

Belgrade Residential, Q1 2017

The share of large-scale residential projects rises, the trend is welcomed by market

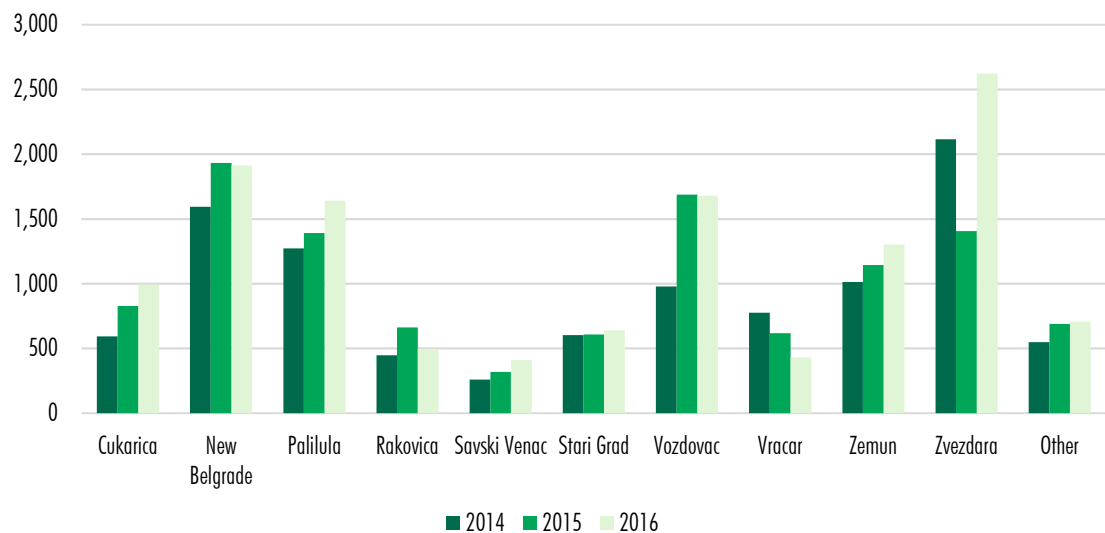
New supply 2015
4,014 units

Sold units 2015
11,000 units

Sold units 2016
12,000 units

*Arrows indicate change from the previous year.

Chart 1 – Number of sold units per municipalities



Source: Republic Geodetic Agency, Total number of registered S&P agreements, data from April 2017, the cover rate (the ratio between the number of received S&P agreements and the number of registered S&P agreements) is app. 80% for Belgrade

Q1 2017 SUMMARY

- Belgrade residential market is booming. Location-wise, New Belgrade municipality hosts the largest number of ongoing residential projects
- The largest Belgrade municipalities record the strongest demand, the number of sold units keeps growing
- With more than 12,000 sold units in Belgrade, the year 2016 marks the highest results in the previous period
- The sales prices remain mostly stable, with the slight increase in the prices of large residential projects developed in phases, which mark very strong absorption rate

RESIDENTIAL SUPPLY

The strong development of Belgrade residential market continued in 2017 with various active large-scale projects. New Belgrade witnesses the intensive development in Blok 67 with two large-scale projects. Deka Inzenjering’s residential complex A Blok is in the third development phase, with 270 units being constructed, while the construction of another residential project in the same block, Neimar’s Savada is in the second and final phase of development. The completion of new 200 units is expected in mid-2017. PSP Farman’s project West65 is currently being built in New Belgrade Block 65. The construction of the third phase envisages three buildings with 100 units. Afterwards, the investor aims to develop another three buildings. Further enlargement of New Belgrade residential supply is supported by the development of EnegroGroups’ residential complex Sun City with 174 units being settled in Blok 63 and scheduled for completion in July 2017.

Belgrade city center notes the development of the third phase of the first downtown condominium of AFI Europe and Shikun & Binui Group, Central Garden with new 129 units. The first phase of another Belgrade condominium Vozdove kapije in Vozdovac area will supply the residential market with the same number of apartments.

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, 3 rd phase/129 units
Vozdovac	Vozdove kapije	Shikun & Binui Group	700 units, 1 st phase/129 units
New Belgrade	ABlok	Deka Inzenjering	800 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
Belgrade Downtown	Belgrade Waterfront	Eagle Hills	1 st phase/296 units, 2 nd phase/228 units
Palilula	Sunnyville	Constantine the Great	252 units, 1 st phase 126 units
Palilula	Sunnyville Energoprojekt	Energoprojekt	215 units

Source: CBS International, part of the CBRE Affiliate Network

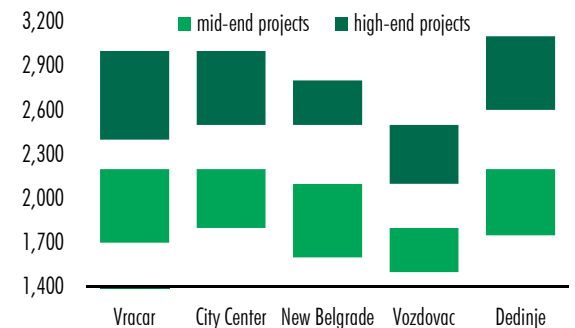
DEMAND

According to the available statistics, more than 12,000 units were sold in Belgrade in 2016 which indicates the solid demand, as compared to the results marked in 2015 when app. 11,000 units were sold.

SALES PRICES

The sales prices remained mostly 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 incl.). However, the slight increase of app.5% is evident in phase-developed residential projects, which mark strong absorption rate.

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



Source: CBS International, part of the CBRE Affiliate Network

CONTACTS**Dragan Radulovic***Managing Director**Serbia*

dragan.radulovic@cbre.rs

Mina Kalezic*Sales and Marketing Manager**Serbia*

mina.kalezic@cbre.rs

Tamara Kostadinovic*Head of Market Research**Serbia*

tamara.kostadinovic@cbre.rs

CBRE SERBIA OFFICE

CBS International doo

Part of the CBRE Affiliate Network

88b, Omladinskih brigada Str.

11070 Belgrade, Serbia

+381 11 22 58 777

To learn more about CBRE Research, or to access additional research reports, please visit the Global Research Gateway at www.cbre.com/researchgateway

