

### **But who wants families to be impoverished anyway?**

In recent years, the property sector in Portugal has faced several significant challenges. It is well known that demand for housing has increased significantly, far outstripping supply, particularly in the metropolitan areas of Lisbon and Oporto, which has caused prices to escalate and made access to housing difficult for a large part of the population.

This reality is especially relevant in a country where real estate represents around 55% of families' total assets, reflecting the strong confidence they place in the property sector as a way of preserving and adding value.

Occupying a dominant position in the structure of Portuguese families' assets, property accounts for up to 76% of the assets of families on lower incomes. These figures, published recently by the Expresso newspaper, show that the vast majority of families depend on the value of their property to guarantee their financial stability. It is clear that, in the long term, property continues to be seen as a stable investment by the Portuguese.

For this reason, the property stock should be viewed with caution and responsibility because, naturally, when property values rise, household wealth automatically increases. However, if house prices stagnate or fall in value, many homeowners could see their wealth and financial security jeopardised, especially if they don't have access to other sources of income or savings. This reflects the direct and significant impact that the property market has on the well-being of families, both for current owners and for future generations of buyers.

The issue of property devaluation is therefore complex. If, on the one hand, we need to create the conditions for more homes at prices that families can afford, on the other, we need to safeguard the many homeowners that currently exist in Portugal. A sudden drop in prices by decree, as some want and have repeatedly tried over time, is an unrealistic and utopian measure and, above all, would have a very negative impact on the assets of all these families. It should be remembered that many homeowners depend on the value of their property for an important supplement to their monthly income or even their retirement.

The question is: Do we want a large proportion of Portuguese families to have the majority of their assets (placed in property) devalued? I would say without hesitation: Obviously not...What we want is to create more housing for everyone. We just have to realise how to combine these two worlds...

The role of Portuguese families in the property market has been neglected for many decades. I believe that families can and should play an active role in the market, specifically in the rental segment, where they can increase the value of their assets by generating profits and, at the same time, providing housing for those who don't have it. This formula, which seems simple and logical, is not. To do this, we need to create the legal procedural conditions for the rental market to be dynamic and to function on its own, without frozen rents or any other limits. This measure, if promoted by the state, together with others associated with urban regeneration or sustainability, will certainly provide the impetus we need to put more homes on the rental market, while protecting family assets.

To Caesar what belongs to Caesar, and to the property market what belongs to the market!