

Romanian Residential Market Report

Q4 2022



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We are the most frequently quoted source for statistical data. Numerous banks, all Romanian periodicals and televisions, as well as National Institute of Statistics (INS) or the Stock Exchange, use the Imobiliare.ro Index *

*Market survey conducted by Imobiliare.ro in 2020

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DEMAND

Q4 - 2021

Q4 - 2022

Demand for residential property purchases in six major cities

(source Imobiliare.ro)

134,000

potential buyers

-28% ↓

96,500

potential buyers

Real estate properties sold nationwide

(source: NACLR)

192,800

Sold real estate properties

-5.9% ↓

181,450

Sold real estate properties

Of which, individual units:

48,500

Individual units sold

-6.1% ↓

45,550

Individual units sold

Balance of housing loans granted to the population nationwide

(source: NBR)

99.7 mld lei

balance in Nov. 2021

+6.3% ↑

105.96 mld lei

balance in Nov. 2022

Volume of housing loans granted to the population nationwide

(source: NBR)

21.02 mld lei

balance in Dec. 2021

+13% ↑

21.77 mld lei

balance in Dec. 2022

Net nominal average salary

(source: INS)

3,645 lei

Nov. 2021

+13.6% ↑

4,141 lei

Nov. 2022

Unemployment rate

(source: INS, according to BIM definition)

5.5%

Nov. 2021

-1.8% ↓

5.4%

Nov. 2022

SUPPLY

Q4 - 2021

Q4 - 2022

Sales offer, existing (old) properties,
in six major cities
(source Imobiliare.ro)

11,560

Apartments and houses
for sale

-3.5% 

11,160

Apartments and houses
for sale

Supply for rent in six major cities
(source: Imobiliare.ro)

18,100

Apartments and houses
for rent

-33.7% 

12,000

Apartments and houses
for rent

Supply for sale, new properties
Bucharest
(source Imobiliare.ro)

1,000

Apartments in 460
residential projects

12.8% 

20,300

Apartments in 420
residential projects

Newly-built housing nationwide
(source: INS)

18,266
Q3 2021

10.7% 

20,223
Q3 2022

Number of residential building
permits nationwide
(source: INS)

13,061
Sep. - Nov. 2021

-18.7% 

10,349
Sep. - Nov. 2022

PRICES AND COSTS

Q4 - 2021

Q4 - 2022

Quarterly rate of changes in prices for residential properties for sale, nationwide
(surce Imobiliare.ro)

+3,4%
Q4 2021 vs Q3 2021



-1,4%
Q4 2022 vs Q3 2022

Quarterly rate of changes in prices for residential properties for sale, nationwide
(surce Imobiliare.ro)

+12%
Q4 2021 vs Q4 2020



+4,1%
Q4 2022 vs Q4 2021

Annual rate of changes in prices for residential properties for sale, nationwide - existing (old) properties
(surce Imobiliare.ro)

+11,8%
Q4 2021 vs Q4 2020



+1,9%
Q4 2022 vs Q4 2021

Annual rate of changes in prices for residential properties for sale, nationwide - new properties
(surce Imobiliare.ro)

+16,5%
Q4 2021 vs Q4 2020



+6,1%
Q4 2022 vs Q4 2021

Cost index in constructions for residential buildings nationwide
(2015 = 100, source: INS)

158,3
Sep. 2021



180,4
Sep. 2022

THE CREDIT BROKER AND THE RECESSION



The other day, I happened to come across a news report on one of the most respectable TV channels, and I was soon confronted with mixed feelings: on the one hand, the gist was positive, as sources from the National Bank of Romania were being quoted, announcing a decrease in inflation in the latter half of the year, economic growth above expectations and, on the other hand, the title of the news report was, and this is an approximate quotation: “The Romanians who switched from ROBOR to IRCC now regret it!!!”.

In addition to the already-established topic of the media’s need to generate clicks, some clarifications are in order:

1. At the time the news was broadcast, the difference between ROBOR and IRCC was still of approximately two percent in favour of the latter indicator; consequently, no Romanian had any reason to regret the potential choice as yet.
2. We already know the value of the IRCC in the 2nd quarter of 2023, and we are seeing the onset of a stabilizing trend, after the ROBOR decrease, which started at the end of last year.
3. There is no estimation according to which the maximum which IRCC may reach exceeds the maximum already attained by ROBOR. Not even close.

4. On the whole, the Romanians who switched from ROBOR to IRCC, either by refinancing their loans, or by renegotiating their contract with their funding providers, made the right choice and did NOT or ever will have any reasons to regret their decision.

The only regret that a professional credit mediator may have is, perhaps, related to the low number of debtors who could have been persuaded to make the change, to their advantage. Any self-respecting broker has, undoubtedly, tackled this matter with their clients.

The reality is that these are economically complicated times and, among the indebted population, as a result of the increase in interest rates, there are many situations in which the maximum indebtedness, although observed upon contracting the loan, was eventually significantly exceeded. This entails difficulty in paying the instalments on the ongoing loans, and it has the potential to alter the quality of the banks’ portfolios. Moreover, it prevents us from requesting the necessary funding for the desired real estate purchase. Against this background, the assistance of a professional, which can be provided free of charge, is more than welcome.

A broker may advise on the methods available to reduce one’s instalments, in order to face the difficult situation of the economy, or to observe the maximum indebtedness requirement upon contracting a new loan. The credit broker can also make a difference in terms of the real estate supply. We are all aware of the fact that times of bounty have passed, and clients are no longer lining up at the showrooms, which is why it is all the more important for no potential buyer to be lost because of a faultily identified lending solution.

We strongly believe that, during these difficult times, credit brokers may emerge as winners, with a significant improvement in terms of relevance and market share, as long as they are willing to step outside their comfort zone and fight for each client, using their best skills.

Doru Iliescu

Co-founder DSA Advisor, the credit broker acquired by Imobiliare.ro

LEGAL CHALLENGES ON THE REAL ESTATE MARKET



The real estate segment is currently undergoing a period of multiple challenges, affecting all players engaged, from real estate developers to mediation agencies and end buyers. The consequences of the pandemic and the global political context joined by the oftentimes defective legislation pose genuine difficulties to the real estate market, which leaves lawyers facing novel and increasingly complex cases. We are undertaking an analysis of the most frequent legal challenges we faced in last year's fraught real estate context.

From the developer's perspective, the difficulties were seen along three major pillars: the challenge of obtaining sustainable funding, the uncertainty rendered by the suspension of the Zonal Urban Plans in many places and by the development of the new General Urban Plans and, last, but not least, the insolvency of the buyers/renters.

Most real estate projects rely on private/bank funding; consequently, the success of such a project oftentimes depends on the negotiation and obtaining of sustainable credit conditions. However, the pressure exerted on the banking system had major repercussions on the funding in the area, as the developers were faced with higher interest rates and especially with additional, burdensome securities - which, quite often, they cannot sustain. The financing agreements that we have analysed and negotiated

were more burdensome than in the years preceding the pandemic and we were faced with difficulties in juggling with the securities required by the banking institutions, which increasingly bear upon the natural person associates of the developing companies.

Another recent challenge pertains to the instability and the lack of predictability related to the local urbanistic regulations. We are faced with rejected zonal urban plans, motivated by decisions of the administration to suspend the zonal plans until the adoption of new regulations, which are long in coming. In these situations, the developers are forced to suspend the projects until the disputed situations caused by legislative deficiencies or, in some cases, even by maladministration, are settled.

Last, but not least, the chain of reactions also includes the end buyer's insolvency or a significant decrease in purchasing power, against the economically unstable background. Thus, the need has emerged for us to renegotiate terms and contracts, to manage contract assignments to third parties, as a result of rejections of the buyers' credit files or due to the latter becoming unemployed.

The domino effects of the national and global context were also felt by the real estate agencies mediating the transactions. The year 2022 was a record year in terms of fees not paid to such agencies, by buyers who attempt to quibble about their contractual obligations. Surely, the motivation behind such attempts is also of economic nature, but it merely generates additional expenses on litigations and enforced proceedings. The litigations are also caused by mediation agreements which are drawn up precariously and by the lack of legal advice upon signing such contracts.

On the other side of the contract, regarding the end buyer, we were confronted with issues on several levels. On the one hand, the higher price of materials and the cascading of the economic effects caused, in some cases, lower quality in constructions and the failure to meet the execution deadline, formal notices, and litigations for contract terminations or indemnifications.

LEGAL CHALLENGES ON THE REAL ESTATE MARKET

On the other hand, legal professionals are increasingly presented with the legal non-conformity of the sales contracts, to the point of encountering record-cases of contracts which did not contain compulsory clauses provided by law or which contained unfair clauses. The consequences of such practices reflect on both contracting parties, as significant court expenses and indemnifications need to be covered by the developer, whereas the buyer suffers the loss caused by the deprivation of legal rights. The risk of one's own insolvency and the negotiations related to the payment of instalments, the termination of contracts which the buyers can no longer support financially, as well as many others, are added to these.

To conclude, over the past years, the legal challenges related to the real estate sector follow the economic trend, compelling us to identify increasingly creative solutions, centred on the market's current, genuine needs, so

Av. Alexandra Hila

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RESIDENTIAL PRICE INDEX

In the last quarter of 2022, asking prices for residential properties in Romania decreased, on average, by 1.4% compared to the previous quarter, according to the data centralized by Market360. Although not substantial, this regression places the index at values close to those recorded in the first quarter of the year 2022. As for the annual evolution, the index recorded a 4.1% increase.

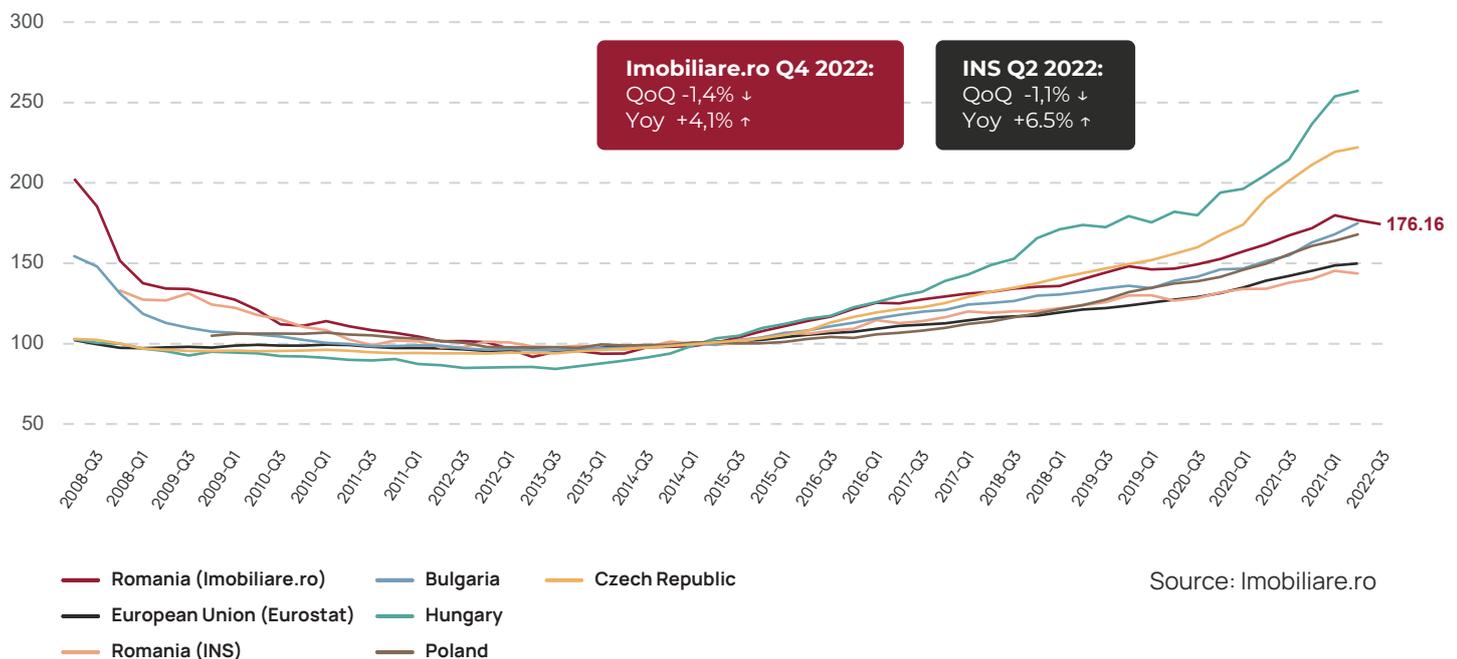
In the European Union, a slight price increase trend can also be noticed. Against

all expectations, the growth trend is much more stable than the growth trend in the price of residential properties from Romania.

Concerning trading prices for housing, the newest data published by Eurostat and the National Institute of Statistics (INS) reveals, for the fourth quarter of 2022, a 1.1% quarterly decrease and, respectively, a 6.5% annual growth.

“In the fourth quarter, asking prices for residential properties in Romania have receded, on average, by 1.4% compared to the previous quarter.”

RESIDENTIAL PRICE INDEX (2015=100), quarterly data



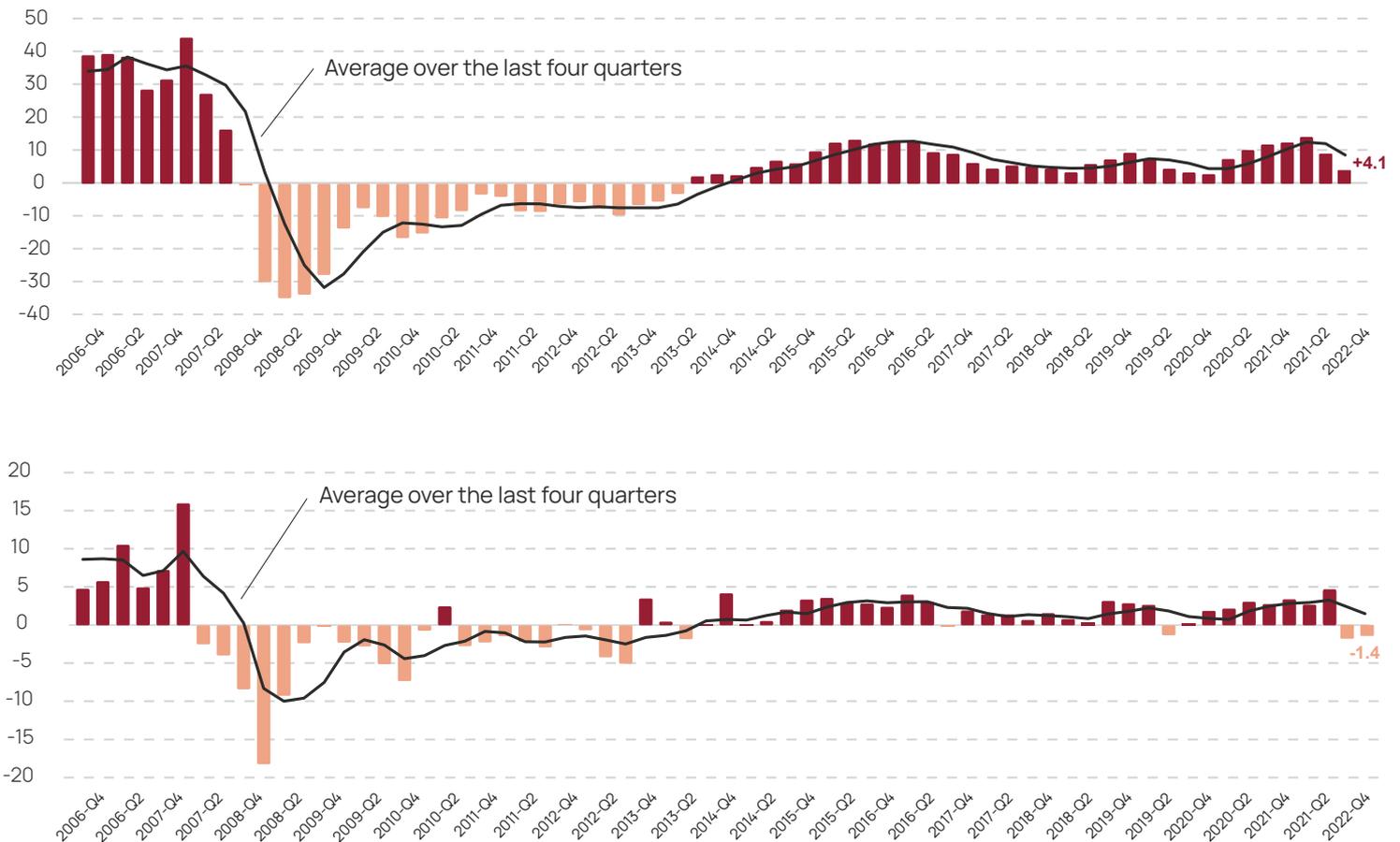
EVOLUTION OF RESIDENTIAL PROPERTY PRICES

After it stood at 4.6% in the second quarter of the year 2022 and, respectively, at -1.8% in the third one, the quarterly price rate saw

a 1.4% decrease in the fourth quarter. However, compared to the similar period of 2021, a 4.1% growth was registered.

“The 4th quarter of 2022 is distinguished by an annual 4.1% increase in the price of housing in Romania.”

QUARTERLY RATE OF CHANGE IN PRICES



Source: Imobiliare.ro

ASKING PRICES IN THE MAJOR CITIES - APARTMENTS FOR SALE

With a value of EUR 2,410 per square metre, Cluj-Napoca continues to hold the first place in the ranking of the highest (average) prices asked for apartments listed for sale in the major cities, with a slight 0.5% increase in the fourth quarter of 2022. Moreover, prices in his regional centre saw a 17.2% increase over the past year, and a 33.2% over the past two years.

The second place is held by Bucharest, with an average asking price of EUR 1,680 per net square metre and a 1.4% increase over the last three months of 2022 and, respectively, a 2.4% increase over the past 12 months and a 14.4% increase over the past two years.

Following a 0.2% increase in Q4 2022, and of 10.1% over the past year, Braşov reached an average of EUR 1,570 per net square metre.

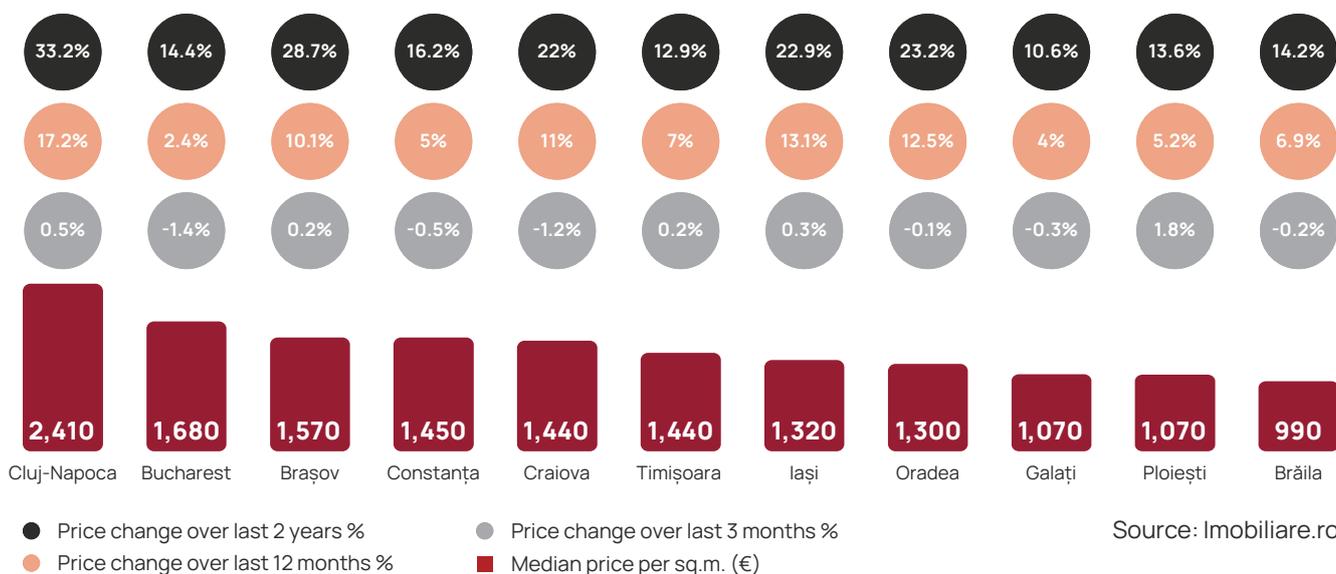
Next in the national ranking of price trends in Q4 2022 are Constanţa (EUR 1,450/sq. m), Craiova (EUR 1,440/sq. m), Timişoara (EUR 1,440/sq. m), Iaşi (EUR 1,320/sq. m), Oradea (EUR 1,300/sq. m), Galaţi (EUR 1,070/sq. m) and Ploieşti (EUR 1,070/sq. m).

The only regional centres which remains in the ranking of cities with apartments of at least EUR 1,000 per net square metre is Brăila (EUR 990/sq. m).

Compared to the similar period of the previous year, the Imobiliare.ro data only indicates increase in the asking prices of sellers from the major cities. The most significant growth was seen in Cluj-Napoca (+17.2%), with two-digit growth margins being registered in the other regional centres, as well: Iaşi (+13.1%), Oradea (+12.5%), Craiova (+11%) and Braşov (+10.1%). Next in the ranking of price increases are Timişoara (+7%), Brăila (+6.9%), Ploieşti (+5.2%), Constanţa (+5%), and Galaţi (+4%).

When comparing the current prices with the prices from two years ago, the highest price difference, respectively of +33.2%, can be seen in Cluj-Napoca, whereas Braşov ranks second, with 28.7%. Oradea is third, with +23.2%. Bucharest recorded a +14.4% increase.

PRICE TRENDS ACROSS MAIN CITIES - APARTMENTS FOR SALE



PRICES OF APARTMENTS FOR SALE BY AREAS

București:

The most expensive apartments are found in the central and ultracentral area, where the average list price stands at EUR 2,527 per net square metre, after a slight quarterly decrease of 1.6% and an annual advance of 6.3%. In the areas close to the centre, such housing is listed for sale at EUR 1,750 per square metre, after a decrease of -1.1% over three months and, respectively, after a 0.7% increase over 12 months. In the outskirts, the sellers' average asking price is of EUR 1,495 per net square metre, down by -1.8% compared to the previous quarter and, respectively, up by 4.8% compared to Q4 2021.

Cluj-Napoca:

The ranking of the areas with the most expensive apartments in Cluj-Napoca has also undergone certain changes, compared to the three previous months. The central and ultracentral area still ranks first, with an average price of EUR 2,648 per net square metre, registering a 2.2% decrease in Q4 2022, and a 7.9% yearly increase. This is followed by the area close to the city centre, where prices saw a 0.7% quarterly increase, up to EUR 2,548 per net square metre. Over a one-year period, the area close to the city centre recorded a 15.4% increase. In the city's outlying areas, the sellers' claims stand at EUR 2,201 per net square metre, 1.1% higher

than in the previous three months and, respectively, 15.7% higher than in the similar period of 2021.

Timișoara:

In Timișoara, apartments in the central and ultracentral area can be purchased, on average, for EUR 1,713 per net square metre, after a -3.4% decrease over three months and, respectively, a 14.2% increase over 12 months. In the areas close to the centre, an apartment is available for sale at EUR 1,434 per square metre, after a 0.8% increase over three months and, respectively, 7% over 12 months. In the outskirts, the sellers' average asking price is of EUR 1,421 per net square metre, up by 0.3% compared to the previous quarter and, respectively, by 7% compared to Q4 2021.

Iași:

Apartments in the central and ultracentral area of Iași have an average list price of EUR 1,949 per net square metre, after a quarterly growth of 2.8% and an annual advance of 14.1%. In the areas close to the centre, such housing is listed for sale at EUR 1,341 per square metre, after an added 1% over three months and, respectively 13.3% over 12 months. In the outskirts, the owners' average asking price is of EUR 1,306 per net square metre, up by 0.8% compared to the previous quarter and, respectively, up by 12.5% compared to Q4 2021.

Bucharest

6.3%	0.7%	4.8%
-1.6%	-1.1%	-1.8%
2,527€	1,750 €	1,495€
Ultracentral/Central	Semicentral	Outskirts

Timișoara

14.2%	7%	7%
3.4%	0.8%	0.3%
1,713 €	1,434 €	1,421€
Ultracentral/Central	Semicentral	Outskirts

Cluj-Napoca

7.9%	15.4%	15.7%
-2.2%	0.7%	1.1%
2,648€	2,548 €	2,201 €
Ultracentral/Central	Semicentral	Outskirts

Iași

14.1%	13.3%	12.5%
2.8%	1%	0.8%
1,949€	1,341 €	1,306 €
Ultracentral/Central	Semicentral	Outskirts

- Annual change
- Quarterly change

Source: Imobiliare.ro

PRICES OF APARTMENTS FOR SALE BY AREAS

Constanța:

In Constanța, apartments listed for sale in the central and ultracentral area cost, on average, EUR 1,560 per net square metre, given a quarterly decrease of 4.1% and, respectively, an annual increase of 6.4%. In the areas close to the centre, such housing has an average asking price of EUR 1,500 per square metre, which is equivalent to a standstill in prices over the past three months and, respectively, a 4.7% growth over 12 months. In the outskirts, the sellers' average asking price reaches EUR 1,330 per net square metre, up by 2.5% compared to the previous quarter and, respectively, by 8.1% over 12 months.

Brașov:

Housing properties in the central and ultracentral area of Brașov have an average list price of EUR 1,653 per net square metre, after a slight growth of 0.6% over three months and, respectively, 3.3% over 12 months. In the areas close to the centre, an apartment is available for sale for EUR 1,526 per square metre, after a decrease of 0.1% over three months and, respectively, 7.9% over 12 months. In the city's outlying areas, the sellers' average asking price reaches EUR 1,547 per net square metre, up by 0.3% compared to the previous quarter and, respectively, by 12.3% compared to Q4 2021.

Oradea:

In Oradea, apartments in the central and ultracentral area can be purchased, on average, for EUR 1,355 per net square metre, after a -0.9% decrease over three months and, respectively, a 14.2% increase over 12 months. In the areas close to the city centre, the average asking price for this market segment stands at EUR 1,304 per square metre, after a quarterly growth of 0.5% and, respectively, an annual growth of 12.9%. On the outskirts, the owners' average asking price is of EUR 1,220 per net square metre, down by 1.8% compared to the previous quarter and, respectively, up by 9.2% compared to the similar period of the previous year.

Craiova:

In Craiova, apartment sellers from the central and ultracentral area claim, on average, EUR 1,723 per net square metre, given a quarterly decrease of 2% and, respectively, an annual increase of 10.2%. In the areas close to the centre, the list price for such a housing property is EUR 1,430 per square metre, after a 1.2% decrease over three months and, respectively, an added 9.8% over 12 months. In the neighbourhoods located on the outskirts, the average asking price reaches EUR 1,465 per net square metre, down by 1% compared to Q3 2022 and, respectively, up by 8.5% compared to Q4 2021.

Constanța

6.4%	4.7%	8.1%
-4.1%	0%	2.5%
1,560 €	1,500 €	1,330 €
Ultracentral/Central	Semicentral	Outskirts

Oradea

14.2%	12.9%	9.2%
-0.9%	0.5%	-1.8%
1,355 €	1,304 €	1,220 €
Ultracentral/Central	Semicentral	Outskirts

Brașov

3.3%	7.9%	12.3%
-0.6%	-0.1%	0.3%
1,653 €	1,526 €	1,547 €
Ultracentral/Central	Semicentral	Outskirts

Craiova

10.2%	9.8%	8.5%
-2%	-1.2%	-1%
1,723 €	1,430 €	1,465 €
Ultracentral/Central	Semicentral	Outskirts

- Annual change
- Quarterly change

Source: Imobiliare.ro

TIME ON MARKET FOR APARTMENTS

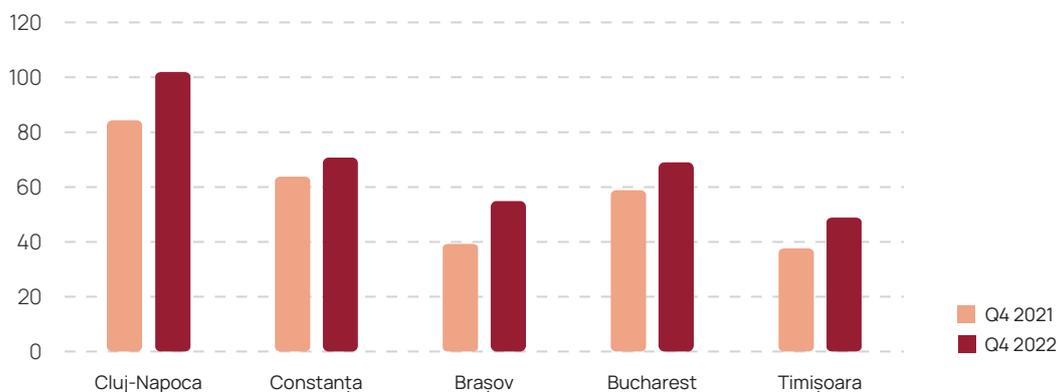
Considering the average time on market for apartments, Timișoara can currently be considered to be the most active market nationwide. In this regard, this regional centre is followed by Brașov, Bucharest, Constanța, and, respectively, Cluj-Napoca. What is worth mentioning is the fact that, in relation to the similar period of the previous year, all the analysed regional centres registered increase in the time on market.

On the other hand, with regard to the Bucharest market, the time needed to trade an apartment was of 69 days in the October-December 2022 interval, and of 57.5 days in the third quarter of 2022. By comparison, in the third quarter of 2021, in the Capital, 59 days were needed to conclude a transaction. A significant growth in the time

on market in the apartments segment was also registered in Cluj-Napoca last quarter, where this indicator reached 102 days (compared to 84.5 days in the similar period of 2021).

In Timișoara, the time needed to conclude a sale went up from 38 days in the fourth quarter of 2021 to 49 days in the similar period of 2022. In Brașov, in the period October-December 2022, a housing property's time on market reached an average of 55 days (up from 39.5 days) In Constanța, this indicator increased slightly, from 64 (in Q4 2021) to 71 days, in Q4 2022.

TIME ON MARKET (DAYS)



Source: Imobiliare.ro

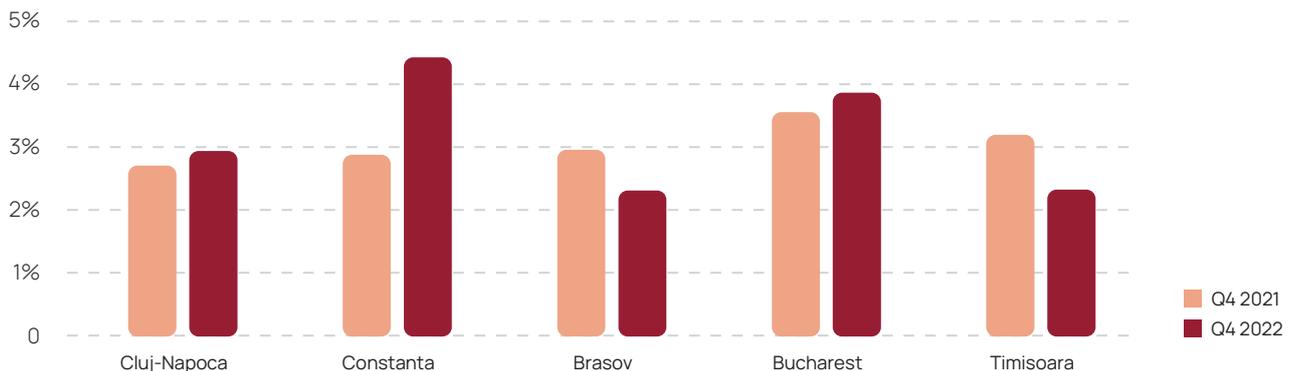
NEGOTIATION MARGIN FOR APARTMENTS FOR SALE

The negotiation margin is calculated as a price difference between the sale price and the final asking price. Last quarter, this indicator was higher in three of the five major cities of the country, compared to the similar period of last year. What is interesting is that, currently, the highest negotiation margin, of over 4%, can be encountered in Constanța. By comparison, in the similar period of last year, it stood at approximately 2.9%. Another city where the seller's availability to lower the price nears the 4% threshold is Bucharest - where, one year ago, this indicator stood at a little

above 3.5%. The next regional centre in the ranking of the highest negotiation margins is Cluj-Napoca, with 2.9% (higher than the similar period of the past year).

On the other hand, this indicator decreased in two regional centres. Thus, in Timișoara, the negotiation margin decreased from 3.2% (the average value registered in Q4 2021) to 2.3% over the past quarter of 2022. As far as Brașov is concerned, the indicator decreased from 2.9% to 2.3%.

NEGOTIATION MARGIN
(% the difference between the transaction price and the last asking price)



Source: Imobiliare.ro

DEMAND FOR RESIDENTIAL PROPERTIES FOR SALE (APARTMENTS AND HOUSES)

Compared to the similar period of last year, buyers' interest is clearly rising on all markets. Thus, in Q4 2022, compared to the similar period of the past year, demand dropped by 28%. The downward trend is valid for all markets subject to analysis, the greatest drop (-31%) occurring in Bucharest, and the smallest (-17%) in Braşov.

Compared to the last quarter, interest in the procurement of housing was, in the last quarter of 2022, 9% lower at the level of the six regional centres subject to analysis. In this regard, all cities subject to our analysis recorded a decrease, respectively Iaşi (-14.3%), Timişoara (-12.3%), Braşov (-8.8%), Bucharest (-8.6%), Constanţa (-7.9%) and Cluj-Napoca (-3%).

In the fourth quarter of 2022, approximately 96,500 potential buyers searched, on Imobiliare.ro, for housing in the country's six main regional centres.

"Interest in the procurement of housing properties was, in the Q4 2022, 9% lower, compared to the previous quarter."

DEMAND FOR RESIDENTIAL PROPERTIES FOR SALE houses and apartments - new and old



* By demand, we refer to the potential buyers who generated Leads for sale properties on the Imobiliare.ro portal, in a certain period.

A lead is recorded when a visitor performs an action (views the phone, sends an email to request more details, prints or saves your ad).

Source: Imobiliare.ro

BUYERS' EXPECTATIONS REGARDING RESIDENTIAL PROPERTIES FOR SALE

In the final quarter of 2022, the budgets which buyers in Bucharest are expected to allocate for a one-room housing unit is of EUR 47,500, on average, according to a survey performed by aggregator Imoradar24.ro*, which analysed the trading intentions of the site users. Regarding the purchase of a two-room housing property, buyers intend to offer an average of EUR 78,000, whereas, for three rooms, they are considering a budget of EUR 118,074. Thus, in the months October-December, the most wanted were the two-room apartments (43% of the interest), followed very closely by 3-room apartments (35% of the interest), and last in the ranking were studio apartments, with 22% of the interest.

The country's capital city is surpassed by Cluj-Napoca, where the buyers intend to allocate EUR 59,000 on average for a one-room housing property, respectively EUR 99,000 per month for two rooms, and EUR 155,000 for three rooms. In the 4th quarter of 2022, the most wanted apartments were the studio type (47% of the interest expressed), followed very closely by two-room apartments (37% of the interest expressed).

In Timișoara, buyers' expectations for a one-room housing unit stand at EUR 37,000, respectively EUR 71,950 for two rooms, and EUR 95,000 per month for three rooms. In the period October-December 2022, 46% of the users searched for two-room apartments, and 28% were interested in studio apartments.

As far as the expectation of the buyers from Brașov are concerned, for a one-room housing unit they are willing to offer EUR 40,400, respectively EUR 77,000 for two rooms, and EUR 112,000 for three rooms. In the last quarter of 2022, 47% of the users searched for two-room apartments, and 27% were interested in studio apartments.

In Iași, buyers' expectations for a one-room housing unit stand at EUR 37,500, on average, respectively EUR 64,850 for two rooms, and EUR 78,000 for three rooms. In the period October-December 2022, 45% of the users searched for two-room apartments, and 33% were interested in studio apartments.

The buyers from Constanța have in view an average budget of EUR 37,700 for a one-room housing unit, respectively EUR 71,500 for two rooms, and EUR 99,000 for three rooms. Thus, in Q4 2022, 50% of the users searched for two-room apartments, and 28% were interested in studio apartments.

Imoradar24.ro is the largest aggregator of real estate ads in Romania, with 170,000 unique properties put up for sale in 7,000 localities. 460,000 aggregated ads. Imoradar24 is part of the Ringier press trust

BUYERS' EXPECTATIONS REGARDING RESIDENTIAL PROPERTIES FOR SALE

DEMAND T4-2022

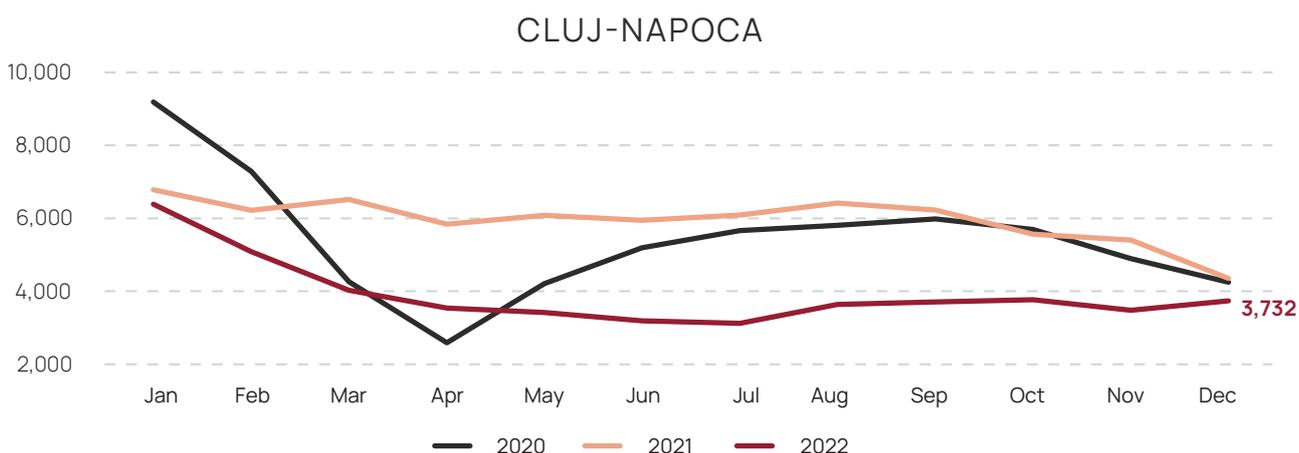
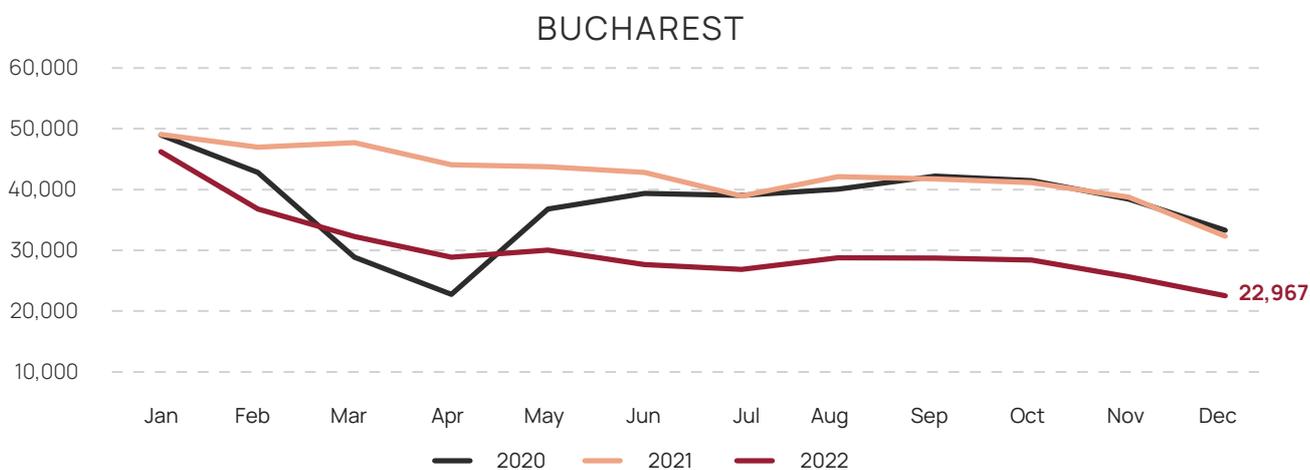
	Studio apartment		2 Rooms		3 Rooms	
	Price	Volume%	Price	Volume%	Price	Volume%
Bucharest	47,500	23%	78,000	43%	118,074	34%
Cluj-Napoca	59,000	47%	99,000	37%	155,000	16%
Timișoara	37,000	28%	71,950	46%	95,000	26%
Constanța	37,700	28%	71,500	50%	99,000	22%
Iași	37,500	33%	64,850	45%	78,000	22%
Brașov	40,400	27%	77,000	47%	112,000	26%
Galati	27,000	14%	53,000	59%	70,000	27%
Sibiu	33,000	24%	70,000	42%	90,000	34%
Pitesti	34,000	33%	56,000	41%	70,000	26%
Ploiesti	30,500	24%	48,000	48%	65,000	28%
NATIONAL	40,000		68,000		96,000	

Source: Imoradar24.ro

DEMAND FOR RESIDENTIAL PROPERTIES FOR SALE (BUCHAREST + CLUJ-NAPOCA)

Looking at the progress registered in terms of demand for housing (apartments and houses) in Bucharest, we can see that this indicator follows a downward trend, nearing the threshold of 22,967 potential buyers, compared to 32,543 in the similar period of 2021. Observing last year's trend, in Q4 2022 a slight decrease was registered in the months of November and December. As such, in Q4 2022, this indicator reached a level that was much lower than the one recorded in 2021.

In Cluj-Napoca, interest in the procurement of housing was, in Q4 2022, much lower than in 2021 and even 2020; thus, Imobiliare.ro recorded 3,732 potential buyers, compared to approximately 4,350, which was the value recorded in both 2021 and 2020. However, just like in Bucharest, the demand curve follows a downward trend in the last quarter of 2022.



Source: Imobiliare.ro, potential buyers

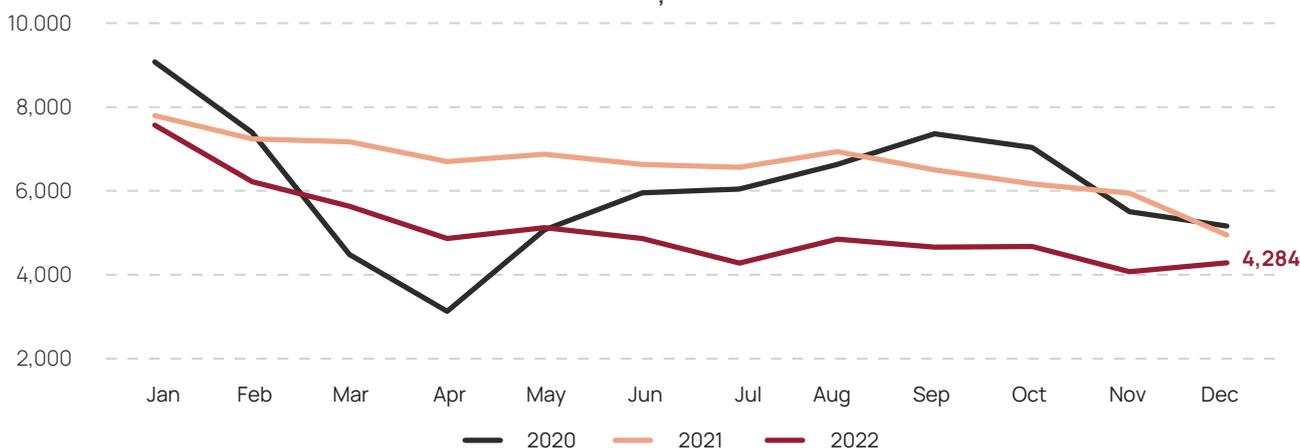
DEMAND FOR RESIDENTIAL PROPERTIES FOR SALE (TIMIȘOARA + IAȘI)

In Timișoara, as well, demand for residential properties was, in Q4 2022, lower than in 2021 and 2020: thus, Imobiliare.ro registered almost 4,676 potential buyers in October, compared to approximately 6,163 twelve months before and, respectively, 7,033 two years before. In December 2022, this indicator recorded a slight upward trend, nearing 4,284 users.

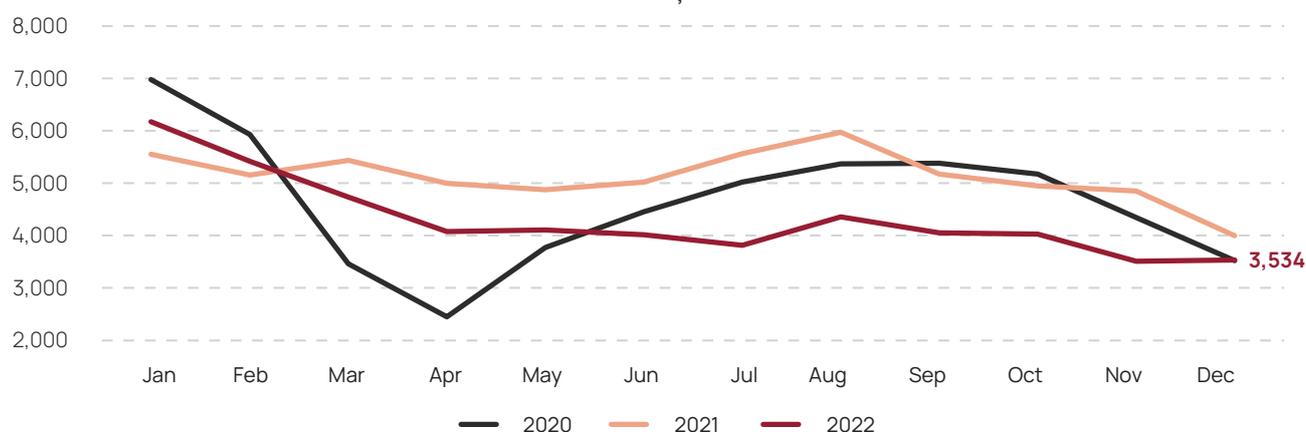
the largest local portal of real estate ads registered approximately 4,031 potential buyers in October 2022, down from the approximately 4,950 from the similar period of 2021 and from the approximately 5,171 visitors from the same month of 2020. On the Iași market, as well, demand for residential properties was characterized by an obvious decrease in Q4 2022, continuing the downward trend of Q2 2022.

Just like in Cluj-Napoca and Timișoara, in Q4 2022, interest in the procurement of housing properties in Iași stood at a lower level, compared to 2020 and 2021; thus,

TIMIȘOARA



IAȘI

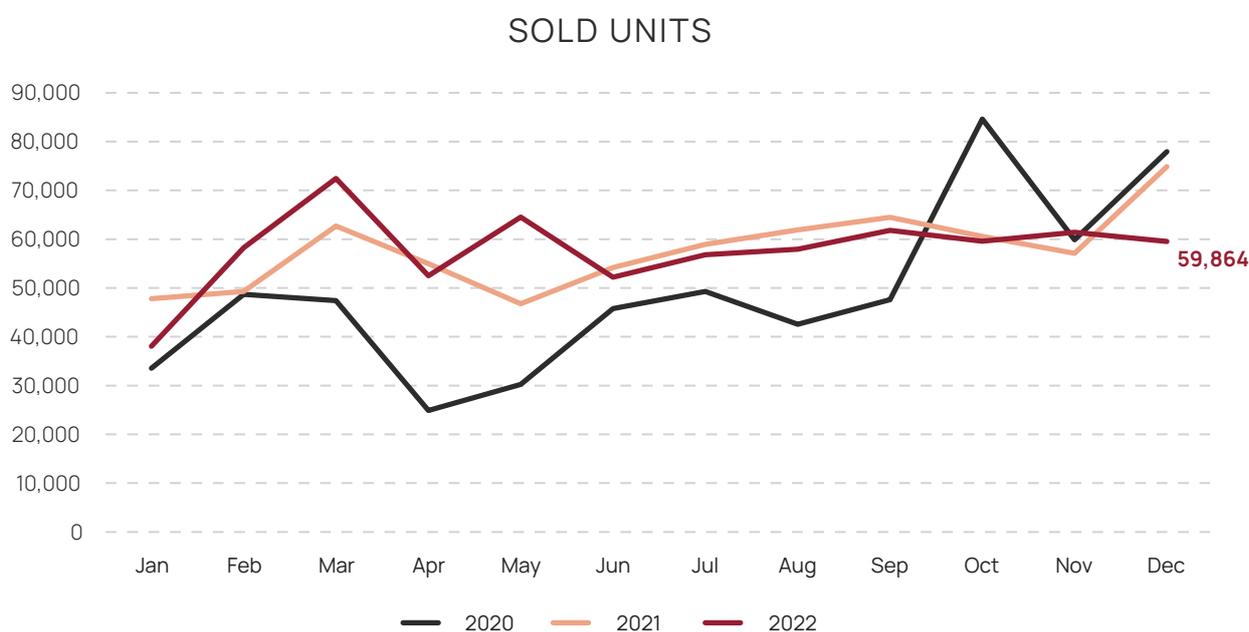


Source: Imobiliare.ro, potential buyers

SALES OF PROPERTIES, NATIONWIDE

The data published by the National Agency for Cadastre and Land Registration (ANCP) and centralized by Market360 indicates a slight downward trend in the trading activity conducted on the internal real estate market. Thus, the number of houses, plots of land, and apartments subject to sales contracts stood, in December 2022, at a total of 59,864 nationwide.

More specifically, in October, 59,927 such operations were performed nationwide, whereas 60,853 properties were traded in the entire country in the similar period of the previous year. On the other hand, in November 2022, 61,659 properties were purchased throughout the country.

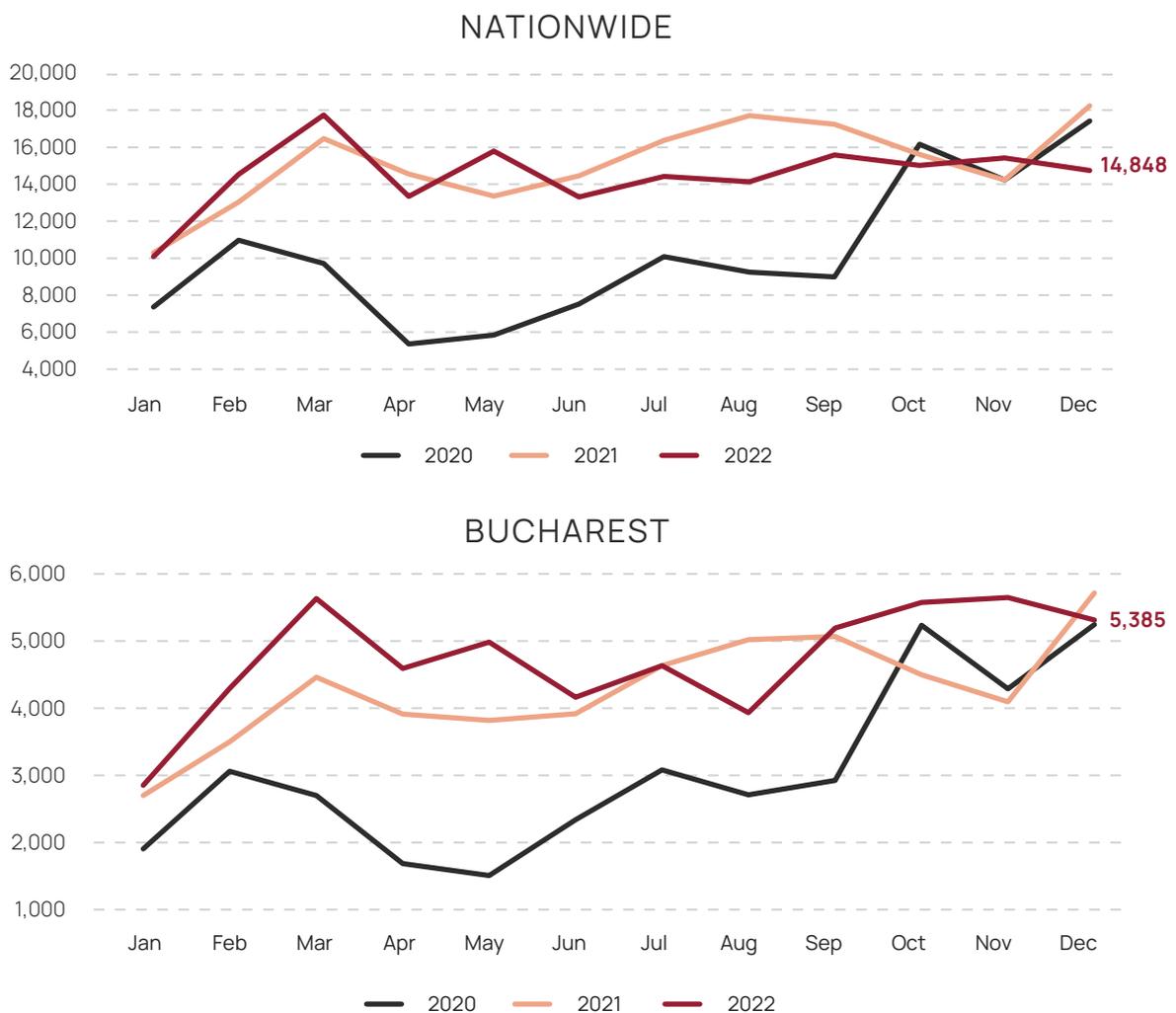


Source: ANCP, data processed by Imobiliare.ro

SALES OF INDIVIDUAL UNITS (NATIONWIDE + BUCHAREST)

Regarding the sales of individual units, in December 2022, approximately 14,848 such operations were recorded nationwide, compared to 18,430 in the similar period of 2021. In December 2020, 18,430 operations were recorded. On the other hand, at the start of the 4th quarter of 2022, in October, thus 5,650 being registered, compared to the 15,749 one year before and 16,307 operations two years ago.

Regarding the Capital city, the maximum level of the trading activity in Q4 2022 in the individual units' segment was reached in November 2022, when approximately 5,727 sale contracts were entered. Thus, from the viewpoint of the same period of the previous years, an upward trend is maintained, from 4,149 contracts in November 2021 to 4,343 contracts in November 2020. The upward trend can also be seen at the start of the fourth quarter of 2022, in October, thus 5,650 being registered, compared to 4,559 contracts in the similar period of 2021, and, respectively, 5,307 operations in 2020.

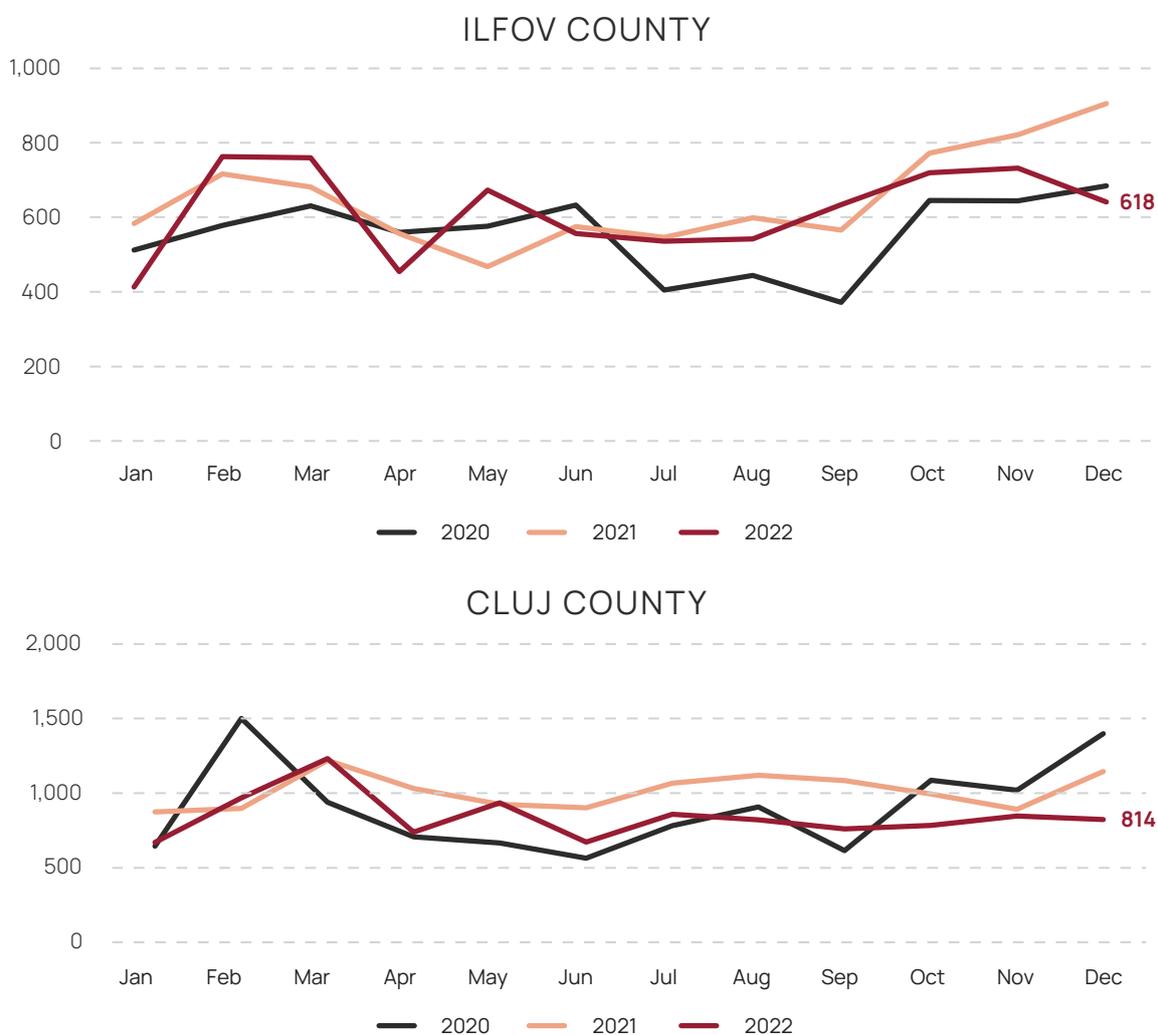


Source: ANCPI, data processed by Imobiliare.ro

SALES OF INDIVIDUAL UNITS (ILFOV COUNTY + CLUJ)

Regarding the purchase of individual units, in the county of Ilfov, the trend registered in November and December saw a slight decrease, with 708 contracts recorded in November 2022, and 618 contracts in December 2022. Compared to the previous year, in November 2021, 797 contracts were registered, whereas, in December 2021, this indicator stood at 880 contracts. The trading activity in Bucharest's peri-urban areas saw a downward trend also in comparison with the values recorded in Q 4 2020.

In Cluj county, the appetite for the procurement of individual units started to see a slight increase, from 772 contracts reached in October 2022 up to 814 in December 2022. Transactions with such properties reached a level below the one recorded in Q4 2021, as well as below the level registered in Q4 2020.



Source: ANCPPI, data processed by Imobiliare.ro

NUMBER OF PROPERTIES FOR SALE IN THE MAJOR CITIES

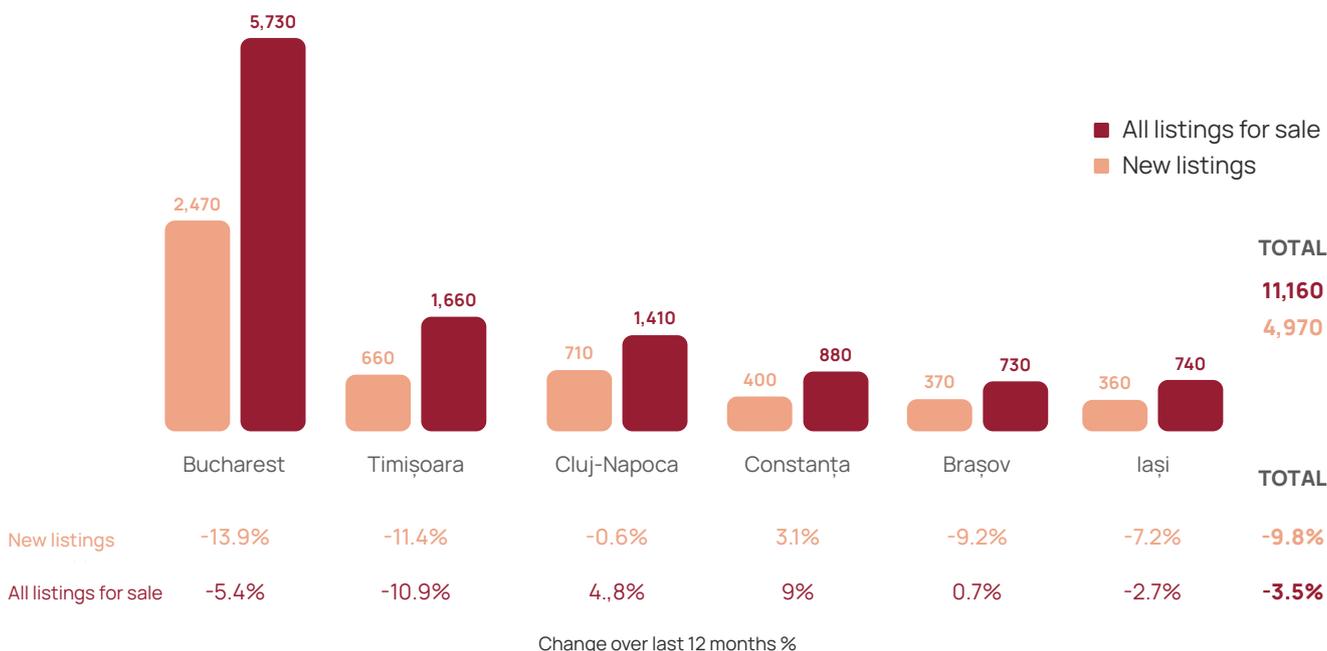
The number of residential properties (both apartments and houses) available for sale in the country's major cities decreased, on the whole, by 3.5% in the last year, compared to the previous one, reaching a total of 11,160.

Over the course of the past 12 months, half of the major cities subject to analysis recorded a decrease in the residential offer on the market. Thus, the highest setback, of approximately 10.9%, was seen in Timișoara, where 1,660 residential properties were listed for sale in Q4 2022. The second place is held by Bucharest, with a 5.4% decrease (down to 5,730 residential properties), followed by Iași, with a decrease of approximately 2.7% (down to a total of 740 ads).

Annual increase was also seen in Constanța (+9%), where 880 properties were listed for sale, followed by Cluj-Napoca (+4.8%, up to 1,410 offers) and Brașov (+0.7%, up to 730 offers).

An overall downward trend can also be noticed with regard to the number of properties newly placed on the market, which stood at 4,970 at the level of the six major cities included in the analysis - namely 9.8% less than in the similar period of the previous year. Thus, a negative trend was seen in five of the six major cities subject to our analysis, starting with Bucharest (-13.9%), and continuing with Timișoara (-11.4%), Brașov (-9.2%), Iași (-7.2%) and Cluj-Napoca (-0.6%). The only city that recorded a positive trend is Constanța, with a +3.1% increase.

PROPERTIES LISTED FOR SALE IN THE MAJOR CITIES IN Q4 2022 apartments and houses built before 2000



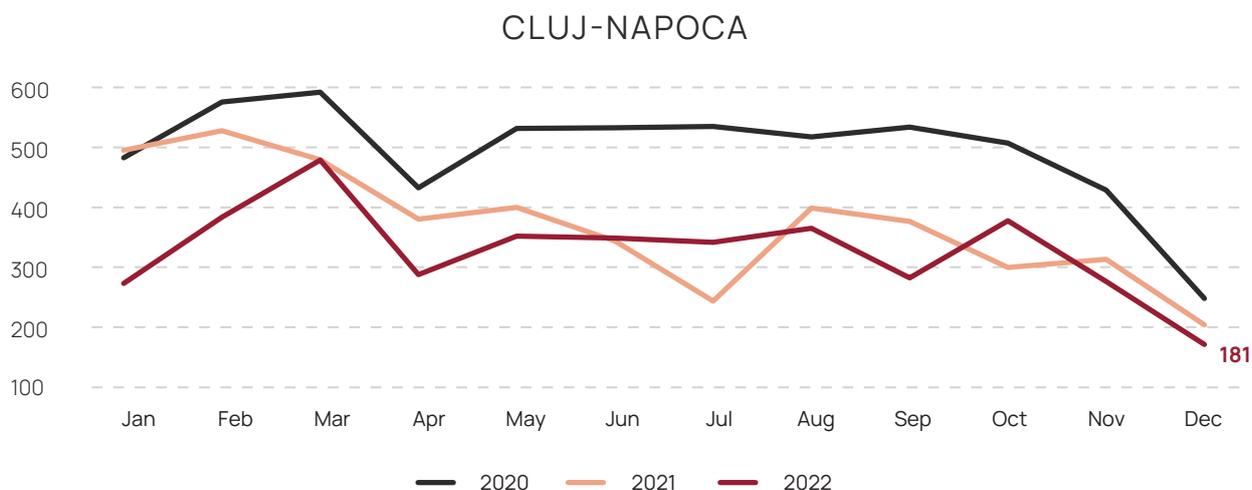
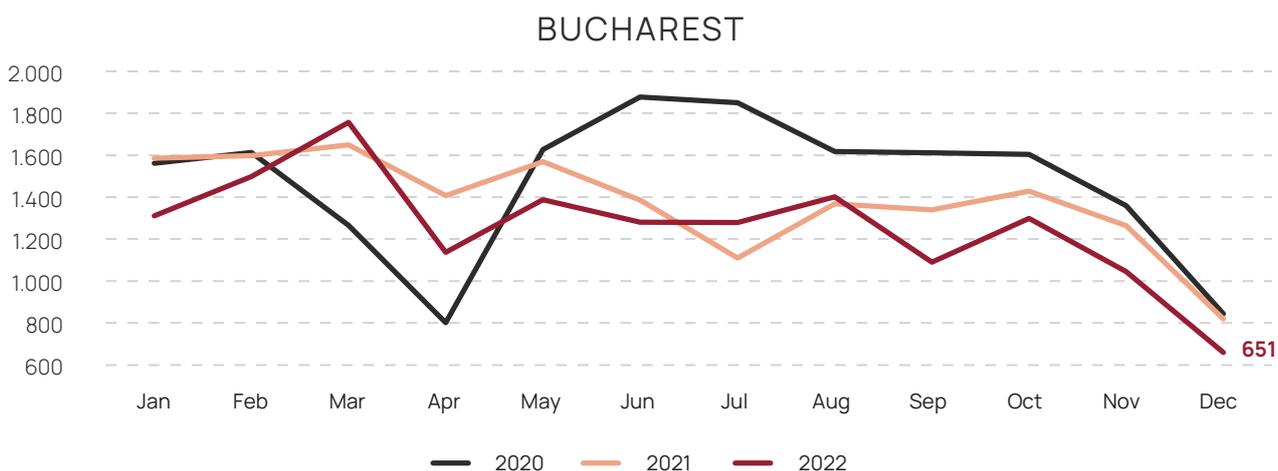
Source: Imobiliare.ro

APARTMENTS AND HOUSES NEWLY-ENTERED sold by individuals

With regard to the number of offers for apartments and houses newly placed in the secondary market (old properties, sold by their owners), in the Capital we can note that this indicator decreased, in Q4 2022, throughout the three-month period. Thus, in October, approximately 1,295 new properties were added in this segment of Bucharest's market, compared to 1,425 in 2021.

In October and November 2022, as well as in 2021, the number of offers in this category was of more than 1,000. As such, on the whole, the number of new listings in the fourth quarter of 2022 remained below the level of the past two years.

Just like in the Capital, the number of new offers on the secondary residential market in Cluj-Napoca (apartments and houses sold by owners) stood, in the fourth quarter of the current year, below the level attained in 2020 and 2021, except for October 2022. More specifically, in November 2022, approximately 284 new properties were added in this segment of the Cluj market, compared to 320 in 2021 and, respectively, 433 in 2020. In October and in December 2022, the number of offers in this category was around the threshold of 383 ads, respectively 181 ads compared to over 200 in the similar intervals of the two previous years.

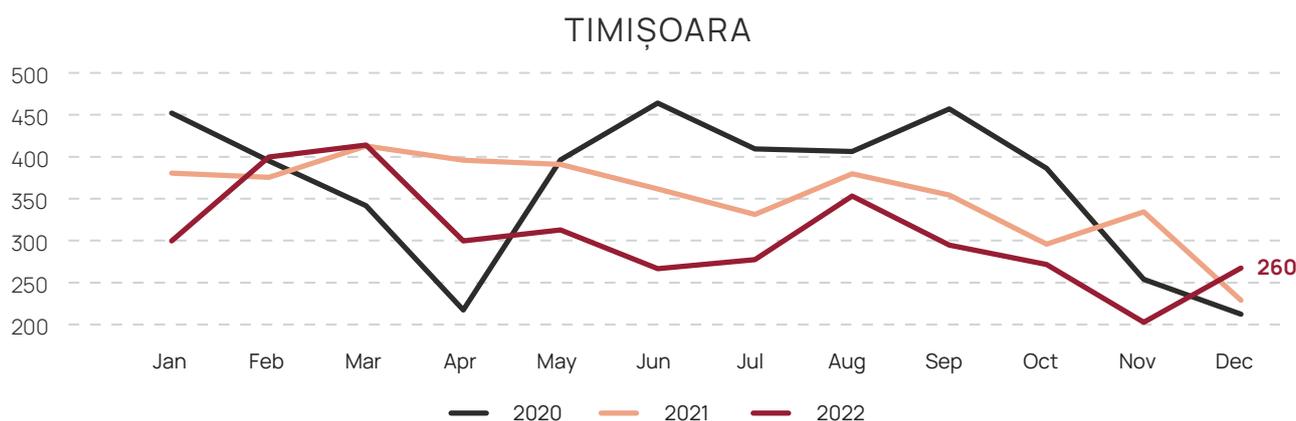
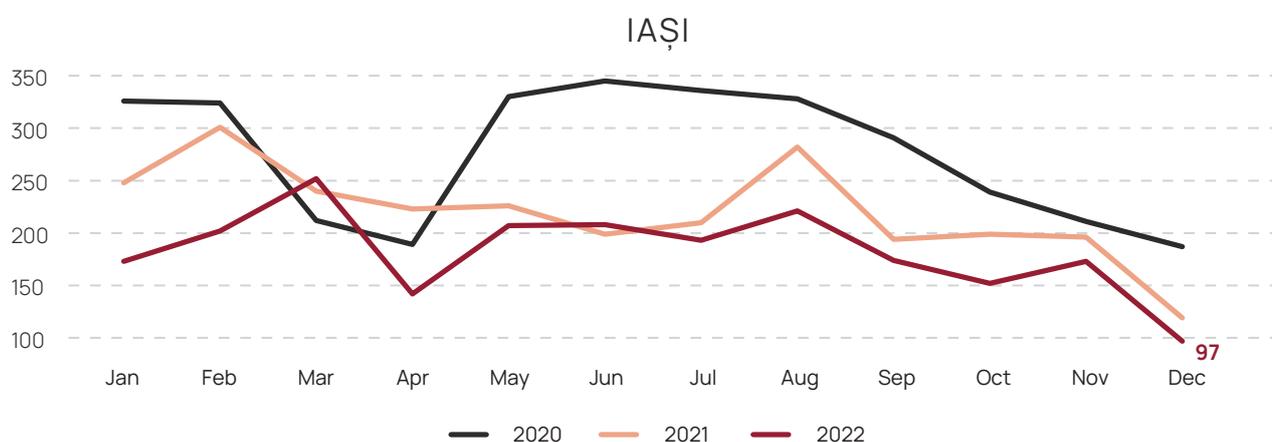


Source: Imobiliare.ro, potential buyers

APARTMENTS AND HOUSES NEWLY-PLACED ON THE MARKET sold by individuals

In all three months of Q4 2022, the number of apartments and houses newly-placed on the secondary market was lower than in the two previous years in Iași, as well. Thus, in October 2022, a little more than 150 new residential properties were listed in this segment of the Iași market, compared to over 200 in 2021 and 2020. In August, the difference from the previous years saw a slight increase, the number of new listings nearing 221 (compared to approximately 282, respectively 328 in 2021 and 2020). In September 2022, this indicator saw a slight decrease, reaching 97 offers, whereas, in 2021, it reached 119 listings.

Just like in the other three major cities subject to our analysis, the number of old properties newly-placed on the Timișoara market was lower in the first month of the fourth quarter of 2022, compared to the same interval of 2020, but also of 2021. More specifically, in October 2022, approximately 264 new properties entered this segment of the local market, compared to over 280 in 2021 and 2020. In November 2022, the number of offers in this category reached approximately 196, and then it increased in December, reaching 260 offers.

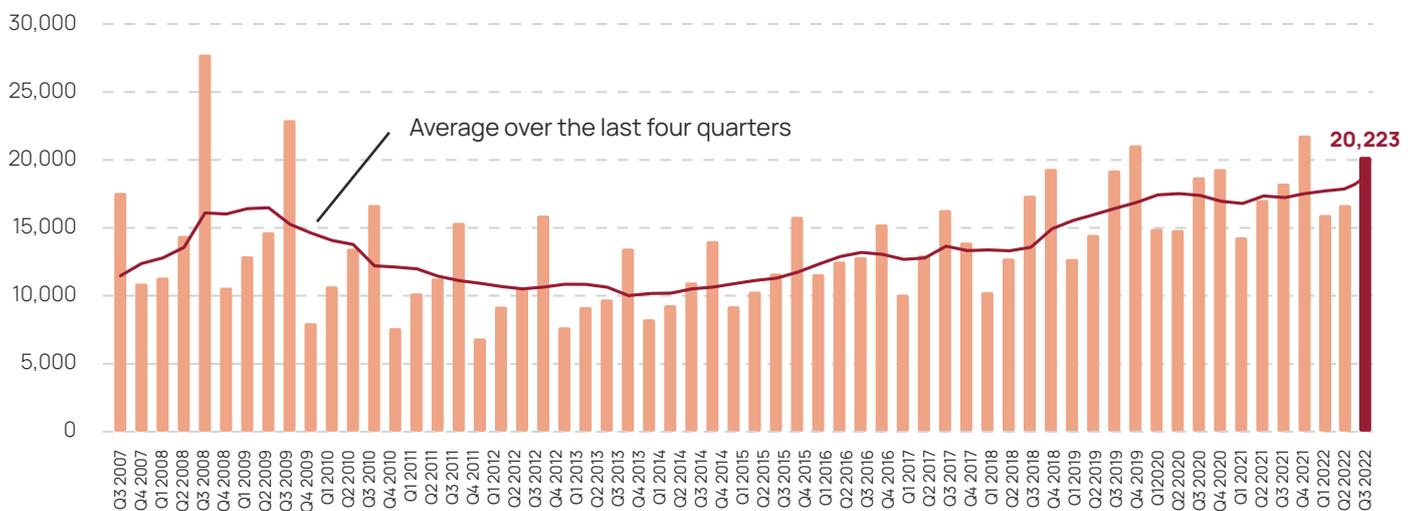


Source: Imobiliare.ro, potential buyers

RESIDENTIAL CONSTRUCTIONS, HOUSING PROPERTIES COMPLETED

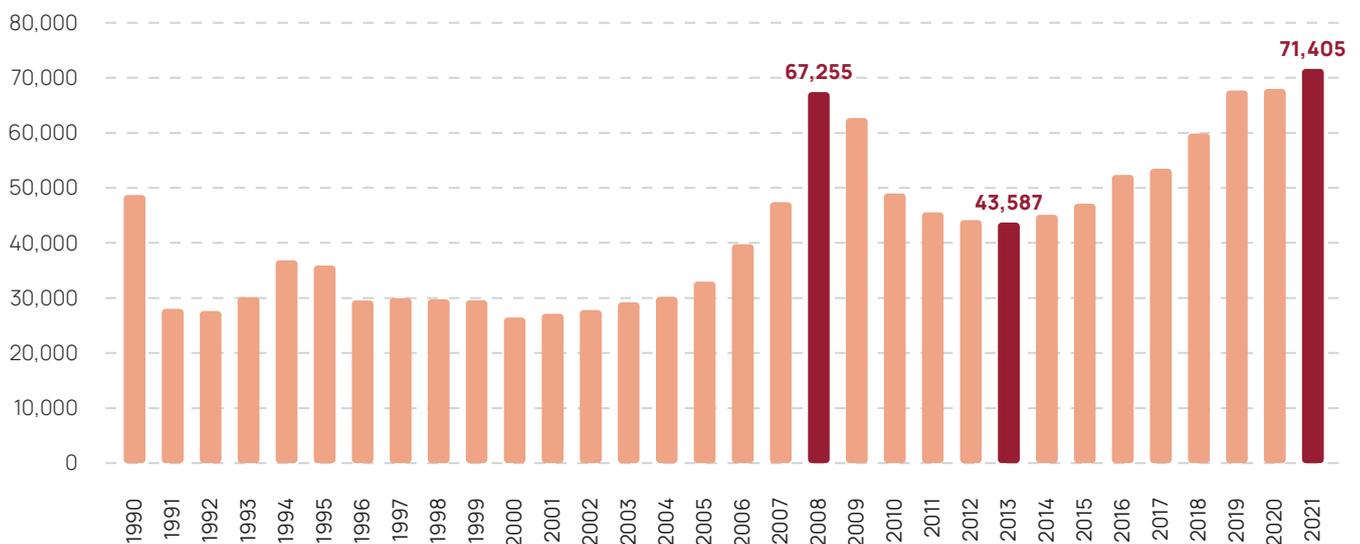
Regarding the construction of homes, the most recent data published by the National Institute of Statistics (INS) indicate, for the second quarter of 2022, a general upward trend. Thus, in the period April-June, a number of 20,223 housing units were completed nationwide. The trend was markedly upward, compared to the first quarter of the year, when, according to the official data, 16,664 housing units were reported.

The number of homes completed in the second quarter is very close to the one registered in the fourth quarter of 2020, when 19,326 units were delivered nationwide. Following the evolution recorded during the course of the year 2021, the number of housing units completed nationwide was of 71,405. This figure marks a slight growth, of 5%, compared to the similar period of 2020, when 67,816 housing units were delivered for use.



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ANNUAL EVOLUTION

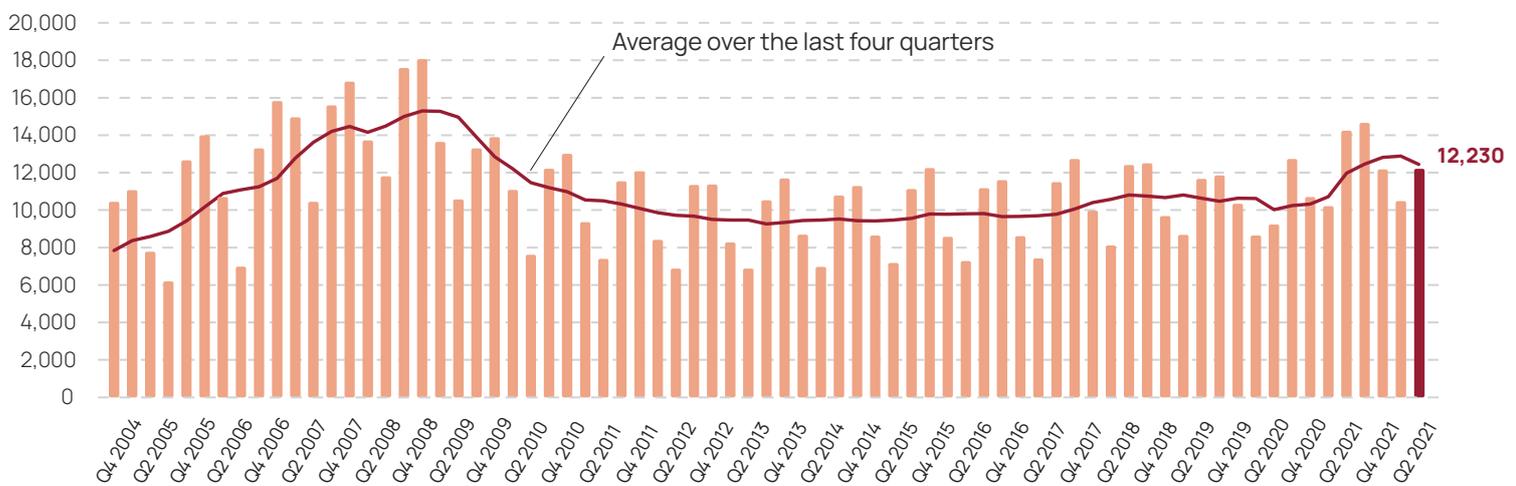


Source: INS, data processed by Imobiliare.ro

BUILDING PERMITS FOR RESIDENTIAL BUILDINGS

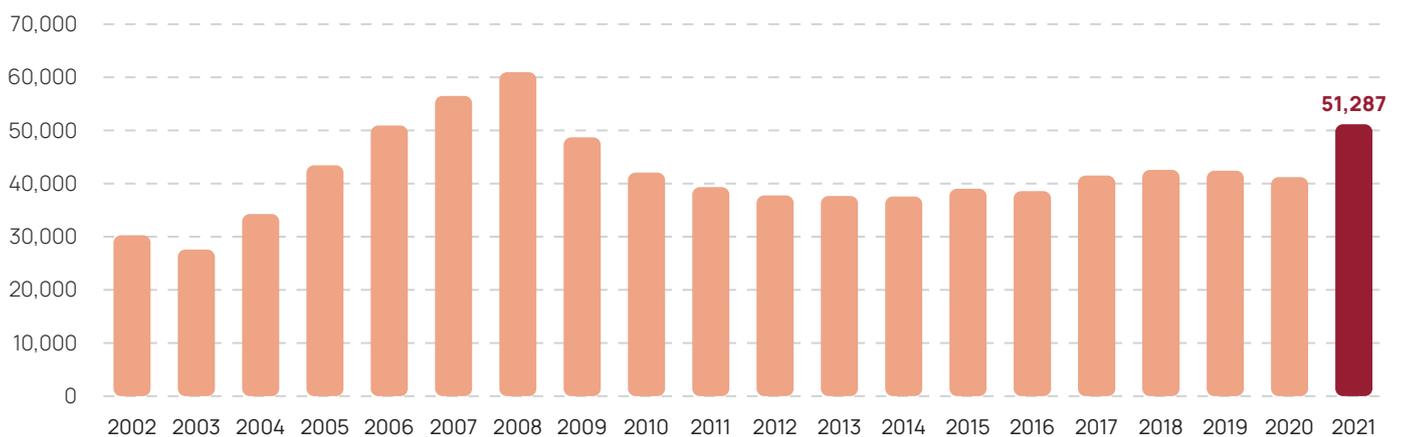
Another indicator which is important for the evolution of the residential market is also represented by the number of permits issued for such buildings. According to the INS data, 12,230 such endorsements were issued nationwide in Q2 2022 - which represents a 14.3% increase compared to Q1 2022 (when 10,482 were registered).

On a yearly level, 51,287 permits were issued in 2021, compared to 2020, when 41,311 permits were issued, reflecting an increase of almost 20%.



Source: INS, data processed by Imobiliare.ro

ANNUAL EVOLUTION



DEMAND FOR RESIDENTIAL PROPERTIES FOR RENT

In the final quarter of 2022, the interest expressed in residential properties in the country's major cities registered a slight increase compared to last year. Thus, approximately 65,100 potential buyers searched for apartments and houses put up for rent on Imobiliare.ro in the country's six major cities - a figure which is equivalent to a slight increase of 6%, compared to the last quarter of 2021. By comparison with the similar period of 2020, the current demand volume in these regional centres is, on the whole, 14% higher, the growth trend being noticed in all analysed major regional centres.

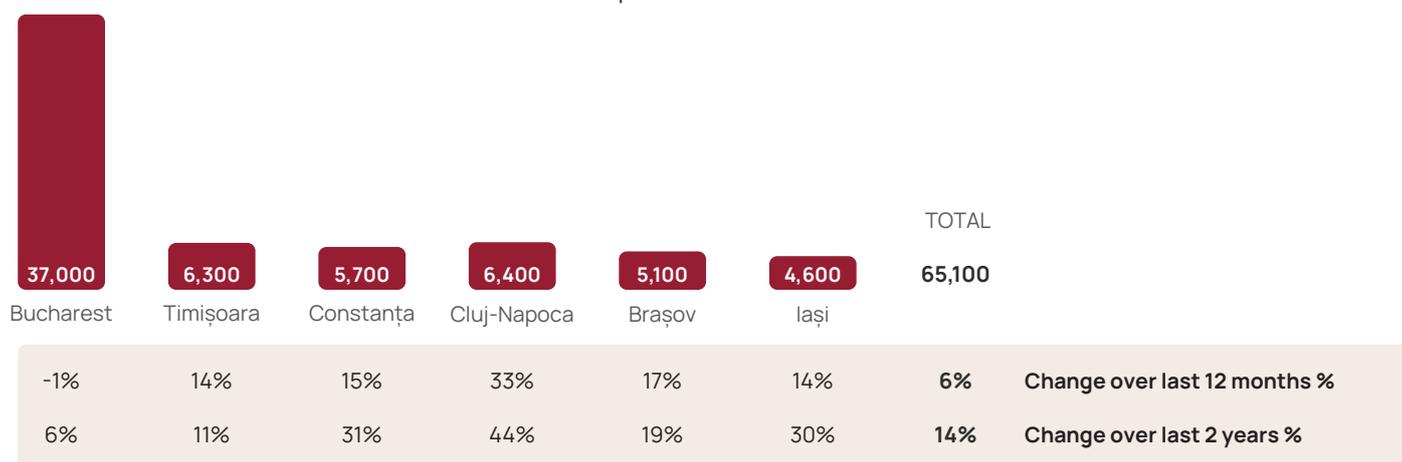
Worth mentioning is the fact that the annual trend for this indicator was positive in all cities subject to our analysis: the highest difference is seen in Cluj-Napoca

(+33%), followed by Braşov (+17%) and Constanţa (+15%). At the opposite end, a slight decrease in this indicator was only seen in Bucharest (-1%).

Regarding the number of searches for apartments and houses registered by Imobiliare.ro, Bucharest naturally ranks first, at a considerable distance from the other regional centres - approximately 37,000 searches were registered here in Q4 2022. Ranking second in the classification is Cluj-Napoca (6,400 searches). Timişoara moved to the third place (with 6,300 searches), being followed by Constanţa (5,700 searches), Braşov (5,100 searches), and Iaşi (4,600 searches).

"Approximately 65,100 potential buyers searched for apartments and houses for sale on Imobiliare.ro in the country's six major cities."

DEMAND FOR RESIDENTIAL PROPERTIES FOR RENT houses and apartments - new and old



* By demand, we refer to the potential renters who generated Leads for sale properties on the Imobiliare.ro portal, in a certain period

A lead is registered when a visitor performs an action (views the telephone number, send an email asking for more details, prints or saves the ad).

Source: Imobiliare.ro

RENTER' EXPECTATIONS REGARDING RESIDENTIAL PROPERTIES FOR RENT

In terms of renters' expectations by categories of apartments, Bucharest is the first among the major cities, according to the data excerpted by aggregator Imoradar24.ro. Thus, they have in view a budget of EUR 280 for a one-room housing unit, respectively EUR 390 for two rooms, and EUR 510 per month for three rooms. 59% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 31% looked for two-room housing properties, whereas 10% looked for three-room properties. Thus, the interest expressed by the users from Bucharest, who are searching for a new rent, is different from that of the users who wish to purchase an apartment. Consequently, 23% of the users intend to procure a studio apartment (the interest is higher in procuring two-room apartments), compared to 59% wanting to rent a one-room apartment.

The country's capital city is followed closely by Cluj-Napoca, where the persons who want to rent a one-room apartment have in view a budget of EUR 299, with EUR 430 for two room, and EUR 525 for three rooms. 59% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 33% looked for two-room housing properties, whereas 8% looked for three-room properties. The high interest in one-room properties can be seen among users wanting to rent, as well as among users wanting to purchase.

In Timișoara, buyers' expectations for a one-room housing unit stand at EUR 200, respectively EUR 300 for two rooms, and EUR 360 per month for three rooms. 77% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 18% looked for two-room housing properties, whereas 5% looked for three-room properties. Thus, 28% of the users intend to procure a studio apartment (the interest is higher in procuring two-room apartments), compared to 77%, who want to rent a one-room housing unit.

Renters wanting a one-room apartment in Brașov consider a budget of EUR 280, respectively EUR 390 for two rooms, and EUR 450 per month for three rooms. 54% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 37% looked for two-room housing properties, whereas 9% looked for three-room properties. Consequently, 27% of the users intend to procure a studio apartment (the interest is higher in procuring two-room apartments), compared to 54% of the renters wanting to rent a one-room apartment.

The Imoradar24.ro users wanting to rent a one-room apartment in Iași are willing to offer EUR 250, respectively EUR 350 for two rooms, and EUR 400 per month for three rooms. 52% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 43% looked for two-room housing properties, whereas 4% looked for three-room properties. 33% of the users intend to procure a studio apartment (in Iași, interest is higher in procuring two-room apartments), compared to 52% wanting to rent a one-room apartment.

The renters from Constanța have in view a budget of EUR 250 for a one-room housing unit, respectively EUR 350 for two rooms, and EUR 450 per month for three rooms. 40% of the users looking for a housing property for rent searched for studio apartments in the period October-December 2022, 52% looked for two-room housing properties, whereas 8% looked for three-room properties. The high interest in two-room properties can be seen among users wanting to rent, as well as among users wanting to purchase.

RENTERS' EXPECTATIONS REGARDING RESIDENTIAL PROPERTIES FOR RENT

DEMAND Q3-2022

	Studio apartment		2 Rooms		3 Rooms	
	Price	Volume%	Price	Volume%	Price	Volume%
Cluj-Napoca	299	59%	430	31%	525	10%
Brasov	280	77%	390	18%	450	5%
Bucharest	280	59%	390	33%	510	8%
Constanta	250	40%	350	52%	450	8%
Iasi	250	52%	350	43%	400	5%
Sibiu	234	54%	280	37%	350	9%
Timisoara	200	68%	300	24%	360	8%
Ploiesti	220	63%	250	32%	328	6%
Pitesti	200	64%	240	28%	257	8%
Arad	150	65%	240	31%	300	4%
NAȚIONAL	250		350		450	

Source: Imoradar24.ro

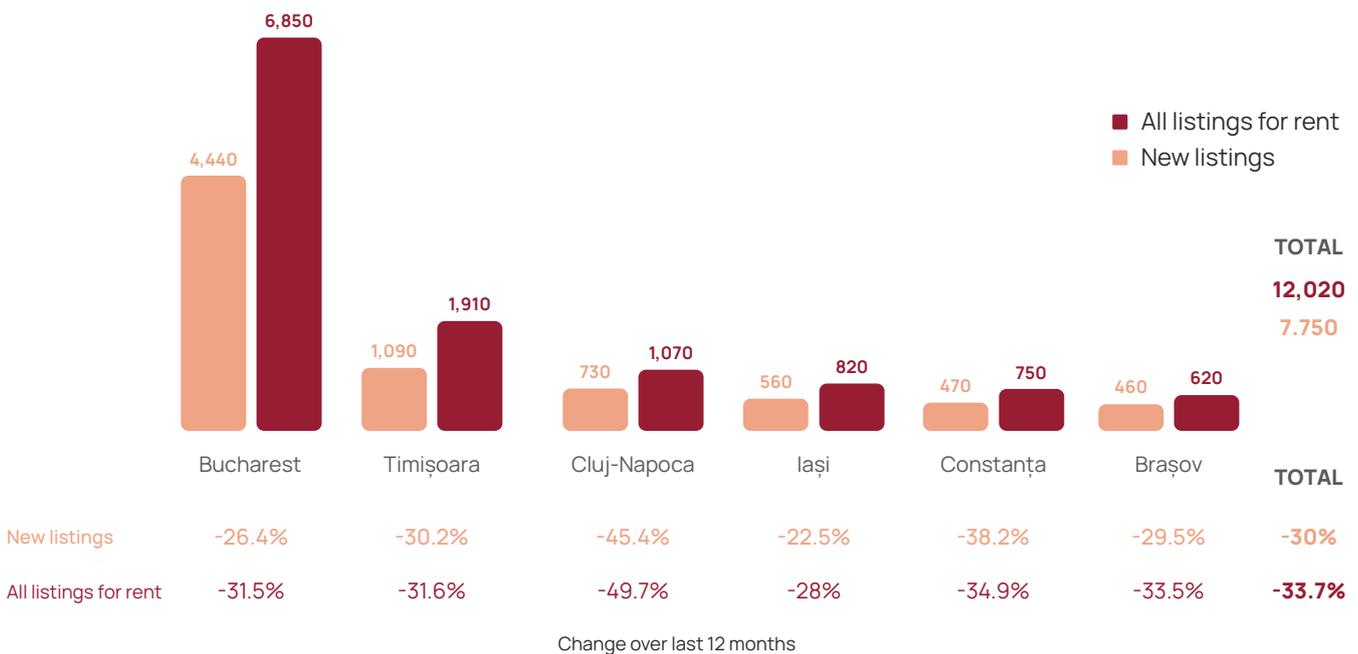
RESIDENTIAL RENTAL MARKET SUPPLY

Compared to the similar period of the previous year, the total supply of apartments and houses for rent in the analysed major regional centres was, in Q4 2022, 33.7% lower - more specifically, being of 12,020 offers.

An upward trend in this regard could be seen in all major cities, led by Cluj-Napoca, where a 49.7% decrease was noticed, down to 1,070 ads. In Constanța, on the other hand, an annual decrease of 34.9% was seen (down to almost 750 offers) and in Brașov, a 33.5% decrease (down to 620 ads). Significant decrease, in the two-digit range, was also seen in Timișoara (-31.6%, down to 1,910 offers), Bucharest (-31.5%, down to almost 6,850 offers) and, respectively, Iași (-28%, down to 820 offers).

A generally downward trend can also be noticed in terms of the new properties for rent, which stood at approximately 7,750 in Q4 2022, equivalent to a 30% decrease, compared to the similar period of 2021. In this case, a downward trend can also be noted in all six major cities subject to analysis, starting, once again, with Cluj-Napoca (-45.4%) and continuing with Constanța (-38.2%), Timișoara (-30.2%), Brașov (-29.5%), Bucharest (+26.4%), and Iași (-22.5%). The number of offers newly-placed on the market in the October-December period was of 4,440 in the Capital, 1,090 in Timișoara, 730 in Cluj-Napoca, 560 in Iași, 470 in Constanța, and 460 in Brașov.

PROPERTIES LISTED FOR RENT IN THE MAJOR CITIES IN Q4 2022
apartments and houses built before 2000

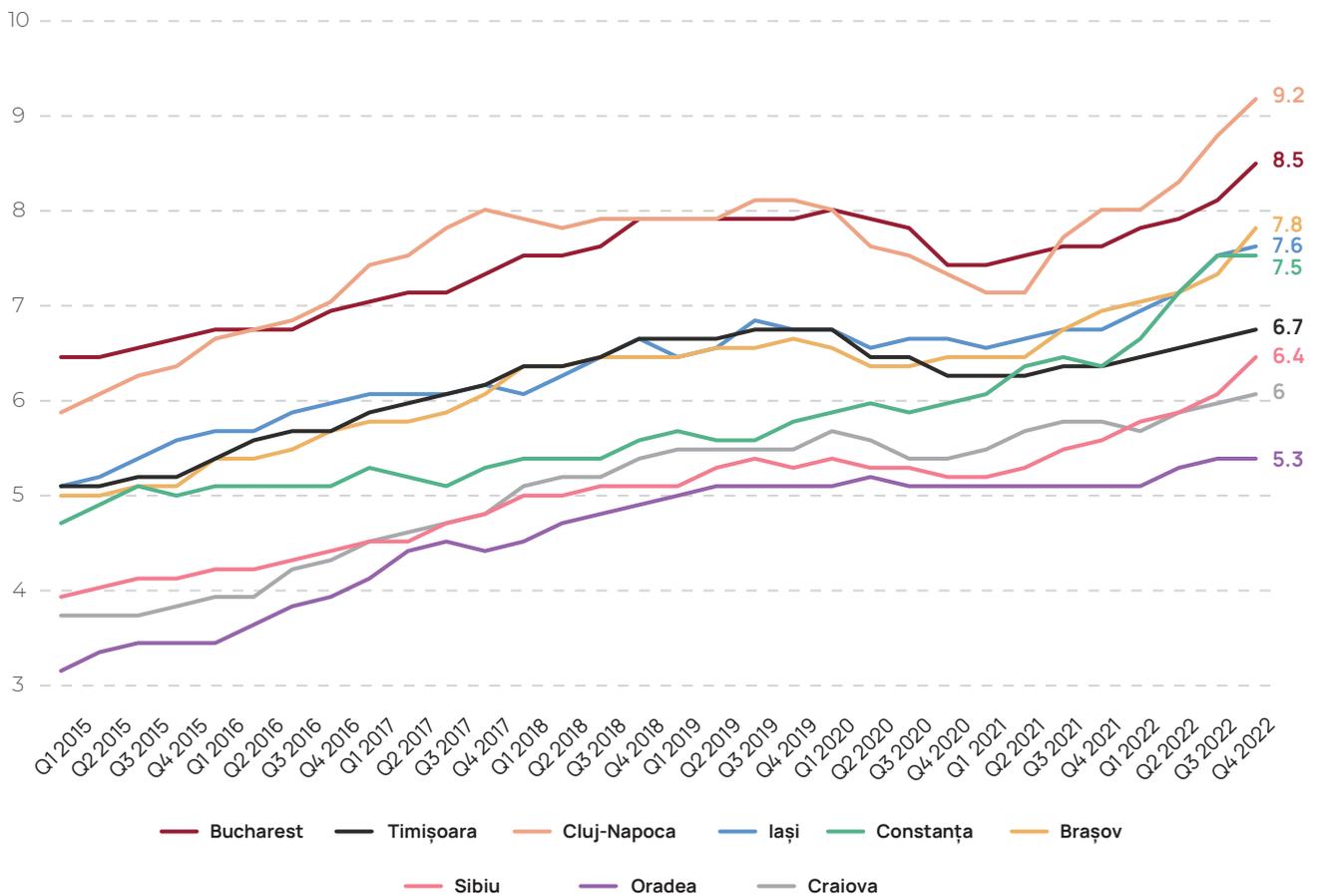


RENTAL MARKET

With regard to the asking prices for the apartments available for rent, in Cluj-Napoca we can note, in Q4 2022, an accelerated growth, compared to the previous quarter. The dynamics is reflected after a slight decrease recorded in Q3 2022. In Bucharest, Iași, Brașov, Timișoara,

Constanța, Craiova and Oradea, we can also not a positive trend in the prices asked by the owners. Looking at the country's major regional centres, we can note that the only city with a hold-up in the level of rent in Q4 2022 is Oradea.

PREȚ/MP MEDIU (€) CERUT PENTRU ÎNCHIRIEREA UNUI APARTAMENT ÎN T4 2022



Source: Imobiliare.ro, asking medium price/sq.m

RENTAL MARKET IN Q4

According to the data centralized by Imobiliare.ro, the average asking amount for an apartment in the last quarter of 2022 was of EUR 9.2 per square metre in Cluj-Napoca, up by 15% from the similar period of the previous year.

Next in the classification of rental prices is Bucharest (with an average of EUR 8.5 per net square metre, up by 11.8%), followed by

Braşov (EUR 7.8 euro per square metre, up by 13%), Iaşi (EUR 7.6 per square metre, up by 13.4%), then by Constanţa (EUR 7.5 per square metre, up by 19%) and Timișoara (EUR 6.7 per square metre, up by 6.3%), Sibiu (EUR 6.4 per square metre, up by 16.4%), Craiova (EUR 6 per square metre, up by 5.3%) and, respectively, Oradea (EUR 5.3 per square metre, up by 6%).

	All apartments (EUR/net sq m)	Price evolution over the past year
Bucharest	8.5	11.8%
Cluj-Napoca	9.2	15%
Iaşi	7.6	13.4%
Braşov	7.8	13%
Timișoara	6.7	6.3%
Constanța	7.5	19%
Oradea	5.3	6%
Craiova	6	5.3%
Sibiu	6.4	16.4%

Source: Imobiliare.ro

RENTAL MARKET IN Q4

With regard to the rent asked per categories of apartments, Bucharest is, naturally, at the top in the ranking of the major cities, with average values of EUR 300 per month for studio apartments, EUR 460 per month for two rooms and, respectively, EUR 600 per month for three rooms.

The country's capital city is followed closely by Cluj-Napoca, where the owners ask EUR 320 per month for a one-room housing property, respectively EUR 500

per month for two rooms, but EUR 630 per month for three rooms.

Of the nine major cities analysed, the most affordable housing properties for rent can be found in Oradea, the average monthly prices standing at EUR 170 per month for a one-room housing property, EUR 260 for two rooms and, respectively, EUR 300 for three rooms.

	Studio apartments (€)	2 rooms (€)	3 rooms (€)
Bucharest	300	460	600
Cluj-Napoca	320	500	630
Iași	280	380	500
Brașov	270	430	550
Timișoara	220	350	400
Constanța	250	400	550
Oradea	170	260	300
Craiova	220	300	400
Sibiu	230	320	400

Source: Imobiliare.ro

ABOUT US

Imobiliare.ro

Having been launched in January 2000, Imobiliare.ro is the first and most accessed real estate portal in Romania. The portal has recently surpassed the threshold of 1,900,000 unique visitors per month, and it contains the largest data base of offers in all real estate categories nationwide.

Since 2016, Imobiliare.ro has been part of the Swiss Group Ringier - one of the largest international groups in the media - being provided with state-of-the-art know-how in the digital area. Over its 21 years of experience, Imobiliare.ro has built a strong brand among real estate portals, being recognized by 91% of the internet users with an active real estate need (according to a survey conducted in December 2020).

Moreover, Imobiliare.ro is the main supplier of real estate data and statistics for the business press and TV in Romania (Ziarul Financiar, Wall-Street, Forbes, Business Review, Digi24, PRO TV, TVR1 etc.), providing regular communications on the evolution of the real estate market. Imobiliare.ro has the largest team in the country specializing in the real estate area (online, statistics, communication, and consulting) which, in 2021, even reached 125 employees. Currently, over 1,900 corporate clients (real estate agencies, developers, and banks) are beneficiaries of the entire expertise of the Imobiliare.ro team.

imobiliare.ro
MARKET 360

**DO YOU NEED SPECIFIC INFORMATION ABOUT
A PARTICULAR AREA OF INTEREST?**

**PLEASE CONTACT OUR
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