

Residential Snapshot

Q4 2024

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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The residential market closes the year 2024 with strong investor appetite and maintains its dynamism

- The Gross Domestic Product exceeds expectations in the last quarter of 2024. Mortgage demand remains strong due to its market fundamentals.

SITUATION IN SPAIN

GDP closes 2024 with a growth of 3.5%, surpassing the Bank of Spain's early-year forecast of 3.1%. Looking ahead, the Bank estimates that GDP will end 2025 at 2.5%.

Regarding mortgages, nearly 424,000 were signed in 2024, an 11% increase compared to 2023.

The last quarter of 2024 has become the period with the highest number of mortgages formalized throughout the year, exceeding by

22% the average recorded in the previous three quarters.

Regarding permits, the year-end estimate has surpassed initial expectations by 17%, with 129,000 new construction permits expected.

Meanwhile, the number of project completion certificates is estimated to reach around 98,000 by the end of 2024, a figure in line with previous projections.

España

2024 (F) vs 2023

+17.0% 129,000 approvals

+13% 30,000 final works certificates

2024 vs 2023

+10% 680,000 n° of transactions (F)

+6%* 1,921 €/sq m

Source: Ministry of Public Works . *To third quarter.

GDP Evolution

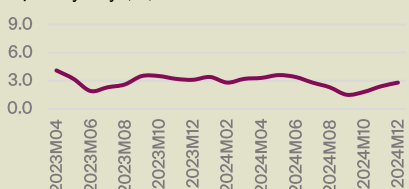
y-o-y (%)



Source: INE

CPI Evolution

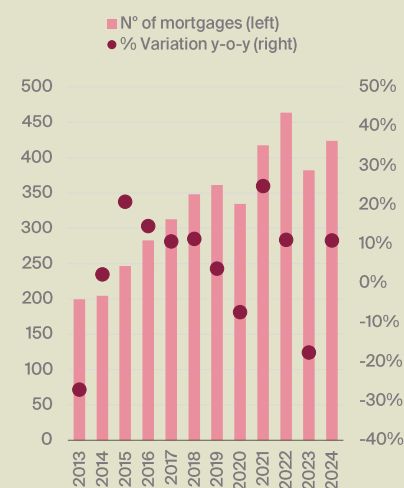
Spain. y-o-y (%)



Source: INE

N° of mortgages. Spain

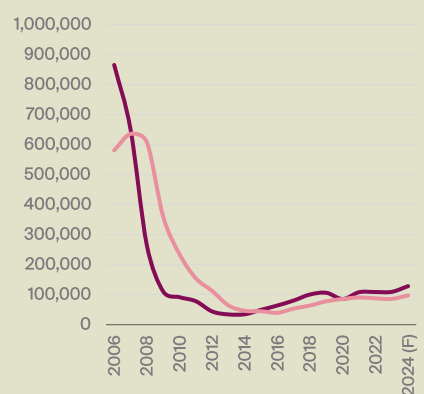
Thousands



Source: INE

Approvals and final works certificates

Approvals Final Works Certificates



Source: Ministry of Public Works

PRICES AND TRANSACTIONS IN SPAIN

The total number of transactions in 2024 up to the third quarter exceeds 500,000, with projections indicating that the year will close with around 680,000 transactions, representing an annual increase of 10%.

The British remain the leading foreign buyers of property in Spain. During the first three quarters of the year, they accounted for an average of nearly 8.5% of total international purchases, followed by the Germans with over 6.6%.

Prices continue their upward trend. According to the latest data from the Ministry of Public Works, the average price of free-market housing exceeded €1,920/m² in the third quarter, reflecting an annual increase of 6%.

In the new-build sector, the average price rose to €2,255/m² (+4.2% annually), while second-hand properties reached €1,911/m² (+6% annually).

By province, Madrid led December with the highest annual price variation at 17.5%, followed by the Canary Islands, with Santa Cruz de Tenerife (+17.4%) and Las Palmas (+16.2%). Additionally, Murcia (+16.3%) and the Balearic Islands (+15.3%) also stood out, surpassing the 15% mark.

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

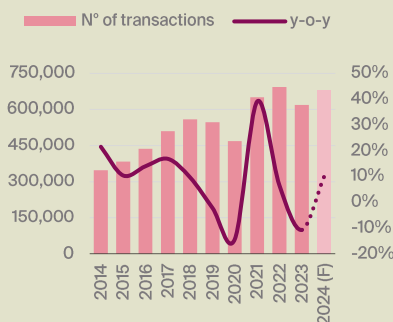


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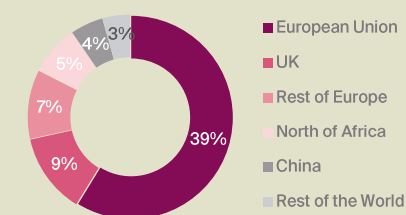
N° of transactions



Source: Research Knight Frank / Ministry of Public Works

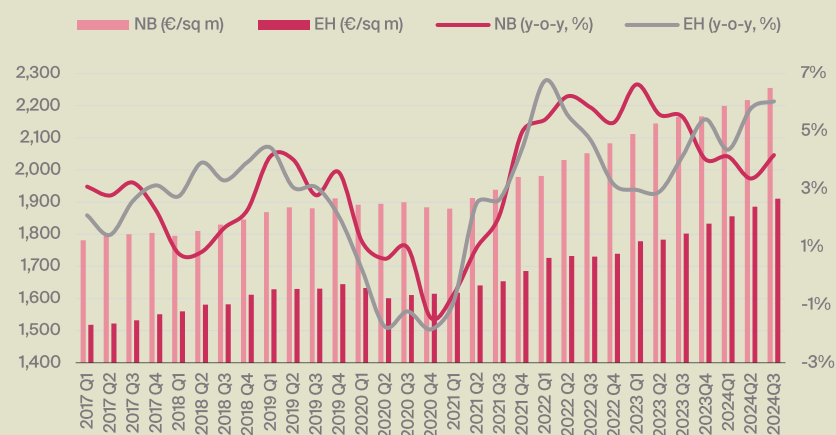
Origin of foreign housing buyers

Q4 2024. %



Source: Spanish College of Property

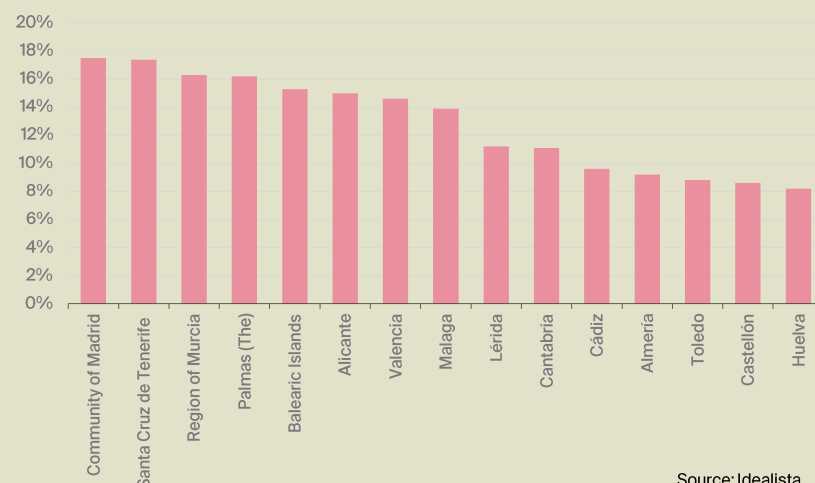
New build (NB) and existing houses (EH) prices in Spain



Source: Ministry of Public Works

Residential prices variation by region

December 2024



Source: Idealista