

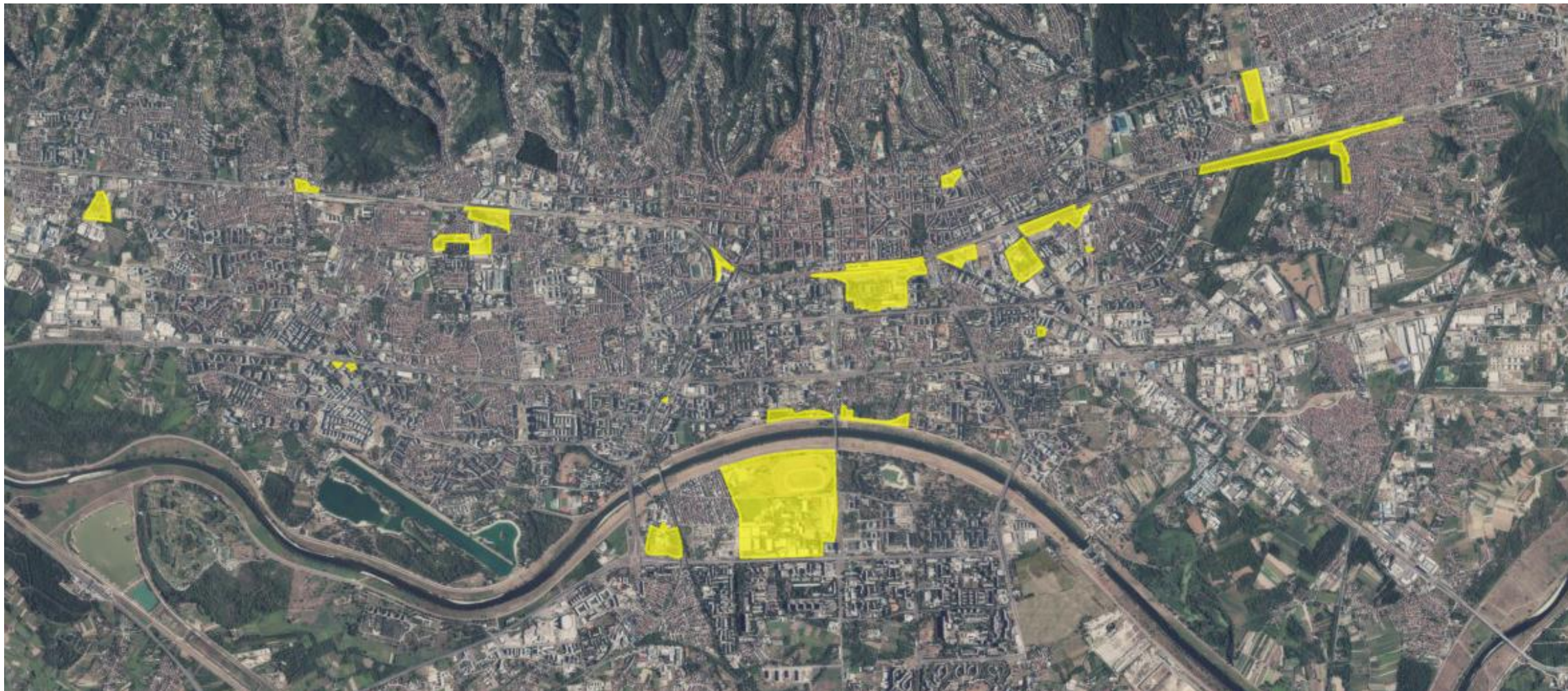


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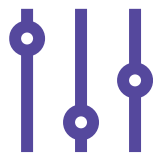
Inactive assets in public ownership in the city of Zagreb

Date of analysis: 17 October 2024

Sites overview



Summary



24

Publicly owned locations
accessible by tram and
railway



~2,200,000 m²

Total land area, mostly
inactive



~4,400,000 m²

Potential gross floor
area above ground



~2,900,000 m²

Potential gross floor
area for housing



+32,000

Potential number of
new apartments



€6 to €9 billion

Potential investment
amount, equivalent to
8% to 12% of Croatia's
GDP

Summary

- **Significant underutilized assets in the wider city center** with access to utilities and public transportation.
- **Activation of assets can provide economic boost** as it will generate revenue from property sales, income from communal contributions, employment growth etc.
- **Addressing housing needs**, opportunities for developing apartments for sale and rent in well-connected locations and creating mixed-used spaces that are active 24 hours a day.
- **Reducing construction on the city outskirts** and lowering additional costs for bringing and maintaining public infrastructure, preserving greenfields used for new developments; consequently, reducing traffic congestion and lowering air pollution.
- **Stabilizing real estate prices** by increasing the housing supply in Zagreb by 7-9%, resulting in more moderate prices for the existing stock.

The largest locations



Gredelj



Zagrepčanka – Slaughterhouse



Zagrebački velesajam - Hippodrome



Zrinjevac, Jankomir i Lanište



Eastern Railway Station



Mandlova - Maksimirska

Introduction

- The city of Zagreb experienced significant **population growth following the construction of the railway in 1862**. At that time, the railway was on the edge of the city, but with the expansion of new developments and population growth, the city “absorbed” the railway.
- Alongside the railway, **a significant amount of land has remained unused** due to changes in railway technology and the construction of a marshalling station in the southern part of the city.
- In addition to the railway, old industrial areas and land along the Sava River, which was regulated with embankments after the 1964 flood, are also publicly owned areas that could be repurposed.
- The goal of the presentation is **to raise public awareness about publicly owned unused areas** in the wider center of Zagreb that are accessible by public transport and connected by transport infrastructure. These lands are currently unused, generating costs for taxpayers and hindering the city’s further development in terms of providing opportunities for housing, office spaces, public spaces, and gathering places.
- Due to previously mentioned facts and the lack of other large development sites, **the city has been expanding towards the outskirts, increasing infrastructure costs**, leading to traffic congestion, consuming greenery and mostly resulting in neighborhoods with poor infrastructure and planning.

Methodology

- The analysed locations are owned by the City of Zagreb, the Republic of Croatia, or companies owned by them. These sites are **situated in the wider city center, within an area equipped with utilities** and within a 15-minute walk from the tram or railway network.
- The analyzed locations are in **mixed-use zoning** or can be re-purposed into mixed-use (for areas within the railway infrastructure system). **Locations within Zone D** – public use, **Zones G or K** – commercial use, **or Zone Z** – public green spaces **were not analyzed**. Publicly owned buildings in the city center that are vacant or used suboptimal were also not analyzed.
- The floor area ratio (kis) used refers to the existing General Urban Plan of the City of Zagreb, and for locations within the infrastructure system, a floor area ratio (kis) is provided in accordance with Urban Rule 2.9 for high-rise construction.
- The Zagreb Fair and Hippodrome are exceptions, currently designated as K1 - commercial zones and R1 - sports-recreational use. This area spans over 1,000,000 m², which could be better utilized, and due to its central location, it is **suitable for urban transformation**.

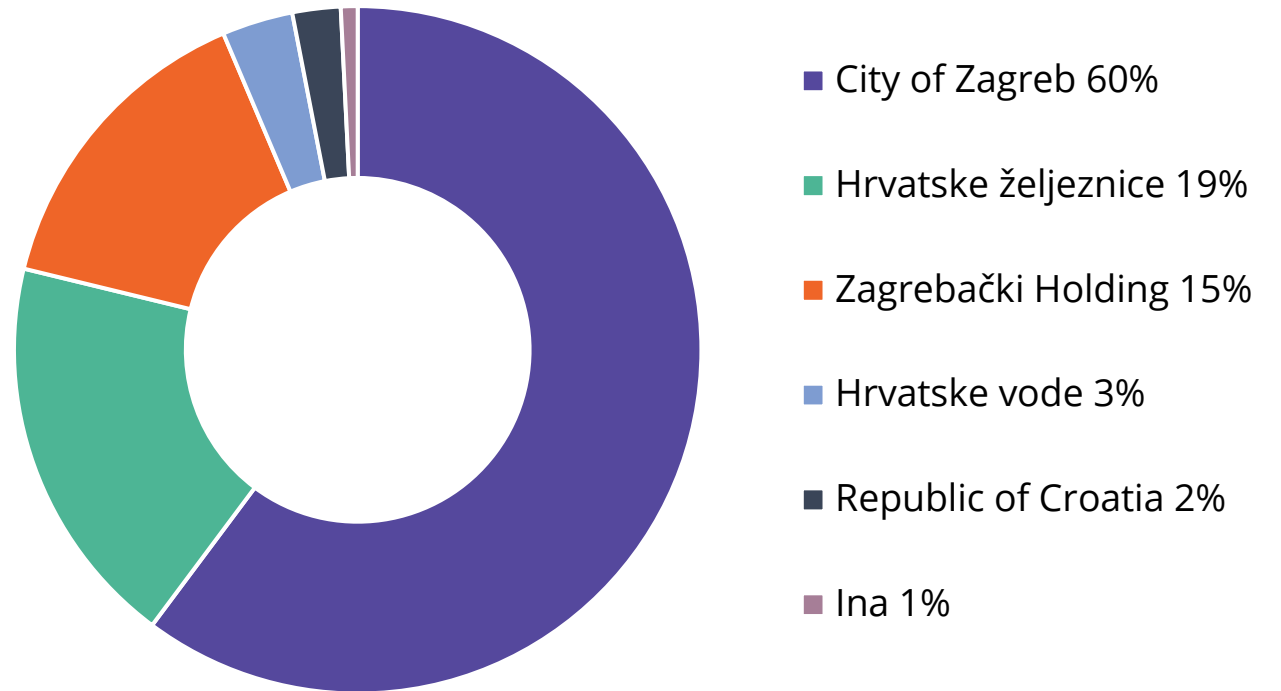
Ownership of inactive assets

Ownership is dispersed among multiple public entities, with the largest stakeholders being the City of Zagreb, holding a 60% share, as well as Croatian Railways and the municipal company Zagrebački Holding.

- The ownership structure is not entirely clear, as there are certain legal challenges that need to be resolved before development can begin.
- The estimated time required to clarify the legal situation is between 1 and 5 years.
- Urban planning regulations need to be established for most locations.
- Owners incur significant annual costs for property maintenance (land mowing, security services, municipal fees), which are generally lower than the income received from leasing.
- These properties have been in this condition for over 20 years and are deteriorating.

Approximate Distribution of Major Landowners

approx. 2,200,000 m² of land

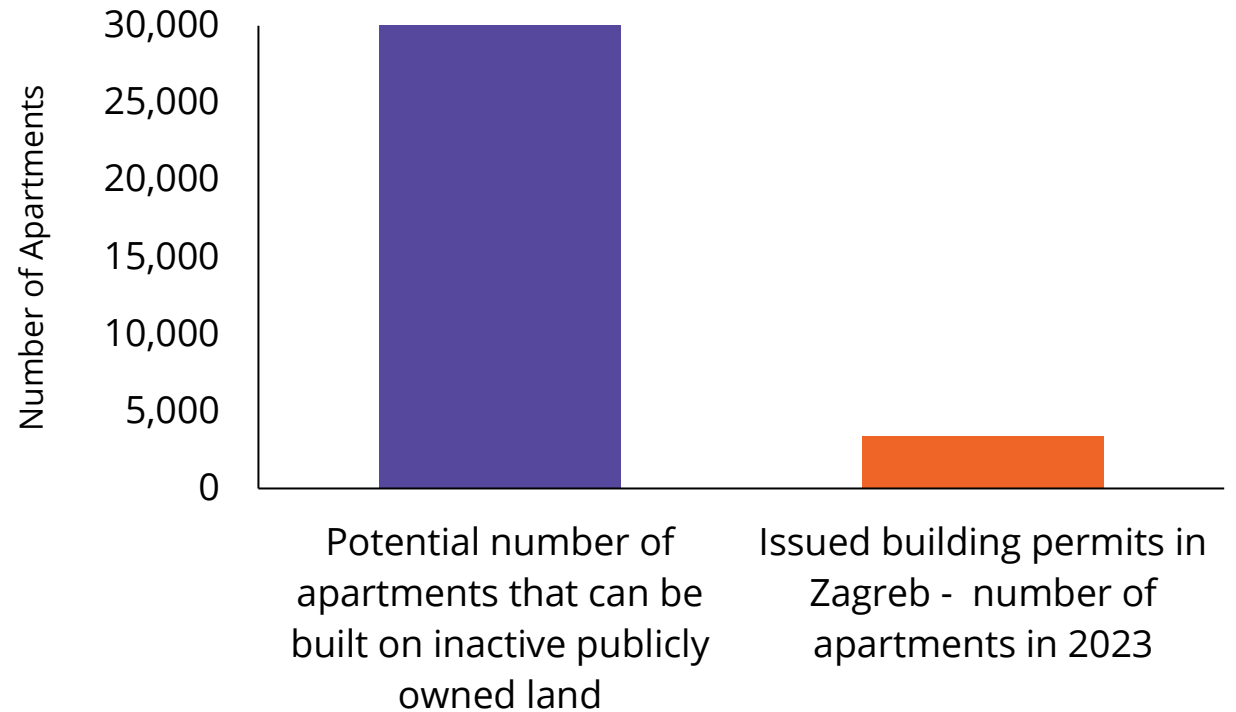


Potential for +32,000 apartments

The 24 analyzed locations have the potential for the development of around 32,000 apartments, which is 9 times the average of 3,500 apartments constructed annually in the city of Zagreb over the past few years.

- A total of approximately 2,200,000 m² of land.
- It is possible to develop around 4,400,000 m² of gross floor area above ground.
- Over 60% can be allocated for residential purposes.
- With approximately 90 m² of GFA per apartment, this amounts to around **32,500 apartments**.
- Approximately 3,500 new housing units are built annually in Zagreb.
- **Equivalent to +9 years of housing construction**, in prime locations in the wider city center with established infrastructure.

Potential of Inactive Assets + Zagreb Fair and Hippodrome vs Annual New Build Volume

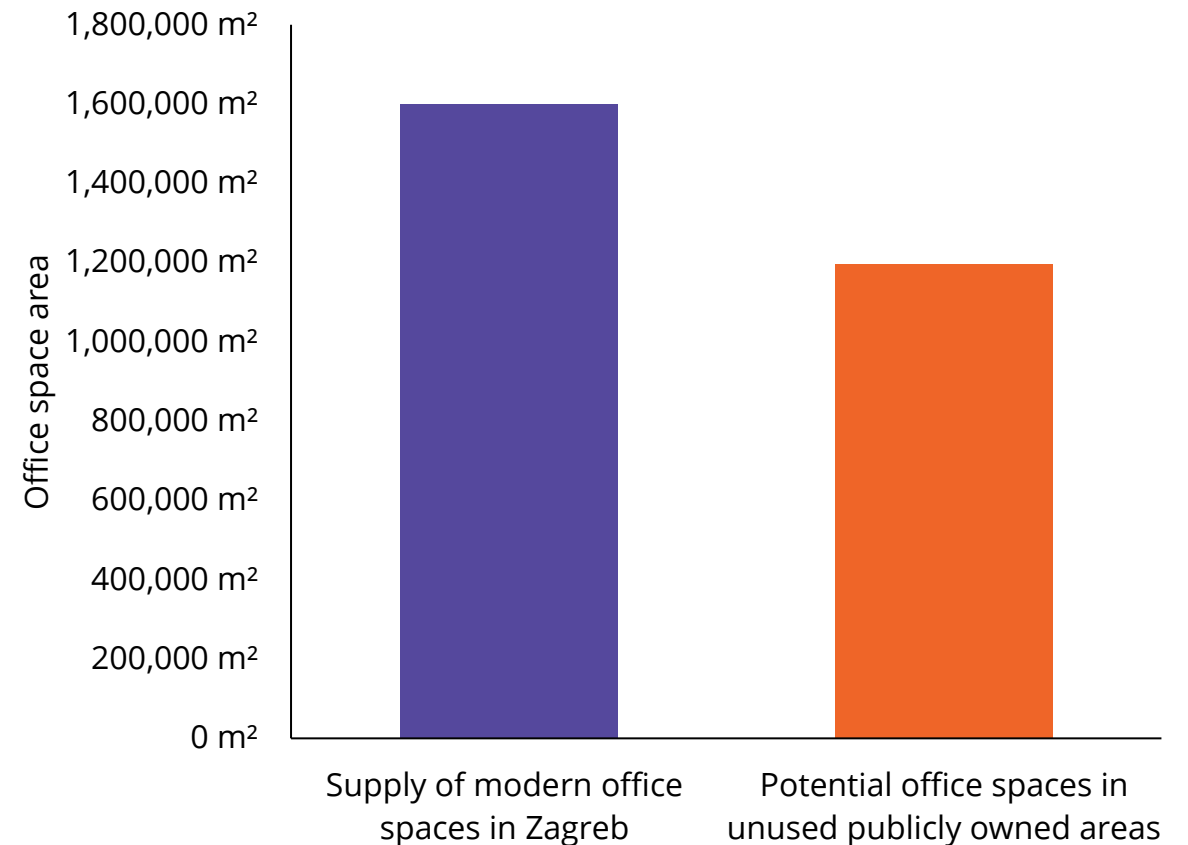


Potential for commercial use

Ministries, agencies, judiciary, public sector, city offices, and other public institutions are scattered across old, mostly unsuitable buildings for office use in the city. There is great potential for relocating these spaces to modern offices.

- In addition to the analyzed brownfield locations, over 200,000 m² of office space in public use is located in the center of Zagreb in old, inadequate buildings.
- The mentioned offices can be relocated to new, modern buildings at analyzed locations situated near the railway or tram network.
- **The office stock in the city of Zagreb is over 20 years old with a limited supply of Class A office space. Tenants are seeking modern office buildings, which are lacking in the wider city center of Zagreb.**
- Possibility of developing supporting facilities by repurposing existing protected buildings; hotels, retail, cultural, and other facilities that enhance the location and bring vitality to the area.

Potential of Inactive Assets vs Supply of Office Spaces





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€4,6 billion
Turnover (2022)



24
Service lines



5,000+ employees
Worldwide

Sectors: Offices, Retail, Warehouse & Logistics, Hotels, Residential, and Land



Services

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Appendix: List of locations

#	Location	Parcel and municipality	Ownership	Approximate Area (m ²)	Purpose	Urban rule	Floor area ratio (kis)	Planned allocation for infrastructure	Potential gross floor area above ground	Housing share	Potential gross floor area for housing	Potential number of apartments	Potential for commercial use (offices, shops, hotels) gross floor area
1	Ilica/Oranice	1506/1 Vrapče	Ina	17,751 m ²	M2	2.9.	2.0	0%	35,502 m ²	49%	17,396 m ²	193	18,106 m ²
2	Zagrebačka avenija	5792/1, 5793/1 Donje Vrapče	City of Zagreb	2,553 m ²	M1	1.6.	3.0	0%	7,659 m ²	90%	6,893 m ²	77	766 m ²
3	Zagrebačka avenija	5798/5, 5799/9, 5799/11, 5799/18, 5799/19 Donje Vrapče	City of Zagreb	2,141 m ²	M1	1.6.	3.0	0%	6,423 m ²	90%	5,781 m ²	64	642 m ²
4	Zagrebačka cesta	122/1 Rudeš	City of Zagreb	32,784 m ²	M, M1	3.1.	2.0	15%	55,733 m ²	80%	44,586 m ²	495	11,147 m ²
5	Dragutina Golika	131/1 Rudeš	ZG 1/2, Šuma d.d. u stečaju 1/2	27,452 m ²	M	3.1.	3.0	10%	74,120 m ²	80%	59,296 m ²	659	14,824 m ²
6	Kralja Tomislava	6970/1, 6929/1 Rudeš	Društveno vlasništvo, RH	50,000 m ²	M	3.1.	3.0	15%	127,500 m ²	70%	89,250 m ²	992	38,250 m ²
7	Nova Cesta	4812 Trešnjevka	RH	1,079 m ²	M2	3.1.	3.0	0%	3,237 m ²	0%	0 m ²	0	3,237 m ²
8	Hala V	6804/1, 6805 Trešnjevka Nova	HŽ	13,100 m ²	M	3.1.	3.0	10%	35,370 m ²	60%	21,222 m ²	236	14,148 m ²
9	Prisavlje	4853/20, 4985/5, 4985/1, 4983 Trnje	Hrvatske vode	46,000 m ²	M	3.1.	2.0	15%	78,200 m ²	40%	31,280 m ²	348	46,920 m ²
10	Gredelj	371/1, 376, 380 Trnje	ZG Holding, RH, HŽ	265,000 m ²	Mgp	3.1.	4.0	25%	795,000 m ²	75%	596,250 m ²	6,625	198,750 m ²
11	Gredelj uz Branimirovu	2956/1 Trnje	HŽ	41,000 m ²	-	3.1.	3.0	10%	110,700 m ²	50%	55,350 m ²	615	55,350 m ²
12	Jankomir - Samoborska	2445 Stenjevec	City of Zagreb	52,721 m ²	M1	2.9.	3.0	20%	126,530 m ²	80%	101,224 m ²	1,125	25,306 m ²
13	Blok Badel	6341/1 Centar Novi	City of Zagreb	21,000 m ²	M0	1.2.	2.0	20%	33,600 m ²	50%	16,800 m ²	187	16,800 m ²
14	Gradska plinara	1/1 Trnje	Gradska plinara, City of Zagreb	33,500 m ²	M2	3.1.	3.0	20%	80,400 m ²	40%	32,160 m ²	357	48,240 m ²
15	Klaonica	66, 67/1, 67/2, 67/5, 68 Trnje	ZG Holding	96,109 m ²	Mgp	3.1.	3.0	20%	230,662 m ²	70%	161,463 m ²	1,794	69,198 m ²
16	Istočni kolodvor	4357/1 Peščenica	HŽ	83,730 m ²	M	3.1.	3.0	20%	200,952 m ²	60%	120,571 m ²	1,340	80,381 m ²
17	Svetice	2211/2 Peščenica	City of Zagreb	1,908 m ²	M1	2.9.	2.0	0%	3,816 m ²	100%	3,816 m ²	42	0 m ²
18	Folnegovićevo	2707/1 Trnje	City of Zagreb	6,350 m ²	M	2.9.	2.0	0%	12,700 m ²	90%	11,430 m ²	127	1,270 m ²
19	Trnjanski nasip	5111/1 Trnje	Hrvatske vode, RH	29,200 m ²	M	3.1.	2.0	15%	49,640 m ²	40%	19,856 m ²	221	29,784 m ²
20	Zrinjevac	196/2, 3435/1 Klara	ZG Holding, HŽ	100,000 m ²	M	3.2.	3.0	20%	240,000 m ²	49%	117,600 m ²	1,307	122,400 m ²
21	Mandlova	138/1 Peščenica	City of Zagreb	80,540 m ²	Mgp	3.2.	2.0	20%	128,864 m ²	50%	64,432 m ²	716	64,432 m ²
22	Kampus	4357/5 Peščenica	HŽ	120,000 m ²	-	3.1.	3.0	20%	288,000 m ²	60%	172,800 m ²	1,920	115,200 m ²
23	Velesajam	5/1, 598/1, 599/1 Klara	City of Zagreb, Zg velesajam	1,100,000 m ²	R1, Mgp	1.8. 2.10.	2.0	25%	1,650,000 m ²	70%	1,155,000 m ²	12,833	495,000 m ²
24	Kampus istok	1322/133 Peščenica	City of Zagreb, RH, Sveučilište	28,800 m ²	M	3.2.	2.0	15%	48,960 m ²	49%	23,990 m ²	267	24,970 m ²
				2,252,718 m²			1.96		4,423,568 m²	66%	2,928,447 m²	32,538	1,495,121 m²

Sources: geoportal.dgu.hr, oss.uredjenazemlja.hr, GUP Zagreb planirane izmjene i dopune