

QUARANTINE ON THE REAL ESTATE MARKET

Coronavirus and the related panic mood influenced not only the health of all humanity, but also absolutely all spheres of life. The rental housing sector was no exception. From the first days of quarantine in Ukraine, and in particular, in Kyiv, the demand for rental housing has fallen. According to realtors, most tenants postponed the housing issue until the end of quarantine. Also, many landlords adhere to strict quarantine and do not go out to people for every little thing, even for viewing the apartment and concluding a deal with potential residents. And those who decide to see the light of day, reduce the rental rate significantly, so as to rent out housing quickly in the wake of falling demand.



Thus, we can observe a 80% drop in the rented housing market, so that an apartment that was previously rented for 25,000 hryvnias, that is, \$ 1,000, can now be rented for 10,000-15,000 hryvnias, even considering that the dollar has grown almost to 28 hryvnias. Previously, the closest location to the metro played the most important point in the search for housing. And since now the metro is closed until the end of quarantine and, essentially, urban transport doesn't work (only for passengers with special tickets), that is, the proximity to the bus stops or metro station is also not very important. Therefore, if you have your own personal transport, then you, for sure, like many Kyivans, want to rent a private house in the nearest suburb of Kiev. In order not to be locked up in quarantine, but to spend this time with your family “in nature” in his courtyard. Consequently, the cost of renting houses, on the contrary, has grown, as demand has grown markedly. So in a few weeks we will be able to observe a “big relocation” of those who can afford to live outside the city, in private houses and those who cannot afford to rent an apartment because of a lack of work — into a similar apartment, but at “quarantine” prices.

Nevertheless, the real collapse of the rental housing market, according to experts, can be expected closer to the end of autumn. This will especially affect the segment of expensive housing, which is rented in dollar equivalent. Due to the fact that over the past year the rental rate has jumped by 25% and the decrease in prices under such circumstances is more than obvious.

Iryna Shliuieva,

Relocation Specialist