

Media Release

Zurich, 5 June 2024

House prices fall, condominiums and rents more expensive

There was a noticeable fall in prices for single-family homes for sale in May. In contrast, advertised condominiums and rental properties are being offered at slightly higher prices.

Prices for single-family homes published in adverts fell noticeably in May following the sharp rise in the previous month. The Swiss Real Estate Offer Index, compiled by ImmoScout24 in collaboration with the property consultancy IAZI, shows that asking prices for houses fell by 1,4%. Prices are, therefore, at the same level as a year ago.

“The high price level restricts the potential group of buyers of single-family homes due to the high financial requirements,” says Martin Waeber, Managing Director Real Estate at SMG Swiss Marketplace Group. “For example, a single-family home with a purchase price of CHF 1,000,000 requires a minimum equity capital of CHF 200,000 and a household income of around CHF 160,000 to ensure affordability,” Waeber calculates. In addition, the supply of available properties for this sought-after type of home ownership is limited and is becoming increasingly scarce. This is because, in addition to the slowdown in new construction activity, fewer existing properties have been offered for sale for some time.

The current market situation for condominiums is different: The sellers of condominiums adjusted their asking prices slightly upwards by 0,3% in May. Over the last twelve months, this resulted in a moderate increase of 0,8%. Despite the increase, the market for condominiums also appears to have left the very high growth rates of previous years behind.

Regional differences in the development of rental offers

Rental flats were advertised at 0,4% higher prices on a national average in May. Flat seekers in the Lake Geneva region (+0,9%), the Greater Zurich region (+0,8 %), Northwestern Switzerland (+0,7%) and Central Switzerland (+0,3%) were confronted with higher asking rents, while rents were slightly lower in the Central Plateau (-0,4%), Eastern Switzerland (-0,8%) and Ticino (-0,9%).

As a result, asking rents have fallen slightly since the beginning of the year (-0,4 %). Nevertheless, the pressure on rents is likely to remain dynamic over the remainder of the year due to excess demand, particularly in city centres. People in existing tenancies are likely to be spared further rent increases for the time being. Inflation has flattened out considerably, general costs have stabilised, and the mortgage reference interest rate will remain unchanged at 1,75% as at 1 June 2024.

As at 31 Mai 2024

The Swiss Real Estate Offer Index is published on the ImmoScout24 and IAZI AG websites.

www.immoscout24.ch/immobilienindex

www.iazi.ch/angebotsindizes

Detailed information and statistics about the overall Swiss trend and those in the various regions are available in the [Download section](#).

Rental offers throughout Switzerland (CHF/m² per year)

	01.05.2024	31.05.2024	Change	in %
Month	279.0	280.0	+1.0	+0.4%
	31.05.2023	31.05.2024	Change	in %
Year	272.3	280.0	+7.7	+2.8%

Offers to buy detached houses throughout Switzerland (CHF/m²)

	01.05.2024	31.05.2024	Change	in %
Month	7518.0	7416.4	-101.7	-1.4%
	31.05.2023	31.05.2024	Change	in %
Year	7415.8	7416.4	+0.5	+0.0%

Condominiums for sale throughout Switzerland (CHF/m²)

	01.05.2024	31.05.2024	Change	in %
Month	8679.9	8702.2	+22.2	+0.3%
	31.05.2023	31.05.2024	Change	in %
Year	8629.8	8702.2	+72.4	+0.8%

The values may contain rounding differences.

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About the Swiss Real Estate Offer Index

The Swiss Real Estate Offer Index is the world's first hedonic index that is calculated and updated in real time. It is compiled in cooperation between the online real estate marketplace ImmoScout24 and the real estate consultancy IAZI AG (Zurich) and includes the development of offer prices for residential property as well as offer rents. Thanks to its continuous updating and its methodology, the index allows the timely monitoring of developments on Switzerland's largest real estate platform.

Its advantage: As a leading indicator for market developments, the Swiss Real Estate Offer Index offers new perspectives in risk management. While other indices serve as a decision-making aid with a time lag of at least three months, this index offers absolutely up-to-date information. Combined with one's own assumptions for the near future in the real estate sector, this results in a management tool with timely informative value. Thanks to its immediacy, frequency and direct reference to the latest listings, the index also contributes to increased transparency on the Swiss real estate market.

About SMG Swiss Marketplace Group Ltd.

SMG Swiss Marketplace Group Ltd. (swissmarketplace.group) is a pioneering network of online marketplaces and an innovative digital company that simplifies people's lives with forward-looking products. SMG Swiss Marketplace Group AG gives its customers the best tools for their life decisions. The portfolio includes Real Estate (ImmoScout24, Homegate, Flatfox, alle-immobilien.ch, Immostreet.ch, home.ch, Publimmo, Acheter-Louer.ch, CASASOFT, IAZI), Automotive (AutoScout24, MotoScout24), General Marketplaces (anibis.ch, tutti.ch, Ricardo) and Finance and Insurance (FinanceScout24). The company was founded in November 2021 by TX Group AG, Ringier AG, La Mobilière and General Atlantic.