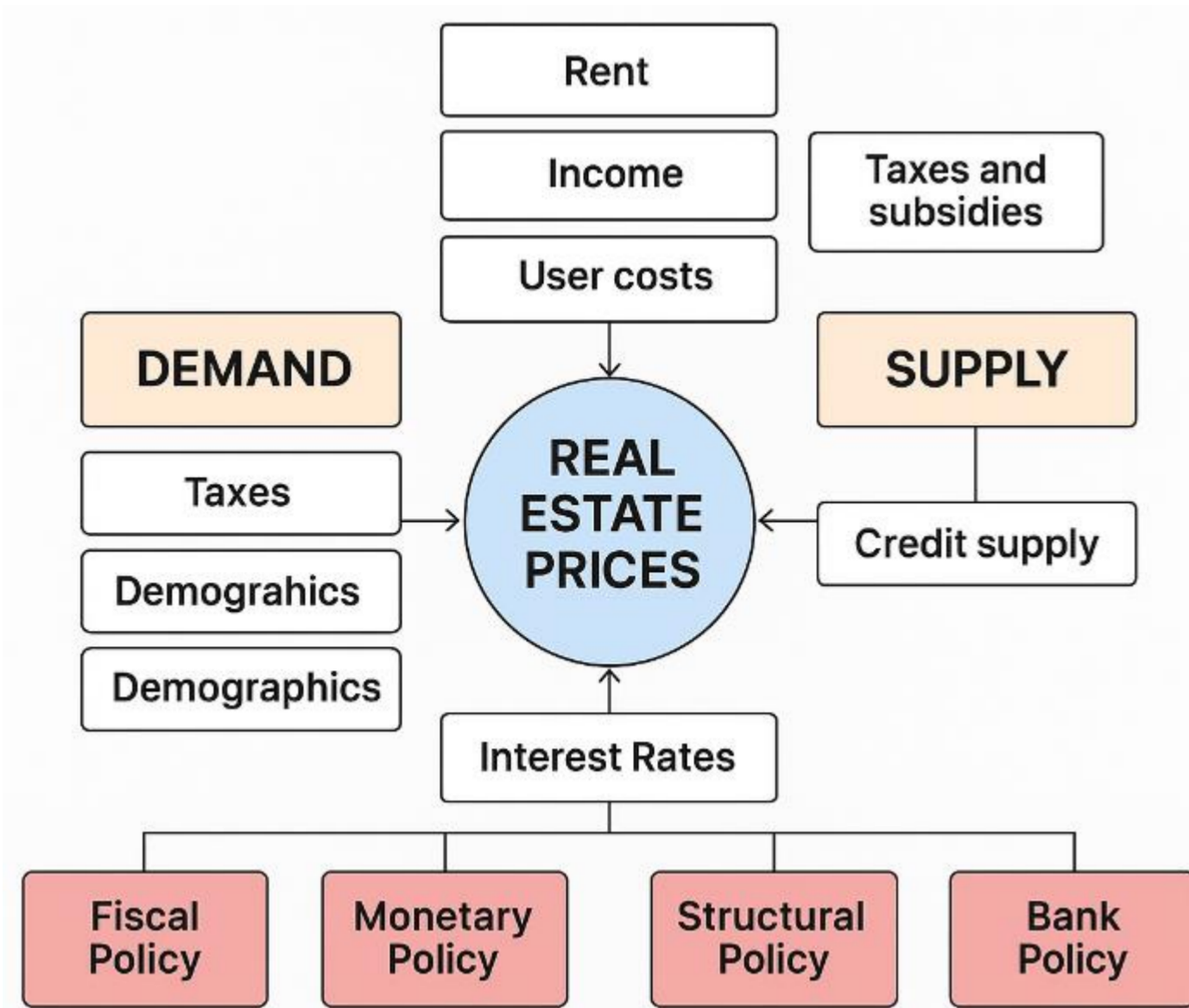




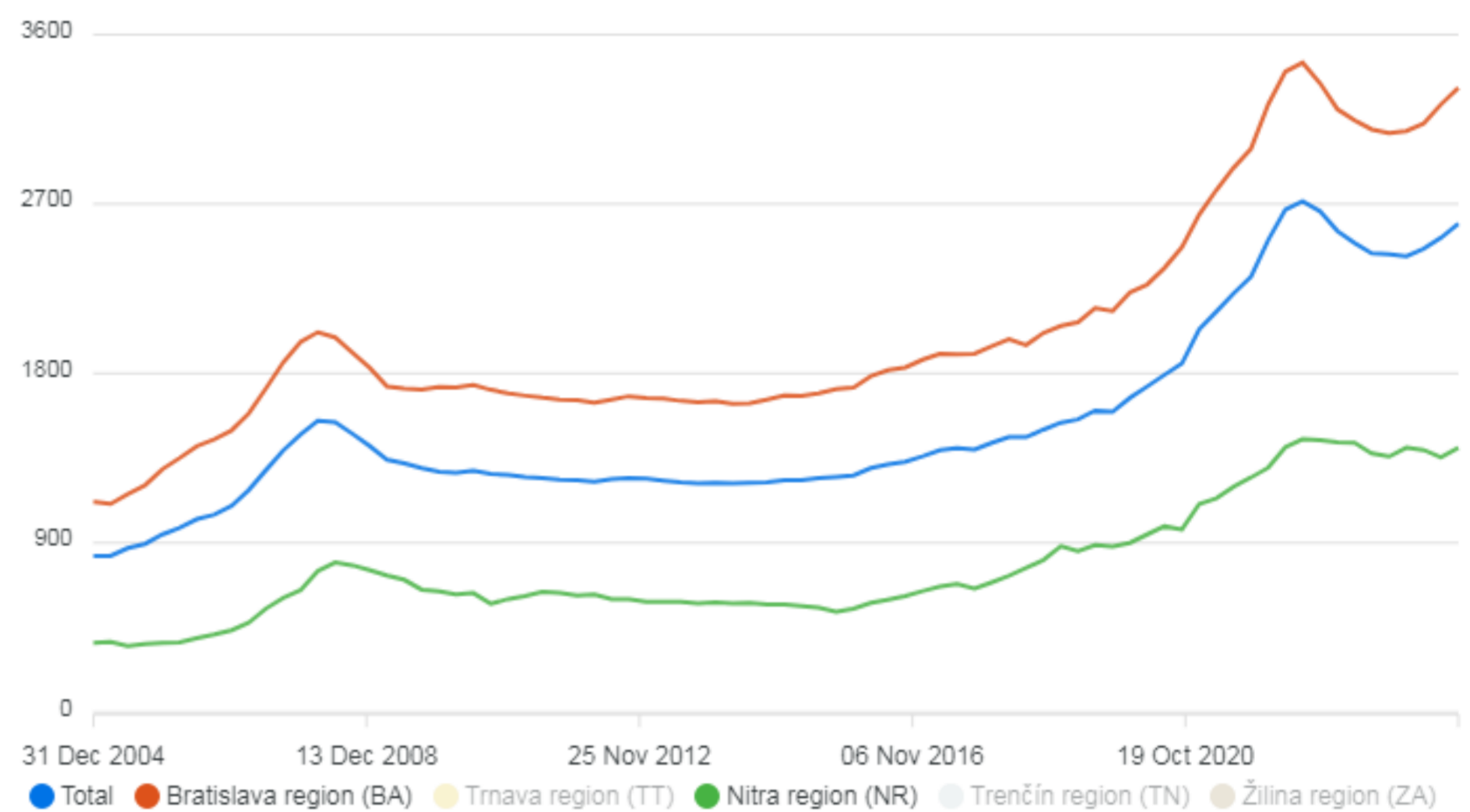
Current developments in housing prices in Slovakia and related key determinants

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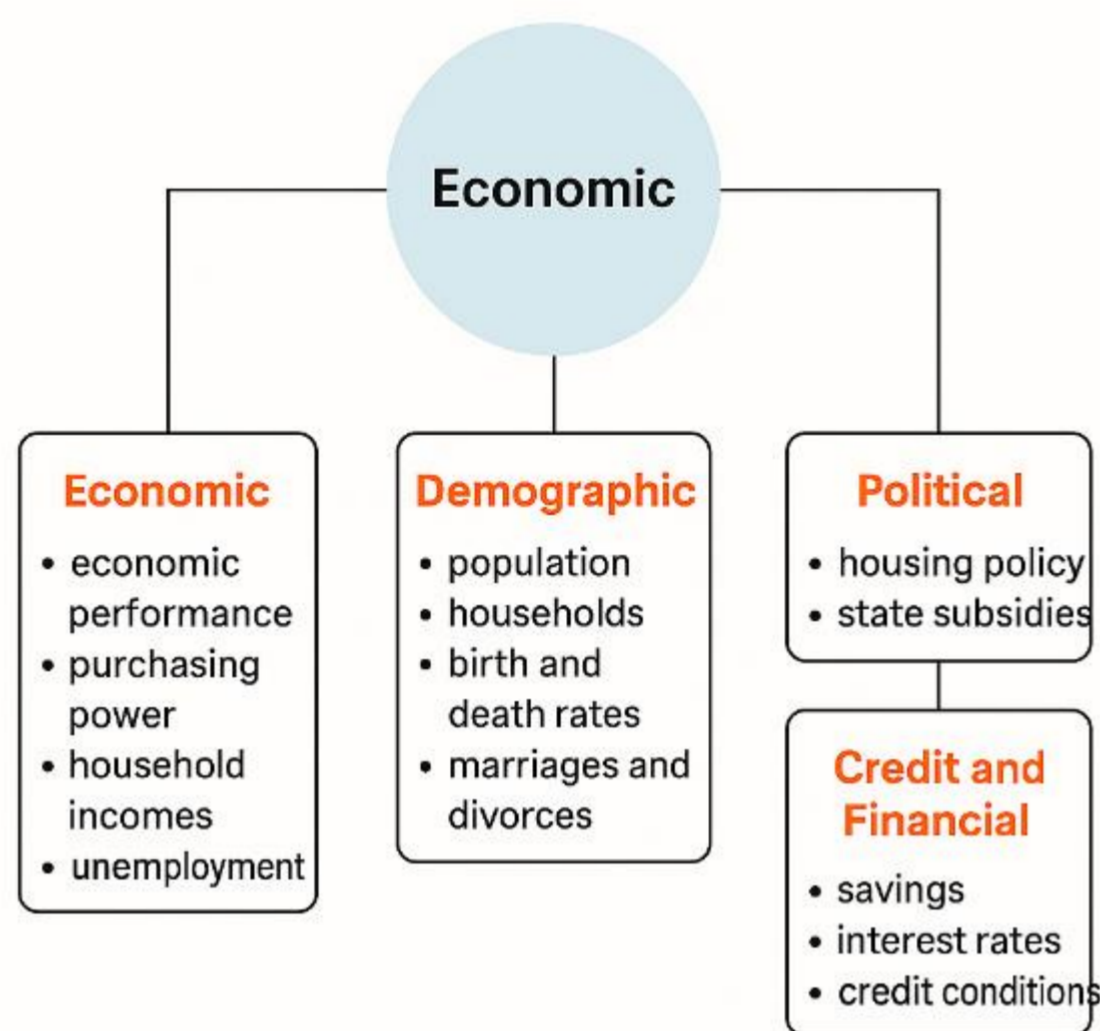
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The current turbulent development in the real estate market, not only in Slovakia but throughout Europe, is caused by several crises that have a global impact and partially resemble the situation in the market 15 years ago. One factor that negatively affects the real estate market in Slovakia is the lack of residential real estate. In the long term, the demand for housing significantly exceeds the supply of apartments. In Europe, the energy crisis, mainly caused by the military conflict in Ukraine, affects the slowdown. The increase in energy prices is, among other things, accompanied by high inflation and sharply rising mortgage interest rates, which were artificially pushed downwards and subsidized by central banks for several years. These phenomena have a dynamic effect mainly on the availability of housing, real estate prices, and the purchasing power of households and consequently also on demographic development. There is a connection between the issue of residential market crises and socio-economic aspects of housing, including their relationship to overall housing availability and demographic consequences.



FACTORS INFLUENCING DEMAND



Selection of the key determinants influencing the prices of residential real estate in the Slovak Republic

- GDP
- Average number of inhabitants aged 25 - 44
- Total volume of loans provided to households
- Volume of loans provided to households for housing
- Volume of construction production of residential buildings

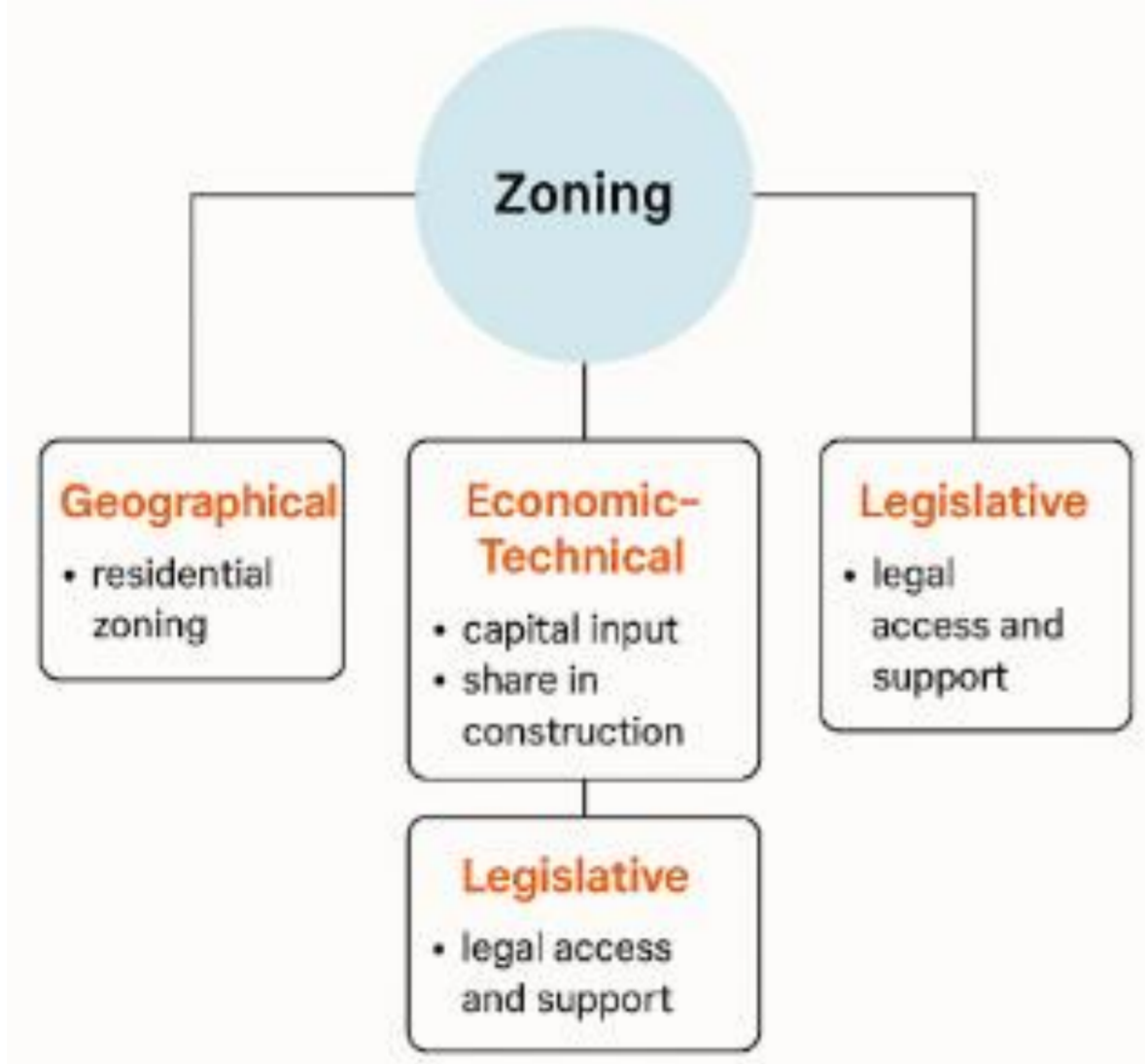
$$CENY = -11783.20 + 6828.910 \cdot OB2544 + 45.17841 \cdot HDP + 151.3812 \cdot UROKUVERDOMBYV$$

Dependent Variable: CENY
Method: Least Squares

Included observations: 28 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-11783.20	2870.895	-4.104366	0.0004
OB2544	6828.910	1815.460	3.761531	0.0010
HDP	45.17841	19.38087	2.331083	0.0285
UROKUVERDOMBYV	151.3812	30.96306	4.889090	0.0001

FACTORS INFLUENCING SUPPLY



Quantitative analysis options:

- Correlation analysis
- Intersection analysis
- Regression analysis
- Spatial autocorrelation
- Neural networks

R-squared	0.891455	Mean dependent var	1170.497
Adjusted R-squared	0.877887	S.D. dependent var	231.3725
S.E. of regression	80.85223	Akaike info criterion	11.75469
Sum squared resid	156890.0	Schwarz criterion	11.94500
Log likelihood	-160.5656	F-statistic	65.70244
Durbin-Watson stat	0.733467	Prob(F-statistic)	0.000000

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