real Estate Management, Real Estate Economics, International Real Estate Business, Construction Enterprise Management, Real Estate Marketing, Investment and Construction, Real Estate Investment, etc.

In addition, the candidate develops an active international teaching activity as a lecturer under the Erasmus and Erasmus+ programmes in which he has been participating since 2015. It is noteworthy that this activity is highly specialised and the lectures are delivered in academic units focused on properties and real estate, investments, spatial economy, etc. The candidate's lectures to Erasmus students can be considered an essential part of his international teaching activity. It is in front of them that the lectures on the disciplines Business Valuation and Real Estate Management and Valuation in English are given.

An important part of teaching activity is tutoring, especially the individual work with undergraduates and doctoral students. Ch. assist. prof. Dr Ivo Kostov has supervised over a hundred graduate students (bachelor's and master's) and reviewed over 110 theses. He advised doctoral students at the department on evaluation issues. He led the summer training practice of students from the University of Economics - Varna at the St. Petersburg State University of Engineering and Economics and practical training of bachelor students. He has worked together with undergraduates and PhD students on two research projects that have resulted in the development of joint publications.

The general conclusion is that ch. assist. prof. Dr. Ivo Kostov is a well-established and respected teacher who deservedly enjoys authority among his colleagues and students from UE - Varna. The scope of his educational and teaching activities is largely covered by the subject matter of the competition.

important pricing factors of specific properties and, accordingly, also fall into the general context under consideration.

The most significant scientific and scientific-applied results achieved by ch. assist. prof. Dr Ivo Kostov can be summarised as follows:

- The development of appraisal activity in Bulgaria is traced and the impact of global, regional and national factors is analysed;
- Suggestions are made for the improvement of the evaluation activity in our country based on an analysis of the Bulgarian and foreign experience;
- For the first time in our country, approaches have been proposed for the evaluation of specific assets, such as valuation of ideal parts of land from built-up regulated properties, etc.;
- Approaches are proposed to assess the impact of powerful atypical factors on real estate markets such as the COVID-19 pandemic and the global economic crisis;
- Interrelationships between the spatial location of properties, their prices and the general conjuncture of real estate markets have been studied;
- Recommendations are made to public authorities for the revitalisation of urban areas by using spatial factors of a cultural nature.

The presented classification of the candidate's achievements does not claim to be exhaustive, but only outlines his most significant results in my subjective judgment.

Last but not least, I would like to single out one of the reviewed publications. This is Dr Ivo Kostov's individual monograph entitled "Contemporary practices in the valuation of assets and businesses in Bulgaria" (Varna, Nauka i Ikonomika Publishing House, 2023). The monograph is a reflection of the author's creative growth and is a kind of summary of his research activity so far. In a specific way, this work contains both the achievements of the collective monographs and the individual studies of the author. The modern practices announced in the title are derived from the summarisation of theory, historical aspects and general trends of evaluation activity abroad and in Bulgaria.

To conclude, the candidate's achievements ascertained with the publications submitted for review fully correspond to the theme of the competition in terms of content and depth of theoretical analysis.

7. Evaluation of the scientific and scientific-applied contributions

The list of scientific and scientific-applied contributions presented by the candidate is too long. Without questioning the achievements, I assume that this list is a detailed description of the accomplished scientific and scientific-applied results. Systematising those of them that in my personal subjective opinion are

6. General characteristics of the presented scientific works/publications

The candidate's qualities are revealed to the greatest extent in the scientific works submitted for review. To the attention of the jury, ch. assist. prof. Dr. Ivo Kostov presented a scientific production that impresses with its volume, but above all with its quality. Five monographs (one independent and four co-authored), one study, eight scientific articles (two independent and six co-authored) and two publications of a popular science nature (one independent and one co-authored) with a total volume of 558 pages. It is noteworthy that seventeen of the mentioned publications are for international journals, sixteen of which are in English and one is in Russian.

Despite the significant volume of scientific production, it is very focused and can be provisionally classified into three conceptual directions. A very good impression is made by the fact that these directions are represented both in the monographs and in the scientific articles and papers. This testifies that the author made numerous and long-term studies which he subsequently summarised in the monographs at a higher level of theoretical abstraction.

In my view, these three directions can be formulated as follows: analysis of the main trends in the development of appraisal practice in Bulgaria and abroad with a development of guidelines for its improvement; analysis and assessment of the impact of atypical factors on market trends (mostly on the factors determining real estate prices); analysis of the spatial location of properties and the impact of spatial factors on their prices. Obviously, these three directions closely correspond with the subject matter of the announced competition.

To the first direction, which is essentially a direct study of the theory and practice of assessment activity, one can provisionally refer the publications with the following numbers (following the numbering of the works presented): 4, 9, 11, 14, 20, 21, 22, 24, 25, 26, 27 and 29.

I refer to publications numbered 5, 15, 30 and 31 to the direction related to the impact of powerful atypical factors on the market situation and real estate prices.

The author's achievements in the direction related to the spatial location of properties and the impact of spatial factors on their prices can be traced in publications 6, 7, 8, 10, 12, 13, 16, 19 and 23.

At first glance, some of the publications do not relate to any of the groups mentioned. They make a comparative analysis of the housing market in Bulgaria and Poland, analyse lease and tenancy relations and investigate the problems of gated housing complexes. These publications are as follows: 17, 18, 28, 32 and 33. Regarding these works, it should be noted that they analyse

of contributing nature, I would like to suggest the following summary of the candidate's contributions:

Scientific contributions:

- Leading trends in the historical development of the theory and practice of the appraisal profession in the world and in Bulgaria have been summarised;
- Laws have been formulated for the influence of leading international evaluation organisations on the evaluation activity in our country;
- Approaches have been proposed for the study of the spatial dependencies (location – price relationship) on real estate markets;
- Conceptual mechanisms have been proposed for the evaluation of powerful atypical factors on real estate prices.

Scientific-applied contributions:

- Proposals for the improvement of valuation practice in the country have been formulated and presented to the Chamber of Independent Appraisers in Bulgaria;
- Through a comparative analysis with Polish practice, possibilities for the revitalisation of public spaces in Bulgaria have been identified and recommendations to public authorities have been formulated;
- Valuation features are formulated and appropriate valuation methods are recommended for specific cases such as ceded building rights, ideal parts of land from built-up regulated properties, influence of crisis factors, etc.;
- In addition to the positive evaluation practices proposed by the author, bad valuation practices are applied in Bulgaria and abroad have been investigated and formulated.

8. Critical remarks and recommendations

Many criticisms and remarks can be made to any human creation, but I will refrain from criticising in this case. As mentioned earlier, the reason for this is that the submitted publications fully correspond in scope, content and depth to the analysis of the nature of the competition. I will formulate recommendations to the candidate instead as I hope they will help him develop his creative potential.

Being a specific practice, evaluation is the final stage of a comprehensive economic analysis. Delving deeper into the methodological aspects of this analysis would allow the candidate to refine the appraisal tools, for instance, the use of geographic information systems (GIS) to assess spatial influences implies the application of spatial econometrics. In surveys, to summarise the opinion of experts and customers, methods of multidimensional statistical analysis such as cluster analysis, factor analysis, multidimensional scaling, etc. can be applied. A good knowledge of the methodology of economic analysis

would allow the candidate to develop the theory and practice of valuation even more successfully.

9. Conclusion

Based on the above, I think that the candidate ch. assist. prof. Dr Ivo Kostov meets the requirements of ADASRB and RIADASRB, as well as the additional requirements of the Regulations for the development of the academic staff of UE - Varna. I confidently propose to the esteemed members of the scientific jury and of the Faculty Council of the Faculty of Economics of UE – Varna that Dr Ivo Kostov be elected to the academic position ASSOCIATE PROFESSOR in professional area 3.8. Economics, scientific specialty “Economics and management (real estate and evaluation of assets and businesses)” at the Department of Business, Investment and Real Estate at the University of Economics – Varna, for which I will vote **positively**.

31 October 2023
Sofia

Signature:

UNIVERSITY OF ECONOMICS - VARNA**REVIEW**

Competition for occupation of academic position "Associate Professor" in the field of higher education 3. Social, economic and legal sciences, field of study 3.8. "Economics", scientific specialty "Economics and Management" (Real estate financing and investments), published in SG issue 60 / 14.07.2023 with participant Chief Assistant Dr. Ivo Angelov Kostov

Reviewer: **Prof. Dr. Plamen Blagov Iliev** from the University of Economics - Varna, field of study 3.8. "Economics"

Based on the decision of the scientific jury for the announced competition, I present this review regarding the participant in the procedure for occupying the academic position of "Associate Professor" – Chief Assistant Dr. Ivo Angelov Kostov. The review is in compliance with the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (LDASRB) and the Regulations for its implementation (RALDASRB), as well as with the specific requirements of UE-Varna.

1. Information on the competition

The competition for the occupation of the academic position "Associate Professor" was announced in the State Gazette no. 99 / 17.12.2019 and on the website of UE-Varna and is for the needs of the Business Investment, Real Estate Department. The only candidate for the competition is Chief Assistant Dr. Ivo Angelov Kostov.

2. Details of the applicant

Ivo Kostov graduated from the University of Economics – Varna (Bachelor's Degree in 2002 and Master's Degree in 2004). In 2009 he obtained the educational and scientific degree "Doctor" in code 05.02.18, scientific specialty "Economics and Management".

He has worked consecutively at UE - Varna as an Assistant and Chief Assistant from 2008 until now. He is currently the Scientific Secretary of the Business Investment, Real Estate Department.

Chief Assistant Ivo Kostov was elected for member of the Academic Council at UE-Varna (2020-2023), member of the Executive Board of the Bulgarian Association of Independent Appraisers (2014-2017), member of the American Society of Appraisers (ASA), member of the Board of the Regional Association of Independent Appraisers – Varna (2010-2013) and a member and reviewer for scientific editions (indexed in Scopus and Web of Science).

Chief Assistant Dr. Kostov has been participated in university research projects, "Erasmus +" projects, as well as participations in projects for scientific events and expert groups for institutional and programmatic accreditation of higher education institutions in Bulgaria.

According to the documents presented, the candidate for the academic position of "Associate Professor" has considerable experience in the field of real estate and management of investment projects in this area. Evidence for this is the position held in a number of companies ("ProCredit Bank" AD; "N&K" Ltd; "Real Estate and Investments" Ltd, etc.).

It can be summarized that Chief Assistant Dr. Ivo Kostov fully complies with the general requirements for occupation of the academic position "Associate Professor", set out in the LDASRB, RALDASRB and the specific requirements for occupation of academic positions in UE - Varna.

3. Description of the scientific work

Chief Assistant Dr. Ivo Kostov participates in the announced competition with a monographic work on the topic "Contemporary practice of Assets and Business Appraisal in Bulgaria", published by "Science and Economics" Publishing House, Varna, 2023 with a volume of 302 standard pages. The monography was discussed and recommended for publication by the Business Investment, Real Estate Department at UE – Varna (Protocol No. 05 / 09.11.2022). The monographic work is in accordance with the requirements of UE – Varna for occupation of academic positions in the higher school.

Chief Assistant Dr. Ivo Kostov participated in the competition also with:

- Four co-authored monographs with editorial boards;
- One individual article in unreferenced journal with editorial boards and three co-authored articles in indexed journals (Scopus and Web of Science);

- Nine co-authored articles in unreferenceed journals with editorial boards;
- Sixteen reports in periodic scientific journals and proceedings from scientific conferences.

The publications presented are mainly in two directions (*assets and business appraisal* – theory of assets appraisal, regulatory framework of the appraisal process, development of the appraisal function and role; *management and economics of real estate* – real estate market, real estate project management) and in substantive terms correspond to the professional direction of the competition - 3.8. Economics.

According to the documents presented, the candidate for the academic position of "Associate Professor", Chief Assistant Dr. Ivo Kostov has nine citations in scientific journals referenced and indexed in the global scientific database (Scopus and Web of Science), eight citations in monographs with editorial boards, and five citations in unreferenceed journals with editorial boards.

After reviewing the attached candidate's scientific works, I would like to give the following recommendations for his future activity:

1. The applicant's extensive practical experience in the field of assets appraisal and real estate market is a prerequisite for greater emphasis in future publications on real estate investments.

2. Publication of the candidate's research results in a broader range of scientific publications and business organizations.

3. In some cases, a clearer justification of the author's opinions and recommendations.

The above recommendations do not question the quality of the candidate's publications for the academic position of "Associate Professor".

4. Scientific and related contributions

The scientific interests of Chief Assistant Dr. Ivo Kostov are oriented in two main areas: assets and business appraisal and economy and real estate management.

After reviewing the main monographic work "Contemporary practice of Assets and Business Appraisal in Bulgaria" and together with the submitted reference to the competition documentation, it can be summarized that the scientific and applied contributions presented in the report reflect the author's achievements and find expression in the following:

1. Historical review of the development of the appraisal function and role internationally and in Bulgaria (Chapter One).

Appraisal", "Assets Appraisal", "Property Management", "Gated Community Residential Property Management", "Real Estate Investments", "Construction Enterprise Management", "International Real Estate Business", "Real Estate Marketing", "Enterprise Economics" and more.

For providing the specialized literature learning process, Chief Assistant Dr. Ivo Kostov employs his own publications as well as publication of other recognized authors in the fields of assets and business appraisal and property management.

Chief Assistant Dr. Ivo Kostov is one of the active participants in the preparation and implementation of projects for new subjects, which are administered by the Business Investment, Real Estate Department.

His position as a member of the Academic Council at UE-Varna and participation in working groups is characterized by his contribution to improving the quality of education at the faculty and the department and the successful completion of accreditation and post-accreditation procedures in the field of study 3.8 Economics.

In his teaching work Chief Assist. Dr. Ivo Kostov is guided by the contemporary trends in the development of economic theory and practice. This is confirmed by the publications presented, the developed educational documentation on the subjects taught and participation in the management and consulting of businesses in the field of assets and business appraisal and real estate investment.

6. Conclusion

Considering the overall research and teaching activity of Chief Assistant Dr. Ivo Kostov and his professional development and achievements in the field of assets and business appraisal and property management, I give a **positive assessment** of the overall activity of the candidate.

I recommend to the honorable members of the Scientific Jury of the competition to propose to the Business Faculty of the University of Economics – Varna to **elect Chief Assistant Dr. Ivo Angelov Kostov in the academic position "Associate Professor"** in the field of study 3.8. Economics.

Varna, 30.10.2023

Member of Scientific Jury:

(Prof. Dr. Plamen Iliev)

2. Detailed investigation of the leading appraisal standards and contemporary practice internationally, definition of key terms, widening the scope of appraisal methodologies and improvement of the effective use of information for the purposes of the appraisal process (Chapter Two, Three and Four).
3. Review of the regulatory framework of the appraisal process, suggestion of legislation changes in the existing legal framework and prioritized recommendations to the Bulgarian Association of Independent Appraisers which is regulating and overseeing the profession of independent appraisers in Bulgaria (Chapter Two and Five).

Rather, contributions, of an applied nature, are also contained in the other publications of the candidate for the academic position in the announced competition, which are related to the following:

1. Development of academic and other documentation for acquiring appraiser professional qualification according to the Law for Independent Appraisers in Bulgaria as well as academic documentation for new programs for Bachelor and Master degrees in the discipline of assets and business appraisal.
2. The presentation of the specifics and the stages of property rights appraisal and formulated on this basis recommendations to appraisers and the users of the appraisal service.
3. Review of major factors influencing the development of the real estate market with a focus on mortgage financing as the main source of financing and a key factor used by investors and developers for forecasting market trends.
4. Investigation of the main tendencies in the development of the gated community residential property in Bulgaria and on that basis presenting recommendations to potential investors in this investment-construction area.
5. Investigation of the process of creation and development of real estate objects and formulation of proposals for improvement of the application of the residual method of appraisal for this asset class.
6. Argumentation of conclusions and recommendations for the development of residential real estate in Bulgaria.

5. Teaching work

The candidate for the announced competition has a total of 15 years of teaching experience in full-time education (bachelors and masters) in the subjects "Business