

Buyers' own funds - financing source for 69 pct of post-emergency property purchases

Funding for roughly 69 percent of the real estate transactions concluded from June 2020 to date came from the buyers' own resources and only 31 percent were financed from loans, found a RE/MAX survey conducted based on its nationwide network intermediation deals.

The typical real estate buyers in the reporting period were individuals or families with pre-approved loans or liquidity, who sought larger homes. Single-family homes are currently the most attractive market segment, and demand for this type of housing has increased by about 50 percent versus the previous year.

"The social isolation period has affected real estate, just like all the other industries. Despite visible moderation in property purchases, the buyers choose larger spaces, with a noticeable preference for individual homes. On the other hand, there are visible changes in the big cities in terms of rent, also as a result of the social context, and they will most likely materialize in price corrections. However, due to the uncertainty specific to this period we can only make short-term predictions, as the changes are directly proportional to health developments," said RE/MAX Romania president Razvan Cuc.

The rental segment's share of the total transactions made by RE/MAX in Q3 remained approximately the same compared to the year-ago period, specifically 10.2 percent versus 10.1 percent in Q3 2019. On the other hand, RE/MAX Romania representatives expect price corrections in certain cities, due to the decrease in demand in major university centres as a result of the suspension of in-person courses in educational institutions.

The global network of franchisee-owned and -operated offices RE/MAX is running over 50 franchised real estate offices in Romania, with over 600 members, and is recognized as the strongest national real estate brand. RE/MAX Romania is planning to expand by 2023 to 110 franchised offices and over 1,000 real estate agents.