

2015

2015

REPORT ON THE SLOVENIAN REAL PROPERTY MARKET

for the year 2015





TABLE OF CONTENTS

SLOVENIAN REAL PROPERTY MARKET	4
Supply and demand	4
Sales volume	5
THE REGIONAL REAL PROPERTY MARKET	7
Central Slovenia	8
The Gorenjska region	12
The Gorica region	13
The Coastal region	15
The Karst region	16
The Notranjska region	17
The Dolenjska region	19
The Posavje region	20
The Savinjska region	21
The Koroška region	22
The Štajerska region	23
The Pomurje region	25
MARKET OVERVIEW ACCORDING TO REAL PROPERTY TYPE	28
Residential real property	28
Flats	28
Houses	34
Commercial real property	37
Office space	39
Bar and shop premises	40
Garages and parking spaces	41
Building land	42
Agricultural and forest land	44
Farm land	44
Forest land	46
FINAL COMMENT	48
Appendix 1	
STATISTICAL INDICATORS OF THE REAL PROPERTY MARKET	49
Number of sales recorded for Slovenia in 2015	49
Statistical indicators of the real property market for 2015	50
Appendix 2	
IMAGES OF AREAS FOR ANALYSIS	53
Appendix 3	
Report on real property purchases by foreigners in 2015	54





NOTIFICATION CONCERNING REPORT ON REAL PROPERTY TO LET IN SLOVENIA

In accordance with the modifications and amendments to the Real Property Mass Valuation Act (*Official Gazette of the Republic of Slovenia, no. 87/2011*), the Surveying and Mapping Authority of the Republic of Slovenia began recording data on rental legal transactions in the real property market records.

In addition to preliminary data analyses on rental transactions recorded in the real property market records, the Surveying and Mapping Authority of the Republic of Slovenia carried out test surveys in late 2015 with the object of acquiring additional data on the costs, equipment, and occupancy of space in the selected sample of lessors. At the same time, personal visits and interviews with some major lessors of business real property took place with the objective of acquiring additional information on letting and the conditions in this segment of the rental market.

Initial analyses of the reported data and acquired information on the indicators of developments in the rental market show that this is a very diverse and sensitive area. Elements such as microlocation, the performance of business activities, occupancy, and very diverse and usually individualised contractual lease relationships with lessees in connection with specific features of let surfaces, including costs, equipment, and similar, significantly affect the analysis of the real property rental market in Slovenia.

The objective of the Surveying and Mapping Authority of the Republic of Slovenia is to draft high-quality and authentic reports on developments in the sales/purchase and in the rental segment of the real property market. Because the real property rental market and its segments are so new and because this field is so complex and diverse, the findings in this field will be presented in a special report by the end of September 2016 at the latest.



SLOVENIAN REAL PROPERTY MARKET

In the past year, the trend in turnover growth in the Slovenian real property market, which began with a considerable revival of the housing market in 2014, continued with somewhat less intensity, and residential real property prices remained at approximately the same level as the year before.

SUPPLY AND DEMAND

Positive social and economic factors, such as economic growth, employment and salary growth, deflation and historically low interest rates, increased demand in the real property market. The demand for residential real property for private use is growing in the secondary and in the primary markets. Due to the lowering of prices, record low bank interest rates, unstable securities markets and the relatively low taxation of real property, financial investments in residential real property have become increasingly appealing.





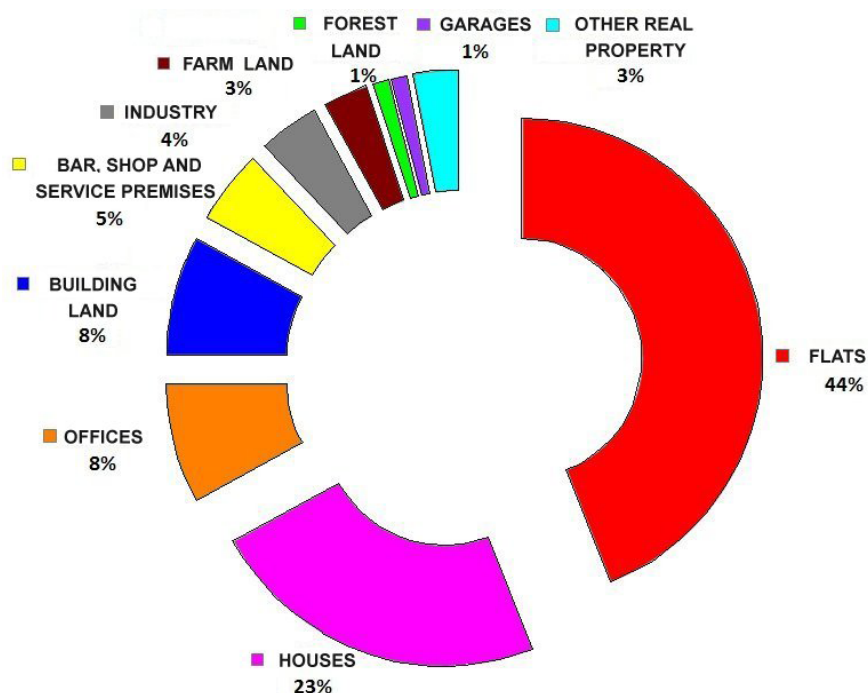
For buyers who are not looking to buy cheaper flats being sold from the inventories of failed investors, there is already a lack of new flats, because there is virtually no supply in the primary market. Supply and demand in the secondary market are still relatively balanced, so a shift in prices has not yet occurred.

There was no negative effect on the supply of used residential real property, which was expected at the beginning of last year due to the implementation of a new energy act which stipulates that real property owners must submit an energy card to buyers upon purchase (or lease) or to list the basic energy indicators when advertising the property, or this effect was counteracted as sales grew. There were also no significant changes in real property legislation last year which would have affected the real property market.

SALES VOLUME

In 2015, approximately 28 thousand real property sales/purchase transactions executed in the free market or at public auctions were recorded. Their total value amounted to approximately €1.6 billion. Compared to 2014, the number of recorded transactions increased by 2% and their total value increased by 4%. In 2014, the number of transactions compared to the previous year increased by 10% and their total value increased by 22%.

Figure 1: Percentages of real property sales values by real property types, Slovenia, 2015

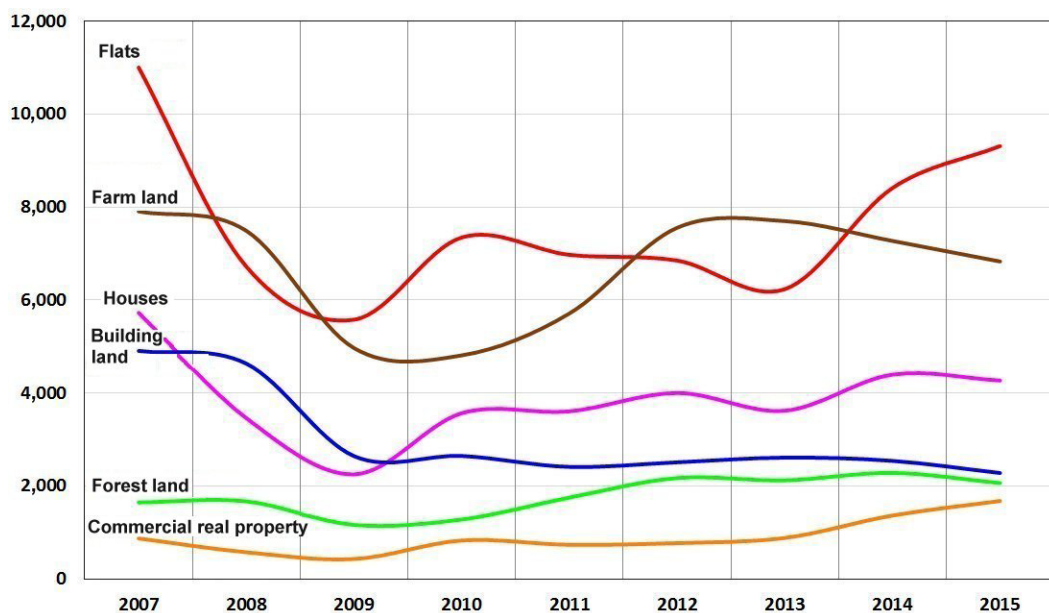




In 2015, two thirds of all real property sales were in residential real property (flats and houses), 17% in commercial real property (office space, industrial real property and commercial or service facilities), 12% in land (land for construction, farm and forest land), and the remaining 4% of sales were in other real property types.

Last year, the 4% of transactions were at compulsory auctions and their value accounted for 6% of all recorded transactions. Compared to 2014, the number of real property sales at compulsory auctions decreased by 8% and their value decreased by a third, which could indicate lower initial minimum bids resulting from the adjustment of prices to effective demand at repeated auctions. For comparison, fewer than 200 compulsory real property auctions were recorded in 2009, but their number began to grow exponentially due to the crisis, reaching almost 1200 in 2014.

Figure 2: The number of recorded sales by real property type, Slovenia 2007-2015 ¹



¹ Explanation regarding methodology: Sales according to building and land part types were taken into account in transactions carried out in the free market and at public auctions. These transactions were then submitted to the Real Property Market Records by legally authorised reporters. The number of recorded sales according to real property type is usually higher than the size of the sample which is comprised of verified and improved data for calculating statistical indicators. More detailed explanations regarding the methodology focusing on the number of recorded sales and the calculation of statistical indicators may be found in Appendix 1.



The growth in sales in the residential real property market continued last year due to the sale of flats in apartment buildings. Compared to 2009, when the Slovenian real property market reached rock-bottom, the number of recorded sales of flats and houses was nearly three quarters higher. Compared to 2013, when the second low point was reached, it was approximately 40% higher. Compared to 2007, i.e. before the crisis, it was still nearly one fifth lower.

The number of recorded sales of building land reached a record low last year. The trend which began with a drastic drop of over 40% in the number of concluded transactions in 2009 continued. The standstill in the sale of building land, which followed the beginning of the real property market crisis with a one-year delay, was the logical result of adjusting supply to strict market conditions. After 2008, investments in major residential and commercial developments for the sale on the market virtually stopped.

The number of recorded sales on the commercial real property market statistically increased, but in reality, sales are still modest. The market for the sale of commercial real property had strong competition from the lease market, because leases of commercial space hit a record low due to oversupply. Especially in bad locations, there is still a relatively high number of offices and other facilities which were vacated during the crisis and which the owners have been unable to sell or lease for quite some time and are willing to lease them "at any price."

THE REGIONAL REAL PROPERTY MARKET

The summary of developments in 2015 according to the regional areas analysed² is based on monitoring real property markets, which is carried out by the offices of the Surveying and Mapping Authority responsible for the mass valuation of real property in Ljubljana, Kranj, Nova Gorica, Koper, Novo Mesto, Celje, Slovenj Gradec, Maribor, and Murska Sobota. Regional areas for analysis are defined as areas affected by the market impact of urban regional centres or as large areas between such centres. Their borders usually run along the borders of settlements defined in the Slovenian Register of Spatial Units. Regional areas for analysis are further divided into areas for market analysis comprising regional urban centres, their surrounding areas, and remaining regional areas for analysis.

² For 2015 statistical indicators and images of areas for analysis, please refer to Appendices 1 and 2.



Central Slovenia

Last year, the growth trend in the sale of flats in Central Slovenia slowed and the trend in price reductions even came to a halt. Prices of flats remained at the lowest level since they have been monitored³. Compared to the previous year, the sale of houses decreased by 5%, and average prices did not significantly change, remaining at their lowest level, just like the prices of flats.

In Central Slovenia, a 5% decrease in the sale of farm land was recorded last year compared to 2014. Average prices remained unchanged, amounting to 2.00 €/m². Compared to 2014, the number of recorded sales of forest land decreased by one fifth. The average price amounted to 0.39 €/m² and decreased by one quarter compared to 2014⁴.

Ljubljana

Approximately 2700 sales of flats in apartment buildings were recorded in Ljubljana last year, which is 10% more than in 2014, when sales grew by approximately 30% compared to 2013. The average price of a used flat did not change compared to the year before. Compared to the top prices from 2008, it was approximately one fourth lower.

Table 1: Average prices and the structure of used flats sold in Ljubljana by city areas, 2015

Analysed area	Indicator	Year 2015
LJUBLJANA	Sample size	1483
	Average price (€/m ²)	2,030
	Year of construction (median value)	1973
	Effective surface area (m ²)	55
LJUBLJANA-BEŽIGRAD	Sample size	330
	Average price (€/m ²)	1,920
	Year of construction (median value)	1975
	Effective surface area (m ²)	54
LJUBLJANA-CENTER	Sample size	221
	Average price (€/m ²)	2,340
	Year of construction (median value)	1961
	Effective surface area (m ²)	67
LJUBLJANA-MOSTE	Sample size	277
	Average price (€/m ²)	1,860
	Year of construction (median value)	1975
	Effective surface area (m ²)	49
LJUBLJANA-ŠIŠKA	Sample size	404
	Average price (€/m ²)	1,920
	Year of construction (median value)	1972
	Effective surface area (m ²)	52
LJUBLJANA-VIČ	Sample size	251
	Average price (€/m ²)	2,170
	Year of construction (median value)	1981
	Effective surface area (m ²)	54

³ The systematic monitoring of realised real property prices began in 2007, when the Slovenian Real Property Market Records were established.

⁴ A statistically relatively large decrease in the average price is the result of the impact of the sale of over 175 hectares of land at a relatively low price per square metre. If this sale had not been taken into account, the average price would have been very close to the average in the previous year.



On average, the most expensive used flats were sold in Ljubljana-Centre, where the average price was 15% higher than the average in Ljubljana. This was followed by Ljubljana-Vič (8% above average), Ljubljana-Šiška and Ljubljana-Bežigrad (5% below average), and Ljubljana-Moste (9% below average). Average years and useful surfaces of flats sold by city areas matched the size and age structure of the Ljubljana inventory of flats.

Last year, with regard to size, small flats (studios and one-bedroom flats) were relatively more expensive than medium-sized flats (two and three-bedroom flats), the number of which accounted for more than 90% of used flats sold in Ljubljana. The largest flats (with four bedrooms and more) were relatively the most expensive because these were usually newer and above-standard.

Table 2: Average prices of used apartments according to the flat's useful surface, Ljubljana, leto 2015 ⁵

Effective surface area	Sample size	Average price (€/m ²)
From 20 to 40 m ²	404	2,140
Over 40 to 60 m ²	517	1,990
Over 60 to 90 m ²	438	1,970
Over 90 to 120 m ²	64	2,300

439 sales of flats on the primary market were recorded in Ljubljana last year, of which only 14 were at compulsory public auctions of companies under receivership. The sale of flats which will be occupied for the first time almost doubled compared to the year before. This was mainly due to the successful sale of flats of two major developments: "Situla" near the main railway station and "Zeleni gaj" at Brdo (city area Vič). In the second part of the year, after a successful promotional campaign with reduced prices, the majority of the 226 flats at the "Situla" were sold, the sale of which had virtually been at a standstill since their completion in 2013. The sale of flats from the first phase of the project in Brdo, which was an investment of the Housing Fund of the Republic of Slovenia, also continued successfully. Approximately half of the 342 flats had already been sold by the end of 2014 and nearly all of the remaining flats had been sold by March this year. A somewhat increased number of sales of flats to be used for the first time (61) was recorded last year for the "Atrium" development on Šmartinska Road, where only a few remaining flats are available for sale, so the sale is finally coming to an end after seven years. More than 20 sales were also recorded at "Eco Silver House" on Dunajska Road in Bežigrad, where the majority of the 128 flats have not yet been sold.

The remaining sales of flats on the primary market were individual sales from the inventory from previous years, as virtually no major residential developments were completed in Ljubljana last year, so that there really is no supply of new flats. The inventory of unsold flats from previous years is also shrinking. According to our estimates, approximately 550 new flats were on sale in Ljubljana at the end of last year, while there were approximately 800 the year before. 227 flats at "Celovški dvori" in Šiška are still off the market.

⁵ Since the sample was too small, the table does not show flats smaller than 20 m² or larger than 120 m².



The only major residential development currently under construction is the completion of the first phase of the Housing Fund's development in Brdo, where approximately 270 flats are expected to be completed in the first half of this year. These flats are partly intended for letting and partly for sale. The completion of some developments that came to a halt during the crisis is to be expected. These developments could increase the relatively modest supply of flats on the Ljubljana primary market. For example, two unfinished developments – "Tribuna" in Prule (78 flats were planned) and "Baletka" in Rožna Dolina (7 flats) – found a buyer, i.e. new investor last year.

Approximately 350 sales of houses were recorded in Ljubljana last year, which is 9% fewer than in 2014. Therefore, despite an increase in the number of sales in 2014, a true revival of the Ljubljana market for family homes, which were most affected by the real property market crisis, is not on the horizon. Last year, the average house price was €207,000, which did not significantly change compared to the previous year. However, the price was nearly half of what it was in 2008.

Approximately half of all detached one or two-dwelling houses sold last year were sold in Ljubljana, as well as approximately one half of terraced houses or semi-detached houses. The average size of houses sold was 180 square metres, the median year of construction was 1969 and the average area of the accompanying land was 410 square metres.

The situation in the Ljubljana commercial real property market did not change significantly last year. The supply of new and used commercial premises continued to exceed demand, despite a slight increase in sales. The trend of decreasing prices of office space is continuing and there are no signs of a revival of the market. The leasing market is more active, as the majority of unsold commercial space inventory from the period after the beginning of the crisis and the majority of vacated premises of companies in receivership were redirected to this market. The significant supply of commercial space for lease continues to exercise downward pressure on rents as well as pressure on the sales prices of commercial space.

Ljubljana Surrounding Area

In the analysed Ljubljana Surrounding Area, close to 700 sales of flats were recorded last year, i.e. 10% more than in 2014. The average price of a used flat was 1,610 €/m², which was 2% less than the year before. Compared to 2008, when prices of flats were highest, it was a little less than 25% lower. Compared to the capital, the average price of a used flat in this area was about one fifth lower last year.

On average, used flats in towns around Ljubljana achieved the highest prices in Grosuplje, Domžale, and Medvode, followed by Kamnik and Vrhnika and finally by Logatec and Litija.



Table 3: Average prices and the structure of used flats sold in Central Slovenian towns excluding Ljubljana, and settlements in the Ljubljana Surrounding Area, 2015

Analysed area	Indicator	Year 2015
DOMŽALE	Sample size	77
	Average price (€/m ²)	1,670
	Year of construction (median value)	1982
	Effective surface area (m ²)	48
GROSUPLJE	Sample size	29
	Average price (€/m ²)	1,710
	Year of construction (median value)	1990
	Effective surface area (m ²)	56
KAMNIK	Sample size	103
	Average price (€/m ²)	1,540
	Year of construction (median value)	1982
	Effective surface area (m ²)	50
LITJA-ŠMARTNO	Sample size	37
	Average price (€/m ²)	1,090
	Year of construction (median value)	1975
	Effective surface area (m ²)	52
MEDVODE	Sample size	31
	Average price (€/m ²)	1,660
	Year of construction (median value)	1978
	Effective surface area (m ²)	48
VRHNIKA	Sample size	34
	Average price (€/m ²)	1,500
	Year of construction (median value)	1980
	Effective surface area (m ²)	52
LOGATEC	Sample size	29
	Average price (€/m ²)	1,420
	Year of construction (median value)	1985
	Effective surface area (m ²)	56
LJUBLJANA SURROUNDING AREA*	Sample size	134
	Average price (€/m ²)	1,620
	Year of construction (median value)	2002
	Effective surface area (m ²)	60

* The Ljubljana surrounding area includes: Brezovica, Ig, Škofljica, Lavrica, Dol pri Ljubljani, Trzin, Mengeš, Radomlje, Moste in Komenda)

The inventory of unsold flats from previous years in different places in the Ljubljana Surrounding Area was sold with relative success last year. The last 16 flats of the "Ob potoku" development in Lavrica were sold and the sale of flats of the "Lanovo" development in Škofljica was almost completed. In the Brod neighbourhood of Logatec, all 12 flats that were still available were sold in receivership proceedings. This was the last inventory of flats in Logatec that was still available from the period before the crisis. An additional six terraced houses came on the market in Kalce; these were built in 2009, but not completed until last year. In Borovnica, the sale of 53 flats of the Housing Fund of the Republic of Slovenia began with relative success. These flats were initially meant to be let, but no lessors were found. 17 have already been sold.

In the Ljubljana Surrounding Area, approximately 400 sales of houses were recorded, i.e. 8% less than in 2014. The average contractual price of a house was €155 thousand, remaining virtually unchanged compared to the year before. Compared to 2008, it was over 30% lower. The average size of houses sold was 170 square metres, the median year of construction was 1981 and the average surface of the accompanying area was 710 square metres.

On average, house prices in the immediate vicinity of Ljubljana were 25% lower than in Ljubljana, while they were 50 to 60% lower on average in the general area and in towns at a distance of 10 km or more from Ljubljana. As the distance from Ljubljana grows, the median year of the construction of houses and the size of the accompanying land increase significantly.



The Gorenjska region

In the Gorenjska region, flat sales continued to increase, but more slowly. Compared to 2014, 5% more sales of flats in apartment buildings were recorded. The average price of a used flat (1,450 €/m²) decreased very slightly, reaching a record low since systematic monitoring began.

Last year, the average price of used flats in Kranj was 1,560 €/m² (the number of sales taken into account – 175; the median year of construction was 1974, the average useful surface was 49 m²) and increased of 2% compared to 2014, while the number of recorded sales, contrary to the remaining Gorenjska region, decreased by 10%. In Škofja Loka, the average price last year was 1,530 €/m² (54; 1978, 49 m²), in Radovljica 1,520 €/m² (38; 1976, 45 m²), in Tržič 1,150 €/m² (33; 1968, 45 m²) and in Jesenice 1,030 €/m² (72; 1963, 50 m²).

In tourist areas, where residential real property was most overpriced prior to the crisis, flat prices saw the greatest decline during the crisis. Last year, the average price of a used flat in Kranjska Gora was 2,060 €/m² (21; 1978, 44 m²) and in Bled 1,700 €/m² (16; 1970, 43 m²).

In the Gorenjska region, the inventory of unsold flats from previous years is slowly diminishing. Most of the flats built in the 2008–2010 period have finally been sold in the past two years due to the receivership proceedings of failed investors. Even though the sale of new flats is still slow, completed flats from previously suspended developments as well as from new, mostly small developments began to appear on the market.

After sales of houses and pertaining land almost came to a complete halt in 2012 and 2013, followed by a considerable revival in 2014, sales recorded last year decreased by 5% compared to 2014. Even though average prices are not directly comparable due to the great non-homogeneity of house types and house sizes and the sizes of pertaining land, and even though the samples for individual smaller areas are too small due to the great spatial dispersion of houses, a trend of rising prices is generally noticeable in the Gorenjska region.

The trend of decreasing sales and building land in the Gorenjska region continued last year. The average price of building land was 93 €/m². Land for the construction of detached houses accounted for almost all sales, and the average area of plots was 940 square metres.



Recorded sales of farm land in the Gorenjska region remained nearly the same compared to the year before; the average price of land increased by 10 cents, i.e. to 4.20 €/m². In the area surrounding Kranj, the average price was somewhat higher, 4.70 €/m² (56 sales taken into account; average surface was 6600 m²).

The number of recorded sales of forest land also remained almost unchanged compared to the year before; the average price increased by 8 cents, i.e. to 0.66 €/m². The average surface of land plots sold was 1.85 hectares.

The Gorica region

In the Gorica region, recorded sales and the average price of used flats did not significantly change last year compared to 2014, while house sales increased by 3% and average house prices also indicated a growth trend.

Last year, the average price of a used flat in Nova Gorica and the surrounding settlements (Solkan, Kromberk, Rožna dolina, Šempeter pri Gorici, Pristava and Vrtojba) was 1,460 €/m² (the number of sales taken into account was 101; the median year of construction was 1975, the average useful surface was 54 m²). The average price in Ajdovščina was 1,220 €/m² (27; 1978, 47 m²) and in Tolmin, Kobarid and Bovec, it was 1,100 €/m² (26; 1978, 50 m²).

In the past year, the emptying of inventory from past failed developments continued in the primary real property market in the Gorica and Vipava regions, mainly through repeated public auctions, where real property was sold at 35–50% lower prices than offered by investors a number of years ago, when sales began. New flats were sold in the "Cedra" block of flats in Nova Gorica and the "Kresnice" block of flats in Ajdovščina as a result of the receivership procedure of the company Primorje. A public auction was carried out for "Cedra" in June, where eleven flats out of the thirty flats and three bar and shop premises on offer were sold. "Kresnice" flats were offered at two public auctions in February and April, at which all eleven remaining flats were sold. Receivership proceedings for the company Euroinvest were also instituted, so a revival of the sale of flats and business premises in the "Eda Centre" in Nova Gorica is also to be expected. New flats were also sold through advertisements of estate agents. This, for example, enabled the sale of five flats in the two "Vili Baronovki" apartment buildings in Vipava. Some



flats, such as the ones in the "Adam" and "Eve" blocks in Nova Gorica and in the "Gonzaga" office and residential building in Nova Gorica and in the "Na hribu" residential building in Črniče, were taken off the market; this is evident because they are no longer being advertised as for sale. However, twelve terraced houses at the "Brenčelj" development in Renče are once again being sold by a bank which is a creditor of a failed investor. It is estimated that approximately fifty new flats and twenty houses remain unsold in the Gorica and Vipava region.

Last year, trends from the previous year continued in the real property market in Posočje. Hotel Kanin is still for sale, as it has not yet been sold because the Kanin ski resort is still closed. The second and third auctions were also unsuccessful. The auction of two land plots for the construction of industrial facilities in the Poljubinj commercial zone was also unsuccessful. Despite the lowering of the reserve price, the sale of a block of flats in Poljubinj with nine unfinished flats that was being sold as a whole as part of the receivership proceedings of the company Portal was also unsuccessful. There was more success with the sale of flats in the Brdo area of Bovec within the receivership proceedings of the company Vizing, as all six flats were sold. Therefore, only about ten flats remain unsold on the primary real property market in Posočje.

In the past year, market activities relating to farm and forest land in the Gorica region area for analysis were below average compared to the rest of Slovenia.

The number of recorded sales of farm land decreased by 2% compared to 2014, while the average price of land increased by 38% to 1.80 €/m². In the Vipava Valley, the average price was 1.85 €/m² (80 sales taken into account; average surface 4200 m²), and in Posočje, it was 1.45 €/m² (28; 4000 m²).

The number of recorded sales of forest land decreased by 3% compared to the year before, but the average price increased by 3% to 0.37 €/m². In the Vipava Valley, the average price was 0.48 €/m² (59 sales taken into account; the average surface was 9500 m²), and in Posočje it was to 0.28 €/m² (29; 20200 m²).



The Coastal region

The real property market in the Coastal region has still not revived. Last year, this was the only area for analysis where the number of recorded sales of residential real property was lower than in 2014. Despite flat prices that are, on average, nearly one third lower than they were in 2008, and despite the traditional interest of buyers from inland Slovenia in purchasing holiday flats at the coast as well as the still large number of residential real property caught in the receivership proceedings of failed investors, supply still exceeds effective demand.

Last year, the prices of used flats sold in Koper were between 1,700 and 2,000 €/m², in Piran town centre they were approximately 2,000 €/m² and in Portorož they were about 2,400 €/m². In Piran and Portorož, the prices of individual smaller flats also reached up to 5,000 €/m². Last year, the highest price (€450,000) was paid by a buyer for a 180 square-metre flat in Semedela. Four houses were sold at prices exceeding €0.5 million. The most expensive house was sold in the Izola area for €1.1 million, and two somewhat cheaper houses were sold in the Portorož area, and one in the Koper area. An additional three houses were sold at prices exceeding €400 thousand.

In Koper, the investor Pomgrad is finishing the sale of flats in the "15. maj" neighbourhood. Ten out of 67 flats remain unsold. Sales began in 2013 and at present this is the only major residential development on the coast, whose investor has not been subject to receivership proceedings. At a second public auction in May 2015, the "Livade" neighbourhood in Izola, which includes 190 flats, was sold. Even though the buyer still has to finish the flats, 130 flats had been sold in advance by the end of February 2016. The sale should finish by the summer. Prices range between 2,100 and 2,600 €/m² (the price also includes a parking space).

Many flats are still off the market due to the receivership of investors. In Koper, approximately 450 flats in three major developments are caught up in receivership proceedings ("Nokturno", "Zeleni gaj" and "Ferrarska"). Including other unsold flats in Koper, Izola, Ankaran, and Piran, the inventory of new flats (which are actually not new anymore, as they were built five or more years ago, so some are already in a decrepit state) comprises about 580 flats.

The commercial real property market has been at a standstill for years. Supply still considerably exceeds demand, so relatively few sales were recorded.



Last year, the sale of building land on the coast increased slightly compared to the year before, but remained modest. Municipalities on the coast attempted to increase their revenue by selling real property, but no buyers have been found for the mainly large and relatively expensive development sites for a few consecutive years. The prices of development sites showed a downward trend, as in most of Slovenia, but they also managed to reach nearly 370 €/m² in some attractive locations.

Furthermore, speculative purchases of farm land are also typical of the market on the coast, as buyers from mainly inland Slovenia are still willing to considerably overpay for development sites.

The Karst region

After the Coastal region, the Karst region is the second smallest regional area for analysis in terms of area, and it also has the smallest housing stock. Last year, the following was recorded in the Karst region:

- 115 sales of flats in blocks of flats. Compared to 2014, sales increased by nearly a third, which is the most out of all the regional areas for analysed;
- 76 sales of single-dwelling and two-dwelling houses with pertaining land, which is only one sale more than in 2014;
- 65 sales of building land – 5 sales more than in 2014;
- 135 sales of farm land plots. This number increased by 15 per cent compared to 2014;
- 40 sales of forest land, which is 60% more than in 2014;
- 9 sales of office spaces, 6 sales of shop premises and 5 sales of bar premises.

The average price of used flats was 1,250 €/m², which is 5% lower than the previous year. The median year of construction was 1974 (the year before, it was 1980), and the average useful surface of flats sold was 52 square metres (the year before: 56 m²).

Based on a relatively small sample, the average contractual price of houses (€126,000) was nearly 50% higher than the year before, and on average the houses were 16 years younger and 50 square metres larger.

The average price of building land was 43 €/m² 20% lower than the year before. The average area of plots was 900 square metres (the year before: 810 m²).

The average price of farm land was 1.10 €/m², 21% lower than the previous year. The average area was 4700 square metres (the year before: 3100 m²).



The average price of forest land was 0.55 €/m², 8 cents per square metre more than the year before. The average area was 5300 square metres (the year before: 8700 m²).

In the Karst region, the inventory of unsold residential real property from previous years is still considerable. In total, there are still about 160 unsold flats in the three municipalities in the Karst region. Most of the unsold flats are in Sežana. 100 flats are available in two major blocks of flats. The company Kraški zidar is selling flats within its receivership proceedings at prices ranging from 1,200 to 1,400 €/m². In the centre of Hrpelje, 15 more flats are available at "Villa Hrpelje". Six have been sold so far. Prices ranged from €95 thousand for a 56 m² flat to €135 thousand for an 81 m² flat. In Divača, there were unsold flats in the "Gaberik" block of flats. The flats have been for sale since 2009; 51 of the original 111 are still available. The prices of flats range from €73 thousand for a 46 m² flat and €156 thousand for a 130 m² flat.

In the Karst region, there are still about 40 unsold houses, mostly in the Municipality of Divača. In two towns, there is a total of 33 terraced houses in the 3rd construction phase which have been for sale for over four years. Both investors are in receivership proceedings and the houses are being sold at half the original price. The investor of the "Gozdne kresničke" development in Kozina, which successfully sold twelve houses in 2009 and began constructing another twelve, went into receivership, and 8 unfinished houses remained unsold.

The Notranjska region

Just as in the Karst region, the Notranjska region area does not include any major cities. Therefore, the residential and commercial real property funds are small. In 2015, the following was recorded in the Notranjska region:

- 209 sales of flats, i.e. only five sales fewer than in 2014;
- 103 sales of houses, i.e. nearly one third more than in 2014;
- 167 sales of land for the construction of buildings – this is by about 20% more than in 2014;
- 324 sales of farm land, which is by 13% more than in 2014;
- 101 sales of forest land, which is by 41% less than in 2014;
- nine sales of office spaces, ten sales of shop/service premises and six sales of bar premises.



The average price of sold used flats amounted to 930 €/m² and it decreased by 12% compared to the previous year. The median year of construction was 1975 (the year before it was 1987), and the average useful surface was 54 square metres (the year before: 56 m²).

The average price of a house amounted to €70 thousand and it increased by 4% compared to the year before. The median year of construction was 1964 (the previous year: 1962), the average surface of a house was 150 square metres (the previous year: 140 m²), and the average surface of the accompanying land plot was 1000 square metres (previous year: 1010 m²).

The average price of development sites was 21 €/m², which is a 25% decrease compared to the previous year. The average land plot surface was 900 square metres (the year before: 860 m²).

The average price of farm land was 0.90 €/m², which is the lowest price among all regional areas for analysis, even though it increased by 29% compared to the year before. The average land plot surface was 4900 square metres (the year before: 4000 m²).

The average price of forest last amounted to 0.43 €/m² and it decreased by 17% compared to the previous year. The average land plot surface was 1.7 hectares (the year before: 1.6 ha).

Last year, the prices of residential real property in the towns of Notranjska still indicated a downward trend, even though there was an evident revival of the residential house market. The reason for this is the completion of the sale of the final inventory of flats from failed developments from previous years, as the relatively low prices of these flats still pressured the prices of used flats and houses.

In Cerknica, there is no inventory left of unsold flats from previous years. The flats in the "Jezero" neighbourhood were finally sold within the receivership proceedings of the company GPG, and the investor of the "Za mlinom" neighbourhood managed to do the same by suitably adjusting its prices. In Postojna, the sale of new flats in the fourth block of flats in the "Postojnski biser" neighbourhood is still successfully under way (14 out of 26 flats were sold, and the prices were in the range of 1,700 €/m²).

The commercial real property market was modest. Official receivers attempted to sell some offices spaces and bar and shop premises at various auctions, but for the most part this was unsuccessful. However, no less than three hotels in Postojna got new owners.



The Dolenjska region

Last year, the number of recorded sales in the Dolenjska region increased by 20% compared to 2014, but prices decreased on average. In Novo Mesto, the average price of a used flat amounted to 1,260 €/m² (number of sales taken into account: 101, median year of construction: 1978, average useful surface: 48 €/m²). Compared to the year before, the price decreased by 3%. In Trebnje, the average price amounted to 1,150 €/m² (22; 1992; 57 m²), in Ribnica and Kočevje it amounted to 970 €/m² (36; 1968; 52 €/m²), and in Bela Krajina to 710 €/m² (31; 1977; 52 m²).

The supply of new flats in Dolenjska continues to decrease. On the one hand, due to the decrease in the inventory of unsold flats from previous years, and on the other due to the absence of new construction in recent years. The only construction development of new flats (71) is currently being carried out in Novo Mesto. In Črnomelj, 12 small flats, which were completed in March 2016, are for sale.

The market for houses with accompanying land was slightly less dynamic in the past year, as the number of recorded sales decreased by 8%. Nonetheless, additional price reductions, offered by investors, banks (creditors) or official receivers, caused the decrease in the previously rather large inventory of houses from failed developments, which were typical for this area after the crisis began. Due to the pressure that reduced prices of new houses had on the prices of used houses, there is still a downward trend for residential real property prices.

The situation in the commercial real property market has been unchanged for a few years. The supply of office spaces and bar and shop premises for purchase or hire in urban areas still exceeds the demand. There are very few recorded commercial real property transactions. Relatively low rents represent competition for purchases. Many companies that, in the period prior to the crisis, invested into the purchase or real property which they have been unable to sell after the crisis due to decreased commercial activity have been letting business premises. Even in exchange for rent that does not even cover the costs.

Excessive supply of development sites has also been typical for Dolenjska in the past few years. Last year, the sale of development sites decreased by a minimum amount and the decrease of the average price came to a halt. The average price of land plots for construction amounted to 39 €/m² in Trebnje (number of sales taken into account: 11, average land plot surface area: 2000 m²), 31 €/m² in Novo Mesto (18; 1700 m²), and 11 €/m² in Bela Krajina (26; 1350 m²).



Last year, the recorded number of sales of farm land increased on average by 14% and reached about the same level as in 2013. The average price virtually remained unchanged. On average, the prices of farm land in the narrower area of Dolenjska excluding Novo Mesto reached 1.25 €/m² (the number of sales taken into account: 244; average surface area of sold land plots was 5100 m²), in the Kočevje area 1.10 €/m² (26; 3050 m²), and in Bela Krajina 1.00 €/m² (139; 3250 m²).

Recorded sales of forest land, for which there was a relatively high demand, slightly decreased nonetheless, and its prices fell on average by 8%. Last year, the average price of forest land in the narrower Dolenjska region excluding Novo Mesto was 0.50 €/m² (number of sales taken into account: 104, average surface area of sold land was 1.3 hectares), in the Kočevje area 0.52 €/m² (40; 2 ha), and in Bela Krajina 0.40 €/m² (72; 1,5 ha).

The Posavje region

In 2015, the following was recorded in the Posavje region:

- 390 sales of flats, i.e. 19% more than in 2014;
- 257 sales of houses, i.e. 16% more than in 2014;
- 105 sales of building plots, i.e. 10% fewer than in 2014;
- 605 sales of farm land, i.e. 2% fewer than in 2014;
- 191 sales of forest land, i.e. 10% more than in 2014;
- 11 sales of office spaces, 74 sales of shop or service premises, and 3 sales of bar premises.

The average price of used flats was 750 €/m², a minimal increase compared to the year before. The median year of construction was 1965, and the average useful surface was 51 square metres (previous year: 49 m²). Flat prices in Posavje are the lowest among all the regional areas analysed, and the average age of flats sold is the highest. Both are due to the very old housing stock in this area. Last year, the average age of a used flat in Zasavje (Zagorje ob Savi, Trbovlje, Hrastnik, Izlake, Kisovec) was 700 €/m² (the number of sales taken into account: 157; median year of construction: 1969; average useful surface 50 m²). In Krško and Brežice, the average price of a used flat was 900 €/m² (the number of sales taken into account: 55; median year of construction: 1962; average useful surface: 51 m²).

The average house price was €63 thousand, an increase of 15% compared to the year before. The median year of construction was 1972 (the previous year: 1966); the average surface area of a house was 160 square metres (the



previous year: 140 m²), and the average surface area of the land plot was 1140 square metres (the previous year: 1840 m²)

Last year, the market for residential houses, which was among the least active during the crisis, revived most in Posavje. The relative increase in the number of recorded sales of residential houses was actually the highest among all the regional areas analysed.

The average price of development sites was 18 €/m², 31% lower than in the previous year. The average area of plots was 1840 square metres (the previous year: 1000 m²). It seems that the sales and prices of development sites decreased due to the lower demand for building land for family homes, which was due to the revival of the residential real property market. There is still no demand for land for major investment developments.

The average price of farm land was 1.00 €/m² 9% less than in the previous year. The average surface area of land was 5000 square metres (the previous year: 5300 m²). Last year, average prices of farm land in Zasavje (where the number of sales has been traditionally low) were around 1.00 €/m² and around 0.95 €/m² in southern Posavje.

The average price of forest land was 0.44 €/m², 17% less than in the year before. The average land plot area was 1.1 hectares (the year before: 1.5 ha). The number of sales of forest land in Zasavje was negligible.

The Savinjska region

Last year, sales of flats in the Savinjska region compared to the previous year decreased by 10% on average, and the average price decreased minimally. The revival of the residential market for flats continued in Celje, where the number of recorded sales was growing considerably as early as 2014.

The average price of a used flat remained virtually unchanged, amounting to 1,050 €/m² (the number of sales taken into account: 243, median year of construction: 1970. average useful area: 52 m²). In the surrounding area of Celje, the average price was 990 €/m² (95; 1976; 48 €/m²), and in the area east of Celje (Šentjur, Šmarje pri Jelšah, Podčetrtek, Rogatec) it was 940 €/m² (69; 1978; 53 m²). In Velenje, recorded sales increased by 17% and the average price of used flats decreased by 6%, amounting to 1,010 €/m² (156; 1975; 52 €/m²).



In the Savinjska region, which has a relatively large stock and an active market for residential houses, the otherwise relatively stable sales decreased by about 8% last year, while the trend of the slight decrease in house prices with accompanying land that had lasted for several years came to a halt, and average prices even slightly increased.

On average, the recorded number of sales of development sites in the entire area analysed decreased by 2% last year. The highest demand was for land for the construction of detached houses outside urban centres. Of course, development sites reached the highest average price in Celje; however, Celje has a low supply, so sales were modest. The average price of building land was 59 €/m² (number of sales taken into account: 9; average surface area of land: 1280 m²). The situation in Velenje is similar with regard to supply and sales; here, the price reached 33 €/m² (14; 670 m²). In the surrounding area of Celje, the average price was 36 €/m² (44; 930 m²); in the area east of Celje, it was 31 €/m² (21; 800 m²), and in the Savinja Valley, it was 30 €/m² (34; 1180 m²).

Investment and construction activities in the Savinjska region have been insignificant for a number of years. There are no major residential developments, and construction is mainly confined to detached houses in the surrounding area of urban centres. Furthermore, there are no major inventories of unsold flats from previous years.

The sale of farm land generally decreased by about 10%. As usual, the market for land was most active in the central Savinjska region, where the average price slightly decreased compared to the previous year, amounting to 2.00 €/m² (number of sales taken into account: 143, average land plot surface area: 4400 m²).

Furthermore, the recorded sales of forest land decreased by 10% last year, but average prices did not change. Average prices of forest last year ranged from 0.44 €/m² (number of sales taken into account: 19, average land plot surface area: 2 hectares) in the northwest to 0.59 €/m² (number of sales taken into account: 34, average land plot surface area: 1.4 hectares) in the central part of the region.

The Koroška region

After the revival of the residential market in 2014, sales of flats in apartment buildings increased by 5% last year compared to 2014, but there was a noticeable drop in the number of recorded sales of houses with pertaining land. Compared to 2014, this number was more than 40% lower.



Last year, the average price of flats in Slovenj Gradec was 1,030 €/m² (number of sales taken into account: 27, median year of construction of flats: 1978, average useful surface: 50 m²). In Prevalje and Ravne na Koroškem, the average price of flats was 900 €/m² (number of sales taken into account: 64, median year of construction of flats: 1974, average useful surface: 54 m²). In the remainder of Koroška, the average price was 800 €/m² (number of sales taken into account: 46, median year of construction of flats sold: 1972, average useful surface: 53 m²). The prices of flats in apartment buildings and of houses with pertaining land still show a slight downward trend.

There have been almost no new residential developments in Koroška for a number of years, with the exception of Radlje, where a block with 14 flats was built in 2014; these flats were sold quickly at a price of 1,100 €/m². This year, the construction of 50 new flats in the S8 neighbourhood of Slovenj Gradec is planned. In the first phase, only 25 flats are to be completed in 2017. The possible construction site is at the former location of public utility offices, where there is an empty facility once used by a music school before it moved.

With regard to houses in Koroška and especially to commercial real property, the supply has significantly exceeded demand since the crisis began in 2008. Accordingly, sales have also been modest. The supply of building land for construction, both for houses and business premises and industrial facilities, exceeds demand. In the Slovenj Gradec area, building land for commercial and residential real property is for sale at prices around 50 €/m², 40 €/m² in Prevalje-Ravne, and 25 to 35 €/m² in the Drava Valley.

The farm land market in Koroška was one of the least active in the country last year, as 88 sales were recorded in the entire area, which is 10% fewer than the year before. The average price of farm land plots was 2.10 €/m². 40 sales of forest land were recorded, 60% more than the year before. The average price reached 0.56 €/m².

The Štajerska region

In the Štajerska region, more than 1500 sales of flats in blocks of flats were recorded in 2015. Compared to 2014, the number of recorded sales increased by 20%. The average price of a used flat increased minimally, namely to 1,030 €/m². The median year of construction of used flats sold was 1972, and the average surface area was 51 square metres.



Last year, the average price of flats sold in Maribor was 1,050 €/m² (number of sales taken into account: 780, median year of construction: 1982, average useful surface: 53 m²), in the Maribor area, the price was 970 €/m² (number of sales taken into account: 57, median year of construction: 1986, average useful surface: 56 m²); in Slovenska Bistrica, it was 980 m² (number of sales taken into account: 35, median year of construction: 1986, average useful surface: 56 m²), and in Ptuj and its immediate vicinity, it was 990 m² (number of sales taken into account: 69, median year of construction: 1976, average useful surface: 51 m²).

In towns in the Štajerska region, the trend of revival in the market for the sale of residential flats continued last year. In Maribor, the sale of flats slightly increased for the second consecutive year, especially towards the end of the year. Prices also stopped decreasing. The inventory of unsold flats within receivership proceedings of failed investors was finally sold, and no new apartment buildings are currently being built.

Despite the positive trends in the Štajerska property market, a considerable increase in the number of sales or price adjustments are not to be expected any time soon. Due to the low purchasing power of the population, effective demand is still relatively low. An increased demand for flats to rent has been noticed.

Last year, nearly 800 sales of single-dwelling and two-dwelling houses were recorded in the Štajerska area. The number of recorded sales decreased by 5%. The average price of a house with pertaining land was €81,000, down 6% compared to the previous year. The median year of construction of houses sold was 1972, the average surface area was 150 square metres, and the average surface area of the pertaining land was 1020 square metres. The average price of a house in Maribor was €106,000 (number of sales taken into account: 82, median year of construction: 1960, average surface area of house: 160 m², average surface area of land: 510 m²); in the Maribor area, the average price was €88,000 (number of sales taken into account: 116, median year of construction: 1978, average surface area of a house: 160 m², average surface area of land: 980 m²); in the Drava Field area, the average price was €52,000 (number of sales taken into account: 59, median year of construction: 1962, average surface area of a house: 120 m², average surface area of land: 1610 m²), and in Ptuj and its immediate vicinity, the average price was €62,000 (number of sales taken into account: 31, median year of construction: 1969, average surface area of a house: 120 m², average surface area of land: 1140 m²).

Last year, just under 400 sales of development sites were recorded in the Štajerska region, 14% fewer than in the previous year. The sale of development sites was limited to plots for the construction of single-dwelling family houses, because there has been no demand for larger plots for multi-



dwelling buildings or office buildings. The average price of land was 34 €/m², which is statistically 36% more than the previous year. The average size of land plots was 1060 square metres. Last year, the average price of building land in Maribor was 72 €/m² (number of sales taken into account: 20, average surface area of plots sold: 1500 m²); in the Maribor area the average price was 34 €/m² (number of sales taken into account: 72, average surface area of sold land plots: 1000 m²); in Ptuj and its immediate vicinity, it was 35 €/m² (number of sales taken into account: 26, average surface area of land: 860 m²), and in the Drava Field area, it was 13 €/m² (number of sales taken into account: 41, average surface area of land: 1180 m²).

In 2015, just over one thousand sales of farm land were recorded in the Štajerska region, which was nearly 10% fewer than in 2014. The average price of farm land increased by 7% to 1.50 €/m². The average surface area of land plots sold was 6700 square metres, which was the largest among all regional areas analysed. The lowest prices were in the area of Dravinjske Gorice and Haloze. They ranged around 0.90 €/m². The highest prices were in the area between Maribor and Slovenska Bistrica and on the Drava Field, where they ranged around 1.60 €/m².

Last year, 246 sales of forest land were recorded in the Štajerska region. Compared to the previous year, the number of sales decreased by nearly 20%. The average price of forest land increased by 7% and amounted to 0.58 €/m². The average surface of land plots sold was 0.9 hectares. The lowest price, approximately 0.70 €/m², was paid for forest land plots in the area of Slovenske Gorice.

The Pomurje region

In the Pomurje region, 193 sales of flats in apartment buildings were recorded last year. Recorded sales increased minimally compared to 2014. The average price of a used flat was 780 €/m² 3% less than in 2014. The average price in Murska Sobota and its immediate vicinity was 880 €/m² (number of sales taken into account: 67, median year of construction: 1976, average useful surface: 48 m²) and in the entire area of the Apače Field and the Ščavnica Valley (including Gornja Radgona and Ljutomer), the average price was 740 €/m² (number of sales taken into account: 45, median year of construction: 1979, average useful surface: 563 m²). In other parts of Pomurje, the number of available sales was too low for statistical indicators to be credible.



In Pomurje, the market for the sale of residential flats has not yet seen a real revival, as activities in the market are still relatively limited. This is due to the lower purchasing power of the local population, which is also experiencing the highest unemployment in the country. This is a result of the high number of bankruptcies of the largest employers (Mura, Mesna industrija Pomurka, Pomurski tisk, etc.). In the receivership proceedings of the company Mura, fifteen (occupied) flats in Murska Sobota were offered for sale, with reserve price of €27 thousand for a one-bedroom apartment and up to €48 thousand for a three-bedroom apartment. The offers for purchase were not successful, despite the relatively low prices.

Last year, 343 sales of single-dwelling and two-dwelling houses with accompanying land were recorded in the Pomurje region, but the recorded number of sales decreased by 7% compared to the previous year. The average price amounted to €49 thousand, 4% less than in the previous year. The median year of construction was 1965; the average surface area of houses sold was 130 square metres (which, together with the Dolenjska region, is the smallest average surface area among all of the regional areas analysed), and the average surface area of the pertaining land was 1440 m² (the biggest among all regional areas for analysis). In the area of Apače Field and the Ščavnica Valley (the west bank of the River Mura), unlike the rest of Pomurje, the sale of houses slightly increased compared to 2014. Houses reached the highest prices in Murska Sobota and its immediate vicinity, and the average price was €81,000 (number of sales taken into account: 21, median year of construction: 1967, average surface area of a house: 140 m², average surface area of pertaining land: 650 m²), while the lowest prices have traditionally been in Goričko, where the average price was €23,000 (number of sales taken into account: 18, median year of construction: 1950, average surface area of a house: 110 m², average surface area of pertaining land: 1700 m²) and where, on average, the oldest houses are for sale, which have the largest surface area of pertaining land due to the affordable land prices.

Last year, 210 sales of building plots were recorded in Pomurje. Compared to 2014, the recorded number of sales decreased by 8%. As usual, the average price of a development site (15 €/m²) was the lowest among all the regional areas analysed, despite the 15% increase. This was a result of the generally low level of real property prices. The average size of land plots was 1100 square metres. In Murska Sobota and the surrounding area, building land for houses was sold at an average price of €31 to €36 per square metre, in Goričko approximately €7 per square metre, and in the remainder of Pomurje, from €11 to €13 per square metre of land.



Investment and construction activities in the Pomurje region have been limited since the beginning of the crisis. There are no major projects for the construction of flats or houses to be sold on the market in this area. In Pomurje, there is no inventory of unsold residential real property from previous years.

The commercial real property market in Pomurje is so small and dispersed that it does not enable a credible statistical analysis. In general, the supply of business, shop or bar premises in Pomurje is much greater than demand. In urban centres in Murska Sobota and Gornja Radgona, there are still relatively many unoccupied business premises available for sale or to let. This is why, for example, Nova Ljubljanska Banka in Murska Sobota and Gornja Radgona offered its business premises rent-free and for use by non-governmental organisations.

In 2015, 1230 sales of farm land were recorded in the Pomurje region, which is the most among all areas analysed, as usual. The number of sales decreased by 12% compared to the year before, while the average price of farm land (1.00 €/m²) increased by 11%. The average size of land plots was 5100 square metres. In areas along the eastern edge of the Slovenske Gorice hills, the average price of land was 1.45 €/m² (number of sales taken into account: 151, average surface area of sold land plots: 7200 m²); in the Murska Sobota immediate vicinity it was 1.20 €/m² (number of sales taken into account: 60, average surface area of sold land plots: 7000 m²); in Goričko 0.60 €/m² (number of sales taken into account: 159, average surface area of land: 5300 m²), and in the remainder of Pomurje, it was 0.93 €/m² (number of sales taken into account: 413, average surface area of land: 4000 m²).

In the Pomurje region, where conditions for farming are comparatively the most favourable and where agriculture is also most prevalent, the upward trend in farm land prices continued last year as well. This trend began after the first and lowest point of the crisis, in 2009. Meanwhile, the average price of otherwise undervalued farm land in Pomurje increased by well over one third.

Last year, 303 sales of forest land were recorded in the Pomurje region. Sales of forest land decreased by 11%, while the average price increased by 8% compared to 2014, i.e. to 0.55 €/m². The average size of land plots was 5800 square metres.



MARKET OVERVIEW ACCORDING TO REAL PROPERTY TYPE ⁶

RESIDENTIAL REAL PROPERTY

In Slovenia, approximately 844 thousand residential units are recorded. Flats in apartment buildings or flats in commonhold ownership (hereinafter: flats) accounts for 38% of the housing stock, while the remaining 62% comprise flats in single-dwelling and two-dwelling houses (hereinafter: houses).

The general market value of residential real property is approx. €71 billion, which is approx. 60% of the value of the entire Slovenian housing stock, the general market value of which is around €119 billion.

Flats

The general market value of flats in Slovenia is approximately €26.7 billion or about 22% of the value of the Slovenian housing stock.

At the end of 2015, approximately 321 thousand flats in apartment buildings were registered in the Slovenian Real Property Register. The Slovenian housing stock is concentrated in major cities, mainly in Ljubljana (29%) and Maribor (11%). Including Celje (4%) and Kranj and Koper (3% each), this means that nearly one half of the Slovenian housing stock is in the five largest cities.

Considering the number of transactions and their value, the market for the sale of flats is by far the largest and the most developed real property market in Slovenia, so developments in this market has a great effect on developments in other real property markets. On average, in accordance with the portion of the stock, approximately half of all transactions involving flats occur in the five largest cities.

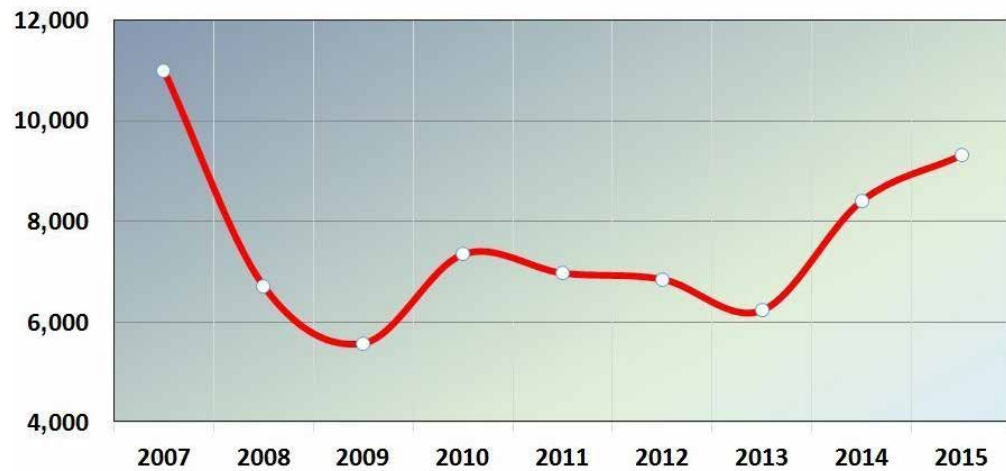
In 2015, approximately 9300 sales of flats were recorded on the free market and at auctions, which accounts for 2.9% of the national stock of flats in apartment buildings. 29% of all sales were recorded in Ljubljana, 12% in Maribor, 7% in the Ljubljana area, 5% on the coast, excluding Koper, and in Celje, respectively, 3% in Kranj, and 2% in Koper. In these seven areas, a total of 63% of sales were conducted, and 37% were conducted in the remainder of Slovenia.

The number of recorded sales of flats at the national level increased by 11% compared to 2014. This continued the growth trend from 2014 (however, it was significantly weakened), when recorded sales increased by no less than 35% compared to 2013, when the second low point of the crisis was reached.

⁶ Explanation of methodology: In order to calculate the percentage change in prices, a simple comparison of average prices per square metre is applied. When interpreting the percentage of price changes, it should be considered that the comparison of average prices is not the most precise indicator, due to the changing average structure of sold real property. This is particularly true of the relatively small statistical samples that are available to us, as the accuracy of an indicator is in inverse proportion to the sample size. In the best case, the percentage change shows the size class or the strength of the price change trend. In most cases, a 1–2% change indicates that there are almost no changes; a 3–5% change shows that the trend is weak; a 6–10% change shows that the trend is moderate, and a change of 11% or more indicates that the trend is proportionally stronger.



Figure 3: Sales of flats recorded in Slovenia 2007–2015



Following the major decrease in sales in 2008 and 2009, which nearly halved compared to 2007, the first low point of the crisis of the Slovenian real property market was reached in 2009. A revival followed in 2010 (+30% of recorded sales), followed by a three-year moderate downward trend in sales (a total of -15% of recorded sales). In 2015, the number of flat sales was still 15% lower compared to 2007, when it had peaked.

Table 4: The number and shares represented by the sales of flats, the number and shares in the stock of flats and the ratio between the number of sales and the stock of flats in selected market areas ⁷, Slovenia, 2015

Analysed area	No. of sales in 2015	Portion of sale	No. of flats in the stock	Share of the stock	No. of sales/stock
LJUBLJANA SURROUNDING AREA	700	8 %	18,100	6 %	3.7 %
COAST, EXCLUDING KOPER	500	5 %	12,800	4 %	3.6 %
CELJE	400	5 %	12,400	4 %	3.6 %
MARIBOR	1,100	12 %	34,400	11 %	3.2 %
Slovenia total	9,300	100 %	320,900	100 %	2.9 %
LJUBLJANA	2,700	29 %	92,900	29 %	2.9 %
KRANJ	300	3 %	10,200	3 %	2.6 %
Remainder of Slovenia	3,100	33 %	117,400	36 %	2.6 %
MURSKA SOBOTA	100	1 %	3,000	1 %	2.5 %
KOPER	200	2 %	8,700	3 %	2.5 %
NOVO MESTO	100	1 %	4,700	1 %	2.3 %
NOVA GORICA	100	1 %	6,300	2 %	2.1 %

⁷ A figure showing market analysis areas is in Appendix 2.



Considering the ratio between sold flats and the stock, last year the most active market was in the Ljubljana area⁸. Here, the number of sales recorded⁹ increased by 10% compared to 2014; the same is true for Ljubljana, where activity on the residential market reached the national average.

In terms of market activity, the Ljubljana area was followed by the coast, excluding Koper¹⁰. Here, recorded sales increased by 40% compared to the year before. On the other hand, activity on the Koper market was below average, and sales in Koper decreased by half, the biggest decline among the selected areas.

Market activities in both cities in the Štajerska region were above the national average. In Maribor, the number of recorded sales exceeded one thousand for the first time in seven years, an increase of 20% compared to 2014. In Celje, the recorded number of sales increased by two thirds, but it should be noted that this also includes the package sale of 119 already occupied flats that the Bank Asset Management Company (DUTB) purchased from the company Gradis in receivership.

Secondary market

The average price of a used flat in Slovenia in 2015 was 1,440 €/m². Compared to the previous year, it decreased by 1%, a record low since prices were first systematically monitored in 2007. Compared to 2008, when it peaked, as the realised prices of flats increased additionally despite a major drop in the number of sales, the average price was already 21% lower. Due to the considerable decrease in the prices of new flats, which we have only been able to monitor systematically for the past two years, we estimate that flat prices have decreased on average by approximately one fourth since the property market crisis began.

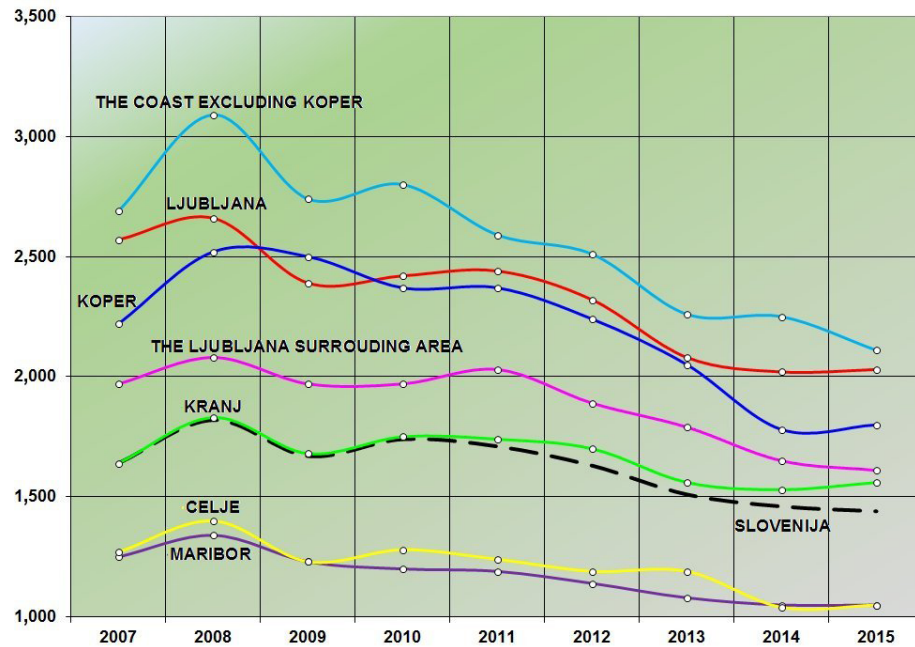
⁸ The market analysis area of the "Ljubljana surrounding area" includes: Medvode, Vrhnika, Logatec, Grosuplje, Domžale, Kamnik and Litija-Šmartno.

⁹ Recorded sales include sales on the primary and secondary markets, as well as any individual or package sales of unfinished flats and the sale of joint ownership shares of flats.

¹⁰ The market analysis area of the "Coast, excluding Koper" includes: Portorož, Piran, Izola and Ankaran.



Figure 4: Average price trends for used flats (€/m²) in selected market analysis areas, Slovenia 2007–2015



The average price of a used flat was 14% lower in 2015 compared to 2009, when the first low point of the crisis was reached according to sales recorded, and by 5% compared to 2013, when the second low point was reached.

The downward trend in used flat prices ended in 2015; this trend was strongest in 2009, when the average price decreased by 8%, and in 2013, when it decreased by 7%; this trend was interrupted in 2010, when the market temporarily revived and prices increased by 4%. The average price of used flats was 2% higher in the second half of the year compared to the first half.





Table 5: Average prices and the structure of used flats sold in the most active market analysis areas, Slovenia in selected years

Analysed area	Indicator	top price	1 st low point of the crisis	2 nd low point of the crisis	2014	2015
		2008	2009	2013		
SLOVENIA	Sample size	4897	4014	4902	5967	5701
	Average price (€/m ²)	1,820	1,670	1,510	1,460	1,440
	Year of construction (median value)	1975	1975	1976	1976	1975
	Effective surface area (m ²)	53	51	52	52	52
LJUBLJANA	Sample size	1248	1000	1322	1697	1483
	Average price (€/m ²)	2,660	2,390	2,080	2,020	2,030
	Year of construction (median value)	1974	1974	1973	1972	1973
	Effective surface area (m ²)	54	52	53	53	55
LJUBLJANA SURROUNDING AREA	Sample size	337	248	343	439	405
	Average price (€/m ²)	2,080	1,970	1,790	1,650	1,610
	Year of construction (median value)	1982	1986	1986	1987	1983
	Effective surface area (m ²)	56	56	53	54	53
MARIBOR	Sample size	493	424	665	699	780
	Average price (€/m ²)	1,340	1,230	1,080	1,050	1,050
	Year of construction (median value)	1969	1971	1972	1971	1970
	Effective surface area (m ²)	52	52	51	52	51
CELJE	Sample size	289	225	197	227	243
	Average price (€/m ²)	1,400	1,230	1,190	1,040	1,050
	Year of construction (median value)	1972	1972	1974	1975	1970
	Effective surface area (m ²)	51	50	51	52	52
KRANJ	Sample size	182	140	183	246	175
	Average price (€/m ²)	1,830	1,680	1,560	1,530	1,560
	Year of construction (median value)	1973	1972	1975	1981	1974
	Effective surface area (m ²)	53	52	50	55	49
KOPER	Sample size	90	121	129	149	172
	Average price (€/m ²)	2,520	2,500	2,050	1,780	1,800
	Year of construction (median value)	1975	1979	1975	1973	1975
	Effective surface area (m ²)	48	51	52	52	53
COAST EXCLUDING KOPER	Sample size	182	135	200	251	260
	Average price (€/m ²)	3,090	2,740	2,260	2,250	2,110
	Year of construction (median value)	1980	1973	1977	1982	1975
	Effective surface area (m ²)	56	46	49	50	47

highest value

lowest value

In all seven market analysis areas, where the highest numbers of sales of flats were recorded, the average price of used flats reached its lowest value in 2014 or 2015. In Ljubljana and Maribor, the price remained virtually unchanged compared to 2014; in Celje and Koper, it increased by 1%, in Kranj by 2%, while in the Ljubljana area it decreased by 2%, and on the coast, excluding Koper, it also decreased by 6%.

It is quite clear that the downward trend in flat prices in major urban centres has ended. However, it may not be concluded that it is turning around yet, as the increases in average prices are minimal.



Ever since the top price was reached in 2008, flat prices have decreased most where they were highest prior to the crisis i.e. on the coast, where used flats were also overpriced due to the high demand. On the coast, excluding Koper, the average price of used flats decreased by 32% compared to 2008, and in Koper by 29%, mainly due to the accelerated decrease in prices in the past three years. In Celje, prices decreased by 25%, in Ljubljana by 24%, in the Ljubljana area by 23%, and in Maribor by 22%. Prices in Celje, which were usually higher during the crisis, once again equalled prices in Maribor. The smallest decrease in prices was in Kranj, i.e. by 15%. The average price in Kranj, which had been at the national average for a long time, rose above the average in 2011.

Primary market

In 2015, 768 sales of new flats on the free market and of 108 flats sold at public auctions within receivership proceedings were recorded.

The average price of new flats¹¹ sold on the market was approximately 2,200 €/m². The median year of construction was 2012, which indicates that flats of failed investors had already been sold on the market "second hand". On average, flats sold at auctions were 30% cheaper than those sold on the market.

In Ljubljana, 425 sales on the market (which is 55% of all such sales in the country) and only 14 sales at auctions within receivership proceedings were recorded. The average price was 2,500 €/m² the median year of construction was 2012. In the Ljubljana area, 55 sales on the market were recorded. The median year of construction was also 2012, and the average price was approximately 2,150 €/m².

In Maribor, 45 sales on the market were recorded. The average price was about 1,550 €/m² the median year of construction was 2009.

A higher number of the flat sales on the primary market was also recorded at the coast, excluding Koper, i.e. 111 on the market and 19 at auctions within receivership proceedings. The average price of new flats sold on the market was 2,020 €/m² and the median year of construction was 2013.

¹¹ The calculations of average flat prices on the primary market take into account simulated prices of flats (excluding pertaining garages and parking spots) per square metre of useful surface area, incl. VAT.



Houses

The general market value of single-dwelling and two-dwelling houses with pertaining land was about €44.3 billion, i.e. about 38% of the value of the Slovenian housing stock.

At the end of 2015, about 523 thousand residences in houses were recorded in the Slovenian Real Property Register. 82% of these were in single-dwelling (family) houses, 10% in semi-detached houses, and 8% in terraced houses.

It is typical of Slovenian family houses, which comprise the largest share of the stock, that they were almost exclusively "self-built"¹². The result of this is a high level of individualisation and diversity, and these houses are often oversized. Furthermore, in the countryside, construction is very dispersed, which is the result of bad spatial planning policies. It is difficult to even consider the existence of a market for the sale of houses or a real property market in general outside of urban centres. Only Ljubljana and Maribor and their surrounding areas have a somewhat organised market for the sale of houses and accompanying land.

Last year, approximately 4300 sales of residential houses with pertaining land on the free market and at public auctions were recorded, which is 0.8% of the national stock of residences in single-dwelling and two-dwelling buildings. After increasing by 21% in 2014 compared to 2013, when the second low point of the crisis was reached, the number of recorded sales again decreased compared to 2014, namely by 3%. Therefore, the number of sales last year compared to 2007 (prior to the crisis) was 25% lower.

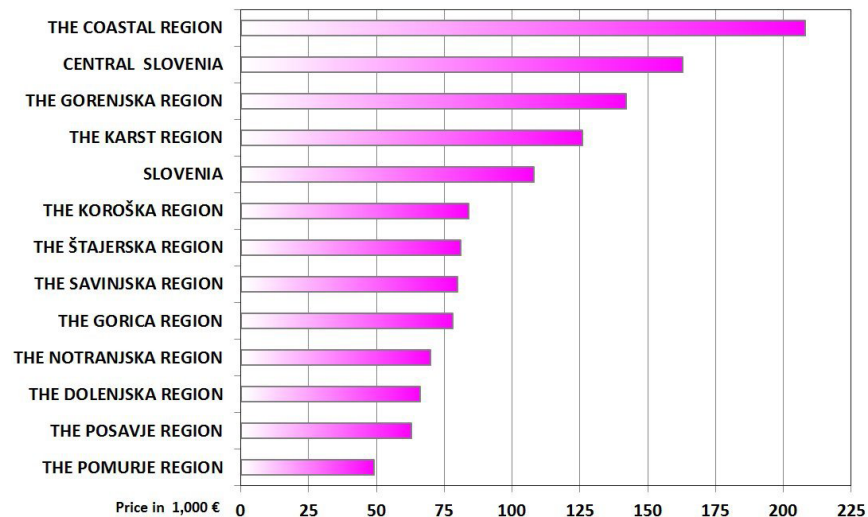
According to house type, 80% of residences sold were in detached single-dwelling or two-dwelling houses, 13% in terraced houses, and 7% in semi-detached. As usual, the share of the sale of detached houses was slightly smaller than the share of such houses in the stock, because the demand for such houses was relatively lower than the demand for residences in more standard terraced houses and semi-detached houses.

Last year, 391 sales of houses were recorded in the Ljubljana area, i.e. 9% of all sales, 356 in Ljubljana, i.e. 8%, 264 in the Maribor area, i.e. 6%, 182 in the Celje area and 173 in Maribor, i.e. 4% each, 126 in the Kranj area, i.e. 3%, and less than 100 sales in all other cities or their surrounding areas, i.e. less than 2% of all sales.

¹² Self-built houses, which are an alternative to the purchase of a new house and pertaining land on the market, is the construction of family homes at one's own expense on one's own land.



Figure 5: Average prices of houses with accompanying land (in €1000) according to regional areas for analysis¹³, Slovenia, 2015



Last year, the average contractual price of a house was €108 thousand¹⁴, 3% higher than in 2014. The average surface area of a house was 150 square metres, the median year of construction was 1972, and the average surface area of the pertaining land was 900 square metres. Compared to the previous year, only the average surface area of the pertaining land changed considerably, as it is 150 square metres smaller.

As usual, the relationships between the prices of houses in different regional areas for analysis did not change much last year. On average, the most expensive houses are still at the coast, followed by Central Slovenia and the Gorenjska region. Average house prices on the coast rose due to house prices in coastal towns, similarly to the Gorenjska region, where the price rose due to the sale of houses in the tourist towns of Bled and Kranjska Gora. The same obtains for the capital of Slovenia in Central Slovenia. Last year, prices in the Karst region, where average prices nearly doubled, were also above average; however, the sample size is too small for the sample to be representative of this area.

On average, the oldest houses sold last year were in the Gorica area, where the median year of construction was 1948. The newest houses were sold in Central Slovenia, where the median year of construction was 1976.

If we ignore the Karst region, the largest houses were sold in Gorenjska. The average surface area of a house was 180 square metres, 20 square metres

¹³ Statistical indicators according to real property types by regional areas for analysis are in Appendix 1.

¹⁴ Explanation of methodology: Average contractual prices are calculated and taken into account as average prices of houses with pertaining land. Usually, relative prices or prices per square metre of a house are deceptive due to the incomparable sizes of houses and mainly of the pertaining land plots, so these prices are not calculated.



more than the year before. On average, the smallest houses with an average surface area of 130 square metres were sold in Dolenjska and Pomurje.

The largest surface area of accompanying land of houses was in Pomurje, where land was also the cheapest. The average surface area was 1440 square metres. Because single-dwelling and two-dwelling houses in old town centres (mainly in Piran), which have almost no pertaining land or such land is minimal, and which are basically considered flats, were excluded from the statistical sample on the coast, the smallest average surface area of accompanying land was in the Gorica region (620 square metres).

Table 6: Average contractual price and the structure of houses sold with pertaining land in the most active market analysis areas, Slovenia, selected years

Analysed area	Indicator	top price	1 st low point of the crisis	2 nd low point of the crisis	2014	2015
		2008	2009	2013		
SLOVENIA	Sample size	1688	1293	1750	2144	2031
	Average contractual price (€)	144,000	128,000	114,000	105,000	108,000
	Year of construction (median value)	1969	1972	1971	1971	1972
	Surface area of a house (m ²)	143	142	147	151	150
	Land area in m ²	1050	1140	1050	1050	900
LJUBLJANA	Sample size	128	79	160	197	211
	Average contractual price (€)	369,000	291,000	233,000	202,000	207,000
	Year of construction (median value)	1962	1965	1970	1966	1969
	Surface area of a house (m ²)	164	179	161	170	180
	Land area in m ²	470	410	440	430	410
LJUBLJANA SURROUNDING AREA	Sample size	134	96	169	216	205
	Average contractual price (€)	226,000	207,000	172,000	153,000	155,000
	Year of construction (median value)	1976	1984	1980	1980	1981
	Surface area of a house (m ²)	169	175	181	178	170
	Land area in m ²	690	580	750	630	710
MARIBOR	Sample size	68	46	73	94	82
	Average contractual price (€)	182,000	139,000	100,000	108,000	106,000
	Year of construction (median value)	1964	1962	1962	1970	1960
	Surface area of a house (m ²)	145	160	158	163	160
	Land area in m ²	460	560	520	560	510
MARIBOR SURROUNDING AREA	Sample size	124	121	80	139	117
	Average contractual price (€)	112,000	117,000	99,000	88,000	88,000
	Year of construction (median value)	1982	1982	1983	1980	1978
	Surface area of a house (m ²)	144	135	145	155	160
	Land area in m ²	960	1120	980	1250	970

highest value

lowest value



Similarly to flats in apartment buildings, house prices peaked in 2008, when the number of sales of such houses had already considerably decreased due to the onset of the crisis. A period of decreasing prices followed until 2014, when house prices reached their lowest point. Even though their average price at the national level statistically increased minimally last year, there is still no indication of any major shifts in prices.

On average, house prices in Slovenia last year were 25 to 30% lower than in 2008, but this average does not paint a realistic picture. In the largest cities and in areas where houses were most overpriced prior to the crisis and where the sale of houses almost halted after the onset of the crisis, prices decreased much more than in areas around cities, and decreased even less in the countryside. Based on a comparison of average prices, taking into consideration changes in the structure of houses sold with land, our estimates show that house prices in Ljubljana decreased at least 45% compared to 2008, by at least 30% in the Ljubljana area, by at least 40% in Maribor, and by at least 20% in the Maribor area.

COMMERCIAL REAL PROPERTY

Commercial real property is intended for the business activities of economic entities. It is roughly divided into real property for performing office activities (hereinafter: office spaces), real property for performing commercial, service, and hospitality activities (hereinafter: bar and shop premises), and real property for performing industrial activities, i.e. industrial property. Commercial real property also includes so-called special real property, which includes energy facilities, real property for acquiring mineral raw materials, as well as marinas, ports, and petrol stations.

The general market value of commercial real property, including special real property, amounts to about €24.1 billion, which is about 20% of the value of the Slovenian Housing Fund. The general market value of office spaces amounts to about €9.4 billion, of shop and bar premises to about €5.4 billion, of industrial real property to about €4.4 billion, and of special real property to a total of about €4.9 billion.

Special real property is very diverse with regard to how it is recorded and with regard to its ownership and purpose of use. It may refer to entire buildings with one owner and pertaining land or parts of buildings in commonhold ownership. In addition to standard office spaces, such properties also include front offices and medical practices. Shop and bar premises include facilities



ranging from commercial and business centres, large shops and sales salons to small shops and premises for plying various trades. Hospitality premises include all types of hospitality facilities, ranging from large restaurants and cafeterias to night clubs and small cafés. Industrial real property includes all types and sizes of plants, manufacturing facilities, warehouses, ancillary rooms, and all types of small-trade craft workshops.

Due to the diversity of commercial real property, the market is also very fragmented, as the formation of supply and demand for particular property (sub)types and kinds may vary significantly. There is virtually no market for special real property and industrial real property also does not appear on the free competitive market with the exception of warehouses. Transfers of ownership of industrial premises and accompanying facilities mainly occur within receivership or liquidation proceedings and in the sale and acquisition of entire companies.¹⁵

In Slovenia, markets for the sale of office space and especially of shop, service, and bar premises are relatively small and concentrated in centres of large cities and in large shopping and business centres.

The market for the sale of commercial real property has strong competition from the market of property to let, as the letting of business premises often has certain advantages for economic entities. It allows greater flexibility of economic entities, because the lessee may, especially if office activities are concerned, quickly change locations, replace a lessor for a more competitive one, and may allocate funds which would otherwise be used for the purchase of real property to the development of his own activities.

The market for office space to let, as well as shop and bar premises, is relatively well developed in Slovenia compared to the market for the sale of such properties. For example, more than three thousand new or extended lease transactions regarding office spaces were recorded last year, i.e. three times more than sales. Furthermore, over 1200 lease transactions regarding shop and service premises were recorded, which is 2.7-times more than recorded sales, and almost 500 leases of hospitality premises were recorded, which is 2.5-times more than recorded sales.

¹⁵ This results in a small number of recorded sales of individual (sub)types and kinds of commercial real property and renders their statistical indicators incomparable. For this reason, special real property is not discussed, and statistical indicators are not calculated for industrial real property.



Office space

At the end of 2015, approximately 39 thousand parts of buildings with a total surface area of about 7.6 million square metres were recorded in the Slovenian Real Property Register under actual use as office space. The stock of office space is dispersed in urban centres.

Last year, over one thousand sales of office spaces were recorded, ranging from the sale of entire office buildings to the sale of smaller offices in office or apartment buildings with multiple owners. Compared to the previous year, the number of sales increased by 15%.

Last year, 36% of all office space sales were in Ljubljana (365 recorded sales), 12% in Maribor (121 sales), 7% in Celje (67 sales), in the Ljubljana area, and in Koper 5% each (50 and 47 sales, respectively), 3% in the Maribor area (31 sales), and 1% in Kranj (12 sales), totalling two thirds of all recorded sales of offices space in the country.

Last year, the national average price of office space was 1,090 €/m², a decrease of 8%¹⁶ compared to the previous year, mainly due to the price drop in Ljubljana. Compared to 2014, the median year of construction increased from 1980 to 1986, and the average useful surface sold decreased from 150 to 120 square metres. A shift in the prices of office spaces is currently not to be expected, because there is still an oversupply and rents are relatively low.

Last year, the average price of office space in Ljubljana was 1,360 €/m², an 11% decrease compared to the previous year¹⁷. The median year of construction increased from 1979 to 1980, and the average useful surface from 155 to 160 square metres. The three highest value deals last year were also in Ljubljana: the sale of two office buildings in Bežigrad for €4 million and €3.5 million, respectively, and in the centre of Ljubljana for €2.9 million.

¹⁶ Because the majority of office spaces were sold in Ljubljana and because there are major differences in the structure of office spaces sold, year-on-year comparisons of average prices at the national level are not very useful for interpretation.

¹⁷ Because recorded deals do not include only office spaces, but also parking spaces, garages, convenient storage rooms, etc., or because they refer to entire buildings with diverse parts of buildings and pertaining land, or because the prices of office spaces are not evident from contractual prices, only one third of recorded sales were used for the calculation of statistical indicators on average. Only in Ljubljana is the size of the statistical sample consistently large enough, thus enabling calculated average prices of office spaces and their year-on-year comparisons to have sufficient interpretative value.



Bar and shop premises

At the end of 2015, approximately 26000 parts of buildings with a total surface area of about 6.5 million square metres were recorded in the Slovenian Real Property Register as commercial or service premises according to actual use, and approximately 9400 parts of buildings with a total surface area of about 1.6 million square metres were recorded as hospitality (bar) premises according to actual use.

Last year, 457 sales of commercial or service premises were recorded in Slovenia, more than a 40% increase compared to the year before. 76 sales were recorded in Ljubljana, 59 in Maribor, 16 at the coast, excluding Koper, 15 in the Ljubljana area, and 8 in Celje.

191 sales of bar premises were recorded (of which 39 were in Ljubljana, 19 in Maribor, 6 in Kranj, 5 in Koper, and 4 in Celje), which is a 34% increase compared to 2014.

Last year, the average price of commercial or service premises sold at a national level was 1,350 €/m², the median year of construction was 1981, and the average useful surface was 145 square metres. The average price of hospitality (bar) premises was 1,320 €/m², the median year of construction was 198', and the average useful surface was 95 square metres¹⁸.

¹⁸ Because these premises are so diverse and because there are great differences between regions, average prices at the national level and their year-on-year comparisons do not have real interpretative value. The size and representativeness of the sample is also too small for Ljubljana.



GARAGES AND PARKING SPACES

The general market value of garages and parking spaces in residential and office buildings that include parking¹⁹ is approximately €1.8 billion, which accounts for about 2% of the value of the Slovenian housing stock.

Garages and parking spaces are purchased both for personal use and for business purposes. Statistically, in about 90% of sales transactions, buyers are natural entities, who presumably purchase garages or parking spaces for their own use, and in 10% of such transactions, buyers are legal entities, who presumably purchase them for their own (business) use or to let them in the market.

The market for garages is closely connected with the residential market in cities and with the increasing number of private vehicles. While newly constructed flats are usually sold in conjunction with garages or, at least, with parking spaces, parking near older apartment buildings is increasingly becoming a problem, because outdoor parking areas are too small and are also often publicly owned. Therefore, the demand for garages or parking spaces sold separately is high, mainly in Ljubljana and other large urban areas. Because supply is usually lower than demand, garage prices are accordingly high, and even the crisis in the real property market did not greatly affect them.

In 2015, about 1700 sales of garages and about 2200 sales of parking spaces in residential and commercial car parks were recorded. The vast majority of parking spaces and half of the garages were sold in conjunction with flats. For this reason, independent sales of parking spaces in buildings were negligible and the sale of garages was noteworthy only in Ljubljana and Maribor.

In Ljubljana, 357 independent sales of garages were recorded. Their average contractual price was €9,750, the average surface area was 14 square metres, and the median year of construction was 1981. In Maribor, 118 sales were recorded, the average price was €5,500, the average surface area was 15 square metres, and the median year of construction was 1994.

¹⁹ This class of real property includes garages as independent or terraced buildings, as well as garages and parking spaces as parts of buildings in commonhold ownership.



BUILDING LAND

Building land varies according to the purpose of construction (for multi-dwelling buildings, family houses, commercial and industrial buildings, etc.), according to its administrative and legal status (level of municipal equipment, building permit), and according to the permitted level of development and height, as well as the suitability for construction with regard to the size and quality of the plot.

In Slovenia, the availability of development sites largely depends on municipal spatial plans (OPN), which must be in accordance with national spatial planning policies and the national strategic spatial plan. The current municipal spatial policies and the schedule for adopting spatial plans play a key role in the area in question with regard to the change of intended use of a plot to a development site.

In the capital and in other major urban areas, the construction of multi-dwelling buildings and residential and office buildings has been predominant for quite some time since this is the most effective commercial use of space. In town centres, where there is virtually no new undeveloped land, there is also constant demand for developed plots for redevelopment. In suburban areas and in the countryside, demand for development sites is closely related to the already mentioned tradition of self-building family houses. In these areas, demand for flats is actually redirected to demand for land plots for the construction of residential houses.

The real property crisis mainly affected the market for the sale of land for building multi-dwelling and office buildings, and only this market segment is currently showing no signs of revival.

According to data provided by the Statistical Office of the Republic of Slovenia for 2015, the drop in the number of issued permits for flats in multi-dwelling buildings has continued. According to preliminary data, only 116 permits were issued. In comparison, 150 permits were issued in 2014 according to final data, and almost 4900 permits in 2007 when construction for the market peaked.

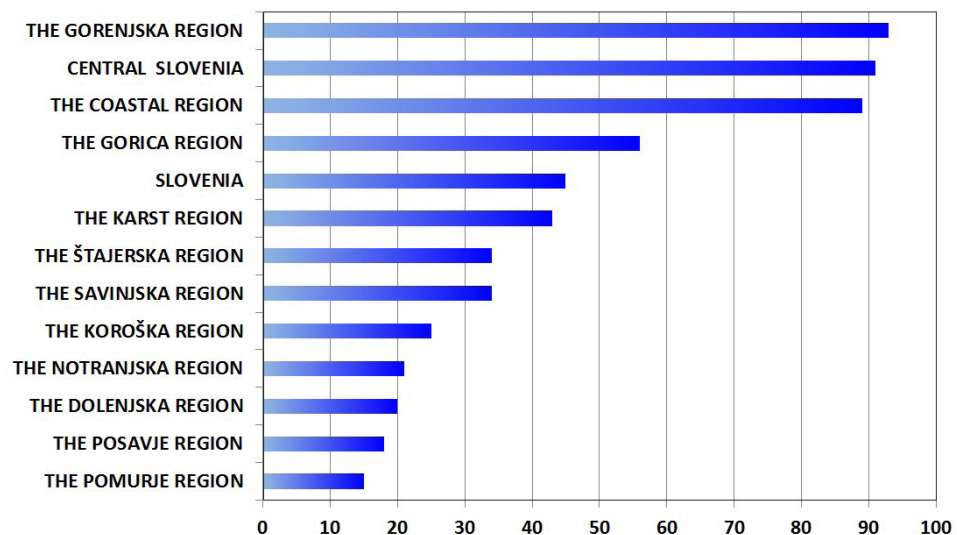
Land for family houses could not avoid the crisis of the real property market either, as sales considerably decreased in 2008 and 2009. Based on data provided by the Statistical Office of the Republic of Slovenia on the number of building permits issued for the construction of single-dwelling and two-dwelling houses by year, it could be estimated that the fall in demand for plots for such houses stopped in 2011 and has been fluctuating at approximately the same level since then.



Higher demand for building land can be expected only when a new investment cycle for construction for the market begins, which may not be too far in the future. Namely, the supply of new flats on the market has begun to decline. When projects that were suspended due to the crisis are completed, when final inventories of flats from failed projects are sold, and when demand is high enough, prices of real property will also rise and new construction will once again spark interest, resulting in an interest in building land plots as well.

In 2015, approximately 2300 sales of development sites were recorded, which is the least since we began to systematically monitor them, i.e. 10% less than the year before.

Figure 6: Average prices of land plots for construction (in €/m²) according to regional areas for analysis, Slovenia, 2015



The average contractual price of buildings land was 45 €/m² 8% lower than in 2014²⁰. The average area of plots sold last year was 1100 m², 100 m² more than the previous year.

As usual, land prices were higher in areas where the demand building land for residential or holiday houses is higher anyway. In **Gorenjska**, the average price of a plot last year was 93 €/m², 21% less than the year before. In Central Slovenia, the average price decreased by 13% to 91 €/m² and by 11% to 89 €/m² on the coast. Excluding the **Gorica** region, where the sample of sales is too small to be representative, the prices of development sites increased only in **Štajerska**. Here, the average price increased by 36%, and in the **Savinjska** region by 17%. Therefore, average prices in these areas reached the same amount of 34 €/m².

²⁰ Because building plots are so heterogeneous with regard to their purpose and administrative status, their average prices and year-on-year comparisons have a very limited interpretative value.



AGRICULTURAL AND FOREST LAND

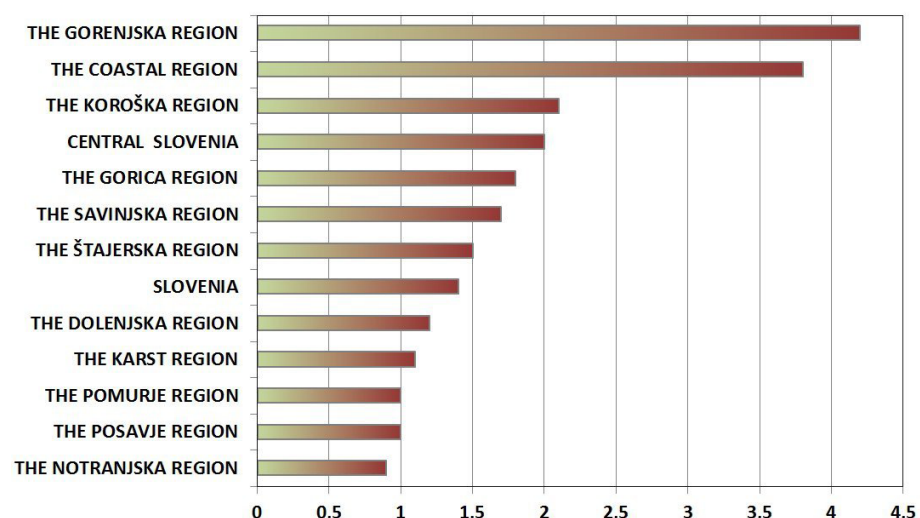
The markets for farm land and forest land are partly regulated. Legislation provides that offers for sale are to be publicly announced and that a pre-emptive right to purchase farm land is to be granted to entities with farmer status, and with regard to the purchase of forest land, in special cases a pre-emptive right is to be²¹ granted to the Republic of Slovenia.

Buyers who are not farmers, but wish to purchase farm land and forest land, do not purchase such land for their basic use, but for other purposes (speculative, investment, etc.); therefore, they are willing to pay a higher price. Restricting such purchases enables farmers to be competitive when purchasing "true" farm land and forest land that will be used for their basic purposes. Therefore, both markets are still treated as free competitive markets.

Farm land

The general market value of farm land in Slovenia is approximately €7.2 billion, or about 6% of the value of the Slovenian housing stock. At the end of 2015, approximately 7300 square metres of farm land were recorded in the Slovenian Real Property Register under actual use for farming purposes. Last year, approximately 7800 sales of farm land were recorded, down 6% on 2014. The average price of farm land was 1.40 €/m², 10 cents less per square metre than the year before, a decrease of 7%.

Figure 7: Average prices of farm land (in €/m²) according to regional areas for analysis, Slovenia, 2015



²¹ The Forest Act grants a pre-emptive right to purchase protected forests and forests with a special purpose to the Republic of Slovenia, which is represented by the Farmland and Forest Fund of the Republic of Slovenia.



The highest average price of farm land was in **Gorenjska** (4.20 €/m²). Compared to the year before, the average price increased by 10 cents per square metre, i.e. by 2%. Prices of farm land in **Gorenjska** are usually higher as, excluding the coast, it is where farm and forest land prices are usually affected by generally high property prices. On the coast, the average price of farm land (3.80 €/m²) decreased by about 30% compared to the year before. Last year, the lowest average price of farm land was in **Notranjska** (0.90 €/m²), even though it increased by nearly 30% compared to the year before. Considering the relationship between the number of recorded sales and the area covered by the stock of land plots, the most active market, like the year before, was in **Posavje**, where the average price plots was 1.00 €/m², 10 cents per square metre less, i.e. 9%, compared to the previous year. As usual, most sales, almost 1400, were recorded in **Pomurje**, which was according to market activity only in third place, after Central Slovenia. The average price in **Pomurje** was the same as in **Posavje**, increasing by 10 cents per square metre, i.e. by 11%, compared to 2014. In Central Slovenia, it remained the same (2.00 €/m²).

Last year, the highest average area of a farm land plot sold was in **Štajerska** (6700 m²) and the smallest was on the coast (3000 m²), as usual.

The crisis in the Slovenian real property market also affected the sale of farm land. The number of sales dropped considerably in 2009, when the crisis reached its first low point. Sales then increased by 2013, when the crisis reached its second low point, and the number of sales even exceeded the number prior to the crisis. However, for the past two years, as the residential real property market revived, sales of farm land have once again been showing a slight downward trend, and the same applies to prices. It is interesting that the average price was moderately increasing from the beginning of the crisis up to 2013, with the exception of the noticeable downward fluctuations in 2010, when there was an interim revival of the residential market.

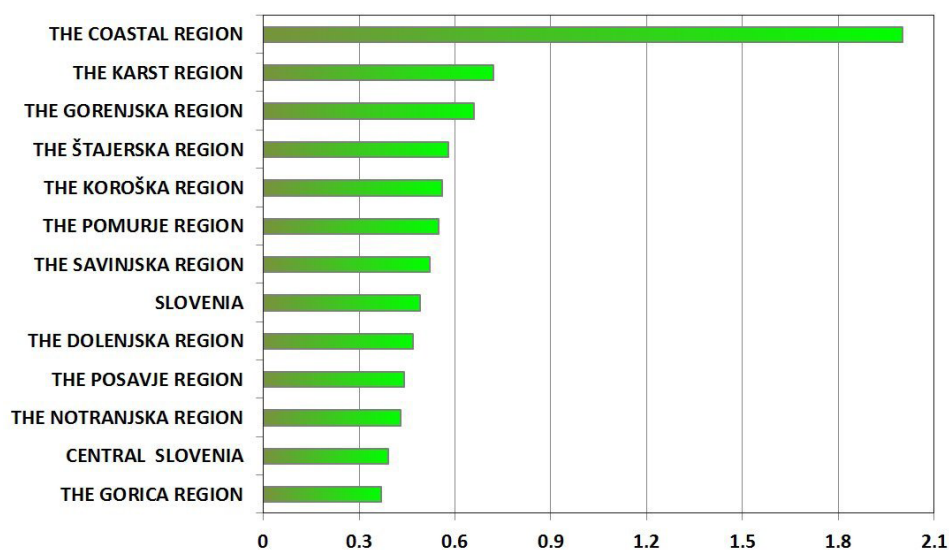


Forest land

The general market value of farm land in Slovenia is approximately €4.4 billion, or about 4% of the value of the Slovenian housing stock. At the end of 2015, approximately 11400 square kilometres of forest land were recorded in the Slovenian Real Property Register under its actual use.

Last year, approximately 2100 sales of forest land plots were recorded, 10% fewer than in 2014.

Figure 8: Average prices of forest land plots (in €/m²) according to regional areas for analysis, Slovenia, 2015



Last year, the average price of forest land was 49 cents per square metre, 3 cents less than the year before.

Not taking into account the coast, where sales of forest land have always been too modest for average prices to even be comparable, the highest price of plots was reached in Gorenjska (0.66 € /m²). The lowest average price was in Goričko (0.37 € /m²).

In terms of the relationship between the number of recorded sales and the area covered by the stock of land plots, the most active market last year was in Štajerska. The average price of land plot was 0.58 € /m², and it increased by 4 cents per square metre compared to the previous year. The highest number



of sales of forest land was recorded in Dolenjska, where the average price was 0.47 €/m², and it decreased by 4 cents per square metre compared to 2014. Central Slovenia followed with regard to market activity. There, the average price of forest land was 0.39 €/m² last year, and it statistically decreased by one quarter, which is the greatest decline among all analysed areas²². Last year, activities in the market for forest land exceeding the Slovenian average were also in Posavje, where the average price was 0.44 €/m² and it was 9 cents lower than the year before, in Dolenjska, in the Savinjska region, where the average price was 0.52 €/m² and did not change compared to the previous year, and in Pomurje, where it was 0.55 €/m² an increase of 4 cents compared to the previous year.

Excluding Koroška, where the sample is small and the sale of a forest plot of 128 hectares unrealistically increased the average, the average area of plots sold was the largest in Gorenjska (1.85 hectares).

Forest land was least affected by the crisis in the Slovenian real property market. In 2009, when the crisis peaked, sales decreased considerably, but then continued to grow with slight fluctuations, so that the number of recorded sales in 2014 was the highest since systematic monitoring began in 2007. The prices of forest plots has also shown a moderate growth trend since the crisis began, with slight fluctuations. Last year, both sales and prices showed a moderate downward trend.

²² This statistical decrease in average prices is due to one sale of a 175- hectare plot at 25 cents per square metre.





FINAL COMMENT

The continued rise in the number of sales in the real property market last year confirmed that the revival in 2014 marked the end of the Slovenian real property market crisis, which had lasted since 2008.

However, last year, the number of sales of residential real property was still nearly one fifth lower compared to 2007 (before the crisis), when it was at its highest. Compared to 2014, prices of residential real property remained at almost the same level, but at the lowest level since systematic monitoring began in 2007. Compared to 2008, when they peaked, flat prices decreased on average by one quarter and house prices with pertaining land decreased by nearly 30%.

Last year, the emptying of inventories of unsold flats from previous years in the primary market continued at prices adjusted to the market, but there is a lack of genuinely new flats. There are no new builds of residential real property, so the revival of projects suspended during the crisis is to be expected in the short term, as well as the successful sale of recently completed flats, provided that they are offered at prices acceptable to the market.

Considering last year's trends, it is probably that we are entering a period of stagnation or moderate growth in sales and slight fluctuations in flat prices, which dictate activities in the Slovenian property market. The scenario of an exponential increase in sales, a quick turnaround, and a quick increase in prices, as well as of the beginning of the inflation of a new real property bubble is less likely. The market will probably continue to be mostly influenced by buyers rather than sellers, who dictated real property prices prior to the crisis. If nothing else, the crisis has taught buyers to differentiate between 'better' and 'worse' properties, to be patient, and to negotiate prices. Furthermore, despite upward trends, social and economic circumstances were not stable enough for us to expect a considerable increase in effective demand for the purchase of real property. This holds particularly for the commercial real property market, in which a true revival cannot be detected yet.

Moreover, the possibility of worsening social and economic circumstances, as well as factors affecting the real property market, cannot be completely ignored, as they could lead to another decrease in sales and a further drop in real property prices.





STATISTICAL INDICATORS OF THE REAL PROPERTY MARKET

NUMBER OF SALES RECORDED FOR SLOVENIA IN 2015

Notes and explanations on the methodology¹

- Data from purchase and sales transactions carried out in the free market and at public auctions in 2015, which were entered in the Property Sales Register kept by the Mapping and Surveying Authority of the Republic of Slovenia by legally authorised rapporteurs by 15 February 2016, were taken into consideration.
- Types of building parts refer to building parts that are recorded as independent building parts in mapping and surveying records.
- All lots or parts thereof that are of the same type and are subject to the same transaction are counted as the sale of one land plot.
- Only sales of entire lots shall count as the sale of building land plots, provided that no part of a building was sold within the same transaction. The purpose is to eliminate from the statistical records those plots of land that are not actually intended for the construction of buildings because they are only portions of plots required to complete pertaining land plots of already existing buildings or plots that were sold together with an existing building and which reporters marked as building plots.

Number of recorded sales of parts of buildings, Slovenia, 2015

Type of building part	Detailed description	Number
Apartment	a flat in an apartment building	9312
Residential house	flat in a detached single-dwelling or two-dwelling house, terraced house, or semi-detached house	4269
Agricultural facilities	agricultural building, a barn, a non-residential cottage, a hay rack (kozolec), etc.	2281
Parking space	a parking space in a building	2239
Garage	detached garage or garage in a building with multiple garages	1748
Technical or ancillary rooms	basement, bicycle shed, woodshed, attic, storage room, etc.	1665
Office space	one or more offices with ancillary premises	756
Commercial or service premises	facilities for commercial activities or for providing services	457
Industrial facilities	manufacturing facilities and warehouses, craft workshop, etc.	358
Front office	postal or bank premises, premises for public administration, etc.	235
Hospitality premises	facilities for performing hospitality activities	191
Tourist accommodation facilities	hotel, guest house, holiday apartment, bungalow, holiday home, a mountain lodge, etc.	86
Facilities for performing health-care services	medical practice, out-patient clinic, clinic, etc.	39
Facilities for sports, culture, or education	a hall, a lecture hall, etc.	24
Total number of recorded sales of parts of buildings		23660

Number of recorded sales of plots of building land, farm land, and forest land, Slovenia, 2015

Type of land	Number
Farm land (field, grassland, pasture)	6682
Forest land (forest)	2063
A plot where it is, or will be, possible to construct a building and is partially equipped with public utility infrastructure or is not equipped with such infrastructure	1076
A plot where it is possible to construct a building, which has a building permit	926
A plot where it is possible to construct a building, which is equipped with public utility infrastructure (connected to a water distribution system, a power grid, and has direct access to an access road)	277
A plot where it is, or will be, possible to construct traffic or power infrastructure (road, pipeline, etc.)	248
A plot for agricultural use where there is a permanent plantation	147
Total number of recorded sales of plots of land	11419

¹ More detailed explanations on the methodology of counting sales of real estate are published in the explanations of the methodology included in periodical reports, version 3.2, on the website of the Property Sales Register: http://www.e-prostor.gov.si/si/zbirke_prostorskih_podatkov/etn/, under the tab titled "Poročila o trgu nepremičnin" (Real Property Market Reports).



STATISTICAL INDICATORS OF THE REAL PROPERTY MARKET FOR 2015 in Slovenia and according to regional areas for analysis

Sample (N)	– number in the calculation of sales taken into account
Dimensions (m²)	– mean value of the surface area of buildings or their parts
Land plot (m²)	– mean value of land plot surface area
Year of construction	– median year of the construction of buildings or parts of buildings
Price (€/m²)	– weighted average prices in euros per square metre
Price (€)	– mean value of prices in euros

 maximum indicator value
 minimum indicator value

Notes and explanations on the methodology ²

- Verified, amended, and consolidated data from purchase and sales transactions carried out in 2015 in the free market and entered in the Property Sales Register by reporters by 15 February 2016, were taken into consideration.
- Regional areas for analysis are defined as areas affected by the market impact of major urban centres or as areas between such centres. Their borders usually correspond to the borders of settlements defined in the Register of Spatial Units kept by the Surveying and Mapping Authority of the Republic of Slovenia. Regional areas for analysis are further divided into areas for market analysis comprising regional urban centres, their surrounding areas, and remaining parts of regional areas for analysis.
- The dimensions of houses take into account "surface areas" and the dimensions of flats take into account "useful surfaces" as they are kept in the Real Property Register of the Surveying and Mapping Authority of the Republic of Slovenia. The surface area of a building part or a building is the sum of the surface areas of rooms that comprise the building part or the building. The useful surface of a building part or a building is the sum of the surface areas of the rooms that pertain to the building part or the building and are used for the same purpose as the building part or the building. For example, with regard to a flat that is recorded as an independent building part in surveying and mapping records, the "useful surface" is the surface area of all residential rooms (excluding balconies, terraces, basements, garages, etc.).
- The median year of construction is the average year of construction, in comparison to which half of the years of building parts of buildings sold are newer and half are older.
- The weighted average of prices is calculated as the relationship between the sum of all contractual prices in euros and the sum of all square metres sold ($\frac{\sum \text{€}}{\sum \text{m}^2}$).

Flats, 2015

Area	Sample (N)	Dimensions (m ²)	Year of construction	Price (€/m ²)
SLOVENIA	5701	52	1975	1,440
CENTRAL SLOVENIA	1985	54	1975	1,910
THE GORENJSKA REGION	490	49	1976	1,450
THE GORICA REGION	201	52	1975	1,270
THE COASTAL AREA	442	50	1975	1,960
THE KARST REGION	64	52	1974	1,250
THE NOTRANJSKA REGION	138	54	1975	930
THE DOLENJSKA REGION	222	50	1978	1,080
THE POSAVJE REGION	252	51	1965	750
THE SAVINJSKA REGION	619	52	1975	1,010
THE KOROŠKA REGION	141	53	1975	890
THE ŠTAJERSKA REGION	1010	51	1972	1,030
THE POMURJE REGION	137	50	1976	780

Consolidated data on the recorded market sales of used flats in apartment buildings are taken into account. Prices are rounded to €10.

² More detailed explanations on the methodology of calculating statistical indicators are published in the explanations on the methodology included in periodical reports, version 3.2, on the website of the Property Sales Register: http://www.e-prostor.gov.si/si/zbirke_prostorskih_podatkov/etn/, under the tab titled "Poročila o trgu nepremičnin" (Real Property Market Reports).



Single-dwelling and two-dwelling houses with pertaining land, 2015

Area	Sample (N)	Dimensions (m ²)	Year of construction	Land plot (m ²)	Price (€/m ²)
SLOVENIA	2031	150	1972	900	108,000
CENTRAL SLOVENIA	530	170	1976	670	163,000
THE GORENJSKA REGION	158	180	1972	710	142,000
THE GORICA REGION	104	150	1948	620	78,000
THE COASTAL AREA	89	160	1970	710	208,000
THE KARST REGION	31	190	1957	770	126,000
THE NOTRANJSKA REGION	35	150	1964	1000	70,000
THE DOLENJSKA REGION	137	130	1973	1200	66,000
THE POSAVJE REGION	105	160	1972	1140	63,000
THE SAVINJSKA REGION	236	150	1974	1000	80,000
THE KOROŠKA REGION	36	170	1970	970	84,000
THE ŠTAJERSKA REGION	361	150	1972	1020	81,000
THE POMURJE REGION	179	130	1965	1440	49,000

Consolidated data on recorded market sales of completed single-dwelling and two-dwelling houses (detached houses, terraced houses, and semi-detached houses) with pertaining land plots are taken into account. House dimensions and surface areas of pertaining land are rounded to 10 m² and prices are rounded to €1000.

Building land plots, 2015

Area	Sample (N)	Land plot (m ²)	Price (€/m ²)
SLOVENIA	1241	1100	45
CENTRAL SLOVENIA	267	900	91
THE GORENJSKA REGION	91	940	93
THE GORICA REGION	54	1470	56
THE COASTAL AREA	46	800	89
THE KARST REGION	41	900	43
THE NOTRANJSKA REGION	56	900	21
THE DOLENJSKA REGION	165	1420	20
THE POSAVJE REGION	65	1840	18
THE SAVINJSKA REGION	130	970	34
THE KOROŠKA REGION	22	1320	25
THE ŠTAJERSKA REGION	198	1060	34
THE POMURJE REGION	106	1110	15

Consolidated data on recorded market sales of plots of building land, regardless of their administrative or legal status, are taken into account. Surface areas of plots are rounded to 10 m².



Agricultural land (2015)

Area	Sample (N)	Land plot (m ²)	Price (€/m ²)
SLOVENIA	2823	5200	1.40
CENTRAL SLOVENIA	216	6400	2.00
THE GORENJSKA REGION	77	6000	4.20
THE GORICA REGION	114	4100	1.80
THE COASTAL AREA	59	2100	3.80
THE KARST REGION	36	4700	1.10
THE NOTRANJSKA REGION	157	4900	0.90
THE DOLENJSKA REGION	423	4100	1.20
THE POSAVJE REGION	253	5000	1.00
THE SAVINJSKA REGION	223	4500	1.70
THE KOROŠKA REGION	19	5300	2.10
THE ŠTAJERSKA REGION	463	6700	1.50
THE POMURJE REGION	783	5100	1.00

Consolidated data on recorded market sales of farm land plots, excluding permanent plantations, are taken into account. Surface areas of plots are rounded to 100 m² and prices are rounded to 10 cents.

Forest land, 2015

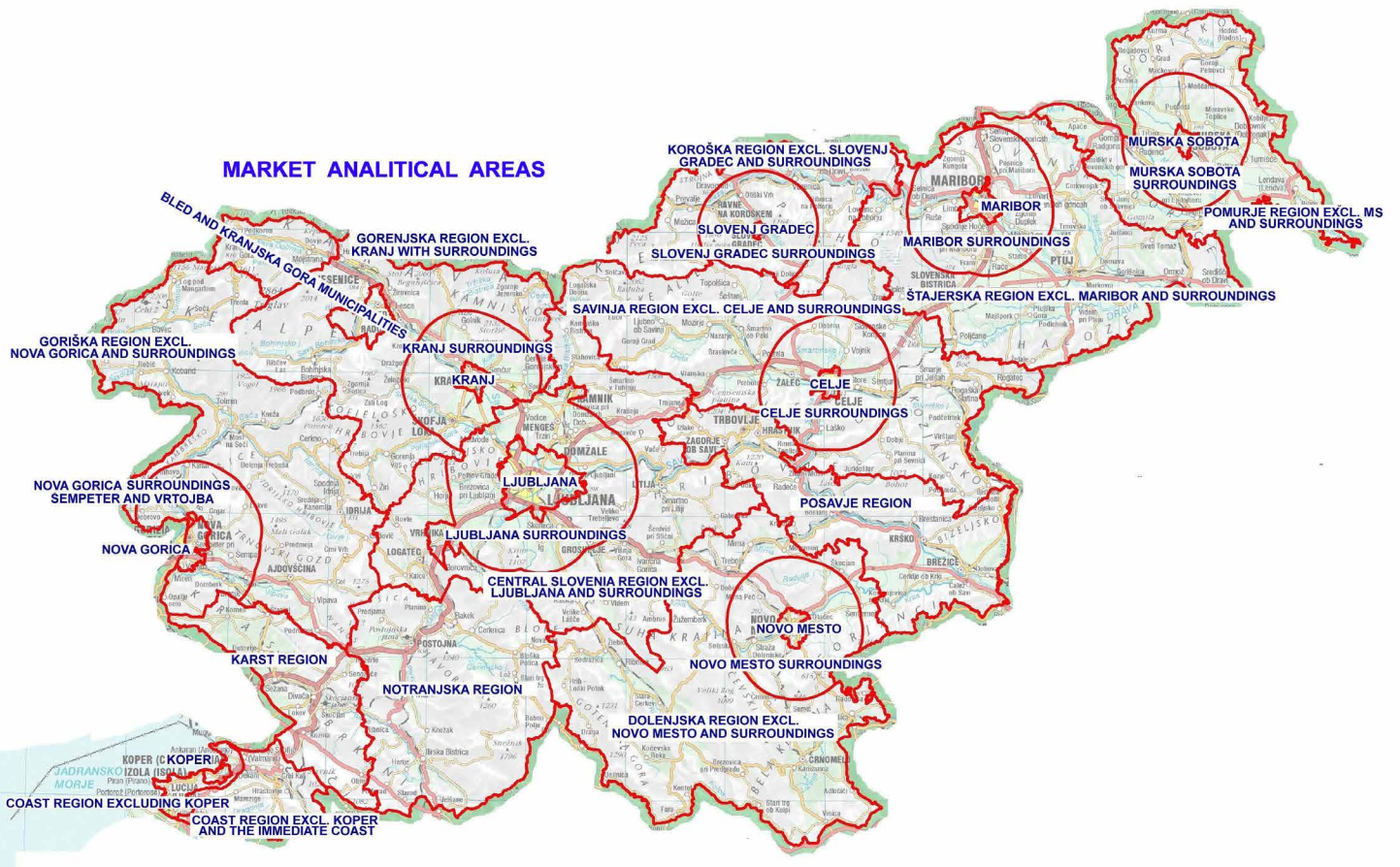
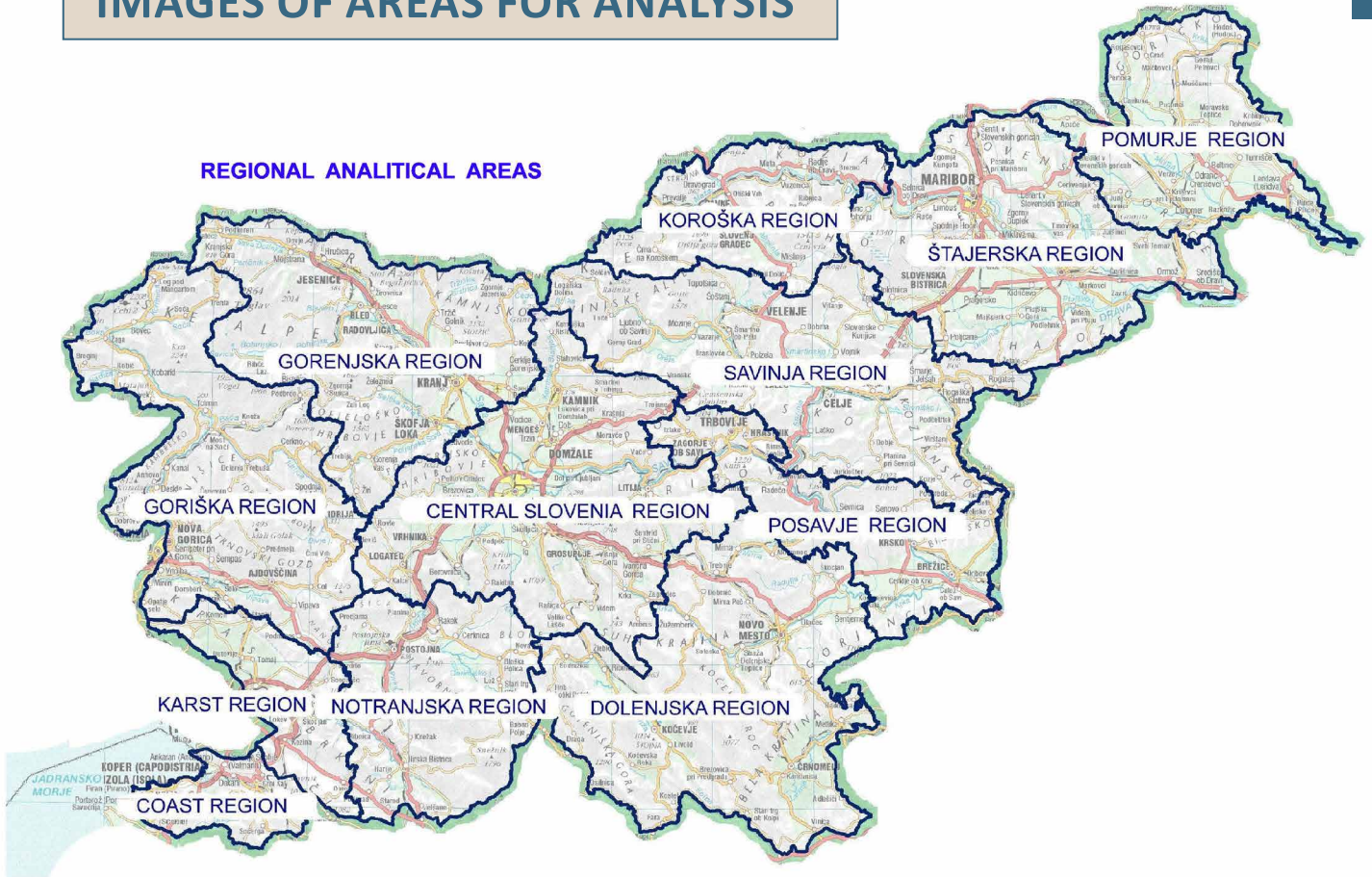
Area	Sample (N)	Land plot (m ²)	Price (€/m ²)
SLOVENIA	1096	16200	0.49
CENTRAL SLOVENIA	136	31000	0.39
THE GORENJSKA REGION	96	18500	0.66
THE GORICA REGION	94	13600	0.37
THE COASTAL AREA	25	4300	2.00
THE KARST REGION	25	5300	0.55
THE NOTRANJSKA REGION	79	17000	0.43
THE DOLENJSKA REGION	220	15000	0.47
THE POSAVJE REGION	85	11300	0.44
THE SAVINJSKA REGION	82	16000	0.52
THE KOROŠKA REGION	12	131000	0.56
THE ŠTAJERSKA REGION	107	9100	0.58
THE POMURJE REGION	134	5800	0.55

Consolidated data on recorded market sales of forest land plots are taken into account. Surface areas of plots are rounded to 100 m².



Appendix 2

IMAGES OF AREAS FOR ANALYSIS





Appendix 3

REPORT ON REAL PROPERTY PURCHASES BY FOREIGNERS IN 2015

Notes and explanations on the methodology

- Data on the recorded sales of real property to foreigners are based on data of the Property Sales Register kept by the Mapping and Surveying Authority of the Republic of Slovenia. The number of recorded sales may be lower than the number of actually realised transactions.
- Sales of real property to foreigners include all transactions in which a natural entity with a nationality that is not Slovenian or a legal entity the registered office of which is not in Slovenia acts as the buyer.
- Sales of real property to Slovenian legal entities that are owned by foreign natural or legal entities cannot be identified in the Property Sales Register, so they are not included in statistical data. Purchasing real property by establishing, purchasing, or acquiring a Slovenian company is an established purchasing method, especially for foreigners from countries outside of the European Union with which Slovenia does not have a mutual recognition agreement with regard to purchasing real property.

Recorded sales of real property to foreigners

Table 1: 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
Total	24752	357	1.4

According to real property type, the type most frequently purchased by foreigners in 2015 comprised houses with pertaining land. 134 purchases of houses were recorded with foreigners acting as buyers. This means that foreigners participated in 3.1% of all recorded sales of houses in Slovenia last year, or that the sales of houses to foreigners accounted for 38% of all real property purchases by foreigners in Slovenia. According to the number of purchases by foreigners, flats were the second most purchased type, with 123 recorded sales, i.e. 1.3% of all recorded sales of flats or 34% of all real property purchases by foreigners. 51 recorded purchases of farm land plots by foreigners accounted for 14% of all real property purchases by foreigners, and 42 recorded purchases of development sites by foreigners accounted for 12% of all real property purchases by foreigners. The number of purchases of forest land plots was negligible.



Table 2: The number of recorded sales according to real property type and according to the nationality of the buyer, Slovenia, 2015

Country of the buyer	Flats	Houses	Land plots for construction:	Agricultural land	Wooded land	Total
Italy	7	35	12	16	4	74
Austria	13	15	2	12	2	44
Croatia	17	10	8	7	1	43
Germany	7	12	7	5		31
Great Britain	4	16	2	1		23
Bulgaria	10	3				13
Netherlands	1	4	3	2		10
other EU member states	16	14	2	4		36
Macedonia	15	5				20
Serbia	15	1				16
United States of America		7	1	2		10
other countries	18	12	5	2		37
Total	123	134	42	51	7	357

According to nationality or the country with the registered offices of the buyers, Italians were by far the most active, as they accounted for 21% of all real property purchases by foreigners in Slovenia last year. They were followed by Austrians and Croatians, each accounting for 12%. Citizens of other European Union member states accounted for a total of 10%; no other nationality reached 10%.

Table 3: Recorded sales of houses with pertaining land to foreigners, according to selected market analysis areas¹, Slovenia, 2015

Area for analysis	All	Aliens	Share of foreign purchases (in %)
THE KARST REGION	75	18	24.0
THE GORICA AREA, EXCLUDING NOVA GORICA AND ITS SURROUNDING AREA	142	13	9.2
THE POMURJE REGION, EXCLUDING MURSKA SOBOTA AND ITS SURROUNDING AREA	178	9	5.1
LJUBLJANA	368	9	2.4
THE NOTRANJSKA REGION	96	7	7.3
THE COASTAL AREA, EXCLUDING KOPER AND THE COAST	91	7	7.7
MURSKA SOBOTA SURROUNDING AREA	124	7	5.6
THE ŠTAJERSKA REGION, EXCLUDING MARIBOR AND ITS SURROUNDING AREA	326	7	2.1
THE GORENJSKA REGION (EXCLUDING KRANJ AND ITS SURROUNDING AREA, KRANJSKA GORA AND BLED)	160	6	3.8
THE POSAVJE REGION	227	6	2.6
THE POSAVJE REGION	2482	45	1.8
REMAINDER OF SLOVENIA	4269	134	3.1

¹ A figure showing market analysis areas is in Appendix 2.



The Karst region stood out last year due to the percentage of purchases by foreigners of houses with pertaining land, as 18 purchases by foreigners were recorded, accounting for 24% of all sales recorded sales for this area. 17 of these 18 purchases were by Italians. In the Gorica area, excluding Nova Gorica and its surrounding area, houses were purchased by 13 foreigners, accounting for 9.2% of recorded sales of houses in the area. Five of the buyers were from Great Britain, three from Italy.

Table 4: Recorded sales of flats to foreigners, according to selected market analysis areas, Slovenia, 2015

Area for analysis	All	Aliens	Share of foreign purchases (in %)
LJUBLJANA	2511	27	1.1
MARIBOR	1039	21	2.0
COAST, EXCLUDING KOPER	427	17	4.0
THE GORENJSKA REGION (EXCLUDING KRANJ AND ITS SURROUNDING AREA, KRANJSKA GORA AND BLEĐ)	261	8	3.1
THE POSAVJE REGION	353	6	1.7
THE SAVINJSKA REGION, EXCLUDING CELJE AND ITS SURROUNDING AREA	343	6	1.7
REMAINDER OF SLOVENIA	4378	38	0.9
Slovenia total	9312	123	1.3

Last year, the highest percentage of foreign buyers of flats were in the coastal region, excluding Koper. The percentage of foreign purchases accounted for 4% of all recorded sales of flats in this area. Foreign buyers purchased 17 flats, 4 of whom were Croatians and 4 Austrians.

Table 5: Recorded sales of building land to foreigners, according to selected market analysis areas, Slovenia, 2015

Area for market analysis	All	Aliens	Share of foreign purchases (in %)
THE KARST REGION	61	11	18.0
THE NOVA GORICA, ŠEMPETER, AND VRTOJBA SURROUNDING AREA	41	5	12.2
THE ŠTAJERSKA REGION, EXCLUDING MARIBOR AND ITS SURROUNDING AREA	159	5	3.1
REMAINDER OF SLOVENIA	2018	21	1.0
Slovenia total	2279	42	1.8

Last year, the highest percentage of foreign buyers of development sites was in the Karst region. The percentage of foreign purchases accounted for 18% of all recorded sales of building land plots in this area. 11 plots of land were purchased by foreign buyers, of whom eight were Italian and three Croatian.



Table 6: Recorded sales of farm land plots to foreigners, according to selected market analysis areas, Slovenia, 2015

Area for market analysis	All	Aliens	Share of foreign purchases
THE POMURJE REGION EXCLUDING MURSKA SOBOTA AND ITS SURROUNDING AREA	571	17	3.0
THE COASTAL AREA, EXCLUDING KOPER AND THE COAST	149	10	6.7
THE KARST REGION	96	6	6.3
THE REMAINING PARTS OF SLOVENIA TOGETHER	6013	18	0.3
Slovenia total	6829	51	0.7

Last year, the largest percentage of foreign purchases of farm land plots was in the coastal region, excluding Koper and the coast, accounting for 6.7% of all recorded sales of farm land in this area. All foreign buyers were Italian; they purchased 10 plots of land. The highest number of foreign purchases of farm land plots were recorded in Pomurje, excluding Murska Sobota and its surrounding area. 17 plots of land were purchased by foreign buyers, of whom nine were Austrian and three Croatian.



2015

