Residencial Snapshot

Q2 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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Supply shortages and rising prices will continue to limit the number of transactions in 2026.

Although the number of home sales is moderating, the first quarter of the year is beginning with an increase in prices for both new-build and resale homes.

SITUATION IN SPAIN

Building start permits and completion certificates maintained growth in the first two months of the year higher than that recorded during 2025, with a year-end forecast of an 8% and 2% increase, respectively.

The mismatch between the growth in new household formation and the increase in housing stock is projected to result in a deficit of close to 765,000 homes by 2031.

The number of mortgages in the first four months of the year has increased by around 8% year-on-year. However, the ECB's interest rate hike in the middle of this year could contribute to a moderation in mortgage activity in the coming months, as financing conditions become more expensive. As a result, the number of mortgages is expected to decline during the second half of the year, ending up 5% below the level reached at the close of 2025..

Spain

Jan-Feb 2026 vs Jan-Feb 2025

+9.3% 24,991 Building start permits

+1.8% 13,614 Completion certificates

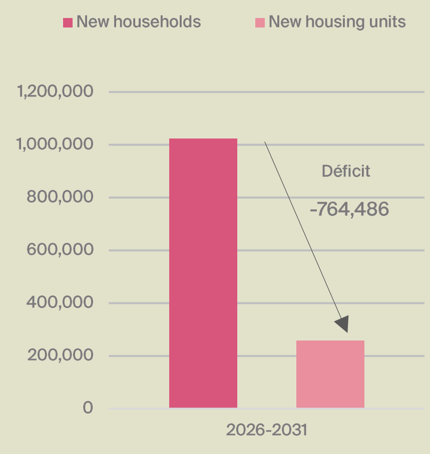
T1 2026 vs T1 2025

-11% 159,317 number of transactions

+17.2% 2,709 €/m²

Source: Ministry of Public Works Free-market housing.

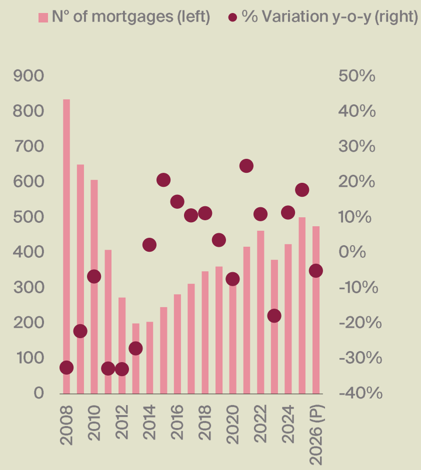
Accumulated housing deficit 2026-2031



Source: Ministry of Public Works and INE

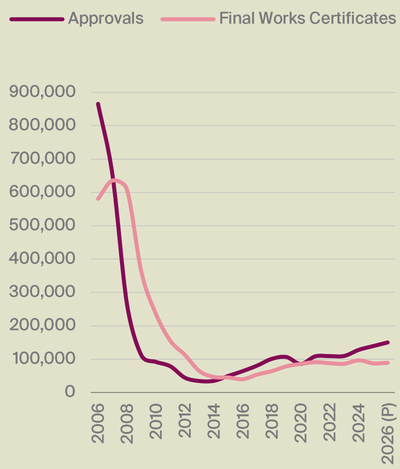
Nº of mortgages in Spain

Thousands



Source: INE

Building permits and completion certificates



Source: Ministry of Public Works

TRANSACTIONS AND PRICES IN SPAIN

The volume of housing transactions in Spain is expected to close 2026 at a figure roughly 5% below that recorded in 2025, due to a combination of a lack of available supply, the continued increase in price levels, worse financing conditions, and the need for buyers to draw more heavily on their savings.

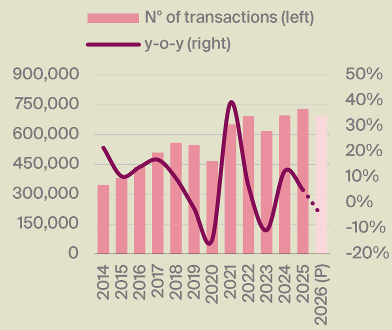
Regarding buyers, foreign nationals account for 14% of transaction volume, coming mainly from Europe and the United Kingdom.

According to data published by the Ministry of Housing, at the close of the first quarter of 2026, both new-build and second-hand housing recorded annual increases of close to 14%, accumulating a rise of over 40% over the past five years. New-build housing prices exceed €2,680/m², while second-hand housing prices are above €2,300/m², marking the highest levels in the last years.

At the close of the first half of 2026, the provinces with the largest increases in housing prices were Ciudad Real (+25.4%), León (+21.1%), and Cantabria (+18.4%), with increases exceeding 18%.

However, Madrid, Barcelona, and San Sebastián continue to record the highest price levels in their urban areas.

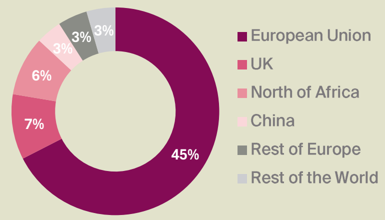
Nº of transactions



Source: Knight Frank Research, Ministry of Development, CaixaBank Research

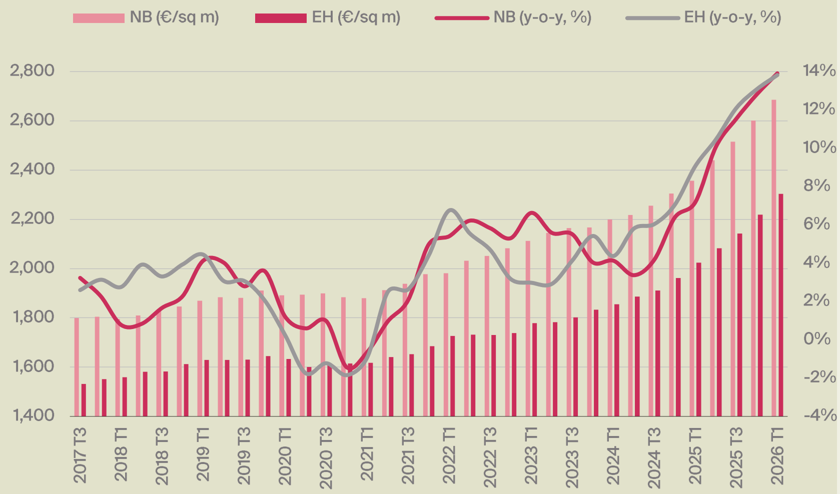
Origin of foreign residential property buyers in Spain

Q1 2026. %



Source: Spanish College of Property

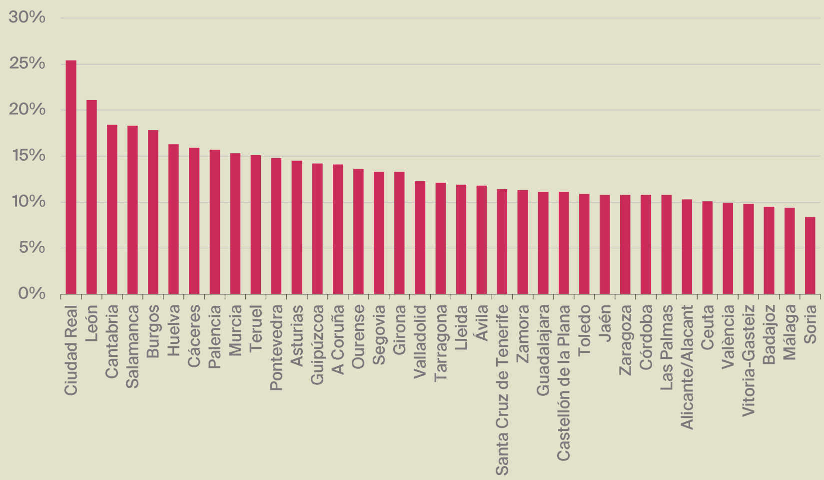
New-build (NB) and existing houses (EH) prices in Spain. €.



Source: Ministry of Development

Annual change in free-market housing prices by province

June 2026



Source: Idealista

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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