

Residential Snapshot

Q1 2025

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

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Demand in the residential market remains dynamic at the national level in 2025

- Mortgages and transactions closed 2024 with an annual growth of 12%, while approvals and final works certificates reached their highest level in the last 15 years.

SITUATION IN SPAIN

GDP begins 2025 with a trimestral growth of 0.6% in the first quarter. It is the only economy whose growth has been revised upward by the IMF after taking into account the impact of U.S. tariff policy. Specifically, the estimate has increased by 0.2 percentage points, projecting an annual growth rate of 2.5% by the end of 2025.

The number of mortgages signed in 2024 grew by 12% compared to 2023, and forecasts indicate they will continue to grow by around 10-12% in 2025.

By the end of 2024, the number of approvals has reached its highest level in the last 15 years, with nearly 128,000 registrations, representing a 17% annual increase. This increase is significant, but it is still not enough to meet housing demand.

For their part, final works certificates, which had recorded three consecutive years of decline, experienced a 12% rebound in 2024.

Spain

2024 vs 2023

+17% 127,720 approvals

+12% 96,500 final works certificates

2024 vs 2023

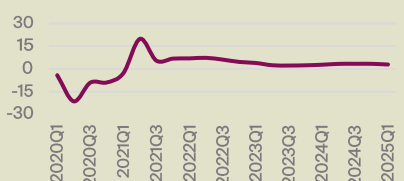
+12% 695,300 n° of transactions

+7% 1,972 €/sq m

Source: Ministry of Public Works

GDP Evolution

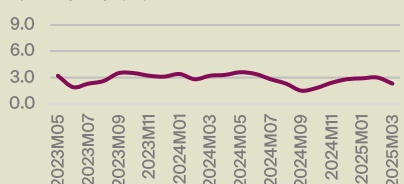
y-o-y %



Source: INE

CPI Evolution

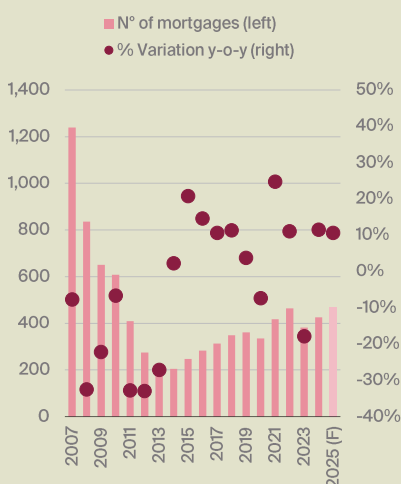
Spain. y-o-y (%)



Source: INE

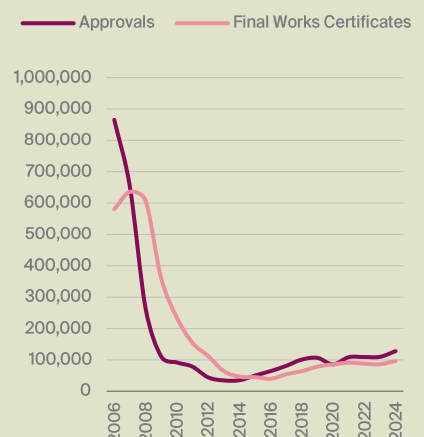
N° of mortgages. Spain

Thousands



Source: INE

Approvals and final works certificates



Source: Ministry of Public Works

TRANSACTIONS AND PRICES IN SPAIN

2024 ended with over 695,000 transactions, representing a 12% increase compared to 2023. Forecasts for 2025 predict a further annual growth of 10–12%.

Regarding home purchases in Spain during the first three months of 2025, 14.1% were made by foreign buyers, maintaining the trend from the same quarter of the previous year (14.2%). Among these, 8.24% were British, 6.35% German, 6.05% Dutch, and 5.05% Moroccan.

Prices continue on an upward trend. According to the latest data from the Ministry of Development, the average price of free-market housing exceeded €1,972/sq m in the fourth quarter, showing a 7% annual increase. In the case of new builds, the average price rose to €2,305/sq m (+6.4% annually), while resale properties reached €1,962/sq m (+7.0% annually).

By province, Madrid once again recorded the highest annual price variation, with an increase of over 20%. It was followed by Santa Cruz de Tenerife (+18.4%) and Málaga (+15%), both exceeding 15%. Other notable regions include Alicante (+14.7%), Murcia (+14.6%), and Valencia (+14.4%), with variations close to 15%.

We like questions. If you've got one about our research, or would like some property advice, we would love to hear from you.

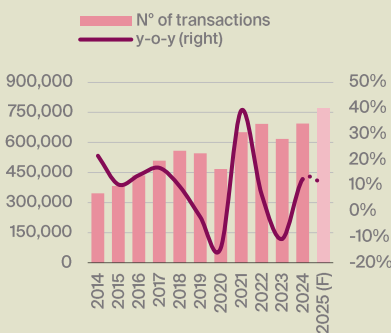


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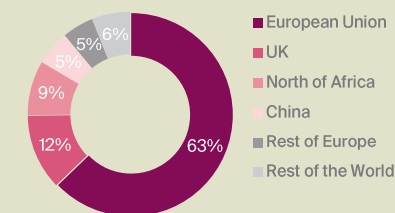
Nº of transactions



Source: Research Knight Frank, Ministry of Public Works and Oxford Economics

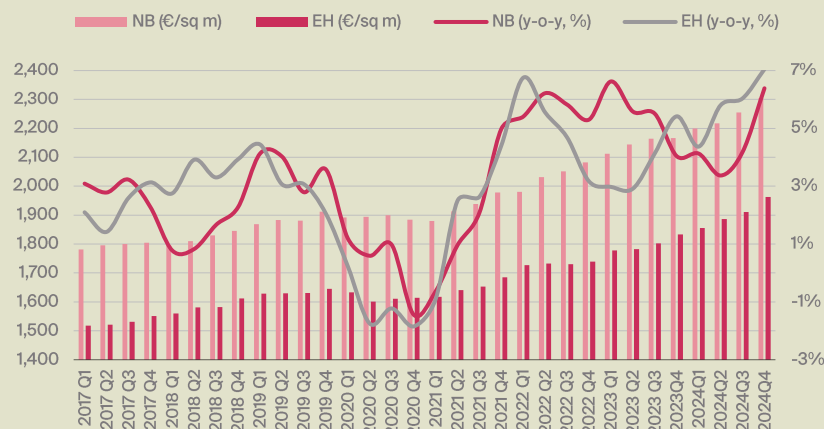
Origin of foreign housing buyers

Q1 2025. %



Source: Spanish College of Property

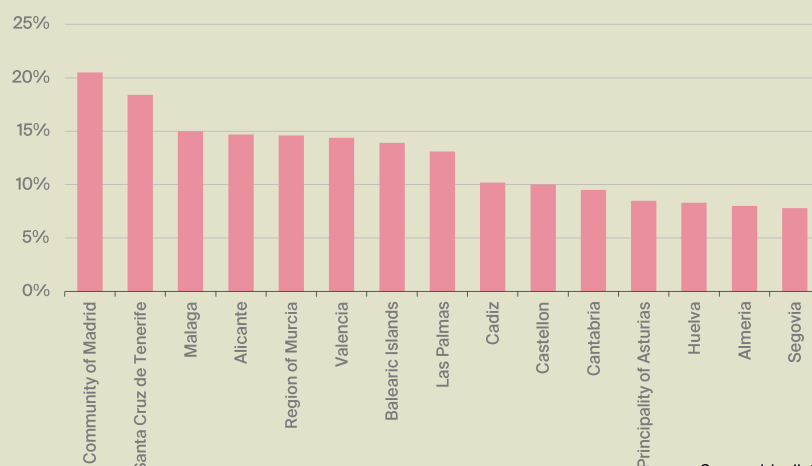
New build (NB) and existing houses (EH) prices in Spain



Source: Ministry of Public Works

Residential prices variation by region

March 2025



Source: Idealista