



~ Methodology ~

QUARTERLY REPORT ON PRICES OF SOLD NEW DWELLINGS (GRAD-41)

LEGAL BASIS

The survey is carried out pursuant to the Law on Statistics of Republika Srpska ("Official Gazette of Republika Srpska", No. 85/03) and the Statistical Programme of Republika Srpska for the period 2022-2025.

The obligation to submit data to the Republika Srpska Institute of Statistics (the Institute) is based on Article 8 of the Law on Statistics of Republika Srpska ("Official Gazette of Republika Srpska", No. 85/03).

Pursuant to Articles 27 and 28 of the Law on Statistics of Republika Srpska and in accordance with the Rules of protection of confidential data, the Institute must to protect submitted confidential data. Therefore, the Institute must not use the data collected for statistical purposes for any other purpose and these data must not be published as individual data.

METHODOLOGICAL BASIS

AIM AND CONTENT

The data on prices of sold completed new dwellings are used in order to examine the level and dynamics of current prices of newly-built dwellings.

The survey on prices of sold new dwellings (T KPS GRADJ-41) serves to provide data on the price of useful floor area of a newly-built dwellings, for which a sale and purchase contract was realised. Data on the number of completed and sold dwellings, data on the useful floor area of all dwellings and data on the average price per square metre are collected within this survey.

OBSERVATION UNITS/REPORTING UNITS

Quarterly report on prices of sold completed new dwellings is filled out by business entities that sell new dwellings during the observation period and that are responsible for all construction works on new residential buildings (from acquisition of land and its utility equipping, to completion of all works), regardless of whether they perform works themselves or through subcontractors.

COVERAGE

The report T KPS GRADJ-41 is submitted by business entities whose main activity, in accordance with the Classification of Economic Activities KD BiH 2010, is classified into the section F-Construction, as well as by construction units which are part of non-construction business entities

The survey on prices of dwellings in new residential buildings covers all signed and executed sale and purchase contracts on completed dwellings during the observation quarter, irrespective of whether the full amount or a portion of the total cost of the dwelling was paid by the buyer within the time limit specified by the seller.

The survey does not include prices of new dwellings where only rough construction works (where construction is in progress – Rohbau system) were performed.

METHOD AND PERIOD OF DATA COLLECTION

The collection of data is carried out using the traditional method, using the form “Quarterly report on prices of sold new dwellings”.

For each building, one row of the table specifying the following is filled out:

- Name of the city/municipality where the building is located,
- Address of the building,
- Total number of completed new dwellings in the building in the observation quarter,
- Total number of sold new dwellings in the observation quarter of the total number of completed new dwellings,
- Total useful floor area of new completed and sold dwellings,
- Total price of 1 m² of useful floor area,
- Price of building land,
- Construction costs and profit margin,
- Other costs, and
- Total calculated VAT charged on the final cost of 1 m² of useful floor area of a sold completed new dwelling.

DATA PROCESSING

Data processing is carried out at the level of observation units. Observation units are also reporting units in the survey T KPS GRADJ-41. The average price represents the ratio of the total realised value of all new sold dwellings and their useful floor area.

DEFINITIONS OF MAIN CHARACTERISTICS

New construction refers to construction of entirely new structures, at sites which were previously not occupied, or where existing structures were previously demolished. Also, entire floors being added to an existing building are considered new construction.

Buildings are all constructions with four independent walls and one or more entrances (with one or more house numbers). These are built for housing, work, performance of certain activities, or for storage of material goods. Buildings are also all constructions that do not meet these construction conditions (e.g. those without four independent walls), but are shaped as a building and are intended for housing (e.g. a building leaning on another building whose wall it uses as its fourth wall; a building leaning on or partly built in an earth slope, etc.)

Dwelling is a construction unit intended for habitation, consisting of one or more rooms, with adequate auxiliary premises (kitchen, pantry, hallway, bathroom, toilet, et.) or without them. It may have one or more separate entrances.

Useful floor area of the dwelling is the useful floor area of the dwelling measured inside the external walls of the dwelling, with the exception of floor areas of the basement and attic that are not equipped as a dwelling or a part thereof. Useful floor area does not include floor areas of garages, boiler rooms, pantries, stairs and other common rooms in multi-dwelling buildings.

Total price of the dwelling includes price of building land, construction costs and profit margin, other costs and VAT.

Price of building land refers to land acquisition costs and costs of ending an occupancy in the existing residential buildings, in case the purchased land was occupied.

Construction is carried out through several phases of works: demolition of existing structures, cleaning of the construction site, excavation works, erection of roof covering and frames, installation and final construction works on the building and dwellings.

Construction costs include:

- Value of used construction material and finished products for installation,
- Labour force costs, costs of leased construction machinery and equipment,
- Costs of transporting materials, equipment and workers on the construction site,
- Consumed electricity and fuels,
- Costs of spare parts and small material,
- Depreciation of fixed assets,
- General costs of the contractor,
- Costs of subcontracting services.

Other costs and fees charged on 1m² of useful floor area of a completed sold new dwelling:

- Costs of obtaining building permits,
- Building project costs,
- Land surveying costs,
- Costs of expert supervision and control of the project,
- Various fees and taxes,
- Insurance costs,
- Costs of the interest on the loan,
- Other costs which are not specified, and profit margin of the business entity that ordered the construction for further sale on the market (if the dwellings are not sold to the end customer by the construction company that built the new dwellings).

COMPLIANCE WITH INTERNATIONAL RECOMMENDATIONS AND STANDARDS

Implementation of the survey on prices of sold new dwellings is highly important for many users, even though it is not defined by a special EU regulation.

IMPLEMENTATION ORGANISATION

AUTHORITIES IMPLEMENTING THE STATISTICAL SURVEY

The Republika Srpska Institute of Statistics is the authority responsible for the production of data on average prices of newly-built dwellings. The reports are collected by the Regional Offices of the Institute, while the Division of Production Statistics performs data entry and produces results. This Division performs formal, computational and logical controls, treatment of extreme microdata values, production and analysis of results, etc.

IMPLEMENTATION FREQUENCY

Reporting units have to submit data to the Republika Srpska Institute of Statistics 10 days after the end of the quarter.

The data are published 40 days after the end of the quarter.

INSTRUMENTS

The following methodological instruments are defined for the implementation of T KPS GRADJ-41:

- Questionnaires,
- Instructions for completing the questionnaire, and
- Letter to reporting units.

PUBLISHING

The data are published at the Republika Srpska level. The number of sold dwellings, their useful floor area and average price are presented as absolute value and as indices.

The quarterly report “Prices of sold new dwellings” is available at the website of the Republika Srpska Institute of Statistics: www.rzs.rs.ba

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