

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Madrid office and are based on real data and market trends.

# Residential Snapshot

Q3 2020

SPAIN



**Approvals and Final works certificates**

Q1-Q2 2019 / Q1-Q2 2020

**-29%** 40,400 approvals

**+0.5%** 35,900 final works certificates



**Transactions and prices**

Q1-Q2 2019 / Q1-Q2 2020

**-24%** 183,000 N° of transactions

**-1.7%** 1,610 €/sq m

**Situation in Spain**

Drawing from data collected in September, the number of people claiming Social Security has risen slightly (1.4%) since May to 18.8 million people, not quite reaching levels seen in February levels prior to the health crisis.

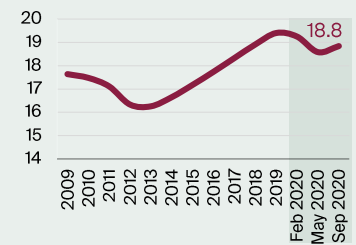
The number of mortgages registered up to July has surpassed

200,000, representing around 10% less compared to the same period of last year. 2020 is expected to close with 285,000 signed mortgages.

The number of approvals adhere to predicted figures due to the effects of Covid-19, and it is expected that the year will close with around 75,000. Final work certificates are predicted to close at around 90,000, a 15% decrease from the previous year.

**Affiliates of S. Security**

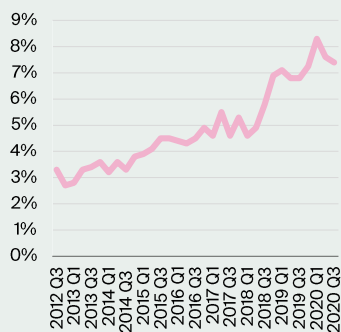
Million of people. 2005 - Sep 2020



Source: Ministry of Employment and Social Security

**Intention of House Buying**

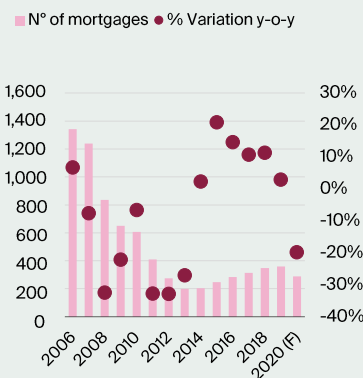
2013 - Q3 2020



Source: CIS

**N° of mortgages**

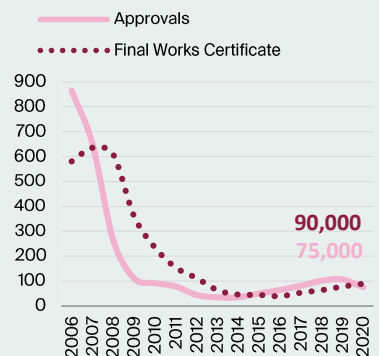
2006 - 2020 (F). Thousand



Source: Knight Frank Research e INE

**Approvals and Final Works Certificates**

2006 - 2020 (F). Thousand



Source: Knight Frank Research / Ministry of Public Works

## Prices and transactions in Spain

The number of housing transactions has exceeded 183,000 up until July, which is almost 25% less than the same period of last year. It is predicted that the year will close with around 330,000.

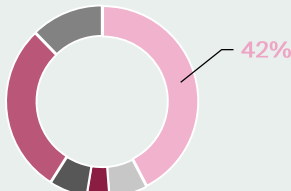
The effects of the health crisis can be witnessed through the trends of house prices. According to the latest data of Q2 there has been a slight contraction in house prices. New build prices have been registered at almost 1,900 €/sqm, with an annual growth of 0.59% and existing housing sits at 1,600 €/sqm, a fall of 1.75%.

During Q2 of the year, Europe continues to lead as the top destination for foreign housing buyers with 42% of the total market share. With Germany leading followed by countries such as Romania and France.

### Origin of foreign housing buyers in Spain

Q2 2020

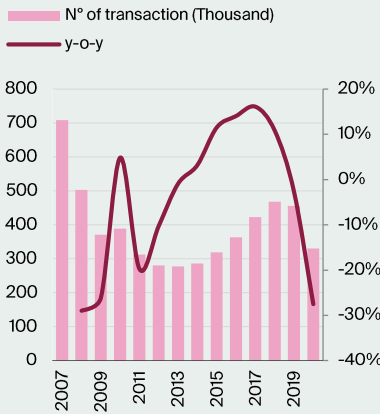
- European Union
- China
- Rest of the World
- Rest of Europe
- North of Africa
- UK



Source: Spanish College of Property

### N° of transactions

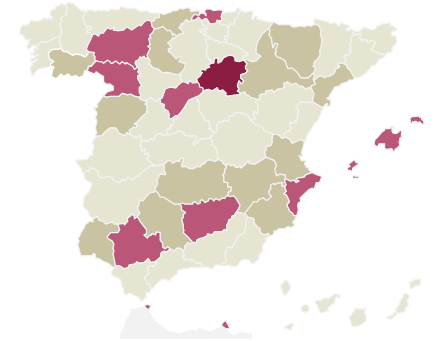
2007 - 2020 (F)



Source: Research Knight Frank and INE

### NEW BUILD PRICES VARIATION BY PROVINCE. Q2 2019 - Q2 2020

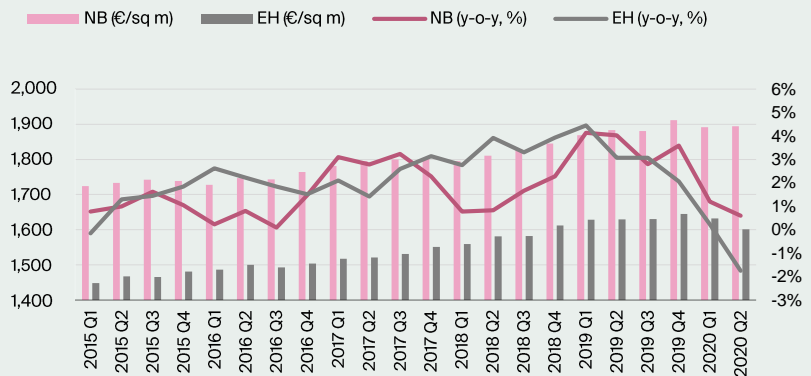
- X ≤ -6%
- 6% < X ≤ -3%
- 3% < X ≤ 0%
- 0% < X ≤ 3%
- 3% < X ≤ 6%
- 6% < X
- N.A.



Source: Ministry of Public Works

### NB and EH Prices\*

2015 - Q2 2020



Source: Ministry of Public Works  
\* New build and existing housing

**COVID-19:** Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

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Global Res. Cities Q2 2020

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