



Housing Fund of the Republic of
Slovenia, Public Fund

BUSINESS POLICY

2017–2020



Ljubljana, September 2016

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ATTACHMENTS:

Attachment 1: Matrix of Goals of Fund Operation in the Period 2012–2016 With Data on Realisation
Attachment 2: Matrix of Goals of Fund Operation in the Period 2017–2020

IMAGES:

Figure 1: Organisational chart of the Housing Fund of the Republic of Slovenia, Public Fund

LIST OF MOST IMPORTANT ABBREVIATIONS

EU – European Union
GOI – construction, crafts and installation works
GURS – Surveying and Mapping Authority of the Republic of Slovenia
JSS MOL – Public Housing Fund of the Municipality of Ljubljana
MF – Ministry of Finance of the Republic of Slovenia
MNZ – Ministry of Internal Affairs of the Republic of Slovenia
MO – Municipality
MOL – Municipality of Ljubljana
MOP – Ministry of Environment and Spatial Planning of the Republic of Slovenia
MORS – Ministry of Defence of the Republic of Slovenia
MP – Ministry of Justice of the Republic of Slovenia
NNS – non-profit rental housing
NS SSRS – Supervisory Board of the Housing Fund of the Republic of Slovenia, Public Fund
NSP – National Housing Programme
NSVS – National Housing Savings Scheme
OPPN – municipal detailed spatial plan
OPN – municipal spatial plan
Proračun RS – budget of the Republic of Slovenia
PROSO – priority development area for the purpose of housing supply
ReNSP15-25 – Resolution on the National Housing Programme 2015–2025 SSRS,
Fund – Housing Fund of the Republic of Slovenia, Public Fund
TPSG – Technical Conditions of Housing Construction
UMAR – Institute of Macroeconomic Analysis and Development
Ur. l. RS – Official Gazette of the Republic of Slovenia
ZJS-1 – Public Funds Act
ZUJF – Law on Public Finance Balancing

Based on the second line of Article 13 of the Public Funds Act (Ur. l. RS, no. 77/2008 and 8/2010-ZSKZ-B, ZJS-1), the Government of the Republic of Slovenia, at its 102nd regular meeting, on the 22nd of September, 2016, adopted the Business Policy of the Housing Fund of the Republic of Slovenia, Public Fund, for the period 2017 - 2020 (hereinafter Business Policy).

The document represents strategic directions of Fund operation until 2020, while the annual realisation of Business Policy is carried out in accordance with the adopted annual business and financial plan of the Housing Fund of the Republic of Slovenia, Public Fund, adopted by the Government of the Republic of Slovenia.

Črtomir Remec, MA
CEO

Housing Fund of the Republic of
Slovenia, public fund

Official name of the fund: Stanovanjski sklad Republike Slovenije,
javni sklad
Shortened name of the fund: Stanovanjski sklad RS
Official name of the fund in English: Housing Fund of the Republic of Slovenia, Public Fund
Address: Poljanska cesta 31, 1000 Ljubljana
Founder: The Republic of Slovenia
Website: <http://www.stanovanjskisklad-rs.si>



VAT ID: SI79034217
Registration number: 5539153
Transaction accounts at the Bank of Slovenia: SI56 01100-6270960211
SI56 01100-6950960281

Logo:



Legal organisational form: Public fund [213]
Standard classification of activities: Other crediting [K64.920]
Standard classification of institutional sectors: National funds [13112]
Appropriated assets: 260.541.901 EUR

CEO and liable person: Črtomir Remec MA
Supervisory Board of the Housing Fund of the Republic of Slovenia, Public Fund:
1. Sašo Rink, president
2. Marko Logonder – member and deputy president until 9th Jun. 2016, replaced on 30th. Jun. 2016 by Vlado Marič, member
3. Saša Galonja, member
3. Matej Čepeljnik, member
4. Janez Tomšič, member

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1 INTRODUCTION AND FOUNDATIONS OF BUSINESS POLICY PREPARATION

Housing Fund of the Republic of Slovenia, was founded with an act in 1991 as the central national institution for the funding and implementation of the national housing programme, or the encouragement of housing construction, renovation, and maintenance in terms of both apartments and residential houses. In its time of operation, it underwent numerous key changes, both on the national, as well as the business level. The fund has, since being founded, operated in compliance with the policy, shaped by the management board.

Its operation was strongly influenced by the National Housing Programme (the NSP), which was adopted in 2000 for the period between 2000 and 2009 with the goal to increase the scope of apartment and residential house construction, as well as the renovation of existing apartments. The NSP, in its content, also defined the operation of the Fund as the central national institution in the field of housing policy, but was not supported with appropriate financing sources, due to which the realisation on the side of the Fund depended on available assets and its product diverse activities on the real estate market. In spite of this, the Fund, with its operation, efficiently helped various groups of the population to solve housing issues in various ways and with various products.

A more thorough legal foundation for the Fund was established in 2003 with the adoption of the new housing act, based on which its operations were adapted to the changed real estate legislation and requirements, expressed by its founder, the state, and with the public fund legislation from 2008.

2012 saw the adoption of the Business Policy of the Fund for the period from 2012 to 2016, with which, in the absence of a national housing policy for the operation of the Fund, key goals, purposes and projects of the Fund for the subject period were defined. The Fund achieved and, in some part, exceeded the set goals in the subject policy.

Today, the Fund successfully manages over 3,432 of its own rental apartments for the needs of non-profit and affordable rental throughout Slovenia, as well as an additional 304 apartments of operators in free use for the requirements of the non-profit rental, while over 2,500 housing units have been sold at favourable prices on the market, thus enabling many the purchase of their own housing unit, which they otherwise might not have achieved.

The Fund has established a professional and project-based cooperation with the public and private sectors and, with its operation in various areas, contributes to the achieving of goals, set in developmental, spatial and social development programmes of the state, as well as the regulation of conditions in the housing area and the improvement of legislation in the field of its operation.

In the years of its operation, it became nationally and internationally recognised implementing authority for housing policy of the state in Slovenia, which, with its constant public tenders, public calls, and programmes, offers a variety of products for construction, finalisation, reconstruction, purchase and rental of apartments, both for material persons as well as for legal entities. The Fund, due to the limitation in public tenders and calls, is not entitled to acquire grants from the funds and instruments of the European Union.

In the years between 2009 and 2011, the Fund did not receive a capital increase, and did not receive financial assets from the Budget of the RS to ensure construction of non-profit rental apartments or other activities. In 2012, as an increase of the dedicated budget and capital, 158 old state owned apartments that required investments were transferred to the ownership of the Fund and, in 2016, out of 304 free apartments in use, further 183 old apartments requiring investment are to be transferred to the ownership of the Fund.

The fund also engages in developmental projects, as it is building and developing a sample project in Ljubljana for an energy saving multiple apartment construction with elements of a passive standard and with various materials, means of heating, and an embedded kindergarten, within which it tests various typologies of apartments, systems of installations, and a multiple apartment construction with wood.

Based on experience and professional knowledge from over twenty five years of operation, the Fund is gathering knowledge for new challenges also in the field of establishing professional standards in housing construction, where, in recent years, it established and tested its own brand TPSG, which it is still updating and upgrading.

Current activities of the Fund are best represented by two larger real estate projects, finished construction of residential neighbourhoods Brdo 1 - neighbourhood Zeleni Gaj at Brdo in Ljubljana, as well as development of rental apartment neighbourhood Brdo 2 in Ljubljana, where requirements for various forms of residence for target groups of population are the most urgent.

December 2015 saw the adoption of the Resolution on the National Housing Programme for the period from 2015 to 2025 (also ReNSP15-25), with which the Fund is finally defined as the main state authority for the implementation of the housing policy.

The subject business policy is connected to the first five year period of ReNSP15-25, which enables a realistic prediction, implementation and changes to the planned measures, as well as reporting to the founder, while, at the same time, connecting to the implementation of the multiple year financial perspective for 2015 - 2025. The document focuses on the areas, wherein the ReNSP15-25 plans for the operation of the Fund and wherein the Fund is already operational. The implementation of planned projects and measures will be gradual, whereby the preparatory activities for the establishment of conditions for successful achievement of set goals will be carried out first, and where a prompt change of required legislation and public policies is of key importance.

2 KEY LEGAL AND PROFESSIONAL FOUNDATIONS FOR OPERATION

Housing Fund of the Republic of Slovenia, Public Fund, was established with the Housing Act in 1991 (Ur. I. RS, no. 69/2003, 18/2004-ZVKSES, 47/2006-ZEN, 9/2007 Dec. US: P-31/06-4, 18/2007 Ord. US: U-I-70/04-18, 45/2008-ZVEtL, 57/2008, 90/2009, Dec.US: U-I-128/08-23, Up-933/08-18, 62/2010-ZUPJS, 56/2011 Odl.US: U-I-255/09-14, 87/2011 in 40/2012-ZUJF) for the funding of the national housing programme, or, to encourage housing construction, renovation and apartment and residential house maintenance.

Based on the Amended Housing Act (Ur. I. RS, no. 69/2003, 18/2004-ZVKSES, 47/2006-ZEN, 9/2007 Dec. US: P-31/06-4, 18/2007 Ord. US: U-I-70/04-18, 45/2008-ZVEtL, 57/2008, 90/2009, Dec. US: U-I-128/08-23, Up-933/08-18, 62/2010-ZUPJS, 56/2011 Dec. US: U-I-255/09-14, 87/2011 in 40/2012-ZUJF), the Fund is a public financial and real estate fund, established to finance and implement the national housing programme, encouraging housing construction, renovation and maintenance of apartments and housing buildings, authorised to:

- give long-term loans with favourable interest rate to material persons and legal entities for the acquisition of non-profit rental housing
- give long-term loans with a favourable interest rate to material persons and legal entities for the acquisition of their own apartments and residential buildings through purchase, construction, or for maintenance and reconstruction of apartments and residential buildings
- invest into apartment construction and building land
- provide aid in the payment of loans
- does real estate business with the purpose of ensuring public interest
- ensures financial motivation for long-term housing savings, especially in the form of premiums for savings of material persons
- encourages various forms of ensuring owned and rented apartments: with rent purchase of apartments and renting them out, with the sales of apartments in form of leasing, with co-investments with public or private investors, and similar
- carries out other legal tasks and tasks for the implementation of the national housing programme.

Terms and conditions of operation of the Fund, based on the Public Fund Act - ZJS1 (77/2008, 8/2010-ZSKZ-B), is defined by the Act on the Founding of the Housing Fund of the Republic of Slovenia as a Public Fund Ur. I. RS 6/2011, from 28th Jan. 2011). The Fund is a legal entity of the public law, which mainly performs the following activities:

- K64.920 Other crediting
- K64.990 Other unsorted activities of financial services, except insurance and pension funds
- F41.100 Organisation of construction project implementation
- L68.100 Trade with own real estate
- L68.310 Agency in real estate trade
- L68.200 Rental and operation of own or rented real estate
- L68.320 Real estate management for payment or by contract.

Along with the listed, the Fund also performs the tasks, issuing from the following points.

- Law on National Housing Savings Scheme and Subventions to Young Families for the First Solving of the Housing Issue (Ur. l. RS, no. 86/2000, 79/2001 Dec. US:U-I-283/00-16, 14/2006, 44/2006- UPB1, 60/2007, 96/2007-UPB-2, 40/2012-ZUJF), which tasks the Fund to carry out all procedures of carrying out the national housing savings scheme and assignment of grants to young families for the first solving of the housing issue..
- Article 13 of the Law on Spatial Planning (Ur. l. RS 110/2002, 8/2003-corr., 58/2003-ZZK-1, 33/2007-ZP Plan, 108/2009-ZGO-1C, 79/2010 Dec.US: U-I-85/09-8, 80/2010-ZUPUDPP (106/2010 corr.)), which commits the fund to the implementation of active spatial planning policies.
- Law on Post-earthquake Renovation of Buildings and Encouragement of Development in Posočje region (Ur. l. RS, not. 26/05 – official consolidated text, and 114/06 – ZUE), based on which the fund gives long-term loans to material persons.
- Housing Act SZ-1 (Ur. l. RS 69/2003, 18/2004-ZVKSES, 47/2006-ZEN, 9/2007 Odl.US: P-31/06-4, 18/2007 Skl.US: U-I-70/04-18, 45/2008-ZVETL, 57/2008, 90/2009 Odl.US: U-I-128/08-23, Up-933/08-18, 62/2010-ZUPJS, 56/2011 Odl.US: U-I-255/09-14, 87/2011, 40/2012-ZUJF), where, based on Article 173, it gives long-term loans to tenants in denationalised apartments.
- Resolution on National Housing Programme 2015–2025 (ReNSP15–25, Ur. l. RS, no. 92/15 from Dec. 4th 2015).

The fund, as the central state institution for the funding of housing supply, in regards to financial and other assets, planned in the national and the Fund budget, within the scope of its own available assets, encourages housing construction, renovation and maintenance of apartments and residential buildings, whereby it does not engage in profitable activities with the goal to maximise profit, but aims to achieve the set goals, which it was founded to pursue.

From the perspective of medium-term planning, the Strategy of Investment of the Fund into Housing Construction, adopted in October 2002, strategic goals of the Fund for investment into housing construction were set, which are: ensuring appropriate quality of apartments, ensuring a higher number of apartments on the market and achievement of lower prices of apartments. The goals were adopted with the aim to establish a balance on the Slovenian housing market, both in ensuring non-profit rental apartments, as well as apartments on the market, in the sense of varied supply as a direction of the National Housing Programme.

As a continuation of the medium-term planning, the strategic goals were updated and defined in the Work Programme of the Housing Fund of the Republic of Slovenia, Public Fund, for 2005 and with guidelines until 2008, adopted in March 2005, and relating to an increase of yield and renovation of existing housing fund, increase of scope and share of rental apartments, reduction of gap between supply and demand for apartments and enabling of an easier access to apartments, activation and better yield of degraded and vacant urban lots, as well as an improvement of residential culture and other qualities of housing construction, mainly within the scope of active land policies.

In June 2006, the document Products of the Housing Fund of the Republic of Slovenia, Public Fund, was adopted (also Product Foundation), the first time that clear and detailed definitions were provided for products, which the Fund will use to achieve its goals. The document introduced basic guidelines in the form of recommendations for purchase, planning and construction of apartments, which the Fund will build or co-finance with the intention to increase the number of non-profit, rental apartments and an increase in offer of market apartments at suitable prices.

The Public Funds Act from 2008 requires medium-term planning in the form of business policies. As a document of medium-term planning, the Fund prepared a Business Policy of the Housing Fund of the Republic of Slovenia, Public Fund, for the Period 2012-2016, as early as in 2009, defining more precise goals in the set medium-term period. The Business Policy was discussed and adopted at the 6th meeting of NS SSRS, on the 14th Sept. 2012, with act no. 47602-28/2012/6 from 15th Nov. 2012.

Annual business goals are defined by the Fund in each annual business and financial plan and realised in the scope of work processes of the Fund as it carries out its activities. Their realisation is the responsibility of individual organisational units within the Fund, carrying out individual work processes.

It is the Fund itself that the ReNSP15-25 defines as the main implementing body of the housing policies, thus the document influences the forming of middle-term and short-term goals since 2016. ReNSP15-25 is meant to create an environment, within which the Fund will be able to carry out measures for the achievement of set goals, and explicitly emphasizes four main goals for the formation of an efficient and balanced supply of housing. ReNSP15-25 defines measures, which the stakeholders in the housing area will use to achieve these goals, whereby the goals stem from the need for balancing the apartments on the market, ensuring an easier

access to apartments, renovation of apartments in the sense of modern living and environmental trends, and encouragement of the population to a larger housing mobility. At the same time it emphasizes that, in the achievement of these in the field of broader housing supply, it is of exceptional importance to ensure a source of continuous funding, which is currently not ensured, neither for the Fund, nor for other public subjects in the field of ReNSP15-25 implementation. The new housing programme of the state dedicated special attention to the creation of conditions to ensure quality of residence for various target groups of the population, carrying out of pilot projects in the first period, and collaboration of the Fund in the preparation and shaping of housing and related legislation.

By entwining measures in various key areas, in the form of comprehensive packages, ReNSP15-25 approaches the solving of housing problematic of two key groups of population - the youth and the elderly, and places the Fund into an important role in this field. It emphasizes, that it will be key to carry out measure packages for individual target groups, to ensure successful informing and notification regarding offered possibilities and alternative forms of residence, whereby activities of early awareness raising about the advantages of changing residence habits will, in the long run, achieve a higher quality of residence of all the population.

The Fund should, as the main carrier of the implementation of ReNSP15-25, in pursuit of the goals, cooperate with the public policy implementing authorities in other areas of operation of the state, which will also be monitored by a system, set up in the future, intended to monitor the implementation of ReNSP15-25. Housing policy should become a comprehensive policy, requiring the support of the entire government and the responsibility of all departments and adopted measure implementation levels, not only the ministry, competent for housing. A special emphasis in the implementation of ReNSP15-25 should be on the quality of residence of the population, which is, in large part, dependent on the quality of housing they reside in, their energetic and functional efficiency. Quality housing is not only that, which enables a long and healthy life, but is mainly housing of quality construction, which suits the needs of the users and brings as few costs of maintenance and residence as possible.

3 ORGANISATION AND METHODS OF OPERATION OF THE SSRS

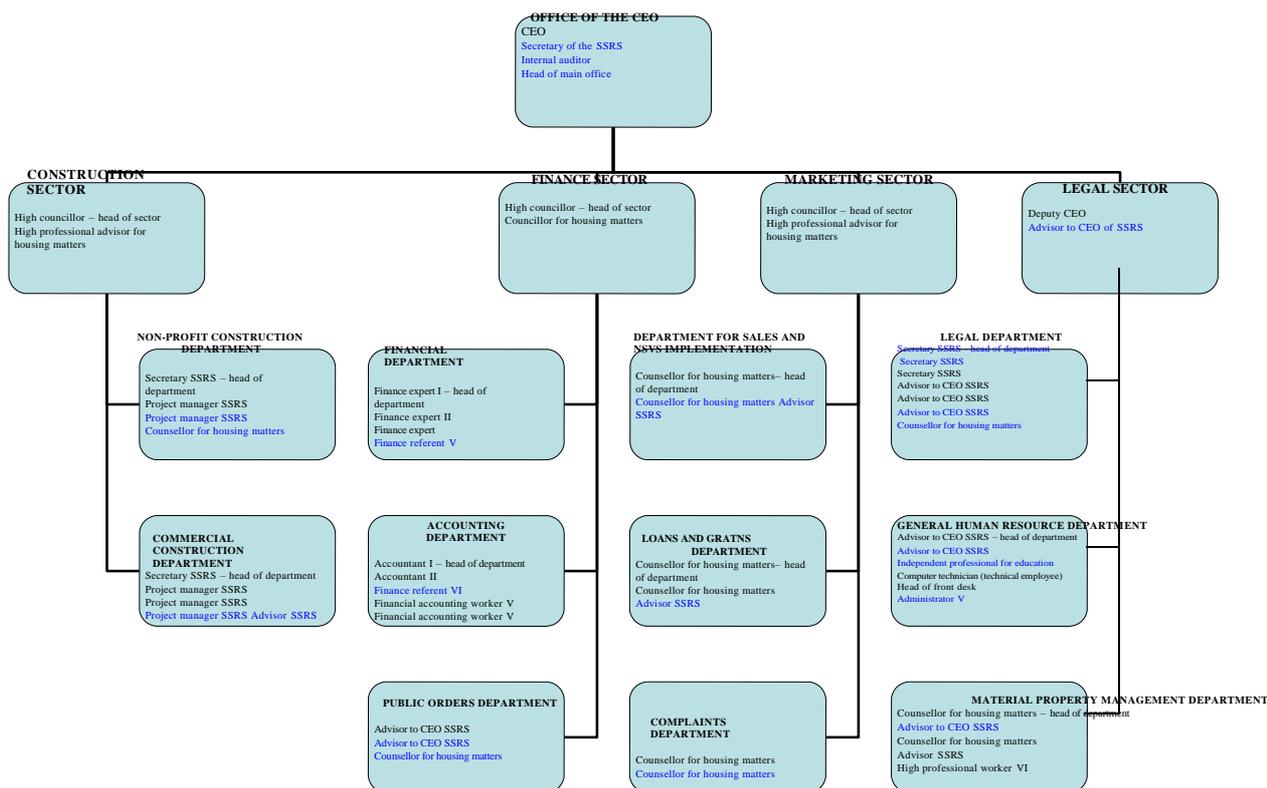
On May 31st, 2016, the Fund had 34 full-time employees. Due to limitations in the Employment Plan of the Government of the Republic of Slovenia, there are no possibilities of additional employment for work places, planned by the systemisation.

Insufficient number of employees according to the Register of Risk, adopted in 2016, presents a high risk factor for the operation of the Fund and achievement of goals, activities and tasks, connected to ReNSP15-25. The Fund currently also solves the insufficient number of employees by carrying out certain work processes and tasks in cooperation with its own company Stanovanjsko Podjetje d.o.o., however, the subject arrangement is not appropriate and still represents a high operative and business risk.

The organisational structure of the Fund and human resource occupation of work places in 2016 can be seen on Figure 1.

Figure 1: Organisational chart of the Housing Fund of the Republic of Slovenia, Public Fund

Note: Work places marked with blue are systemized, however, due to limits in the Employment Plan of the Government of the RS, they are still unoccupied. The Organisational chart displays the state as will be valid on July 1st, 2016, with 36 full-time employees at the Fund (due to one additional employment in the field of public orders).



In 2016, the Fund began, compliant with ReNSP15-25, to carry out reorganisation procedures, which will adapt its organisational and information structure, as well as mode of operation, to the directions, goals, purposes, measures and tasks, defined in ReNSP15-25, and in each business and financial plan of the Fund.

Within the scope of the reorganisation, the Fund is studying and updating its internal organisational structure, work processes, defined tasks, and levels of responsibility in decision-making procedures, which it will also adapt general and individual operation acts and information environment to.

4 REALISATION BY BUSINESS POLICY FOR THE PERIOD 2012–2016

Attachment 1 to this business policy shows the realisation of planned projects, activities and goals by the matrix of business policy of the Fund for the period 2012 to 2016. Data and explanation are taken from each annual report and the records of the Fund.

5 VALUES, VISION AND MISSION OF THE FUND

At the Fund, in performing our tasks, we pursue the following fundamental values: professionalism, legality, goal orientation, orientation towards public and private users, economy, quality and efficiency, integrity and transparency, impartiality, rationality, knowledge, responsibility, social intelligence, and mutual respect.

The Vision of the Fund is to become an efficient national financial - real estate institution with an established system of products to ensure various forms of housing supply, which will, within them, offer suitable measures and instruments (hereinafter programmes) with proprietary, national, and foreign funding, as well as carrying out the role of the main authority and carrier of the housing policy of the state.

The fund will, in regards to subject division, form programmes within two basic lines:

- programmes to ensure various public rental apartments for local communities and local housing - real estate funds, and legally defined private investors
- programmes of rental and partly also sale of own and other public rental apartments for various groups of population (with the possibility of purchase from rental, which will encompass only a smaller share of the public rental apartments), and other measures, compliant with directions and instruments of ReNSP15-25 and housing law.

Within each line, appropriate measures of financial and other nature will be available, reliant on the financial assets at the Fund's disposal, with an emphasis on the following components:

- an increase in the number of public rental apartments in cooperation with public and private investors, as well as landlords
- increase of accessibility to public rental apartments and access to suitable insurance - housing for all groups of population and subjects, who are bound to it by the valid housing law through purchase or forms of public rental
- encouragement of sustainable multiple apartment construction and comprehensive renovation of existing apartment fund.

The measures and programmes will be based on the following housing policy goals according to ReNSP15-25:

- ensuring a balanced supply of appropriate apartments
- ensuring easier access to apartments
- ensuring quality and functional apartments, and
- ensuring a larger housing mobility of the population.

Carrying out of tasks by public authorisation:

- the fund has, thus far, carried out tasks by legal authorisation (e.g. national housing savings scheme, help in renovation of housing buildings damaged by earthquakes, giving loans to beneficiaries from the denationalisation process, etc.) without compensation and personnel reinforcements, and
- establishment of a Public Service for Rental Management and Records of Public Rental Apartments.

Vision in this field is a personnel reinforcement and the acquisition of financial compensation for carrying out all the services that the Fund has been tasked with in public interest, since it operates as an individual legal entity and a non-profit subject. The Fund, in all cases where it has received a capital increase or transfer of assets, appropriated assets, was not allowed to and did not use them to cover administrative and other costs of operation, which had a negative effect on the carrying out of its activities. For an efficient and successful implementation of ReNSP15-25, the Fund, for material purposes, requires mainly ensured human resource and system financial sources, depending on the duration of projects.

Carrying out of tasks in the scope of operation with own real estate and investments:

- management of land and buildings (as well as individual parts), owned by the Fund for the needs of carrying out projects to acquire rental apartment (current non-profit and market rental apartments, sheltered housing and housing units) for sale and rental; for the preparation and carrying out of pilot and developmental projects of encouragement and development of other alternative housing options (housing communities of younger and the elderly, persons with special needs, residence for forcefully evicted families and individuals, housing cooperatives)
- improvement and optimisation of processes in the renovation and maintenance of own fund of apartments and other real estate
- improvement of quality standards with the development of proprietary technical conditions of housing construction, and their application on the projects of the Fund
- development and strengthening of the role of the Fund's building and apartment management investments.

The Fund will be able to realise all elements of the vision through its own set mission and the long-term goals, stemming from the mission, for 2017-2020, compliant with available assets from its own operation and possible recapitalisation, as well as budget earmarked assets (housing supplement and other measures, such as e.g. housing cent), and with potential acquisition of assets from European funds based on directions and decisions of the founder.

To carry out activities in the field of set goals and vision, the Fund will be active in the following fields:

- improvement of national and international professional visibility of the Fund
- improvement of the quality standard of its own and other construction
- improvement of quality and transparency of project operations and management
- promotion of carrying out its tasks, its products and activities
- promotion of own brands and projects
- education of existing and acquisition of new professional human resources
- passing acquired knowledge onto other suppliers of public rental apartments
- improved information equipment, connection, and operation at the Fund
- assembly of a modern information system and work environment in its field of activities
- improvement of electronic operation in own business and in relation to other subjects

- cooperation with public and private sector institutions in the state
- cooperation with international institutions.

6 GOALS OF THE FUND FOR THE PERIOD 2017–2020

Goals of the fund for the period 2017–2020:

- acquisition of up to 500 new public rental apartments, including housing units (of which half owned by the Fund) based on the co-financing programme
- internal reorganisation of the Fund and establishment of a Public Office for Rental Management with additional human resources
- establishment and operation of the Record of Public Rental Housing
- management of the fund of public, transitionally named non-profit, and sheltered housing (currently 2,963 non-profit and 469 market apartments, or a total of 3,462 apartments)
- ensuring of up to 500 new public rental apartments for young, young families and the elderly
- use of purchase, rental and shared ownership instruments, compliant with directions of ReNSP15-25 and housing legislation
- transfer of other apartments, owned by the Republic of Slovenia and free to use by the Fund, to the ownership of the Fund (after the transfer is arranged for 183 apartments onto the Fund in 2016, a further 109 apartments, currently in free use, will be left to transfer onto the Fund) and to the ownership of municipalities (12 apartments)
- development of new project on land, owned by the Fund (over 850 apartments)
- financial motivation to legal entities and material persons in the form of favourable loans
- sustainable construction and comprehensive renovation of housing fund for all products and programmes of the Fund
- carrying out of legal tasks by public authorisation
- development of own brand TPSG and cooperation in development projects in the field of housing construction
- reinforcement and carrying out of developmental role in the housing field
- efforts for acquisition of assets from EU funds
- acquisition of property for and in the scope of partnership projects.

6.1 Programme Goals - Business Goals

a) Improvement of ensuring public rental apartments with municipalities and public housing funds, as well as non-profit housing organisations.

Promotion of the programme of co-financing public rental apartments and housing units for the period 2016-2020 (co-investment and loans), and the encouragement of potential applicants to invest into projects of ensuring public rental apartments, including housing units, with a pro-active approach of presenting the good and the successful collaborations, and with the following forms of collaboration:

- co-financing: co-investment and crediting
- partner projects: co-investment and partnership of two public subjects with private subjects.

For the requirements of greater success of implementation of the subject programme, common projects, and cooperation with the mentioned stakeholders, the adoption of PROSO needs to happen as soon as possible, and the legislation needs to enable municipalities and public housing funds at the local level a higher debt threshold for housing needs, as well as facilitate the process of acquiring long-term housing loans. At the same time, changes to the housing and related laws need to be adopted as soon as possible. The emphasis should be on the legislation, which manages public rental apartments, housing allowance, rent and rental relationships, as well as obligations stemming from maintenance and management of publicly owned buildings.

b) Carrying out of public calls / tenders for investments in the field of ensuring (multiple) housing supply of various social groups of the population (e.g. youth, young families, families, older population, students, national groups and minorities, persons with special needs) according to the principles of simplicity, organisation and transparency - ensuring temporary and more long-term residence possibilities:

- simple operation (suggestions for creators of rules on the carrying out of public tenders, informing, e-

- application, accessories for application preparation)
- organised operation (development of information support and software tools for the carrying out of procedures and processing of applications, risk management, accounting, professional support and decision-making)
- transparent operation (public announcement of all important information - tender, tender documentation, criteria, recipients, maintenance of earmarked assets, risk processing...)
- operation in compliance with the law and regulations of RS and the European Union, and
- investment of free liquid assets of the Fund in compliance with legislation, which manages the operation of public funds, and compliant with long-term programme goals for the period 2017-2020.

c) Encouragement of proprietary and external developmental projects in the (multiple) housing field:

- development and modernisation of own project TPSG and pilot projects owned by the Fund and other investors
- participation in professional technical partnership projects from the field of housing law, housing construction, and the development of new models and typologies of multi-apartment construction
- education and activity in national and international environment
- integration of the concept of sustainable construction and renovation in all projects of the Fund and projects of other investors, co-financed by the Fund - products of the Fund
- project cooperation with comparable and related public and private legal subjects
- special attention in the introduction of sustainable concept to reconstructions and maintenance of the apartment fund of the Fund.

e) Optimisation of carrying out tasks by public authorisation:

- optimisation of processes of procedure management and decision-making in regards to the available human and financial resources
- carrying out of technological updating of decision-making support and record keeping in such processes and procedures
- education of employees from the field of work with clients and refreshment of knowledge from the field of material and process regulations, used in this area.

f) Optimisation of business with own real estate:

- optimisation of processes of the management of own real estate acquisition and management procedures, and their management and maintenance in regards to the available human resource and financial assets of operation
- modernisation of information and technological support to decision making and record keeping in such processes and procedures
- education of employees from the field of management of the real property, owned by public subjects, procedures of evaluation and public orders, as well as public tenders; refreshment of knowledge from the field of material and process regulations, used in this field.

6.2 Short-term Goals

Short-term goals are still being set in regards to annual achieving of long-term goals, however, for the requirements of this document, we are listing them as an example. Short-term goals are listed according to the current state of valid legislation and tasks of the Fund.

Short-term goals in more detail

6.2.1 Public rental apartments and housing units:

- provision of public rental apartments and housing units
- management of public rental apartments and housing units
- establishment of Public Office for Rental Management
- establishment of a Record of Public Rental Housing.

6.2.2 Apartments in free use:

- management of apartments in free use, gained from the managers of national apartments (reconstruction, rental)
- management of land register and other legal relationships, connected to the arrangement of the status for the transfer of these apartments to the ownership of the Fund and municipalities.

6.2.3 Care for development of new measures, instruments and schemes for population target groups:

Carrying out of pilot and other measures, instruments and schemes for young families, families and youth, elderly persons, persons with special needs and citizens of other EU member states with permanent residence in Slovenia, and others:

- acquisition and ensuring of public rental apartments for youth, young families, and the elderly (youth apartments, sheltered housing), and other target groups among the population - projects for the requirements of the Fund
- rental of apartments for various target groups of population and housing communities of youth, young families, and the elderly, forcefully evicted families and individuals, persons with special needs, and other target groups among the population
- management with proprietary sheltered housing (sale and rental)
- acquisition, construction and sales of apartments for various population groups
- care for minorities and ethnic groups (Romani, Italian and Hungarian communities)
- long term housing loans to material persons for the purchase of the Fund's apartments
- encouragement of senior citizens' homes and sheltered housing construction - long-term loans to justified applicants
- development of projects of housing communities for the elderly, and
- support to inter-generational projects and research.

6.2.4 Ensuring sustainable construction and comprehensive renovation of (multi-)apartment buildings and the quality of (multi-)apartment construction:

- integration of concepts of sustainable construction and comprehensive renovation in all Fund products
- own or partnership-based implementation and support of sample and other projects from the field of multi-apartment construction in the spirit of construction technique progression and technological improvements
- carrying out and updating the TPSG project - the Fund's own brand.

6.2.5 Carrying out of tasks by public authorisation:

- assign long-term housing loans to tenants in denationalised apartments
- assign long-term housing loans for the post-earthquake renovation of Posočje region
- provision of aid in the cases of other natural disasters
- carrying out of the housing savings scheme (following the provisions of ZUJF)
- carrying out of grant provision to young families for the first solving of the housing question and market rent (following the provisions of ZUJF)
- carrying out of active land and possibly active spatial policy.

6.2.6 Cooperation with competent state authorities in the preparation of legislation and measures of the carrying out of ReNSP15-25

- professional cooperation in the preparation of legislation from the Fund's field of operation, relating to RenSP15-25
- cooperation in the preparation and implementation of measures according to ReNSP15-25.

7 PROGRAMMES AND ACTIVITIES OF THE FUND FOR THE PERIOD 2017–2020

7.1 Ensuring Public Rental Apartments

7.1.1 Realisation of approved projects according to the programme of co-financing 2016–2020

SSRS has replaced the Loans Programme for the Ensuring of Non-profit Rental Apartments (Ur. list RS no. 27 from 29th Mar. 2013) in 2016 with a new Programme for the Ensuring of Public Rental Apartments (Ur. list RS no. 41/2016, from 10th Jun. 2016).

Based on the new programme, the SSRS enables co-financing of the ensuring of public rental apartments and housing units in local communities and support to local communities in the implementation of their authorised presence in the field of housing. SSRS enables the implementation of common projects with co-financing for the ensuring of new public rental apartments and the provision of favourable long-term loans for the acquisition of public rental apartments and housing units. 30 million Euros have been set aside by the Fund from its own financial sources for the realisation of this programme, of which 10 million Euros for loans and 20 million Euros for co-investing. The spending of assets is planned in the years 2016 to 2020 or until the completion of the projects.

Eligible applicants by this call are:

- municipalities or their budget funds, established to acquire non-profit rental apartments
- public real estate funds
- legal entities, entered into the register of non-profit housing organisations from Article 152 of SZ-1.

The programme enables the acquisition of up to 500 new apartments and housing units with belonging parking lots, of which 250 would be owned by the SSRS. The number of apartments depends on the appropriate (prescribed) prices in individual locations.

7.2 Ensuring Housing for Target Groups and Rental Apartment Management

7.2.1 Setting up of Public Office for Rental Management

ReNSP15-25, in chapter 4.1.2, defines the establishment and operation of a public office for rental management as a new measure. The purpose of establishing a public office for rental management is an increase of the rental housing fund at a more favourable rental price from the market one, and consequentially an improvement of access to rental apartments, especially for youth and young families. A public office for rental management will function as an agent, manager and maintenance body for the rental apartments, included in the scheme of the rental apartment fund. It will be established with special definitions within the scope of formal-legal arrangement of the status of SSRS.

The SSRS will use its own financial assets to carry out a pilot project in 2016 and 2017 for the rental of public rental apartments and will attract public and private landlords to the project, then, through reorganisation of its operation after the change of housing and other real estate law (planned in 2017 and 2018), establish a Public Office for Rental Agency / Management (hereinafter also JSNU) and become a supplier of public rental apartments. Human resources (at least 10 new jobs) for the carrying out of a public rental office must be ensured in the personnel plan of the Government of the RS by the time of establishment, the department of the ministry responsible for housing, and intended for the SSRS, as JSNU will function according to the principle of an agent, manager and maintenance body of rental apartments in compliance with the conditions of each legal relationship with the landlord, and will put their apartments up for public rental.

For the needs of a successful realisation of the JSNU project, a timely and suitable change of the housing and other relevant law is required (definition of public rental apartments, public service for rental management and removal of criterion of candidature for rental apartments regarding the municipality of permanent residence, adoption of methodology for calculation of rents for public rental apartments, and introduction of housing allowance with an adopted methodology of calculation, additional options of introduction for tax alleviation for owners, who will rent apartments through JSNU). Loss, followed from the start of the pilot project of SSRS and evaluated by competent ministries in compliance with ReNSP15-25, will influence the implementation and development of the JSNU instrument.

7.2.2 Establishment of the Record of Public Rental Apartments

With the purpose of optimal occupation of public rental apartments in the management of SSRS, a public record of the SSRS will be set up in the period from 2017 to 2018, in cooperation with GURS, competent departments and local communities. The Record of Public Rental Apartments (hereinafter Record of JNS) will be at the national level and will be accessible via SSRS. It is necessary to define the record legally and place

it, as well as ensure appropriate rights and access to data for SSRS and the cooperation of all relevant subjects (GURS, competent departments, local communities).

To establish the Record of JNS, SSRS will ensure 200,000 Euros from its own assets for initial activities of setting up on the side of SSRS; further upgrades and development do not have secured financial assets and human resources. Financial assets for SSRS need to be secured in the budget of the RS, while the human resources need to be ensured in a timely manner in the personnel plan of the Government of the RS, department of ministry, competent for housing, and intended for the SSRS.

7.2.3 Management of the public rental apartment fund along with housing units (currently non-profit and sheltered housing)

On the 31st Dec. 2015, SSRS owned 2,963 non-profit rental apartments across all of Slovenia, of which 2 housing units in the single's home in Ljubljana. The apartments are in 12 regions or 111 municipalities.

The Fund also owns apartments, older than 60 years. The renovation of such apartments would be economically unjustified, thus the occupied and empty apartments are being sold off constantly, by the set procedures of the Fund. All assets, acquired through sale, will be intended for maintenance or major restoration of the apartment fund, or for the purchases of new non-profit rental apartments.

The Fund also owns apartments, which are a subject of denationalisation, and must not invest assets for improvements into them, nor may it dispose of them. The Fund returns the rental apartments to the denationalisation beneficiaries according to legally valid decisions on denationalisation. For these apartments, the Fund has not yet received all the decisions from the authorities that conduct denationalisation procedures, which would explain the status of all apartments (return or refusal). It is suggested that competent authorities speed up the solving of these procedures.

7.2.4 Acquisition of new public rental apartments by SSRS and management of the fund of public rental apartments (currently intended for market rental)

The Fund intended the unsold apartments from public tenders from 2007 and 2008, as well as apartments, purchased based on the Public Call for Apartment Purchase in 2016, with tenders published in 2010 and 2013, for rental, thus establishing a new instrument of rental into cost rent.

On the 31st May 2016, the Fund had 433 from a total of 469 apartments rented in the form of cost rent, meaning an occupation of 92,3%. The call for rental from 2013 is still open.

The fund will, compliant with directives of ReNSP15-25, further upgrade the subject fund of apartments for public rental, while developing it and carrying out schemes and instruments, defined by ReNSP15-25 on it, defined in more detail in the changed housing and other legislation. When forming calls and tenders for sales and crediting, the Fund will take economic indicators into consideration and thus, with successive sales of apartments, ensure an additional source of assets for the carrying out of new projects and schemes for consumers in compliance with ReNSP15-25, up to the establishment of suitable system sources of financing for the carrying out of activities and tasks, defined by ReNSP15-25 and legislation. This activity will be considerably influenced by the change of the housing legislation with an emphasis on the balancing of rights and responsibilities of all stakeholders in rental relationships, definition of subsidiary responsibility, introduction of housing allowance, and the formation and adoption of methodologies for rents in public rental apartments.

The fund will also complement the subject fund of apartments with the development of projects on own land (Brdo 2 in Ljubljana and other locations in areas, where local communities carry out activities in the field of housing, but are not sufficiently active), with purchases from bankruptcies, from DUTB and public (also judicial) auctions in the case of appropriately changed legislation (e.g. definition of suitable first purchase right and position of the Fund in the proceedings of public auctions). An emphasis of operation will be put on areas, where, based on PROSO and other demographic indicators and analyses, need will be shown for public rental apartments, as well as in urban and rural local environments, where the best spatial, implementation and social conditions for the realisation of SSRS projects will be provided, and a positive cooperation of local communities, as well as the shortest possible procedures for project realisation will be guaranteed.

7.2.5 Transfer of apartments, owned by the Republic of Slovenia (and managed by MORS, MNZ, and SKV RS), according to the Act of the Government of RS from May 7th, 2009, into the Fund's ownership

The Government of the Republic of Slovenia adopted acts on May 7th, 2009, which are, among others, binding the Ministry for Public Administration - Housing Commission of the Government of the RS, Ministry of Defence, and the Ministry of Internal Affairs, as well as the Ministry of Environment, to carry out procedures for the transfer of apartments, owned by the Republic of Slovenia, to the SSRS. Out of 450 apartments to be transferred to SSRS, only 341 have been transferred so far (183 are in the process of contract conclusion), 2 apartments have been removed from the transfer by an act of the Government of RS. Out of 90 apartments to be transferred to municipalities, 42 have been transferred so far, with the transfers managed by the ministry, competent for housing matters, and the municipalities. Currently, until August 2019, 121 apartments are in free use of the SSRS, of which 12 intended for transfer to municipalities and 109 to the ownership of SSRS. For 36 apartments, free use was transferred onto municipalities by consent of the custodians.

The apartments from this selection will be included into pilot project by the SSRS in agreement with custodians, which it will carry out in between 2016 and 2018 based on ReNSP15-25.

7.2.6 Long-term housing loans to tenants in denationalised apartments

The Fund, based on paragraph three of Article 173 of SZ-1 (Ur.l. RS 69/2003), article 7 a of General Terms and Conditions of the Fund (Ur.l. RS 119/2000 and 28/2001), compliant with conditions and means of assignment of housing loans to tenants in denationalised apartments, adopted by the supervisory board of the Housing Fund of the Republic of Slovenia, Public Fund, on March 31st, 2004, approves loans with favourable interest to tenants in denationalised apartments.

The law states, that a beneficiary of the loan is a tenant, who was issued with the decree of the Ministry for Environment and Spatial Planning about eligibility to acquire compensation, as defined by law. To calculate the loan amount for the beneficiaries, from Mar. 31st, 2004 onward, a value of a suitable apartment is based on 1,500 Euros when purchasing or 750 Euros per square metre when building, all in the Tolar counter-value according to the middle exchange rate of the Bank of Slovenia on the day of approval, reduced by the compensation, given to the beneficiary in compliance with the law, but not more, than the difference to actual purchase price.

A suitable apartment is considered to have the surface in m² as follows:

| | | | | | | |
|--------------------------|----|----|----|----|----|-----|
| number of family members | 1 | 2 | 3 | 4 | 5 | 6 |
| m ² | 45 | 55 | 70 | 82 | 95 | 105 |

For every further family member, an additional surface of 6 m² is recognised.

The interest rate is 3.80% for a loan, approved for 10 years, 3.95% for a loan over 10 and up to 15 years, and 4.45% for loans above 15 and up to 20 years. Interest rates are fixed for the full return period. The loan is repaid in monthly instalments. The repayment period is 15 years, under special conditions also up to 20 years, and depends on the amount of approved loan, while the interest rate depends on the repayment period. Loan contracts are concluded only with creditworthy citizens. If the borrower is not creditworthy, a co-payer may enter the loan relationship, who, along with the borrower, signs the loan contract and is also responsible for the payment of the debt.

The Law on Public Finance Balancing (ZUJF, Ur. l. RS no. 40/2012), which entered into validity on May 30th, 2012, states, among other things, that previous owners of the right to janitor apartments and previous owners of the right to the apartments, that were returned to original owners before the law on denationalisation, are subject to the same rights as the tenants in denationalised apartments. SSRS will strive towards finishing these procedures as soon as possible.

7.2.7 Long-term housing loans for post-earthquake renovation of Posočje region

In order to remove the consequence of the earthquake in Posočje on April 12th, 1998, the Law on Post-earthquake Renovation of Buildings and Encouragement of Development in Posočje was adopted (Ur. l. RS 45/98, 67/98, 110/99 and 59/2001, hereinafter law). The measures of post-earthquake renovation according to Article 1 of the law also include housing loans from the Fund's assets, intended for post-earthquake renovation of buildings and the ensuring of their intended use, as well as construction of protected housing, owned by the Fund

Based on act no. 47602-23/2006/5 by the Government of the Republic of Slovenia, from August 24th, 2006, and compliant with provisions of the 38th correspondence meeting of NS SSRS, from August 4th, 2006, the Fund, for the purpose of approval of loans and removal of consequences of the accidents after the earthquake in Posočje 12th Jul. 2004, compliant with the provisions of the Law on Removal of Consequences of Natural disasters /ZOPNN-UPB1/ (Ur. l. RS, no. 114/2005), enabled the approval of long-term housing loans.

In 2009, the National Technical Office Bovec - Kobarid, based on an authorisation, began issuing final decisions on the amount of loans for the removal of consequences of the earthquake from 12th Jul. 2004. SSRS will strive towards finishing these procedures as soon as possible.

7.2.8 Programme of co-financing of projects to acquire sheltered housing for the elderly and seniors homes

One of the successful products of the Fund are also public tender - the programme for co-financing of sheltered housing for the elderly and senior citizens' homes. The programme was adopted with the purpose of the Fund financing projects in the field of institutional protection of the elderly population, to acquire sheltered housing for the elderly and for the construction of senior citizens' homes, in a way, in which:

- it provides long-term loans to ensure new capacities of sheltered housing and, in the senior citizens' homes, with the construction or reconstruction of buildings, and
- investments along with eligible carriers into projects for the acquisition and ensuring of sheltered housing in the form of co-investing.

According to the provisions of the Programme, the eligible applicants can be:

- municipalities or their budget funds
- public real estate funds
- legal entities, entered into the registry of non-profit housing organisations from Article 152 of SZ-1
- companies compliant with Articles 96 and 97 of Public-private Partnership Act (Ur. l. RS, no. 127/2006)
- other legal entities,

who independently meet the legal requirements for the activities from the field of managing sheltered housing and senior citizens' homes.

This particular form of residence, intended to the older population, is ensured within the scope of residential buildings for special purposes. Residential areas are, in terms of technology and construction, adapted for the elderly persons and must meet the requirements, which manage the stated field.

SSRS will continue to carry out the programme and adapt it to the change in legislation and the schemes for the elderly, planned by ReSNP15-25.

7.3 *Carrying Out of Legally Defined Obligations*

7.3.1 Carrying out of the National Housing Savings Scheme

The Government of the Republic of Slovenia, in 1999, adopted the national housing savings scheme as a systemic foundation for the encouragement of long term savings with premiums to increase the scope of favourable long-term housing crediting. Thus, the national housing savings scheme, through national premiums and bank interest of long-term savings based on eight published public calls, encouraged long-term savings. The NSVS ensured the savers in this scheme a favourable long-term housing loan, as it bound banks to at least twice the scope of given loans to savers in comparison to the saved assets, according to a loan interest rate that was known in advance. Through 8 public calls, the NSVS sold 162,495 lots and concluded 82,782 savings contracts.

The Public Finance Balancing Law terminated the possibility to conclude new loan contracts in the NSVS system and the system of giving grants to young families, until the national housing programme does not form new, better suited products. SSRS will continue to ensure an uninhibited carrying out of the scheme and payment of premiums according to concluded savings contracts from the calls, as well as grant payments. Premium assets must still be ensured annually by the budget of the RS.

7.4 Carrying Out of the Developmental Role of the Fund in the Housing Field

7.4.1 Sustainable construction in all forms of ensuring housing and renovation - an instrument for planned products and renovation of the apartment fund of the Fund

One of the basic tasks of SSRS as the carrier of housing policy is to permanently introduce and encourage the development of criteria for good construction practices in the field of sustainable development in housing construction. Sustainable development in the field of housing must take place in a balanced way and ensure the user a greater quality of residence with reasonable costs and as little burden on the environment as possible. We attempt to include the values of long-term synergy between economical, ecological and social perspective of the quality of life into the criteria for good construction practice or sustainable construction of residential buildings.

In the implementation of its programmes and products, the SSRS will strive towards a rational and technologically manageable construction with materials, that are ecologically acceptable, durable and tough, and enable efficient, as well as inexpensive maintenance, or economically and sustainably justify the costs of investment and regular maintenance. Obligatory analysis will be prescribed (LCC/LCCA - Life Cycle Cost Assessment Analysis) for multi-apartment buildings, primarily those with rental apartments owned by the SSRS.

The Fund will operate as a promoter of development in the sustainable construction segment in the field of architecture (sample houses, sample residence) carrying out of GOI works: construction and machine segment, maintenance of buildings, use of this type of apartments, education of tenants; in newly constructed buildings and the renovation of existing building fund, compliance with sustainable development: with the intention of ensuring greater use of renewable energy sources and ecologically sustainable construction, it will introduce their broader use, train contractors, and establish the Slovenian standard for low-energy and passive houses, compliant with local climate characteristics, and with a limitation of use of non-renewable energy sources. For this purpose, it will study models of foreign good construction practices and establish active connection and cooperation with similar institutions abroad. It will strive towards common projects with comparable and related subjects in the national and international environment - partnership projects.

7.4.2 Development (research) projects

In 2010, the developmental - research project of creation of Technical Conditions in Housing Construction - TPSG was completed and registered as a SSRS brand.

TPSG are manuals with assorted technical conditions for quality control of installed materials and ensuring of quality of individual types of works in housing construction: construction and crafts work, installations, and exterior arrangement; it is, however, also a useful guideline for quality housing construction. It represents content that is fundamental for a successful integration of a quality control system in the carrying out of housing construction.



Between 2011 and 2016, the Fund also carried out TPSG implementation on its own construction project of Brdo 1. The procedures of use and verification of TPSG will continue as works are completed in the scope of the project Brdo 1. Further development will develop new brands - preparation of technical conditions in housing construction for phases of planning and maintenance, as well as building use, after the implementation, also an upgrade and regular updates for TPSG, for the phase of GOI works, as a response to legislation change and the most recent state in construction technology, as well as improvement of functionality, reduction of costs of operation and maintenance of housing.

The SRSS will, along with TPSG, also involve established standards into its products (e.g. BIM standard), and, in cooperation with public and private partners, test them on actual projects.

7.4.3 Development and reinforcement of the SSRS role in the field of building and apartment management

SSRS will, taking into consideration new guidelines and roles, given to it by ReNSP15-25, develop the company Stanovanjsko Podjetje d.o.o., which it owns, as an investment, and will include it into the carrying out of its activities, compliant with the valid legislation, as well as reinforce and expand its role and activities, all with the purpose of the company expanding its role among the comparable subjects and within the scope of its activity in the market, and for it to develop additional products, as well as enter into various developmental and pilot projects, which SSRS encourages or carries out.

Along with this, SSRS will, in the case where it considers such action suitable, within permissions of valid legislation on public funds, also acquire investments in the field of ensuring various forms of housing supply, management, maintenance, and building operation in the private sector (e.g. acquisition of building / apartment management company and / or its merger with Stanovanjsko Podjetje d.o.o.).

8 SOURCES FOR REALISATION

The following financial sources are planned for the realisation of set goals:

| Financial assets for programme realisation in 2017–2020 | in million. EUR |
|--|-----------------|
| – short term financial investments | 135 |
| – rent income | 25 |
| – apartment sales income | 36 |
| – other income | 4 |
| TOTAL | 200 |

In the period between 2017 and 2020, the Fund will, for the carrying out of activities, use its own assets, assets from the budget of the RS, and potential foreign assets, which are not included in the scope of available assets (potentially available grants by the EU and debtor assets). In regards to planned assets and planned carrying out of financial instruments and compliance with the provisions of ZJS-1, realisation of goals is planned as shown in the matrix of goals for the operation of the Fund in the years 2017-2020, as Attachment 2.

To realise goals, the Fund may, along with its own assets, also use assets from debt, as defined by ZJS-1. SSRS has not exploited such funding sources. The loans could provide the Fund with an additional financial source to realise its goals (up to additional 10% of the capital of a public fund).

9 CONCLUSION

Realisation of set business policy in the coming years is closely connected with the implementation of ReNSP15-25 into the valid legislation and its connection to other public policies, as well as cooperation of other public subjects (ministries, property custodians, and comparable institutions and partners on the side of public and private partners). Realisation of set goals of this business policy is connected to available financial and human resources, movements in the real estate market, carrying out of tasks by public authorisation or for the needs of carrying out of public projects, which, in the last nine years of the Fund's operation, was greatly increased, and to the processes of formal-legal operation of the Fund (documentary operation), which is more and more precisely defined, as well as regularly monitored by the competent authorities.

SSRS will annually follow, check and update the evaluation of exposure to individual risks for the realisation of set goals, but at any rate, the realisation of the Business Policy of the Fund for the period 2017 to 2020 will be conditioned with the decisions of its founder within the scope of carrying out of the public policies.