

Residential Snapshot

Q2 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.

[Knightfrank.com/research](https://knightfrank.com/research)

Interest in housing rebounds: Euribor drops by 33 basis points in the first quarter

- Mortgages in the first quarter hit a 14-year high. Over 120,000 transactions were recorded in Spain during this period, nearly 20% more than last year.

SITUATION IN SPAIN

GDP grew by 0.7% in the second quarter compared to the previous quarter in volume terms, and by 3% compared to the same period in 2024. Domestic demand contributed 3.4 percentage points, while external demand had a negative contribution of 0.6 points.

The number of mortgages in the first quarter of 2025 increased by 19% compared to the same period the previous year, aligning with the forecast we made at the end of 2024, where we estimated a

10% increase by the end of 2025.

From January to April 2025, building permit approvals reached their highest level for this period in the last ten years, with over 45,000 permits issued—representing a 9% increase compared to the same period in 2024.

Certificates of completion in the first quarter of this year are following a similar trend to the previous year, with a decrease of 11%, although an annual growth of 4% is forecast.

Spain

Jan-Apr 2025 vs Jan-Apr 2024

+9% 45,280 approvals

-11% 28,000 final works certificates

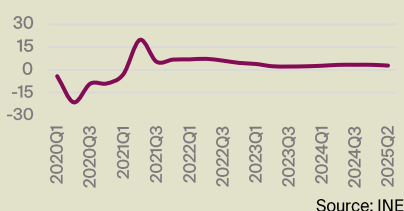
Q1 2025 vs Q1 2024

+14.7% 184,087 n° of transactions

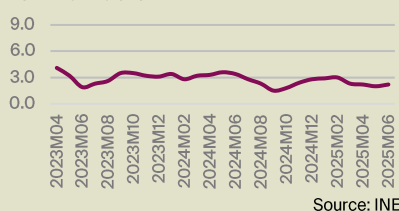
+9% 2,033 €/sq m

Source: Ministry of Public Works

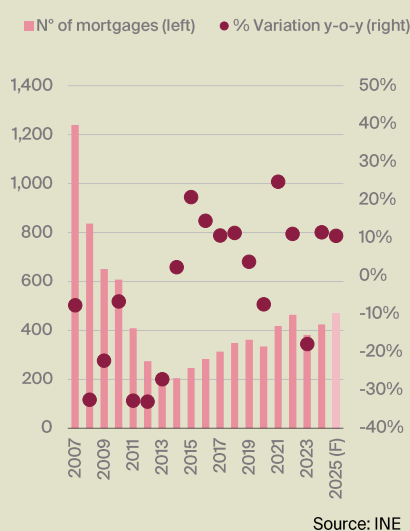
GDP Evolution y-o-y %



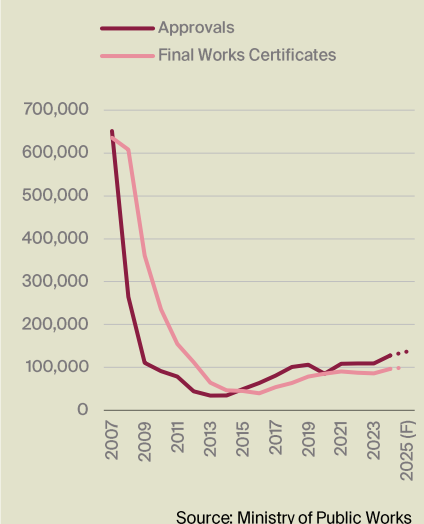
CPI Evolution Spain. y-o-y(%)



N° of mortgages. Spain Thousands



Approvals and final works certificates



TRANSACTIONS AND PRICES IN SPAIN

In the first quarter of 2025, nearly 180,000 free-market housing transactions were recorded in Spain, representing a 15% increase compared to the same period in 2024.

In the second quarter of 2025, 14.1% of home purchases in Spain were made by foreigners, a percentage that matches the figure from the first quarter and shows a decline compared to the same period in 2024 (14.84%). Among them, the British stand out, representing 7.77% of the total, followed by the Germans (6.59%), the Dutch (6.46%), and the Moroccans (5.67%).

Prices continued to rise nationwide between April and June. According to the latest data from the Ministry of Public Works, the average price for free-market housing stood at €2,033/m², showing a 9% annual increase. In new builds, the average price continued to rise to €2,357/m² (+7.2% annually), while second-hand homes reached €2,024/m² (+9.1% annually).

Madrid once again ranked first, with nearly a 25% annual price variation. The Region of Murcia climbed the rankings with a 20% increase. It was followed by Santa Cruz de Tenerife (19.8%), the Valencian Community (18.5%), the Canary Islands (18.4%), the province of Valencia (18.2%), and Alicante (16.7%), the last of which exceeded 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.

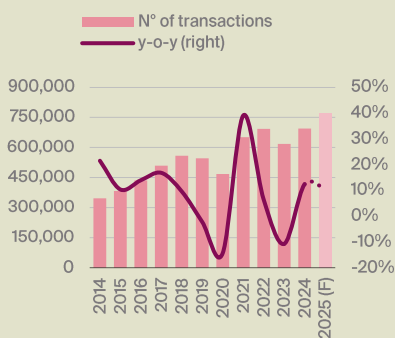


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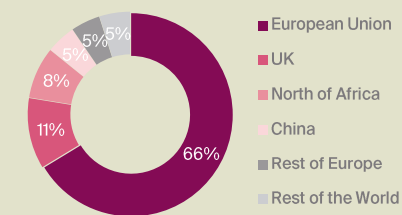
N° of transactions



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

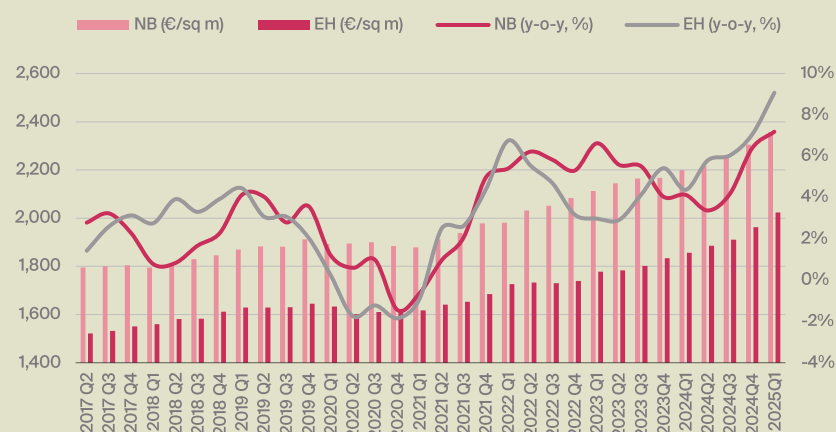
Origin of foreign housing buyers

Q2 2025. %



Source: Spanish College of Property

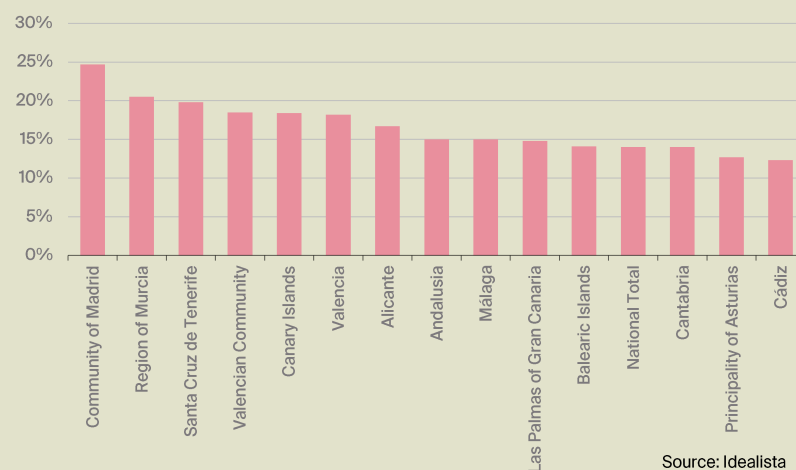
New build (NB) and existing houses (EH) prices in Spain



Source: Ministry of Public Works

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

June 2025



Source: Idealista