



# COASTAL PROPERTY 2017



### INDEX

<b>Methodology .....</b>	<b>4</b>
<b>Executive Summary .....</b>	<b>5</b>
General market situation .....	5
Prices .....	6
Supply .....	7
Activity .....	8
Land market .....	9
Demand .....	10
<b>MEDITERRANEAN COAST</b>	
<b>Catalan Coast .....</b>	<b>13</b>
Girona .....	13
Barcelona .....	15
Tarragona (Costa Dorada) .....	17
<b>Comunidad Valenciana Coast .....</b>	<b>21</b>
Castellon (Costa del Azahar) .....	21
Valencia coast .....	23
Alicante (Costa Blanca) .....	25
<b>Murcia coast (Costa Calida) .....</b>	<b>30</b>
<b>Balearics .....</b>	<b>33</b>
Mallorca .....	33
Menorca .....	35
Ibiza/Formentera .....	36
<b>Mediterranean Andalusia .....</b>	<b>37</b>
Almeria coast .....	37
Granada (Costa Tropical) .....	40
Malaga (Costa del Sol) .....	41
<b>ATLANTIC COAST</b>	
<b>Atlantic Andalusí (Costa de la Luz) .....</b>	<b>45</b>
Cadiz .....	45
Huelva .....	49
<b>Canary Islands .....</b>	<b>52</b>
Gran Canaria .....	52
Tenerife .....	54
Fuerteventura .....	55
Lanzarote .....	56
La Gomera .....	57
La Palma .....	58



**ATLANTIC COAST/ CANTABRIAN COAST**

**Galician coast .....59**

    Pontevedra (Rias Bajas) .....59

    A Coruña.....62

    Lugo .....63

**CANTABRIAN SEA**

**Asturias coast (Cabo Verde) .....65**

**Cantabria coast .....68**

**Basque coast .....70**

    Vizcaya.....70

    Guipuzcoa .....72



## METHODOLOGY

The Coastal Property 2017 report is a detailed analysis of the coastal holiday-home markets in Spain. Its contents have been compiled in collaboration with Tinsa professionals who work in each of the markets. The outreach of our network, made up of 1,300 professionals who cover the whole of Spain, means we have an in-depth knowledge of local markets and first-hand information on changes within them.

The Coastal Property 2017 report divides the Spanish coastline into 58 areas, each made up of a collection of towns in the same province. In the case of the Spanish islands, each island is represented independently. The coastal provinces of A Coruña, Lugo, Cantabria and Granada are also considered independently. On the rest of the coastline, each province has been divided into two to six areas for this report.

This analysis includes an in-depth qualitative description derived from a survey among local professionals on price changes, supply, new-build supply levels, activity and demand. The technical point of view has been complemented with the following statistical data:

- €/m<sup>2</sup> price in coastal areas, year-on-year change and from peak. Q1 2017 (*Source: Tinsa*). Price statistics come from market prices for mortgage valuations carried out by Tinsa. Prices for Q1 2017 included in this report are provisional until considered confirmed after two quarters.)
- Graphic showing changes in price from 2001 to Q1 2017 in the most relevant markets (*Source: Tinsa Statistics IMIE Local Markets*).
- Sales in each area in 2015 and 2016. (*Source: Spanish Ministry of Development*).
- Licences for new builds in coastal areas with over 10,000 inhabitants in 2015 and 2016. (*Source: General Statistical Department at the Spanish Ministry of Development*).

Given the enormous value the first-hand knowledge of our professionals adds to the report, Tinsa has included the names of the professionals whose generous collaboration in each province has made this report possible.



## EXECUTIVE SUMMARY

The recovery of the residential market continues to spread slowly along the Spanish coast. The first conclusions of the Coastal Property 2017 report, a wide-ranging study that combines statistical information and groundwork by Tinsa's local network, reveal positive signs in a higher number of coastal areas than in last year's report.

Tinsa professionals point to a clear improvement in the holiday-home market in 24% of the 58 areas that make up the Spanish coast (mainland and islands) in this report, compared to 8.8% last year. If we consider that signs of improvement can be seen in another 41.4%, we can conclude that almost two-thirds of holiday-home areas are experiencing an upward trend.

Furthermore, Tinsa price statistics from mortgage valuations carried out by the company register year-on-year increases in Q1 in 84 of the 136 areas with available data, 13 more than last year.

## General market situation

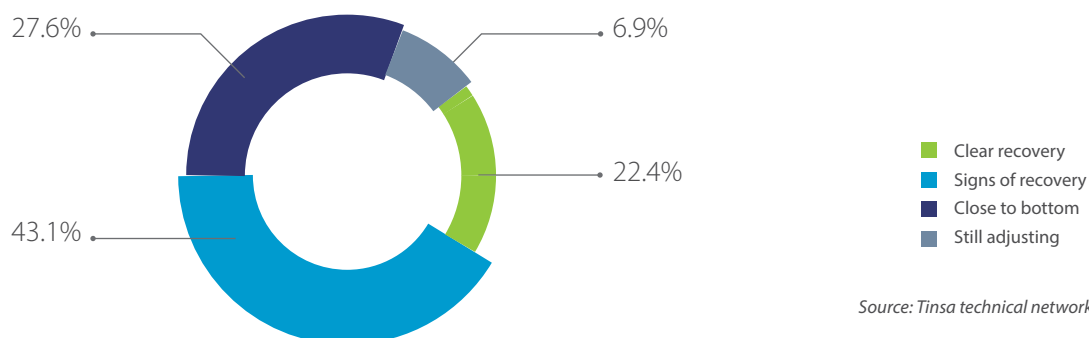
As is generally the case in the Spanish residential market, recovery on the coast is also mixed. Next-door to a few places where prices and activity are increasing, there are, even within the same province, areas that are still at the stabilisation stage, some showing signs of improvement and others still adjusting.

The areas with the most obvious signs of improvement in the holiday-home market are found in the Canary Islands, Mallorca and Ibiza, the Costa Dorada, the south of Alicante province, the western coast of Malaga and the Cadiz coast between Tarifa and Conil. The same applies to the province of Guipuzcoa, although here, the holiday-home market merges with the residential.

Stand-outs at the opposite end, in those areas where it's too soon to talk of recovery because the market is still clearly adjusting, are the island of Palma, the Cadiz coast around Algeciras, eastern coast of Asturias and A Coruña coast.

Recovery on the Mediterranean coast is generally ahead of that on the Atlantic coast. In all the provinces on the Mediterranean there are places where the holiday-home market is moving upwards, with the exception of the entire Granada coast and a large part of the Almeria coastline, which, according to Tinsa professionals, have yet to complete their adjustment. The northern parts of the coast in Girona, Tarragona and Castellon provinces along with the south of Barcelona and Valencia also shows signs of a slow-down.

Graphic 1. General state of the holiday-home market.



Source: Tinsa technical network survey

## Coastal Property 2017

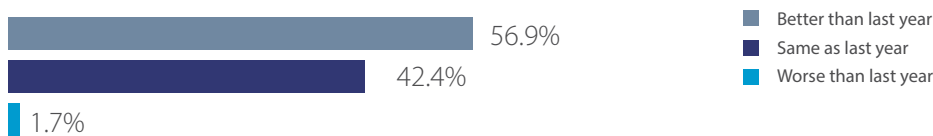
On the other hand, adjustment in the market continues to be the main trend on the Atlantic coast, although the situation is generally bottoming out. Among the exceptions are the Canary Islands, Guipuzcoa (where the market is clearly improving), the Cadiz coast, Pontevedra and Western Asturias where signs of recovery can be seen.

### Prices

The gradual return of demand and the wider availability of financing are driving prices in most coastal areas. In 84 of the 136 areas with available data, Tinsa statistics show year-on-year price increases, compared to 71 places last year. This translates to 62% of areas.

In almost 57% of the 58 coastal areas studied, Tinsa professionals state that prices have performed better this year than last. In another 41% of cases, the main trend shows prices have evened out over the last few months.

Graphic 2. Change in prices compared to increase or decrease last year.



Source: Tinsa technical network survey

When looking at prices in coastal areas, it's important to bear in mind the peculiarities of this market. In some cases, we're looking at large areas where the market nearest the coast behaves differently to places located inland in the same province. And, we frequently find in the same place a surfeit of older property for sale, often at a discount, along with new homes with better finishes and location.

When trends are about to change, as they currently are, price statistics may not represent the general trend in the whole area. This is the case in Torrevieja and Orihuela (Alicante province) where the price decreases of 4.4% and 14% respectively, differ from the local perspective that prices are stabilising and even increasing in the best locations. From the local perspective, the statistical decreases registered for Gandia (Valencia province), Blanes (Girona province), Calvia (Mallorca) and Chipiona (Cadiz province) also seem excessive.

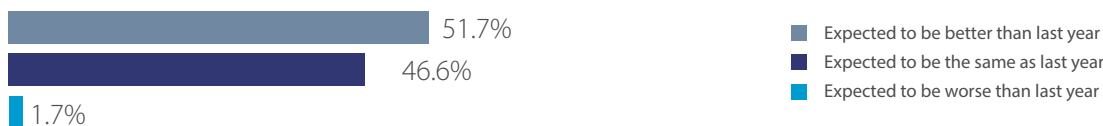
On the coast of Alicante, Barcelona, Malaga and Cadiz provinces, and the islands, price rises are more settled and taking place in a higher number of areas than other provinces. Coastal areas in Castellon, Huelva and Murcia provinces are still generally falling, although there are areas performing better such as Isla Cristina in Huelva province (up 7.5%) and in Aguilas in Murcia province (up 6.5%).

Highlights in the areas where according to valuation statistics, year-on-year price rises have been highest in Q1 2017, include Antigua in Fuerteventura (up 26.1%), Adeje (up 18.3%), Gava (up 17.8%), Mojacar (up 17.3%) and Premia de Mar (up 11.6%), Marbella (up 11.3%) and Benidorm (up 10.9%).

Some of the areas with the biggest decreases in Q1 are Benicarlo (down 17.3%), Mazarron (down 14.4%), Ciutadella de Menorca (down 12.2%), Vejer de la Frontera (down 11.3%) and Punta Umbria (down 8.9%).

Forecasts for the coming months are generally optimistic. In 52% of the areas studied, Tinsa professionals claim that prices will perform better in 2017 than in 2016, compared to 38.6% in last year's report. A further 46.6% opt for stabilisation.

Graphic 3. Predicted change in prices of holiday homes this year.

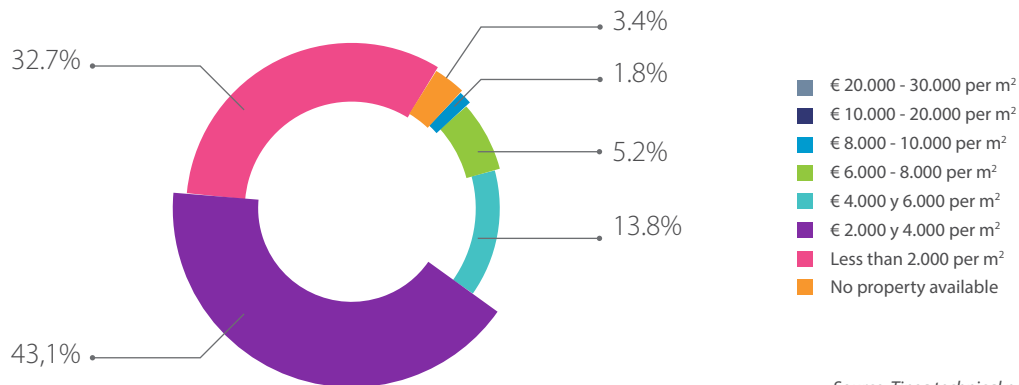


Source: Tinsa technical network survey

This year, the Coastal Property 2017 report includes a survey on the average prices in the best location in each area. According to information from the Tinsa network, in 41% of the areas studied, a frontline beach apartment costs between € 2,000 and € 4,000 per m<sup>2</sup>. In another 31%, prices lie below € 2,000 per m<sup>2</sup>.

Among the areas with the highest average prices, highlights include La Concha de San Sebastian (€ 9,000 per m<sup>2</sup>); the old town and El Portixol in Palma de Mallorca (€ 8,000 per m<sup>2</sup>); the seafront promenade in Ibiza (€ 7,000 per m<sup>2</sup>) and the east coast of Estepona and Marbella coast (€ 6,000 per m<sup>2</sup>).

Graphic 4. Average price of frontline beach holiday apartment.

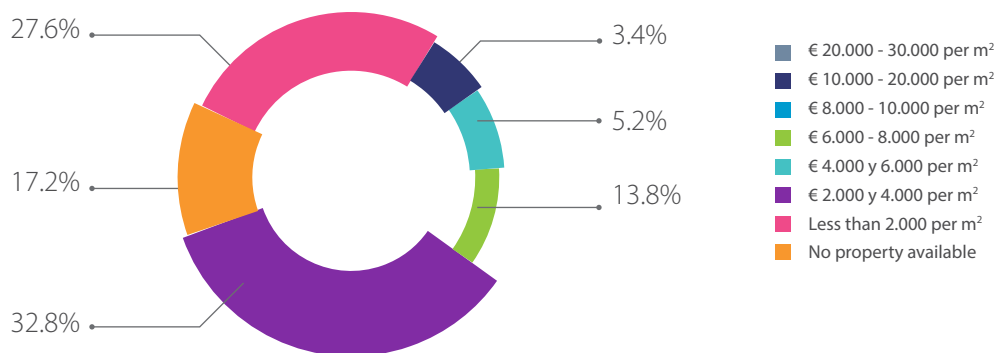


Source: Tinsa technical network survey

Villas follow a similar trend. Almost a third of those available with frontline beach in good locations, are priced on average between € 2,000 and € 4,000 per m², while 27% come in at below € 2,000 per m². Among the places with the highest prices for this type of property, Mallorca, where a 120m² detached property in El Portixol area can average € 2.2 million, stands out. As does Talamanca, in Santa Eulalia (Ibiza), where prices average around €15,000 per m² for frontline beach property.

At a lower price level – between € 6,000 and € 8,000 per m² – are villas in Cala Sant Francesc (Blanes) and in Canyelles-La Montgoda (Lloret de Mar), both in Girona province; in Sant Vicenç de Montalt, Caldes d'Estrach and Sitges (all in Barcelona province); in Cabo de las Huertas (in Alicante province); in Marbella and in Playa de Maspalomas (in Gran Canaria).

Graphic 5. Average price of a frontline beach holiday home.

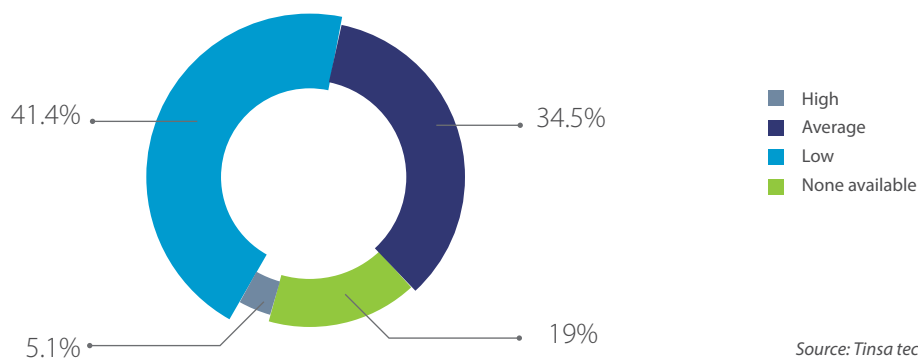


Source: Tinsa technical network survey

## Supply

When it comes to the state of over-supply of new builds (completed since 2008), in only 5% of the areas under analysis do Tinsa professionals indicate that there's plenty of supply, compared to 14% last year. This is the case on the coast in Tarragona, Cadiz and A Coruña provinces. In 70% of areas, they claim that the new-build supply is non-existent or low (52% in 2016). In almost half the areas where there is new-build supply, our professionals point out that this can be considered as over-supply and is saleable in the short term.

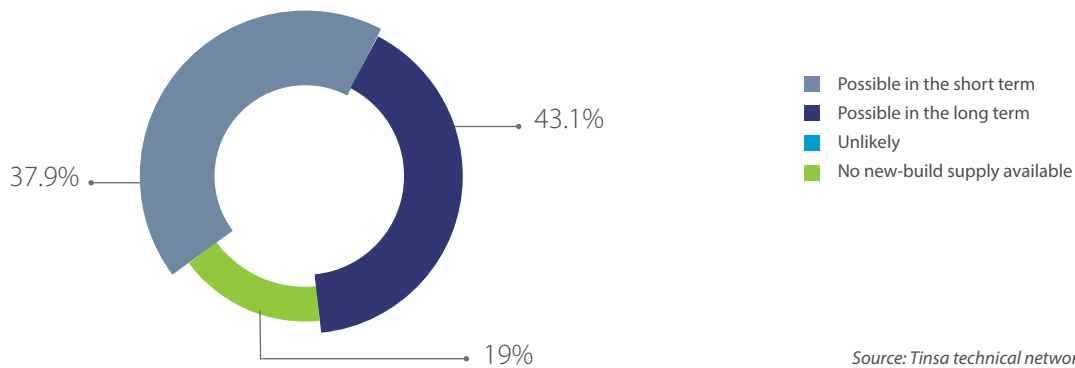
Graphic 6. Level of supply of new holiday homes.



Source: Tinsa technical network survey

## Coastal Property 2017

Graphic 7. Prospect of holiday-home new-build supply being sold out.

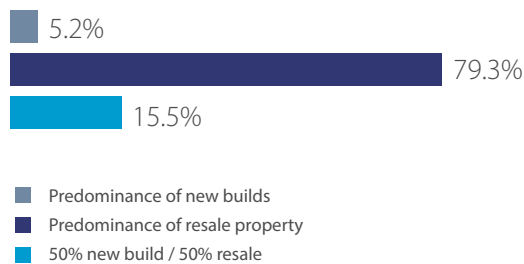


Source: Tinsa technical network survey

Resale properties rather than new builds dominate holiday home supply in Spain. This is the case in 79.3% of areas along the coast. Among the markets with a higher proportion of new builds, La Manga del Mar Menor, the Lugo coast and the Almeria coast on the border with Murcia stand out.

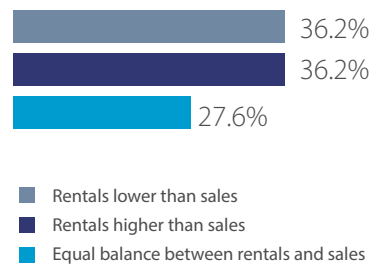
Among the areas where rentals are higher than purchases as a holiday option, Vizcaya, the Canaries, the Balearics, Pontevedra (in Galicia), the outskirts of Barcelona and El Garraf coast stand out. In over half the areas (55%), holiday rental prices remain the same as last year.

Graphic 8. Levels of new and resale property in holiday home market.



Source: Tinsa technical network survey

Graphic 9. Levels of rentals and sales in the holiday home market.

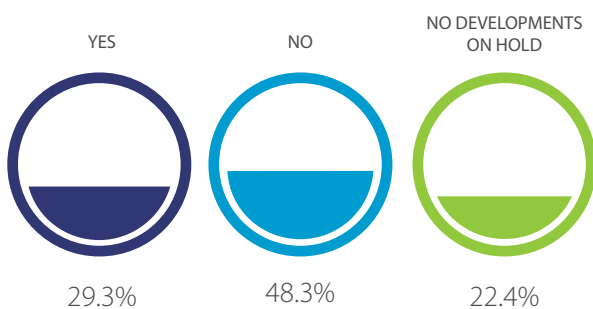


Source: Tinsa technical network survey

## Activity

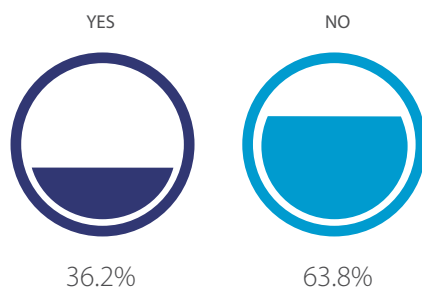
Development activity continues to be limited to specific places. In 63.8% of all areas, no new holiday home construction is underway. The most active focal points for new projects are the Costa del Sol, Alicante, Almeria (Pulpi and Vera), the eastern coast of Cadiz (Tarifa, Zahara de los Atunes and Conil), south of Valencia, the Costa Dorada, the Maresme (Cambrils and Salou), Murcia (Aguilas, Los Alcazares and San Pedro del Pinatar), Tenerife and Mallorca (Palma, Calvia and Andratx).

Graphic 10. Restarts in the last year of holiday home developments previously on hold



Source: Tinsa technical network survey

Graphic 11. Are new holiday home projects underway?

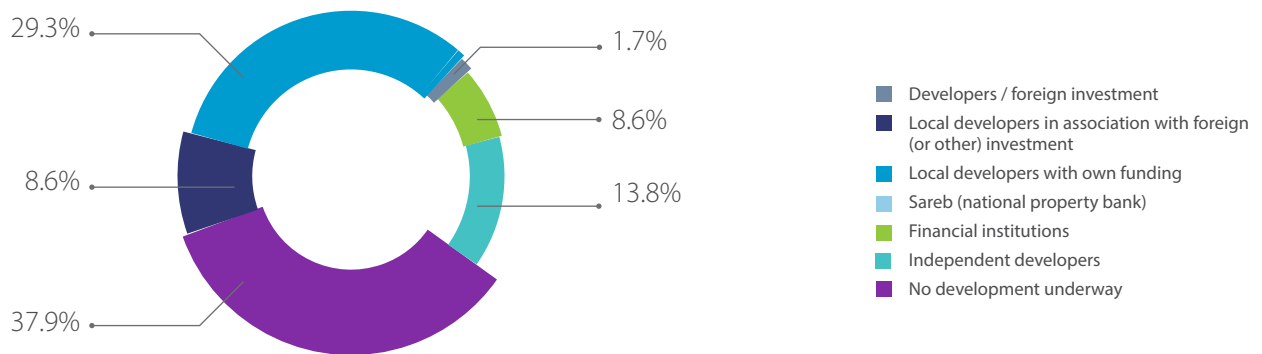


Source: Tinsa technical network survey



According to new-build licence data published by the Spanish Ministry of Development, the coastal areas with over 10,000 inhabitants with most building licences issued in 2016 (excluding provincial capitals) were Orihuela (1,038 licences), Torrevieja (620 homes), Elche (372) and Benidorm (328), all in Alicante province. Following these were Santurtzi (Vizcaya), Mogan (Gran Canaria) and Pilar de la Horada (Alicante), with around 300 licences issued in 2016. The number of licences issued in 2016 in all the coastal areas included in the report increased by 12.8% compared to 2015.

Graphic 12. Main developers of new holiday-home construction.



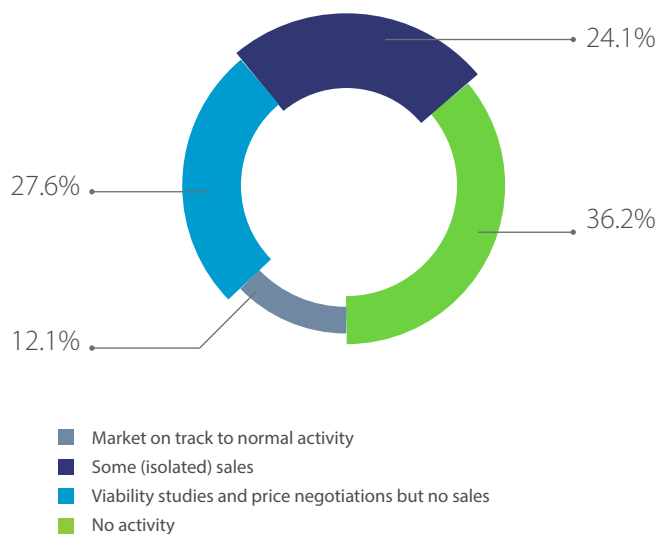
Source: Tinsa technical network survey

## Land market

Albeit moderately, the number of areas where Tinsa professionals state that the land market is registering no activity has gone down, from 44.4% in the 2016 report to 36.2% this year. Price negotiation continues to be the norm, although few transactions go through (27.6%). In another 24% of the areas studied, Tinsa staff say that some sales are starting to take place and in another 12%, they claim the land market has starting to take off and return to normal activity levels. This is the situation in Mallorca, Ibiza, Marbella-Estepona, the north of Alicante, Manga del Mar Menor and Guipuzcoa.

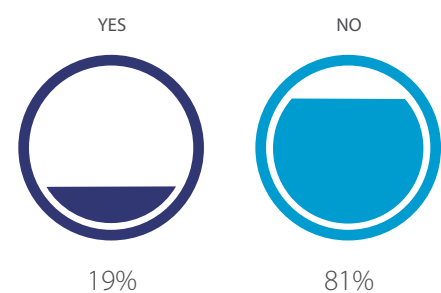
As regards the price of land, increases have only occurred in a few locations on the coast in Alicante, in Maresme, the Costa Dorada, Mallorca, Costa del Sol, Tenerife and Guipuzcoa, although here, residential and holiday property merges together.

Graphic 13. Current state of land market.



Source: Tinsa technical network survey

Graphic 14. Have land prices increased over the last few months?

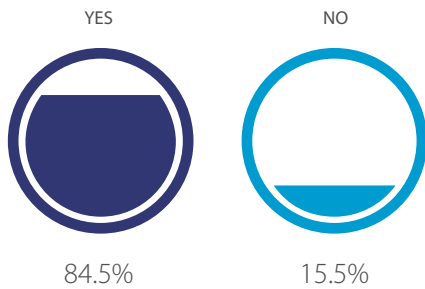


Source: Tinsa technical network survey

### Demand

Sales activity has undergone a radical change over the last year. Tinsa professionals say that 84.5% of areas have experienced an increase in sales of holiday homes, when last year this was true for just 23% of the coastal areas studied. Areas where the market continues at a standstill, with no apparent signs of reactivation, include the coast in A Coruña, Asturias, Vizcaya and Algeciras, and the eastern coastline of Almería.

Graphic 15. Have sales of holiday homes gone up over the last year?



Source: Tinsa technical network survey

According to data published by the Spanish Ministry of Development, the total number of sales in all the coastal areas included in the report registered an increase of 14.6% in 2016 compared to the previous year, to reach 158,635 units.

If we remove from the report coastal areas that are provincial capitals, the places with most sales activity last year, according to data from the Ministry, were Torrevieja (5,291 home, up 21.7% on 2015); Marbella (4,001 homes, down 9.8%); Orihuela (3,839 homes, up 1.7%) and Mijas (2,506 homes, up 5.6%).

When it comes to sales of new builds only, official data ranks Torrevieja (914 homes in 2016, up 51% on 2015), Orihuela (874 sales, up 15%) and Pilar de la Horadada (495 homes, up 90%) as the coastal areas with most sales, behind just Barcelona (1,314 units, up 7.5%) and ahead of Malaga (459 homes, down 14.8%). The total number of new-build sales in the areas included in the report comes to 14,064 homes, which translates to a decrease of 6.8% compared to official data for 2015.

## COASTAL HOLIDAY HOME MARKET

General state and areas with building activity, according to the Tinsa professional network

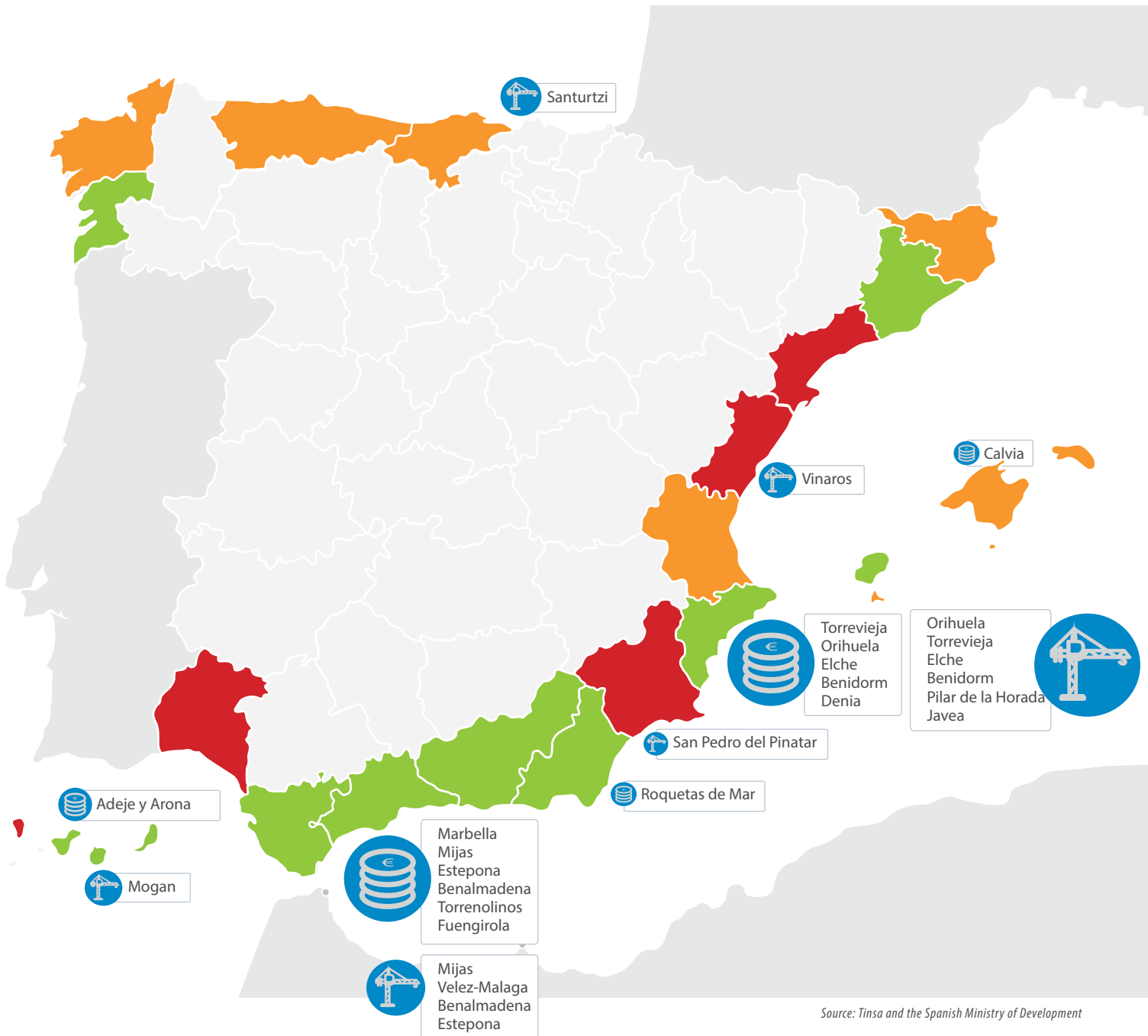


Source: Tinsa

- Clear recovery
- Signs of recovery
- Close to bottom
- Still adjusting
- Areas with holiday home building activity

## PRICES, SALES & BUILDING LICENCES IN COASTAL AREAS

Average coastal price trends by province and in areas with the highest number of sales and building licences.



Source: Tinsa and the Spanish Ministry of Development

- Increase in prices
- Slight fall and unequal spread
- Decrease in prices
- 15 coastal areas with the most sales in 2016 (excluding provincial capitals)
- 15 coastal areas with most building licences in 2016 (excluding provincial capitals)

| Mediterranean sea

Catalan coast



## Gerona

### COSTA BRAVA BETWEEN PORTBOU AND SANT FELIU DE GUIXOLS

#### General market situation

The holiday home market has nearly bottomed out and is close to recovery stage, although very diverse situations exist along the Costa Brava. There are areas where the rate of sales has increased and others where they're still adjusting.

#### Prices

Prices in the main areas remain stable with signs of improvement in some locations. Although discounted prices are rising, they still aren't converting to sales. Forecasts for this year point to price stability.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 4,000 per m<sup>2</sup>. Coastal areas in Palafrugell and Cadaques. Frontline beach property with around 100 m<sup>2</sup>, also in specific parts of the Club Nautico in Platja d'Aro.
- Detached property: € 7,000 per m<sup>2</sup>. Frontline beach in low density urban areas. Area of over 500 m<sup>2</sup> on plots over 1,000 m<sup>2</sup>.

#### Supply

The new-build supply level for holiday homes is low and saleable in the short term. There's little choice of new builds and small and low-priced resale properties are the best sellers. The rental market is less important than the purchase, centred in small apartments of average quality finishes. The more exclusive the market, the less important rentals become. This is the case in Cadaques, Begur, Llafranc and S'Agaró.

#### Activity

No building activity is taking place in anywhere, although new development is planned in Platja d'Aro and Palamos. The Platja d'Aro project is frontline beach and consists of apartments of less than 100m<sup>2</sup>. In Palamos, a development of small apartments is planned.

#### Land market

No activity.

#### Demand

The sales of holiday homes in the area have increased compared to last year. Foreign buyers predominate. Spanish demand comes mostly from Barcelona.

## Coastal Property 2017

### SELVA MARITIMA · (SANTA CRISTINA D'ARO BEACH) AND BLANES

#### General market situation

Signs of recovery.

In the holiday home market, principally resale properties, sales have gone up, which has led to a reduction in selling time and an increase in prices.

#### Prices

The market is generally moving upwards and has shown signs of improvement over the last year. This trend is forecast to continue.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,500 per m<sup>2</sup>. Frontline beach in town. Also at a slightly lower price on the beach at Fenals in Lloret de Mar and in the Passeig de s'Abanell-Els Pins de Blanes. Apartments with 1 or 2 bedrooms in building built between 30 and 50 years ago. Average quality finishes with refurbishment.
- Detached property: € 6,500 per m<sup>2</sup>. In Cala Sant Francesc de Blanes and Canyelles-La Montgoda in Lloret de Mar. High quality finishes and over 200m<sup>2</sup>.

#### Supply

New-build supply of holiday home developments in the area is non-existent because bank-owned properties have all been sold. Only resale properties sold by private owners, the main supply, are on the market. The rental market is as important as the purchase market and centres on apartments with 1 or 2 bedrooms. Rentals have started to go up over the last few months.

#### Activity

No development in the area.

#### Land market

Viability studies, but not converted into sales. A development market at the exploratory stage.

#### Demand

Sales of holiday homes have gone up over the last year. Demand is mostly from foreigners, from the EU and Eastern Europe. Spanish buyers are mainly from Barcelona.

PRICES CATALAN COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Girona (province)</b>	<b>1,334</b>	<b>1,408</b>	<b>5.5%</b>	<b>-47.3%</b>
Blanes	1,366	1,302	-4.7%	-52.4%
Calonge	1,769	1,882	6.4%	-35.1%
Castell-Platja d'Aro	2,030	2,366	16.6%	-33.7%
Lloret de Mar	1,534	1,568	2.2%	-42.2%
Palamos	1,615	1,549	-4.1%	-48.2%
Sant Feliu de Guixols	1,441	1,404	-2.6%	-47.7%

Source: Tinsa

SALES OF DWELLINGS CATALAN COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Girona (province)</b>	<b>8,382</b>	<b>9,800</b>	<b>16.9%</b>	<b>612</b>	<b>681</b>	<b>11.3%</b>	<b>7,770</b>	<b>9,119</b>	<b>17.4%</b>
Blanes	330	486	47.3%	12	81	575.0%	318	405	27.4%
Calonge	250	332	32.8%	6	35	483.3%	244	297	21.7%
Castello d'Empuries	516	695	34.7%	10	26	160.0%	506	669	32.2%
Castell-Platja d'Aro	355	405	14.1%	7	14	100.0%	348	391	12.4%
Lloret de Mar	504	474	-6.0%	62	13	-79.0%	442	461	4.3%
Palafrugell	301	339	12.6%	10	17	70.0%	291	322	10.7%
Palamos	207	255	23.2%	12	4	-66.7%	195	251	28.7%
Sant Feliu de Guixols	289	348	20.4%	13	10	-23.1%	276	338	22.5%

Source: Spanish Ministry of Development

BUILDING PERMITS CATALAN COAST	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Girona (province)</b>	<b>635</b>	<b>831</b>	<b>31%</b>	<b>347</b>	<b>388</b>	<b>12%</b>	<b>288</b>	<b>443</b>	<b>54%</b>
Blanes	2	32	1,500%	2	4	100%	0	28	-
Calonge	19	7	-63%	15	7	-53%	4	0	-100%
Castello de Empuries	14	26	86%	10	12	20%	4	14	250%
Castell-Platja d'Aro	17	106	524%	17	14	-18%	0	92	-
Lloret de Mar	13	23	77%	13	17	31%	0	6	-
Palafrugell	30	11	-63%	7	5	-29%	23	6	-74%
Palamos	5	11	120%	0	1	-	5	10	100%
Sant Feliu de Guixols	6	9	50%	1	5	400%	5	4	-20%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Barcelona

### THE MARESME · BETWEEN MALGRAT DE MAR AND MONTGRAT

#### General market situation

Signs of recovery. Prices are increasing and new development is underway.

#### Prices

Clear rises in the main areas over the last year, the stand-out being Mataro, the capital of the Maresme, where prices have gone up the most along with the areas closest to Barcelona.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 5,500 per m<sup>2</sup>. Seafront promenade at Sant Vicenç de Montalt and Caldes d'Estrach. Apartments with 3 or 4 bedrooms and around 110 m<sup>2</sup>.
- Detached property: € 7,000 per m<sup>2</sup>. Seafront promenade at Sant Vicenç de Montalt and Caldes d'Estrach. Properties with 5 or 6 bedrooms and around 400 m<sup>2</sup>.

#### Supply

The area has an average new-build supply of holiday homes, except in the towns in the Maresme Norte with over-supply is higher. Reactivation of demand is underway so the excess should be absorbed in the short term. Newly-built or refurbished homes in apartment blocks with a size of around 70-80 m<sup>2</sup> are the most popular.

Holiday homes are predominantly resale, with the purchase market more important than the rental, with the exception of the Maresme Centro and Norte where rentals carry more weight. The most common rental property are homes in apartment blocks with a size of around 60-70 m<sup>2</sup>, 2 or 3 bedrooms and communal areas.

#### Activity

A few developments on hold during the crisis have been restarted in coastal areas in the centre and north of Maresme. In addition, new development has started mostly in Mataro as well as in Vilassar, Masnou, Tiana, Montgat and Arenys de Mar.

The main type of new build under construction are apartment homes with 85 to 100 m<sup>2</sup>, 3 bedrooms and 2 bathrooms.

#### Land market

Demand for land has been detected in the areas with most property activity in the region because supply of homes in these areas has run out. Land prices have gone up in Mataro, Vilassar, el Masnou, Tiana, Montgat and Arenys de Mar, Sant Andreu de Llavaneres and Sant Vicenç de Montalt.

#### Demand

Sales of holiday homes have gone up over the last year, which has led to an improvement in staged sales of new-build developments. Buyers are predominantly Spanish, from Barcelona city and metropolitan area in particular. Among foreign investors, the Chinese, Russian and British are the most common.

### BETWEEN BADALONA AND GAVA (COAST)

#### General market situation

Signs of recovery. The supply in the area of Badalona is low but of good quality, specially in Gava (sea). The proximity to Barcelona (tourist attractions and good airport and port connections) works in favour of this area.

## Coastal Property 2017

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### Prices

Prices in the main areas have shown signs of improvement over the last year. They are forecast to remain stable or go up slightly, driven by strong and solvent demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 5,670 per m<sup>2</sup>. In Barcelona. 80-90 m<sup>2</sup> properties with communal areas, high quality construction, more than 3 bedrooms and bathrooms, terraces and views.*
- *Detached property: € 6,700 per m<sup>2</sup>. In Gava (coast). Average size between 120 and 240 m<sup>2</sup>, depending on permitted buildability and in private areas. High quality finishes.*

### Supply

There's an average new-build supply of holiday homes that's saleable in the short term. The market is principally resale with the purchase market more important than the rental. Rentals are mainly large, recently refurbished flats.

### Activity

Some signs of new development because there's demand for new properties or major refurbishment, in excellent locations, with high quality finishes and connections with the main commercial hubs and tourist attractions.

Some developments on the outskirts of Barcelona that were on hold during the crisis have been restarted and new projects are underway, mostly in the Badalona area.

New construction is taking place both on the coast and in mountain areas with sea views. It consists mostly of apartment blocks with high quality finishes, communal areas with a pool and good transport connections. Local developers in association with foreign investment funds are mainly behind the initiative.

### Land market

Very low supply of urban land so there have been a few isolated sales only. Developers are facing a temporary ban on building permits for holiday home rentals.

### Demand

The number of holiday home sales has gone up over the last year. The main buyers are from Scandinavia and Eastern Europe.

## COSTA DEL GARRAF · BETWEEN CASTELLDEFELS AND CUBELLES

### General market situation

Close to bottoming out. Signs of a better market state this year can be seen in the sales of properties priced over € 100,000.

### Prices

Prices in the main areas have shown signs of improvement over the last year. The change in Sitges stands out – here, prices have gone up by over 5% on the back of strong tourist demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 6,800 per m<sup>2</sup>. In Sitges. Apartments with 3 bedrooms and 2 bathrooms, high quality finishes, around 30 years old and between 80 and 100 m<sup>2</sup>.*
- *Detached property: € 7,000 per m<sup>2</sup>. In Sitges. Properties with 5 or 6 bedrooms, 3 or 4 bathrooms and above-average finishes. Around 30 years old and between 400 and 600 m<sup>2</sup>.*

### Supply

Average new-build supply of holiday homes in the area, saleable in the long term. A noticeably marked price rise compared to last year. The best-selling properties has 2 or 3 bedrooms, a lift and a good location. They're on the market for average prices and tend to need refurbishment.

Supply in the area is mostly resale with a predominance of rentals over purchases. In demand are low-priced properties with 2 or 3 bedrooms, depending on whether they're let by the week or longer.

### Activity

Building activity is centred on Vilanova i la Geltru, where on-hold developments have been restarted and some new builds are even underway. The same applies to Sitges, although for first rather than second homes.

### Land market

No activity. Building projects underway are on urban plots.

### Demand

Most sales activity, dominated by foreign buyers.



PRICES CATALAN COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 -1Q 2017	% Change since peak
<b>Barcelona (province)</b>	<b>1,746</b>	<b>1,881</b>	<b>7.7%</b>	<b>-42.7%</b>
Barcelona, Capital	2,551	2,859	12.1%	-35.6%
Castelldefels	2,345	2,415	3.0%	-40.8%
Cubelles	1,448	1,532	5.8%	-50.2%
Gava	1,931	2,274	17.8%	-37.3%
Mataro	1,352	1,407	4.1%	-57.3%
Pineda de Mar	1,272	1,242	-2.4%	-58.6%
Premia de Mar	1,584	1,768	11.6%	-45.7%
Sitges	2,672	2,812	5.2%	-41.2%
Vilanova i la Geltru	1,367	1,409	3.1%	-53.8%

Source: Tinsa

SALES OF DWELLINGS CATALAN COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Barcelona (province)</b>	<b>41,342</b>	<b>51,818</b>	<b>25.3%</b>	<b>3,472</b>	<b>3,464</b>	<b>-0.2%</b>	<b>37,870</b>	<b>48,354</b>	<b>27.7%</b>
Barcelona, Capital	13,521	16,665	23.3%	1,222	1,314	7.5%	12,299	15,351	24.8%
Castelldefels	609	809	32.8%	30	23	-23.3%	579	786	35.8%
Cubelles	236	279	18.2%	76	17	-77.6%	160	262	63.8%
Gava	371	464	25.1%	9	10	11.1%	362	454	25.4%
Mataro	872	1,134	30.0%	16	40	150.0%	856	1,094	27.8%
Pineda de Mar	258	305	18.2%	10	7	-30.0%	248	298	20.2%
Premia de Mar	226	268	18.6%	27	6	-77.8%	199	262	31.7%
Sitges	427	492	15.2%	41	40	-2.4%	386	452	17.1%
Vilanova i la Geltru	481	611	27.0%	37	23	-37.8%	444	588	32.4%

Source: Spanish Ministry of Development

BUILDING PERMITS CATALAN COAST	TOTAL			APARTMENT			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Barcelona (province)</b>	<b>4,035</b>	<b>5,844</b>	<b>45%</b>	<b>577</b>	<b>839</b>	<b>45%</b>	<b>3,458</b>	<b>5,005</b>	<b>45%</b>
Barcelona, Capital	1,269	1,559	23%	20	29	45%	1,249	1,530	22%
Castelldefels	15	45	200%	8	10	25%	7	35	400%
Cubelles	90	4	-96%	1	4	300%	89	0	-100%
Gava	4	64	1,500%	4	7	75%	0	57	-
Mataro	118	81	-31%	6	23	283%	112	58	-48%
Pineda de Mar	7	3	-57%	4	3	-25%	3	0	-100%
Premia de Mar	1	8	700%	1	8	700%	0	0	-
Sitges	124	79	-36%	16	12	-25%	108	67	-38%
Vilanova i la Geltru	100	10	-90%	10	10	0%	90	0	-100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Tarragona

### BETWEEN CUNIT AND ALTAFULLA

#### General market situation

Close to bottoming out. No significant changes compared to last year.

#### Prices

Price changes in the main areas show signs of improvement with a continuation of this trend forecast.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,750 per m<sup>2</sup>. In Calafell. Homes with 180 m<sup>2</sup>, 4 bedrooms and 3 bathrooms and around 40 years old.
- Detached property: No supply available.

## Coastal Property 2017

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### Supply

The level of new-build holiday supply is very high and forecast to be sold in the long term. There's a significant supply of resale low-priced properties. The best-selling type is a 2 or 3-bedroom apartment with between 60 and 80 m<sup>2</sup>, near the beach and reasonably priced.

The holiday home market is principally resale with purchase more important than rental. The most common rental property is an 80 m<sup>2</sup> apartment of average quality finishes and near the beach.

### Activity

No new holiday home building projects have started recently.

### Land market

Developers show interest in plots near the beach, but no sales have taken place so far.

### Demand

More sales of holiday homes. Buyers are mostly Spanish from Catalonia, Aragon, Navarra, La Rioja and the Basque Country. Foreign investors tend to be from France, Holland, Belgium, the UK, Ukraine and Russia.

## BETWEEN TARRAGONA AND L'HOSPITALET DE L'INFANT

### General market situation

Obvious recovery in the area. Sales of coastal properties, both first and second homes, have increased over the last few months.

### Prices

Price changes in the main areas have shown signs of improvement over the last year. Forecasts are good against a background of more favourable mortgage conditions.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,350 per m<sup>2</sup>. In Salou and Cambrils. Frontline beach homes with between 120 and 140 m<sup>2</sup>, average quality finishes and 4 bedrooms.
- Detached property: € 2,600 per m<sup>2</sup>. In Salou and Cambrils. Generally situated on frontline beach or in residential areas near the beach, with average quality finishes and 4 to 5 bedrooms.

### Supply

The average supply of new-build holiday homes is saleable in the long term. Oversupply is somewhat higher on the beach in Miami and slightly lower in Salou, Cambrils, La Pineda and Hospitalet de l'Infant. The most saleable properties are apartments with 3 or 4 bedrooms and townhouses with 4 or 5 bedrooms, near the beach.

Resales dominate in this area as does the rental market, although it's less important than the purchase. Available rental properties tend to be apartments with 40 to 60 m<sup>2</sup>, 1 or 2 bedrooms and near the beach.

### Activity

The time on the market has gone down since last year. Several developments, on-hold since the crisis, have restarted and some new projects are underway in Hospitalet de l'Infant, Cambrils and Salou. Under construction are apartments built by local developers, with 2 or 3 bedrooms, between 70 and 90 m<sup>2</sup>, average finishes and in residential areas or close to the beach.

### Land market

Development land is for sale, but so far only a few isolated sales have taken place. The increase in land price is negligible and generally only in areas near the coast.

### Demand

Sales are experiencing a revival. Buyers are mostly from Barcelona, Lleida, Zaragoza and the Basque Country. The French, Russian and German are the most common among foreign buyers. Swiss investors are buying in the area around the beach in Miami.

## BETWEEN L'AMETLLA DE MAR AND ALCANAR

### General market situation

Signs of improvement. Sales are noticeably more dynamic and prices have gone up despite the absence of new development.

### Prices

Holiday home price changes have generally been positive, although unequal. Price rises have taken place in the north (in L'Ametlla, Perello and L'Ampolla), while adjustment continues in the south (Deltebre-Alcanar), nearer Castellon province and in keeping with the performance in this adjacent province.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,000 per m<sup>2</sup>. In Ametlla, Perello and L'Ampolla. Properties of between 60 and 80 m<sup>2</sup>, with medium to high quality finishes, 1 or 2 bedrooms and built around 10 years ago.
- Detached property: € 5,000 per m<sup>2</sup>. In Ametlla, Perello and L'Ampolla. Homes between 300 and 500 m<sup>2</sup>, 4 to 6 bedrooms and high quality finishes.

### Supply

There's an average level of new-build holiday home supply, saleable in the long term. Oversupply is lower in Ametlla, Perello and L' Ampolla, and high in the south (Deltebre, Sant Carles and Alcanar).

The best-selling properties have 1 or 2 bedrooms and 1 bathroom, between 65 and 80 m<sup>2</sup> and average-quality finishes. Supply levels of new builds and resales are very similar, with a stronger purchase market than rental.

### Activity

Development activity has been noticed in areas in the north, although private development of detached homes only.

### Land market

No activity. Limited to viability studies and price enquiries.

### Demand

Sales of holiday homes in the area have gone up, which led to a reduction in the timescale for new-build sales. Buyers are mostly Spanish from Aragon, the Basque Country and Catalonia.

PRICES CATALAN COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 -1Q 2017	% Change since peak
<b>Tarragona (province)</b>	<b>1,124</b>	<b>1,121</b>	<b>-0.3%</b>	<b>-52.4%</b>
Calafell	1,349	1,398	3.6%	-51.7%
Cambrils	1,579	1,535	-2.8%	-44.7%
Cunit	1,325	1,258	-5.1%	-55.2%
Salou	1,508	1,534	1.7%	-46.2%
Torredembarra	1,453	1,426	-1.9%	-46.2%
Vendrell (El)	1,240	1,231	-0.7%	-51.9%

Source: Tinsa

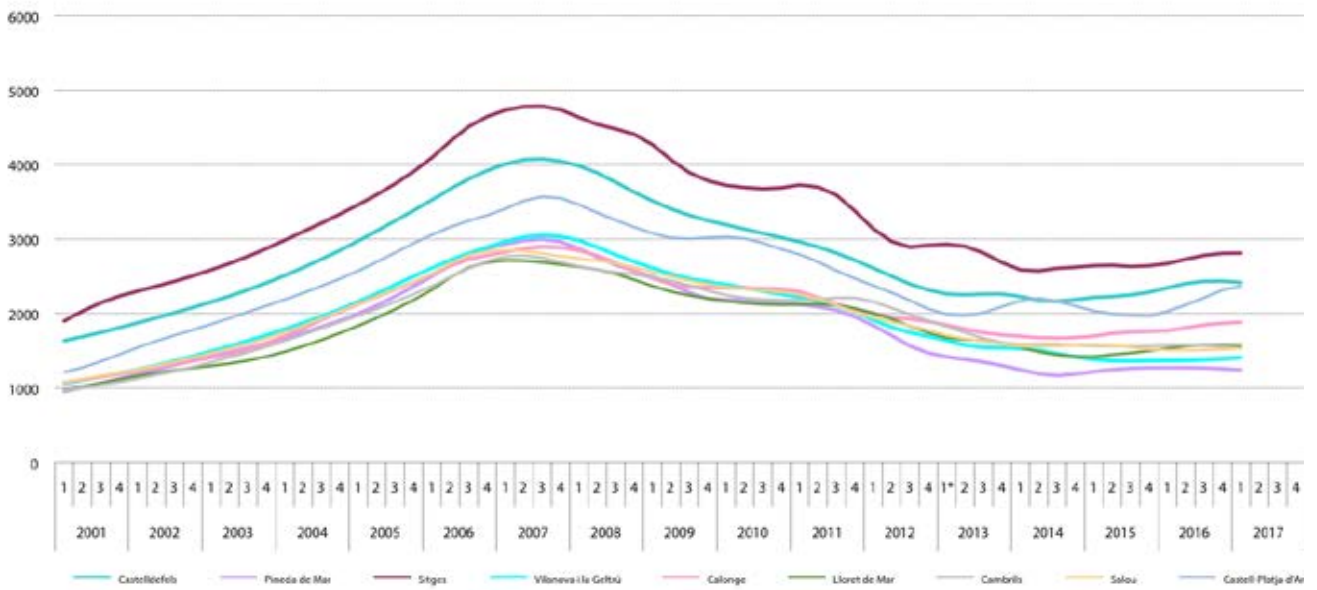
SALES OF DWELLINGS CATALAN COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Tarragona (province)</b>	<b>8,399</b>	<b>9,920</b>	<b>18.1%</b>	<b>710</b>	<b>795</b>	<b>12,0%</b>	<b>7,689</b>	<b>9,125</b>	<b>18.7%</b>
Calafell	495	641	29.5%	18	53	194,4%	477	588	23.3%
Cambrils	614	708	15.3%	93	165	77,4%	521	543	4.2%
Cunit	256	291	13.7%	13	17	30,8%	243	274	12.8%
Salou	748	821	9.8%	44	56	27,3%	704	765	8.7%
Tarragona, Capital	1,003	1,249	24.5%	167	87	-47,9%	836	1,162	39.0%
Torredembarra	230	296	28.7%	13	4	-69,2%	217	292	34.6%
Vendrell (El)	515	606	17.7%	20	13	-35,0%	495	593	19.8%

Source: Spanish Ministry of Development

BUILDING PERMITS CATALAN COAST	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Tarragona (province)</b>	<b>431</b>	<b>515</b>	<b>19%</b>	<b>150</b>	<b>225</b>	<b>50%</b>	<b>281</b>	<b>289</b>	<b>3%</b>
Calafell	5	5	0%	5	3	-40%	0	2	-
Cambrils	12	57	375%	12	8	-33%	0	49	-
Cunit	2	1	-50%	0	1	-	2	0	-
Salou	29	7	-76%	3	3	0%	26	4	-85%
Tarragona, Capital	93	142	53%	12	21	75%	81	121	49%
Torredembarra	0	0	-	0	0	-	0	0	-
Vendrell (El)	9	88	878%	9	9	0%	0	79	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Coastal Property 2017



(\*) Information prepared with technical cooperation of [Xavier Muñoz Punti](#), [Raquel Alfonso Perez](#), [Jordi Sanchez Solsona](#), [Josep Maria Escarre Aroca](#), [Jaume Mollfulleda i Costas](#) y [Francisco Javier Gilabert Ralda](#).

## | Mediterranean Sea

### Comunidad Valenciana Coast



## Castellon (Azahar coast)

### BETWEEN VINAROS AND CASTELLON DE LA PLANA

#### General market situation

Close to bottoming out.

In the most popular tourist resorts, such as Peñíscola, Alcossebre and Oropesa de Mar, the tendency for prices to fall is gradually coming to an end since the large number of properties built since 2007 have been sold, either to private buyers or to investment funds. Benicassim, the location for second homes for Castellon residents, is the most stable area since there wasn't such a construction boom and prices were more contained. As a result, adjustment has been lower.

#### Prices

Prices have continued to fall significantly over the last year, by more than 5%. This is the case in Marina D'Or, in Oropesa del Mar where there's still a big supply of apartments with no interior patio, and in Peñíscola, where there's also a large supply of properties and land in the area known as Llandells. Lots of apartments in residential complexes.

Prices are not forecast to change this year.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,500 per m<sup>2</sup>. In Benicassim, properties with 2 or 3 bedrooms and 1 or 2 bathrooms. In Peñíscola, properties with 1 or 2 bedrooms and 1 or 2 bathrooms.
- Detached property: € 2,500 per m<sup>2</sup>. In Benicassim. 150 m<sup>2</sup> to 200 m<sup>2</sup>, 4 bedrooms, 2 or 3 bathrooms and garage.

#### Supply

Holiday home supply in the area is divided equally between new build and resale. In the most popular tourist resorts, such as Peñíscola, Alcossebre and Oropesa, the supply of property for sale or for rent is equal. The most common rentals are 2-bedroom, 2-bathroom homes.

There's still an average level of unsold new-build supply, saleable in the long term. The highest proportion is found in Oropesa del Mar, specifically in the Marina D'Or area. Sales are taking place here, but supply is high. The type of property that is selling best are units with around 70 m<sup>2</sup>, two bedrooms and two bathrooms.

#### Activity

The timescale of new-build sales has not improved noticeably.

No holiday home construction is taking place.

### Land market

No notable activity. There's only the occasional sale of bank-owned land at prices much below market value to solvent companies who invest to build, but in the long rather than short term.

### Demand

Sales have revived over the last year. Demand for holiday homes in the area comes mainly from Spanish buyers, although foreign buyers have been more active in the last year. Buyers are mostly from Aragon and Madrid.

## BETWEEN BORRIANA AND PLAYA ALMENARA

### General market situation

Signs of recovery.

The situation is starting to improve. Against last year's generalised falls, prices are staying stable or even rising slightly. Big adjustments are still taking place in properties whose prices were considerably above market value.

### Prices

The change in prices in the area could be described as stagnant and this trend is forecast to continue. Most towns still have vacant land and other beach areas in the Comunidad Valenciana attract more interest than this one.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,700 per m<sup>2</sup>. Negligible frontline beach supply. Huge variety of property types, from blocks with no lift and townhouses to apartments with or without a lift. They tend to be older properties with 3 bedrooms, one bathroom and 90 m<sup>2</sup>.
- Detached property: None available.

### Supply

The supply of new builds in the area has gradually come down and can now be considered to be low and saleable in the short term. The best-selling type of property are 2-bedroom, 2-bathroom homes with plenty of communal facilities (pool, paddle tennis courts, play areas and gardens etc.).

The holiday home supply is mostly resale, with purchases more important than rentals. The most common rental property has 2 bedrooms and 2 bathrooms, is close to the beach or, if not, has large communal areas.

### Activity

No new-build construction has restarted.

### Land market

No activity in the area.

### Demand

A higher volume of sales compared to last year. Holiday home buyers are Spanish, mainly from, Castellon, Teruel and Zaragoza.

PRICES C. VALENCIANA COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Castellon (province)</b>	<b>926</b>	<b>867</b>	<b>-6.4%</b>	<b>-51.6%</b>
Almazora/Almassora	841	794	-5.6%	-51.9%
Benicarlo	963	887	-7.9%	-54.4%
Benicasim/Benicassim	1,635	1,528	-6.5%	-40.5%
Castellon de la Plana/ Castello de la Plana	898	806	-10.2%	-57.3%
Oropesa del Mar/Orpesa	1,182	1,157	-2.1%	-56.6%
Peniscola/Peñiscola	1,419	1,356	-4.4%	-45.4%
Vinaros	919	997	8.5%	-44.8%

Source: Tinsa

## SALES OF DWELLING

### C. VALENCIANA COAST

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Castellon (province)</b>	<b>6,224</b>	<b>6,841</b>	<b>9.9%</b>	<b>922</b>	<b>620</b>	<b>-32.8%</b>	<b>5,302</b>	<b>6,221</b>	<b>17.3%</b>
Almazora/Almassora	231	283	22.5%	60	75	25.0%	171	208	21.6%
Benicarlo	237	303	27.8%	48	50	4.2%	189	253	33.9%
Benicasim/Benicassim	286	310	8.4%	8	6	-25.0%	278	304	9.4%
Borriana/Burriana	254	368	44.9%	11	27	145.5%	243	341	40.3%
Castellon de la Plana /Castello de la Pla	1,213	1,436	18.4%	179	93	-48.0%	1,034	1,343	29.9%
Nules	117	148	26.5%	12	38	216.7%	105	110	4.8%
Oropesa del Mar/Orpesa	686	662	-3.5%	75	68	-9.3%	611	594	-2.8%
Peniscola/Peñiscola	345	412	19.4%	36	7	-80.6%	309	405	31.1%
Vinaros	336	354	5.4%	35	15	-57.1%	301	339	12.6%

Source: Spanish Ministry of Development

## BUILDING PERMITS

### C. VALENCIANA COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Castellon (province)</b>	<b>219</b>	<b>527</b>	<b>141%</b>	<b>133</b>	<b>171</b>	<b>29%</b>	<b>86</b>	<b>356</b>	<b>314%</b>
Almazora/Almassora	3	26	767%	3	8	167%	0	18	-
Benicarlo	4	3	-25%	4	1	-75%	0	2	-
Benicasim/Benicassim	38	27	-29%	2	11	450%	36	16	-56%
Borriana/Burriana	14	24	71%	14	24	71%	0	0	-
Castellon de la Plana /Castello de la Plana	21	68	224%	14	26	86%	7	42	500%
Nules	2	2	0%	2	2	0%	0	0	-
Oropesa del Mar/Orpesa	6	0	-100%	6	0	-100%	0	0	-
Vinaros	9	265	2,844%	5	6	20%	4	259	6,375%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Valencia Coast

### BETWEEN CANET D'EN BERENGUER AND ALBORAYA

#### General market situation

Signs of recovery.

The area has a very stable market since 80-90% of holidaymakers return year after year. Supply is higher than demand, but it's no longer putting so much pressure on prices, which are starting to increase slightly.

#### Prices

Holiday home prices are showing signs of improvement with the exception of Canet de Berenguer, where the market has stagnated and prices have even fallen slightly owing to the huge supply of properties for sale.

Forecasts are for prices to improve since they're holiday destinations near a large city (Valencia) and if the macroeconomic situation improves, the tendency to buy second homes improves in tandem. The area has high potential for population increases.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,800 per m<sup>2</sup>. In the paseo de Alboraya. 80m<sup>2</sup>; 2 bedrooms and 2 bathrooms and 20 years old.
- Detached property: None available in the area.

#### Supply

The supply of new holiday homes is low and continues to be sold, albeit slowly. The principal type of property are apartments with 2 or 3 bedrooms with sea views in complexes with a pool and in some cases, sport facilities.

Resales dominate new builds. The holiday market is divided equally between rentals and purchases.

#### Activity

No notable development activity.

#### Land market

Viability studies and price enquiries take place, but no sales. Vendors continue to keep prices higher than those for property currently being sold with the result that there are zero transactions.

### Demand

Holiday home sales have revived in the area over the last year. The holiday home buyer is mostly Spanish from the Comunidad Valenciana and Madrid.

## BETWEEN THE BEACH AT SUECA AND OLIVA

### General market situation

Close to bottoming out.

Everything points to prices having bottomed out. Estate agents are optimistic, which indicates slight recovery: they have had more sales and noticed an increase in demand compared to last year.

### Prices

Prices have remained stagnant. On most beaches with abundant supply, prices are stable and there are signs of improvement on those with less supply, such as Cullera.

If the trend for a slight increase in demand, noticed over the last few months, continues, the forecast is for a contained rise in prices since nothing is being built and supply is falling.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,500 per m<sup>2</sup>. In areas close to the beach in Cullera and Gandia. Average size (around 80 m<sup>2</sup>); 2 bedrooms and 2 bathrooms.
- Apartment: € 1,800 per m<sup>2</sup>. In areas close to the beach in Cullera, Gandia and Oliva. Around 160 m<sup>2</sup>; 3 bedrooms and 2 bathrooms.

### Supply

There's a low level of new-build supply on the beach at Sueca, Cullera and Gandia where the supply of apartments is virtually non-existent. On the other hand, new-build supply is considered high with regards to the current rate of sales on the beach at Oliva, Piles and Daimus. This is generally saleable in the short term because, although supply is falling slowly, demand appears to be increasing.

There's a solid and fluid rental market on the beach at Cullera, Tavernes de Valldigna and Gandia, centred on medium to large-sized properties that meet family holiday demands.

### Activity

Local developers have started building new apartment projects, small in size (under 30 units) on the beach at Guardamar de la Safor and Oliva Nova, and particularly in Sector 19 in Oliva.

Apartment complexes are being built with average finishes, 2 bedrooms and 2 bathrooms; average size 80 m<sup>2</sup>.

### Land market

No land market activity. A large proportion now belong to banks who previously financed the purchase of the plots. Furthermore, the land management process in the area is currently on hold, with very few exceptions such as areas in Foies de Gandia, some distance from the coast, and in sector PRR7 Marenyet Norte in Cullera. Developers have no interest in purchasing land with development permission or land awaiting planning permission or under management.

The Comunidad Valenciana's coastal green infrastructure action plan (Plan de Accion Territorial de la Infraestructura Verde del Litoral de la Comunidad Valenciana/ PATIVEL in Spanish) is currently at the allegation stage. The PATIVAL directly affects parts of undeveloped land since it proposes changing land situated within 500 metres of the coast that does not have approval for zoning from developable to non-developable.

### Demand

Sales of holiday homes have increased over the last year, although not majorly. More noteworthy has been the improvement in sales of low-priced properties or of those whose prices have dropped significantly from their peak.

Private developments (on plots mostly bought from SAREB (the company managing Spanish bank property assets) are selling a steady rate. On developments managed by banks, sales are slightly quicker than on private developments because more advantageous prices and loans are available.

The highest demand is for medium-sized apartments, around 80 m<sup>2</sup>, 2 bedrooms and 2 bathrooms, located near the beach and if possible, with beach views. Also in demand are apartments in complexes priced below € 200,000. In most established resorts such as the beach at Sueca, Cullera and Tavernes de Valldigna, demand is for properties priced below € 100,000.

The proportion of foreigners and Spaniards buying on the beach at Oliva tends to be more balanced. In Cullera, there's slightly more demand from Central European buyers (French, Dutch and Belgium). In general, buyers in the area are from the Comunidad Valenciana itself and central Spain.



PRICES C. VALENCIANA COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Valencia (province)</b>	<b>920</b>	<b>928</b>	<b>0.9%</b>	<b>-50.0%</b>
Alboraya	1,269	1,306	2.9%	-43.7%
Canet d'En Berenguer	1,310	1,303	-0.5%	-48.2%
Gandia	886	873	-1.5%	-40.0%
Cullera	1,267	1,189	-6.2%	-42.6%
Valencia, Capital	1,141	1,154	1.1%	-52.0%

Source: Tinsa

SALES OF DWELLING C. VALENCIANA COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Valencia (province)</b>	<b>21,704</b>	<b>25,478</b>	<b>17.4%</b>	<b>2,270</b>	<b>2,020</b>	<b>-11.0%</b>	<b>19,434</b>	<b>23,458</b>	<b>20.7%</b>
Alboraya	390	273	-30.0%	184	29	-84.2%	206	244	18.4%
Canet d'En Berenguer	233	180	-22.7%	12	8	-33.3%	221	172	-22.2%
Cullera	445	507	13.9%	15	10	-33.3%	430	497	15.6%
Gandia	972	1,078	10.9%	28	64	128.6%	944	1,014	7.4%
Pobla de Farnals (la)	147	160	8.8%	10	18	80.0%	137	142	3.6%
Puçol	133	138	3.8%	20	5	-75.0%	113	133	17.7%
Valencia, Capital	7,415	9,104	22.8%	391	441	12.8%	7,024	8,663	23.3%

Source: Spanish Ministry of Development

BUILDING PERMITS C. VALENCIANA COAST	TOTAL			APARTMENT			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Valencia (province)</b>	<b>727</b>	<b>1,294</b>	<b>78%</b>	<b>409</b>	<b>484</b>	<b>18%</b>	<b>317</b>	<b>809</b>	<b>155%</b>
Alboraya	54	2	-96%	1	2	100%	53	0	-100%
Cullera	14	6	-57%	3	6	100%	11	0	-100%
Gandia	6	57	850%	3	8	167%	3	49	1,533%
Puçol	9	30	233%	9	9	0%	0	21	-
Valencia, Capital	49	420	757%	12	4	-67%	37	416	1,024%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Alicante (Costa Blanca)

### BETWEEN DENIA AND VILLAJOSYA

#### General market situation

Signs of recovery.

The holiday home market has improved in the largest resorts, in locations closest to the coast or with good panoramic views. Elsewhere, prices are still adjusting.

#### Prices

Signs of improvement. Benidorm's good performance is worth highlighting, followed by Villajoyosa, Denia and Calpe in certain areas. The rest of the area is still in the adjustment phase, with the exception of Altea, since the detached home market here is very significant and has generally remained stable, although this depends on the area.

Forecasts point to better performance from prices this year since the number of areas in adjustment is continually falling and plots and new bank-owned developments, previously holding back increases, are selling at a brisk pace. Next year, private development, currently on the rise, will gradually take centre stage. The number of the worst quality properties is gradually falling, although they won't disappear completely.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,300 per m<sup>2</sup>. On Levante beach in Benidorm. 25 to 30 years old; up to 60 m<sup>2</sup>; average quality finishes; 1 bedroom and 1 bathroom.
- Detached property: € 3,100 per m<sup>2</sup>. Less than 10 years old; 300 to 400 m<sup>2</sup>; superior quality finishes; 4 to 5 bedrooms; pool and panoramic views.

## Coastal Property 2017

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### Supply

Mostly resales property and the supply of new builds is low and saleable in the short term. In all resorts, particularly the largest (Benidorm, Denia and Calpe), the remaining frontline beach plots are under development.

The fastest-selling properties are apartments between 80 and 100m<sup>2</sup>, with 2 bedrooms, on second-line beach, close to the coast or with views. There continues to be a market for luxury villas with views. There's a large supply that the market is gradually absorbing.

The purchase and rental markets are balanced. Benidorm is the resort with the largest holiday rental market, followed by Calpe and Denia. Villajoyosa lags behind. Rentals centre mainly on apartments and studios near the coast and, to a lesser extent, on detached homes.

Unlike last year, developments on bank-owned plots are selling at a moderate rate. The next development stage should begin on second-line beach. Almost all areas need town planning development and management.

### Activity

Although many were placed last year, developments on hold since the crisis have restarted. They account for 50 homes in Benidorm, 40 in Villajoyosa, a similar number in Denia and 20 units in Calpe.

As regards new projects, Benidorm is the furthest ahead (around 90 homes), followed by Denia (70), Calpe (80) and Villajoyosa (50 units). The most common type of property is an apartment with 100 m<sup>2</sup>, average quality finishes, located in frontline or second line beach. At a lower level is the detached home and townhouse market in areas with panoramic views.

Projects led by financial institutions and local developers with their own funding. Benidorm, Denia and Calpe, followed by Villajoyosa, stand out for apartment development. In Altea and L'Alfas del Pi, detached homes and townhouses predominate.

### Land market

The market is beginning to return to normal activity and price rises are already taking place. Management of plots in good locations in frontline and second line beach, mostly through SAREB, is taking place, which has increased current values. Private owners and developers have also put prices up because of the shortage. The development and management of new town planning is necessary.

The general town plan for Denia is currently on hold and other general plans are under revision or development because they have become obsolete or out-of-date. There are no planning laws that will affect property activity in the area in the short or medium term, with the exception of some frontline coastal areas where the designated coastline could affect building density, particularly in Denia.

### Demand

Holiday home sales have increased in the area and sales timescales shortened for new builds. In 2016, new construction was starting to take place and there were timid sales. Benidorm is the resort with the highest sales in the area.

Spanish and foreign buyers take an equal share of the holiday home market. Among the biggest foreign buyers, those from the UK and Central Europe stand out. Spanish buyers are mainly resident in the area.

## BETWEEN CAMPELLO AND SANTA POLA

### General market situation

Signs of recovery.

Uncertainty over how much Brexit will influence the purchase of properties by the British market in the area.

Of the four main coastal areas (Campello, Alicante, Elche and Santa Pola), Elche is the one showing the best performance. Specifically, Los Arenales, over La Marina, with a predominance of foreign buyers over Spanish. Santa Pola, as well as Campello, also has short-term sustainable demand. In Alicante, the PAU 5 area, which was on hold for a long time, is starting to show signs of recovery.

### Prices

Prices on this stretch of the coastline are showing signs of improvement and the forecast is for this trend to continue.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,500 per m<sup>2</sup>. In Playa de San Juan, average-high finishes, around 100 m<sup>2</sup> and 2 or 3 bedrooms.
- Detached property: € 6,500 per m<sup>2</sup>. Frontline beach at Cabo de las Huertas. High quality finishes, large size (over 500 m<sup>2</sup>) and more than 5 bedrooms.

### Supply

The area has a low level of new-build supply, saleable in the short term, mainly found in PAU 5 in Alicante, where construction has restarted over the last few months.

The fall in property prices means that the market calls for bigger homes (3-bedroom). The main type is an apartment in a block with communal facilities and average finishes.

Resale holiday homes are more common than new and the purchase market is more significant than the rental. The most common rental property are homes on frontline or second line beach, with average finishes and between 1 and 3 bedrooms. Rental rates have gone up since last year.

### Activity

The odd development, on hold since the crisis, has been restarted and new projects are also underway, mostly by local developers with their own funds. The town with the most holiday home development in the area is Elche.

The foreign market continues to demand properties with features suitable for all seasons such as heated pools, heating and larger living spaces.

### Land market

Occasional sales of land take place, but not enough to suggest a normal market. There are signs of price increases. The revision of the Alicante city plan and the Supreme Court's decision to annul Campello's town plan (approved in 2011) has created insecurity for new projects.

In January 2017, the Comunidad Valenciana's green coastal infrastructure action plan (PATIVEL in Spanish) was presented and could be approved by the end of this year. Building licences on affected land have not been approved since November 2015.

### Demand

Holiday home sales have gone up over the last year with equal numbers of Spanish and foreign buyers. The latter come mainly from the UK, Russia, Germany and France. Spanish buyers tend to be from Madrid, Barcelona, Murcia or Valencia.

## BETWEEN GUARDAMAR DEL SEGURA AND PILAR DE LA HORADADA

### General market situation

Clearly recovering.

In the holiday home market in the south of Alicante province (Guardamar del Segura, Torrevieja, Orihuela Costa and Torre de la Horadada) the effect of Brexit on the rate of purchases by the British is noticeable. British citizens resident in the area, many of whom are retired and enjoy a high level of social and health benefits in Spain, are also worried. The slowdown effect from the British is partly being compensated by the increase in Swedes, Norwegians, Belgians and Russians buying property in the area.

### Prices

Prices are generally showing improvement compared to last year and this trend is forecast to continue.

There are big differences depending on location and type of property. In Orihuela and Torrevieja, properties between 5 and 10 years old are sold at below market price, while prices for new builds are above average.

In Pilar de la Horadada, where there's hardly any oversupply, well-located new builds are registering price increases that can exceed 5%. Older townhouses are still undergoing price adjustment or are stable.

The fall in average prices in Orihuela and Torrevieja revealed in statistics for Q1 this year may be related to the sales of worse quality properties in unappealing locations.

The forecast for price performance in Torrevieja this year is for stabilisation with slight increases in the best locations, as is also the case in Orihuela. In Guardamar del Segura, increases will be centred in larger properties (townhouses and detached homes).

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment:*
  - *Guardamar del Segura: € 1,400-1,500 per m<sup>2</sup>. SUP-7 "El Rio" area. Apartment blocks with views of the Pinada, the Segura Estuary and marina. Homes with 2 or 3 bedrooms, up to 80m<sup>2</sup> and between 5 and 10 years old.*
  - *Torrevieja: € 1,600-1,800 per m<sup>2</sup>. Rocio de Mar - Punta Prima. Apartment blocks with pool. Homes from 80 to 120 m<sup>2</sup> and 10 to 10 years old.*
  - *Orihuela: € 1,600 – 1,800 per m<sup>2</sup>. Up to 100 m<sup>2</sup>, average quality finishes -altas, twobedrooms y twobathrooms, entre 0 y 10 años.*
  - *Pilar de la Horadada: € 1.600 - 1.800 €/m<sup>2</sup>. Mil Palmeras and Cala de Rocamar area. Apartment blocks with pools; 2 to 3 bedrooms, average to high finishes; 80 to 100 m<sup>2</sup> and 5 to 7 years old.*
- *Detached property:*
  - *Guardamar: € 1,700-2,000 per m<sup>2</sup>. Playa de La Roqueta and Playa Moncayo. Two-storey townhouse, with or without basement. 10 to 20 years old and up to 120 m<sup>2</sup>.*
  - *Torrevieja: € 1,600 – 1,800 per m<sup>2</sup>. Townhouses and detached properties in Molino Blanco, Torre del Moro and Balcon de Torreblanca. Up to 20 years old.*
  - *Orihuela: € 2,200 – 2,500 per m<sup>2</sup>. Frontline beach, golf areas, near Zenia Boulevard shopping centre. Up to 120 m<sup>2</sup>, average to high finishes, 3 bedrooms and 3 bathrooms. Up to 7 years old.*
  - *Pilar de la Horadada: € ,100 – 2,300 per m<sup>2</sup>. Playas de Las Villas, Las Higuericas and El Mojon areas. Between 100 and 120 m<sup>2</sup>, average finishes and up to 15 years old.*

### Supply

The level of supply of new builds in this part of the Alicante coast is low and saleable in the short term.

The best-selling new build are townhouses with 100m<sup>2</sup> and average finishes. In Orihuela and Pilar de la Horadada properties reach 120 m<sup>2</sup> with average to high finishes. Also apartments.

## Coastal Property 2017

While in Guardamar and Orihuela resales dominate, in Torrevieja the market is divided between new build and resale.

The purchase market is more important than the rental in all areas. Rentals on the south coast of Alicante province tend to be apartments of up to 70m<sup>2</sup> and average finishes in the town centres, near the beach.

### Activity

The number of building licences issued went up in 2016 compared to 2015, although data for the start of 2017 point to a slowdown.

Over the last few months in Torrevieja, the construction of some 100 homes that were on hold has started again. Furthermore, local developers with their own funds have started new holiday home projects, mostly townhouses of average quality finishes and up to 100 m<sup>2</sup> in the S-25 sector and Los Altos area. New apartment construction has also started in Rocio del Mar.

In Orihuela, where around 120 homes have been restarted, new construction is underway for the holiday market, principally townhouses of average quality finishes and around 100 m<sup>2</sup>, as well as apartments of 70-80 m<sup>2</sup>, spread across all the residential areas in Orihuela Costa.

Construction in Pilar de la Horadada is centred on townhouses of average quality finishes and between 100 and 120 m<sup>2</sup>.

New projects started at Guardamar del Segura are found in Los Estaños area (60 homes in a development divided into two phases) and in ZO-3, where some 50 more homes are going up.

### Land market

While Guardamar del Segura viability studies and price enquiries take place without converting to noticeable sales, in Torrevieja, Orihuela and Pilar de la Horadada there are occasional sales of land and slight price increases.

### Demand

Holiday home sales went up in 2016 compared to the previous year.

Orihuela has a holiday market with strong influence from foreign buyers, considerably ahead of the Spanish. British, Swedish, Slav and Russian as well as some Belgium and Norwegian buyers want townhouses above all else, while Spanish buyers (from Madrid, Castilla-La Mancha, Castilla-Leon and to a lesser extent, the Basque Country), prefer apartments.

Foreign buyers also outnumber the Spanish in Guardamar del Segura, while in Torrevieja, the apartment market is dominated by Spanish buyers. Townhouses is the preferred property for foreign buyers (Russians, Scandinavians, Belgians and the British). In Pilar de la Horadada, the market is divided between Spanish buyers (from Murcia) and foreigners (British) in similar proportions.

PRICES C. VALENCIANA COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Alicante (province)</b>	<b>1 074</b>	<b>1,098</b>	<b>2.2%</b>	<b>-44.5%</b>
Alfas del Pi (I')	1,323	1,340	1.3%	-45.4%
Alicante. Capital	1,040	1,162	11.7%	-40.7%
Altea	1,591	1,542	-3.1%	-35.3%
Benidorm	1,429	1,585	10.9%	-43.9%
Calpe/Calp	1,362	1,429	4.9%	-41.2%
Campello (el)	1,389	1,426	2.7%	-30.6%
Denia	1,337	1,467	9.7%	-40.8%
Elche/Elx	898	886	-1.3%	-48.8%
Guardamar del Segura	1,256	1,275	1.5%	-40.9%
Javea/Xabia	1,504	1,514	0.7%	-38.9%
Orihuela	1,352	1,192	-11.8%	-45.6%
Pilar de la Horadada	1,221	1,230	0.7%	-44.4%
Santa Pola	1,302	1,222	-6.1%	-43.6%
Torrevieja	1,295	1,238	-4.4%	-44.5%
Villajoyosa/Vila Joiosa (la)	1,123	1,130	0.6%	-49.8%

Source: Tinsa

### SALES OF DWELLING C. VALENCIANA COAST

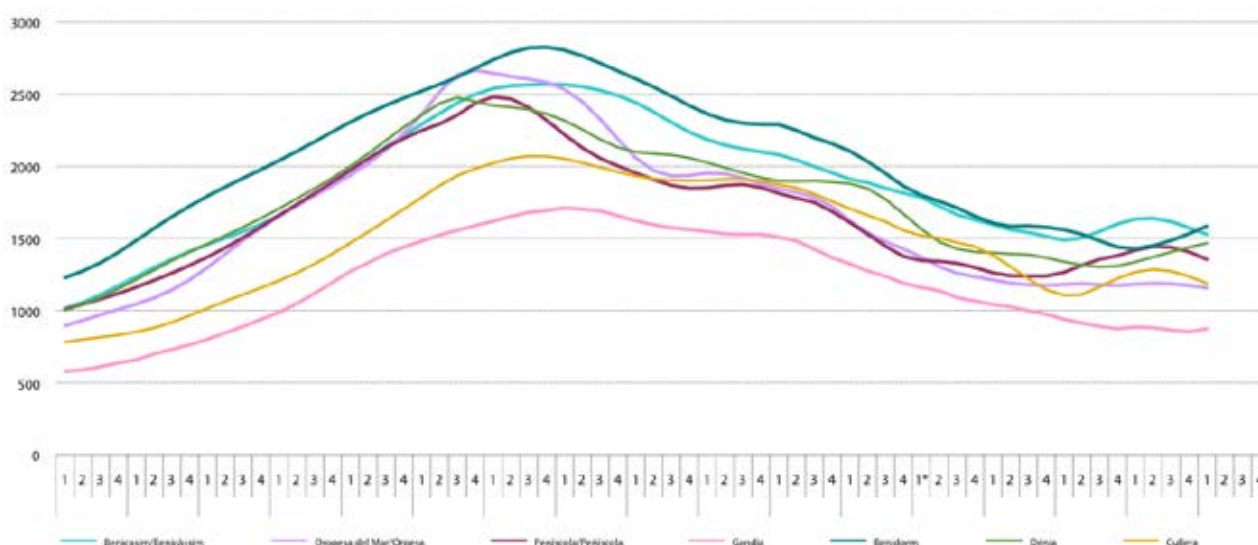
	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Alicante (province)</b>	<b>31,677</b>	<b>35,628</b>	<b>12.5%</b>	<b>3,769</b>	<b>4,263</b>	<b>13.1%</b>	<b>27,908</b>	<b>31,365</b>	<b>12.4%</b>
Alfas del Pi (l')	446	420	-5.8%	58	59	1.7%	388	361	-7.0%
Alicante, Capital	3,869	4,586	18.5%	278	251	-9.7%	3,591	4,335	20.7%
Altea	475	554	16.6%	52	23	-55.8%	423	531	25.5%
Benidorm	1,330	1,565	17.7%	19	62	226.3%	1,311	1,503	14.6%
Calpe/Calp	718	912	27.0%	34	95	179.4%	684	817	19.4%
Campello (el)	590	629	6.6%	63	61	-3.2%	527	568	7.8%
Denia	1,263	1,436	13.7%	58	113	94.8%	1,205	1,323	9.8%
Elche/Elx	1,797	2,183	21.5%	211	270	28.0%	1,586	1,913	20.6%
Guardamar del Segura	530	584	10.2%	48	73	52.1%	482	511	6.0%
Javea/Xabia	942	900	-4.5%	26	11	-57.7%	916	889	-2.9%
Orihuela	3,773	3,839	1.7%	756	874	15.6%	3,017	2,965	-1.7%
Pilar de la Horadada	771	1,016	31.8%	261	495	89.7%	510	521	2.2%
Santa Pola	926	1,074	16.0%	39	39	0.0%	887	1,035	16.7%
Torreveija	4,347	5,291	21.7%	605	914	51.1%	3,742	4,377	17.0%
Villajoyosa/Vila Joiosa (la)	495	581	17.4%	85	96	12.9%	410	485	18.3%

Source: Spanish Ministry of Development

### BUILDING PERMITS C. VALENCIANA COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Alicante (province)</b>	<b>4,135</b>	<b>5,038</b>	<b>22%</b>	<b>860</b>	<b>1,266</b>	<b>47%</b>	<b>3,275</b>	<b>3,772</b>	<b>15%</b>
Alfas del Pi (l')	3	52	1,633%	3	16	433%	0	36	-
Alicante, Capital	1,148	354	-69%	184	29	-84%	964	325	-66%
Altea	48	43	-10%	22	21	-5%	26	22	-15%
Benidorm	30	328	993%	6	9	50%	24	319	1,229%
Calpe/Calp	10	87	770%	10	25	150%	0	62	-
Campello (el)	158	12	-92%	4	9	125%	154	3	-98%
Denia	83	59	-29%	24	35	46%	59	24	-59%
Elche/Elx	444	372	-16%	29	25	-14%	415	347	-16%
Guardamar del Segura	73	121	66%	10	5	-50%	63	116	84%
Javea/Xabia	41	263	541%	26	55	112%	15	208	1,287%
Orihuela	448	1,038	132%	53	291	449%	395	747	89%
Pilar de la Horadada	267	288	8%	26	36	38%	241	252	5%
Santa Pola	122	96	-21%	3	12	300%	119	84	-29%
Torreveija	490	620	27%	33	38	15%	457	582	27%
Villajoyosa/Vila Joiosa (la)	48	76	58%	1	1	0%	47	75	60%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of Fernando Santamaria Meseguer, Ander Gordo Perez, Jorge Torres Iranzo, Salvador Ribes Pizarro, Jaime Martin Calleja, Pablo Urios Dura y Jose Ramon Martinez Botella.

### | Mediterranean Sea

### Murcia coast (Costa Calida)



## Murcia

### MANGA DEL MAR MENOR

#### General market situation

Signs of recovery.

Detached home construction has restarted, mostly for the foreign market. Demand has increased both for purchases and rentals. Environmental problems in the Mar Menor sea are holding back recovery.

#### Prices

Prices have shown signs of improvement in the main areas over the last year, less so in areas nearer Alicante province such as Santiago de la Ribera and Los Alcazares. The forecast is that prices will improve this year since construction has started again after good-value land purchases.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,700 per m<sup>2</sup>. Manga del Mar Menor, homes with around 90–100 m<sup>2</sup>, average quality finishes, 3 bedrooms and 10-15 years old.
- Detached property: € 3,600 per m<sup>2</sup>. Golf course or near the beach, 2 or 3 bedrooms. 110 m<sup>2</sup>, on plots from 200 to 500 m<sup>2</sup>.

#### Supply

The supply of new-build holiday homes is low in this area and saleable in the short term. Over the last year there has been a significant reduction in supply. Small villas and homes with 2 or 3 bedrooms, with average quality, sell easily.

Resale property predominates, although in areas such as San Javier, San Pedro del Pinatar and Los Alcazares, the supply of new builds exceeds that of resale properties.

The rental market is more important than the purchase, both for apartments and townhouses.

#### Activity

New projects have been started in San Javier, Los Alcazares and San Pedro del Pinatar (around 150 homes). The most common types are detached properties, townhouses and some small villas, with an average size of 120-140 m<sup>2</sup>.

#### Land market

Activity has been seen. On the one hand, land has been bought at good-value prices. On the other, the reactivation effect that began around two years ago in Alicante is noticeable and land has increased in price. This has led developers to focus on areas close to the provincial border, such as San Pedro del Pinatar, San Javier and Los Alcazares.

Since this is just the beginning of the phase, prices have not increased, although they will do so in the short term. The suspension of Cartagena's town planning regulations has caused a significant decrease in property activity in this coastal town. The environmental situation in the Mar Menor has also had a negative effect.

## Demand

Purchases of holiday homes in the area have gone up over the last year.

Foreign buyers (mainly German and British) compete with Spanish buyers in the area. Among the Spanish, those from Murcia, Madrid and Castilla-La Mancha are the most common.

## BETWEEN MAZARRON AND AGUILAS

### General market situation

Signs of improvement.

The situation has slightly improved both for purchases and for rentals, although it's more noticeable in some areas than others. For example, Aguilas is performing better than Mazarron.

### Prices

Prices in the main areas have shown signs of improvement over the last 12 months. This is particularly true in the area of Aguilas and the districts of Calabardina, Calarreona and Isla del Fraile. Demand is growing and new developments are underway – few units, but with reasonable sales expectations, which will lead to price increases in the short term.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 1,700 per m<sup>2</sup>. In Aguilas. Homes with 90–100m<sup>2</sup>, average quality finishes, 3 bedrooms and 10 to 15 years old.*
- *Detached property: € 2,300 per m<sup>2</sup>. Urbanizacion Calabardina (Aguilas). Townhouses with 130–150m<sup>2</sup>, high quality, 3 bedrooms and 10 to 15 years old.*

### Supply

The supply of new-build holiday homes is low in this area and saleable in the short term. The supply of homes has gone down slightly over the last year because buyers have seen that prices have stabilised. The best-selling new builds are 2 or 3 bedroom homes of average quality finishes.

Resale properties dominate in this area and the rental market is more important than the purchase. The most common rental product are homes with 2 or 3 bedrooms. Rental rates have gone up in the last year.

### Activity

The average time to sell new properties has gone up. Local developers are building again, albeit small projects and with their own funds. In Aguilas, the construction of around 40 units is underway and in Mazarron, 25 homes. These are townhouses with 130–150m<sup>2</sup>.

### Demand

Sales of holiday homes in the area have gone up. Spanish buyers predominate, mostly from Castilla-La Mancha and Madrid, while foreign buyers are German and British.

PRICES MURCIA COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Murcia (province)</b>	<b>948</b>	<b>900</b>	<b>-5.1%</b>	<b>-48.4%</b>
Aguilas	966	1,014	5.0%	-42.9%
Cartagena	1,012	930	-8.1%	-54.3%
La Union	805	724	-10.1%	-60.2%
Lorca	851	790	-7.2%	-45.4%
Los Alcazares	1,147	1,146	-0.1%	-55.3%
Mazarron	1,188	1,038	-12.6%	-50.9%
San Javier	1,164	1,093	-6.1%	-48.3%
San Pedro del Pinatar	958	949	-0.9%	-53.0%

Source: Tinsa

## Coastal Property 2017

### SALES OF DWELLING MURCIA COAST

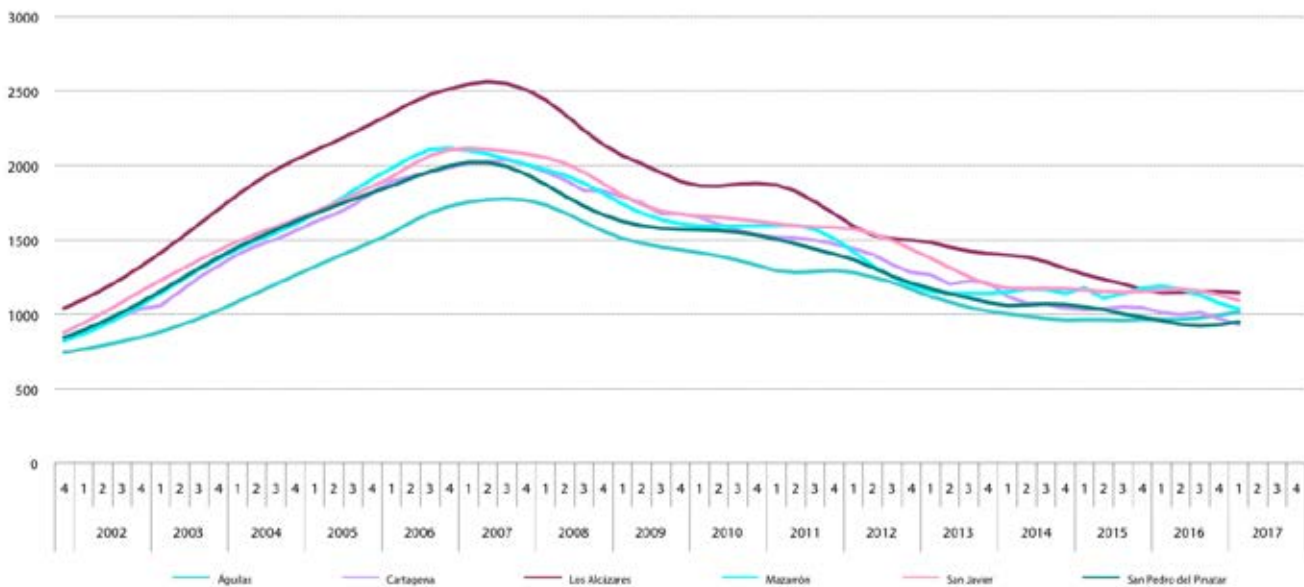
	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Murcia (province)</b>	<b>12,788</b>	<b>13,659</b>	<b>6.8%</b>	<b>1,452</b>	<b>1,758</b>	<b>21.1%</b>	<b>11,336</b>	<b>11,901</b>	<b>5.0%</b>
Aguilas	387	456	17.8%	42	54	28.6%	345	402	16.5%
Cartagena	1,845	2,048	11.0%	175	107	-38.9%	1,670	1,941	16.2%
La Union	120	162	35.0%	19	15	-21.1%	101	147	45.5%
Lorca	422	461	9.2%	76	41	-46.1%	346	420	21.4%
Los Alcazares	403	442	9.7%	46	50	8.7%	357	392	9.8%
Mazarron	885	862	-2.6%	128	102	-20.3%	757	760	0.4%
San Javier	831	878	5.7%	99	107	8.1%	732	771	5.3%
San Pedro del Pinatar	497	535	7.6%	101	128	26.7%	396	407	2.8%

Source: Spanish Ministry of Development

### BUILDING PERMITS MURCIA COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Murcia (province)</b>	<b>1,062</b>	<b>1,064</b>	<b>0%</b>	<b>468</b>	<b>492</b>	<b>5%</b>	<b>593</b>	<b>572</b>	<b>-4%</b>
Aguilas	18	8	-56%	11	8	-27%	7	0	-
Cartagena	82	80	-2%	29	35	21%	53	45	-15%
La Union	-	6	-	-	6	-	0	-	-
Lorca	207	69	-67%	69	41	-41%	138	28	-80%
Los Alcazares	12	28	133%	12	24	100%	0	4	-
Mazarron	36	4	-89%	11	4	-64%	25	0	-100%
San Javier	64	85	33%	9	56	522%	55	29	-47%
San Pedro del Pinatar	162	171	6%	95	61	-36%	67	110	64%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of [Jose Maria Cano](#) y [Francisco Dolcet Palau](#).



## | Mediterranean Sea

### Balearic Islands



## Mallorca

### General market situation

Obvious signs of recovery.

The holiday market situation continues to move upwards, focused on the one hand on foreign buyers and on the other, on the purchase properties that automatically become holiday homes. How much island's government intervention and the new regulations on holiday lets will slow down the market has yet to be seen.

### Prices

Prices have risen for holiday homes in the main areas such as Calvia and Palma. The main urban centres, which are not actually on the coast, have seen a less positive trend and may have brought price statistics down for the whole municipal area, which includes the coast.

The forecast for price performance over the next few months is positive, although it will depend on how two opposing influences balance out. On the one hand, Mallorca is an undeniably high-end tourist destination, but on the other, the island government plans to limit holiday lets (exactly how is currently unknown) to stop speculation.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 8,000 per m<sup>2</sup>. In Palma de Mallorca, basically in the old quarter and Portitxol, not just frontline beach. New or completely refurbished flats, high quality finishes and between 150 and 180 m<sup>2</sup>, with 3 or 4 bedrooms at the most.
- Detached property: € 15,000-20,000 per m<sup>2</sup>. In Portitxol. Varying prices depending on location. There are older frontline beach properties with 120 m<sup>2</sup> on the market for € 2.2 million.

### Supply

There's an average supply of new builds, saleable in the long term. In certain limited areas, supply is running out and the market is moving to properties with a second or third line beach position. The best-selling type of property on the market are apartments, particularly those on the top-floor, of average size, high-end quality finishes and features, and in privileged locations (frontline beach or with exceptional views). Large rural properties, new or totally refurbished and an average size of 400-500m<sup>2</sup> are also selling.

The supply of holiday homes in the area is equally distributed between new builds and resale properties. The rental market, more significant than the purchase, has seen price rises. The rental property profile varies from large properties and luxury flats and top-floor apartments to run-of-the-mill apartments located in tourist resorts.

### Activity

Some developments on hold since the worst part of the crisis have been restarted. New holiday homes have also started in Palma, Calvia and Andraitx, the three places with most activity on the island.

The types of new builds under construction, developed mostly by foreign funds, are 100 and 150 m<sup>2</sup> apartments, 200-250 m<sup>2</sup> townhouses and detached rural properties with around 500 m<sup>2</sup>.

## Coastal Property 2017

### Land market

Isolated sales have taken place. Land is starting to become scarce. Some sought-after plots are still in the hands of financial institutions and the Spanish property bank Sareb. There's a good market for rural land in the areas around Llevant (Santanyi, Felanitx) and Raiguer (Santa Maria, Alaro...).

### Demand

Holiday home sales continue to rise and the timescale for sales has improved over the last year. Buyers are mainly foreign, from Scandinavian countries, Germany and the UK. The Russian market has lost ground.

PRICES BALEARIC ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Mallorca (island)</b>	<b>1,838</b>	<b>1,741</b>	<b>-5.3%</b>	<b>-34.8%</b>
Calvia	2,748	2,576	-6.3%	-24.2%
Llucmajor	1,709	1,684	-1.5%	-35.0%
Manacor	1,379	1,418	2.8%	-35.2%
Palma de Mallorca	1,672	1,657	-0.9%	-37.9%
Santa Margalida	1,546	1,406	-9.1%	-38.8%
Santanyi	2,255	2,048	-9.2%	-28.8%
Soller	1,818	1,823	0.3%	-32.0%

Source: Tinsa

SALES OF DWELLING BALEARIC ISLANDS	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Mallorca (island)</b>									
Alcudia	256	353	37.9%	7	8	14.3%	249	345	38.6%
Andratx	333	403	21.0%	47	53	12.8%	286	350	22.4%
Calvia	1,286	1,620	26.0%	55	71	29.1%	1,231	1,549	25.8%
Capdepera	203	256	26.1%	32	36	12.5%	171	220	28.7%
Llucmajor	364	498	36.8%	37	18	-51.4%	327	480	46.8%
Manacor	398	573	44.0%	47	81	72.3%	351	492	40.2%
Palma de Mallorca	4,035	5,306	31.5%	195	259	32.8%	3,840	5,047	31.4%
Santa Margalida	107	126	17.8%	5	4	-20.0%	102	122	19.6%
Santanyi	210	299	42.4%	13	21	61.5%	197	278	41.1%
Soller	152	176	15.8%	11	10	-9.1%	141	166	17.7%
Son Servera	165	181	9.7%	63	59	-6.3%	102	122	19.6%

Source: Spanish Ministry of Development

BUILDING PERMITS BALEARIC ISLANDS	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Mallorca (island)</b>									
Alcudia	22	24	9%	13	10	-23%	9	14	56%
Andratx	155	37	-76%	26	18	-31%	129	19	-85%
Calvia	133	106	-20%	38	38	0%	95	68	-28%
Capdepera	26	34	31%	23	9	-61%	3	25	733%
Llucmajor	35	37	6%	32	31	-3%	3	6	100%
Manacor	140	144	3%	38	17	-55%	102	127	25%
Palma de Mallorca	365	321	-12%	57	43	-25%	308	278	-10%
Santa Margalida	8	5	-38%	8	1	-88%	0	4	-
Santanyi	43	35	-19%	43	35	-19%	0	0	-
Soller	4	2	-50%	4	2	-50%	0	0	-
Son Servera	85	6	-93%	3	3	0%	82	3	-96%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Menorca

### General market situation

Signs of recovery. There's plenty of resale supply, but, unlike in previous years, new owner-built construction and refurbishments have started to appear, which means there has been a slight improvement.

### Precios

The performance of prices in the main areas has shown signs of improvement over the last year.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 2,250 per m<sup>2</sup>. In Playa de Santo Tomas and on the beach at Son Bou. Properties with average quality finishes, 2 or 3 bedrooms and over 25 years old. This type of construction has not been permitted for the last 15 years.*
- *Detached property: € 5,000 per m<sup>2</sup>. In Cap D'en Font, Binibeca and Binisafua. Properties with average quality finishes, 3 or 4 bedrooms and 15 years old.*

### Supply

The supply of new-build holiday homes is low and saleable in the long term in the area. The most popular on the market are apartments with 2 bedrooms and 1 bathroom.

The rental market is more important than the purchase in this area, with the exception of the south of the island (Binibeca, Binisafua, San Jaime and Santo Tomas). The most common rental properties are apartments with a pool, 3 bedrooms and 2 bathrooms.

### Activity

Apart from the occasional owner-built development, there's no development activity.

### Land market

Viability studies and price negotiations are taking place, although no sales have taken place yet. There's no available land and demand is minimal.

### Demand

Sales have gone up over the last year. Demand is mostly Spanish from Catalonia, Madrid and the Basque Country.

PRICES BALEARIC ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Menorca (island)</b>	<b>1,521</b>	<b>1,506</b>	<b>-1.0%</b>	<b>-43.1%</b>
Ciudadella de Menorca	1,824	1,642	-10.0%	-40.1%
Sant Lluís	2,071	2,137	3.2%	-24.1%

Source: Tinsa

SALES OF DWELLING BALEARIC ISLANDS	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Menorca (island)</b>									
Alaior	188	171	-9.0%	14	7	-50.0%	174	164	-5.7%
Castell (Es)	66	96	45.5%	3	2	-33.3%	63	94	49.2%
Ciudadella de Menorca	486	509	4.7%	251	221	-12.0%	235	288	22.6%
Mao	244	336	37.7%	10	8	-20.0%	234	328	40.2%
Sant Lluís	111	161	45.0%	6	6	0.0%	105	155	47.6%

Source: Spanish Ministry of Development

BUILDING PERMITS BALEARIC ISLANDS	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Menorca (island)</b>									
Ciudadella de Menorca	16	19	19%	16	19	19%	0	0	-
Mao	21	33	57%	10	11	10%	11	22	100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

### Ibiza • Formentera

#### General market situation

Clear signs of recovery.

Strong demand has led to properties that were previously on the market as principal homes becoming part of the second home market as soon as they're available. This in turn has caused a shortage and price rises in the principal home market. As a result, the authorities are studying regulatory measures for holiday lets, which may affect this market.

#### Prices

The market has gone up over the last year and the forecast is for this trend to continue on the back of constant demand and the small size of the island.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 7,000 per m<sup>2</sup>. In the seafront promenade in Ibiza. Properties with 2 or 3 bedrooms, between 90 and 110m<sup>2</sup>. Frontline marina, between 5 and 10 years old and high quality finishes.
- Detached property: € 15,000 per m<sup>2</sup>. In Talamanca (Santa Eulalia). Rural properties with 400 to 500 m<sup>2</sup>, very good views and 5 to 8 bedrooms.

#### Supply

The supply of new-build holiday homes is low and saleable in the short term. Some developments belonging to banks have been sold. The best properties on the market are townhouses and apartments with sea views, between 100 and 110 m<sup>2</sup> and 3 bedrooms.

Resale properties dominate the market in this area and the rental market is more important than the purchase. 1, 2 or 3 bedrooms apartments with varying finishes and age are let in tourist areas. Detached properties with 6 to 10 bedrooms are also let. Holiday rentals have gone up over the last year.

#### Activity

No new projects have been started. This is mainly due to the fact that planning regulations in the three main areas, Ibiza, San Antonio and San Jose, have been declared null and void, which has halted building licences.

#### Land market

This is starting to return to normal activity. Plots that were not built on during the crisis exist and development is starting on these. However, since they are mostly exchange transactions or are being developed by their owners, sales, although they do exist, could not be described as excessive.

Provision regional regulations, restricting the construction of detached properties on rural land, have been approved. As a result, construction may move to urban plots, which were previously unattractive.

#### Demand

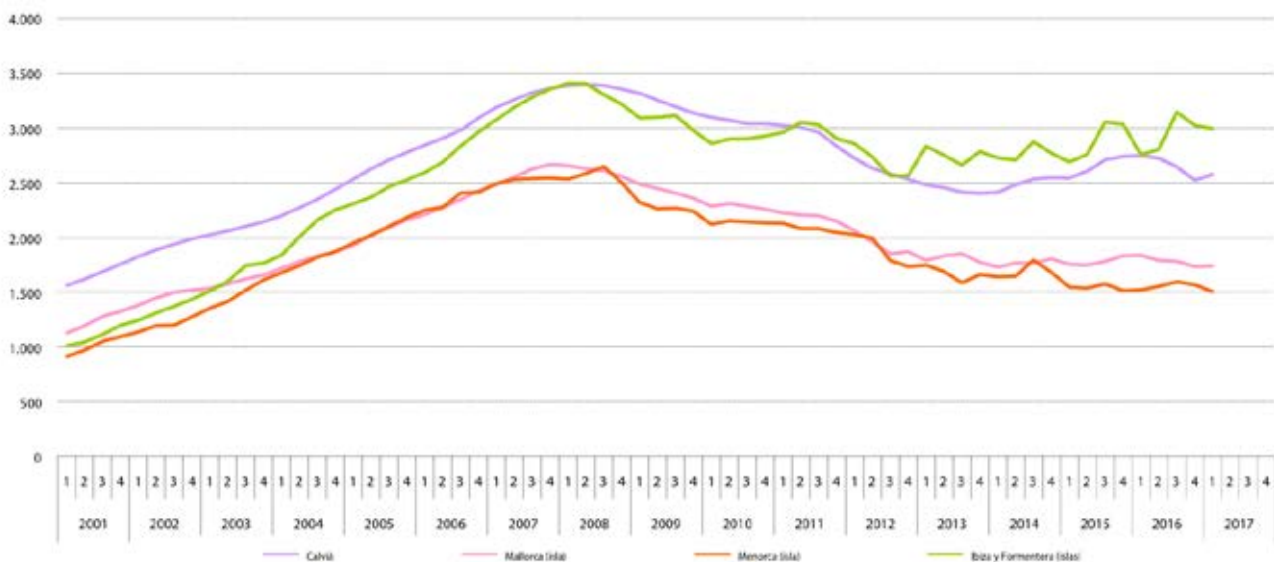
Sales have not experienced an increase over the last year. Buyers are mostly foreign and mainly from Central Europe.

#### PRICES

##### BALEARIC ISLANDS

	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
Ibiza & Formentera (islands)	2,758	2,995	8.6%	-12.2%

Source: Tinsa



(\*) Information prepared with technical cooperation of Enrique Mercadal Vidal y Antonio Rodriguez Fernandez-Pousa

## | Mediterranean Sea

### Mediterranean Andalusia



## Almeria coast

### BETWEEN PULPI AND CUEVAS DEL ALMANZORA

#### General market situation

Close to bottoming out. No significant changes compared to last year.

#### Prices

Average prices for holiday homes have shown signs of improvement, although with little change, especially in the area around Pulpi. The forecast is for prices to remain stable, with slight improvement.

**Average price for a holiday home in second-line beach (there are no frontline properties on the market) in the most expensive area:**

- Apartment: € 1,300 per m<sup>2</sup>. New property (1-year-old; 110 m<sup>2</sup>; average to high quality finishes; 3 bedrooms and two bathrooms.)
- Detached property: € 1,400 per m<sup>2</sup>. New property (1-year-old; 130 m<sup>2</sup>; average to high quality finishes; 3 bedrooms and two bathrooms.)

#### Supply

This market has more supply of new builds than resale properties and more rentals than purchases.

There's an average supply of new builds in the area, saleable in the long term. Developments from 2008, with some unsold properties, sell very slowly, while those that have been built more recently find buyers more quickly.

The best-selling new builds are, both for apartments and detached properties, large with between 100 and 140 m<sup>2</sup>, and average quality finishes. The nearer the property is to the beach, the better it sells, although finishes tend to be less good since buildings are older.

#### Activity

The timescales to sell new-build developments are the same as last year.

Developments on hold have not been restarted, although two new developments in Pulpi have been started with the same characteristics and developers as last year: one with 16 homes and the other with 148. They are apartments with 110 and 140 m<sup>2</sup>, average to high quality finishes and in second line beach position, built by local developers with their own funds.

#### Land market

There's no activity in the land market. A few transactions take place for individual property builders. Current developers have land for future development.

## Coastal Property 2017

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### Demand

There's no sign of revival in sales. Buyers are mostly Spanish, from neighbouring provinces and in particular, nearby areas with no beaches.

## BETWEEN VERA PLAYA AND CARBONERAS

### General market situation

Signs of recovery.

The situation has improved compared to last year. Prices have stabilized and developers are starting to look for land again to build, in theory, small developments.

### Prices

Price drops have been left behind and prices remain stable. The forecast is for them to improve since sales are reviving and excess supply in the area is being bought.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 2,200 per m<sup>2</sup>. On the coast at Vera and Mojacar. Less than 10 years old; 80 m<sup>2</sup> average; 2 bedrooms and 2 bathrooms.*
- *Detached property: € 2,200 per m<sup>2</sup>. On the coast at Vera and Mojacar. Average 120 m<sup>2</sup>, with 3 bedrooms and 2 bathrooms, and less than 10 years old*

### Supply

There's an average level of new-build holiday home stock, saleable in the short term. The area on the coast at Vera, where oversupply is accumulated, is where existing supply is selling best. The most common type are properties in apartment blocks with 70 m<sup>2</sup> and average quality finishes.

Resale properties dominate the supply of holiday homes and the purchase market is more important than the rental. Holiday lets and properties for sale are similar: apartments with 70 m<sup>2</sup> and average quality finishes.

### Activity

The timescale for sales of new-build developments has improved compared to last year. Developments on hold on the coast at Vera have been restarted with a total of over 150 homes, although no new projects are underway.

### Land market

Viability studies and price negotiations, although no sales so far. Long-established developers in the area who survived the crisis are starting to look for land to build small developments that can easily be absorbed by the market.

### Demand

There's been an increase in sales of holiday homes in the area over the last year. Buyers are mostly Spanish, from the centre of the country (Madrid and surroundings). Among foreign buyers, the most common from the UK and Central Europe.

## BETWEEN NIJAR AND AGUADULCE

### General market situation

Close to bottoming out. Prices for the holiday home market remain low and they don't seem likely to drop any further. Activity and number of sales are slightly higher than last year.

### Prices

Prices remain stable with timid signs of recovery, most of all in Almeria city. The forecast this year is for prices to go up slightly on the back of the increase in demand that has started to appear.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 1,950 per m<sup>2</sup>. 3-bedroom flats and an average of 120 m<sup>2</sup>, located on the seafront promenade in Almeria.*
- *Detached property: € 1,500 per m<sup>2</sup>. Second or third line beach, large properties with 4 bedrooms, 3 bathrooms and over 150 m<sup>2</sup>.*

### Supply

The supply of new-build holiday homes in the area is average and saleable in the short term. In areas to the north of Aguadulce or in the Toyo district, supply is currently very high because sales are slow. Compared to last year, the situation has improved, although the number of sales is still insignificant.

Resale apartments in residential areas predominate, with a range of services and 2 or 3 bedrooms. The rental market, which has grown over the last year, is more important than the purchase in this area. The most common rental property is an apartment with 2 or 3 bedrooms, 100 m<sup>2</sup> and average quality finishes.

### Activity

No new-build developments are underway and there's no activity in the residential land market.

### Demand

More activity is noticeable in the property market in terms of number of sales. Buyers are Spanish, mostly from Andalusia.

## BETWEEN ROQUETAS DE MAR AND ADRA

### General market situation

Close to bottoming out.

Last year there was a definite improvement in holiday lets and this year, this recovery has consolidated and prices have gone up. Property sales appear to have bottomed out and good quality products are even seeing slight price increases and faster sales.

### Prices

Prices show signs of improvement. In Almerimar and in parts of Aguadulce increases have been higher than elsewhere. The forecast for this year is for prices to go up.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,600 per m<sup>2</sup>. In all main areas. Less than 15 years old; 2 or 3 bedrooms; between 70 and 100 m<sup>2</sup>. Good quality finishes and amenities (pools, sports facilities, etc.).
- Detached property: € 1,800 per m<sup>2</sup>. Less than 15 years old; 3 or 4 bedrooms; between 150 and 300 m<sup>2</sup> and good quality finishes. Large plots and amenities (pools, sports facilities, etc.).

### Supply

The supply of holiday homes is divided equally between new builds and resale properties on the one hand, and between purchase and rental on the other. Holiday lets, where rental returns have increased over the last year, is centred on apartments with 1, 2 or 3 bedrooms, 60 to 110 m<sup>2</sup>, in residential complexes with a pool and communal areas.

There's an average supply of new builds, except in Roquetas de Mar, where it's very high. Oversupply in the hand of financial institutions have gone down in some areas so bargain prices are no longer as common as they were in the past.

Price is the determining factor in reducing supply. Apartments with 3 bedrooms sell better than smaller homes. The forecast is for long-term absorption of supply, although it may not take so long in Almerimar, Adra and parts of Aguadulce.

### Activity

No new-build developments have been restarted or new projects started. The area with the highest level of development activity, although mostly concentrated in principal homes, is Almerimar. Although development activity is considerably lower than at the beginning of this century, it's higher than between 2007 and 2015 when it was non-existent.

### Land market

Viability studies and price negotiation. No sales. In very specific cases financial institutions are receiving low-priced offers, but for principal homes. There are still no offers for land for holiday homes.

### Demand

There's more sales activity in the area. Buyers are mostly Spanish and from the area (Almeria city) and to a lesser extent, from Granada and Jaen.

PRICES MEDITERRANEAN ANDALUSIA	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% Change	% Change
	1Q 2016	1Q 2017	1Q 2016 - 1Q 2017	since peak
<b>Almeria (province)</b>	<b>951</b>	<b>943</b>	<b>-0.8%</b>	<b>-50.8%</b>
Almeria, Capital	1,076	1,069	-0.7%	-49.6%
Ejido (El)	797	848	6.4%	-55.6%
Mojacar	1,391	1,632	17.3%	-38.5%
Roquetas de Mar	1,016	1,012	-0.4%	-53.5%
Vera	1,179	1,187	0.7%	-51.0%

Source: Tinsa

SALES OF DWELLING MEDITERRANEAN ANDALUSIA	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Almeria (province)</b>	<b>7,597</b>	<b>8,403</b>	<b>10.6%</b>	<b>1,221</b>	<b>1,178</b>	<b>-3.5%</b>	<b>6,376</b>	<b>7,225</b>	<b>13.3%</b>
Almeria, Capital	1,484	1,813	22.2%	258	188	-27.1%	1,226	1,625	32.5%
Ejido (El)	859	885	3.0%	154	146	-5.2%	705	739	4.8%
Mojacar	399	350	-12.3%	27	22	-18.5%	372	328	-11.8%
Roquetas de Mar	1,547	1,607	3.9%	314	246	-21.7%	1,233	1,361	10.4%
Vera	594	685	15.3%	68	77	13.2%	526	608	15.6%

Source: Spanish Ministry of Development

BUILDING PERMITS MEDITERRANEAN ANDALUSIA	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	PLURI 2015	PLURI 2016	% Change
<b>Almeria (provincia)</b>	<b>521</b>	<b>1,167</b>	<b>124%</b>	<b>152</b>	<b>255</b>	<b>68%</b>	<b>369</b>	<b>911</b>	<b>147%</b>
Almeria, Capital	129	517	301%	26	33	27%	103	484	370%
Ejido (El)	15	95	533%	15	82	447%	0	13	-
Roquetas de Mar	26	20	-23%	11	11	0%	15	9	-40%
Vera	12	75	525%	12	9	-25%	0	66	-

Source: Spanish Ministry of Development. \*Avalaible data for municipalities with more than 10,000 inhabitants.

## Granada (Costa Tropical)

### ALBUÑOL-ALMUÑECAR

#### General market situation

Close to bottoming out.

The situation has improved. There are signs of revival in demand only for competitively-priced properties and in well-positioned locations in Motril, Salobreña and Almuñecar. This is not the case in other parts of the coast.

#### Prices

Prices have performed better than last year, although the situation is generally one of stability. In the worse-positioned locations such as Castell del Ferro, Los Yesos or La Mamola, in the east of the province, price offers to drop.

Forecasts are optimistic. The revival of demand is currently limited to low-priced properties, but it is likely that prices will remain the same or undergo slight positive adjustment.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,600 per m<sup>2</sup>. In Almuñecar. Around 25 years old; average quality finishes; 2 bedrooms.
- Detached property: € 1,500 per m<sup>2</sup>. Around Almuñecar (areas on the outlying hills) and around Salobreña (beach area). Between 15 and 30 years old; 3 or 4 bedrooms and high/average quality finishes.

#### Supply

The supply of new-build holiday homes is low and saleable in the short term. New-build development is only going on in Motril (in the Playa Granada area) and Almuñecar (Playa Galera area). Competitive prices and the lack of new development projects is driving demand to unsold properties.

The best-selling new builds are apartments in blocks with communal gardens, a pool and sports facilities where views and orientation have a significant effect on sales prices.

Resale properties dominate and the purchase market is more important than the rental. The very few new developments are concentrated in Almuñecar and Motril. On the rest of the coast in Granada province, supply is found in resale properties, which apart from the beach at Salobreña, are mostly buildings with no communal areas.

The supply of rentals, whose rates have gone up, is concentrated in apartment blocks, near the beach. The most sought-after are those with a frontline beach position with attractive views (the beach areas in Salobreña and Almuñecar) or in newly-created development areas (the Playa de Granada area in Motril).

#### Activity

The rate of sales has gone up compared to last year.

Developments on-hold during the crisis have been restarted in Motril, in the Playa Granada area, with some 60 homes. Some new holiday home developments have also started: 60 units in Playa Granada and a similar number in Playa Galera (Almuñecar), by local developers with their own funds. The new builds under development are in blocks, with communal gardens, pool and sports facilities. Properties with 2 or 3 bedrooms and average to high quality finishes.

#### Land market

Interest in land investment is experiencing a revival, albeit a cautious one. Some sales have taken place of land in a good location mostly for second and/or holiday home use, as is the case in Almuñecar.

#### Demand

Sales have increased over the last year. Buyers are mostly Spanish (from Granada, Jaen and Madrid) in most coastal areas, particularly in Motril, Salobreña and Castell del Ferro. In the case of Almuñecar, buyers are principally foreign, mostly Scandinavian, German and British.



PRICES MEDITERRANEAN ANDALUSIA	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Granada (province)</b>	<b>967</b>	<b>944</b>	<b>-2.4%</b>	<b>-39.9%</b>
Almuñecar	1,325	1,451	9.5%	-38.8%
Motril	958	933	-2.6%	-49.6%
Salobreña	989	1,055	6.7%	-48.8%

Source: Tinsa

SALES OF DWELLING MEDITERRANEAN ANDALUSIA	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Granada (province)</b>	<b>7,896</b>	<b>8,550</b>	<b>8.3%</b>	<b>768</b>	<b>531</b>	<b>-30.9%</b>	<b>7,128</b>	<b>8,019</b>	<b>12.5%</b>
Almuñecar	596	634	6.4%	10	8	-20.0%	586	626	6.8%
Motril	651	654	0.5%	78	57	-26.9%	573	597	4.2%
Salobreña	163	179	9.8%	5	26	420.0%	158	153	-3.2%

Source: Spanish Ministry of Development

BUILDING PERMITS MEDITERRANEAN ANDALUSIA	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	PLURI 2015	PLURI 2016	% Change
<b>Granada (province)</b>	<b>920</b>	<b>793</b>	<b>-14%</b>	<b>374</b>	<b>457</b>	<b>22%</b>	<b>544</b>	<b>335</b>	<b>-38%</b>
Almuñecar	1	17	1,600%	1	10	900%	0	7	-
Motril	28	86	207%	10	8	-20%	18	78	333%
Salobreña	3	7	133%	3	7	133%	0	0	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Malaga (Costa del Sol)

### LA AXARQUIA · BETWEEN NERJA AND RINCON DE LA VICTORIA

#### General market situation

Clear recovery.

Demand for second homes has generally increased, at a higher level in resorts with most tourist appeal such as Nerja, Rincon de la Victoria and Torrox, and less so in the rest. The trend reversed last year and has been reinforced this year, even in those areas with less demand.

#### Prices

There's been a clear price increase over the last year, particularly in Nerja where there's less supply of new builds and higher demand. In Torrox, price decreases have been more marked over the last few years and now it's experiencing a stronger rise. Prices are forecast to continue going up because the property supply (mostly bank stock) will have gone down and demand, on the other hand, will be higher. The improvement in the economy and rise in tourism on the Costa del Sol are reaping returns in holiday lets.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,800 per m<sup>2</sup>. On the Burriana, El Parador and Balcon de Europa area beaches. Older properties; with 2 or 3 bedrooms and an average of 80-100 m<sup>2</sup>.
- Detached property: € 4,500 per m<sup>2</sup>. Punta Lara and Nerja beaches areas as well as El Cantal and Torre de Benagalbon, in Rincon de la Victoria. Between 200-250 m<sup>2</sup> (4 to 6 bedrooms); older properties on large plots. Very few properties available so prices vary hugely.

#### Supply

The area has a low level of new-build supply that's saleable in the short term. The most sought-after towns such as Nerja and Rincon de la Victoria have little or very little second-home supply on the coast. In less sought-after areas where there was a higher level of new development during the property boom, supply is higher such as the Velez-Malaga coast (Almayate, Chilches, and Torre del Mar). The main difference compared to last year is that those areas with higher demand have hardly any stock and new developments are either underway or planned.

The best-selling new builds are apartments in blocks with an average 80-110 m<sup>2</sup>, average quality finishes and large communal areas, in second or third line beach position.

Resale properties generally predominate. The consolidation of town centres along the entire coast in towns such as Rincon de la Victoria and Nerja, means that the main supply of second homes is made up of resale properties. New builds are mostly for principal homes and in locations slightly away from the beach.

The rental market is more important than the purchase. Rental rates have gone up over the last year. The most common properties are apartments with 2 or 3 bedrooms, 80-110 m<sup>2</sup> and 20 to 25 years old, in a good state of repair.

## Coastal Property 2017

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### Activity

The average timescale for new-build sales has improved. Development activity continues to be generally scarce, although some new development is noticeable in most towns with the exception of the Velez coastline. Here, the only activity taking place is in Torre del Mar and Caleta de Velez. New projects are being developed by financial institutions and developers with their own funds.

Building work has restarted on developments on hold in Torrox (30-40 homes), Torre del Mar and Caleta de Velez (60-70) and Rincon de la Victoria (40-50). New projects are also underway in these areas. In Torrox and Caleta de Velez developments specifically for second homes are scarce and small to medium-sized. They are mostly blocks with apartments and duplex apartments with 1, 2 or 3 bedrooms.

### Land market

Some isolated sales. Most building land that is vacant or under development (including those on hold) belongs to financial institutions. They are selling them through their property agents to developers in the area to start small to medium-sized projects in the near future. Sales continue to be low, although in coastal areas in Rincon de la Victoria, Nerja, Torrox and Torre del Mar there's more activity, mostly on small plots with a reduced number of properties to build, including single-property plots. Land prices have increased over the last few months.

### Demand

Sales of holiday homes have gone up over the last few months. Holiday home buyers are Spanish or foreign. In the areas located in the eastern part of the Axarquía, such as Nerja and Torrox, foreigners predominate. On the other hand, in Rincon de la Victoria and Torre del Mar Spanish buyers make up the majority, although the number of each varies depending on the area.

Spanish demand comes mainly from Andalusia and Madrid. Among foreign buyers, the Scandinavian countries (Norway and Denmark), Germany and Belgium, stand out as those with the highest number.

## BETWEEN TORREMOLINOS AND MIJAS

### General market situation

Signs of recovery.

The holiday homes market is experiencing an increase of sales in areas nearest the coast. In the north, however, most areas still have excess supply.

### Prices

Prices have tended to go up this year. Certain areas have registered occasional rises while those in others with less tourist appeal have stayed the same or have even suffered a decrease. The forecast is for prices to remain stable since, although Spanish buyers have increased, there's uncertainty over how British buyers will behave.

#### Average price for a frontline beach holiday home in the most expensive area

- *Apartment: € 3,000 per m<sup>2</sup>. On seafront promenades, 2 bedroom, 2 bathroom properties predominate with 90 m<sup>2</sup> and high quality finishes.*
- *Detached property: € 3,000 per m<sup>2</sup>. Low supply of this type of property. They are mostly older properties in areas of Mijas Costa. Very variable characteristics.*

### Supply

There's an average supply of new-build holiday homes in the area, saleable in the long term. The rate of sale is much higher in the best locations and somewhat slower elsewhere.

The most common properties are resale apartments with 2 or 3 bedrooms and 100 m<sup>2</sup>. New builds are of high quality finishes in gated complexes with a wide range of facilities. In some cases, they have the added attractions of the coast and golf courses.

### Activity

The Mijas area is experiencing the highest development activity. The reduction in oversupply is favouring the start of new projects with higher prices in La Cala de Mijas, La Cala Golf and Benalmadena Costa, in La Reserva del Higuero. The most common new builds are high quality apartments for the foreign market, spacious and near the sea. They are being built by local developers in association with foreign funding.

As well as the new projects underway, a development in Benalmadena with approximately 50 homes that was suspended during the crisis has been restarted.

### Land market

Moderate activity. Viability studies are carried out, but they do not generally lead to sales. There's an excess of land supply and attempts are being made to reactivate this in well-located areas.

### Demand

Property sales are going up in the area. Foreign investors, who predominate in the area, prefer complexes on the coast, while Spanish buyers are found more in built-up areas with facilities as well as the beach nearby. British investors stand out among buyers of homes in coastal complexes. Spanish buyers are mostly from Madrid and Cordoba.

## BETWEEN MARBELLA AND MANILVA

### General market situation

Signs of recovery.

The holiday home market in this area has improved compared to last year as can be seen in the increase in demand and prices.

### Prices

They are performing well, with Marbella as a stand-out area – prices have risen over 5%. The forecast is for this positive trend to continue driven by continual year-round demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 6,000 per m<sup>2</sup>. On the coast in Marbella costa and the west coast of Estepona. Homes with 2 or 3 bedrooms with high quality finishes.
- Detached property: € 7,000 per m<sup>2</sup>. In Marbella. Homes with over 300 m<sup>2</sup> with very high-end finishes.

### Supply

There's an average level of new-build holiday home supply, saleable in the long term. Marbella with a low supply is the exception to this situation. The best-selling unsold properties are 2-bedroom apartments with 100 m<sup>2</sup>.

On this stretch of the coast, there's a higher supply of resale property than new builds. Rentals, which are going up, are similar in importance to purchases. The most common rental is a 2-bedroom property.

### Activity

The timescale for new-build sales is improving. New projects are underway in Estepona, (300 homes), Marbella (150 units) and Manilva (100 homes). 2 or 3-bedroom apartments with medium to high quality finishes are being built as well as luxury villas. Although Marbella is facing some difficulties in the light of the annulment of its town planning regulations, there's plenty of new construction.

### Land market

The land market is starting to return to normal levels of activity. Due to the lack of available land in Marbella, developments are moving to the neighbouring towns of Estepona and Benahavis, with a price increase over the last few months because of strong demand in all areas. New-build properties are in demand both for principal and second homes.

### Demand

Sales of holiday homes in the area have gone up over the last year. Buyers are divided between Spanish and foreigners, although in certain areas, such as Marbella, foreigners are considerably more predominant than Spanish. International buyers come from various parts of the world – the UK, France, Belgium, Northern European and the Persian Gulf. Buyers from Madrid, Andalusia and the Basque Country are the most prevalent among the Spanish.

PRICES MEDITERRANEAN ANDALUSIA	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Malaga (province)</b>	<b>1,328</b>	<b>1,408</b>	<b>6.0%</b>	<b>-44.5%</b>
Benalmadena	1,427	1,554	8.9%	-46.4%
Casares	1,126	1,084	-3.7%	-62.2%
Estepona	1,325	1,389	4.8%	-49.8%
Fuengirola	1,399	1,507	7.7%	-45.4%
Malaga, Capital	1,313	1,373	4.6%	-43.1%
Manilva	1,132	1,302	15.0%	-49.3%
Marbella	1,864	2,074	11.3%	-31.2%
Mijas	1,274	1,325	4.0%	-49.9%
Nerja	1,649	1,782	8.1%	-31.9%
Rincon de la Victoria	1,344	1,433	6.6%	-42.4%
Torremolinos	1,387	1,436	3.5%	-48.6%
Torrox	1,377	1,495	8.6%	-43.2%
Velez-Malaga	1,125	1,104	-1.9%	-49.5%

Source: Tinsa

## Coastal Property 2017

### SALES OF DWELLING MEDITERRANEAN ANDALUSIA

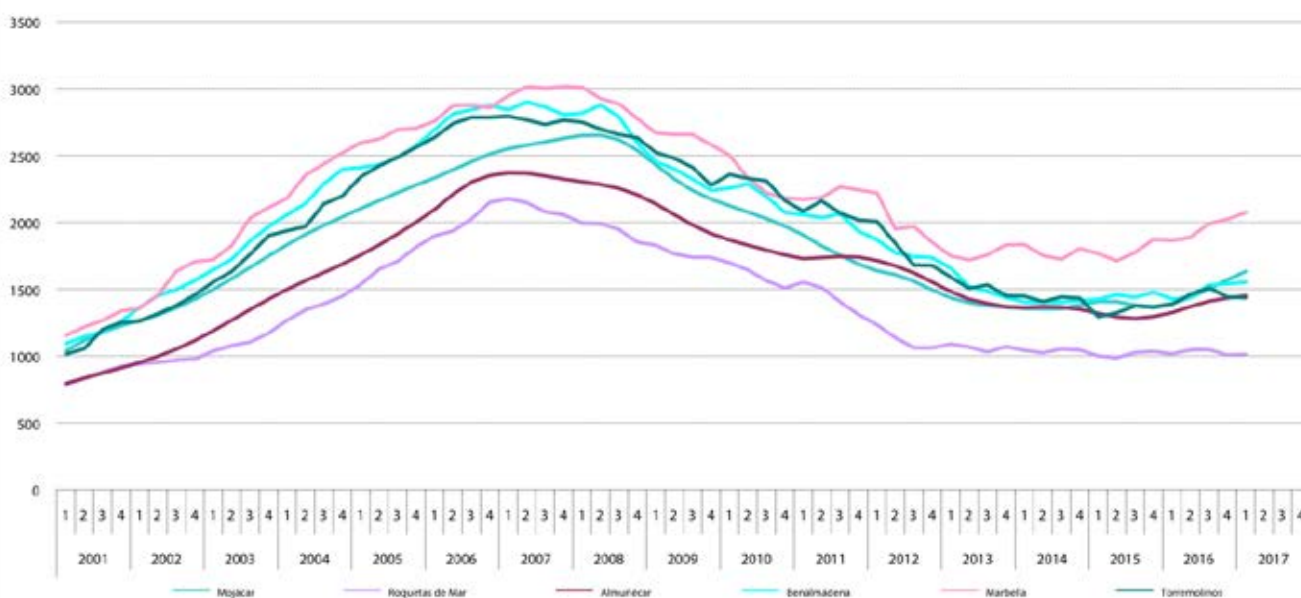
	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Malaga (province)</b>	<b>25,798</b>	<b>27,645</b>	<b>7.2%</b>	<b>2,636</b>	<b>1,961</b>	<b>-25.6%</b>	<b>23,162</b>	<b>25,684</b>	<b>10.9%</b>
Benalmadena	1,876	2,083	11.0%	230	214	-7.0%	1,646	1,869	13.5%
Casares	464	399	-14.0%	59	96	62.7%	405	303	-25.2%
Estepona	2,054	2,123	3.4%	161	215	33.5%	1,893	1,908	0.8%
Fuengirola	1,287	1,587	23.3%	73	84	15.1%	1,214	1,503	23.8%
Malaga, Capital	4,776	5,523	15.6%	539	459	-14.8%	4,237	5,064	19.5%
Manilva	980	1,048	6.9%	287	220	-23.3%	693	828	19.5%
Marbella	4,435	4,001	-9.8%	325	137	-57.8%	4,110	3,864	-6.0%
Mijas	2,374	2,506	5.6%	130	96	-26.2%	2,244	2,410	7.4%
Nerja	592	550	-7.1%	17	8	-52.9%	575	542	-5.7%
Rincon de la Victoria	552	584	5.8%	89	43	-51.7%	463	541	16.8%
Torremolinos	1,287	1,792	39.2%	89	103	15.7%	1,198	1,689	41.0%
Torrox	530	561	5.8%	19	13	-31.6%	511	548	7.2%
Velez-Malaga	1,075	1,276	18.7%	180	77	-57.2%	895	1,199	34.0%

Source: Spanish Ministry of Development

### BUILDING PERMITS MEDITERRANEAN ANDALUSIA

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Malaga (province)</b>	<b>2,808</b>	<b>2,530</b>	<b>-10%</b>	<b>740</b>	<b>640</b>	<b>-14%</b>	<b>2,068</b>	<b>1,890</b>	<b>-9%</b>
Benalmadena	132	203	54%	13	29	123%	119	174	46%
Estepona	42	159	279%	16	93	481%	26	66	154%
Fuengirola	150	72	-52%	1	3	200%	149	69	-54%
Malaga, Capital	354	789	123%	41	96	134%	313	693	121%
Manilva	7	19	171%	3	0	-100%	4	19	375%
Marbella	362	117	-68%	89	93	4%	273	24	-91%
Mijas	128	284	122%	17	72	324%	111	212	91%
Nerja	42	40	-5%	24	26	8%	18	14	-22%
Rincon de la Victoria	6	109	1,717%	3	6	100%	3	103	3,333%
Torremolinos	198	97	-51%	1	1	0%	197	96	-51%
Torrox	7	10	43%	7	4	-43%	0	6	-
Velez-Malaga	100	203	103%	12	21	75%	88	182	107%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of Jose Antonio Parra Jimenez, Francisco Luis Cintas Haro, Antonio Montoya Jimenez, Serafin Balaguer Valdivia, Raul Molina Aguilar, Miguel Angel Medina Gonzalez, Carlos Gonzalez Simarro y Leandro Martinez Gomez

## | Atlantic Ocean

### Atlantic Andalusia (Costa de la Luz)



## Cadiz

### SOTOGRADE AND SAN ROQUE

#### General market situation

Signs of recovery.

Since this is a luxury complex with both Spanish and foreign residents, price drops came to a halt in 2015. There are fears that Brexit will hold back the recovery seen over the last year. For this reason, the forecast for this year is for prices to remain the same, rather than go up.

#### Prices

Performance has been better than last year. Prices have stabilised in both Sotogrande and its small area of influence (Torreguadiaro and San Roque Club).

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,000 per m<sup>2</sup>. In La Marina and Sotogrande marina. 10 years old: 200 m<sup>2</sup>; high quality finishes; 3 bedrooms.
- Detached property (none on frontline beach): €3,000 per m<sup>2</sup>. Spread throughout the complex. 600 m<sup>2</sup>; 2,000 m<sup>2</sup> plots; very high quality finishes; 5 or 6 bedrooms and 15 years old.

#### Supply

Very high level of new-build supply, expected to be sold in the long term. Mostly apartments in blocks in La Marina de Sotogrande, with 200m<sup>2</sup> and high quality finishes.

In Sotogrande, the resale supply predominates. The rental market, which has maintained its prices, is less important than the purchase.

#### Activity

No new development projects have been started.

#### Land market

No activity.

#### Demand

A noticeable increase in sales over the last year. There are more foreign buyers of holiday homes than Spanish in this year, mostly British, German and Scandinavians. Spanish buyers come from Madrid, the Basque Country and Seville.

## Coastal Property 2017

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### ALGECIRAS

#### General market situation

Still in adjustment phase downwards.

The residential market still shows no signs of revival, although holiday homes have little importance in this area.

#### Prices

Prices continue their moderate downward trend, although for certain properties and locations, decreases may be more pronounced.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Townhouse: € 1,700 per m<sup>2</sup>. Average 15 years old; 100 m<sup>2</sup>; average quality finishes and 3 bedrooms.*

#### Supply

This is mainly a resale market, divided between purchase and rentals. The supply of new builds is low and expected to be sold in the long term. Properties aimed at the holiday let market tend to be apartments with 8 m<sup>2</sup> in blocks and townhouses with 100 m<sup>2</sup>, average quality finishes and near the beach.

#### Activity

No development activity underway.

#### Land market

No activity. Land is mostly in the hands of financial institutions and there's practically no demand.

#### Demand

Holiday home sales continue to show no signs of recovery. Holiday home buyers are mostly Spanish, usually from the town itself, who have their principal home in the centre and go to the beach in the summer.

### LA LINEA DE LA CONCEPCION

#### General market situation

Almost bottomed out.

The situation compared to last year is broadly the same, perhaps very slightly improved. The supply of new builds owned by banks is going down.

#### Prices

Signs of improvement in prices has been seen over the last few months and this trend is expected to continue.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 2,200 per m<sup>2</sup>. In Vista Real (La Alcaidesa). Average 100-120 m<sup>2</sup>; 2 bedrooms and 2 bathrooms, medium to high quality finishes.*
- *Detached property: € 2,500 per m<sup>2</sup>. Urbanizacion Loma del Rey (La Alcaidesa). Average 180 m<sup>2</sup>; medium to high quality finishes; 3 bedrooms and 3 bathrooms.*

#### Supply

There's a low supply of new builds, saleable in the long term, mostly apartments with 2 bedrooms and 2 bathrooms, good quality finishes and 100-120 m<sup>2</sup> in La Alcaidesa.

The supply of holiday homes is mostly resale, with the purchases more significant than rentals. The supply of rentals, which have maintained their prices over the last year, is mainly smaller properties with 80 m<sup>2</sup>, 2 bedrooms and average quality finishes.

#### Activity

No revival in development activity or the land market.

#### Demand

Sales of holiday homes have increased over the last year. Buyers are mostly Spanish, from residents in the area to those in inland provinces of Andalusia such as Seville. Among foreign buyers, British residents in Gibraltar and the UK stand out.

### BETWEEN TARIFA AND CONIL

#### General market situation

The area is clearly recovering.

In Zahara de los Atunes and Tarifa there are off-plan developments with all properties sold. Construction is starting to happen in Conil, while in Barbate the market is more stable.

#### Prices

Holiday home prices have shown signs of improvement over the last year, with peaks in Tarifa and Zahara de los Atunes. There's generally low supply in the area and furthermore, developments are being off plan.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 3,300 per m<sup>2</sup>. Property in Tarifa between 60 and 70 m<sup>2</sup>, average 15 years old, with 2 bedrooms and 1 bathroom.*
- *Detached property: €3,500 per m<sup>2</sup>. Townhouses with 350 m<sup>2</sup>, very high quality finishes; 4 or 5 bedrooms and averaging 10 to 15 years old.*

### Supply

There's very supply of new-build holiday homes and these tend to be townhouses between 70 and 80m<sup>2</sup>, average quality finishes, located in gated complexes with a pool in Zahara de los Atunes.

Holiday home supply is divided equally between new builds and resale properties. The rental market, less significant than the purchase, centres on apartments in blocks, with 70 m<sup>2</sup>, 2 bedrooms and 1 bathroom, mainly in Tarifa and Zahara de los Atunes.

### Activity

New projects are underway in Zahara de los Atunes, Conil de la Frontera and Tarifa, where there's also hotel construction. Barbate has no notable activity.

The new projects, driven by local developers with their own funds, favour properties with 2 bedrooms, 1 bathroom and 60-70 m<sup>2</sup>. In Zahara de los Atunes townhouses are being built with considerable success in sales.

### Land market

Activity limited to the occasional sale in Tarifa and Atlanterra for future developments. However, in Barbate and Conil de la Frontera this market is more inactive.

### Demand

Sales of holiday homes have gone up over the last year. The most dominate buyer in this area is Spanish (from Seville and Madrid). Among foreign buyers, German and British investors stand out.

## CHICLANA, SAN FERNANDO, CADIZ AND PUERTO REAL

### General market situation

Signs of recovery.

### Prices

There are signs of price increases in properties with the best holiday opportunities and in the best areas for second homes. The forecast for the next few months is for limited price rises.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,800 per m<sup>2</sup>. Frontline beach at La Barrosa. Very high quality finishes and homes with between 90 and 120 m<sup>2</sup>.
- Detached property: € 3,000 per m<sup>2</sup>. Frontline beach at La Barrosa. Very high quality finishes and homes with between 150 and 200 m<sup>2</sup>.

### Supply

The supply of new builds is low and saleable in the short term. The holiday home market mostly consists of resale properties. Rentals, less significant than the supply available to buy, are focused on properties near the beach. In Chiclana, there's also high demand in leisure areas inland or linked to sports such as golf.

### Activity

There's no holiday home construction taking place.

### Land market

No sales.

### Demand

Sales have gone up over the last year. Buyers are Spanish or foreigners in equal proportions. In San Fernando, buyers are mostly Spanish. In Chiclana, foreign buyers are mainly from the UK, Germany and France. There's a growing presence of buyers from the Netherlands, Sweden, Finland and to a lesser extent, Romania.

## ROTA, CHIPIONA AND SANLUCAR DE BARRAMEDA

### General market situation

Close to bottoming out.

The situation of the holiday home market is broadly similar to last year, although it's expected to improve over the next few months.

### Prices

Prices in the main areas are showing signs of improvement with stable prices or small rises in Sanlucar de Barrameda and Chipiona. Over the last year, prices have remained stable, although they're expected to improve in 2017 since the supply of semi-new resale homes built between 2003 and 2007 is practically exhausted.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,400 per m<sup>2</sup>. Homes with between 75 and 90 m<sup>2</sup>; 2 or 3 bedrooms and an average of 15 years old.
- Detached property: € 1,500 per m<sup>2</sup>. Two-storey townhouses in La Laguna development (Chipiona). 3 bedrooms and averaging 115 m<sup>2</sup>.

## Coastal Property 2017

### Supply

The supply of new-build holiday homes in this area is low. Developments built before the crisis have been sold and there are still no signs of new projects of this type.

The best-selling properties have average quality finishes, most are semi-new and new. The property type varies greatly, as does the size. On the one hand, buildings in town centres and on the other, new-build developments in complexes offering a wide range of services (pool, sports facilities, etc.).

The resale market is more significant than the new build. Rentals, which have equal importance with purchases, are centred on apartments with 2 or 3 bedrooms, near the sea and with average quality finishes. Holiday home rental rates are rising.

### Activity

No notable development activity. Sanlucar de Barrameda is the only place with a new project, in the Bajo de Guia area, which is not purely holiday homes.

### Land market

No activity through lack of demand.

### Demand

Sales on the rise over the last year. Spanish buyers predominate, mostly from Seville. Foreign demand is anecdotal and from the UK.

PRICES COSTA DE LA LUZ	Price€/m <sup>2</sup> 1Q 2016	Price€/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Cadiz (province)</b>	<b>1,214</b>	<b>1,249</b>	<b>2.9%</b>	<b>-39.8%</b>
Algeciras	1,071	1,020	-4.8%	-43.8%
Barbate	1,419	1,429	0.7%	-37.1%
Cadiz, Capital	1,851	1,835	-0.9%	-38.7%
Conil de la Frontera	1,616	1,632	1.0%	-36.7%
Chiclana de la Frontera	1,407	1,408	0.1%	-43.9%
Chipiona	1,424	1,314	-7.7%	-51.9%
Linea de la Concepcion (La)	993	1,038	4.5%	-49.8%
Puerto de Santa Maria	1,421	1,449	2.0%	-37.9%
Rota	1,484	1,520	2.4%	-46.0%
San Fernando	1,096	1,232	12.4%	-44.1%
San Roque	1,150	1,238	7.7%	-48.2%
Sanlucar de Barrameda	1,077	1,128	4.7%	-48.2%
Tarifa	1,858	1,958	5.4%	-26.3%
Vejer de la Frontera	1,354	1,201	-11.3%	-39.4%

Source: Tinsa

SALES OF DWELLING COSTA DE LA LUZ	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Cadiz (province)</b>	<b>10,040</b>	<b>10,874</b>	<b>8.3%</b>	<b>1,680</b>	<b>1,021</b>	<b>-39.2%</b>	<b>8,360</b>	<b>9,853</b>	<b>17.9%</b>
Algeciras	739	989	33.8%	102	151	48.0%	637	838	31.6%
Barbate	167	148	-11.4%	17	5	-70.6%	150	143	-4.7%
Cadiz, Capital*	857	932	8.8%	103	105	1.9%	754	827	9.7%
Conil de la Frontera	199	197	-1.0%	26	14	-46.2%	173	183	5.8%
Chiclana de la Frontera	1,254	862	-31.3%	563	53	-90.6%	691	809	17.1%
Chipiona	271	289	6.6%	15	9	-40.0%	256	280	9.4%
Linea de la Concepcion (La)	515	585	13.6%	5	8	60.0%	510	577	13.1%
Puerto de Santa Maria	667	826	23.8%	28	54	92.9%	639	772	20.8%
Rota	507	575	13.4%	88	101	14.8%	419	474	13.1%
San Fernando	581	682	17.4%	95	52	-45.3%	486	630	29.6%
San Roque	845	573	-32.2%	324	72	-77.8%	521	501	-3.8%
Sanlucar de Barrameda	499	582	16.6%	24	16	-33.3%	475	566	19.2%
Tarifa	301	334	11.0%	105	85	-19.0%	196	249	27.0%
Vejer de la Frontera	109	95	-12.8%	2	3	50.0%	107	92	-14.0%

Source: Spanish Ministry of Development



## BUILDING PERMITS COSTA DE LA LUZ

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Cadiz (province)</b>	<b>756</b>	<b>888</b>	<b>17%</b>	<b>284</b>	<b>291</b>	<b>2%</b>	<b>472</b>	<b>597</b>	<b>26%</b>
Algeciras	12	42	250%	7	22	214%	5	20	300%
Barbate	7	15	114%	5	7	40%	2	8	300%
Cadiz, Capital*	171	109	-36%	13	6	-54%	158	103	-35%
Conil de la Frontera	19	15	-21%	19	15	-21%	0	0	-
Chiclana de la Frontera	33	45	36%	33	45	36%	0	0	-
Chipiona	2	8	300%	2	6	200%	0	2	-
Linea de la Concepcion (La)	33	20	-39%	19	17	-11%	14	3	-79%
Puerto de Santa Maria	8	47	488%	8	10	25%	0	37	-
Rota	34	89	162%	8	14	75%	26	75	188%
San Fernando	10	44	340%	10	11	10%	0	33	-
San Roque	22	33	50%	22	25	14%	0	8	-
Sanlucar de Barrameda	5	105	2,000%	5	18	260%	0	87	-
Tarifa	189	116	-39%	11	12	9%	178	104	-42%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Huelva

### BETWEEN MAZAGON AND ISLANTILLA

#### General market situation

Close to bottoming out.

The holiday home market has maintained a slight adjustment in this area, practically stabilised. Sales have registered a slight improvement.

#### Prices

Holiday homes are generally falling slightly in price. Demand is weak and very sensitive to price.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,200 per m<sup>2</sup>. 8 to 10-storey apartment blocks located in Matalascañas, Punta Umbria, la Antilla and Islantilla. 2 bedrooms and 1 or 2 bathrooms. Average 85 m<sup>2</sup> and 35 years old.
- Detached property: € 2,500 per m<sup>2</sup>. Punta Umbria. Average quality finishes; 3 or 4 bedrooms and an average of 45 to 50 years

#### Supply

The supply of new-build holiday homes in this area is low, although it's saleable in the long term. The best-selling property type are apartments in blocks with communal areas (pool and gardens), 2 bedrooms and 2 bathrooms. Finishes are of average quality and properties are mostly located in the Islantilla golf course area.

There are more resales than new builds. Rentals, in the case of apartments, are centred on properties with 80 m<sup>2</sup>, 2 bedrooms, 2 bathrooms and average quality finishes in blocks or complexes. Also townhouses, in developments with an average 100 m<sup>2</sup>, 3 bedrooms, 2 bathrooms, average quality finishes and communal areas.

#### Activity

Two new projects have been started in El Rompido, with 60 townhouses and 66 apartments in blocks, distributed in properties with 2, 3 or 4 bedrooms. This is the area with the most development activity in the area; activity elsewhere is limited to a few private homes.

#### Land market

The areas with vacant building land are Mazagon, Punta Umbria, El Rompido and Islantilla. In Matalascañas there's no available land since the resort is surrounded by the protected area of Doñana National Park. Most land suitable for development is on hold and with no signs of development in the short term, either because of the limitations imposed by the regional coastline planning regulations or because demand in the area is not high enough to make new development viable.

#### Demand

The number of holiday home sales has increased over the last year. Spanish buyers predominate, from Extremadura, Seville, Cordoba and Madrid. In this area, foreign buyers tend to focus on the rental market.

### ISLA CRISTINA AND AYAMONTE BEACH

#### General market situation

Close to bottoming out. Some movement in sales of competitively-priced properties is starting to be seen

#### Prices

Prices are stable and expected to remain so with the odd exception of rises in the best locations on the coast (frontline beach) where supply is more limited.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,600 per m<sup>2</sup>. In Isla Canela (Ayamonte) and Isla Antilla (Isla Cristina), with 2 or 3 bedrooms, average to high quality finishes and 10 to 15 years old.
- Detached property: € 1,800 per m<sup>2</sup>. In Isla Canela (Ayamonte) and Islantilla (Isla Cristina), with 3 or 4 bedrooms, average to high quality finishes and 20 to 30 years old.

#### Supply

The supply of new-build holiday homes in this area is low, with the exception of the large "Costa Esuri" development in Ayamonte, in the hands of banks and with a very high level of unsold property. Apart from this place, oversupply may be saleable in the short term.

The common property type on the market are apartments in blocks, with between 70 and 110 m<sup>2</sup> and average quality finishes. Resale properties predominate in this area. The rental market is less significant than the purchase.

#### Activity

There are no signs of new projects in the short term. The only place with some activity is Isla Canela (Ayamonte). The development company who owns most of the land is building on it as sales are made. The most common type of property are apartments in blocks, with between 70 and 100 m<sup>2</sup>, average to high quality finishes and with a first or second line beach position.

#### Land market

Large areas of land yet to developed due to lack of finance.

#### Demand

Sales have gone up over the last year. Buyers are mostly Spanish, from Seville, Cordoba, Badajoz, Caceres and, to a lesser extent, Madrid.

PRICES COSTA DE LA LUZ	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Huelva (province)</b>	<b>1,095</b>	<b>1,035</b>	<b>-5.5%</b>	<b>-51.3%</b>
Ayamonte	1,216	1,175	-3.4%	-54.7%
Cartaya	1,188	1,189	0.1%	-47.3%
Huelva, Capital	1,000	982	-1.8%	-52.2%
Isla Cristina	1,251	1,345	7.5%	-40.7%
Lepe	1,343	1,200	-10.6%	-46.3%
Punta Umbria	1,499	1,366	-8.9%	-53.1%

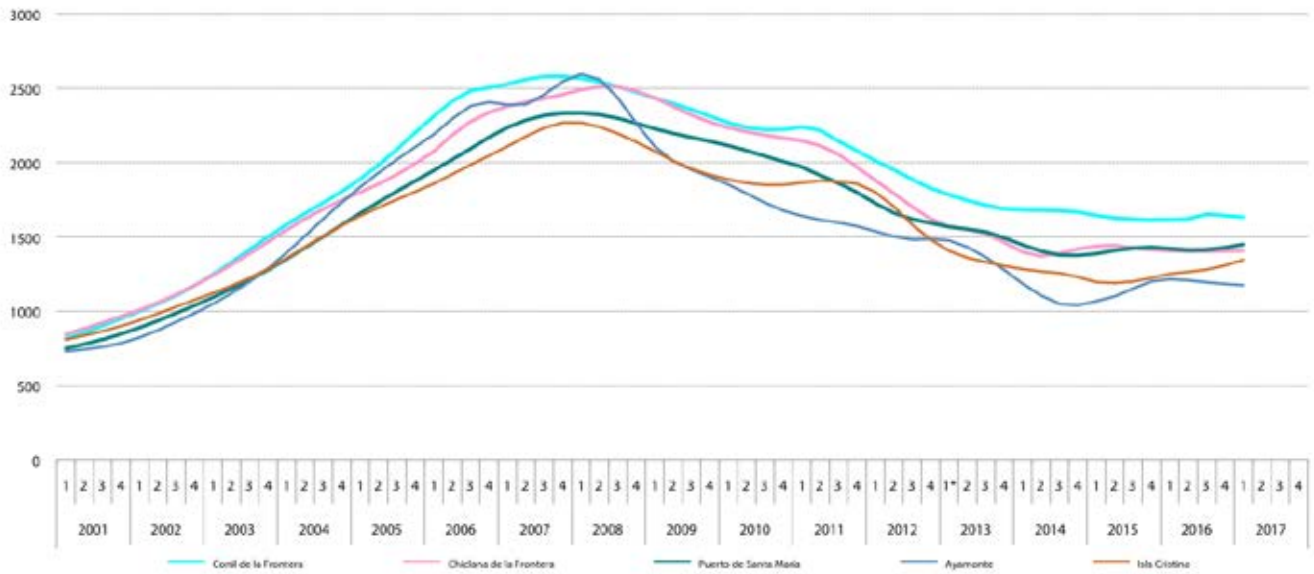
Source: Tinsa

SALES OF DWELLING COSTA DE LA LUZ	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Huelva (province)</b>	<b>4,218</b>	<b>4,489</b>	<b>6.4%</b>	<b>378</b>	<b>402</b>	<b>6.3%</b>	<b>3,840</b>	<b>4,087</b>	<b>6.4%</b>
Almonte	284	355	25.0%	12	6	-50.0%	272	349	28.3%
Ayamonte	468	399	-14.7%	73	40	-45.2%	395	359	-9.1%
Cartaya	234	242	3.4%	27	72	166.7%	207	170	-17.9%
Huelva, Capital	1,157	1,172	1.3%	76	18	-76.3%	1,081	1,154	6.8%
Isla Cristina	263	299	13.7%	31	17	-45.2%	232	282	21.6%
Lepe	266	287	7.9%	18	23	27.8%	248	264	6.5%
Punta Umbria	328	301	-8.2%	62	30	-51.6%	266	271	1.9%

Source: Spanish Ministry of Development

BUILDING PERMITS COSTA DE LA LUZ	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Huelva (province)</b>	<b>341</b>	<b>282</b>	<b>-17%</b>	<b>183</b>	<b>159</b>	<b>-13%</b>	<b>157</b>	<b>123</b>	<b>-22%</b>
Almonte	99	19	-81%	9	19	111%	90	0	-100%
Ayamonte	4	8	100%	4	8	100%	0	0	-
Cartaya	10	14	40%	10	14	40%	0	0	-
Huelva, Capital	16	67	319%	16	5	-69%	0	62	-
Isla Cristina	6	2	-67%	3	2	-33%	3	0	-100%
Lepe	6	8	33%	6	8	33%	0	0	-
Punta Umbria	10	4	-60%	6	4	-33%	4	0	-100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of [Artur Carlos Aznarez Varela](#), [Pamela Perez Brooks](#), [Jose Miguel Daza Reyes](#), [Guillermo Flethes Rengifo](#), [M<sup>a</sup> Eugenia Morenatti Tocon](#), [Eduardo Martinez Hernandez](#) y [Jose Angel Diaz Reyes](#).

| Atlantic Ocean

Canary Islands



## Gran Canaria

### SAN BARTOLOME DE TIRAJANA

#### General market situation

Market clearly recovering.

In San Bartolome de Tirajana as well as Mogan there has been a noticeable rise in the number of European tourists, particularly Scandinavians, Germans and Italians, avoiding conflict situations in competitive tourist destinations.

#### Prices

Prices have gone up and registered better performance than last year. The forecast is for prices to continue to increase.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 5,500 per m<sup>2</sup>. In Playa del Ingles. Properties with average to high quality finishes, 1 bedroom and 30-35 years old.
- Detached property: € 7,000 per m<sup>2</sup>. In Playa de Maspalomas. 1-bedroom properties and 30-35 years old.

#### Supply

There's very little new-build supply in the area. The market is mainly resale and rentals are most significant than purchases. Rentals have gone up over the last year.

#### Activity

A revival of holiday home construction has not been particularly noticeable over the last year.

#### Land market

No activity. The market is focused on refurbishing and improving existing properties.

#### Demand

The level of sales has been good and stable over the last few years. There has not been a noticeable rise in the last year and the market centres on resale properties since there are no new builds. Foreign buyers, mainly Scandinavians, Italians, Germans and French, are slightly more predominant than the Spanish.

### LAS PALMAS DE GRAN CANARIA

#### General market situation

Market in clear recovery.

The city of Las Palmas de Gran Canaria is leading city tourism in the province and probably in the Canary Islands.

## Prices

Prices have been revived in the area and show an improvement on last year with the forecast for this trend to continue.

### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 5,500 per m<sup>2</sup>. In Paseo de Las Canteras. Apartments with 1 or 2 bedrooms and terrace, mostly over 30 years old, refurbished and average quality finishes.
- Detached property: This type is not available in the city.

## Supply

There's hardly any new-build supply in the area. This is mainly a resale market. Rentals, although rates are rising, is less significant than the purchase market, which centres on small resale and refurbished properties, located in the lower part of the city.

## Activity

Development activity is focused on refurbishing detached properties and on small apartment developments with few units. In the Vegueta and Alcaravanas areas as well as the lower part of the city, it's common to find owner-built developments that take older properties and convert them into small units with 1 bedroom and 1 bathroom.

## Land market

There's very little availability of land for holiday homes in the area (lower part of the city). Some isolated sales have taken place, although this has not led to price increases in the area.

Despite the fact that since 2012 there have been no changes in regulations in Las Palmas de Gran Canaria, several sentences from the Canary Island Supreme Court of Justice have led to a certain relaxation and allowed holiday home rentals in tourist areas.

## Demand

Sales of holiday homes in the area have gone up over the last year compared to the previous one. International buyers are more common than Spanish, mostly Scandinavians and Germans with roots on the island, plus more recently, Italians.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Gran Canaria (island)</b>	<b>1,156</b>	<b>1,217</b>	<b>5.3%</b>	<b>-37.2%</b>
Arucas	1,026	990	-3.5%	-38.2%
Las Palmas de Gran Canaria	1,273	1,373	7.9%	-33.4%
San Bartolome de Tirajana	1,610	1,754	8.9%	-36.7%
Telde	1,044	979	-6.2%	-45.9%

Source: Tinsa

SALES OF DWELLING CANARY ISLANDS	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Gran Canaria (island)</b>	<b>10,745</b>	<b>11,928</b>	<b>11.0%</b>	<b>1,097</b>	<b>801</b>	<b>-27.0%</b>	<b>9,648</b>	<b>11,127</b>	<b>15.3%</b>
Arucas	203	180	-11.3%	38	13	-65.8%	165	167	1.2%
Las Palmas de Gran Canaria	2,125	2,604	22.5%	141	156	10.6%	1,984	2,448	23.4%
Mogan	865	1,118	29.2%	92	42	-54.3%	773	1,076	39.2%
San Bartolome de Tirajana	1,288	1,430	11.0%	17	15	-11.8%	1,271	1,415	11.3%
Telde	490	519	5.9%	91	52	-42.9%	399	467	17.0%

Source: Spanish Ministry of Development

BUILDING PERMITS CANARY ISLANDS	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	PLURI 2015	PLURI 2016	% Change
<b>Las Palmas (province)</b>	<b>425</b>	<b>999</b>	<b>135%</b>	<b>174</b>	<b>227</b>	<b>30%</b>	<b>250</b>	<b>772</b>	<b>209%</b>
Arucas	1	14	1,300%	1	3	200%	0	11	-
Las Palmas de Gran Canaria	208	287	38%	10	24	140%	197	263	34%
Mogan	18	289	1,506%	2	1	-50%	16	288	1,700%
San Bartolome de Tiajana	14	18	29%	6	16	167%	8	2	-75%
Telde	30	66	120%	24	32	33%	6	34	467%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Coastal Property 2017

### Tenerife

#### General market situation

Market in clear recovery.

#### Prices

Price increases have been seen, following last year's trend. The forecast is a continuation of this. The market is in a period of adjustment between supply and demand, so this year's prices are being tested by the market, somewhat timid when it comes to decisions.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 2,650 per m<sup>2</sup>. In the south of the island between the areas of San Miguel and Santiago del Teide. Properties between 70 and 90 m<sup>2</sup>, 1 or 2 bedrooms and 2 bathrooms, and approximately 10-15 years old.*
- *Detached property: € 3,200 per m<sup>2</sup>. In Arona and Adeje. Detached homes with between 220 and 350 m<sup>2</sup> on plots between 500 m<sup>2</sup> and 1,200 m<sup>2</sup>.*

#### Supply

The supply of new-build holiday homes in the area is low and saleable in the short term, particularly in Adeje and Arona.

The market mainly consists of resale properties and rentals carry considerable weight. They are mainly 1 or 2 bedroom properties within tourist complexes with communal kitchens and pools. Rentals have gone up compared to last year.

#### Activity

New holiday home projects have been started, particularly in Costa Adeje, developed by local developers in association with funds or other investors. The supply of new homes is centred on Costa Adeje, La Caleta and the Abama area, where high-end properties with high quality communal areas and terraces with sea views are available.

#### Land market

Occasional sales take place. In Arona there's an area that has yet to receive planning permission, which would significantly increase the amount of touristic land available in the area, once outstanding management problems have been resolved.

The centre of Costa Adeje linked to Playa Paraiso and Callao Salvaje via a seafront promenade has boosted the appeal of available land in the area, which explains the increase in sales and also in land prices in this part of the island.

Regulations to modernise and improve (known as Plan de Mejora y Modernización/PMM in Spanish) the tourist resorts in coastal towns are currently at the approval stage.

#### Demand

The number of sales of holiday homes, both new build and resale, has improved compared to last year. There are more foreign buyers on the island than Spanish, with a predominance of Belgians, Russians and Scandinavians.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% Change	% Change
	1Q 2016	1Q 2017	1Q 2016 - 1Q 2017	since peak
<b>Tenerife (island)</b>	<b>1,147</b>	<b>1,209</b>	<b>5.4%</b>	<b>-31.2%</b>
Adeje	1,567	1,549	-1.1%	-27.0%
Arona	1,258	1,275	1.4%	-31.8%
Candelaria	1,221	1,221	0.0%	-34.2%
Puerto de La Cruz	1,377	1,493	8.4%	-31.5%
San Cristobal de La Laguna	1,079	1,102	2.1%	-33.5%
Santa Cruz de Tenerife	1,130	1,173	3.8%	-32.5%
Tacoronte	1,182	1,203	1.8%	-31.1%

Source: Tinsa

SALES OF DWELLING CANARY ISLANDS	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Tenerife (island)</b>	<b>9,101</b>	<b>10,324</b>	<b>13.4%</b>	<b>853</b>	<b>743</b>	<b>-12.9%</b>	<b>8,248</b>	<b>9,581</b>	<b>16.2%</b>
Adeje	1,605	1,703	6.1%	99	106	7.1%	1,506	1,597	6.0%
Arona	1,818	2,130	17.2%	131	81	-38.2%	1,687	2,049	21.5%
Candelaria	148	178	20.3%	7	14	100.0%	141	164	16.3%
Puerto de La Cruz	494	638	29.1%	19	26	36.8%	475	612	28.8%
San Cristobal de La Laguna	613	818	33.4%	47	104	121.3%	566	714	26.1%
Santa Cruz de Tenerife	924	1,159	25.4%	108	97	-10.2%	816	1,062	30.1%
Tacoronte	90	124	37.8%	8	7	-12.5%	82	117	42.7%

Source: Spanish Ministry of Development

## BUILDING PERMITS CANARY ISLANDS

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Santa Cruz de Tenerife (province)</b>	<b>485</b>	<b>581</b>	<b>20%</b>	<b>130</b>	<b>266</b>	<b>105%</b>	<b>354</b>	<b>315</b>	<b>-11%</b>
Adeje	30	136	353%	29	61	110%	0	75	-
Arona	180	27	-85%	2	6	200%	178	21	-88%
Candelaria	9	13	44%	9	13	44%	0	0	-
Puerto de La Cruz	1	44	4,300%	1	3	200%	0	41	-
San Cristobal de La Laguna	121	23	-81%	6	11	83%	115	12	-90%
Santa Cruz de Tenerife	33	0	-100%	8	0	-100%	25	0	-100%
Tacoronte	18	50	178%	7	50	614%	11	0	-100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Fuerteventura

### General market situation

Market in clear recovery. The holiday home market situation has clearly improved since last year, although there are significant variations between areas. In general, the supply of properties has gradually gone down and there have been no new developments to date.

### Prices

Prices have clearly gone up over the last year. The forecast is for this to continue since supply is going down and there's hardly any new-build development.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,250-3,750 per m<sup>2</sup>. Properties in Corralejo and El Cotillo, mostly with 2 bedrooms and 1 bathroom, average quality finishes and 10 to 15 years old.
- Detached property: € 3,500-4,000 per m<sup>2</sup>. Properties in Corralejo and El Cotillo, mostly with 2 bedrooms and 1 bathroom, average quality finishes and 15 to 30 years old.

### Supply

The supply of new builds in the area is very low. Most of what is available is over seven years old. In the centre, Caleta de Fuste is the area with the biggest supply of properties completed at the beginning of the crisis. However, because of their small size and lack of holiday appeal, they have yet to be sold, although the situation has been gradually improving over at least the last 18 months.

The market is mainly resale and focused on apartments with 2 bedrooms and 1 bathroom, between 60 and 75 m<sup>2</sup> and average quality finishes.

Rentals are almost as important as purchases. The most common rentals are 2-bedroom, 1-bathroom apartments with between 60 and 75 m<sup>2</sup> and average quality finishes. Also, detached properties with 3 bedrooms, pool, between 100 and 125 m<sup>2</sup> and average quality finishes.

### Activity

No new holiday home projects are underway nor is there any development activity. In the north (Corralejo and surroundings) there are developments that are almost completed, but no sign of new developments starting or of work restarting on the few on hold because of the crisis. In the centre (Caleta de Fuste) there are also developments on hold.

### Land market

Viability studies and price negotiations take place, but they do not lead to sales.

In the south (Morro Jable), the annulment of the planning regulations from 2,000 has stopped development planning in line with these regulations, which has led to a decrease in land available for new projects.

### Demand

Sales of holiday homes are going up. The market is divided equally between Spanish (from the Canary Islands) and foreign buyers. Among the latter, those from Italy, Germany and the UK stand out.

## PRICES

CANARY ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Fuerteventura (island)</b>	<b>1,069</b>	<b>1,151</b>	<b>7.7%</b>	<b>-46.8%</b>
Antigua	1,002	1,264	26.1%	-46.9%
Pajara	1,245	1,362	9.4%	-41.9%
Puerto del Rosario	893	904	1.2%	-52.6%
Tuineje	1,074	1,177	9.6%	-38.3%

Source: Tinsa

## Coastal Property 2017

### SALES OF DWELLING CANARY ISLANDS

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Fuerteventura (island)</b>									
Antigua	457	827	81.0%	42	74	76.2%	415	753	81.4%
Pajara	285	428	50.2%	45	29	-35.6%	240	399	66.3%
Puerto del Rosario	412	403	-2.2%	70	28	-60.0%	342	375	9.6%
Tuineje	87	99	13.8%	29	10	-65.5%	58	89	53.4%

Source: Spanish Ministry of Development

### BUILDING PERMITS CANARY ISLANDS

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Fuerteventura (island)</b>									
Antigua	1	11	1,000%	1	5	400%	0	6	-
Pajara	6	58	867%	0	1		6	57	850%
Puerto del Rosario	7	18	157%	7	14	100%	0	4	-
Tuineje	3	4	33%	3	4	33%	0	0	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Lanzarote

### General market situation

Clearly recovering.

The holiday home market situation has undergone significant improvement with the advent of holiday lets as a business. The forecast is for the upward trend to continue due to significant increase in demand and limited supply – no new development has taken place for the last ten years in the tourist areas where holiday homes are concentrated.

### Prices

Prices in this area are clearly recovering.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,500 per m<sup>2</sup>. In Puerto del Carmen. Apartments with 1 or 2 bedrooms, between 40 and 70 m<sup>2</sup> and over 20 years old.
- Detached property: € 3,000 per m<sup>2</sup>. In Playa Blanca. Villas with 2 or 3 bedrooms, average quality finishes and between 10 and 15 years old.

### Supply

There's hardly any supply of new builds in the area. In the face of significant increase in demand, supply is limited because there has been no new development over the last ten years in tourist areas with holiday homes. The type of new builds that sells best are 2-3 bedrooms villas with average to high quality finishes as well as resale apartments.

Supply is divided equally between purchase and rental. There has been a clear increase in the number of holiday lets compared to last year. In the rental market, the supply centres around 1 or 2 bedroom apartments, since this is the cheapest option. In the Playa Blanca area, villas with their own plot and pool are more sought-after.

### Activity

The short-term forecast is for more refurbishment than new builds. There are currently two small developments underway, each with ten units for principal or second home use because this isn't a market for holiday home development only. They are located in Puerto del Carmen. In Playa Blanca, some unfinished residential complexes are being completed and they could become second homes, although they were originally planned to be used as principal homes.

New builds are focused on both detached and townhouse properties, with an average of 90-100 m<sup>2</sup>, a private pool and average to high quality finishes. Construction projects are being carried out by local developers in conjunction with foreign funds or other investors.

### Land market

Isolated transactions have taken place. Although the market is more active than in previous years, with viability studies mostly for land for tourist and residential use in tourist resorts, sales remain inconsequential.

No significant changes have affected the holiday home market, except in Puerto del Carmen, where the initial approval of local planning regulations (Plan General de Ordenación Urbana de Tias in Spanish) has been suspended, which allows the development of land previously affected by the change in planning.

### Demand

Sales of holiday homes have gone up over the last year, principally of resale properties since there are no new builds. Buyers are both people who want a second home and small investors who see the opportunity to obtain returns from holiday lets.

Foreign buyers are just as common as Spanish. They're mostly from the UK and Ireland, followed by Germany, Italy and France. Among Spanish buyers, those from the north stand out: the Basque Country, Catalonia and Galicia, among other regions.



PRICES CANARY ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Lanzarote (island)</b>	<b>1,361</b>	<b>1,362</b>	<b>0.1%</b>	<b>-44.4%</b>
Arrecife	970	908	-6.4%	-54.4%
Teguise	1,625	1,668	2.6%	-27.9%
Tias	1,897	2,033	7.2%	-30.7%

Source: Tinsa

SALES OF DWELLING CANARY ISLANDS	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Lanzarote (island)</b>									
Arrecife	489	523	7.0%	40	40	0.0%	449	483	7.6%
Teguise	566	345	-39.0%	13	9	-30.8%	553	336	-39.2%
Tias	599	559	-6.7%	9	20	122.2%	590	539	-8.6%

Source: Spanish Ministry of Development

BUILDING PERMITS CANARY ISLANDS	TOTAL			UNIFAMILIAR			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	UNIF 2015	UNIF 2016	% Change	PLURI 2015	PLURI 2016	% Change
<b>Lanzarote (island)</b>									
Arrecife	9	3	-67%	3	3	0%	6	0	-100%
Teguise	6	17	183%	6	12	100%	0	5	-
Tias	6	18	200%	6	16	167%	0	2	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## La Gomera

### General market situation

Signs of recovery. The situation is stabilising. The most representative area of the island is Valle Gran Rey, a town whose economy relies predominantly on tourism and where there's a larger number of properties on the market.

### Prices

Signs of recovery can be seen. In Valle Gran Rey, average prices range between € 1,300 and €1,600 per m<sup>2</sup>, while on the rest of the island they lie below € 1,200 per m<sup>2</sup> on average.

The forecast is for prices to remain stable, depending on how the economy fares.

#### Average price for a frontline beach holiday home in the most expensive area

- Apartment: € 1,450 per m<sup>2</sup>. In Valle Gran Rey. Holiday apartments in apartment blocks with average quality finishes, gardens and communal pool. Between 15 and 25 years old.
- There are no detached properties on the market.

### Supply

There's an average supply of new builds in the area, saleable in the long term. A revival of demand for new-build properties has been seen, which has contributed to the stabilisation of prices. Supply is concentrated mainly in Valle Gran Rey.

The holiday home market is mostly resale; rentals are more relevant than purchases.

### Activity

There's no holiday home construction activity, with the exception of the occasional privately-built property

### Land market

Viability studies and price negotiation, although these do not become sales. .

### Demand

An increase in holiday home sales in the area is noticeable. The market is more or less divided between Spanish and foreign buyers, mostly from the Canary Islands and Germany.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2015	% Change 1Q 2016 - 1Q 2015	% Change since peak
<b>Gomera y Hierro (Island)</b>	<b>1,132</b>	<b>1,152</b>	<b>1.8%</b>	<b>-30.6%</b>

Source: Tinsa

### La Palma

#### General market situation

The market to buy holiday homes is very limited and centred around tourist apartments. Rentals are the most common option on this island.

#### Prices

Prices are currently stagnant.

#### Supply

There's no new-build supply in the area. As previously noted, the rental market is more significant than the purchase, particularly of 1-bedroom tourist apartments.

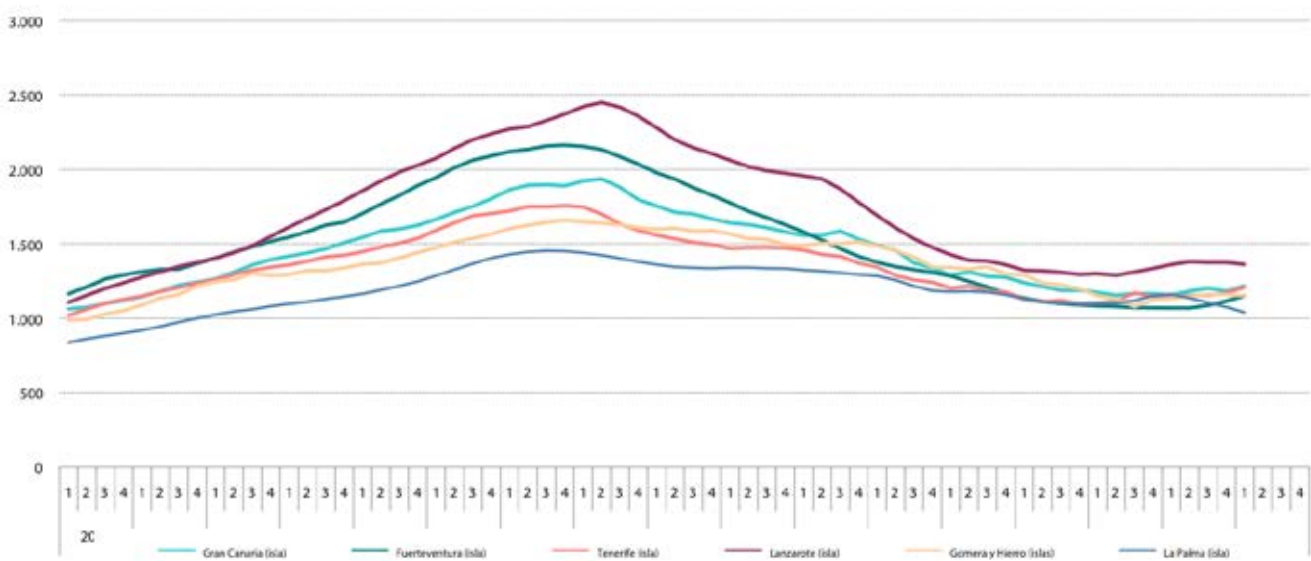
#### Activity

No sales, resale properties or new build, have taken place. Furthermore, there are no signs of new holiday home projects taking place and therefore, no development activity has been noticed.

#### Land market

The land market continues inactive, except for isolated sales of plots for detached properties. There has been no noticeable increase in land prices either.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2015	% Change 1Q 2016 - 1Q 2015	% Change since peak
La Palma (Island)	1,160	1,039	-10.4%	-28.5%



(\* Information prepared with technical cooperation of Carlos Alberto Castellano Diaz, Isabel Lores Suarez, Anibal Martin-Aragon Moron, Rafael Perera Lozano y Luis del Rio Sanchez.

## | Atlantic Ocean

### Galician Coast



## Pontevedra (Rias Baixas)

### FROM A GUARDA TO NIGRAN

#### General market situation

Stabilisation with some signs of recovery in the most attractive and sought-after area as is the coast at Baiona and Nigran. A Guarda will take longer to recover despite having prices that are already considerably below their peak.

#### Prices

Prices have revived and show better progress than last year, with the main improvements in the area of Baiona and Nigran. The forecast is for them to remain relatively stable since they're at the consolidation stage where demand is currently neither uniform nor generalised.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,750 per m<sup>2</sup>. In Baiona. 2 bedroom, 2 bathroom apartments; between 65 and 70 m<sup>2</sup>, a parking space and store room, average to high quality finishes and up to 10 years old.
- Detached property: € 2,350 per m<sup>2</sup>. In Nigran and Playa America. Properties with between 300 and 350 m<sup>2</sup>; 4 bedrooms and 4 bathrooms, on private plot of 750 m<sup>2</sup> to 1,250 m<sup>2</sup>, average to high quality finishes and up to 10 years old.

#### Supply

There's a low supply of new-build holiday homes, saleable in the short term. It's mainly located in Baiona in unfinished developments. Supply of finished new builds in the hands of banks has gradually gone down and what is left has lower than average quality finishes.

The best-selling property types are apartments with 2 bedrooms and 1 bathroom and toilet, a parking space and around 60 m<sup>2</sup>. Flats with 3 bedrooms and 2 bathrooms and parking space, and some 85 m<sup>2</sup> also sell. In the case of detached properties, their size is between 200 and 300 m<sup>2</sup>, usually privately-built on their own plot with between 500 and 1,000 m<sup>2</sup>. Finishes are generally average to high quality since these are holiday areas with medium to high purchasing power, especially in the Nigran and Baiona area.

The market is mostly resale and with a relevant proportion of holiday lets, which have seen price increases in the last year. Baiona and Nigran continue to be attractive holiday let locations in summer and have some of the highest prices in the province. The most sought-after rental properties are similar to those on the purchase market (what sells best, rents best). They usually have frontline beach positions, particularly holiday locations with medium to high purchasing power, particularly in Nigran (Playa America area) and Baiona (Playa Ladeira/Santa Marta area).

#### Activity

Some holiday home developments on hold since the crisis have been restarted, mainly in Baiona. They are generally small projects with less than 10 properties. The low development activity is due to financial institutions who are solely focused on the initial stage of land selection. The finished product that sells is generally resale and no new-build construction has entered the market yet. Activity is very low in A Guarda activity and slightly more dynamic in Baiona and Nigran because of their proximity to Vigo.

## Coastal Property 2017

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### Land market

The land market is under analysis by different agents with the view to taking position in future development projects. Advantage is being taken of the current low prices to carry out future developments at competitive prices to guarantee a sufficient rate of sales. For the time being, only a few isolated sales have taken place.

In March 2016, the regional land law (Ley del Suelo de Galicia 2/2016 in Spanish) came into force. Among its main aspects, it simplifies administrative procedures for town planning, management and control. This should have a positive effect on the property market when it recovers as applying the law will be quicker due to the implementation of a single regulation, the 143/2016, approved in September last year.

### Demand

There's more sales activity and the timescale for sales in completed new-build developments have improved slightly compared to last year. Demand tends to favour 2-bedroom apartments with around 65 m<sup>2</sup>, a parking space and storeroom.

Spanish buyers are the most predominant in the area, mostly from Ourense, Madrid and Leon. Foreign buyers account for no more than 15% of all sales.

## RIA DE VIGO AND RIA DE PONTEVEDRA

### General market situation

The holiday home market has remained constant and in certain places, show signs of slight improvement, reflected more in occupancy than price increases.

### Prices

Signs of improvement in prices can be seen, above all in Sanxenxo and Costa de Vigo Canido, since they're more exclusive areas with high purchasing power for second homes. The forecast trend is for holiday homes to stay stable, since financing remains scarce and bank-owned properties are still on the market at bargain prices and better mortgage conditions.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: Between € 2,000 and € 4,000 per m<sup>2</sup>. In Sanxenxo and Samil-Canido. Elsewhere, average prices are below € 2,000 per m<sup>2</sup>. Frontline beach apartments with 2 bedroom and parking.*
- *Detached property: Between € 2,000 and € 4,000 per m<sup>2</sup>. In Samil-Canido, Nigran and Sanxenxo. Particularly in the first two as second home locations but also as exclusive principal residence areas. The average price elsewhere is below € 2,000 per m<sup>2</sup>.*

### Supply

The level of supply of new-build holiday homes can be described as average and saleable in the long term. The property type that sells best on the market are small apartments with parking and good quality finishes in frontline beach locations at Samil-Canido and Sanxenxo. In these areas, the purchase market is more significant than the rental, unlike the rest of this stretch of the coast. The most common rental properties are 1 or 2 bedroom apartments with a garage, average to high quality finishes and in frontline beach locations.

The beaches in Vigo stand out with more exclusive homes, strong demand and steady prices.

### Activity

No noticeable development activity leading to the start of new holiday home projects.

### Land market

No activity. The market is focused on viability study and price negotiations, but no sales.

The annulment of the Vigo town planning regulations (Plan General de Ordenación Urbana in Spanish) is impeding the development of new homes. The Galician land law (Ley 2/2016 Suelo de Galicia in Spanish) sets out a timescale for the development of land pending development.

### Demand

There's no noticeable revival in holiday home sales in the area. Buyers are overwhelmingly Spanish from the inland parts of Galicia and to a lesser extent, from the Basque Country, Cantabria or Asturias.

## BETWEEN O GROVE AND VILAGARCIA DE AROUSA

### General market situation

Signs of recovery.

The situation is similar to last year's. Sales are predominantly of homes sold by banks at very competitive prices. No new development has taken place over the last few years and the forecast is for this to continue, although in an area like Sanxenxo, which is together with Vilagarcia, the place with the highest number of sales, there has been more of a revival.

### Prices

Slight improvement in prices compared to last year.

#### Average price for a frontline beach holiday home in the most expensive area:

- *Apartment: € 5,000 per m<sup>2</sup>. In Playa del Inglés. Properties with average to high quality finishes, 1 bedroom and 30-35 years old. 2 or 3 bedroom property with between 80 and 100 m<sup>2</sup>, situated in the Paseo de Silgar, at least 10 years old and with average to high quality finishes.*
- *Detached property: € 2,500-3,000 per m<sup>2</sup>. Close to Sanxenxo centre. 250-300 m<sup>2</sup> on a 500 m<sup>2</sup> plot, 5 bedrooms, 3 bathrooms, good quality finishes and between 15 and 25 years old.*

## Supply

The market is predominantly resale, divided equally between rentals and purchase.

The supply of new builds in the area is low. There's no new development with the exception of those developments that as a result of the crisis were left unfinished and have recently been completed. The forecast is for supply to be absorbed in the long term, except in the Sanxenxo and Vilagarcía areas. In the former, because of the higher demand for holiday homes and in the latter, because part of the supply will be sold as principal residences and there are hardly any available homes in central locations.

## Activity

Development activity is practically non-existent, limiting new-build construction and owner-built development. Apart from this, the only thing worth highlighting is the completion of a development in the Paseo de Silgar in Sanxenxo of 2-bedroom properties.

## Land market

No activity. Despite this situation, land has shown no signs of big price drops over the last few years.

## Demand

The number of sales of holiday homes in the area has gone up very slightly this year compared to last. Mainly in Sanxenxo and Vilagarcía, as well as on the Isla de La Toja.

Buyers in the area are mostly from Madrid, Catalonia and the Basque Country.

PRICES GALICIAN COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Pontevedra (province)</b>	<b>1,061</b>	<b>1,100</b>	<b>3.7%</b>	<b>-33.8%</b>
Pontevedra, Capital	1,137	1,196	5.2%	-29.8%
Sanxenxo	1,245	1,346	8.1%	-33.0%
Vigo	1,274	1,327	4.2%	-36.2%

Source: Tinsa

SALES OF DWELLING GALICIAN COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Pontevedra (province)</b>	<b>4,421</b>	<b>4,916</b>	<b>11.2%</b>	<b>700</b>	<b>635</b>	<b>-9.3%</b>	<b>3,721</b>	<b>4,281</b>	<b>15.0%</b>
Baiona	124	95	-23.4%	19	12	-36.8%	105	83	-21.0%
Moaña	75	96	28.0%	19	18	-5.3%	56	78	39.3%
Nigran	99	120	21.2%	10	15	50.0%	89	105	18.0%
Pontevedra, Capital	444	567	27.7%	76	140	84.2%	368	427	16.0%
Sanxenxo	229	219	-4.4%	35	29	-17.1%	194	190	-2.1%
Vigo	1,480	1,731	17.0%	153	146	-4.6%	1,327	1,585	19.4%
Vilagarcía de Arousa	212	221	4.2%	42	39	-7.1%	170	182	7.1%

Source: Spanish Ministry of Development

BUILDING PERMITS GALICIAN COAST	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Pontevedra (province)</b>	<b>387</b>	<b>398</b>	<b>3%</b>	<b>262</b>	<b>257</b>	<b>-2%</b>	<b>125</b>	<b>141</b>	<b>13%</b>
Baiona	4	5	25%	4	5	25%	0	0	-
Moaña	9	7	-22%	9	7	-22%	0	0	-
Nigran	2	7	250%	2	7	250%	0	0	-
Pontevedra, Capital	11	23	109%	11	11	0%	0	12	-
Sanxenxo	21	25	19%	15	12	-20%	6	13	117%
Vigo	139	124	-11%	35	28	-20%	104	96	-8%
Vilagarcía de Arousa	9	21	133%	9	16	78%	0	5	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Coastal Property 2017

### A Coruña

#### TOWNS ON THE A CORUÑA COAST

##### General market situation

Still at the adjustment stage. In specific areas around A Coruña signs of improvement can be seen.

##### Prices

Prices for holiday homes in the area have experienced slight drops, with the exception of Sada and Oleiros, where there has been some upward movement. Market sentiment is that, to some extent, things have bottomed out and recovery will start once the bank bargains have been sold. An improvement in prices is therefore forecast for next year.

##### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,800 per m<sup>2</sup>. In Sada and Oleiros. Homes with between 80 and 105 m<sup>2</sup>, average quality finishes and 2 or 3 bedrooms.
- Detached property: € 1,200-1,400 per m<sup>2</sup>. In Sada y Oleiros. Homes with around 300 m<sup>2</sup>, average quality finishes. 4 bedrooms and 3 bathrooms, with own garage.

##### Supply

The supply of new-build holiday homes in the area continues to be very high and saleable in the long term. The best-selling properties are apartments with between 200 and 300 m<sup>2</sup> situated in A Coruña and surrounding areas.

The rental market is less significant than the purchase, also focused on apartments with between 200 and 300 m<sup>2</sup>.

##### Activity

No new holiday home projects have been started. The only building activity is found in A Coruña where some of the new apartment blocks could become rentals or sold as holiday homes.

##### Land market

No activity. The only land purchases are for the development of detached properties.

##### Demand

No noticeable revival in holiday home sales. Buyers tend to be from the local area.

PRICES GALICIAN COAST	Price €/m <sup>2</sup> 1Q 2016	Price €/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>A Coruña (province)</b>	<b>1,122</b>	<b>1,098</b>	<b>-2.1%</b>	<b>-32.4%</b>
Sada	1,132	1,212	7.1%	-26.3%

Source: Tinsa

SALES OF DWELLING GALICIAN COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>A Coruña (province)</b>	<b>6,381</b>	<b>6,685</b>	<b>4.8%</b>	<b>1,251</b>	<b>858</b>	<b>-31.4%</b>	<b>5,130</b>	<b>5,827</b>	<b>13.6%</b>
Arteixo	141	187	32.6%	30	46	53.3%	111	141	27.0%
Boiro	135	89	-34.1%	53	20	-62.3%	82	69	-15.9%
Coruña (A), Capital	1,779	2,016	13.3%	317	230	-27.4%	1,462	1,786	22.2%
Sada	179	170	-5.0%	45	23	-48.9%	134	147	9.7%

Source: Spanish Ministry of Development

BUILDING PERMITS GALICIAN COAST	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>A Coruña (province)</b>	<b>733</b>	<b>1,138</b>	<b>55%</b>	<b>419</b>	<b>513</b>	<b>22%</b>	<b>314</b>	<b>625</b>	<b>99%</b>
Arteixo	9	6	-33%	9	6	-33%	0	0	-
Boiro	6	8	33%	6	8	33%	0	0	-
Coruña (A), Capital	200	264	32%	6	14	133%	194	250	29%
Sada	18	49	172%	18	22	22%	0	27	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

# Lugo

## TOWNS ON THE LUGO COAST

### General market situation

Close to bottoming out.

Over the last few months, a slight improvement in sales has been seen, driven the clearance of properties owned Sareb (Spanish property bank), which explains why the increase in activity has not led to significant price rises. In the eastern area, between Foz and Ribadeo, the accumulated supply of new builds is running out without any new development taking place.

### Prices

Prices are stable. Over the next few months, there's no expectation of a general increase in sales or a sufficient rise in demand to lead to noticeable increases in current prices.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,400 per m<sup>2</sup>. On the urban beaches at Foz, Viveiro and Barreiros. Apartments with between 60 and 70 m<sup>2</sup>, 2 bedrooms and 1 or 2 bathrooms and average to high quality finishes compared to the rest of the market.
- Detached property: € 1,500 per m<sup>2</sup>. Detached, townhouse or terraced properties with 250-300 m<sup>2</sup>, 3 or 4 bedrooms and same number of bathrooms. Good quality finishes.

### Supply

The supply of new-build holiday homes is average, is gradually being sold and will probably be absorbed in the short term.

The most sought-after and saleable properties are small-sized apartments, between 60 and 7m<sup>2</sup>, 2 bedrooms and average quality finishes, near the beach and as far as possible, in areas close to the town centre.

Rentals, less relevant than purchases, are focused on flats for the summer months, either for the whole season or for weekly or fortnightly rentals. They are older properties and of poorer construction quality than those for sale. It is partly a traditional market where owners and tenants are the same year after year.

### Activity

Practically non-existent. There's no new-build development activity and only a development with 40 to 50 homes in Foz has been restarted.

### Land market

No activity. Just viability studies and price negotiation with no sales.

The most important town in the area, Viveiro, has its planning on hold because of provisional regulations imposed by the regional government (Xunta de Galicia). These are hugely restrictive and make practically it impossible to obtain a building licence. Those towns with regulations in force have no demand for building licences either, except for homes for own use rather than holidays. The councils in Burela, Ribadeo and Xove have approved their town planning regulations, although the number of licence applications has barely changed.

### Demand

The sales of holiday homes have gone up this year, although not significantly. Demand has increased on the back of the improvement in transport communications after the Cantabrian dual-carriageway opened.

Buyers are typically from towns in inland Galicia, central Spain and the Cantabrian coast.

### SALES OF DWELLING GALICIAN COAST

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
Lugo (province)	2,417	2,407	-0.4%	699	626	-10.4%	1,718	1,781	3.7%

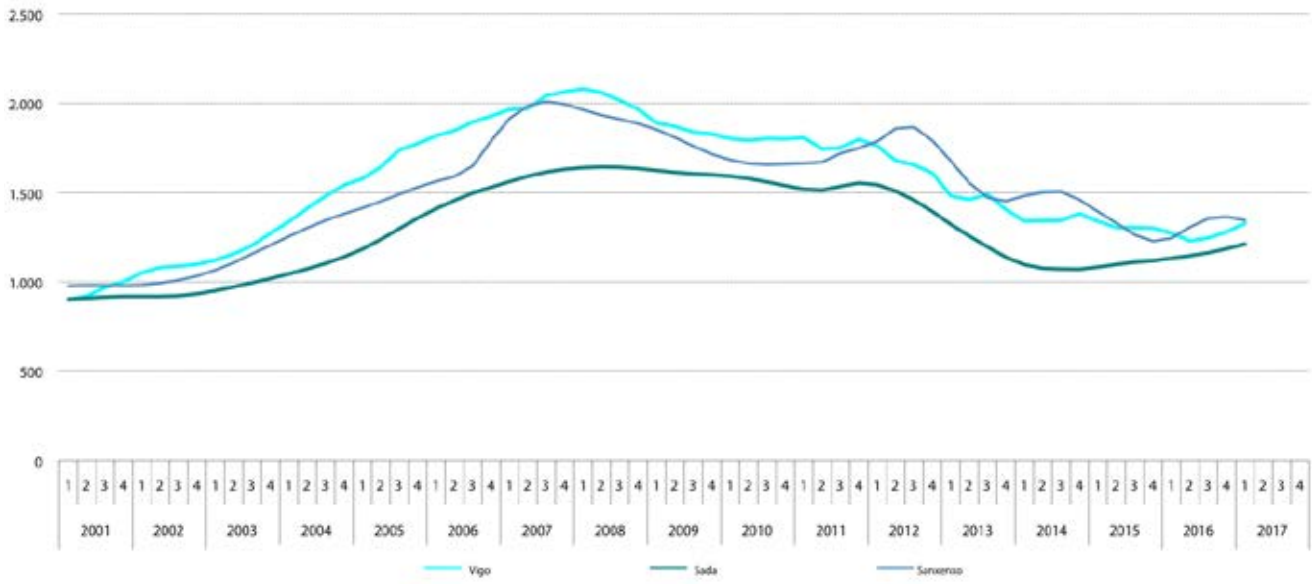
Source: Spanish Ministry of Development

### BUILDING PERMITS GALICIAN COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	PLURI 2015	PLURI 2016	% Change
Lugo (province)	266	199	-25%	95	100	5%	171	98	-43%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Coastal Property 2017



(\*) Information prepared with technical cooperation of [Carlos Rodriguez Fuentefria](#), [Paula Vazquez Prieto](#), [Alfredo Rojas Temprado](#), [Carlos Santamaria Sande](#) y [Jose Diaz Lopez](#).



## | Cantabrian Sea

### Asturias Coast (Cabo Verde)



#### BETWEEN CASTROPOL AND CUDILLERO

##### General market situation

Signs of improvement in the area, bearing in mind that there are not many areas where second homes predominate.

##### Prices

Stagnation in holiday home prices, mostly owner-built homes.

##### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,600-1,700 per m<sup>2</sup>. In Tapia. Homes with 2 bedrooms and 10 years old.
- Detached property: € 1,400 -1,500 per m<sup>2</sup>. In Tapia. Homes with around 240 m<sup>2</sup>, 3 or 4 bedrooms and 10 years old.

##### Supply

The supply of new-build holiday homes is low and saleable in the short term in the area, with the exception of the Puerto de Vega area, where supply is higher because three developments, on hold since 2010, have been finished. The best-selling property type are flats with 2 bedrooms and 2 bathrooms.

The holiday home supply is divided equally between new builds and resales. Rentals are less representative than purchases in the area, with supply centred on 2 bedroom flats.

##### Activity

No new holiday home projects have been started, although a few developments on hold since the crisis have been restarted in Puerto de Vega and El Espin.

##### Land market

A few isolated sales only since there's hardly any interest in land purchase for holiday developments.

##### Demand

Sales of holiday homes have gone up over the last year. Buyers are mostly from Madrid and the Basque Country.

#### BETWEEN MUROS DEL NALON AND VILLAVICIOSA

##### General market situation

Market close to bottoming out.

The situation is very similar to last year. Supply is running out and prices have remained stable.

## Coastal Property 2017

### Prices

Price stagnation. In Gijon, a timid increase has been seen, due to the improvement in mortgage financing, which will eventually spread to other areas, and strong demand for principal homes.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 4,000 per m<sup>2</sup>. In Gijon, on the Paseo del Muro, with direct views of the beach. Homes with 65 m<sup>2</sup> (two bedrooms) or 120 m<sup>2</sup> (between 3 and 4 bedrooms). Prices can reach € 5,000 per m<sup>2</sup>.
- Detached property: € 2,400 per m<sup>2</sup>. In Luanco, Salinas and Gijon. Average between 250 and 300 m<sup>2</sup>, 3 or 4 bedrooms and at least 10-15 years old.

### Supply

The supply of new-build holidays homes is low and saleable in the short term in the area, except in Luanco where there's still enough available stock. The best-selling property type are apartments with 65 m<sup>2</sup> (2 bedrooms) or 80 m<sup>2</sup> (3 bedrooms), in towns and cities such as Luanco, Gijon and, to a lesser extent, Villaviciosa. Townhouses also have good market possibilities in Luanco, Soto del Barco, Villaviciosa, Castrillon and Gozon, with prices between € 200,000 and € 360,000.

In this part of the coast, holiday homes are mostly resale, particularly in Luanco and Villaviciosa. The rental market is less significant than the purchase, and mostly consists of apartments in Gijon, Luanco, Villaviciosa and Salinas during July and August. They have between 65 and 85 m<sup>2</sup> and average to low quality finishes.

### Activity

Some developments on hold since the crisis have been restarted in Luanco. One of these is a development with 3 blocks with 100 apartments, green areas and a communal pool.

### Land market

The place with the most activity is Gijon, followed by Luanco. New builds under construction are flats with 65 m<sup>2</sup> (2 bedrooms) and 80m<sup>2</sup> (2 or 3 bedrooms). As regards the land market, there have been just a few isolated sales since it's practically at a standstill, with the exception of some plots or buildings purchased from banks. Undeveloped land is not selling.

### Demand

In terms of sales, the market is stable, although the number of visitors and hotel occupancy have gone up in the summer season. Holiday home buyers are mostly Spanish, from Asturias, Castilla-Leon and Madrid.

## BETWEEN COLUNGA AND RIBADEDEVA

### General market situation

Clearly at the adjustment phase in the area, although the situation is slightly better than last year.

### Prices

Stabilization in the main areas.

### Supply

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,800 per m<sup>2</sup>. In Llanes. Flats with 2 bedrooms and 2 bathrooms.
- Detached property: € 1,300 per m<sup>2</sup>. In Llanes. Homes with 200 m<sup>2</sup>, 3 bedrooms and around 10 years old.

The supply of new-build holiday homes is low and saleable in the short term in the area. The best-selling completed new builds are 2-bedroom flats. Supply is equally divided between new-build and resale properties, with a less relevant rental market than purchase.

### Activity

No developments on hold have been restarted or new projects started. Development activity is limited to a few private developments with Llanes as the area with the most activity.

### Land market

No activity.

### Demand

Buyers are mostly Spanish from Madrid and the Basque Country.

PRICES ASTURIAS COAST	Price€/m <sup>2</sup> 1Q 2016	Price€/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
Asturias	1,126	1,122	-0.4%	-37.1%
Gijon	1,231	1,287	4.5%	-41.5%

Source: Tinsa

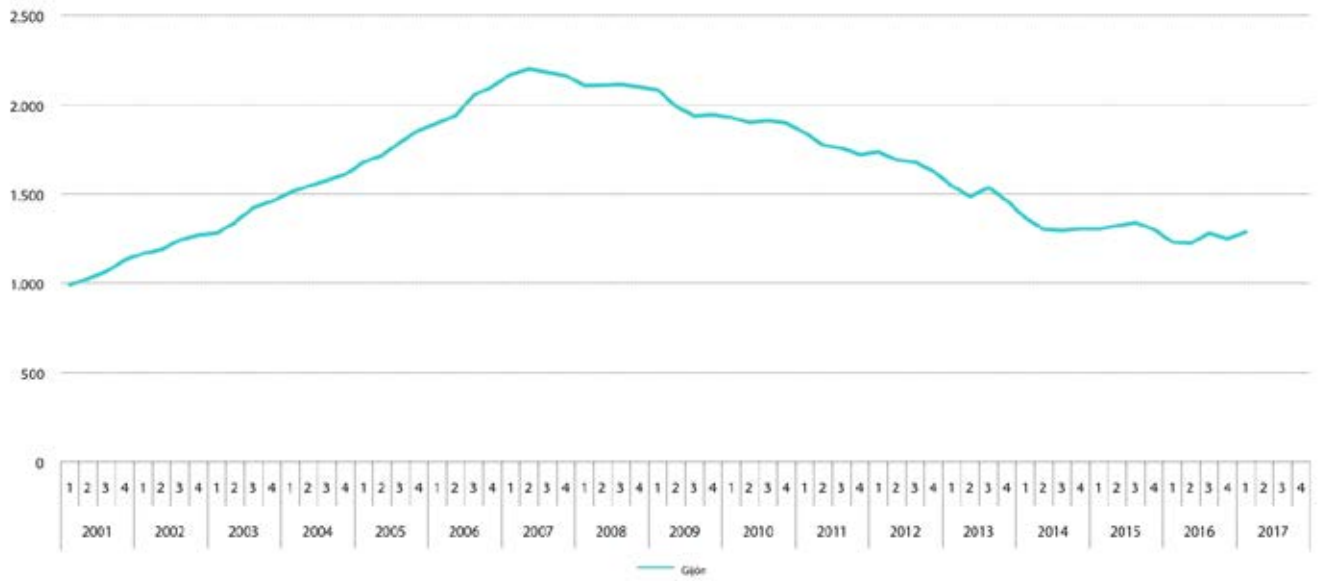
SALES OF DWELLING ASTURIAS COAST	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
Asturias	6,516	7,617	16.9%	651	684	5.1%	5,865	6,933	18.2%
Gijon	2,054	2,307	12.3%	289	210	-27.3%	1,765	2,097	18.8%
Llanes	208	229	10.1%	14	4	-71.4%	194	225	16.0%

Source: Spanish Ministry of Development

**BUILDING PERMITS**  
**ASTURIAS COAST**

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Asturias</b>	<b>847</b>	<b>988</b>	<b>17%</b>	<b>327</b>	<b>342</b>	<b>5%</b>	<b>520</b>	<b>646</b>	<b>24%</b>
Gijón	315	165	-48%	53	36	-32%	262	129	-51%
Llanes	17	25	47%	14	25	79%	3	0	-100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of [Andrea Perez Gonzalez](#), [Juan Ramon de la Ballina Busto](#) y [Aniceto Campa Fernandez](#).

### | Cantabrian Sea

### Cantabrian Coast



#### BETWEEN VAL DE SAN VICENTE AND CASTRO-URDIALES

##### General market situation

Close to bottoming out.

Compared to last year, the situation is similar or has slightly improved. Although the supply of properties remains higher than effective demand, the drop in prices has notably lessened, with slight increases in specific areas.

##### Prices

In the main areas, prices are stagnant, with slight increases in Suances, Santa Cruz de Bezana and Pielagos. The forecast for this year is for prices to remain static or improve slightly since supply continues to exceed effective demand despite the decrease in new-build supply.

##### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 1,850 per m<sup>2</sup>. In Santander. Flats with between 75 and 90 m<sup>2</sup>, average quality finishes, 2 or 3 bedrooms and approximately 15 to 20 years old.
- Detached property: € 1,300 per m<sup>2</sup>. In Santander. Properties with between 150 and 200 m<sup>2</sup>, average quality finishes, 3 or 4 bedrooms and around 15-20 years old.

##### Supply

There's an average level of new-build holiday home stock, saleable in the long term in the zone. With the exception of Santander and Castro Urdiales, where there's a sizeable market for principal homes, over-supply has not gone down significantly. The most common new builds are apartments with between 50 and 70 m<sup>2</sup>, 2 bedrooms, 1 or 2 bathrooms, average quality finishes and located in residential areas near the coast.

Resales predominate in this market. The crisis has forced the sale of many properties built as second homes leading to a considerable increase in supply. The rental market, less relevant than the purchase, centres on July and August in tourist destinations such as Comillas, Suances, Santander, Ribamontan al mar, Laredo, San Vicente de la Barquera and Noja. The most common rental properties are apartments with 90 to 100 m<sup>2</sup>, 3 or 4 bedrooms and average quality finishes. Detached properties are also let with between 150 and 200 m<sup>2</sup>, 3 bedrooms and average quality finishes.

##### Activity

Holiday home construction has yet to start again. Development activity that is taking place in Santander and Castro-Urdiales is mostly for principal homes. Under construction are apartments with between 150 and 200 m<sup>2</sup>, average quality finishes and generally privately developed.

##### Land market

No activity. In Santander and Laredo, planning regulations (Plan General de Ordenacion Urbana in Spanish) were recently annulled, which has led to a complete halt in any land development.

##### Demand

Price adjustment has led to a slight increase in sales, but with no noticeable shortening in average sales times. Buyers are mostly Spanish. In the eastern part of Cantabria, they're mainly from the Basque Country and in the west from Castilla y Leon as well as Madrid.

## PRICES

### CANTABRIAN COAST

	Price€/m <sup>2</sup> 1Q 2016	Price€/m <sup>2</sup> 1Q 2017	% Change 1Q 2016 - 1Q 2017	% Change since peak
<b>Cantabria</b>	<b>1,215</b>	<b>1,247</b>	<b>2.6%</b>	<b>-40.2%</b>
Pielagos	1,044	1,115	6.8%	-39.7%
Santa Cruz de Bezana	1,247	1,325	6.3%	-38.4%
Santander	1,576	1,535	-2.6%	-41.4%
Suances	1,154	1,189	3.0%	-45.1%

Source: Tinsa

## SALES OF DWELLING

### CANTABRIAN COAST

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Cantabria</b>	<b>4,660</b>	<b>5,256</b>	<b>12.8%</b>	<b>731</b>	<b>728</b>	<b>-0.4%</b>	<b>3,929</b>	<b>4,528</b>	<b>15.2%</b>
Pielagos	222	227	2.3%	51	27	-47.1%	171	200	17.0%
Santa Cruz de Bezana	65	81	24.6%	2	5	150.0%	63	76	20.6%
Santander	1,261	1,488	18.0%	111	130	17.1%	1,150	1,358	18.1%
Suances	106	116	9.4%	28	28	0.0%	78	88	12.8%

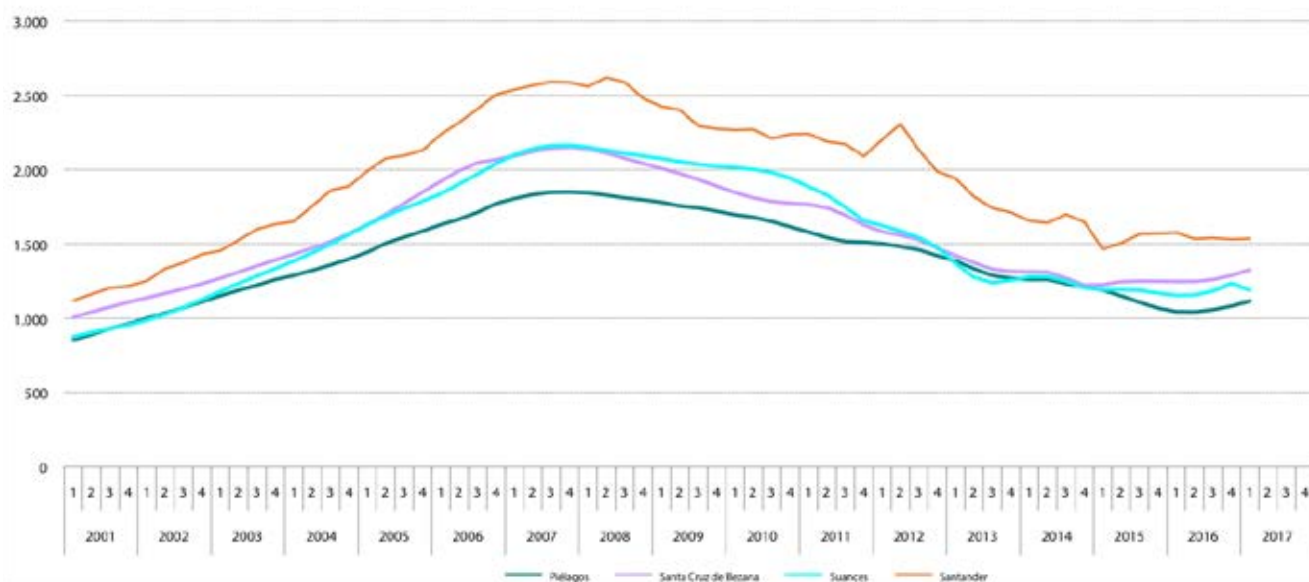
Source: Spanish Ministry of Development

## BUILDING PERMITS

### CANTABRIAN COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Cantabria</b>	<b>539</b>	<b>483</b>	<b>-10%</b>	<b>242</b>	<b>240</b>	<b>-1%</b>	<b>297</b>	<b>243</b>	<b>-18%</b>
Pielagos	27	13	-52%	22	13	-41%	5	0	-100%
Santa Cruz de Bezana	8	3	-63%	8	3	-63%	0	0	-
Santander	89	86	-3%	16	6	-63%	73	80	10%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.



(\*) Information prepared with technical cooperation of [Francisco Javier Gonzalez Hernandez](#).

### | Cantabrian Sea

### Basque Coast



## Vizcaya

### BETWEEN MUSKIZ AND GETXO

#### General market situation

Signs of improvement.  
Recovery is taking a long time. The main holiday areas are in Getxo and between the towns of Zierbena and Muskiz.

#### Prices

Prices in the main areas have started to improve over the last year. The area of Getxo is traditionally a summer holiday destination and prices have hardly changed over the last few years. Supply is very low.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,500 per m<sup>2</sup>. In Zierbena and Muskiz. Properties with 80m<sup>2</sup>, 2 to 3 bedrooms and over 20 years old.
- Detached property: € 3,000 per m<sup>2</sup>. In Zierbena and Muskiz. Very little supply.

#### Supply

There are no new-build holiday homes. The main property type on the market are resale apartments with 80m<sup>2</sup>, 2 or 3 bedrooms and over 20 years old.

The rental market is more relevant than the purchase. The most common rental properties are the same as those on the purchase market. Rental rates are static and not expected to go up.

#### Activity

No holiday home construction activity. Just development for principal homes in Getxo and Barakaldo.

#### Land market

Activity is limited to viability studies and price negotiations, but no sales.

#### Demand

No increase in holiday home sales has been seen. Demand is mostly Spanish from neighbouring provinces (Guipuzcoa and Cantabria) and Madrid.

### BETWEEN SOPELANA AND LEMOIZ

#### General market situation

Signs of recovery.  
The towns in this area are mostly for principal homes, but there's strong demand for rental properties.

### Prices

Price performance is positive and the forecast good for this year, although centred on principal homes rather than holiday. In this area, there are no holiday apartments or detached properties with a frontline beach position.

### Supply

There are no new-build holiday homes on the market in this area. The most common type of properties are resale apartments with an average of 80 to 90 m<sup>2</sup>, 3 bedrooms, 2 bathrooms, garage and storeroom.

The rental market is more significant than purchases in the supply of holiday homes, mainly in Plentzia and Gorliz. Supply is very varied, from a 1-bedroom apartment to a 4-bedroom flat, let on a weekly basis.

### Activity

There's no new-build construction for holiday homes taking place or in the pipeline. There's some activity in Sopelana and Gorliz.

### Land market

No activity, although land prepared for development is readily available in Urduliz and Sopelana.

### Demand

Demand comes mainly from Spanish buyers from Catalonia and Madrid.

## BAKIO, BERMEO AND LA RIA DE MUNDACA ESTUARY

### General market situation

Signs of recovery. A slight improvement has been seen, although most areas are mainly for principal homes.

### Prices

There have been slight price rises in the main areas over the last year. The forecast is for this trend to continue moderately since supply continues to exceed demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 2,800 per m<sup>2</sup>. In Bakio and Mundaka. Properties with an average of between 80 and 120 m<sup>2</sup>, good quality finishes and mostly of recent construction or in a good state of repair.
- Detached property: €1,800 per m<sup>2</sup>. In Mundaka. Properties with an average of between 250 and 350 m<sup>2</sup> and between 30 and 40 years old.

### Supply

There's an average supply of new builds, although this has gone down slightly over the last year. The best-selling property types are flat with an average of between 80 and 120 m<sup>2</sup>, good quality finishes, new builds or recently refurbished.

The rental market is more significant than the purchase, except in Bermeo, which is an area for principal homes with practically no holiday home rentals. The most sought-after rental properties are average-sized properties and in a good state of repair.

### Activity

No holiday homes are under construction.

### Land market

No activity. These are areas where the supply of property exceeds demand and land development is at a standstill.

### Demand

Buyers are mostly Spanish, from Bilbao and nearby inland areas such as Galdacano or Durango.

## BETWEEN ELANTXOBA AND ONDARROA

### General market situation

Signs of recovery in the area. There has been a slight improvement in second home sales, mainly in Lekeitio.

### Prices

They have improved slightly over the last few months. The forecast is for prices to remain stable since supply continues to outstrip demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 3,000 per m<sup>2</sup>. In Lekeitio. Flats between 80 and 120 m<sup>2</sup>, good quality finishes and preferably recently built or in a good state of repair.
- Detached property: €1,500 per m<sup>2</sup>. In Lekeitio. Homes between 300 and 400 m<sup>2</sup> and between 30 and 40 years old.

### Supply

There's an average supply of new-build holiday homes, which is saleable in the long term. The best-selling properties are between 70 and 110 m<sup>2</sup>, with good quality finishes and recently built or refurbished.

Resale properties are more common than new builds and the rental market is more significant than the purchase, with the exception of Ondarroa, which is for principal homes and has hardly any holiday lets.

## Coastal Property 2017

### Activity

No holiday home construction is taking place.

### Land market

No activity. Land development is at a standstill.

### Demand

An improvement in sales has been seen. Buyers are mostly Spanish from Bilbao and from nearby inland areas (Galdacano or Durango).

### SALES OF DWELLING BASQUE COAST

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Vizcaya</b>	<b>9,178</b>	<b>10,124</b>	<b>10.3%</b>	<b>2,463</b>	<b>2,050</b>	<b>-16.8%</b>	<b>6,715</b>	<b>8,074</b>	<b>20.2%</b>
Getxo	427	542	26.9%	65	87	33.8%	362	455	25.7%
Bakio	63	63	0.0%	10	10	0.0%	53	53	0.0%
Ondarroa	28	31	10.7%	9	8	-11.1%	19	23	21.1%
Bermeo	91	142	56.0%	8	4	-50.0%	83	138	66.3%
Santurtzi	230	272	18.3%	26	22	-15.4%	204	250	22.5%
Sopelana	150	100	-33.3%	51	12	-76.5%	99	88	-11.1%

Source: Spanish Ministry of Development

### BUILDING PERMITS BASQUE COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Vizcaya</b>	<b>1,761</b>	<b>2,532</b>	<b>44%</b>	<b>99</b>	<b>110</b>	<b>11%</b>	<b>1,662</b>	<b>2,422</b>	<b>46%</b>
Bermeo	7	16	129%	1	0	-100%	6	16	167%
Getxo	288	41	-86%	8	0	-100%	280	41	-85%
Santurtzi	38	312	721%	0	0	-	38	312	721%
Sopelana	0	169	-	0	11	-	0	158	-

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

## Guipuzcoa

### COAST OF MUTRIKU TO ORIO

#### General market situation

Clear recovery in the area. Properties are mostly principal homes and there are few holiday homes on the market.

#### Prices

Prices in the area are going up. The forecast is for them to continue rising as access to mortgage financing for the growing demand improves.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 5,000 per m<sup>2</sup>. In Zarautz, properties with 100 m<sup>2</sup>, 3 bedrooms, 2 bathrooms and a terrace.
- There are no detached holiday homes on the market in this area.

#### Supply

There's no supply of new-build holiday homes in the area. The market is fundamentally resale with a balance between rentals and purchases. The most common rental properties are 2-bedroom, 1-bathroom flats with 80 m<sup>2</sup>.

#### Activity

There are no new builds for sale, but new projects have been started in Zumaia, mainly for principal homes. Being built are 80 m<sup>2</sup> apartments with 2 bedrooms and 2 bathrooms.

#### Land market

Normal activity is returning, although it is focused on properties for principal homes, with price increases across the board.

#### Demand

Holiday home buyers are predominantly Spanish, mostly from Madrid.



## BETWEEN SAN SEBASTIAN AND HONDARRIBIA

### General market situation

Clear recovery in the area. Holiday homes are considerably fewer than principal homes.

### Prices

Prices are tending to rise and the forecast is for further increases on the back of growing demand.

#### Average price for a frontline beach holiday home in the most expensive area:

- Apartment: € 9,000 per m<sup>2</sup>. On La Concha beach. Flats with 100 m<sup>2</sup>, 3 bedrooms, 2 bathrooms and terrace.
- There are no detached holiday homes on the market in this area.

### Supply

There's no supply of new-build holiday homes. The market is mostly resale, divided equally between rentals and purchases. The most common rental properties are homes with 80 m<sup>2</sup>, 2 bedrooms and 1 bathroom.

### Activity

New construction projects are concentrated in San Sebastian, but the majority are for principal homes. No specific holiday development is planned for the time being. Under construction are apartments with 80 m<sup>2</sup>, 2 bedrooms and 2 bathrooms.

### Land market

Activity is starting to return to normal levels with generalised price increases. There's no market for land specifically for holiday homes.

### Demand

An increase in sales has been seen. Buyers are mostly Spanish from Madrid.

### SALES OF DWELLING BASQUE COAST

	TOTAL			NEW			USED		
	TOTAL 2015	TOTAL 2016	% Change	NEW 2015	NEW 2016	% Change	USED 2015	USED 2016	% Change
<b>Guipuzcoa</b>	<b>4,925</b>	<b>5,342</b>	<b>8.5%</b>	<b>1,525</b>	<b>1,065</b>	<b>-30.2%</b>	<b>3,400</b>	<b>4,277</b>	<b>25.8%</b>
San Sebastian	1,665	1,673	0.5%	386	282	-26.9%	1,279	1,391	8.8%
Hondarribia	105	127	21.0%	10	12	20.0%	95	115	21.1%
Orio	59	44	-25.4%	39	11	-71.8%	20	33	65.0%
Mutriku	14	41	192.9%	3	4	33.3%	11	37	236.4%
Irun	432	413	-4.4%	162	66	-59.3%	270	347	28.5%
Pasaia	200	187	-6.5%	132	65	-50.8%	68	122	79.4%
Zarautz	115	146	27.0%	25	10	-60.0%	90	136	51.1%

Source: Spanish Ministry of Development

### BUILDING PERMITS BASQUE COAST

	TOTAL			APARTMENTS			VILLAS		
	TOTAL 2015	TOTAL 2016	% Change	APART. 2015	APART. 2016	% Change	VILLAS 2015	VILLAS 2016	% Change
<b>Guipuzcoa</b>	<b>2,471</b>	<b>1,283</b>	<b>-48%</b>	<b>48</b>	<b>21</b>	<b>-56%</b>	<b>2,423</b>	<b>1,262</b>	<b>-48%</b>
Donostia-San Sebastian	1,009	268	-73%	22	9	-59%	987	259	-74%
Hondarribia	2	4	100%	2	1	-50%	0	3	-
Zarautz	2	0	-100%	0	0		2	0	-100%

Source: Spanish Ministry of Development. \*Available data for municipalities with more than 10,000 inhabitants.

(\*) Information prepared with technical cooperation of [Aitor Ubiria Manzarraga](#), [Alejandra Ruiz de Aguirre Landaluce](#), [Javier Landa Aguirre](#) y [Enrique Trallero Aisa](#).

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