

New housing market makes spectacular recovery in last quarter of 2020 (real estate company)

The new housing market had a spectacular recovery in the last quarter of 2020, with a significant increase in trading activity between October and December, according to a press release of a company in the field.

Moreover, throughout the year, both the development and the trading activity registered an advance compared to the previous year.

"The engine of market performance has been to transform homes into a multidimensional space. Buyers have been more determined to secure their homes in a desire to increase their comfort, either by replacing the spaces they already had with better ones or by buying the first house," said Andreea Hamza, senior director of the Living Department of JLL Romania.

In terms of deliveries, overall, the year 2020 performed very well given the state of insecurity caused by the pandemic, especially in the second quarter. Thus, in 2020, approximately 10,000 new units were delivered in Bucharest and 3,600 units in Ilfov. Of these, 3,900 new homes were built in Bucharest and 1,060 in Ilfov in the fourth quarter of 2020.

For 2021 the company mentions that it expects an even higher level of deliveries, which indicates the resilience of the residential market to the current situation.

For the whole year, the number of transactions with new homes in Bucharest was about 22,300, while 5,800 contracts were initialed in Ilfov, based on the forecast mentioned above. Compared to 2019, an increase of 4.5% was recorded.

The company states that, in terms of prices, 2020 marked an increase of 3.5%, being the fifth consecutive year of growth.