

Real estate prices in Serbia have risen a lot in the last year, so the price of a square meter on the outskirts of Belgrade now reaches up to 1,300 euros, while the prices of new buildings in the city center go up to 3,500 euros per square meter. According to Nenad Dorđević, the president of the Managing Board of “Klaster nekretine”, such a price increase is drastic if compared to the period five to six years ago, when a square meter of apartments on the outskirts of the capital cost up to 800 euros.

Dorđević states, reports Tanjug, that the increased interest in buying real estate, and thus the rise in apartment prices, are expected given the crisis caused by the pandemic and the war in Ukraine, because people realized that investing in real estate is the safest way to save money.

### **Record low interest rates**

Record low interest rates on housing loans in the last few years contributed to the increased purchase of real estate in the country. Dorđević stated that in the period 2020/21. In 2008, the interest rate on housing loans averaged 2.71 percent, which made it easier for people to decide to buy apartments that way.

When asked how safe it is to invest in real estate at the moment and take out housing loans, he emphasized that our country has been hit by various crises in the last hundred years, but that what was invested in real estate remained.

“During the sanctions and wars in Serbia, savings collapsed, but what was in real estate was preserved,” he said and assessed that this will happen even now during the global economic crisis.

### **Money can always be recovered**

Real estate prices can fluctuate, but money invested in real estate can always be recouped, if not earned, given the current rise in housing prices in the country.

Dorđević said that recently the number of foreigners interested in buying apartments in our country has been increasing, but that it is more difficult for them to decide to buy because of the Law on Residence.

“We have a problem, our law does not recognize the acquisition of residence based on investments.” “A foreigner must leave Serbia after 90 days if he does not have a work visa, regardless of whether he has an apartment in our country,” he said.

According to him, in Greece, if a foreigner buys real estate of a certain value, he acquires the right to residence. He concluded that real estate prices in Serbia will not fall in the coming period and that the growth trend will continue, but will not reach the level of 2021, Politika writes.