

Real estate market is making a good recovery, having already regained 90% of its pre-covid weekly viewings

- *At the end of May, after taking proactive steps to adapt its business strategy to the current climate, Servihabitat recorded the same level of inquiries as before the state of alert was declared*
- *Interest in purchasing land has seen a marked increase, at levels 63% higher than before the pandemic, while the residential market has almost returned to pre-covid levels countrywide.*
- *Despite taking longer to progress through the de-escalation phases, Madrid and Barcelona are already seeing slightly higher levels of online interest in real estate purchases than in the first quarter of the year, with increases of 10% and 2%, respectively*

Barcelona, June 10th, 2020.- Servihabitat, leading multi-client and multi-product servicer in real estate and financial asset management, points to a rapid recovery for the real estate sector after confirming that, following the relaxing of lockdown measures, the industry's activity levels are already comparable to those recorded prior to the pandemic.

Real estate professionals across the country have adopted health and safety protocols to facilitate a gradual return to work and are now carrying out 90% of the number of viewings recorded before the state of alert was declared in March. The statistic, coupled with the fact that client interest has already returned to pre-covid levels, is a good indication that the real estate sector is on track for a rapid and robust recovery.

Although sustained growth in the residential market continues to power the recovery by equaling or even exceeding pre-covid activity levels nationwide, it is the land market that has seen the most significant increase in interest. It reported 63% more leads than the average number recorded before the public health crisis began. According to our data, this increase can be attributed to small, private investors who view real estate as a secure investment with less volatility than other securities that are currently exposed to greater risk.

Recovery in the service sector has been more gradual and conditioned by the uncertainty it has had to deal with during recent weeks. Even so, in just one week, viewings have increased by 51%, already regaining around 80% of pre-covid activity levels. With this progress, a return to the levels it saw at the beginning of the year also looks likely. E-commerce and home working are set to shape trends in this market by changing the way we use this type of asset, but demand is still expected to grow.

Madrid, Catalonia, and Castilla-la Mancha advancing more quickly than in the first quarter

The real estate sector has been quick to react as the autonomous communities progress through the de-escalation phases.

The fastest movers, even exceeding the average levels recorded for the first two months of the year, are those in the north of the country (particularly A Coruña, Burgos, Navarra, and Cantabria), the east (Valencia, Murcia, and Castellón), followed by Andalusia (Seville, Almería, Huelva, and Granada).

There has also been a noteworthy response in the central areas (Madrid and Castilla-la Mancha) and Catalonia, which, despite taking longer to advance through the phases than the rest of the country, are now catching up with accelerated growth in activity, week on week. Servihabitat has recorded a 10% and 2% increase in interest compared to the pre-covid period, respectively.

Flexibility, the key to recovery

For Servihabitat, being able to adapt to the new climate and respond to current demand has been key to sparking a recovery in the sector.

The servicer has customized its business strategy with campaigns and initiatives that make real estate more attainable. Its “We make it easy for you” campaign, for example, puts the needs of clients at the epicenter of its operations, making it even easier to purchase a home or business real estate by offering the best possible discounts and an increased portfolio of properties. Just one week after its launch, the initiative is being well received in the east of the country, Catalonia, the Community of Madrid, and Seville, which is very much in line with general trends in the sector at this time.

Servihabitat has also supported the network of real estate professionals to assist them in complying with all the measures required to guarantee safe viewings for both professionals and clients. You can learn more about the current protocol for viewings in this video: <https://youtu.be/RAVuWAT7Zn4>

Moreover, the servicer has adapted its internal procedures to shorten payment cycles in the hopes of assisting real estate businesses to recover from weeks of severe trade paralysis. The move allows industry professionals to invoice for their charge on sales just one week after completion.

About Servihabitat

Servihabitat is the leading multiclient and multiproduct servicer for the comprehensive management of mortgage and developer portfolios, as well as real estate assets. The company’s thirty years of market experience and the high volume of assets under its management consolidate its position at the forefront of the sector.

A multidisciplinary and highly qualified professional team, management excellence, marketing power, technological innovation, and quality service tailored to the needs of each client all unite to position Servihabitat as a strategic partner capable of providing diverse solutions throughout the asset management cycle.

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