

Belgrade Residential, Q2 2016

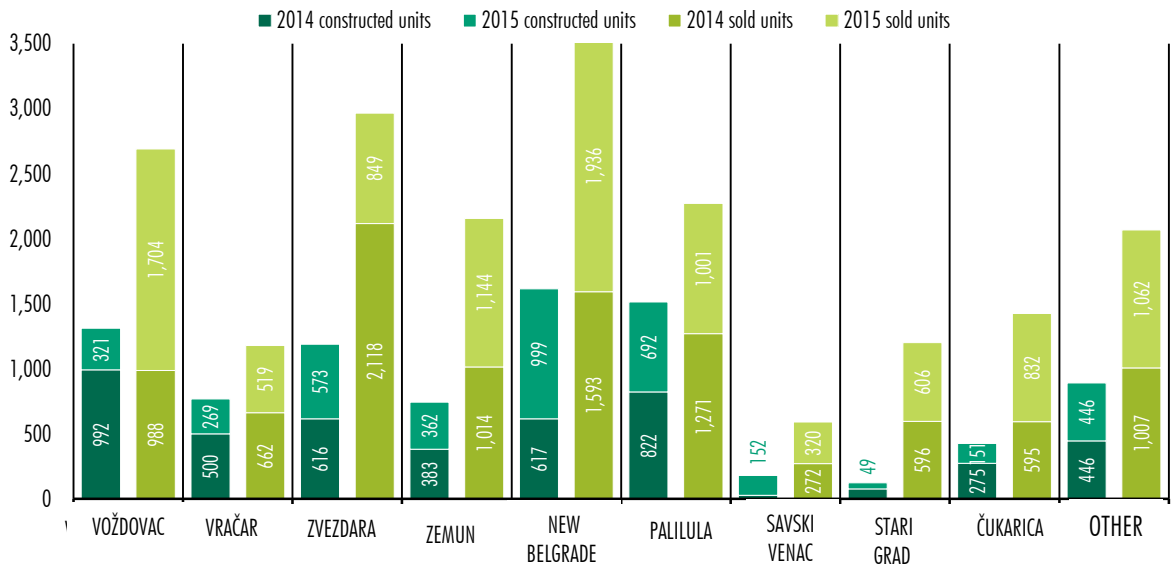
New Belgrade remains the most active construction site in Belgrade

▼ New supply 2015
4,014 units

▼ Sold units 2015
10,000 units

*Arrows indicate change from the previous year.

Figure 1 – Belgrade Residential market



Source: Republic Geodetic Agency, Total number of registered S&P agreements
Statistical Office of the Republic of Serbia, Number of constructed units

Q2 2016 SUMMARY

- 4,014 new apartments were delivered to Belgrade residential market in 2015, the largest number of units was constructed in New Belgrade, Palilula and Zvezdara municipalities
- Nearly 10,000 apartments were sold in Belgrade during 2015, being marginally lower than the number of sold units in 2014
- The strong contribution of secondary residential market in the number of sold units
- The sales prices range between EUR 1,700-2,200 for mid-end projects, while high-end projects command the gross prices starting off from EUR 2,200

RESIDENTIAL SUPPLY

According to the official statistics, 4,014 new apartments were delivered to Belgrade residential market in 2015, while in 2014 that number stood at the level of 4,755. During 2015, the largest number of units was constructed in New Belgrade municipality (999 units), followed by Palilula and Zvezdara municipalities (692 and 573 units, respectively).

When it comes to the entire Serbia, the number of constructed units amounted to 10,306, having decreased by 7%, as compared to 2014-figures.

DEMAND

Belgrade residential market preserves the strong demand, more specific within the projects reflecting good location price-quality balance. According to the official statistics, nearly 10,000 apartments were sold in Belgrade during 2015, being marginally lower than the number of sold units in 2014.

It is evident that the number of sold apartments exceeds the number of constructed units, indicating the strong contribution of secondary residential market.

Table 1 – Large-scale residential projects under construction

Location	Project	Investor	Total Size
Belgrade Downtown	Central Garden	AFI Europe and Shikun & Binui Group	500 units, 2 nd phase /89 units
New Belgrade	ABlok	Deka Inzenjering	840 units, 3 rd phase /270 units
New Belgrade	Savada	Neimar V	500 units, 2 nd phase /200 units
New Belgrade	SunCity	Energogroup	174 units
New Belgrade	West65	PSP Farman	512 units, 3 rd phase /100 units
Vozdovac	Paunov Breg	CPI Group	201 units, 2 nd phase /94 units
Belgrade Downtown	Two Towers	Eagle Hills	1 st phase /296 units
Palilula	Sunnyville	Energoprojekt	215 units
Zemun	Zelena Avenija	Montex Real Estate	236 units

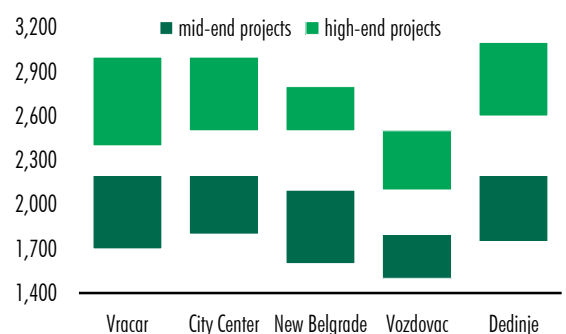
Source: CBS International, part of the CBRE Affiliate Network

SALES PRICES

The sales prices remained unchanged, ranging between EUR 1,700-2,200 (VAT incl.) for mid-end projects, while the asking prices of high-end projects, in central Belgrade municipalities, start off from EUR 2,200 (VAT included).

Having in mind the rental requests, the market notes a stable demand, a trend that persisted during the entire 2015. The rental levels for newly built properties range between EUR 10-13/sq m, while the rents for renovated properties vary between EUR 8-10/sq m.

Chart 2 – Asking sales prices (EUR/sq m incl. VAT)



Source: CBS International, part of the CBRE Affiliate Network

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