

DATA
INVESTMENT



TECH PARTNER



2023 SERBIA
REAL ESTATE
**MARKET
REPORT**



GDP**+2.5%**

2022. vs 2023.

**5.6%** ▼Inflation rate
February 2024**9.1%**Unemployment
rate Q4 2023**31,227** ▲No. of constr. permits
(Jan - Dec 2023)**95,093 RSD** ▲Average NET
salary Dec. 2023**152,585** ▼No. of
residential
loans Jan. 2024**3.2%**Total
NPLs January 2024**28,534 bil EUR**Gross
loans**93% : 7%**total RE purchase
Cash : Loan

- Real estate market in Serbia showed signs of resilience and adaptability in 2023, despite the challenges posed by global economic trends and geopolitical situation.

- Inflation has been declining since April 2023 and returned to single digits in October, slowing down to 5.6% in february 2024.

- Total value of Serbia's real estate market in 2023 amounted to 6.5 billion euros, which is 13% lower compared to the record-breraking year of 2022.

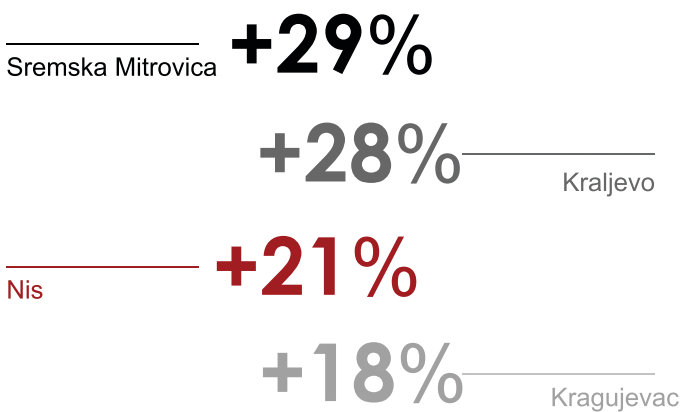
-The number of issued building permits has achived a slight increase

- Due to the increase of interest rates, the number of credit real estate buyers has further decreased

In 2023, the number of contracts for the sale of apartments at the national level was 41,896, which is 19% less compared to 2022. On the housing market in 2023, the city of Belgrade had a dominant share in the total value of apartment sales with 61%, with a total of 2.1 billion euros spent on apartment purchases in this city. Apartments were most commonly purchased using credit funds, accounting for 17% of all apartment sales (9 percentage points less than in 2022)

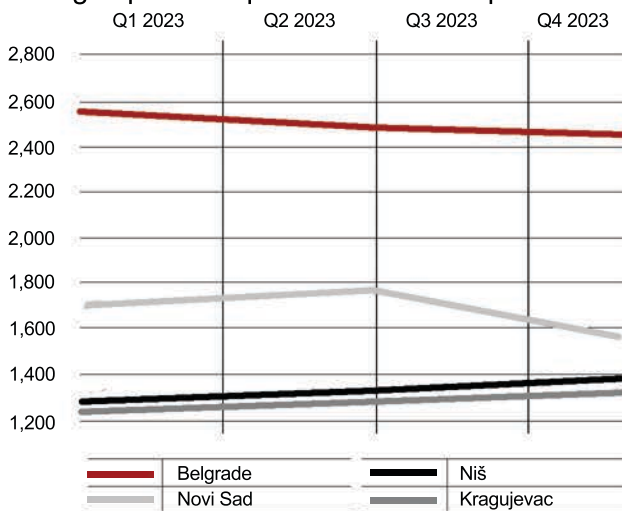
Compared to 2022 there was a 15% decline in the number of sales of family houses, while the total sales value of buildings took place. However, at the end of year the number of newly constructed apartments and construction permits remained similar to the same period of the previous year.

Compared to 2022, in 2023 the prices of newly constructed apartments have increased by an average rate of only 1%. The cities and municipalities with the highest growth are as follows:



Source: Geodetic Authority of the Republic of Serbia

Average apartment price in new developments



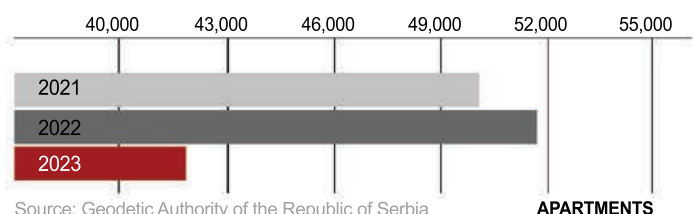
Source: DATASource: Geodetic Authority of the Republic of Serbia Research

Large scale residential projects in Belgrade

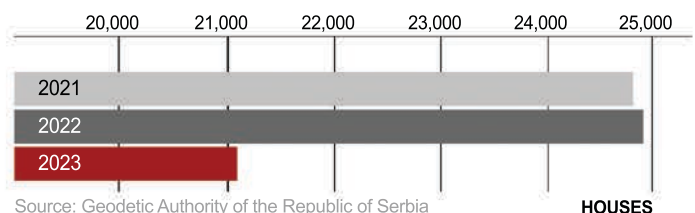
	Residential project	Area (sqm)
1	Belgrade Waterfront (several buildings)	
2	Big residence	100,000
3	Lastavice	61,100
4	Soul 64 phase I	60,000
5	Kennedy residence	38,000
6	The One	91,000
7	Airport garden	14,000
8	Vrtovi Ceraka	30,000
9	Park villa	57,335
10	Belim garden	50,900
11	Novi Dorćol second phase	100,000
12	GDS Petica	60,000
13	Voždove kapije phases V and VI	20,000
14	Lux 51	65,000

Source: DATA Research

Residential sales overview in 2020 and 2021



Source: Geodetic Authority of the Republic of Serbia



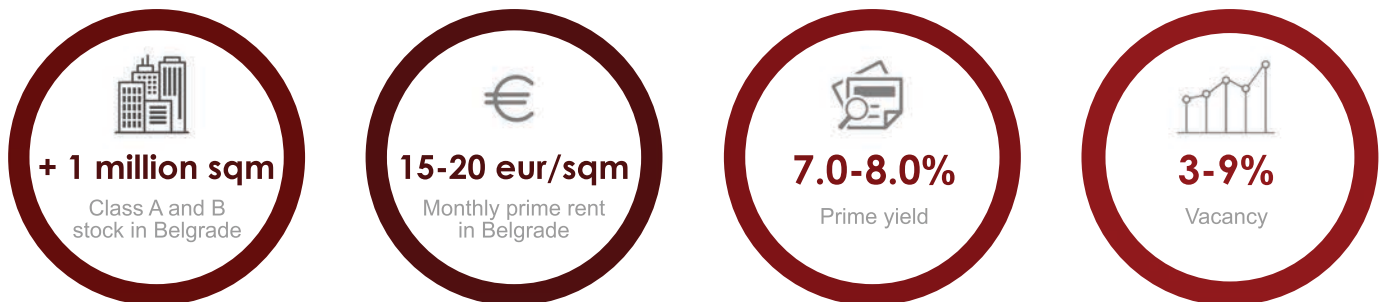
Source: Geodetic Authority of the Republic of Serbia

- The office stock supply in Belgrade continues with high demand, now towering more than 1 million sqm
- Average rents slightly increased during 2023
- More than 160.000 sqm of office space is under construction
- About 100.000 sqm of office space is under refurbishment
- Due the conflict in Eastern Europe, many jobs from the Russian Federation moved to Belgrade, primarily from the IT sector

Office buildings projects in Belgrade

	Occupant	Area (sqm)	Location
1	NCR - completed	30,000	Milutina Milankovica St, New Belgrade
2	Shangdong Plaza - completed	32,300	Tresnjnog cveta St, New Belgrade
3	Airport City (building 11) - completed	18,000	Omladinskih brigada St, New Belgrade
4	GTC X - under construction	17,000	Milutina Milankovica St, New Belgrade
5	Brankov bussines center office - refurb.	10,500	Carice Milice St, Belgrade
6	Beogradjanka - refurbishment	20,300	Kralja Milana St, Belgrade
7	BIGZ- refurbishment	40,000	Bulevard Vojvode Misica, Belgrade
8	Skyline AFI Tower - completed	40,000	Kneza Milosa St, New Belgrade
9	Worker's University building - in pipline	6,400	Vojvodjanskih brigada St, Novi Sad
10	IQ Business Center - in pipline	7,000	Rumenacka St, Novi Sad
11	Novkabel Tower - refurbishment	17,000	Industrijska St, Novi Sad
12	Schneider Electric Office Buildings	14,000	Industrijska St, Novi Sad

Source: DATA Research



Source: DATA Research

"Put your clients' best interests first"



Increase of total stock



Marginal increase in vacancy due to completion and delivery of new projects



Construction activity strong and dynamic

Source: DATA Research

Retail market in Serbia pushes forward

- In Belgrade, as the most developed market, shopping centers stock has kept the same level as last year and there are no new pipeline projects. Impact of the reduced purchasing power of residents due to double-digit inflation started to knock down rental prices in shopping malls. Reconstruction of the Ušće shopping center and extension of the Beo shopping center can be highlighted as only significant stock progress.

- Retail parks stock continued to increase, mostly in smaller cities. In capital there are two retail park construction sites which will be finished in 2024. In 2023, retail park stock exceeds 400.000 sqm.

Shopping malls in Serbia

	Shopping mall	Area (sqm)	Year of const.
1	BW Galleria Shopping Mall	93,000	2020
2	Usce Shopping Center	47,000	2009
3	Ada Mall	34,000	2019
4	BIG Fashion	32,000	2017
5	BEO Shopping Center Belgrade	43,000	2020
6	Rajiceva Shopping Center	15,300	2017
7	Delta City	30,000	2007
8	Stadion Shopping Center	28,000	2013
9	Kragujevac Plaza	21,900	2012
10	Promenada Novi Sad	49,000	2018
10	West 65 Mall	15,300	2021
10	Delta Planet Nis	37,000	2021

Source: DATA Research

Retail parks in Serbia

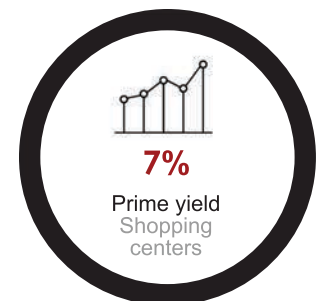
	Retail park	Area (sqm)	Year of const.
1	BIG Shopping Center, Novi Sad	40,000	2013
2	BIG Zrenjanin, Zrenjanin	25,000	2015
3	BIG Rakovica, Belgrade	23,000	2017
4	Zmaj Shopping Park, Belgrade	16,000	2015
5	BIG Fashion Park, Belgrade	15,000	2019
6	BIG Pancevo, Pancevo	27,000	2011
7	Stop Shop Nis, Nis	13,400	2016
8	Stop Shop Borca, Belgrade	13,000	2016
9	Aviv Park Zvezdara, Belgrade	11,500	2015
10	Capitol Park Zajecar, Zajecar	10,700	2019
11	AVA shopping park	30.000	2022
12	BIG Pazova	57.000	2023

Source: DATA Research

Pipeline projects in Serbia

	Retail park	Area (sqm)
1	AVA shopping park, Belgrade	10,000
2	Zemun park	15,000

Source: DATA Research





Source: DATA Research

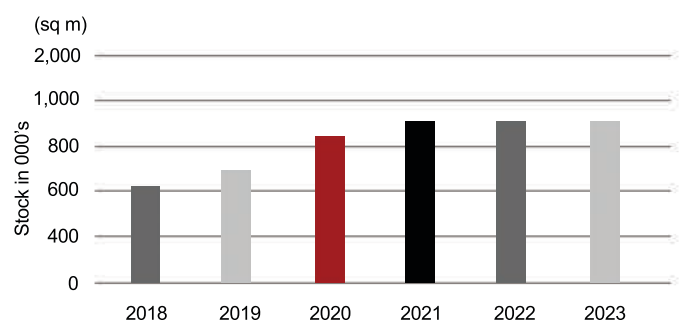
- Serbia attracted more than half of the total FDI in region of the Western Balkans in the period 2018-2022. Sectors of the processing industry with the largest inflow FDI (metal industry, auto, food, rubber, etc.) plastics) record strong growth in employment and production and exports. EXPO 2027 project was recognized as an additional initiator of expected dynamic development in industrial real estate market.
- Belgrade as a driver of the economy, with the surrounding municipalities, participates with a little more than half of the total available space. The previous period was marked by the arrival of new foreign investors. The 2023 was marked by an increase in the total stock of industrial premises, large construction projects were completed and new ones were started.

Projects under construction/in pipeline in Serbia

1	TOYO TIRES, Indjija (62,000 sqm)
2	Wacker Neuson, Kragujevac (50,000 sqm)
3	MIND PARK, Kragujevac (60,000 sqm)
4	BIZERBA, Valjevo (11.227 sqm)
5	GORENJE-HISENSE, Valjevo (35,000 sqm)
6	LING LONG TYRE, Zrenjanin (500,000 sqm)

Source: DATA Research

Belgrade wider area industrial stock graph

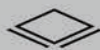


Source: DATA Research



400,000

sqm - VGP park industrial zone near Belgrade airport i initial phase of construction



500,000

sqm - the largest production complex



45:55%

used:available



2.5%

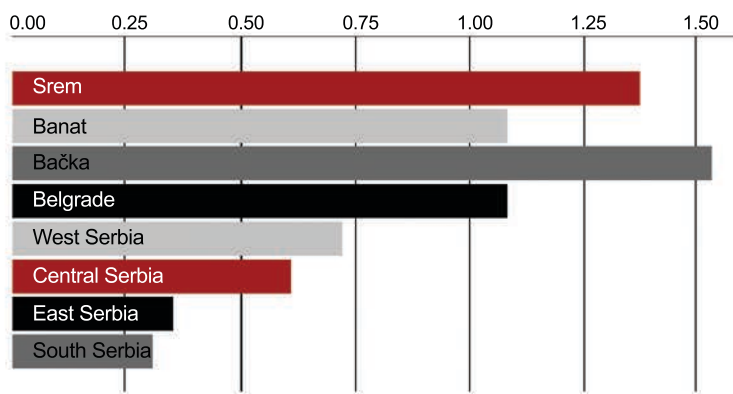
Industrial production growth 2023

“Serbia needs more industrial and logistic/warehouse spaces”

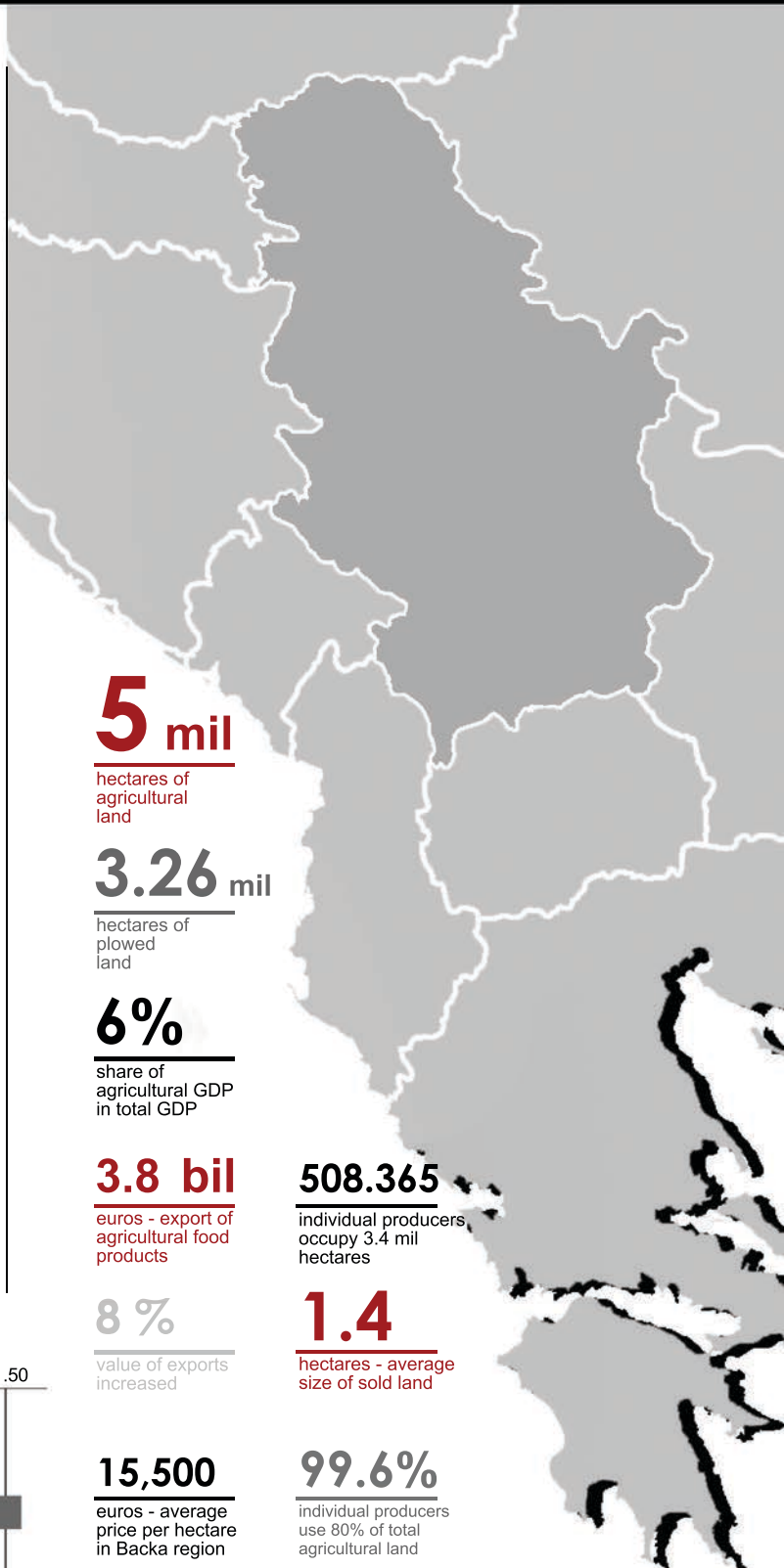
- According to data from the Serbian Chamber of Commerce, agricultural goods worth almost 3.8 billion euros were exported, which is more than 9 percent compared to last year, with a participation in the total exported goods of nearly 15 percent. Due to the drought, yields in agriculture were lower than average, also the trend of reducing livestock continued.
- The surplus in the foreign trade exchange of agricultural and food products for the nine months of this year amounted to more than 1.6 billion euros, which is similar compared to the nine months of the previous year.
- The coverage of imports by exports is around 160% and is lower than the coverage in the observed period of 2022, primarily as a consequence of signed agreement within Open Balkan initiative.
- Looking at the agricultural land market, the price of agricultural land continued to grow as in the previous period.
- Observing the overall situation on the agricultural land market, the opinion is that there is no risk of a decline in market activity.

"Agricultural land in Vojvodina is a safe investment."

Average prices of agricultural land by regions of Serbia (eur/sqm)



Source: DATA Research



Source: DATA Research



Belgrade

1 Milentija Popovica St.
+381 (0) 11 3 111 910

Novi Sad

5 Geri Karolja St.
+381 (0) 21 401 100

Nis

44 Generala Boze Jankovica St.
+381 (0) 18 35 03 505

Subotica

2 Djure Djakovica St.
+381 (0) 65 25 14 477

Zlatibor

14A Svetogorska St., Cajetina
+ 381 (0) 65 25 14 477