

Consumer market study on the functioning of the real estate services for consumers in the European Union

Country fiche – SLOVENIA

General information

Country	SLOVENIA
Researcher name	MAJA OVČAK KOS, Assist. Professor and an attorney specialist
Researcher contact details (email)	maja.ovcak.kos@mfdps.si, majaovcak@yahoo.com
Main Sources Used	<ul style="list-style-type: none"> - Law of Property Code (SPZ) - Housing Act (SZ-1) - Protection of Buyers of Apartments and Single Occupancy Buildings Act (ZVKSES) - Land Register Act (ZZK-1) - Code of Obligations (OZ) - Notary Act (ZN) - Attorneys Act (ZOdv) - Real Estate Agencies Act (ZNPosr) - Court Fees Act (ZST-1) - Consumer Credit Act (ZPotK-2) - Real Property Transaction Tax Act (ZDPN-2) - Value Added Tax Act (ZDDV-1) - Income Tax Act (ZDoh-2) - Attorney Tariff Act (OT) - Notary Tariff - Report on the Slovenian Real property market for the year 2016, elec. document: www.gu.gov.si/fileadmin/gu.gov.si/.../The_2016_annual_report.pdf - Report on the Slovenian Real property market for the year 2015, elec. document: www.gu.gov.si/fileadmin/gu.gov.si/.../The_2015_annual_report.pdf - EUR-Lex and www.pisrs.si (both websites used for information about legislation and transposition/implementation acts)

1. Regulatory background

1.1 Level of regulation in the country

Table 1: Level of regulation

	Level of regulation	Source of relevant legislation	Ongoing discussion on regulation/deregulation (if applicable): current state of affairs and main arguments in the debate
Real estate transactions¹	Strictly regulated Framework regulation	Law of Property Code (SPZ) Housing Act (SZ-1) Protection of Buyers of Apartments and Single Occupancy Buildings Act (ZVKSES) Land Register Act (ZZK-1) Code of Obligations (OZ).	New legislation in process regarding tenancy and administration of Apartment Buildings.
Notary system (or lawyer/conveyancer system)²	Strictly regulated	Notary Act (ZN) Attorneys Act (ZOdv)	None
Profession of estate agents	Mainly strictly regulated	Real Estate Agencies Act (ZNPosr)	New legislation is being prepared at the time: Real Estate Act (ZNPosr-1).

¹ E.g. limitations or prohibitions of certain transactions; specific formality requirements etc.

² Only in countries where notaries do not exist or do not have a monopoly on conveyancing.

1.2 National legislation

Table 2: List of national legislation

List of national legislation	Classification of national legislation	Content of the national legislation
Real Estate Agencies Act	Consumers, real estate transaction (the content of the contract between the agent and the client), regulation of the profession from the public law perspective	Conditions to apply to the job as agent, compulsory content of the agreement, payment/fee, compulsory insurance of the agents
Code of Obligations	Consumers, buyers and sellers, tenants and landlords	Content of a contract
Law of Property Code	Contracting parties	Acquisition of the property, transfer of the property, land register permission (registration clause).
Land Register Act	Contracting parties	Registration of the contract in the land register
Protection of Buyers of Apartments and Single Occupancy Buildings Act	Consumers	Higher protection level of buyers
Housing Act	Tenants and landlords	Content of the rent contract, partially strictly prescribed to protect the weaker contract party (tenants).
Consumer Protection Act	Consumers	Strictly prescribed protection measures for consumers
Consumer Protection against Unfair Commercial Practices Act	Consumers	Strictly prescribed protection measures for consumers

1.3 Implementation of relevant EU legislation

Table 3: Implementation of relevant EU legislation					
EU legislation	Implementation achieved?	Implementation of EU legislation at the national level (e.g. the name of the law)	Source of the national implementation legislation	Content of the national legislation in keywords	Which parts of the EU legislation have <u>not</u> been transposed?
Directive 2005/29/EC on unfair commercial practices (UCPD)	Yes	Consumer Protection Act Consumer Protection against Unfair Commercial Practices Act	Official Gazette 20/1998, 110/2002, 126/2007; Official Gazette 53/2007	Same as directive	None
Directive 93/13/EEC on unfair terms in consumer contracts	Yes	Code of Obligations Private International Law and Procedure Act Consumer Protection Act	Official Gazette 97/07, 64/16 Official Gazette 56/99, 45/08 Official Gazette 20/1998, 110/2002, 126/2007	Same as directive (after a procedure before the Commission ended in 2008)	None
Directive 2008/122/EC on the protection of consumers, in respect of certain aspects of timeshare, long-term holiday product, resale and exchange contracts	Yes	Consumer Protection Act Standard information forms for timeshare contracts, for long-term holiday product contracts, for resale contracts and for exchange contracts.	Official Gazette 78/2011, 38/2014 Official Gazette 100/2011	Same as directive (after a procedure before the Commission ended in 2012)	None

Table 3: Implementation of relevant EU legislation

Directive 2010/31/EU of Energy Performance of Buildings Directive	Yes	Energy Act Rules on efficient use of energy in buildings with a technical guideline Rules on the training, accreditation and register of accredited independent experts for energy performance certificate production Rules on the methodology of the elaboration and contents of alternative energy supply system feasibility studies for buildings	Official Gazette 17/2014, 81/2015 Official Gazette 52/2010 Official Gazette 6/2010, 23/2013, 17/2014 Official Gazette 38/2008, 17/2014	- Energy consumption - Thermal insulation - Building heating - Environmental standard - Air conditioning Energy saving. Content of the Energy Act (other Rules mentioned are of executive nature, each on its own field).	None
Directive 2005/36/EC on Recognition of Professional Qualifications, as last amended by Directive 2013/55/EU	Yes	There is a large number of transposition acts, which are all described at: http://eur-lex.europa.eu/legal-content/EN/NIM/?uri=CELEX:32005L0036&qid=1498476360655 Examples: Law on the general administrative procedure (ZUP).	Official publication: Uradni list RS; Number: 80/1999; Publication date: 01/10/1999; Page number: 12441-12477	- Freedom to provide services - Administrative cooperation - Recognition of diplomas - Town-planning profession - Recognition of vocational training qualifications.	None
		Rules on issuing certificates of acquired qualifications	Official <i>publication</i> : Uradni list RS; Number: 2/2004; Publication date: 15/01/2004; Page number: 00164-00165		
Mortgage Credit Directive, 2014/17/EC	Yes	Law of Property Code ----- Consumer Credit Act -----	Official Gazette 87/02 in 91/13 Official Gazette 77/16 Official Gazette 3/2007, 93/2007, 37/2008, 45/2008, 28/2009, 51/2010, 26/2011,	- Mortgage - Real property -----	None

Table 3: Implementation of relevant EU legislation

		<p>Claim Enforcement and Security Act ----- Rules on the content of and forms for providing information on consumer credit for real estate.</p>	<p>17/2013, 45/2014, 53/2014, 58/2014, 54/2015, 76/2015 Official Gazette 7/2017.</p>	<p>Credit guarantee Consumer information Consumer credit Financial solvency Foreign currency ----- Real estate credit.</p>	
--	--	---	--	--	--

1.4 Communications and strategy papers

Table 4: Communications and strategy papers					
Communication or strategy paper	Have the following communications and strategy papers been referred to in national documents?	Name of document	Source	Content	Differences with respect to communications and strategy papers listed in the first column
COM(2015) 550 final Communication of the Commission Upgrading the Single Market: more opportunities for people and business	No			The National Assembly has received the document on 17. 11. 2015, but no additional references were found on the web site.	
COM(2013)676 Communication from the Commission on evaluating national regulations on access to professions	No			The National Assembly has received the document on 14. 10. 2013, but no additional references were found on the web site.	
COM(2016)820 Communication from the Commission on reform recommendations for regulation in professional services	No			The National Assembly has received the document on 23. 1. 2017, but no additional references were found on the web site.	
European Consumer Agenda	No			National Assembly adopted 14. 6. 2012 the Resolution on National Consumer Protection Programme 2012-2017 (referring to previous documents of the Commission regarding the protection of the consumers)	
Consumer Programme 2014-2020	No			Reference to the Regulation No 254/2014; no additional references found.	

2. General market information

2.1 Key market data

Table 5: Key market data

General market situation (e.g. trends in the market, recent developments in the market, price fluctuations, etc.)

In 2016, the **growth in sales** continued in the Slovenian real property market, especially due to the **growth in the number of sales of residential real property** and construction land; the growth had started with an intensive revival of the market in 2014. While prices of residential real property hit the bottom in 2015, last year, they increased to such a considerable extent. The Slovenian real property market **is expecting the beginning of a new investment and construction cycle**, since supply will try to follow the increased demand. 32 thousand real property sales were concluded in 2016 on the free market or at public auctions. The number of buildings, parts of buildings and land sold almost reached the number of the record year of 2007. **The total value of real property sales last year amounted to approximately EUR 2.1 billion, and reached EUR 2 billion for the first time since the record year of 2007**, when it amounted to around EUR 2.3 billion. Compared to 2015, the total contractual value of recorded sales increased by approximately one fourth, which is the highest increase since the start of our monitoring process. Compared to 2013, when the value of sales amounted to approximately EUR 1.3 billion, thus being the smallest since the start of our monitoring process, it grew by almost two thirds. We can expect that the final number of residential real properties sold will come close to the record value registered in 2007. The increase in the number of sales of residential real property continued last year for the third year in a row.

Contrary to 2015, when the number of sales of residential real property increased mostly due to the sale of flats in multi-dwelling buildings, last year the number of house sales significantly increased. **Compared to 2015 the number of recorded sales of flats and houses jointly increased by 13 per cent. Compared to 2013, the number of sales of residential real property increased by 60 per cent** and was only around 5 per cent lower compared to 2007. Sales of office, retail, service and hospitality premises dropped last year. After hitting bottom in 2015, sales of building plots finally came to life last year.

According to the preliminary data, compared to 2015 sales increased by approximately one sixth, which could indicate the start of a new investment cycle. The trend in the growth in the number of transactions made with residential real property is continuing in the area of Central Slovenia. The **prices of flats and houses** after hitting bottom at the start of 2015 **show a more obvious rising trend**. There has been a turnaround in the market of building land. After nine years of decline, the number of sales and prices show a strong growth trend. Last year, sales of farm and forestland also increased in the area of Central Slovenia. The value of market sales of farmland in comparison with the previous year increased by more than one fifth and reached almost EUR 3.2 million. The average price of farmland was EUR 2.10/m² and did not change. The value of market sales of forestland last year reached almost EUR 1.4 million, a drop of one fifth in comparison with the preceding year. This decrease in sales was due to a decline of 36 per cent in total area of forestland sold last year. The average price of forestland, which was EUR 0.48/m² last year, increased by one fifth in comparison with the preceding year.

Sales of commercial real property are mostly concentrated in Ljubljana, where last year Slovenia recorded 84 per cent of all sales of offices and 53 per cent of all sales of other businesses premises in Central Slovenia. There was a low number of transactions with commercial premises; prices fluctuate greatly every year. Approximately 2950 flats were sold in multi-dwelling buildings in Ljubljana (the capital), or 8 per cent more than in the preceding year. The average price of a used flat was around EUR 117,000, or EUR 2,180 per square metre of useful floor surface, 7 per cent higher compared to the preceding year. The

Table 5: Key market data

prices of used flats in Ljubljana showed a constant trend of moderate growth from the beginning of the previous year. Compared to the peak in prices in 2008, prices last year were 20 per cent lower.

At the end of 2016, approximately 848,000 residential units were recorded in Slovenia. Around 525,000 units or 62 per cent of the housing stock are flats in independent single-dwelling or two-dwelling houses, terraced houses and semi-detached houses (hereinafter: houses); around 323,000 or 38 per cent are flats in multi-dwelling buildings (hereinafter: flats). The general market value of residential real property accounts for around 60 per cent of the value of the entire Slovenian real property fund, the general value of which is around EUR 119 billion. In terms of number and value, the market for residential flats is the largest and most developed real property market in Slovenia. Almost half of the stock of residential flats is concentrated in the five largest cities (Ljubljana 29%, Maribor 11%, Celje 4%, Kranj and Koper 3%, respectively). Approximately 10,600 sales of flats were recorded in the free market and at public auctions in 2016, i.e. 3.3 per cent of the national fund of flats in multi-dwelling buildings. Approximately 2 per cent were sales of unfinished flats. Some 91 per cent of finished flats were sold in the secondary market (sales of used flats), and 9 per cent in the primary market (sales of new flats). After a swift revival of the market at the beginning of 2014, the number of recorded sales of flats rose for the third consecutive year. Compared to 2015, it increased by 12 per cent. Compared to 2009 or at the peak of the first real property crisis, it was 90 per cent higher, and in comparison with 2013 or the second crisis peak, it was 70 per cent higher.

After the start of the real property market crisis in 2008, prices of used flats in Slovenia hit bottom in the first half of 2015, then stagnated until the end of 2015, and the trend turned at the beginning of 2016. **The national average price of a used flat was 1,510/m² last year (2016)**, 4 per cent higher than in 2015. Compared to 2008, when prices hit their peak, the price was 17 per cent lower; compared to 2009, when the first low of the real property crisis was reached, the price was 10 per cent lower, and in 2013 or at the second crisis low, the price was equal. Compared to the record year 2007, the number of recorded sales was 4 per cent lower.

In 2016, Slovenia recorded 825 sales of new flats. Two hundred of them or 22 per cent were sold at compulsory public auctions in bankruptcy and enforcement procedures. **The average price of new flats** sold on the free market or at voluntary public auctions **was EUR 2,150/m².**

Residential houses with appertaining land account for the biggest share of the Slovenian real property stock. Currently, the Slovenian real property register has 525,000-recorded flats in houses that are suitable for occupation. This includes 429,000 flats in (family) houses with one or two flats (81.7%), around 50,000 in terraced houses (9.5%) and around 46,000 in semi-detached houses (8.8%). While the number of house sales stagnated in 2015, it rose by 16 per cent last year. Compared to 2009 or at the height of the first real property crisis, the sales of houses completely halted, while last year, the number of recorded sales was 130 per cent higher, and in comparison with 2013 or the second peak of the crisis, it was more than 40 per cent higher. Compared to record year 2007, sales of houses were approximately 10 per cent lower. **In 2016 the average price of a sold house was EUR 113,000** € 5 per cent higher than in 2015. The average surface of a sold house was 160 square metres; the median year of construction was 1973; the average area of the appertaining land was 900 square metres. Compared to 2015, houses sold were on average 10 square metres bigger; the median age of the house (43 years) and the size of the appertaining land did not change. If we consider the fact that slightly larger houses were sold, their prices increased by 3 per cent (see: Report on the Slovenian Real property market for the year 2016, elec. document: www.gu.gov.si/fileadmin/gu.gov.si/.../The_2016_annual_report.pdf, accessed 25 June 2017).

Table 5: Key market data

	In the 1st quarter of 2017 dwelling prices were on average 1.3% higher than in the 4th quarter of 2016. The number of transactions of existing dwellings remained high. Dwelling prices in the 1st quarter of 2017 were 6.9% higher than the 2015 average.	
Total value of residential transactions for buying and renting for the year 2015 (2014 or 2013 depending on the latest available data) expressed in EUR	In 2015, approximately 28 thousand real property sales/purchase transactions executed in the free market or at public auctions were recorded. Their total value amounted to approximately €1.6 billion. Compared to 2014, the number of recorded transactions increased by 2% and their total value increased by 4%. In 2014, the number of transactions compared to the previous year increased by 10% and their total value increased by 22%. There are no official data for renting transactions. In 2015, there was in a commercial lease around 18.500 flats, 2.700 houses and 2.200 rooms, more than 17.000 flats were subject of non-profit rentals. The average rent price of the flat in the capital was between 7 and 9 EUR/m ² , the average price for rent of the one room flat in cities in Slovenia in 2015 is around 300 EUR/month.	
Ratio house owners – tenants (i.e. the percentage of households that are owners resp. tenants of dwelling units)	Due to the privatisation of publically owned dwellings after 1991, about 90 percent of all dwellings are today owner occupied, and only 10 percent are rental dwellings (see: Tanja Šarec, Slovenian tenants and human, December 2015, electronic document www.iut.nu/Slovenia_Dec_2015.pdf , accessed 25 June 2017).	
Usage of land (Quotas for built land, agricultural land, "wild land" (forests, lakes etc.))	Agricultural land: 22.8%, arable land 8.4%; permanent crops 1.3%; permanent pasture 13.1%, forest: 62.3%, other (including any land not arable or under permanent crops; includes permanent meadows and pastures, forests and woodlands, built-on areas, roads, barren land, etc.) : 14.9% (See: https://www.cia.gov/library/publications/the-world-factbook/fields/2097.html , 25. June 2017). More than half of Slovenia's land area is covered by forests (56% or 58% including shrub land), while other mostly natural vegetation accounts for 4%, 35% of the surface area is intended for farming and slightly less than 3% is artificial area. Changes detected by CLC are relatively small and do not involve much more than one tenth of one percent of the entire territory. Majority of detected changes were related to forest management and infrastructure construction. (see: http://kazalci.arso.gov.si/?data=group&group_id=11&lang_id=94). In 2012, there were 109,162.8 ha of built-up areas in Slovenia, which, according to the situation in 2008, was only 202.2 ha of new built-up areas. In the 2008-2012 period-urbanised areas, representing 5,4% of land use in Slovenia, have been increasing. Urbanisation rate is outstandingly higher in Osrednjeslovenska and Podravska statistical regions. See: http://kazalci.arso.gov.si/?data=indicator&ind_id=539 and http://kazalci.arso.gov.si/?data=group&group_id=11&lang_id=94 .	
Average prices of residential property	<i>According to the type of property</i> <ul style="list-style-type: none"> <i>Average flat of ca. 70 sqm</i> 	In 2015: 101.500,00 EUR (the average price of m ² was 1450,00 EUR); In 2014: 102.200,00 EUR (the average price of m ² was 1460,00 EUR); In 2016: 105.700,00 EUR (the average price of m ² was 1510,00 EUR); No official data for terrace houses and one family houses, because these indicators are not calculated due to small and unrecognized statistical samples would be unreliable or misleading

Table 5: Key market data

	<ul style="list-style-type: none"> • <i>Terrace house of ca. 100 sqm</i> • <i>Detached (one family house) of ca. 150 sqm</i> 	The average price for the terrace house taking into account data from http://www.trgnepremicnin.si/index.php?link=vsebine-portala/stanje-trga&language=sl&module=mod_stanje&function=change&d=stavbe&t=cene_povcena , was 107.000,00 EUR in 2015.
	<i>According to the type of location</i> <ul style="list-style-type: none"> • <i>Capital city</i> • <i>Urban areas</i> • <i>Rural areas</i> 	No official data Taking into account data from http://www.trgnepremicnin.si/index.php?link=vsebine-portala/stanje-trga&language=sl&module=mod_stanje&function=change&d=stavbe&t=cene_povcena , in 2015 the average prices were: Capital city: 2.000 EUR/m ² ; Urban areas: 1.250 EUR/m ² ; Rural areas: 950 EUR/m ² .
Price development of residential property	<i>According to the type of property</i> <ul style="list-style-type: none"> • <i>Average flat of ca. 70 sqm</i> • <i>Terrace house of ca. 100 sqm</i> • <i>Detached (one family house) of ca. 150 sqm</i> 	No official data Taking into account data from http://www.trgnepremicnin.si/index.php?link=vsebine-portala/stanje-trga&language=sl&module=mod_stanje&function=change&d=stavbe&t=cene_povcena , the price development taking into account the years 2015 and 2016 are: Average flat: + 3,5 %; Terrace house: + 2,5 %; Detached house: + 2%.
	<i>According to the type of location</i> <ul style="list-style-type: none"> • <i>Capital city</i> • <i>Urban areas</i> • <i>Rural areas</i> 	No official data Taking into account data from http://www.trgnepremicnin.si/index.php?link=vsebine-portala/stanje-trga&language=sl&module=mod_stanje&function=change&d=stavbe&t=cene_povcena , the price development taking into account the years 2015 and 2016 are: Capital city: +3,5 %; Urban areas: + 1,7%; Rural areas: +1,3%.

Table 5: Key market data

Development of price index (Housing price index if existing, otherwise Consumer price index)

The Housing Index in Slovenia increased to 90.05 Index points in the fourth quarter of 2016 from 88.47 Index points in the third quarter of 2016. Housing Index in Slovenia averaged 96.03 Index points from 2007 until 2016, reaching an all-time high of 112.21 Index points in the third quarter of 2008 and a record low of 83.42 Index points in the third quarter of 2014.

In the 1st quarter of 2017, the prices of **newly built dwellings** (new flats and family houses together) decreased on average by 4.1% over the previous quarter. After a significant rise in the 4th quarter of 2016 (by 7.4%), the prices of **newly built flats** went down by 4.6%. The number of transactions was low (194); 94 flats owned by the Bank Asset Management Company were sold in Ljubljana and another 11 flats from bankruptcy proceedings were sold outside the capital city. The average age of newly built flats sold (6.4 years) was much higher than in the previous two quarters (3.7 years). All these factors contributed to lower prices of newly built flats sold in the 1st quarter of 2017. In the Osrednjeslovenska statistical region, 65% of all newly built flats were sold, of which 91% in the urban municipality Ljubljana. In Obalno-kraška 12% and in Gorenjska 10% of flats were sold. The prices of newly built family houses decreased by 1.6% over the previous quarter. The number of transactions was again very low (See: <http://www.stat.si/StatWeb/en/News/Index/6592>).

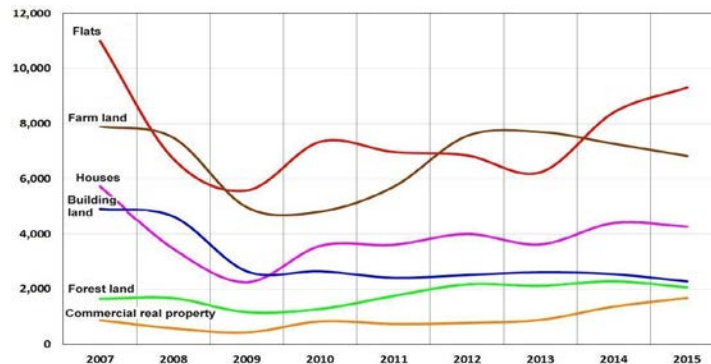


Figure 1: The number of recorded sales by real property type, Slovenia 2007-2015 (see: Report on the Slovenian Real property market for the year 2016, elec. document: www.gu.gov.si/fileadmin/gu.gov.si/.../The_2016_annual_report.pdf, accessed 25 June 2017).

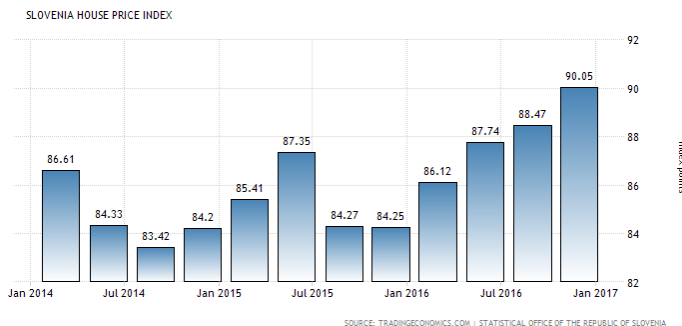


Figure 2: Slovenia house price index (see: <https://tradingeconomics.com/slovenia/housing-index?continent=asia&continent=asia>, 25. June 2017).

Table 5: Key market data

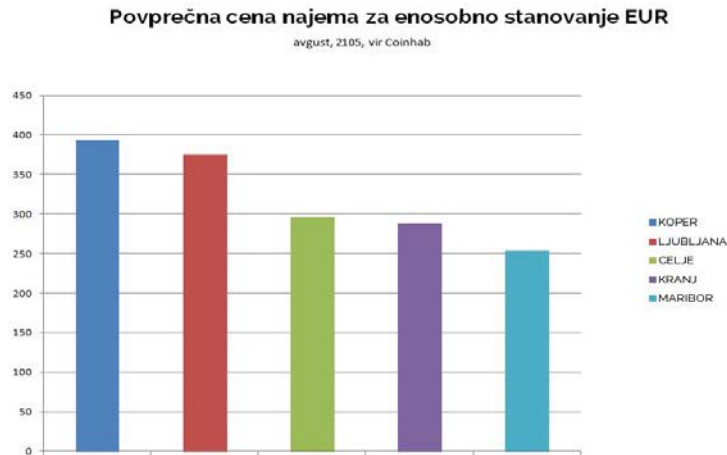


Figure 3: Average price of rent of the one bedroom flat in Slovenia (see: https://www.coinhab.si/index.php/nasveti/32/Najem_stanovanja_katero_mesto_v_sloveniji_je_najdrazje#&gid=1&pid, 25 June 2017).

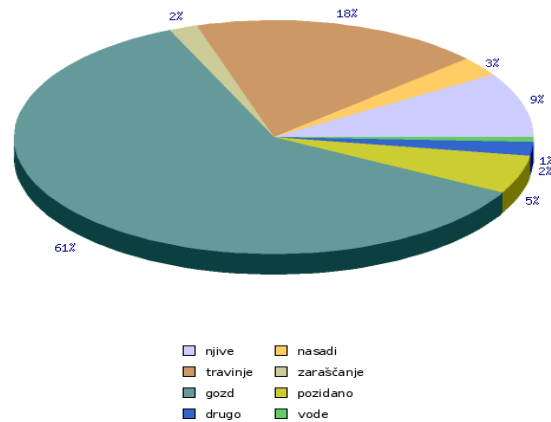


Figure 4: Land cover and land use in 2012 (see: http://kazalci.arso.gov.si/?data=indicator&ind_id=539) (njive-files, travinje-grassland, gozd-forest, drugo-other, nasadi-plantations, zaraščanje-overgrowth, pozidano-built-up, vode-water).

2.2 Service providers

Table 6: Service providers						
	Total number of firms	Total number of professionals	Total number of employees	Branch offices per firm	Market concentration in % of turnover	Average turnover per firm (expressed in EUR)
Estate agents	4943	1986	No data available	No data available	Very small	50.054.058 EUR (Turnover of all firms which implies an average turnover per firm of about 101.324€).
Lawyer/Advocate/Solicitor	270	Registered European, Foreign and exempt European lawyers number all together is 17.	No data available	There are just 23 branch offices in the whole country.	Very small	92.279.202 EUR (that is the turnover of the all firms; the biggest firm`s turnover is around 7.500.000 EUR).
Notary	92	92	298	N/E	N/E	The average turnover of one notary office in 2016 (including all its services) was 265.017,20 EUR; 6,6% of notaries had reached the income over 500.000,00 EUR; the lowest income of the notary's office in 2016 was 73.591,00 EUR; 37,3% notary's offices had an income between 100.000,00 EUR and 200.000,00 EUR.
Licenced conveyancers	N/E					
Architects	757	1433	No data available	N/A	Very small % of their work is in residential sales market.	116.654.132 EUR (the turnover of the all firms which implies an average turnover per firm of about 154.100,57€).

³ All data are for the year 2016.

Table 6: Service providers

Surveyor	180	623	No data available	N/A	Extent to which their work is in residential conveyancing will vary.	28.205.603 EUR (the turnover of the all firms which implies an average turnover per firm of about 156.697,79€).
Engineers	2437	6681	No data available	N/A	Very few would work mainly in existing residential property.	1.180.085.169 EUR (The turnover of the all firms which implies an average turnover per firm of about 484.236,84€).

3. Roles of professionals and services in the real estate market

Table 7: Role of professionals in the real estate market						
	Estate agent	Property valuator⁴	Lawyer/Advocate/Solicitor	Notary	Bank	Technical expert (architect, engineer, surveyor)
Main function: does the professional typically work independently or as part of a firm or another organisation?	Usually in a firm; usually also in collaboration with an online agency	N/A	Usually in a firm	Independent practitioners (mandatory)	N/A	N/A
Extent of engagement (at which point(s) does each professional intervene in the process?)	First point of contact (matching parties) Drafting the sales contract and/or deed of conveyance (rare)	N/A	Drafting the sales contract and/or deed of conveyance (rare)	Drafting the sales contract and/or deed of conveyance (rare) Control of tax payment Verification of signatures	Credit and mortgage application	N/A
Mandatory involvement	No	N/A	No	Yes (verification of signatures)	N/A	N/A
How are their fees/charges structured	% contract price	-	Based on value	Based on value	Fixed fees by each bank itself	N/A

⁴ In some EU countries, the real estate property valuers are regulated as a profession that is separate from estate agents (e.g. Hungary, Lithuania, Latvia); their services might be obligatory, especially when taking mortgage loans.

4. Land registration

Table 8: Land registration	
Responsible authority(ies) dealing with land registration	County courts
Actors involved in the registration procedure and their main functions	Only notaries can verify the signature with the respect to the land register permission, issued by the owner of the real estate or the other right in rem, which is mandatory. Land registry application is filed by notaries (usual), advocates (possible), estate agents (possible), parties
Intermediate steps of the registration procedure, if applicable	1. Land registry application - filed by notaries (usual), advocates (possible), estate agents (possible) or parties by the county courts. 2. The Judicial Assistant decides on the entry of the right that is proposed in the land register by a resolution. 3. Opposition - In the case of refusal of the land registry application, the opposition can be brought on (within eight days of the notification of the resolution). 4. The judge of the first instance court decides whether the resolution issued by the land registry judicial assistant remains in force or shall be annulled. 5. Against the judgement the appeal can be brought. 6. The final decision is adopted by the High court.

5. The process to buy or sell a property

5.1 Main steps in the transaction process to buy or sell a property

Table 9: Main steps of the process to buy or sell a property			
Main steps	Main function	Applicable	National specificities/additional functions/main actors
Estate agent services	Matching the parties	Yes	Individual properties are usually marketed online; most purchasers generally rely on online agencies for searching for property.
Alternative matching devices	Matching the parties	Yes	Personal contacts, newspaper advertisement or online advertisement.
Preliminary contract	Securing the transaction before the final contract is concluded.	Yes	The preliminary contract is used in particular when an obstacle still needs to be overcome before the main contract may be concluded; the preliminary contract has to have all the essential components of the main contract; the main contract has to be concluded within 6 months from the deadline for the conclusion of the preliminary contract.
Preliminary checks (land register, administrative permits)	Ensuring that the buyer knows all legal obligations and relevant features related to the property.	Yes	A real estate agent (if engaged), an advocate, a notary; each indicated professionals can independently perform the task.
Drafting the sales contract and/or deed of conveyance	Summarising the agreement of the parties	Yes	An advocate, a notary, a real estate agent, sometimes also parties by themselves; each indicated professionals can independently perform the task. The sales contracts has to be in writing.
Legal advice or counselling	Ensuring that the transaction is valid and that the parties know about their rights and duties.	usual	An advocate, sometimes also a notary; each indicated professionals can independently perform the task.
Certification of signatures	Ensuring the validity of the agreement	Yes	Only notaries can verify the signature with the respect to the land register permission, issued by the owner of the real estate or the other right in rem, which is mandatory. The land register permission can also be included in a separate document instead of the sales contract.
Contract execution (transfer of payment)	Executing the contract (and securing that both parties perform their obligations)	Yes	Parties themselves, bank, notary in case of fiduciary account; usually, all perform the task.

Table 9: Main steps of the process to buy or sell a property

Contract execution (transfer of property)	Executing the contract (and securing that both parties perform their obligations)	Yes	Parties themselves
Registration	Making the transaction visible to third parties and the public	Yes	Land registry (county court)
Taxation (esp. transfer tax)	Creating revenue for the state	Yes	Stamp duty land tax must be paid before registration and verifying signature on the land register permission.
Post-transaction controls (if applicable)	Securing that the contract is duly executed	No	--
Other steps		Yes	Notification of the contract by The Surveying and Mapping Authority of the Republic of Slovenia.

5.2 Sale contract and transfer of ownership

Table 10: Contract of sale and transfer of ownership

Main steps	Actors involved per intermediate step	Payment details ⁵		Typical risks associated to these steps
		Payments expressed : • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies)	When is the payment made	
Estate agent services or alternative matching devices	Agency usual	Up to 4 % of the sales price + VAT	On conclusion of the contract	Gazumping

⁵ Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question.

Table 10: Contract of sale and transfer of ownership

Preliminary contract (usual)	Advocates unusual, mostly parties themselves	Based on value. For example: 100K – 298 EUR; 250K – 459 EUR; 500K – 459 EUR	When the service is provided	N/E
Preliminary checks (land register, administrative permits)	Legal draftspersons (an advocate or a notary) unusual Estate agents (if engaged)	The Attorney Tariff Act (Tar. No 39/5) 22,95 EUR + VAT The Notary Tariff (Tar. No 20/5-6) 23,00 EUR + VAT Included in their fee. It is not possible to disentangle the value of fees.	When the service is provided	N/E
Drafting the sales contract and/or deed of conveyance	Advocates Notaries Real estate agents Parties	Based on value The Attorney Tariff Act - Tar. No 34: 100K – 597 EUR; 250K – 918 EUR; 500K – 918 EUR. The Notary Tariff –Tar No 1: 100K – 146 EUR; 250K – 275 EUR ; 500K – 505 EUR	When the service is provided	N/E
Legal advice or counselling	Advocates (rare) Notaries (rare)	Depending on time For consultation: For each of started half an hour is 22,95 EUR (plus VAT). For written legal advice and legal opinions: For each of started half an hour between 22,95 - 45,90 EUR (plus VAT), according to the detention of the case	When the service is provided	N/E
Certification of signatures	Notaries (mandatory)	Based on value The Notary Tariff (Tar. No 8: 100K – 46 EUR, 250K – 66 EUR, 500K – 100 EUR)	When the signature is verified	N/E

Table 10: Contract of sale and transfer of ownership

Contract execution (transfer of payment and registration; transfer of property)	Advocates (possible) Notaries (possible)	The Attorney Tariff Act (Tar. No 39/1-7) 22,95 EUR + VAT (for each half hour)	When the service is provided	N/E
Registration in land register or similar device	Notary usual Advocate (possible) Estate agent (possible) Parties	For the motion: The Attorney Tariff Act (Tar. No 36/1) 68,85 EUR + VAT The Notary Tariff (Tar. No 13/1) 37,00 EUR + VAT Court fee: Court Fees Act, Tar. No 91011: based on value	When the service is provided	N/E
Taxation (esp. transfer tax)	Seller	Stamp duty: 2 % of the purchase price	On conclusion of the contract/Before the verification of the signature on the land register permission and before registration.	N/E
Other steps: notification by The Surveying and Mapping Authority of the Republic of Slovenia	Sellers, landlords	No fees	N/E	N/E

▲ Information on the legal position of a tenant occupying the dwelling to be sold. In particular: Does the rule *emptio non tollit locatum* apply?

In the sale of a property that prior to this was delivered to another for lease, the acquirer of the property shall assume the place of the lessor; thenceforth the rights and obligations deriving from the lease shall exist between the acquirer and the lessee.

The acquirer may not demand that the lessee delivers the property prior to the end of the period for which the lease was agreed, or the end of the period of notice if the duration of the lease is not stipulated by the contract or by law.

Land register fees:

Value (EUR)	Fee EUR
100K-300K	80
300K-400K	100
400K-500K	120
500K-600K	160
600K-750K	200
750K-1M	250
1M-2M	300

5.3 Professional services performed in the real estate market related to buying and selling a property

Table 11: Professional services performed in the real estate market related to buying and selling a property

Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)
Estate agent services or alternative matching devices	Real Estate Agencies Act e.g. Art. 15: content of general terms regarding the legal and factual state of the real estate; Art. 17: obligation of the agent to explain market condition regarding the price, the content of the legislation about real estate contracts (including taxes, land register procedure), costs and expenses, risks connected to a particular real estate; Art. 23: duty to check	Estate agents/online agents	Optional but usual	Up to 4 % of the sales price If the sale price is 100.000 EUR the max fee is 4.000 EUR

Table 11: Professional services performed in the real estate market related to buying and selling a property

	the legal and factual condition of the real estate.			
Provision of mandatory information before the start of the transaction, if applicable	N/E	N/E	N/E	N/E
Preliminary contract (usual)	N/E	Sometimes legal draftspersons (advocates or notaries) Mostly parties themselves	Professional involvement neither mandatory nor usual	Based on value (Advocates: 100K – 298 EUR, 250K – 459 EUR, 500K – 459 EUR)
Preliminary checks (land register, administrative permits)	N/E	Legal draftsperson (advocates or notaries) Estate agents (mandatory if engaged)	Professional duty of legal draftsperson (as part of contract drafting)	The Attorney Tariff Act (Tar. No 39/5) 22,95 EUR + VAT The Notary Tariff (Tar. No 20/5n/e6) 23,00 EUR + VAT Included in the fee
Drafting the sales contract and/or deed of conveyance	N/E	Advocates Notaries Real estate agents Parties	Professional involvement neither mandatory nor usual	The Attorney Tariff Act - Tar. No 34: 100K – 597 EUR, 250K – 918 EUR, 500K – 918 EUR The Notary Tariff - Tar. No 1: 100K – 146 EUR, 250K – 275 EUR, 500K – 505 EUR
Legal advice or counselling	N/E	Advocates Notaries	Professional duty of legal draftsperson (as part of contract drafting)	In the fee or extra, depending on the agreement. If extra – for consultation: For each of started half an hour is 22,95 EUR (plus VAT). For written legal advice and legal opinions: For each of started half an hour between 22,95 - 45,90 EUR (plus VAT), according to the detention of the case

Table 11: Professional services performed in the real estate market related to buying and selling a property

Certification of signatures	N/E	Notaries	Mandatory (necessary for registration)	Based on value The Notary Tariff (Tar. No 8: 100K – 46 EUR, 250K – 66 EUR, 500K – 100 EUR)
Contract execution (transfer of payment; transfer of property)	N/E	Advocate (possible) Notary (possible)	Professional involvement neither mandatory nor usual	The Attorney Tariff Act (Tar. No 39/1n/e7) 22,95 EUR + VAT (for each half hour)
Registration in land register or similar device	N/E	Notaries Advocates Estate agents Parties	Professional involvement not mandatory but usual	For the motion: The Attorney Tariff Act (Tar. No 36/1) 68,85 EUR + VAT The Notary Tariff (Tar. No 13/1) 37,00 EUR + VAT Court fee: Court Fees Act, Tar. No 91011: based on value
Taxation (esp. transfer tax)	N/E	Financial Administration of the Republic of Slovenia	Mandatory	2 % of the purchase price
Other services (notification of the contract)	N/E	The Surveying and Mapping Authority of the Republic of Slovenia	Mandatory	Free of charge

5.4 Creating a Mortgage

Table 12: Mortgage requirements					
Main steps to create a mortgage	Actors/institutions involved	Minimum standards for information	Additional requirements for consumer mortgages	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price and • As a fixed amount (if available) 	Typical risks associated to these steps
Conclusion of credit and mortgage agreement with lender (bank)	Bank must provide information in the form of the European Standardised Information Sheet (ESIS). A bank's advocate A notary, who drafts a contract establishing a mortgage in the form of a notary deed	Consumer Credit Act (ZPotK-2): Art. 7: providing free information about the content of various credit agreement in a specific written form, especially e.g. in case of a credit in a foreign currency; Chapter III: special rules on real-estate credit agreement – providing information (Art. 39 and 40) prior to the conclusion of the credit agreement: period, type of interest, amount of costs and expenses; adequate assessment of the (mortgage) real estate value (Art. 45); Notary Act (ZN).	Lenders have detailed lending handbooks Regulatory bodies also have detailed conduct rules	Credit approval fee and Mortgage arrangement fee - fixed bank fees (average fee around 500 EUR) The costs of a notary's service depend on value (The Notary Tariff - Tar. No 1: 100K – 146 EUR, 250K – 275 EUR, 500K – 505 EUR).	-
Insertion of mortgage in the land register, usually at first rank	A notary	N/E	N/E	For the motion: The Notary Tariff (Tar. No 13/3) 37,00 EUR (purchase price less than 137.700,00 EUR) or 92,00 EUR (purchase price more than 137.700,00 EUR) + VAT Court fee: <ul style="list-style-type: none"> - Court Fees Act, Tar. No 91012: 50 EUR - The Court fee is paid in addition to the Notary Tariff. 	Assuring simultaneous performance
Credit sum paid to mortgagor (buyer) or seller	A bank	N/E	N/E	Including in conveyancing	As above

6. The process to rent or let a property

6.1 Main steps in the transaction process to rent and let a property

Table 13: Main steps of the process to rent and let a property	
Main steps	Process involved
Finding and matching landlords and tenants	Parties by themselves (internet or newspaper advertisement etc.) in most cases; real estate agents.
Information search by landlords or tenants (e.g. about salary, outstanding debts)	Parties by themselves (internet, the official records etc.) mostly, real estate agents (when engaged).
Inspection of the property by tenants (in some cases with the help of professionals)	Yes, usually real estate agent is present, also landlord.
Delivery of mandatory information to tenants prior to the conclusion of the contract	If engaged, duty of a real estate agent
Delivery of energy performance certificate to tenant	It is mandatory when the duration of the rental relationship is more than one year; and it is an obligation of the landlord.
Provision of additional guarantees to landlord	It is sometimes required (from the parents of students)
Conclusion of the contract in the usual form (e.g. oral, written, preformulated)	It needs to be in writing; the mandatory content is set by the Housing Act In practice, usually the parties buy a contract form in a stationery shop and fill it in by themselves, in a number of cases with informal assistance of friends etc.
Rent payment and deposit (e.g. bank account)	Direct debit usually required, cash operations are not excluded. Deposit of month`s rent plus month as security. The deposit is equal to one-month rent plus one month.
Registration of the contract in the land register (e.g. excluded, optional or mandatory)	Optional
Other steps	Forecast of rental income by tax authority; Landlord Mandatory notification of the contract by The Surveying and Mapping Authority of the Republic of Slovenia; Landlord.

6.2 Rent contract

Table 14: Rent contract				
Main steps	Actors involved per intermediate step	Payment details⁶		Typical risks associated to these steps
		Payments expressed : <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies) 	When is the payment made	
Finding and matching the parties	Real estate agents, parties by themselves	Not restricted by the law; usually one month rent;	On conclusion	Unsuitable tenant, poor quality accommodation
Information search by landlord on tenant (e.g. about salary, outstanding debts)	Parties by themselves (internet, the official records etc.), real estate agents	No separate fee usual	Before property is reserved	N/A
Inspection of the property by tenant (in some cases with the help of professionals)	Real estate agent, landlord	No separate fee usual	N/A	Need careful inventory
Delivery of mandatory information to tenant prior to the conclusion of the contract	Real estate agents if engaged (rarely)	No separate fee usual	N/A	N/A
Delivery of energy performance certificate to tenant	Landlord, real estate agent	No separate fee usual	n/a	N/A
Conclusion of the contract in the usual	Parties, real estate agents, an advocate;	Real estate agents: agreement, no official tariff;	When the service is provided	N/A

⁶ Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question.

Table 14: Rent contract

form (e.g. oral, written)	Mandatory written; preformulated used by parties;	<p>Advocates: upon value of the yearly rent, but max for 3 years; the max fee can be 137,70 EUR (it means even though the value of the contract is higher than 4.590,00 EUR, the max fee can be 137,70 EUR)</p> <p>Example 1: 1-year rent, the monthly rent is 100 EUR, the yearly rent is 1.200 EUR, which is also the value of the rent contract; the fee would be 91,80 EUR</p> <p>Example 2: 3-year rent, the monthly rent is 100 EUR, the yearly rent is 1.200 EUR, the value of the rent contract 3600 EUR; the fee would be 137,70 EUR</p> <p>If the value of the rent contract is higher than 1.377 EUR (in that case the fee is 91,80 EUR) the max fee in all cases is 137,70 EUR.</p>		
Rent payment and deposit (e.g. bank account)	Direct debit	Up to 2-month rent		N/A
Registration of the contract in the land register or other device (excluded, optional or mandatory)	Landlord	Court fee (optional registration)	Upon conclusion of the contract	N/A
Other steps	Landlord	The Surveying and Mapping Authority of the Republic of Slovenia. No fee	Upon conclusion of the contract	N/A

6.3 Professional services performed in the real estate market related to renting and letting a property

Table 15: Professional services performed in the real estate market related to renting and letting a property

Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement (e.g. mandatory; exclusive rights)	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price and • As a fixed amount (if available)
Finding and matching landlords and tenants	N/E	Rental agency or direct contact/advertising	Agreement	Not prescribed by law – agreement Usually one month rent
Information search by landlords or tenants (e.g. about salary, outstanding debts)	Data protection rules and art. 17 Real Estate Agencies Act (bank accounts data – possible freezing of a bank account prior to the conclusion of the contract to safeguard the interest of the mandant).	Rental agency	Mandatory	Factual costs of the inquiry (e.g. solvency certificate, issued by the bank: 18 EUR).
Inspection of the property by tenants (in some cases with the help of professionals)	N/E	Rental agency (regarding the factual and legal issues)	Mandatory (art. 23 Real Estate Agencies Act)	In the fee or extra, depending on the agreement
Delivery of mandatory information to tenants prior to the conclusion of the contract	N/E	See above	See above	See above
Conclusion of the contract in the usual form (e.g. oral, written, preformulated)	Mandatory written contract with some strictly prescribed provisions.	Rental agency	Depends upon the agreement (art. 24 Real Estate Agencies Act)	Extra payment – depends upon the agreement There are some forms of rental contract prepared in advance available in the internet, so landlords use them instead of the service of the real estate agent.

Table 15: Professional services performed in the real estate market related to renting and letting a property

Rent payment and deposit (e.g. bank account)	Relation between the contracting parties	Could be on a trust (fiducial) account by a notary	n/a	n/a
Registration of the contract in the land register (e.g. excluded, optional or mandatory)	Optional, not usual	Attorney or notary or parties themselves	n/a	For the motion: The Attorney Tariff Act (Tar. No 36/1-4) 45,90 EUR + VAT The Notary Tariff (Tar. No 13) 37,00 EUR + VAT Court fee: Court Fees Act, Tar. No 91013: 20 EUR.
Other steps	Mandatory notification of the rental agreement at The Surveying and Mapping Authority of the Republic of Slovenia.	Landlords	Mandatory	Free of charge

7. Professional services regulation: notaries

7.1 Market entry and structure regulation

Table 16: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications (diplomas, exams, concours) required to become a notary in your country:</i>	According to the Notary Act (Article 8) a person can be appointed as a notary provided that: - he/she has obtained (one of) the following professional titles in the Republic of Slovenia or a comparable degree abroad, recognized under the Recognition and Evaluation of Education Act: - university graduate lawyer, graduate lawyer (UN) and master of law, master of law on the basis of the uniform masters programme; - he/she has passed the legal state exam; - he/she has completed a minimum of 5 years of legal practice after passing the bar exam, of which at least one year has to be done at a lawyer's office, in court, at the state prosecutor's office, state attorney's office or at a notary's office, all with a full time employment contract; - the candidate shall also be worthy of public trust for the exercise of the notarial profession notary, have general health capacity, must not have reached 64 years of age, has to be fluent in Slovenian language and has to be a citizen of the Republic of Slovenia or another member states of the European Union or the European Economic Area or the Swiss Confederation.
Objective requirements	<i>Do numerus clauses and other objective requirements exist?</i>	There is a numerus clausus, which is currently set at 92 notaries . The number of notary offices and locations is decided by the Ministry of Justice according to the needs of the general public and economic demands. For each of the local court's areas of competence, there has to be at least one public notary appointed by the minister of justice. In areas with a higher concentration of population and larger number of economic operations, depending on the volume of transactions, the number of notarial offices is determined in a way that there is at least one notary for every twenty thousand inhabitants.
Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	Foreign notaries (i.e. notaries from the countries, which are not part of the European Union the European Economic Area or Swiss Confederation) may practice law in Slovenia subject to actual and legal reciprocity of professional services by the respective countries (i.e. the state of origin of a foreign notary allowing Slovenian notaries to practise on its territory). The condition of reciprocity of professional services does not apply to citizens from European Union member states. There is general language requirement for notaries; they must have an active command of the Slovenian language.
Inter-professional cooperation	<i>Are forms of collaboration between notaries and other professionals allowed and usual?</i>	A notary may cooperate with an estate agent or an advocate on a case-by-case basis only. Notaries shall be legally organised as sole practitioners; shared offices of any kind are not allowed. Moreover, notaries are not allowed to act as advocates and, vice versa, advocates must not provide notary services.

Table 16: Market entry and structure regulation

Business structure	<i>Are notary associations/corporations allowed?</i>	There are no further provisions on business structures in the Notary Act other than the fact that a notary must act as a sole practitioner. This rule is in practice observed without any exceptions. Notaries neither join their offices together nor form a company or partnership.
Geographical limitations	<i>Are there limitations with respect to the area in which the notary can exercise his/her activities (e.g. at the regional or municipal level)?</i>	Notaries are also limited with respect to the geographical location: they are appointed for a particular region, which is identical to a local court area of competence.
	<i>Are these limitation restricted to specific tasks?</i>	No.

7.2 Market conduct regulation

Table 17: Market conduct regulation

	Regulation	
Exclusive rights	<i>For which transactions or parts of them only notaries may act against payment.</i>	<ul style="list-style-type: none"> - Verify the signature of the owner of the real estate (or other rights in rem) referring to the land registration request (registration clause); - Draw up the contract in the form of a notarial deed, which provides a higher degree of legal certainty and is also compulsory in certain cases; - All other notarial services are voluntary.
Duty to provide services	<i>Are notaries allowed to refuse a request to act?</i>	Yes, but only on specific legal grounds, provided by the Notary Act.
Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Notaries) in this context?</i>	By the Notary Act as well as by the Code of Conduct of the notary association. The main standards are: a notary is a person of public trust; a notary shall act independently and impartially and is under a strict duty of confidentiality. The direct supervision of the functioning of the notaries is performed by the Chamber of Notaries, which also carries out disciplinary proceedings. The Ministry of Justice can start disciplinary proceedings; the most rigorous sanction is the removal from office.
Mandatory intervention	<i>Is the intervention of a notary required for the registration procedure?</i>	The intervention of a notary is mandatory with respect to the verification of the parties' signatures referring to the land registration request. In addition, some other contracts need to be drawn up in the form of a notarial deed, which provides even higher degree of legal certainty. When notarial deeds are made or signatures notarised on the document which contains the land registration request, notary has to instruct the party that he/she will immediately file the land

Table 17: Market conduct regulation

		register proposal on the basis of that land registry permission, unless the parties explicitly express their disagreement.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	The indemnity insurance is mandatory. The minimum level is set by the Ministry of Justice (33.300 EUR in 2016) according to the Notary Act. The Chamber of Notaries can recommend a minimum level, which is not, however, binding.
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	Yes, continuing education is a statutory duty. In the case of its violation, the notary can be liable on disciplinary grounds. There is no official requirement as to the duration of the mandatory education. In practice, a least a week per year is spent on education on average.
Advertising restrictions	<i>Are there limitations on advertising?</i>	There is no special provision(s) on advertising in the Notary Act. General competition law rules apply. According to art. 14 of the Code of Conduct of the notary association, advertising or communicating with the purpose of advertising, especially with the obvious intention to attract customers for notaries, is considered as inadmissible unfair competition. In practice, advertising by notaries hardly ever exists.
Fee regulation	<i>Notarial fee system</i>	Notary fees are fixed by the Ministry of Justice. Fees are governed by the Notaries 'Tariffs, published in the Official Gazette of the Republic of Slovenia. Fees for the notarial services are determined according to the following criteria: - the value of the object, - the difficulty and complexity of the case, - the expertise in the field of other disciplines, - the time spent, - a fixed amount. The person liable for the payment of the fee is the client requesting the notarial service.

8. Professional services regulation: lawyers or other licensed conveyancers (only relevant if legally admitted to perform real estate transactions and/or to assist the conclusion of tenancy agreements)

8.1 Market entry and structure regulation

Table 18: Market entry and structure regulation		
	Regulation	
Subjective requirements	<i>Conditions (diplomas, exams, concours) required to become a lawyer in your country.</i>	<p>According to the Attorney Act, a person can become an attorney, if he/she fulfils the following conditions (Article 25):</p> <ul style="list-style-type: none"> - He/she is a citizen of the Republic of Slovenia; - He/she has the capacity to contract; - He/she has obtained the following professional title in the Republic of Slovenia or has obtained a comparable degree abroad, recognized under the Recognition and Evaluation of Education Act: university graduate lawyer, graduate lawyer (UN) and master of law, master of law on the basis of the uniform masters programme; - He/she has passed the legal state exam; - He/she has 4 years of practical experience as a university graduate lawyer, out of which at least 1 year after passing the legal state exam at one of the following options: at a lawyer's office, in court, at the state prosecutor's office, state attorney's office or at a notary's office, all with a full time employment contract; -He/she has an active command of Slovene language; -He/she is worth the trust of performing the profession of a lawyer; -He/she has the premises and equipment that are required and suited for practicing the profession of a lawyer; -He/she has passed the exam about the Attorney Act, The Attorney Tariff and the Code of professional conduct at the Bar Association of Slovenia. <p>The admission to the Bar and/or the disbaring is subject to the decision of the Administrative Board of the Bar Association in the administrative procedure.</p>
Objective requirements	<i>Do numerus clauses and other objective requirements exist?</i>	/
Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	A foreign attorney who has been granted the right to practise as an attorney in his or her country of origin may do the following in the Republic of Slovenia under the conditions laid down by that Act: provide specific attorney services that relate to practising as an attorney, practise as an attorney under the professional title of his or her country of origin, practise as an attorney under the title of 'attorney' (odvetnik).

Table 18: Market entry and structure regulation

		<p>An attorney's country of origin is the country in which he or she is entitled to practise as an attorney under the professional title obtained under the regulations of that country. Under this Act, an attorney from another country that is a Member State of the European Union is an attorney who is entitled to practise as an attorney in any of the Member States of the European Union under the professional title obtained under the regulations of that country.</p> <p>An attorney from another country which is a Member State of the European Union is entered in the directory of foreign attorneys who may practise as an attorney in the Republic of Slovenia under the professional title of 'attorney' with all the rights and duties applicable to a practising attorney if that person meets the statutory conditions and passes the examination to test knowledge of the national law of the Republic of Slovenia. More details of the examination and the procedure for taking it are laid down by the Decree on the examination for attorneys from other countries (Uredba o preizkusnem izpitu za odvetnike iz drugih držav) (see: e-justice.eu).</p>
Inter-professional cooperation	<i>Are forms of collaboration between lawyers and other professionals allowed and usual?</i>	There is no specific restrictive regulation in the Attorneys Act. The advocates can set up practice with any other professional.
Business structure	<i>Are lawyer associations/corporations allowed?</i>	Advocates can practise as sole practitioners or within a partnership; in the latter case they are personally responsible for the debts of the partnership. The partnership can be a company (a legal person) or a "societas" having no legal personality under Slovenian law. The lawyer may practise his/her profession also on the basis of an employment relationship with a lawyer or a Law Firm.
Geographical limitations	<i>Are there limitations with respect to the area in which the lawyer can exercise his/her activities (e.g. at the regional or municipal level)?</i>	No.
	<i>Are these limitation restricted to specific tasks?</i>	No.

8.2 Market conduct regulation

Table 19: Market conduct regulation

Table 19: Market conduct regulation		
	Regulation	
Exclusive rights	<i>For which transactions or parts of them only lawyers may act against payment</i>	Advocates are not mandatory in the conveyancing process.
Neutrality	<i>Is the lawyer allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees apply and which party has to bear them?</i>	The advocate is acting on behalf of his/her client. The lawyer shall be autonomous and independent in his/her practice. If requested by the parties, either one advocate acts for both parties in the transaction. For the lawyers` representation in the process of selling there is set an hourly rate; for drafting the sales contract the fee is determined regarding the value of the property. The person contracting the services of lawyers has to bear the fees.
Duty to provide services	<i>Are lawyers allowed to refuse a request to act?</i>	Yes, they have to, if there is a conflict of interest. The lawyer shall refuse the representation if he has represented the opposing party in the same case, if the opposing party has been represented by a lawyer working in the same law office or if as an employed lawyer, prospective entrant or pupil he worked with a lawyer representing the opposing party, if in the same case he acted as judge, attorney general, authorised official of the internal affairs authorities or as official in administrative proceedings and in other cases specified by the law. The right is limited with respect to ex officio representation.
Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Lawyers/Advocates) in this context?</i>	Standards are regulated by statute, the Attorney Act as well as by the Code of Conduct of the Chamber of Lawyers/Advocates of Slovenia. The Discipline is enforced by the Chamber of Lawyers/Advocates of Slovenia.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	Yes. The Bar Association of Slovenia insures the lawyer against responsibility for damage that the client might incur with reference to the law practice. The insurance cover the damage arising from gross negligence, error or dereliction of duty of the lawyer and his/her employees. The prime is be paid out of the lawyer's insurance fee to the Bar Association. The Attorney Act does not specify the amount of compulsory insurance; it is also not specially prescribed in other law.
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	The Code of Conduct requires that the advocate shall permanently continue his/her education. There is no specific time requirement.

Table 19: Market conduct regulation

Advertising restrictions	<i>Are there limitations on advertising?</i>	Yes. An advocate shall not advertise his/her activity. The Attorney Act (art. 21a) prohibits in particular: praising the quality of one's own performance, quotation of successful pleadings, successful suits and other cases, the number of clients and their relevance, participation in high-profile cases, the complexity of solved cases, reference to previous activity, functions or position; reference to influential connections and acquaintances; providing untrue or misleading data about own work; presenting advertising gifts for the purpose of client solicitation; co-operating with third parties with the aim of advertising the lawyer or Law Firm.
Fee regulation	<i>Lawyers' fee system</i>	The lawyer is entitled to the payment for his/her performance and to the reimbursement of costs related to the performed task, according to the lawyer's fee. The lawyer's fee is adopted by the Bar Association in agreement with the Minister of Justice. The Attorney Tariff Act was announced in the Official Journal of the Republic of Slovenia No. 2/2015. The lawyer can be entitled to higher payment for his/her performance than deserving according to the lawyer's fee, if so agreed with the client in writing. In property related matters, the lawyer may agree with the client on such payment that instead of the payment according to the lawyer's fee he may claim at maximum a 15 per cent share of the amount awarded to the client by the court. Fees for the lawyer's services are levied according to the following criteria: - the value of the object, - the difficulty and complexity of the case, - the expertise in the field of other disciplines, - the time spent, - a fixed amount. The person liable for the payment of the fee is the subscriber of the lawyer's service.

9. Professional services regulation: estate agents

9.1 Market entry and structure regulation

Table 20: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications (level and duration of education and training, diplomas, exams, traineeships or professional experience requirements, concours) required to become an estate agent in your country.</i>	National vocational Qualification + ongoing education (Rules on the certification examination, licences and the keeping of real-estate agents' register) Licencing procedure at the Ministry of the Environment and Spatial Planning Clean criminal record regarding offences and crimes against property or economy
Objective requirements	<i>Do numerous clauses and other objective requirements exist?</i>	No
Licence requirements	<i>Are estate agents licenced or do they work as employees?</i>	Every single agent has to be licenced regardless of his/her status (self-employed or employee in a company).
Citizenship requirements	<i>Is unlimited access to the profession granted to foreign professionals de iure and de facto?</i>	If the requirements regarding the education level are fulfilled, there are no obstacles for foreign agents.
Inter-professional cooperation	<i>Are estate agents allowed to exercise another profession or business activity? Is inter-professional cooperation regulated?</i>	Work that would mean competition to the employer is prohibited.
Business structure	<i>Share of estate agent acts acting as sole practitioners and as companies (if data are available)? Can the agent be employed by another agent or establish a partnership with other agents? Are there any restrictions on the corporate structure of a</i>	Register of real estate agents on 23. 6. 2017, indicating their name and employer/self-employment status): http://www.nepremicninsko-posredovanje.mzip.gov.si/ Yes No

Table 20: Market entry and structure regulation

	<i>real estate enterprise (such as voting rights reserved to qualified members of a profession, shareholding requirements etc.)?</i>	
Geographical limitations	<i>Are there limitations with respect to the area in which the estate agent can exercise his/her activities (e.g. at the regional or municipal level)?</i>	No
	<i>Are these limitation restricted to specific tasks?</i>	No

9.2 Market conduct regulation

Table 21: Market conduct regulation

	Regulation	
Neutrality	<i>Is neutrality regulated? Is the agent allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees applies and which party bears these?</i>	Regulated in art. 20, para 1 and 2 Real Estate Agencies Act; Impartial concern regarding interest of both contracting parties – special notice if not; Max of 4% fee applies in buying-selling contracts and the amount is divided between both parties or up to their agreement.
Professional standards	<i>How are professional standards regulated? Are entities or associations ensuring the professional representation and respect of rules of good practice (e.g. association of real estate professionals)?</i>	Licence can be revoked in cases of non-professional conduct.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory for estate agents? If yes, what is the indicative amount of the insurance?</i>	Yes (not lower as 150.000 € per case; 350.000 € in a year)
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory? What are the requirements related to the content and duration of continuing education? What are the consequences of non-compliance?</i>	Mandatory 5 years period education; regulated by Rules of Ministry; licence can be revoked;

<p>Advertising restrictions</p>	<p><i>Are there limitations on advertising?</i></p>	<p>Regulated in art. 16 of the Real Estate Agencies Act: mandatory and prohibited contents regarding the advertising of the real estate; no specific limitations to advertising the profession/service itself (general rules about unfair trading, among them unfair advertising)</p>
<p>Fee regulation</p>	<p><i>Estate agents' fee system</i></p>	<p>Fee is to be paid by the party of the real estate contract; other arrangements are allowed; max. 4 % fee in buying-selling contract (above 10.000 € price), other ways up to the content of the deal between contracting parties;</p>
<p>Compulsory membership in professional bodies/compulsory registration</p>	<p><i>Is membership in professional bodies compulsory? If so, what are the membership conditions and the membership fees? Does the professional body have a supervisory or another important regulatory role?</i></p>	<p>Not compulsory; The Chamber of Commerce and Industry of Slovenia (CCIS) is a non-profit, non-governmental, independent business organization representing the interest of its members and is Slovenia's most influential business association. CCIS unites under its roof 24 branch associations representing all sectors of Slovenian Economy. Fee is individually determined.</p>

10. The real estate market

10.1 Transaction costs for sample transactions

Table 22: Transaction costs VAT excluded

	Estate agent ⁷	Technical services (if usual)	Legal services (drafting ⁸ , executing ⁹)	Land register fee	Transfer tax/ stamp duty	Total usual transfer costs
€100,000 sales price (no mortgage)	Up to 4 % of the sales price = Up to 4,000 EUR	No	597 EUR + 46 EUR	80 EUR	2 % = 2,000 EUR	6,723 EUR
€100,000 sales price + 100.000€ mortgage	Up to 4 % of the sales price = Up to 4,000 EUR	No	597 EUR + 46 EUR + 146 EUR (mortgage)	80 EUR + 50 EUR (mortgage)	2 % = 2,000 EUR	6,919 EUR
€250,000 sales price (no mortgage)	Up to 4 % of the sales price = Up to 10,000 EUR	No	918 EUR + 66 EUR	80 EUR	2 % = 5,000 EUR	16,064 EUR
€250,000 sales price + 250,000€ mortgage	Up to 4 % of the sales price = Up to 10,000 EUR	No	918 EUR + 66 EUR + 275 EUR (mortgage)	80 EUR + 50 EUR (mortgage)	2 % = 5,000 EUR	16,389 EUR
€500,000 sales price (no mortgage)	Up to 4 % of the sales price = Up to 20,000 EUR	No	918 EUR + 100 EUR	120 EUR	2 % = 10,000 EUR	31,138 EUR
€500,000 sales price + €500,000 mortgage	Up to 4 % of the sales price = Up to 20,000 EUR	No	918 EUR + 100 EUR + 505 EUR (mortgage)	120 EUR + 50 EUR (mortgage)	2 % = 10,000 EUR	31,639 EUR
%VAT applicable	22 %	-	22 %	-	-	-

⁷ An agent usually receives a percentage of the transaction value.

⁸ The costs of an advocate, who prepares a draft of a sales contract (not mandatory).

⁹ The costs of a civil law notary, who verifies the signatures of the parties with respect to the land register permission (mandatory). The additional costs for a mortgage (in brackets) represent the costs of a civil law notary, who drafts a contract establishing a mortgage in the form of a notary deed.

10.2 Transaction features

Table 23: Transaction features			
Transaction / service	Party bearing the costs of intermediation service (buyers or sellers, landlords or tenants) Costs expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available) 	Fees as expressed in the contract: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available) 	Possible hidden costs faced by buyers or tenants
Estate agents	The party who commissions the agent, usually both: seller or buyer landlord or tenant	Up to 4% of the sales price (if both, each up to 2 %) Typically one or two month's rent	VAT
Technical services	Not usual	Not usual	Not usual
Legal services	Usually parties share; other provisions are possible	Based on value	VAT, stamp duty, registration fees
Land register fees	Buyer	Based on value	none
Taxes on conveyancing	N/E	N/E	N/E
Transfer taxes	Seller	2 % of the purchase price	N/E

Transaction costs – Legal services (Sale contract):

Value (EUR)	Fee EUR
100K	597 EUR (an advocate) + 46 EUR (a notary)
250K	918 EUR (an advocate) + 66 EUR (a notary)
500K	918 EUR (an advocate) + 100 EUR (a notary)

Transaction costs – Legal services (Rent contract):

Advocate: upon value of the yearly rent, but max for 3 years; the max fee can be 137,70 EUR (it means even though the value of the contract is higher than 4.590,00 EUR, the max fee can be 137,70 EUR)

The Example 1: 1-year rent, the monthly rent is 100 EUR, the yearly rent is 1.200 EUR, which is also the value of the rent contract; the fee would be 91,80 EUR

The Example 2: 3-year rent, the monthly rent is 100 EUR, the yearly rent is 1.200 EUR, the value of the rent contract 3600 EUR; the fee would be 137,70 EUR

If the value of the rent contract is higher than 1.377 EUR (in that case the fee is 91,80 EUR) the max fee in all cases is 137,70 EUR.

Notaries: upon value of the agreed rent, but max for 3 years (if housing upon value of the agreed rent, but max for 1 year); the max fee can be 275 EUR

Land register fees:

Value (EUR)	Fee EUR
100K-300K	80
300K-400K	100
400K-500K	120
500K-600K	160
600K-750K	200
750K-1M	250
1M-2M	300

10.3 Taxes during the process of buying and selling a property

Table 24: Taxes related to buying and selling a property			
	Relevance of the tax	When to pay the tax as part of the process of buying or selling	Tax amount (expressed in EUR as % of total purchase price <u>and</u> as a fixed amount if available)
Registration tax¹⁰	No	-	-
Mortgage tax	No	-	-
Cadastral tax	No	-	-
Stamp tax	Yes	On conclusion of the contract/Before registration and verifying signature on the land register permission	2% of the purchase price
Transfer tax (tax on the acquisition of property)	No	-	-
Archives tax	No	-	-
Other taxes	Capital gains (income) tax VAT (only first sale/purchase of new property)	Within 15 days from transaction/conclusion of the contract On conclusion of the contract	Capital gain tax for individuals is 25 %, depending on the holding period before selling, the tax rate is reduced by 10 % for each year after the first five years and by 5% for the following five years. For holding period longer than 20 years the tax rate is 0 %. 22 % (normal) or 9,5 % (if property is part of social policy)

The owner who had his/her domicile in the property to be sold at least for three years is exempted from the capital gains tax, irrespective of the profits made.

¹⁰ Registration taxes are public levies associated with the registration act. They are not to be confused with registration fees, i.e. the payment required by the registration office to carry out the registration. Registration fees are contained in Table 10.

10.4 Taxes during the process of renting and letting a property

Table 25: Taxes related to renting or letting a property

	Relevance of the tax	When to pay the tax in the process of renting or letting	Tax amount (expressed in EUR as % of total purchase price <u>and</u> as a fixed amount if available)
Registration tax	No	-	-
Stamp tax	No	-	-
Other taxes concerning the use of the property, if applicable	Yes	Income tax. Annually	25 % of the rent payment

You must pay income tax on any profit you make from renting out property at a rate of 25 % of rent payment.

11. Consumer situation in the market

11.1 Consumer rights

Table 26: Consumer rights

Are there specific consumer rights in the context of real estate transactions and residential tenancies in your country? In particular: are residential tenants treated as consumers?	<i>With respect to buyers</i>	Yes (Protection of Buyers of Apartments and Single Occupancy Buildings Act: e.g.: privileged retreat of the buyer from the contract, mandatory elements of the contract, limitation of the additional costs, limitation of the amount of pre-payment, system of penalties for breaching the contract in favour of the buyer compared to general rules, longer warranties, bank guarantee, payments on a fiduciary account – seller’s insolvency protection; Real Estate Agencies Act: protection of the interest of a buyer as a mandant, limitation of the fee)
	<i>With respect to sellers</i>	Yes (Real Estate Agencies Act: e.g.: protection of the interest of the seller as a mandant, duty of sharing important information, mandatory contents of the contract, limitation of the fee)
	<i>With respect to tenants</i>	Yes (Real Estate Agencies Act and Housing Act: e.g. strict conditions to terminate the rent contract – look further)
	<i>With respect to landlords</i>	Yes (Real Estate Agencies Act: e.g. liability for the information about the solvency of the tenant)
Which existing marketing practices are non-compliant with national consumer legislation?	N/A	
Which existing marketing practices are non-compliant with EU consumer legislation?	N/A	
Are there existing marketing practices detrimental to consumers, even if not necessarily illegal, in both domestic and cross-border transactions?	There are many rental contracts concluded formally for a limited period, but actually for unlimited period (with yearly prolongations) – because of the strict conditions for terminating the rental agreement. The termination of timely unlimited rental contract is only possible – and only through the judicial procedure which follows an unsuccessful warning procedure – in cases if the tenant breaches the contract, e.g.: causing substantial damage on the estate, does not handle the apartment with due care, does not pay the rent and agreed costs, other people than tenant live in the apartment; in other cases (e.g. the landlord himself/herself needs the apartment) the landlord has to get the tenant another comparable apartment on the free market (of the same living quality and at the same price).	

11.2 Consumer complaints

Table 27: Consumer complaints

<p>How often do <u>buyers and sellers</u> complain due to arising legal issues (e.g. invalid contract, missing information, hidden defects, missing building permit, delay in payment)?</p>	<p>Judicial statistics for 2016: District Courts: 6924 civil claims: 32 buyer-seller real estate disputes 23 mortgage disputes</p> <p>Local Courts: 8704 civil claims: 20 buyer-seller real estate disputes 5 mortgage disputes 540 tenancy disputes and other disputes regarding apartments</p>
<p>How often do <u>tenants and landlords</u> complain due to arising legal issues (e.g. invalid contract, missing information, increase of rent, termination of the contract without proper notice)?</p>	<p>See above</p>
<p>Are consumer complaints against a professional service provider frequent, in particular as regards the fees and quality or service?</p>	<p>Data not available</p>
<p>To whom can consumers complain (e.g. local or national administration, consumer protection agencies)? And through which means (e.g. formal letter, online form)? Is the procedure effective (in particular: average time needed for reply, solutions available for redress)?</p>	<p>ADR providers National administration: Market Inspectorate (http://www.ti.gov.si/en/areas_of_work/consumer_protection/) Judicial procedure</p>