

DATA
INVESTMENT



2022 SERBIA
REAL ESTATE
**MARKET
REPORT**





+1,8% ▲

2021. vs 2022.



11,9%

Inflation



9.4%

Unemployment
rate



29.349

No. of constr. permits
(Jan - Dec 2022)



74.933 RSD ▲

Average NET
salary 2022



+ 159.000 ▲

No. of
residential
loans



3.01%

Total
NPLs



28.142 bil EUR

Gross
loans



89%:11%

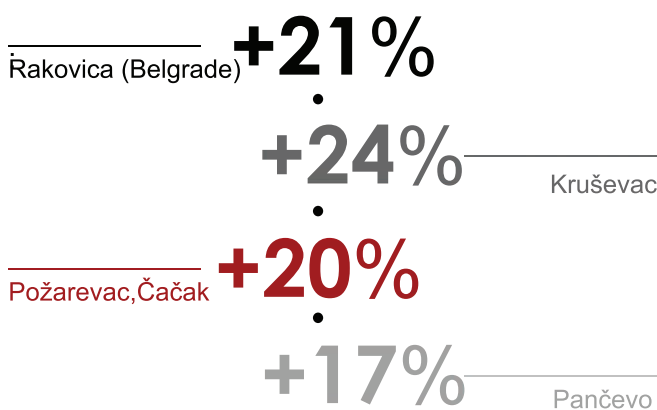
total RE purchase
Cash : Loan

-
- 2022 showed a slowdown in market activity as a result of Ukrainian conflict and high inflation rate
 - Inflation rose to 11,9%, key causes being disrupted global supply chains and soaring energy prices
 - The number of issued building permits has stabilized
 - Due to the increase of interest rates, the number of credit real estate buyers has further decreased
 - Real estate remains a desirable investment opportunity

The number of apartment sales in 2022 decreased by 1,57% compared to the 2021 according to the Geodetic Authority of the Republic of Serbia. After more that five years of growth in number of apartment sales, a decrease was recorded from second half of 2022. The City of Belgrade participated in the total turnover of apartments with more than 40%.

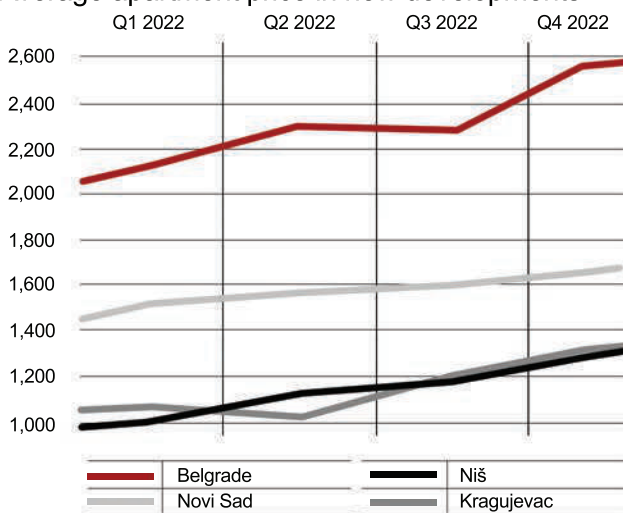
Compared to 2021 there was a slight decrease in the number of sales of family houses, while the total sales value of buildings increased by 11%. However, in the third quarter of 2021, the number of newly constructed apartments and construction permits decreased compared to the same period of the previous year.

Compared to 2021, in 2022 the prices of newly constructed apartments have increased by an average rate of 15%. 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



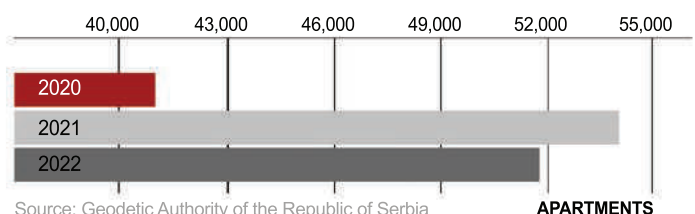
Source: DATA Research

Large scale residential projects in Belgrade

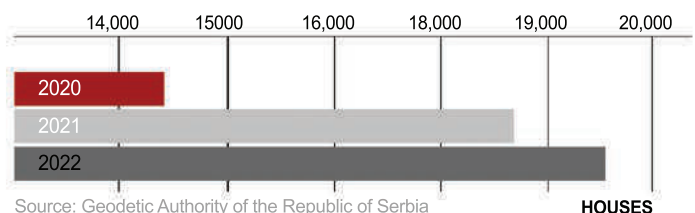
	Residential project	Area (sqm)
1	Belgrade Waterfront (several buildings)	
2	Wellport	50,000
3	K-District	115,000
4	ZepTerra	32,000
5	Kennedy residence	38,000
6	The One	91,000
7	New Minel	60,000
8	Zelena avenija	20,000
9	Park villa	57,335
10	Belim garden	50,900
11	Novi Dorćol	100,000
12	GDS Petica	60,000
13	Voždove kapije	70,000
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 to rise, now towering over the 1 million sqm mark
- Expectations are positive
- 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
- Vacancy rents slightly increased during 2022

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

- Biggest increase of a total stock in 2022 was the opening of AVA shopping center park within the Ikea complex in Zuce. The market is showing optimism and investors continue to develop projects in major and minor cities in Serbia, next will be the opening of retail park in Nova Pazova.
- Despite the high annual inflation, consumers keep their usual habits and visit shopping centers in large numbers, bringing the footfall to an upward trend.

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

Retail parks in Serbia

Source: DATA Research

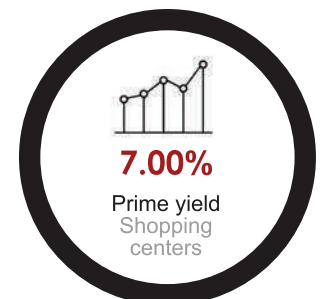
	Retail park	Area (sqm)	Year of const.
1	BIG Shopping Center, Novi Sad	40,000	2013
2	BIG Zrenjanin, Zrenjanin	25,000	2015
3	BIG Rakovica, Belgrade	23,000	2017
4	Zmaj Shopping Park, Belgrade	16,000	2015
5	BIG Fashion Park, Belgrade	15,000	2019
6	BIG Pancevo, Pancevo	27,000	2011
7	Stop Shop Nis, Nis	13,400	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

Pipeline projects in Serbia

Source: DATA Research

	Retail park	Area (sqm)
1	Capitol Park Surcin, Surcin	3,000
2	BIG Nova Pazova	15,000
3	AVA shopping park, Belgrade	10.000

Source: DATA Research





Source: DATA Research

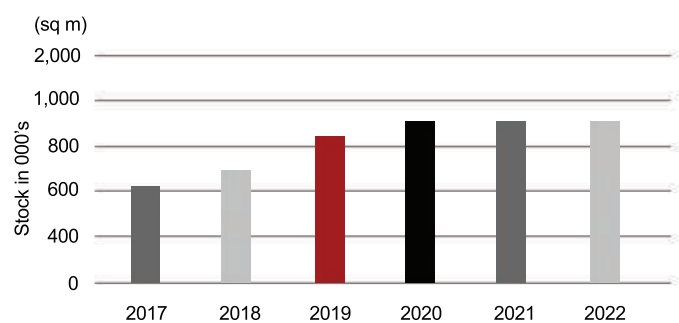
- As industrial production and capacity utilization exceeded pre-pandemic levels by mid-year, strong new order growth across all major subsectors signals continued growth in 2022. However, optimism about revenue growth is kept in check by caution due to ongoing risks. Labor shortages and supply chain instability reduce operational efficiency and margins. Business agility can be critical for organizations that want to work through the turbulence of an unusually rapid economic recovery and compete in the next period of growth.
- 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 2022 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	MTU, Nova Pazova (39,000 sqm)
2	Wacker Neuson, Kragujevac (50,000 sqm)
3	CTP Park Belgrade North, Novi Banovci (40,500 sqm)
4	LIDL, Lapovo (57,000 sqm)
5	CTP Park Novi Sad (59,760 sqm)
6	Continental (30,000 sqm)

Source: DATA Research

Belgrade wider area industrial stock graph

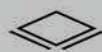


Source: DATA Research



400,000

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



394,000

sqm - the largest production complex



45:55%

used:available



1,7%

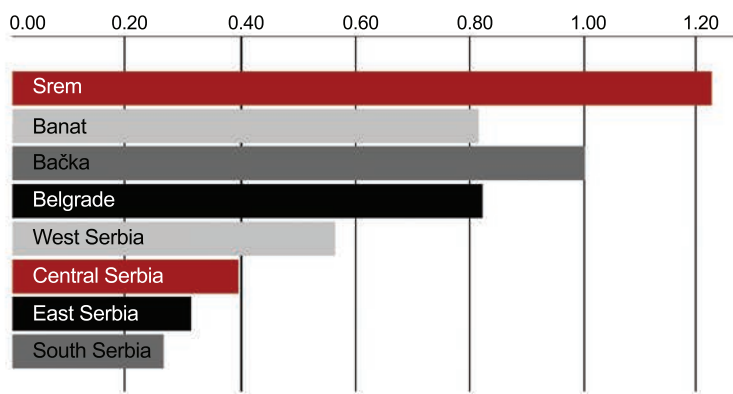
Industrial production growth 2022

"Serbia needs more industrial and logistic/warehouse spaces"

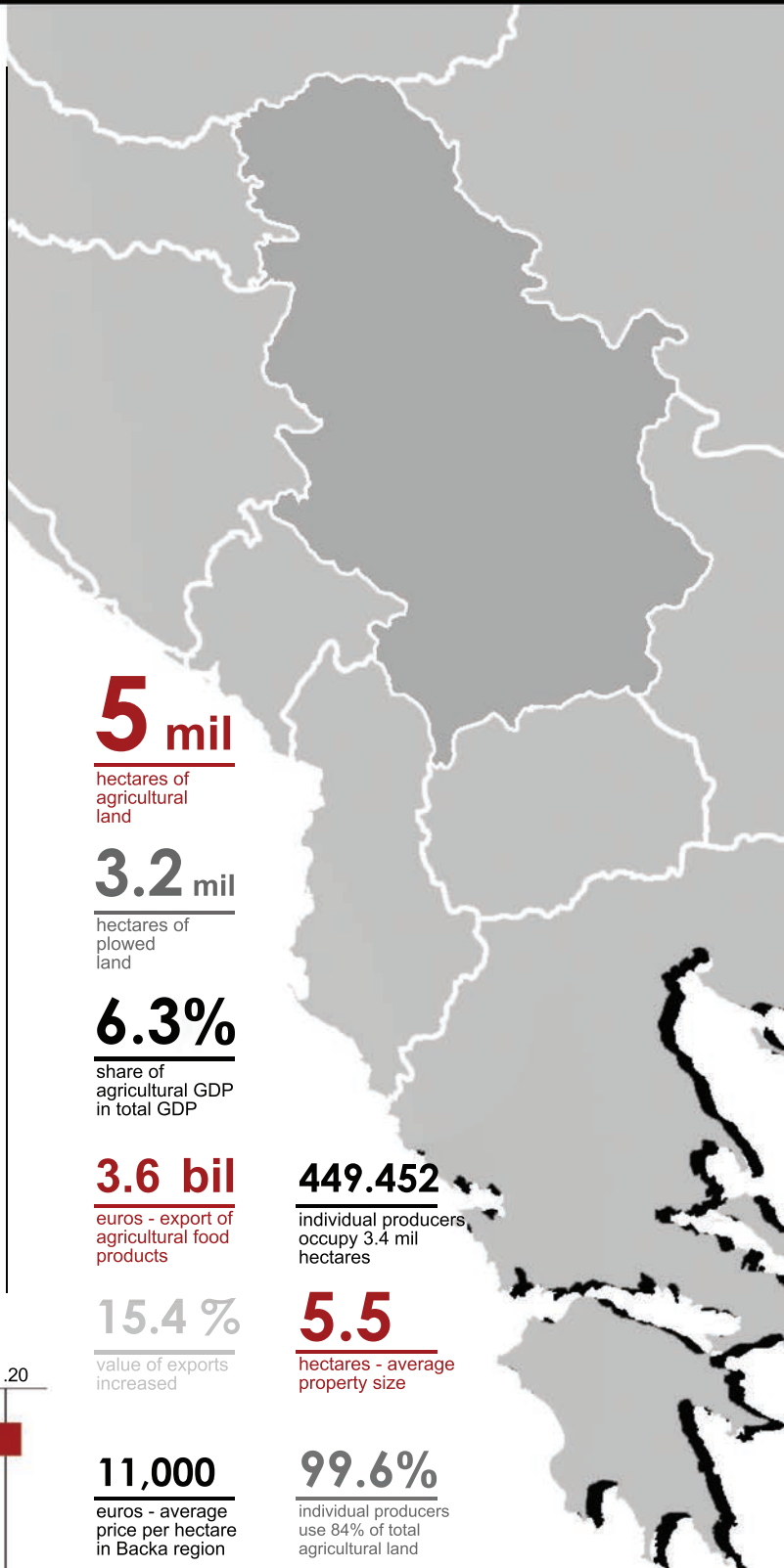
- According to data from the Serbian Chamber of Commerce, agricultural goods worth almost 3.6 billion euros were exported, which is more than 15.4 percent compared to last year, with a participation in the total exported goods of 17.8 percent. Due to the drought, yields in agriculture were lower than 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 1.4 billion euros, which is less than 0.5 percent compared to the nine months of the previous year.
- The coverage of imports by exports is 166.1 percent and is lower than the coverage in the observed period of 2021, when it was 185.7 percent.
- 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



5 mil

hectares of agricultural land

3.2 mil

hectares of plowed land

6.3%

share of agricultural GDP in total GDP

3.6 bil

euros - export of agricultural food products

15.4 %

value of exports increased

449.452

individual producers occupy 3.4 mil hectares

5.5

hectares - average property size

11,000

euros - average price per hectare in Backa region

99.6%

individual producers use 84% of total agricultural land

13%

share of employees in agriculture in the total number of employees

0.4%

individual producers owned by legal entities use 16% of total agricultural land

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