



Shaky ten months for property deals

The number of property transactions that took place in October this year increased by 1.7 percent in relation to the previous month, though this was not enough to avoid October becoming one of the three worst months of 2011, according to estimates released this week.

According to an analysis of the dynamics of Portugal's real estate market, published this week by the Association for Real Estate Professionals and Companies in Portugal APEMIP, "throughout the first ten months of 2011 between 160,000 and 165,000 property transactions (urban, rustic and mixed) took place", the report reveals.

During the month of October, it says, between 15,000 and 15,600 deals were sealed, representing a rise of 1.7 percent, in relation to September.

This rise, however, according to APEMIP, was "insufficient to prevent October from becoming one of the three poorest performing months of this year, just slightly better than April and September, both of which had results of fewer than 15,000 transactions."

The metropolitan areas of Lisbon and Oporto accounted for 31.8 percent of the transactions registered in Portugal this year, with Lisbon representing 19.5 percent, and Oporto 12.3 percent.

Nationally, "around 34 municipalities managed to secure the transactions of at least 1,000 properties since the beginning of this year (11 percent

of Portugal's 308 municipalities), and 37 continue to fail to secure even 100 real estate deals (synonymous to a monthly average of 10 sales)."

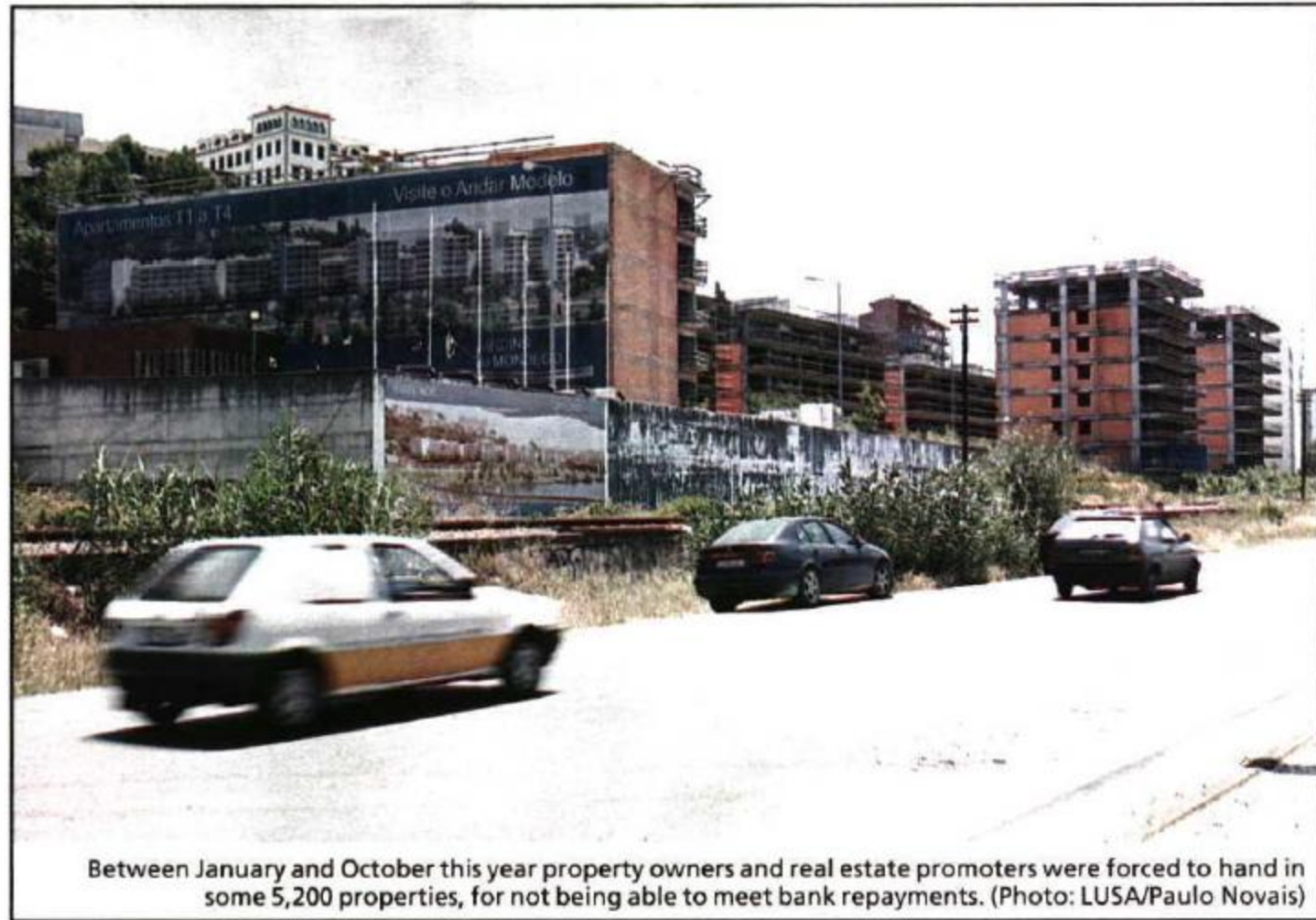
Meanwhile, during the first ten months of 2011, more than 5,000 have been repossessed by banks due to proprietors' struggles in paying their mortgages.

Between January and October this year property owners and real estate promoters were forced to hand in some 5,200 properties, for not being able to meet payments.

In October alone 690 properties were repossessed, making it the month in which the highest number of properties were reclaimed and "culmination of three consecutive months of the phenomenon worsening, despite continuing to be widespread throughout national territory."

The number of properties taken during the first ten months of 2011 is 17.7 percent higher than during the same period of 2010.

Most repossession occurs in Lisbon and Oporto, according to APEMIP's figures, which together account for nearly half – 46.6 percent – of seized properties in Portugal.



Between January and October this year property owners and real estate promoters were forced to hand in some 5,200 properties, for not being able to meet bank repayments. (Photo: LUSA/Paulo Novais)