



The state of the housing market May 2021

Summary - May

- Continued short sales times
- High number of listed apartments
- Price expectations are declining somewhat from a high level

The housing market in May continues to be characterised by a high level of activity as seen throughout the year. Sales times remain at record low levels and there is a demand higher than supply, despite a large volume of listed apartments. Looking at price, the average difference between the starting price and final price is increasing. Price expectations amongst consumers are decreasing some compared to April but are still on a high level.

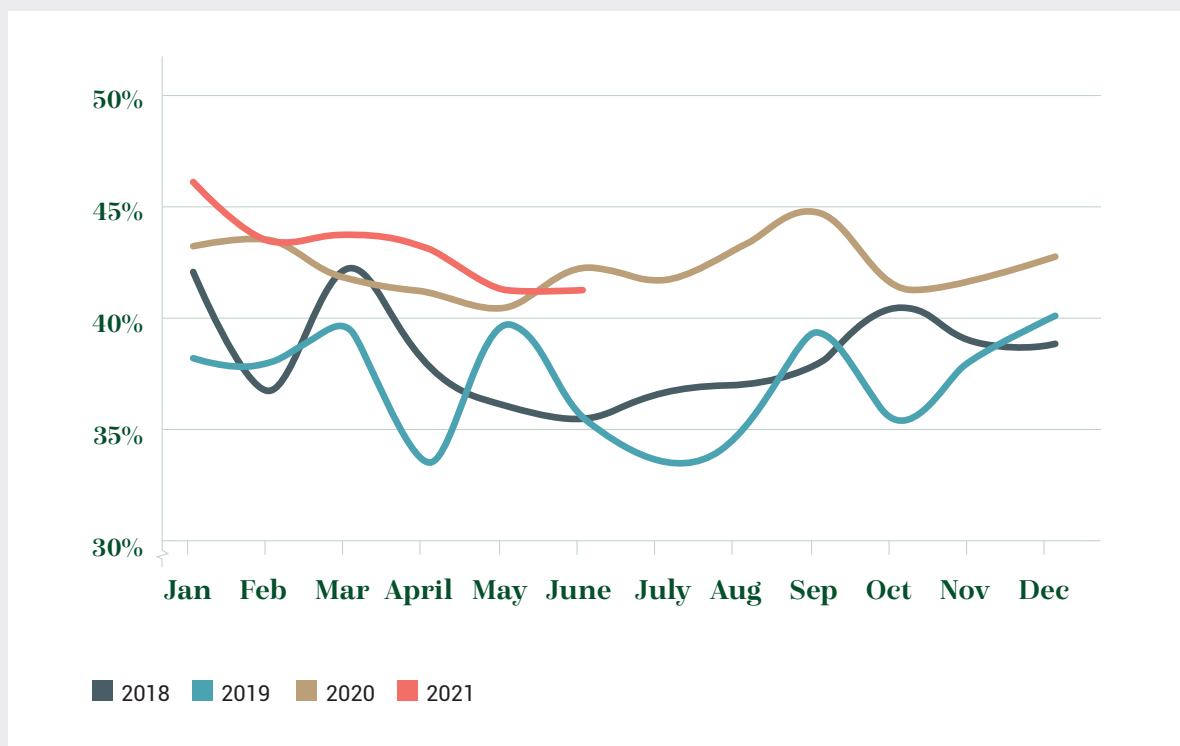
When comparing May statistics year-on-year it should be noted that May 2020 was unusual, with a worried and slow market clearly affected by corona and worries for potential lock downs.



The Buyers' Barometer

Of the visitors surveyed at Hemnet in early June, 41 percent stated that they plan to buy a home in the next six months. This is the same level as in the corresponding survey at the beginning of May this year and 1 percentage point lower than the corresponding month last year. This is the first time in a year and a half that the intention to buy is lower than in the corresponding month previous year. However, it remains at a relatively high level historically.

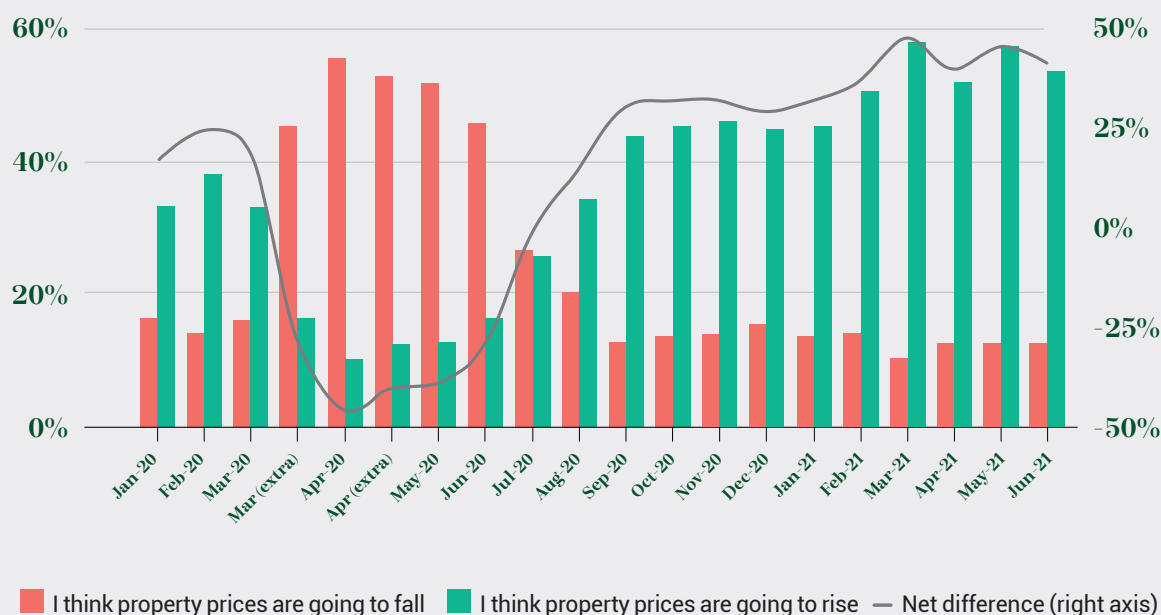
Proportion of those planning to buy a home in the next six months



In the June Buyers' Barometer, 54 percent of buyers surveyed stated that they expect prices to rise over the next six months. This is 3 percentage points lower than in the corresponding survey at the beginning of May. At the same time, the share of those who believe prices will fall

remained at the same level compared to last month's survey. In the June survey, 12 percent of the buyers thought prices would fall. Overall, the net figure thus decreases by 4 percentage points compared to the previous month's survey.

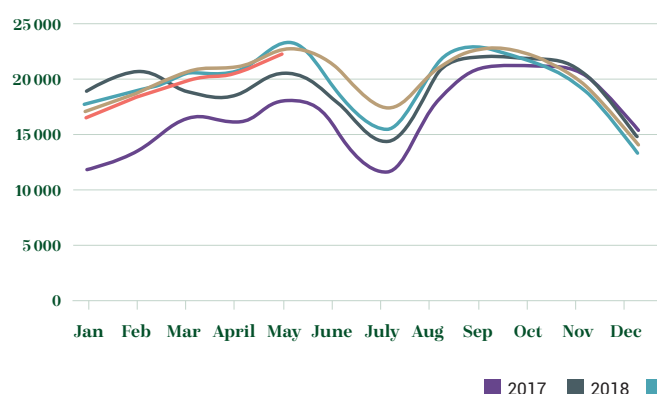
Hemnet's Buyers' Barometer



“Price expectations are now declining slightly compared to last month. Maybe there may be some effect that the society starts opening up and that the mortgage repayment requirement is coming back. But it should be said that the price expectations are still on a high level and that the decline is relatively small”, says Erik Holmberg market analyst at Hemnet.

Supply

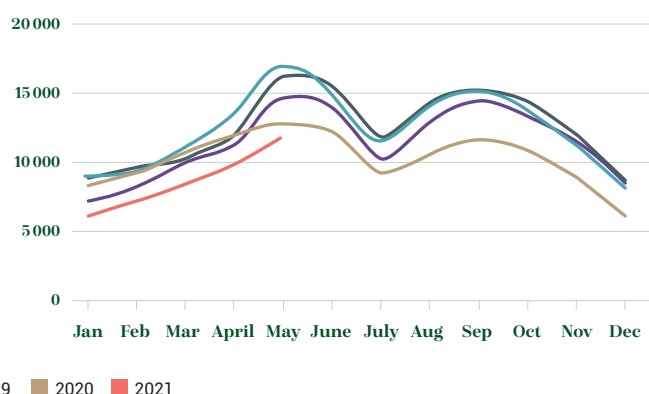
Supply of apartments on the succession market - Sweden



In May, there were 22,334 apartments for sale on Hemnet. This is 2 percent lower than in May last year. Of the apartments for sale, 11,662 had been listed in May. This is 13 percent more than in the corresponding month last year and the highest May figure as far back as Hemnet has a continuous time series.

On the house market, supply continues to be low compared to previous years. In May, there were a total of 11,800 houses for sale on Hemnet, which is 7 percent lower than in May last year and 30 percent lower than the year before. In May, the number of listed houses was 21 percent higher than in the corresponding

Supply of houses - Sweden



month last year but 14 percent lower than the year before.

However, when comparing with last year, it should be taken into account that we then had a market that was very much influenced by caution due to the pandemic situation at the time, where many people were waiting to sell, which led to a reduced number of listed homes. Especially in the house market.

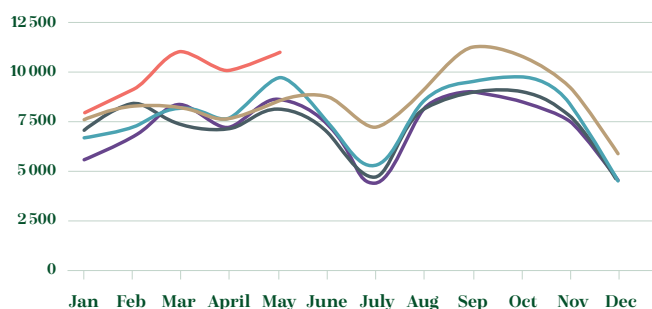
In summary, the clear pattern we have seen in recent months continues, with a seasonally high number of listed apartments and a correspondingly low number of listed houses.

“The pressure on the house market continues to be high, which together with a seasonally low number of listed houses, compare to previous years, keeping supply down. The clear increase in supply of houses that usually occurs before the summer is not at all visible in the same way this year”, says Erik Holmberg.

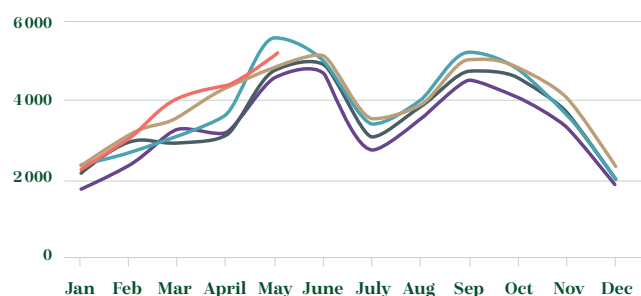
Area (county)	Supply	Annual rate, supply	Number of listed	Annual rate, listed
SWEDEN				
Houses	11,800	-7%	6,445	21%
Apartments	22,334	-2%	11,662	13%
Holiday homes	2,849	12%	1,644	45%
STOCKHOLM				
Houses	1,771	3%	1,026	34%
Apartments	9,368	5%	5,042	18%
VÄSTRA GÖTALAND				
Houses	1,870	-7%	1,003	18%
Apartments	2,968	1%	1,487	9%
SKÅNE				
Houses	1,720	-9%	1,058	18%
Apartments	2,671	-13%	1,590	7%

Sold properties

Apartments sold - Sweden



Houses sold - Sweden



■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021

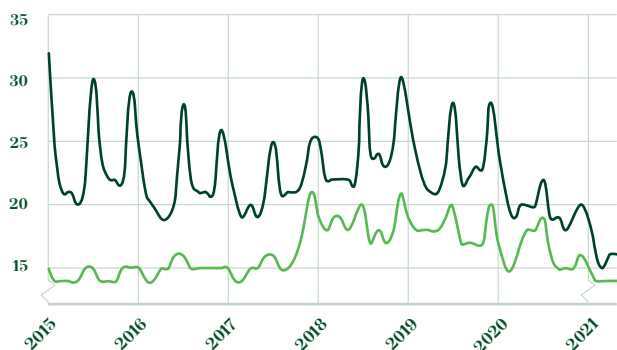
Sales volumes remained high in May. A total of 10,985 apartments were sold in the country, which is 30 percent more than in May last year and 13 percent more than in the corresponding month of the year before. It is noteworthy that in both Västra Götaland and Skåne counties, the highest number of apartments sold in a single month was

recorded in May as far back as Hemnet has a continuous time series. On the house market, 5,203 sales were reported during the same period, which is 9 percent more than in the corresponding month 2020 but lower than in the corresponding month 2019. Thus, sales volumes on the house market also remained at high levels despite low supply.

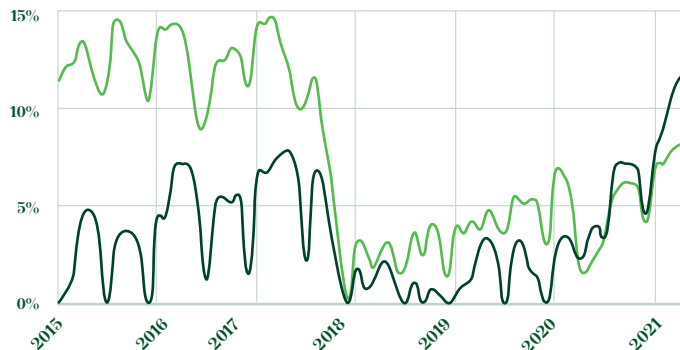
Area (county)	Number sold	Annual rate, sold
SWEDEN		
Houses	5,203	9%
Apartments	10,985	30%
Holiday homes	1,123	24%
STOCKHOLM		
Houses	850	22%
Apartments	4,635	46%
VÄSTRA GÖTALAND		
Houses	858	14%
Apartments	1,561	31%
SKÅNE		
Houses	800	2%
Apartments	1,470	18%

Sales time, starting and closing price

Sales time (median days)



Difference between starting price and closing price



■ Houses ■ Apartments

The average apartment sold at Hemnet in May increased by 8.2 percent from the starting price to the closing price. This is 6 percentage points higher than in May last year. The corresponding increase for house sales during the same period was 11.8 percent. An increase of 8 percentage points since May last year.

The average percentage increase from the starting price to the final price continues to reflect the changing preferences we have seen during the pandemic, with the largest increase for holiday homes followed by

houses and apartments. Contrary to what has been seen historically, apartments have normally seen the largest increase, followed by houses and holiday homes.

The continuing hot market in general is also reflected in sales times, which remain at historically low levels. In May, the average sales time for apartments was 14 days. This is a decrease of 4 days compared to May last year. In the house market, the average sales time in May was 16 days, which is also 4 days shorter than in May last year.

”Short sales times and intense bidding continue to characterise the market. In August, the temporary paused mortgage repayment requirement will return and more people are likely to go back to their offices. It remains to be seen how this will affect demand in the housing market, but so far there is no sign of a slowdown”, says Erik Holmberg.

Area (county)	Median difference, starting price and closing price	Annual rate, difference between starting price and closing price	Median sales time (days)	Annual rate, sales time
SWEDEN				
Houses	+11.8%	+8 pp	16 days	-4 days
Apartments	+8.2%	+6 pp	14 days	-4 days
Holiday homes	+16.6%	+8 pp	17 days	-2 days
STOCKHOLM				
Houses	+10.1%	+7 pp	14 days	-4 days
Apartments	+10.9%	+7 pp	13 days	-4 days
VÄSTRA GÖTALAND				
Houses	+10.4%	+7 pp	17 days	-4 days
Apartments	+7.2%	+5 pp	14 days	-5 days
SKÅNE				
Houses	+11.0%	+7 pp	14 days	-3 days
Apartments	+6.2%	+6 pp	12 days	-5 days

About the statistics

- Hemnet's Buyers' Barometer is based on a survey that is sent out to visitors to hemnet.se at the beginning of each month. The respondents who state that they plan to buy a home within six months are asked: "How do you think housing prices will develop in your area over the next six months?" In total, the survey is answered by between 2,000 and 3,000 people each month. (During March and April 2020, an additional survey was also conducted in the middle of each month.)
- In May 2021, a change was made in how we calculate sales time. The change means that we now do not count the days that a property has been "upcoming" on Hemnet. This means that the average sales time will be slightly shorter than with the previous way of calculating. Historical data has also been corrected, which means that there will be no break in series.
- In May 2021, a review and change in methodology was carried out regarding how we calculate supply. This implies that statistics that have been communicated previously may differ somewhat from the figures we have been communicating since then. Historical data has also been corrected, which means that there will be no break in series.
- All property data in the report is based on property on the succession market.
- The supply on Hemnet is defined as the number of active property listings during a given time period. In this case during one month.
- Published listings are property listings that are published for the first time during the given period.
- Sales means property that have a reported sale date to Hemnet. The statistics are based on the data available at the beginning of each month covered by the report. This means that sales reported later are not included but may have some impact on the statistics retrospectively.
- The median difference between the starting price and the closing price is the middle percentage value that a property increases with from the starting price to the closing price during a given period.
- The sale time is the average (median) number of days that a property sold has been for sale on Hemnet. The reason why the median is used as an average is because the number of days a property is for sale on Hemnet is not normally distributed and that individual extreme values otherwise have an unreasonably large impact.

Contact

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