

Real estate market analysis

Key market indicators in Q3 2025
Croatia




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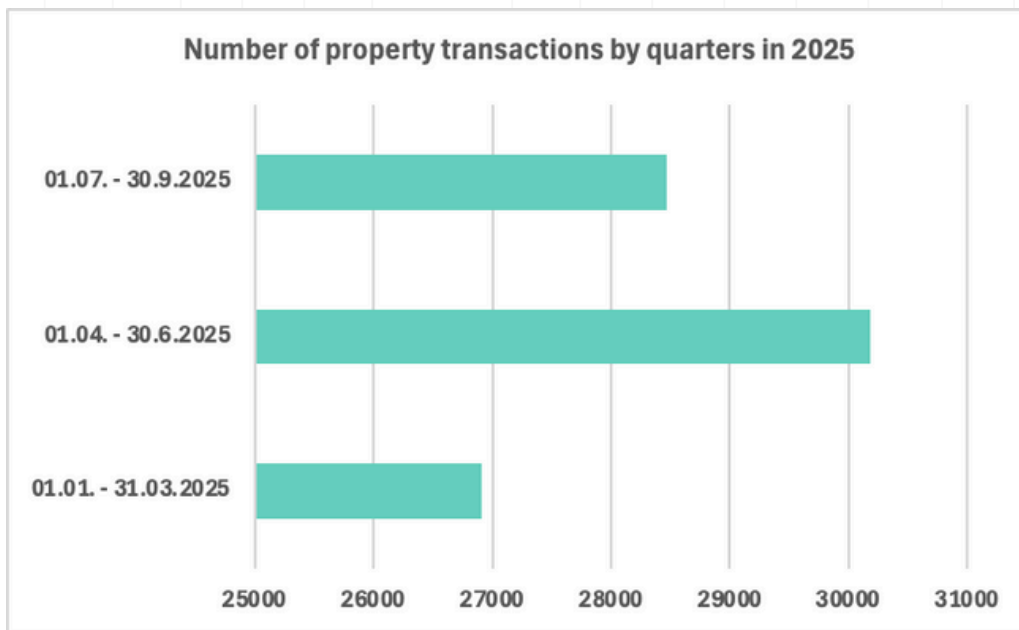
Number of real estate transactions

Quarter number

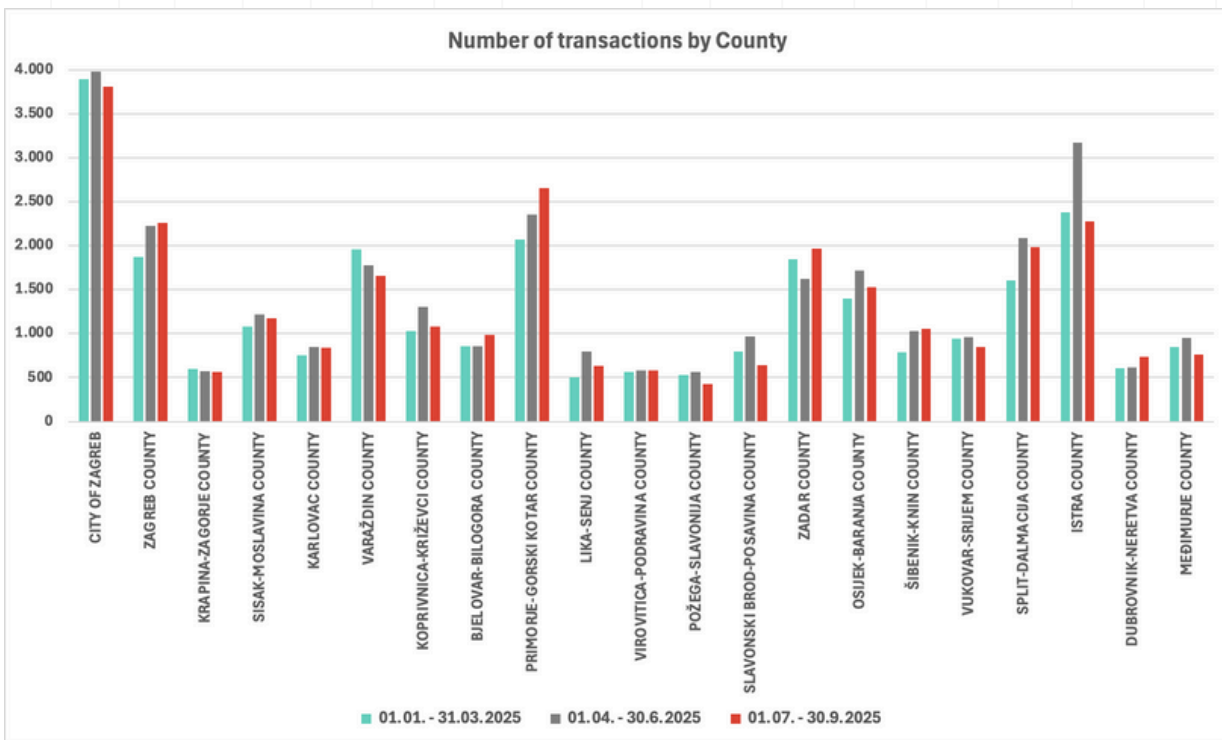
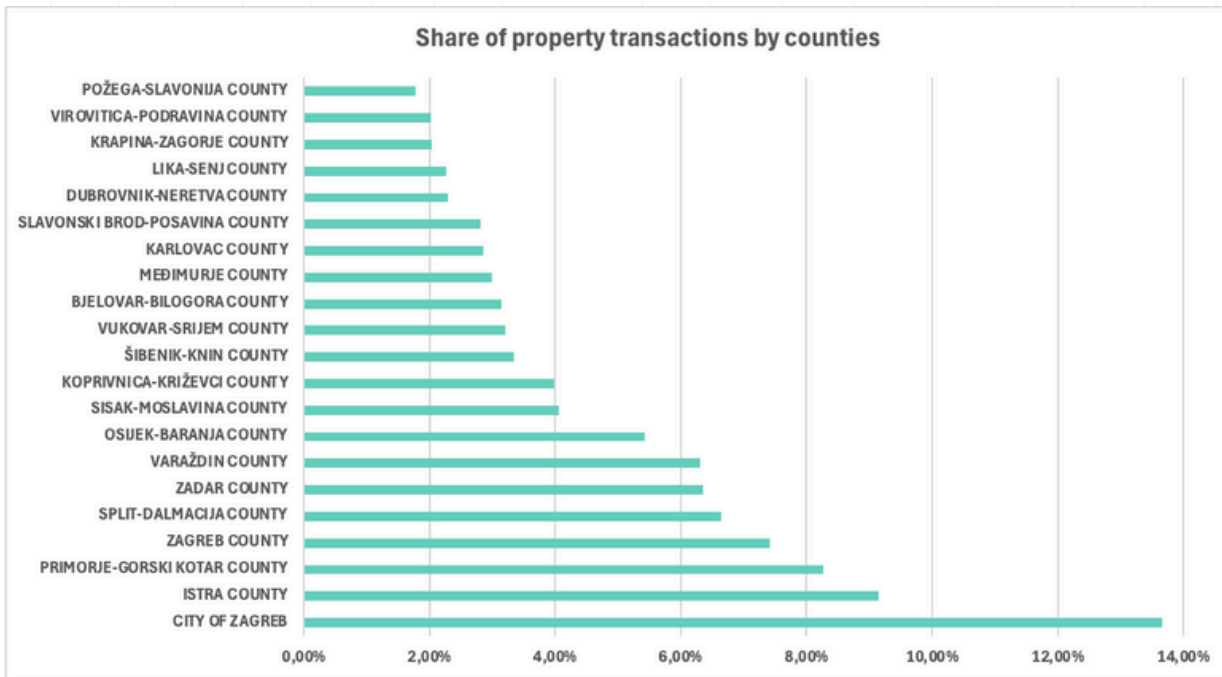
The numbers refer to the number of real estate transactions completed in Q1 2025, Q2 2025 and Q3 2025



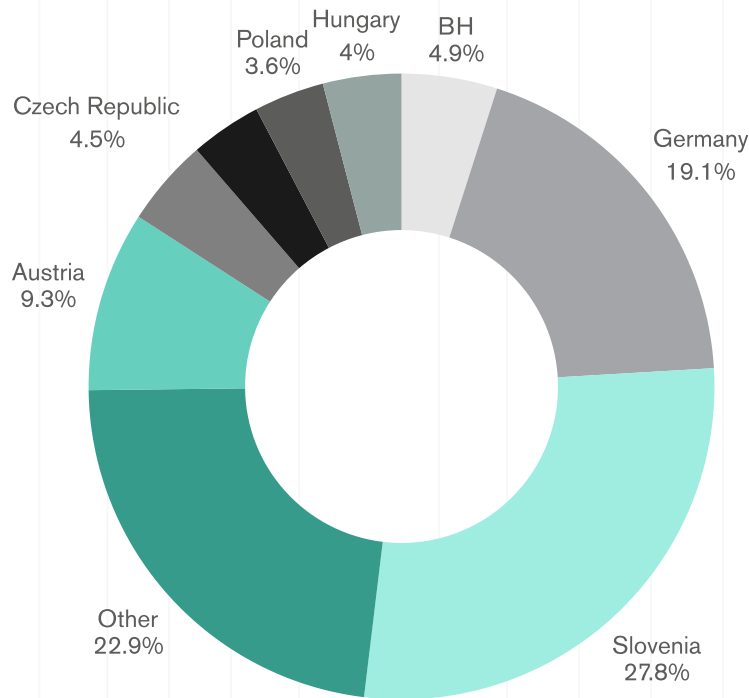
The Tax Administration publishes data on the number of real estate transactions for which the tax base determination process has been conducted. The data is categorized by counties, types of property and the country of the buyer.



According to the data from the Tax Administration, a total of 85.562 real estate transactions were recorded in the Republic of Croatia during the first three quarters of 2025. Of these, 26.909 transactions took place in the first quarter, 30.186 were recorded between April 1 and June 30, while 28.468 transactions were recorded in the third quarter. A slight increase in the number of transactions is visible in the second quarter compared to the first, followed by a slight decline in the third quarter of the current year. This movement in transaction numbers was likely influenced in part by the tightening of housing loan conditions introduced by the Croatian National Bank on July 1, 2025. Additionally, prior to the implementation of these stricter conditions, all commercial banks offered promotional interest rates on housing loans during the first half of the year, which may have contributed to the increase in the number of transactions.



These charts show the distribution of the total number of property transactions by county and clearly confirm the concentration of market activity in several key regions. The City of Zagreb has by far the largest share, exceeding 13%, reflecting its status as the largest and most dynamic real estate market in the country. It is followed by Istria, Primorje-Gorski Kotar, Zagreb County, and Split-Dalmatia County, which together account for a significant portion of total transactions and represent the most active regional centers outside the capital. The share of the Adriatic counties is particularly strong, indicating stable demand driven by a combination of domestic buyers and the tourism-related market. Medium-sized continental counties, such as Varaždin and Osijek-Baranja, hold a solid share, though noticeably smaller than the leading regions. Slavonian and smaller counties occupy lower shares, which aligns with their demographics, economic strength, and lower demand for real estate. Overall, the distribution of shares demonstrates a strong concentration of market activity in urban and coastal areas.



According to the data from the Tax Administration, foreign nationals completed a total of 6.592 real estate transactions in the Republic of Croatia during the first three quarters of 2025, accounting for 7,70% of all transactions in that period.

Among foreign buyers, citizens of Slovenia continue to hold the largest share, almost one-third, with a total of 1.932 transactions, representing 29,31% of all foreign transactions. German citizens are in second place, with 1.393 transactions (21,13%), followed by Austrian citizens in third place with 648 transactions (9,83%).

A significant number of transactions were also completed by citizens of Bosnia and Herzegovina (5,20%), the Czech Republic (4,76%), Hungary (4,26%), Slovakia (3,87%), and Poland (3,82%). The share of other countries individually does not exceed 3,5%.

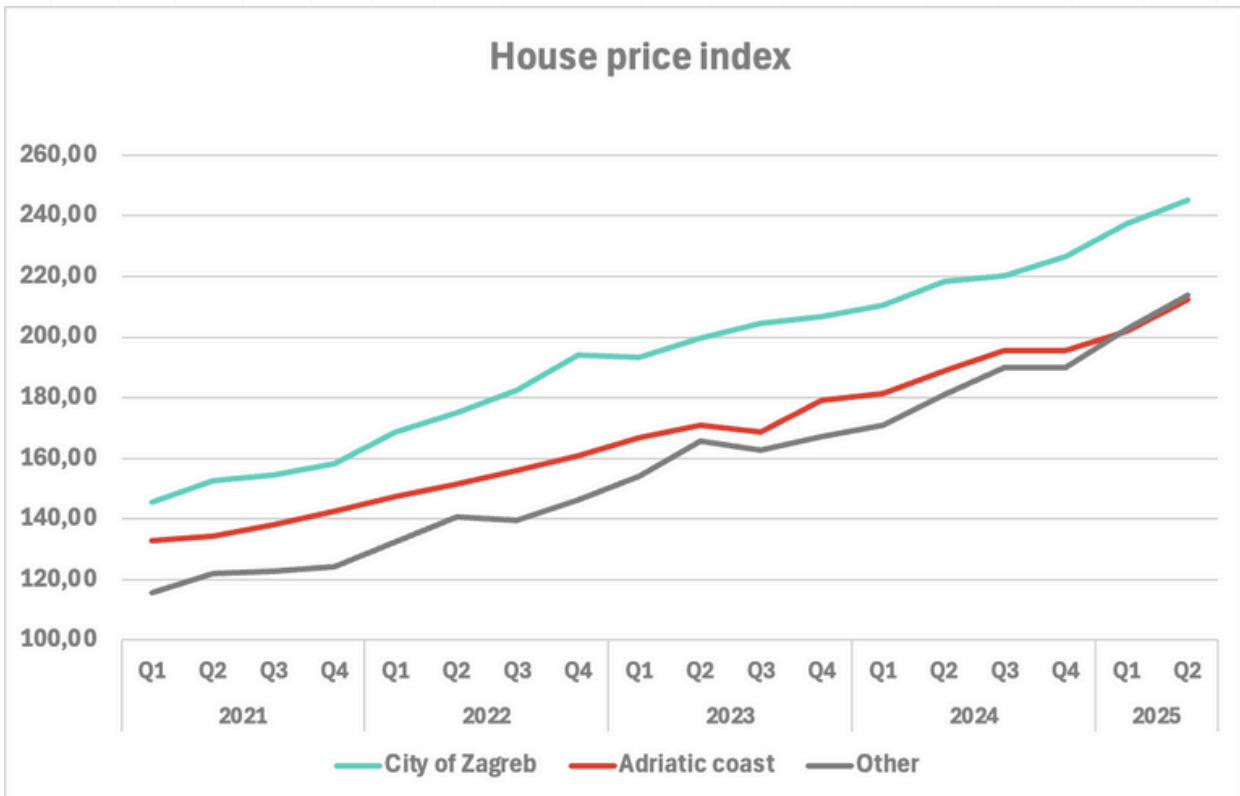
Price index

Price index

It refers to the house price index.



The Croatian Bureau of Statistics publishes the housing price index on a quarterly basis. The index reflects the fluctuations in residential property prices across three statistical groups: Zagreb, the Adriatic coast, and Other regions, and is released with a two-quarter delay.



In the second quarter of 2025, according to the latest data from the Croatian Bureau of Statistics, average residential property prices continued to rise strongly. Compared to the first quarter of 2025, the price index increased by 4,4%, while on an annual basis, compared to the second quarter of 2024, the increase amounted to 13,2%.

Geographically, growth was observed in all regions: in the "Other" category (areas outside Zagreb and the Adriatic), prices rose by 5,6% quarter-on-quarter and 18,2% year-on-year. The City of Zagreb recorded an increase of 3,3% compared to the previous quarter and 12,2% on an annual basis. The Adriatic region showed growth of 5,1% quarter-on-quarter and 12,3% year-on-year



According to the Croatian Bureau of Statistics, in the second quarter of 2025, prices of new residential properties continued to rise, but at a more moderate pace than in the first quarter. Compared to the first quarter of 2025, newly built properties increased by 1,5%. On an annual basis, compared to the second quarter of 2024, the growth amounted to 11,0%. During the same period, existing residential properties rose by 5,2% quarter-on-quarter and 13,7% year-on-year. These data suggest that investors in new construction still operate in a favorable environment, although the pace of growth has slowed compared to the previous surge.

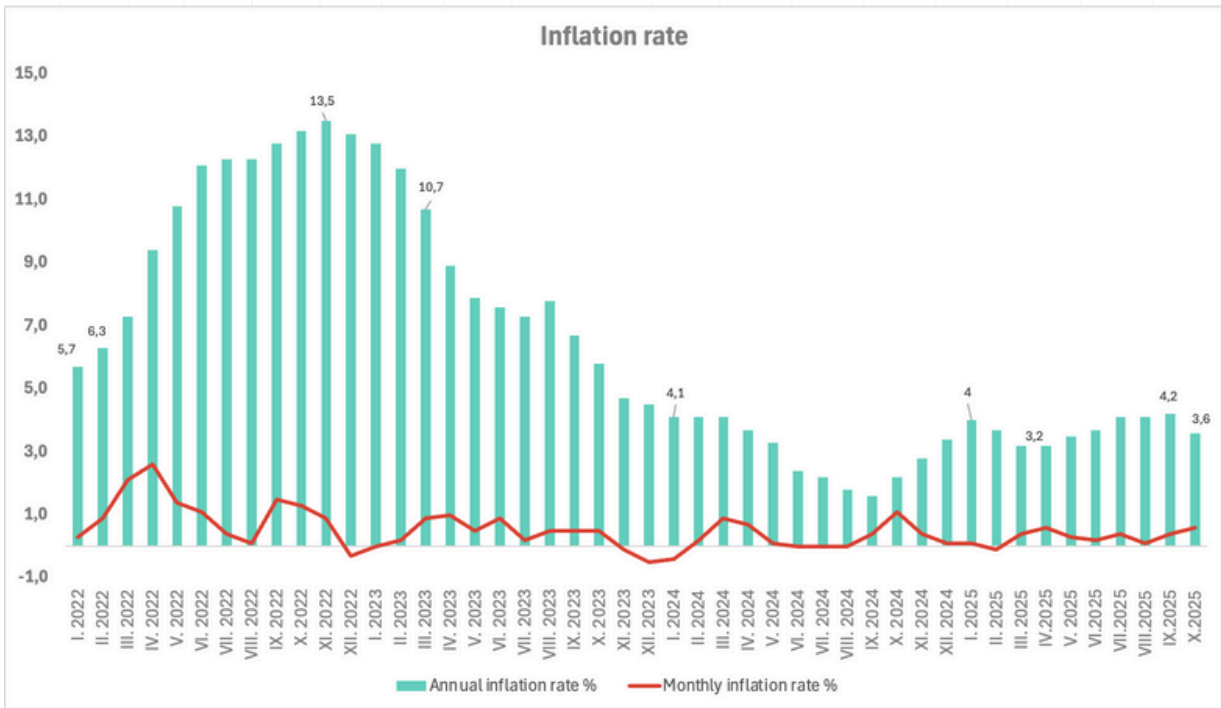
Inflation rate

Annual rate

The data refers to the annual change in the inflation rate.



Inflation is the general increase in the prices of goods and services, measured using the Consumer Price Index (CPI), which is used to compare current prices of goods and services with their prices from previous periods. The data is published on a monthly basis by the Croatian Bureau of Statistics.



According to the data from the Croatian Bureau of Statistics, the annual inflation rate in Croatia in October 2025 was 3,6% compared to the same month last year, indicating a slowdown in the growth of consumer goods and service prices compared to previous periods. The monthly increase in October compared to September was 0,6%.

For the real estate market, this inflation has multiple implications. First, the real cost of living and property maintenance continues to rise, which may increase demand for rentals and further push up prices of existing apartments. Second, investors in new construction still operate in a favorable environment, as the growth in residential property prices in many regions exceeds the inflation rate. For example, newly built properties in the second quarter of 2025 recorded an annual price increase of 11,0%, significantly exceeding the inflation rate and indicating strong demand pressure.

Real estate prices in EU

Quarter indices

The data refers to the real estate price indices for the last two years.



Eurostat publishes data on residential property prices in the European Union on a quarterly basis. The data is expressed through the Housing Price Index, which is a direct indicator of residential property prices.

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
EU average	147,17	147,80	148,80	148,48	149,35	152,25	154,62	155,33	157,44	159,98
Croatia	173,56	179,63	180,09	186,24	189,41	197,53	202,19	205,01	214,18	223,65
Austria	164,35	164,68	164,29	161,40	159,54	164,34	165,40	164,10	164,71	167,84
Belgium	135,04	134,55	136,31	138,28	139,36	138,96	141,18	142,18	143,12	143,00
Bulgaria	177,93	185,50	190,48	192,78	206,42	213,53	221,91	228,00	237,55	246,65
Cyprus	110,31	110,15	110,65	109,95	111,53	112,86	113,62	112,47	113,71	113,99
Czech Republic	211,80	211,00	211,70	212,30	214,30	219,90	224,10	230,20	235,60	243,00
Denmark	135,13	135,67	138,07	140,26	136,66	140,94	144,41	145,50	148,55	151,21
Estonia	191,43	198,79	198,26	202,40	206,38	212,10	211,03	209,64	215,90	223,74
Finland	106,52	107,45	104,35	103,32	101,95	102,11	101,45	100,59	99,56	100,50
France	132,32	131,72	132,25	128,73	125,96	125,68	127,61	126,28	126,69	194,28
Ireland	167,16	166,30	168,79	173,69	177,70	180,34	185,55	189,97	191,81	126,30
Italy	106,80	108,80	108,70	108,70	108,50	112,00	112,90	113,50	113,30	116,40
Latvia	186,40	195,54	193,46	188,14	193,14	196,94	203,86	201,90	204,29	210,21
Lithuania	207,18	212,05	217,15	220,40	227,70	234,01	236,40	241,98	247,69	254,53
Luxemburg	181,20	177,25	165,52	161,96	160,90	162,41	162,77	164,23	162,28	169,80
Hungary	268,81	271,54	272,63	277,19	300,99	306,94	309,11	320,75	337,54	352,86
Malta	149,89	152,24	154,51	157,05	159,98	162,74	165,22	166,62	169,09	171,93
Netherlands	183,14	180,92	182,91	186,07	189,87	194,81	201,80	206,31	210,26	213,30
Germany	152,00	150,00	147,90	145,00	144,10	146,30	146,80	149,20	151,30	152,50
Poland	169,52	175,00	182,88	191,72	200,04	205,92	209,20	211,65	213,20	215,66
Portugal	198,55	204,74	208,48	211,27	212,45	220,74	228,89	235,68	247,05	258,78
Romania	146,28	145,14	150,02	152,28	154,26	155,06	155,86	158,36	161,75	162,38
Slovakia	178,82	171,75	173,20	176,56	173,51	178,70	183,88	190,58	194,60	198,58
Slovenia	181,96	185,39	186,33	191,19	193,48	197,74	201,07	205,71	201,66	209,31
Spain	143,98	146,97	150,68	149,13	153,18	158,63	163,12	166,07	172,00	178,89
Sweden	132,37	133,15	132,61	129,59	130,30	132,13	133,00	132,64	132,73	133,01

According to the Eurostat data for the second quarter of 2025, the average annual growth of the residential property price index in the EU is 5,4%, while in the Eurozone it is 5,1%. Among the countries with the fastest growth are Portugal (+17,2%), Bulgaria (+15,5%), and Hungary (+15,1%), while the only EU member state with an annual decline in property prices is Finland (-1,3%).

In this context, Croatia records very strong growth: +13,2% year-on-year, which is significantly above the European average. This indicates that the Croatian real estate market remains highly active and competitive, with strong demand pressure, particularly in urban and tourist-attractive areas.

Arvio commentary and predictions

The Croatian real estate market maintained a stable upward trend in both transaction volumes and prices during the first three quarters of 2025. Data from the Tax Administration show that the number of transactions was almost equal across all three quarters, with a slight increase in the second quarter, which can be linked to banks' promotional lower interest rates and the tightening of housing loan conditions effective from July 1, 2025. These circumstances created a "race against time" effect, where buyers rushed to secure loans before the stricter rules came into force.

Residential property prices continued to rise in the third quarter as well, significantly above the EU average. The annual price growth in Croatia reached around 13%, while the growth in newly built properties was somewhat milder, indicating a more moderate acceleration in the new-build segment compared to existing apartments.

Regarding the profile of foreign buyers, Slovenians remain the largest group, with significant interest also from Germans and Austrians, particularly for properties along the Adriatic coast. Sustained interest is partly explained by long-term regional trends, while the renewed rise in property prices in Slovenia and Germany further enhance the relative attractiveness of the Croatian market.

In the fiscal and regulatory context, the Croatian government began implementing the National Housing Policy Plan in the first nine months of 2025 – including a property transaction tax refund for first-time buyers, incentives for purchasing new-build properties, and rental subsidies. Although it is still too early to quantify the impact of these measures, they are expected to further stabilize the market and support demand in the coming months.

In conclusion, the Croatian real estate market is entering a phase where the key factors will be the balance between financing availability, fiscal incentives, and regulatory constraints. Continued growth will depend not only on demand but also on how sustainable citizens' purchasing power and international investment attractiveness remain under tightened lending rules and relatively strong price growth in the region.

About us

Arvio is a company with many years of experience in the real estate market, and the majority of Slovenian banks already use our property valuation tool.

The company is a member of the prestigious European AVM organization (European AVM Alliance, EAA). This achievement reflects our commitment to providing high-quality and reliable automated valuation models (AVMs) that meet the strictest technical standards in the market.

Our team consists of experts in economics, IT specialists, as well as property appraisers with many years of experience in valuating all types of real estate both in the Croatian market and abroad.

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