
WHERE IS THE HOUSING MARKET GOING AFTER A YEAR OF CORONA?

NOAM HOMES REAL ESTATE AGENCY

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says the appraiser Ohad Danos.

A year has passed since the first lockdown in Israel, following the corona outbreak. We all expected the real estate market to freeze, but in practice we have reached a peak in mortgages and in sales in the real estate market in Israel. Where are we going from here?

In March and April 2020 there was complete uncertainty, both occupationally and economically. Especially due to the mass layoffs of hundreds of thousands of people. It was clear to everyone that the Corona epidemic will affect the economic situation in the country, and the real estate market will suffer severely.

Indeed, in March and April the number of transactions fell sharply (though not the interest in buying). But the situation changed in May, and the market recovered. By June, it had already soared, and the second half of 2020 was the half with the largest number of transactions in at least the last 20 years - 62,000 transactions.

As we can see, the market prices continue to rise, and there's a significant increase in the number of buyers from Israel and abroad. Many reasons for continued price increases, such as-

- Political instability causes rising prices in the housing sector.
- Home improvements, many more people are working/learning from home, therefore needing more space.
- After many lockdowns and staying home, people need/want outdoor space like a balcony / garden.



The year 2021 is expected to be characterized as a year with a high increase in apartment prices, at a rate of between 5% -10% compared to 2020.

This is the assessment of Bank Leumi economists in a review published on April 18th , 2021.

"Whoever has the required equity - buy an apartment" says the appraiser Ohad Danos, former Chairman of Real Estate Appraisers Association in Israel.

"There were no vacations in Corona and money was saved for the housing market."

Our office sees the trends and changes in the market, and is attentive to the unique needs of each client, in order to provide the best and most professional service.

We offer a wide range of services in Israel and remotely to overseas customers with a wide variety of tools.

You are welcome to contact us, we will be happy to assist.

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