

# Residential Snapshot

Q1 2026

The sector indicators are compiled quarterly following a detailed study carried out by the professionals of the Spain office, based on real data and market trends.

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## The projected supply of new free-market housing for 2026 continues to fall short of demand from household formation

- The continued rise in demand reflects an 18% annual increase in mortgage transactions during 2025, marking the highest figure in the last 10 years.

### SITUATION IN SPAIN

Spain enters the first quarter of 2026 with GDP growth of 0.6% compared to the previous quarter, making it one of the fastest-growing economies in the Eurozone.

At the end of 2025, prices recorded an annual change of 13%, according to the latest data from the Ministry of development, and although supply increases are expected in 2026, pressure on prices will persist due to the imbalance between supply and demand.

Although since 2022 nearly 330,000 homes have been added to the national stock, the increase in the number of households has exceeded 1.14 million, generating a deficit of around 820,000 units, highlighting the need to build housing at a faster pace.

The number of mortgages up to February has risen by 14% compared to the same period over the previous two years, with a forecast to close the year at around 530,000–540,000 mortgages.

## Spain

2025 vs 2024

**+8.8%** 139,016 building permits issued

**-0.1%** 87,277 completion certificates

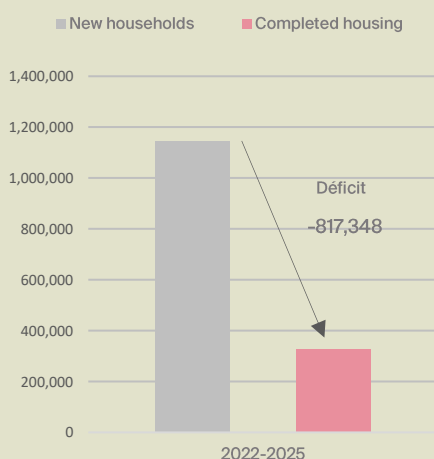
2025 vs 2024\*

**+5%** 730,717 number of transactions

**+13%** 2,230 €/sqm

Source: Ministry of Public Works Free-market housing.

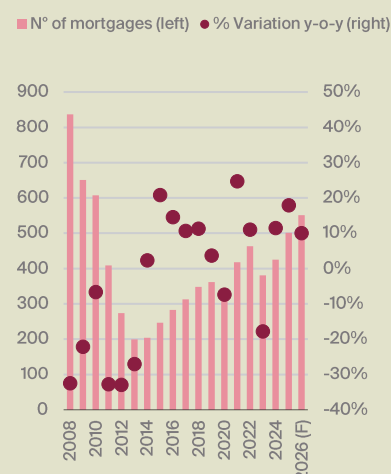
### Accumulated housing deficit 2022–2025



Source: Ministry of Public Works and INE

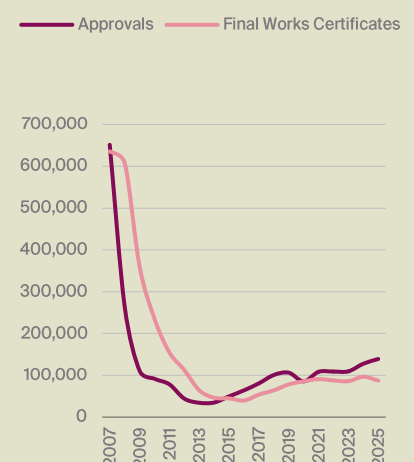
### Nº of mortgages in Spain

Thousands



Source: INE

### Building permits and completion certificates



Source: Ministry of Public Works

## TRANSACTIONS AND PRICES IN SPAIN

The number of free-market residential property transactions closes 2025 with the best result since 2007, with a total of 730,717 transactions, and it is expected that 2026 will follow a similar trend.

Foreign buyers are expected to continue playing a significant role, coming primarily from Europe and the United Kingdom

At the close of 2025, both new-build and second-hand property prices, recorded an annual increase of 13%, representing the largest rise in both categories in recent years. New-build homes reached up to 2,600 €/sqm, whilst existing houses properties recorded close to 2,220 €/sqm, both marking the highest figures seen in recent years.

At the close of the first quarter of 2026, free-market housing data shows a very significant increase in property prices, particularly in Valencia (+24.2%), recording an average price of 2,033 €/sqm, León (22.7%), with 1,867 €/sqm, and Ciudad Real (21.1%), with 1,608 €/sqm. Despite this, prices in these cities remain well below those of Madrid or Barcelona, where values of 5,960 €/sqm and 5,176 €/sqm are recorded respectively.

We like questions. If you have any regarding our reports or require property consultancy, we would like to hear from you.

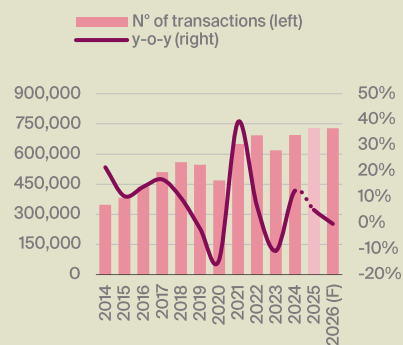


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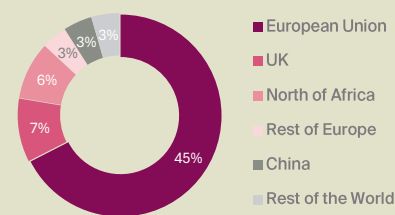
### N° of transactions



Source: Knight Frank Research, Ministry of Public Works

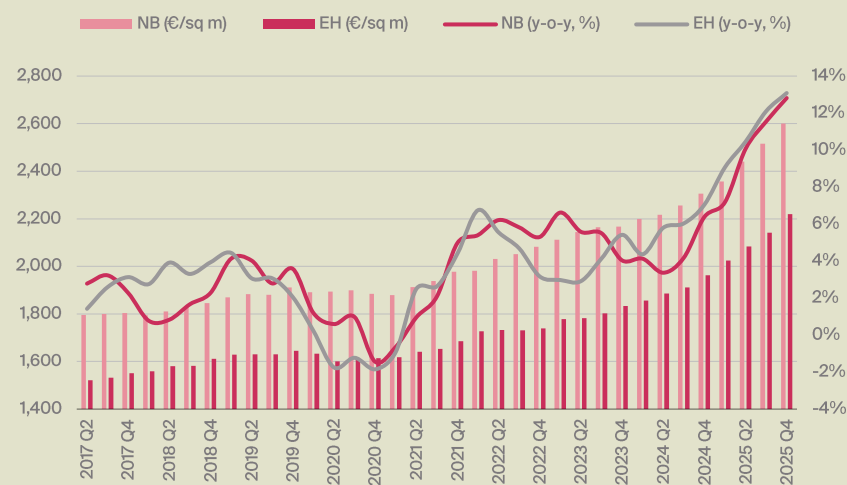
### Origin of foreign residential property buyers in Spain

Q1 2026. %



Source: Spanish College of Property

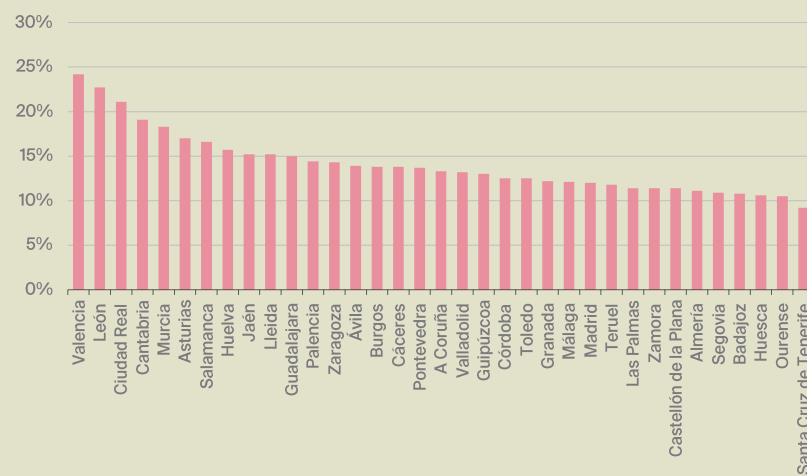
### New-build (NB) and existing houses (EH) prices in Spain. €.



Source: Ministry of Public Works

### Annual change in free-market housing prices by province

March 2026



Source: Idealista