

# Real property market in Slovenia

**MILANO, June 8, 2016**



# FIABCI ITALY AND SLOVENIA

- BOTH PRESIDENTS AND MEMBER ARE MAKING A BRIDGE FOR LOWERING RISK IN THE REAL ESTATE BUSINESS, BECAUSE:
- ITALY IS THE IMPORTANT TRADING PARTNER
- ITALIAN COMPANIES INVEST IN SLOVENIA
- ITALIANS BUY PROPERTIES IN SLOVENIA
- ITALIANS ESTABLISH A LOT OF COMPANIES IN SLO
- THERE are post-crises oportunites in Slovenia (large number of companies, hotels and plots are on sale at the competitive prices



transaction in mio €



SBI Index: Slovenian blue chip index SBITOP

# WHY TO INVEST IN Slovenia?



There has never been a better time to land your investment in Slovenia and Croatia.

**CENTRAL** Europe where the Alps and the Mediterranean meet the Pannonian plains and the Karst on the borders of Austria, Hungary, Croatia and Italy.

**MEMBER** of the EU for more than 10 years.

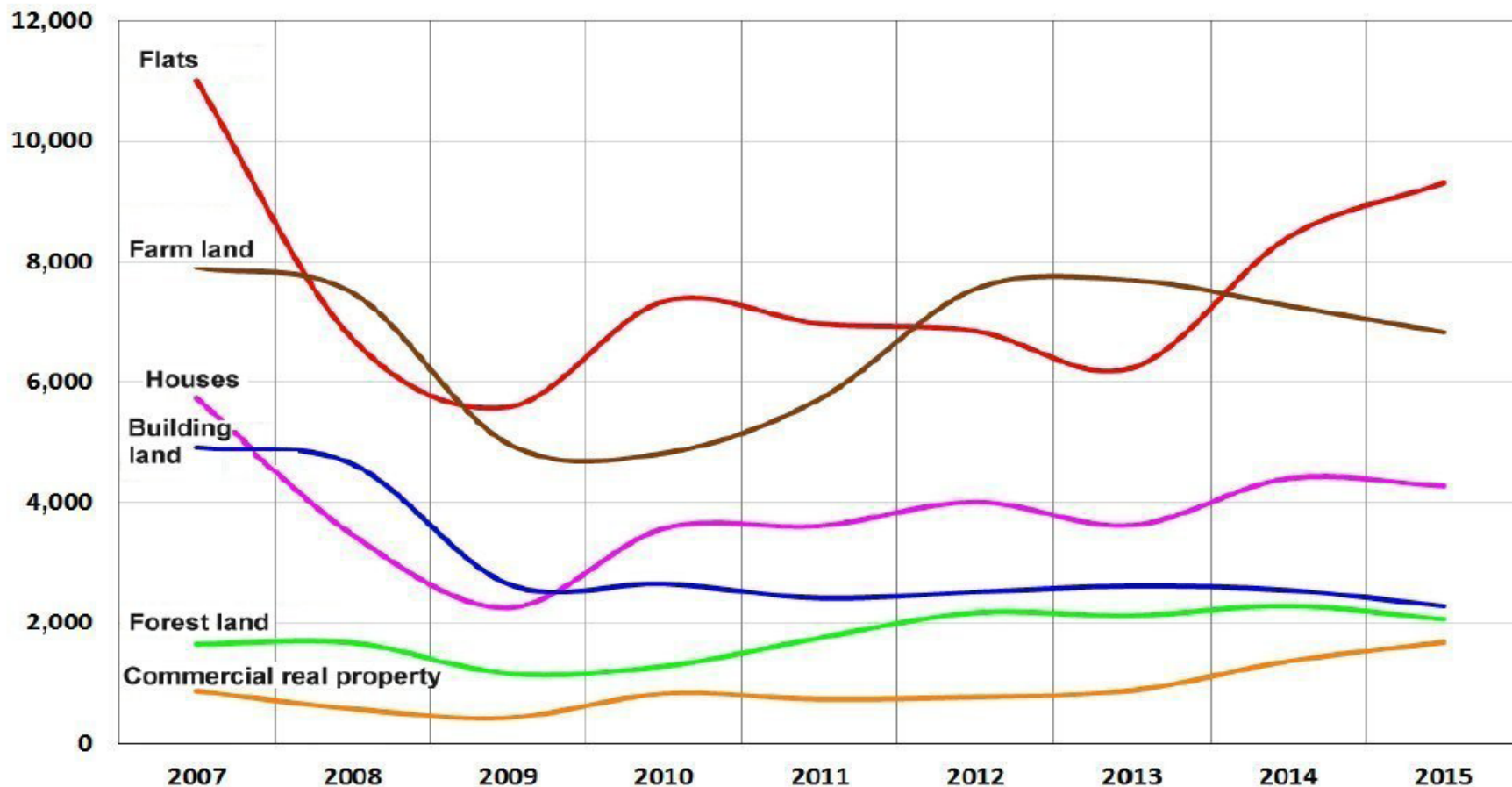
**ENTERED** the Euro-zone countries in 2007 and became a member of the OECD in 2010.

**GDP** per capita exceeds 17.000 EUR.

*Slovenia is characterised by a long industrial tradition, quality of life, a highly qualified workforce, good transport and ICT infrastructure and many other qualities that make it appear much bigger on the map than it really is.*

*Slovenia and Ljubljana are ranked as a TOP desired tourist destination. Many people compare it to Switzerland. Since Slovenia has a much better location, friendliness and the Adriatic Sea, it has enormous potential, as well as the likelihood of future immigration by older wealthy people from the EU.*

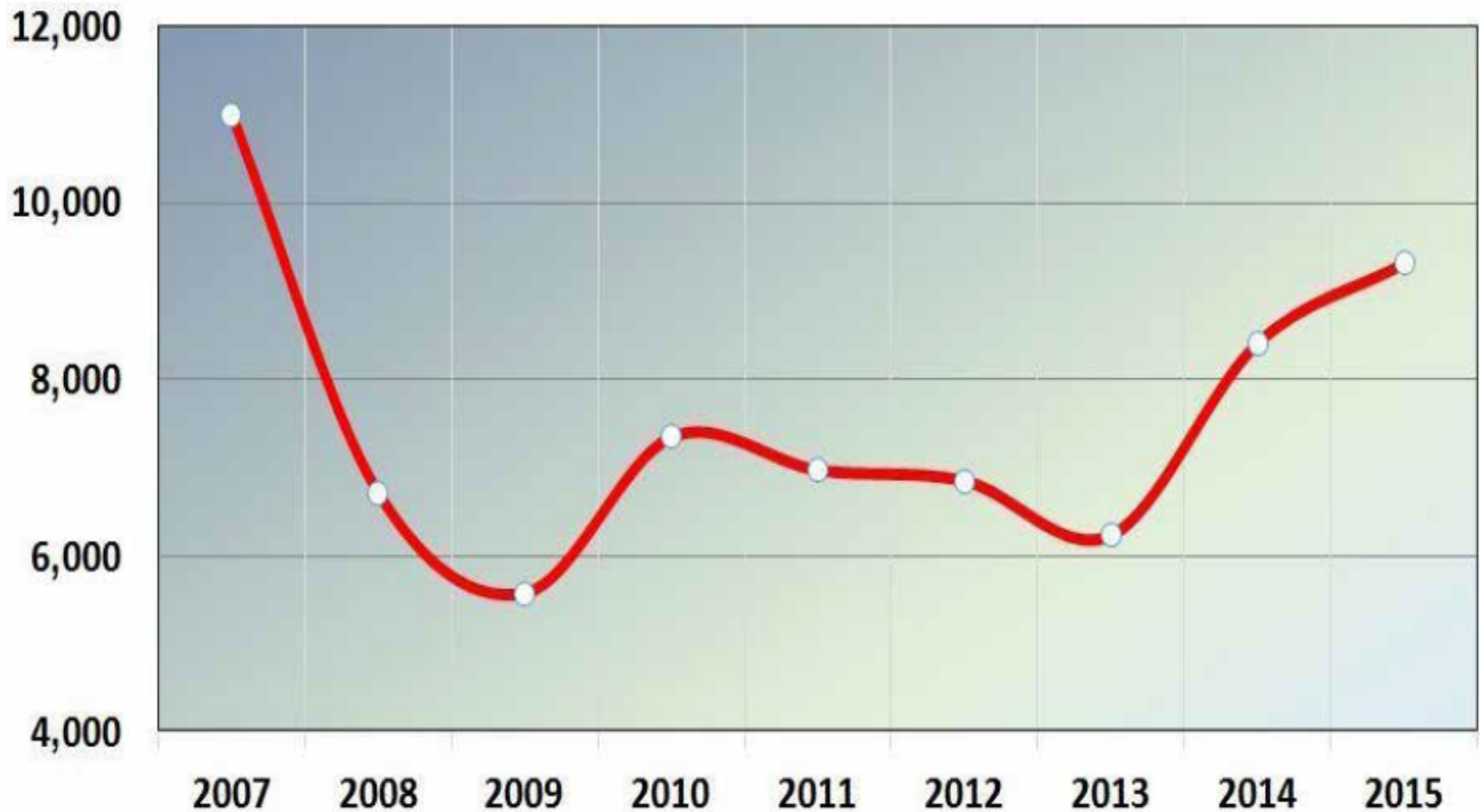
# The number of recorded sales by real property type, Slovenia 2007-2015



Source: Report of the Slovenian real property market for the year 2015;

GURS

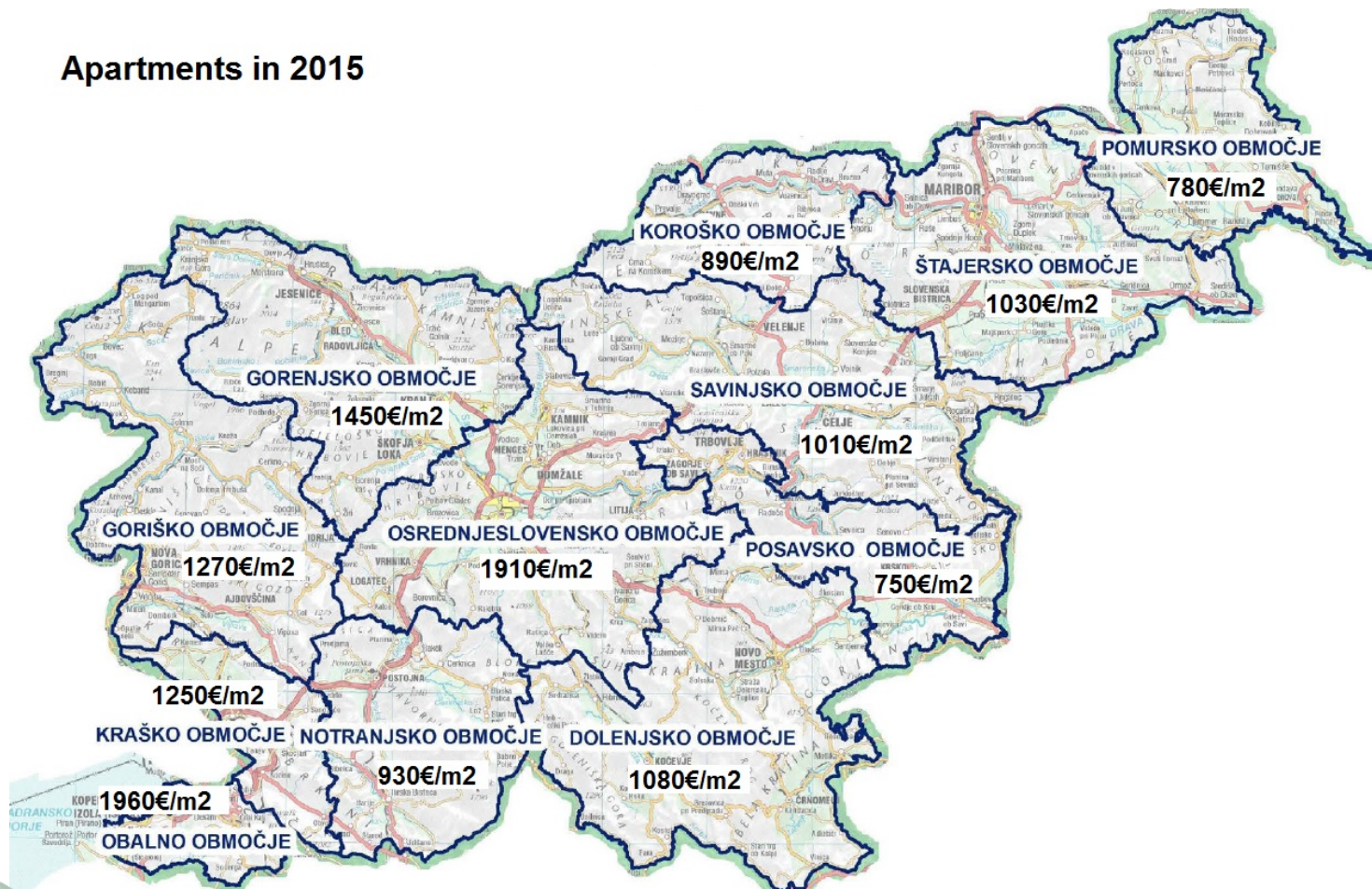
# Sales of flats recorded in Slovenia 2007-2015



Source: Report of the Slovenian real property market for the year 2015; GURS

# Residential Prices €/m<sup>2</sup> 2015- SLO

## Apartments in 2015



Source: Report of the Slovenian real property market for the year 2015; GURS

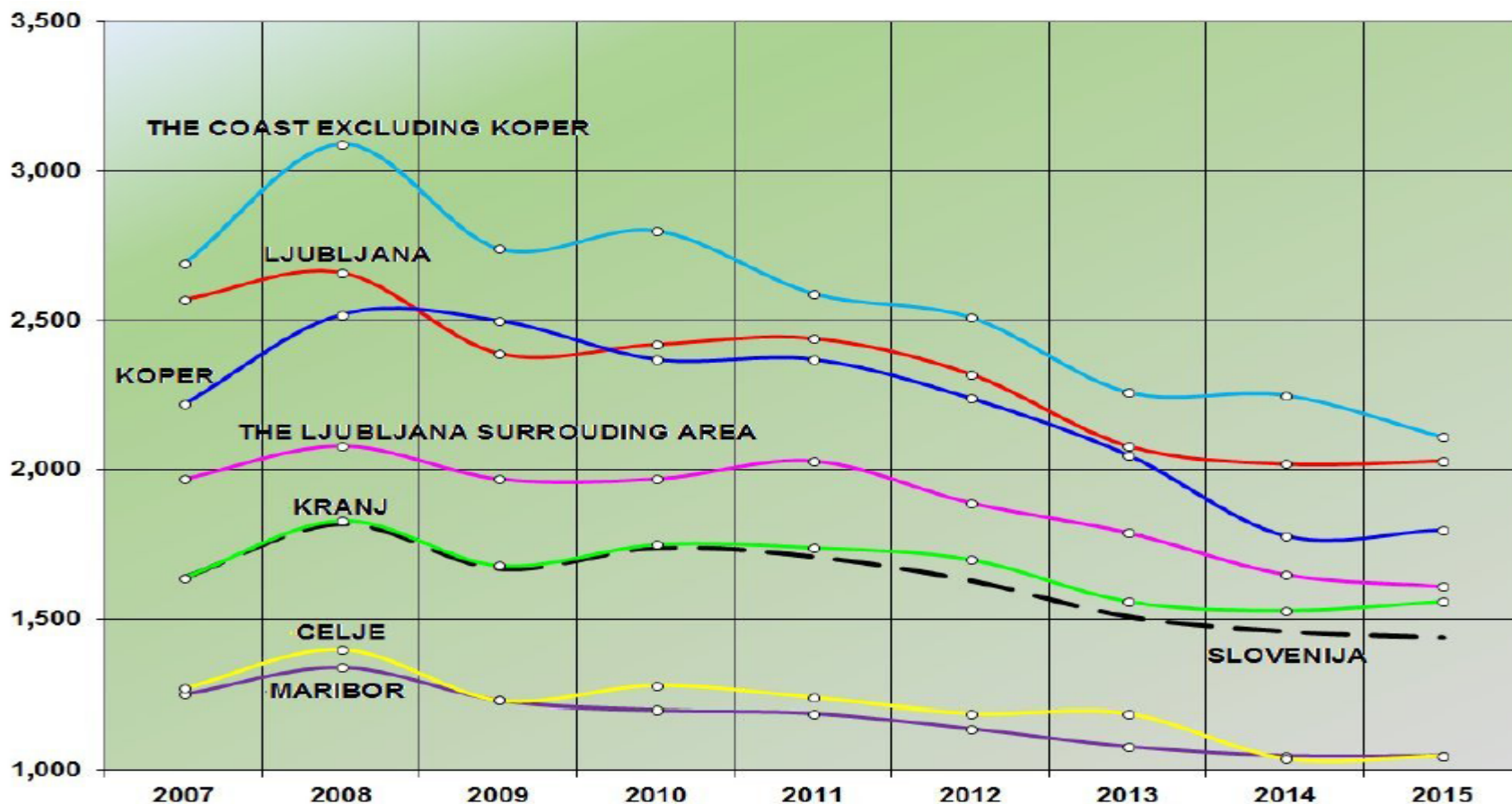
# Capitalisation rate P/E in residential

- Short term capitalisation rate is around 5% p.a, P/E=20.
- Long term capitalisation rate is around 6% pa.
  
- Average surface of flat in Slovenia is 80 m<sup>2</sup>
- Average surface of renting flat is 50m<sup>2</sup>
- Average surface of social housing flat is 50m<sup>2</sup>

Market rent is 9-10 eur/m<sup>2</sup> in Ljubljana, around 6€/m<sup>2</sup>

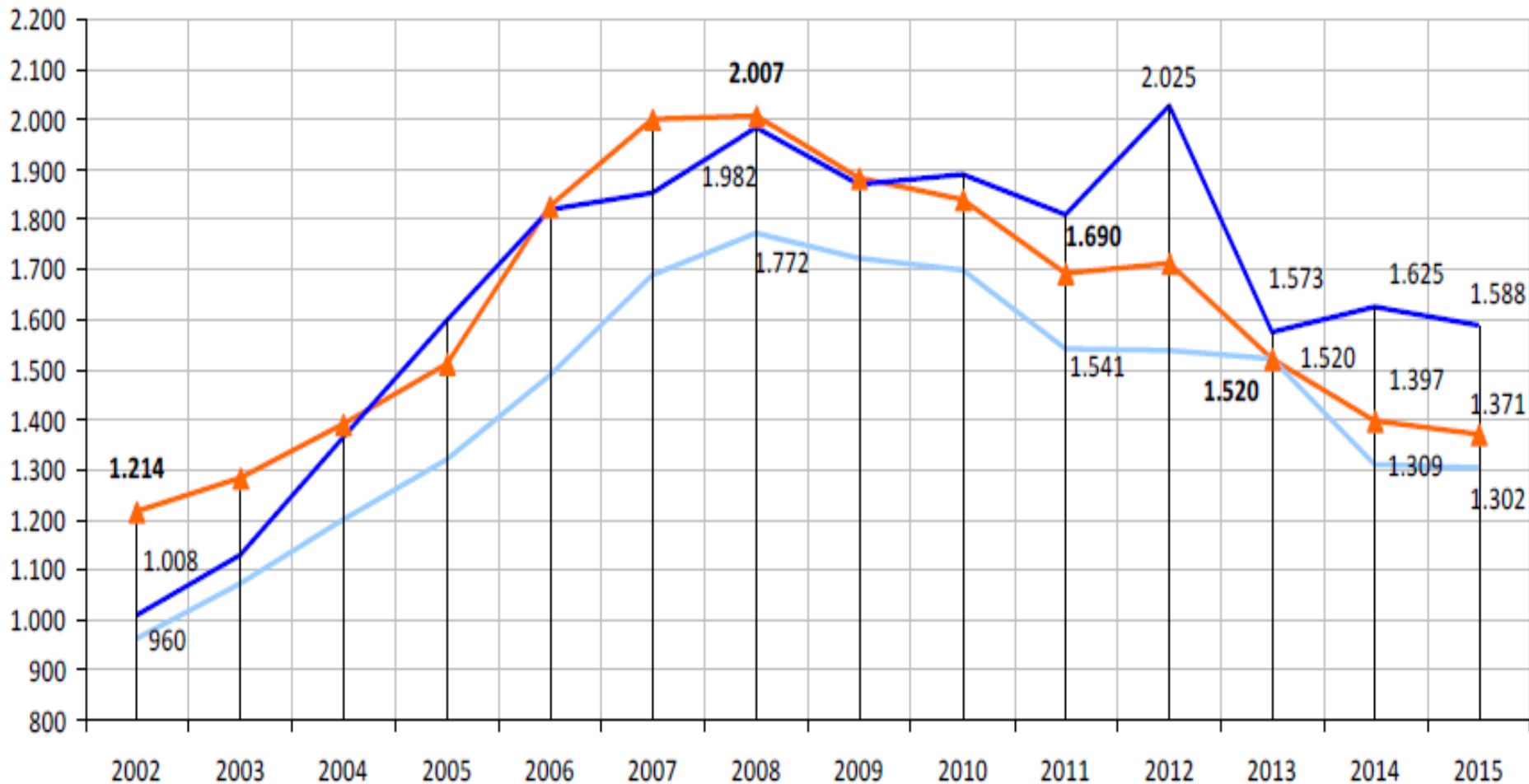
Social housing rent is around 4-5 eur/m<sup>2</sup>.

# Average price €/m<sup>2</sup> for flats (€/m<sup>2</sup>) in selected market analysis areas Slovenia 2007-2015



Source: Report of the Slovenian real property market for the year 2015; GURS

# Residential market, Zagreb, Croatia, Adriatic (€/m<sup>2</sup>)



ZAGREB

HRVATSKA

OBALA

Institut za nepremičnine...  
Real Estate Institute

Source: Kastel Nekretnine, Zagreb, BN

# Recorded sales of real property to foreigners

## The number of recorded sales by real property type, Slovenia 2015

Property type	All	Aliens	Share of foreign purchases (in %)
Houses	4269	134	3.1
Flats	9312	123	1.3
Land plots for construction:	2279	42	1.8
Agricultural land	6829	51	0.7
Wooded land	2063	7	0.3
<b>Total</b>	<b>24752</b>	<b>357</b>	<b>1.4</b>

Source: Report of the Slovenian real property market for the year 2015; GURS

# Office

- Capital rate in prime locations for office in Ljubljana is 5,7%
- Capital rate (average) in Ljubljana is around 6,7% (P/E=15)
- Average price of office in Ljubljana is 1.300 eur/m<sup>2</sup>.

# Hotels

- Average selling price is around 1100 eur/m<sup>2</sup>
- Average demand price is around 400 eur/m<sup>2</sup>
- Average value of hotel room is around 55.000 eur/room

## Building land

Average price of building land is 45 eur/m<sup>2</sup>

Building land for business purposes is 50 eur/m<sup>2</sup>, fully



usually equipped (access to the street, water, optic cable and dustbin).



# SLOVENIA and CROATIA

Plots of land  
and  
buildings.



**Thank you for your  
attention!**

**ANTON KOŽAR**

**info@inre.si**

**+386 41 677 846**