Housing affordability disproportionately affects vulnerable people at risk of poverty, with housing quality also a concern. The house price-to-income levels increased by 16.9% between 2015 and 2024, compared with an average increase of 5.7% in the EU, and are currently among the highest in the EU. The proportion of rent to disposable household income decreased slightly from 17.4% to 16.8% between 2018 and 2025 and is below the EU average of 22.5%. The proportion of people facing housing cost overburden in Slovenia was well below the EU average (3.5% vs the EU average of 7.7% in 2025) ([375]) amid easing energy and utility price growth. However, the housing cost overburden rate was still about five times higher for those living in households at risk of poverty or social exclusion (18.7%) and also much higher for tenants renting at market prices (19.7%). In 2025, households experiencing poverty spent a much larger proportion of their disposable income on housing (27.3%) compared with other households (10.2%). In 2023, 18.5% of the population in Slovenia, vs the EU average of 15.6%, experienced housing deprivation, defined as homes with a leaking roof, damp walls, floors or foundations or rot in window frames or floors. The proportion is even higher for the lowest-income households (29.3% in 2023) and for families with dependent children. The issue is particularly pronounced in the Pomurska region and in south-east Slovenia ([376]). The proportion of people unable to keep their homes adequately warm was at 3.6% in 2025 below the EU average of 8.8% ([377]). However, the proportion was about three times higher for those in households at risk of poverty and social exclusion (10%). In 2025, 6.3% of individuals faced arrears on utility bills, vs the EU average of 9.2%, which marks an improvement of 4 percentage points compared with 2020. Under the 2021-2027 cohesion policy programme, Slovenia allocated EUR 23.5 million to measures addressing energy poverty, including energy efficiency renovations targeting vulnerable households. Therefore, it would be beneficial to pay attention to improving housing quality while keeping housing affordable, especially for those at risk of poverty.

Housing markets developments

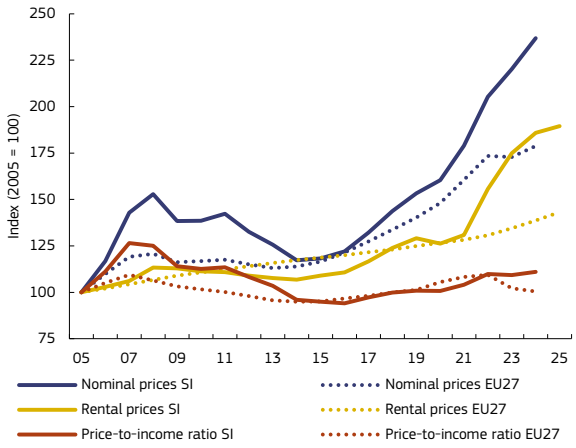
House prices, as well as rental prices, continue their steep increase. Between 2015 and 2024, the nominal house prices doubled for Slovenia, while it increased only by 50% for the EU-27. However, the rate of increase slowed down from 2023, with modest 4.3% year-on-year growth recorded in 2025. The Bank of Slovenia (BoS) noted that residential real estate prices in the second quarter of had increased by more than 50% in nominal terms compared with 2008, while they had increased by only 12.6% in real terms. The strong price increase in recent years in Slovenia has resulted in a higher price-to-income ratio in the country than in the EU-27, which has not been the case since the financial crisis. In fact, Slovenia had one of the highest ratios in the EU in 2024, exceeding its long-term average by around 5%, while the ratio for the EU as a whole (including existing and new rental contracts) have increased significantly since 2021 due to a shortage of available housing, especially in large cities where residential and tourist demand compete. Demand for rental housing is rising further because of insufficient student accommodation, the inflow of foreign workers and an increase in the number of single-person households.

([375])The overburden rate should be read together with the tenure structure (homeowner, tenants), that may differ across country and regions.

([376])One of the main reasons for poor housing condition is the old and poorly maintained housing stock. About 80% of dwellings were built before 1990 and only about 2% between 2016 and 2021, with the highest proportion in the Central Slovenia region and the lowest in the Zasavska region. See Institute of Macroeconomic Analysis and Development, Development report 2024.

([377])Eurostat: ilc_mdes01_r. The share of those unable to keep their homes adequately warm was two times higher in East Slovenia (4.2% in 2024) compared to West Slovenia (2.4%).

Graph A16.1: **House prices, rents and price-to-income evolution in SI and EU27 since 2005**



Source: Eurostat

Both the square metre prices of dwellings and house prices continue to rise, with the former reaching new records. In the first half of 2025, the country-wide median price of a dwelling on the secondary market reached EUR 3 070/m², exceeding the EUR 3 000/m² threshold for the first time. In Ljubljana, the average price of a second-hand dwelling (EUR 4 890/m²) increased in the first half of 2025 by EUR 520/m² compared with the first half of 2024. In the same period, the median price of a house in Slovenia was EUR 180 000, having increased by EUR 20 000 compared with the same period in 2024 ([378]). Between the second half of 2022 and the first half of 2025, the prices of dwellings, houses and building land increased by 24%, 22% and 23%, respectively (Geodetic Administration 2025. According to indicative data of the Geodetic Administration, more than 2 000 new housing units were completed in Slovenia in the first half of 2025 and around 4 400 were under construction. It is predicted that housing investment needs will remain substantial, with the Commission estimating a cumulative housing construction gap of almost 63 000 dwellings in 2025-2035, reflecting accumulated demographic-driven shortfalls net of projected construction ([379]).

Growth in housing loans continued to recover in 2025. The increased demand for loans in the first half of 2025 was driven by the fall in interest rates and by a rise in consumer confidence. At the end of June 2025, the stock of housing loans totalled EUR 8.8 billion. The fall in interest rates, low unemployment and rising wages have increased the number and value of residential property sales by 30.5% and 32.9%, respectively in the first three quarters of 2025 (SORS).

Activity in residential construction remains down in year-on-year terms. The BoS does not expect a sharper increase in the supply of residential properties over the next few years, as the number of new building permits issued remains relatively low despite a slight increase in 2025. The corresponding floor space was even lower than in 2024 ([380]).

Structural policies

Social and affordable housing construction is increasing but still falls significantly short of demand. Between 2015 and 2024, the supply and provision of additional non-market housing have lagged behind demand. Currently, the stock of different types of public rental apartments amounts to just over 36 000 units, representing around 4% of the housing stock. Slovenia thus falls significantly behind the EU average, where such units represent around 8% of the stock. There are also noticeable regional differences in both the number and quality of these units. An even greater challenge is the pace of providing new units, which lags far behind needs. Since 2022, 2 000 public rental dwellings have been built, with just over 2 500 dwellings under construction or in the phase before permitting. The government's newly proposed 2026-2035 national housing programme aims to deliver an additional 20 000 non-market apartments over the next 10 years, namely: 16 000 public rental units ([381]) and 1 000 units to be activated through the renovated public rental service.

([378])Geodetic Administration of the Republic of Slovenia; Semi-annual report on the Slovenian real estate market for 2025; https://www.gov.si/novice/2025-10-17-polletno-porocilo-o-slovenskem-trgu-nepremicnin-za-leto-2025/.

([379])Balouktsi et al. (2026) Housing investment needs in the EU, JRC Technical Report 144703.

([380])Bank of Slovenia, Review of macroeconomic developments, October 2025, Review of macroeconomic developments, October 2025 | Banka Slovenije.

([381])There is no definition yet for the term '"affordable housing" for the purpose of the national housing programme; it will be defined over the course of the housing programme.

Productivity in Slovenia's construction sector is low compared with other European countries and there are significant labour shortages. Slovenia had one of the highest vacancy rates in the construction sector in the EU (4.5% in 2025) which was also well above the EU average (2.8% in 2025) ([382]). Slovenia reports labour shortages for several construction related occupations, including construction supervisors, carpenters and joiners, building construction labourers, concrete placers, concrete finishers and related workers, civil engineers, civil engineering labourers, electrical engineers and technicians, floor layers and tile setters, insulation workers, roofers and plumbers and pipe fitters ([383]). Labour shortages in construction sectors stem from demographic pressures, structural skills mismatches, a tight labour market overall, high reliance on foreign workers (with almost half of workers in construction being foreigners ([384]) job attractiveness issues and below-average wages ([385])([386]). To address these issues, it would be beneficial to: (i) align the education and vocational system more strongly with current market needs, (ii) develop the workforce; and (iii) improve job attractiveness for the domestic workforce.

Vulnerable groups

There is a severe shortage of social and affordable housing, which represents a long-term challenge. Non-profit housing supply constraints are hindering the provision of affordable and social housing for vulnerable groups, as well as efforts to reduce homelessness ([387]). To date, no national-level database has been set up that would allow waiting times to be estimated. According to a survey conducted in 2025, there is an estimated need in Slovenia for 20 407 public rental apartments. This includes non-profit rental housing units (11 719), housing units intended to temporarily address the housing needs of the socially disadvantaged (1 028), designated housing units for young people (3 790), purpose-built housing units for older people (2 587) of which 1 550 would be serviced, housing units for employees (369) and other types of public rental housing units (914). There is a need for non-profit rental apartments in all regions. The need is highest in the central region (4 347), with the capital Ljubljana at the forefront. Ljubljana is followed by the ([388]) Karst region (1 409) and the Podravska region (1 333). The highest need for public rental apartments is in larger cities (Ljubljana, Koper, Maribor), where there is the greatest demand. Under the National Recovery and Resilience Fund, Slovenia committed to establishing the conditions for increasing the stock of public rental housing through a housing policy reform. This increase is to be achieved, among other things, through purchasing, renovating or building non-profit flats. This reform package also includes the construction of 480 flats, financed by the Recovery and Resilience Facility to improve access to non-profit rented housing primarily for young families and other disadvantaged groups. However, the full implementation of these measures remains subject to monitoring ([389]). The Just Transition Fund allocates EUR 6.5 million for social and affordable housing to the Housing Fund of the Republic of Slovenia. This enables apartments to be purchased or transferred from closing coal-related companies in SAŠA to protect existing tenants, preserve affordable housing stock and ensure continued public rental provision, while in Zasavje it supports the renovation of existing housing units to improve functionality and accessibility.

([382])[[jvs_q_nace2] Job vacancy statistics by NACE Rev. 2 activity - quarterly data (2001-2025)].

([383])ELA EURES report on Labour Shortages and Surpluses. 2024.

([384])Pomanjkanje-kadrov-v-gradbenistvu.pdf.

([385])Plače zaposlenih pri pravnih osebah, julij 2025: The average monthly gross salary in the construction sector in July 2025 was below the national average by almost 20%, while construction is the fifth -worst industry in terms of salaries.

([386])Zaposlovanje v gradbeništvu raste, plače pa ostajajo skromne | Sobotainfo.com.

([387])The latest national estimates found that 3 545 people, representing 0.17% of the total population, were homeless. According to 2022 data, there were 352 accommodation places for homeless people in Slovenia or 16.7 per 100 000 inhabitants.

([388])Source: data provided by the Slovenian authorities during the Semester mission. An additional 4 956 public rental apartments are needed in Ljubljana (of which, 4 010 non-profit rental apartments), 1 056 public rental apartments in Maribor (of which, 871 non-profit rental apartments) and 2 879 public rental apartments in Koper (of which, 1 100 non-profit rental apartments).

([389])2025 Country report.

Graph A16.2: **Housing affordability selected indicators**

		EU27				SI							
	unit	2000-25 avg.	2023	2024	2025	2000-25 avg.	2023	2024	2025	unit	2023	2024	2025
House price to income ratio	*2000-25 avg = 100*	100.0	102.0	100.2		100.0	105.2	106.9		YoY%	-0.6	1.6	
Rent to income ratio	*2000-25 avg = 100*	100.0	85.1	83.5	84.5	100.0	97.5	97.9	93.1	YoY%	4.2	0.5	-4.9
Overburden rate, total	%	9.9	8.8	8.2		4.6	3.7	3.8	3.5	PPS/y	-0.4	0.1	-0.3
Overburden rate, tenant with market rent	%	23.8	20.3	19.2		19.4	17.9	16.5	19.7	PPS/y	0.0	-1.4	3.2
Overvaluation gap	%					-0.3	6.9	9.1	8.4				
Deflated construction production price	*2010 = 100*	102.2	112.2	111.8	110.5	99.9	115.8	117.7	119.9	YoY%	0.1	1.9	2.2
Building permits	*m^2 per ths persons*	483.5	376.9	362.9	379.9	471.5	471.6	423.2	422.1	YoY%	-9.6	-10.3	-0.2
Residential construction investment	*% GDP*	5.5	5.8	5.1	5.0	2.9	3.0	2.8	2.5	YoY%	3.4	-6.7	-10.7
Share of ownership	%	70.0	69.1	68.4		77.3	75.2	74.8	74.2	PPS/y	-0.3	-0.5	-0.8
Share of people living in overcrowded homes	%	17.7	16.8	16.9		20.3	10.3	10.6	10.5	PPS/y	-0.7	0.3	-0.1

Source: Eurostat and European Commission calculations. The overburden rate should be read together with the tenure structure (homeowner, tenants), that may differ across country and regions.

The 2025 legislative changes (a new housing financing law and updates of the Housing Act) ensure systematic financing of up to EUR 100 million per year from 2025 to 2035 specifically for public rental housing to help reach the target of 20 000 units by 2035. The government will also reallocate cohesion funds for this purpose, providing an additional EUR 42 million for the construction of public rental apartments and public rental assisted apartments.