



tinsa umie

Local Markets

Q3 2017

Regions, Provinces and Capitals

QUATERLY Report



INDEX

1. CONTENTS3

2. EXECUTIVE SUMMARY4

3. PRICE CHANGES7

Map and tables with average prices by REGION7

Map and tables with average prices by PROVINCE9

Map and tables with average prices by PROVINCIAL CAPITAL12

Detailed study of 5 largest cities by district15

 Madrid15

 Valencia15

 Barcelona16

 Seville16

 Zaragoza16

4. FINANCIAL INDICATORS17

Map of average mortgage by REGION and province17

Map of average monthly mortgage payment by REGION and province18

Map of affordability by REGION and province19

Map of affordability by district in 5 largest cities20

5. MARKET ACTIVITY INDICATORS21

Map of liquidity (average time taken to sell) by region, provinces and 5 largest cities21

Development activity and sales rate by province22

6. METHODOLOGY23

1 | CONTENTS

This report aims to provide a snapshot of the residential property market situation based on price changes using information from Tinsa valuations together with other financial and market activity indicators.

The report includes the changes in market values of properties in each region, province and provincial capital in Spain. These changes are shown in a set of price series known as Tinsa IMIE Local Markets.

The indices, available for consultation online using the Interactive IMIE tool on the Tinsa website, have greater local detail than those in the Tinsa IMIE Large Markets, whose general index and five area indices represent much larger geographical areas. Another important difference between the two comes in their publication frequency. While the Tinsa IMIE Local Markets comes out on a quarterly basis, Tinsa IMIE Large Markets is published every month.

As regards everything else, all information comes from the same data base. The series share the same methodology and are therefore comparable. Quarterly data for the general index is obtained from the average of the corresponding monthly figures.

In this report, Spain's largest cities (Madrid, Barcelona, Valencia, Seville and Zaragoza) are analysed at district level. Among other information relevant to activity in the residential property sector, we provide themed maps that represent on a predefined scale square metre prices in each district and their year-on-year change.

Complementing the information about prices, the report offers additional interesting information for market analysis such as mortgages, affordability and average sales times.

The content of the report is divided into five large sections:

- 1 · Executive summary
- 2 · Price analysis
 - General maps for regions, provinces and provincial capitals with their corresponding year-on-year change in property prices, shown by varying shades in colour depending on the rate of increase or decrease. Accompanying the maps are tables showing the latest average square metre price for each area, the year-on-year change, cumulative value since prices reached their peak, cumulative value so far this year (the difference between the last quarter in the previous year and the current quarter) and price changes in the same period of the previous year. *Source: Tinsa.*
 - Maps of districts in the five largest cities in Spain (Madrid, Barcelona, Valencia, Seville and Zaragoza) with the year-on-year price change in each, shown varying shades in colour depending on the rate of increase or decrease. Accompanying the maps is a table with the latest average square metre price in each district and the year-on-year change. *Source: Tinsa.*
- 3 · Financial indicators
 - A map of the provinces showing the average size of mortgage, indicated by shade of colour depending on the amount. This is accompanied by a regional and provincial table. *Source: Spanish National Statistical Institute (INE).*
 - A map of the provinces showing annual mortgage payments, indicated by shade of color depending on the amount. This is accompanied by a regional and provincial table. *Source: Registrars Association, INE and own.*
 - A map of the provinces showing affordability, measured as a percentage of gross annual salary needed to pay the first year of a mortgage. The percentage of affordability is indicated by shade of colour depending on the amount. This is accompanied by a regional and provincial table plus affordability maps in the districts of Spain's five largest cities. *Source: Tinsa.*
- 4 · Activity indicators
 - Liquidity map for each province showing the average time it takes to sell a property. It is accompanied by a table for the regions, provinces and five largest cities. *Source: Tinsa.*
 - Graphics showing the number of sales and building licences per 10,000 properties (provincial supply). *Source: Spanish Development Ministry (Ministerio de Fomento).*
- 5 · Short methodology summary on how the indices are constructed.

2 EXECUTIVE SUMMARY

The price for completed property (new and resale) reached €1,258m² in Q3 this year, according to provisional data in the IMIE Local Markets. This figure represents a year-on-year increase of 4%, against the growth of 2.7% seen in Q2 compared to the same period last year, and 1.8% yearly rate in Q1. Quarterly statistics compare average prices over the three months with those registered in the same period of the previous year. Cumulative adjustment since prices reached their highest dropped to 38.6% in Q3.

The increase in growth is backed up by the strong price rises that continue to take place in Spain's two largest cities, Madrid and Barcelona as well as by the spread of better market conditions to other large cities in the country. The market continues to show difference speeds and 13 provincial capitals show average prices in Q3 that are below those of a year ago. However, the number of markets in this situation has gone down since the last quarter as has the intensity of the price drops, which are generally slowing down.

In Spain's five largest cities, the average time taken to sell has improved and approaches three months in Madrid (3.2 months) and Barcelona (3.4 months). Greater market activity means that 7 out of the 10 districts in Barcelona have seen average price rises in excess of 15% over the last year. In Madrid, average prices have gone up by over 5% in all 21 districts compared to Q3 2016 and in 8 of them, the increase is over 10%.

Regions

The Community of Madrid with a year-on-year rise of 13.2% and Catalonia with 12.5% stand out as the regions with the highest rises in average prices over the last 12 months, a long way ahead of Navarre (+6.6%), Cantabria (+5.7%) or the Canary Islands (+3.3%). At the other extreme, Extremadura (-3.3%), Castilla-La Mancha (-3.2%) and Murcia (-2.8%) lead year-on-year price drops.

Taking changes during 2017 from January to September in isolation, the Community of Madrid registers an increase of 10.7% and Catalonia, 8.9%. Madrid with an average price of €2,004m² remains the most expensive region in Spain, ahead of the Basque Country whose average price of €1,931m² (provisional data) has also been overtaken this quarter by the Balearic Islands where the average stands at €1,953m².

The regions that continue to show the greatest price difference compared to the 2007 peak are La Rioja, where average prices are 56.1% below those 10 years ago, followed by Castilla-La Mancha (-53.7%) and Aragon (-49.8%). The regions where average prices have been more contained since the crisis are the Balearic Islands (-28.4%), Galicia (-32%) and Extremadura (-32.2%).

Price statistics for this quarter are not available in Ceuta and Melilla since they are not representative.

Provinces

Alava (+8.6%) and Ourense (+7.6%) stand out this quarter among the provinces with the highest price increases over the last year, together with Madrid and Barcelona. Here growth has reached double digits: 13.2% in the **Community of Madrid and 12.8% in Barcelona province, which shows a higher increase than the Catalonia average**. Completing the group of provinces with the highest year-on-year price rises in Q3 are Navarre (+6.6%), Cantabria (+5.7%), Girona (+5.4%) and Santa Cruz de Tenerife (+5.2%).

In total, 22 provinces (excluding Ceuta and Melilla whose statistics are not available) have seen average prices fall over the last 12 months. Leading the table of year-on-year decreases is Castellon province with a drop of 4.2%, followed by Ciudad Real and Palencia where prices have gone down by 4%.

This quarter, Madrid province (€2,004m²) equals average prices in Barcelona province (€2,003m²). Guipuzcoa remains the most expensive province - €2,080m².

Behind Madrid and Barcelona is Navarre with an increase of 8.5%, the province with the highest cumulative rise in 2017 (between January and September). Next come Huelva and Alava with increases of 6.5% and 6.2% respectively during the first 9 months of the year.

Despite signs of recovery, average prices in a total of seven provinces have lost more than half their value over the last ten years. This is the case in Toledo, where the total price drop since their peak is 57%. Next are La Rioja (-56.1%), Guadalajara (-56.1%) and Zaragoza (-53.3%).

(*) provisional data.

Capitals

The upward trend in prices is gradually reaching other provincial capitals and the number of cities with a negative year-on-year change in prices in Q3 has gone down to 13. They are mostly inland cities in Castilla-La Mancha, Castilla Leon, Extremadura and the south of Aragon. The highest year-on-year drops are in Ciudad Real (-9%), Zamora* (-8.5%) and Caceres (-8.1%).

At the other extreme, Barcelona (+20.6%) and Madrid (+15.5%) continue to drive the recovery. However, although prices have gone up by 44.4% and 24.9% respectively since they bottomed out, average prices in Barcelona are 28.3% below those reached in 2007 and in Madrid, 37.4% lower.

Other capitals registering significant year-on-year growth in this quarter are Tarragona (+13.4%), Vitoria (+10.3%), Palma de Mallorca (+9.3%), Pamplona (+9.1%) and Malaga (7.6%).

Barcelona widens the price gap with San Sebastian to reach €3,184m² compared to €2,997m² in San Sebastian. Behind them are Madrid, with €2,488m² and Bilbao, with €2,204m².

Logroño, which registers a year-on-year drop of 6.5% this quarter, has reached a cumulative decrease of 61.3% since price peaked in 2007. In a further 12 provincial capitals, properties are now worth on average less than half they were a decade ago. They are led by Guadalajara (-58.4%), Zaragoza (-57.4%) and Castellon (-55.8%).

Price statistics for this quarter are not available in Ceuta and Melilla as well as for the provincial capitals of Burgos, Lugo and Toledo since they are not representative.

Districts in the 5 largest cities

Ciutat Vella and Sants-Monjuïc are the districts with the highest average price rises in Barcelona over the last year with increases of 28.5% and 26% respectively. The upward trend in prices has spread to the whole city and a total of 7 of the 10 districts that make up the city exceed a year-on-year increase of 15% in average prices. Just one, Los Corts, lies below 10%. Along with the two previously mentioned districts, Sant Martí and Sant Andreu are those with the highest increases in average prices over the year.

As is the case in Barcelona, in Madrid the most central districts register the highest price rises. Salamanca (+17.1%), Retiro (+16.5%) and Centro (+15.1%) lead the increases, which have also started to affect the most outlying districts of the city such as Villa de Vallecas (+13.9%) and Usera (+12.2%).

No district in Madrid or Barcelona has seen price drops over the last year, which has been the case in the other three largest cities. The largest year-on-year price increases outside the two largest cities were in Macarena (+15%) and Sur (+13.8%), both districts in Seville. In Valencia, Alirós (+9.2%) and Ciutat Vella (+9.1%) stand out and in Zaragoza, San José (+8.1%) and Oliver-Valdefierro (+7.1%).

Salamanca district in Madrid reduced the price difference with Sarrià-Sant Gervasi in Barcelona with prices at €4,215m² in Q3 compared to €4,308m² in the latter.

Average mortgage and monthly repayments

The average mortgage in Spain rose to €113,130 in Q2 (latest data available), against the €148,037 in 2007, according to data from the Spanish Statistical Institute (INE). Average monthly mortgage payments were €528, almost 40% less than ten years ago.

Extremadura and Murcia were the regions with the lowest average mortgage in Q2 of this year, with €72,941 and €77,585 respectively, practically half of the amount in the region of Madrid and the Balearic Islands where the average mortgage is €158,570 and €146,217 respectively, according to INE.

(*) provisional data.

At provincial level, Lugo (€71,998), Badajoz (€72,441) and Castellon (€73,505) are the provinces with the lowest average mortgages. After Madrid and the Balearic Islands, the highest are found in Barcelona (€143,172) and Guipuzcoa (€140,796).

In terms of mortgage repayments, property owners in the provinces of Badajoz, Caceres, Jaen and Lugo pay less than €350 a month on average, against the national average of €528. At the other extreme, in the Balearic Islands, monthly repayments reach €713, €34 more than the €679 paid in the Community of Madrid.

Affordability

In the regions where buyers use the lowest percentage of their gross annual income when paying the first year of a mortgage are La Rioja (13.2%), Murcia (13.3%) and Castile and Leon (14.2%) compared to the national average of 16.6%.

At the other extreme, the Balearic Islands, Andalusia and Catalonia need a much higher level of income to finance a property purchase. In the Balearics, 21.2% of gross annual salary is required, in Andalusia 17.6% and in Catalonia, 16.7%.

At provincial level, Alava (12.9%) and Castellon (13%) are those with best affordability for paying off a mortgage. Malaga heads the list of provinces with the least affordability with 21.8% of gross income required, followed by the Balearic Islands (21.2%) and Santa Cruz de Tenerife province (17.6%).

Barcelona stands out among the five largest cities in Spain as the least affordable (24.7% of income required), ahead of the 23.3% required in Madrid. In the capital of Spain, the Moncloa-Aravaca district requires the highest level of income (37.9%) for monthly mortgage payments, although Sarría-Sant Gervasi in Barcelona is even higher (40.8% required).

Average sale time (liquidity)

The property market is becoming more dynamic. The average time taken to sell a property in Spain, obtained from the number of properties on the market and sales rate, has gone down to 9.1 months from 9.5 months in Q2.

Excluding Ceuta and Melilla, the quickest property sales take place in the provinces of Madrid (4.5 months) and Santa Cruz de Tenerife (5.7 months). In the provinces of Las Palmas, Barcelona and Zaragoza it takes between 6 and 7 months.

Madrid and Barcelona stand out as the markets with highest liquidity with average sale times of 3.2 and 3.4 months respectively. Among the five largest cities, sales take the longest in Valencia and Seville – 8.7 months and 6.4 months respectively.

Average sale time exceeds 12 months in 15 provinces, although it's never higher than 18 months. The slowest sales are in Avila (17.1 months), Cantabria (16.9) and Segovia (15.2 months).

Sales and building licences

Taking the sales rate in an area and comparing it with supply allows us to identify the most dynamic markets in proportion to their size. The provinces of Malaga and Alicante, and the Balearic Islands, all three with an obvious tourism component, are those that have registered the highest sales rate over the last four quarters (year-to-date) compared to the size of their property supply: 33.3 properties per 1,000 available in Malaga; 29.4 in Alicante and 28.8 in the Balearics. At the opposite end, the slowest markets are Ourense with barely 6.6 properties sold per 1,000 available; and the provinces of Zamora and Teruel, with 9.4 and 9.5 properties respectively per 1,000.

As regards development activity, the provinces of Madrid, Navarre and Biscay continue to be those with most new-built licences registered over the last four quarters in proportion to their property supply. In the Community of Madrid, 5.4 licences have been awarded in the last year per 1,000 properties, ahead of the 4.4 licences in Navarre and the 4.3 in Biscay. Among the areas with least activity, the provinces of Tarragona and Lugo (both with 0.7 licences per 1,000 properties available) stand out, followed by Valencia, Pontevedra and Zamora, with 1 licence per 1,000 properties available.

(*) provisional data.

3 PRICES CHANGES

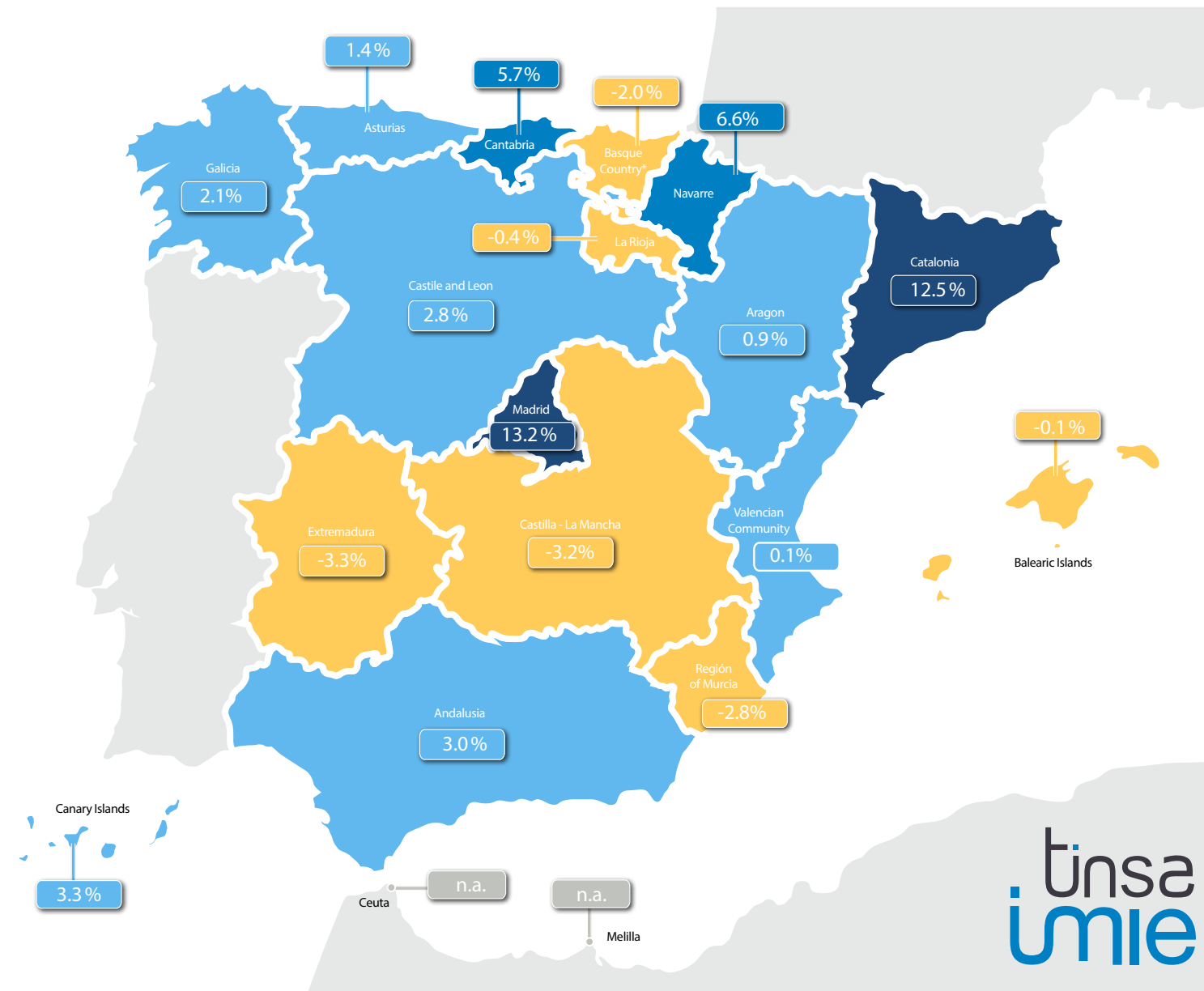
SPAIN Q3 2017 (National average)

| | | | | |
|-----------------------|------------------------------|---------|---------|---------|
| Year-on-year change * | 4.0% | Q2 2017 | Q1 2017 | Q4 2016 |
| Change since peak * | -38.6% | 2.7% | 1.8% | 0.6% |
| Average price Q3 * | 1,258 €/m² | | | |

*provisional data.

REGIONS

Year-on-year change in average prices



- Increase over 10%
 - Increase between 5% and 10%
 - Increase between 0 and 5%
 - Decrease between 0% and -5%
 - Decrease between -5% and -10%
 - Decrease over -10%
 - n.a. Not available
- * Provisional data

See previous IMIE Local Markets trends (index and €/m² prices) and make your own graphs at <https://www.tinsa.es/precio-vivienda>

REGIONS

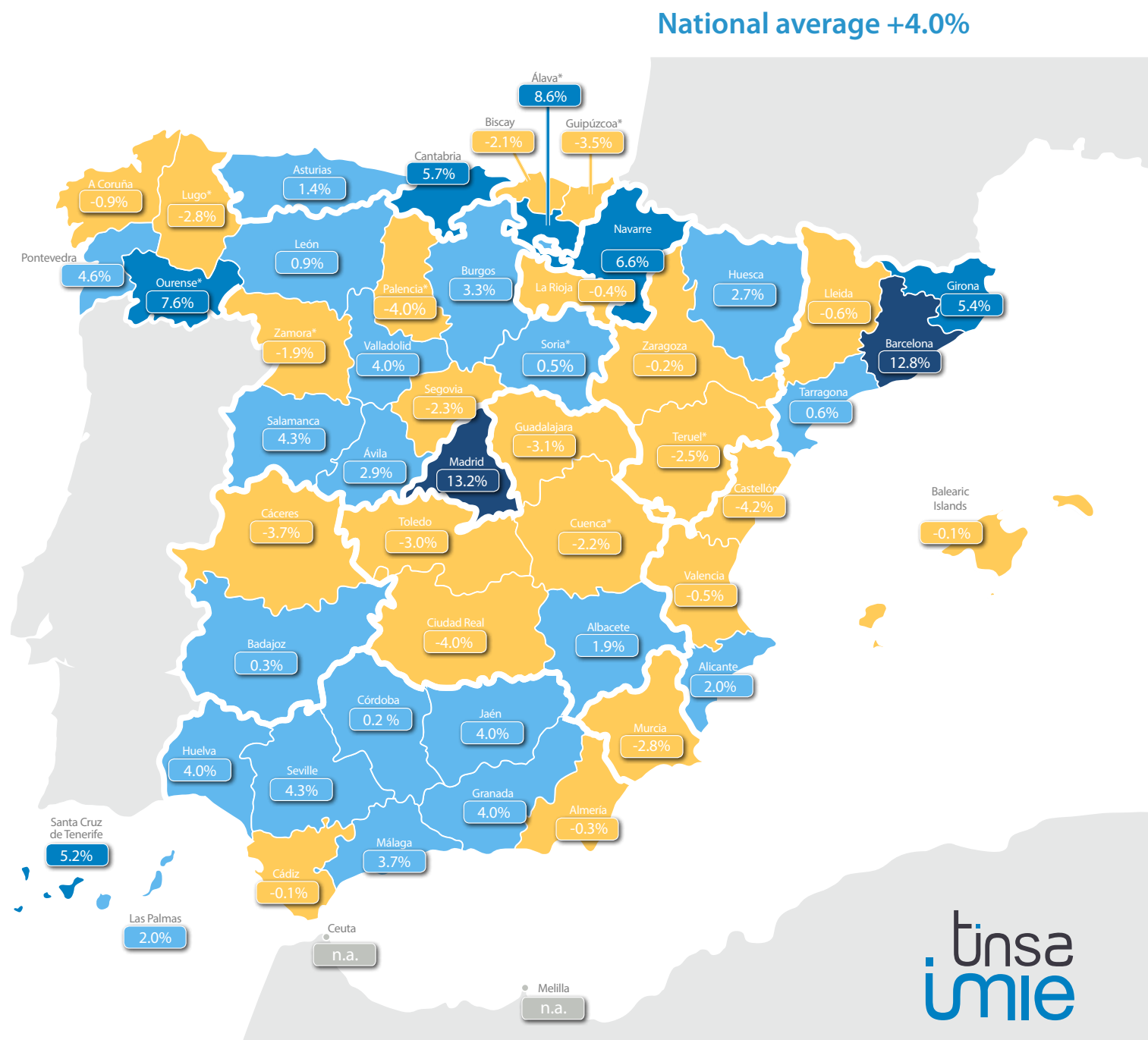
Year-on-year change in average prices

| | Price Q3 2017 | Year-on-year change | Change since peak | Cumulative change Q3 2017 | Cumulative change Q3 2016 |
|---------------------|------------------------|---------------------|-------------------|---------------------------|---------------------------|
| Andalusia | 1,151 €/m ² | 3.0% | -41.2% | 1.7% | 0.7% |
| Aragon | 1,023 €/m ² | 0.9% | -49.8% | 1.0% | -0.8% |
| Asturias | 1,141 €/m ² | 1.4% | -36.0% | 2.1% | -0.6% |
| Balearic Islands | 1,953 €/m ² | -0.1% | -28.4% | 3.8% | 0.7% |
| Canary Islands | 1,232 €/m ² | 3.3% | -35.6% | 4.0% | 3.5% |
| Cantabria | 1,290 €/m ² | 5.7% | -38.2% | 6.0% | -1.9% |
| Castile and Leon | 975 €/m ² | 2.8% | -41.0% | 2.9% | -3.8% |
| Castilla-La Mancha | 768 €/m ² | -3.2% | -53.7% | -4.0% | 0.7% |
| Catalonia | 1,771 €/m ² | 12.5% | -39.6% | 8.9% | 3.8% |
| Valencian Community | 991 €/m ² | 0.1% | -47.6% | 1.1% | 1.4% |
| Extremadura | 753 €/m ² | -3.3% | -32.2% | -3.8% | 0.5% |
| Galicia | 1,069 €/m ² | 2.1% | -32.0% | 0.9% | 0.7% |
| Community of Madrid | 2,004 €/m ² | 13.2% | -37.0% | 10.7% | 2.9% |
| Region of Murcia | 890 €/m ² | -2.8% | -48.9% | -2.2% | -4.2% |
| Navarre | 1,051 €/m ² | 6.6% | -47.4% | 8.5% | -0.2% |
| Basque Country | 1,931 €/m ² | -2.0% | -39.6% | -3.1% | 1.6% |
| Rioja (La) | 791 €/m ² | -0.4% | -56.1% | -5.4% | -3.5% |
| **Ceuta | n.a. | n.a. | n.a. | n.a. | n.a. |
| **Melilla | n.a. | n.a. | n.a. | n.a. | n.a. |

▲ Increase over 10% ▼ Decrease between 0% and -5% ▼ Decrease over national average
▲ Increase between 5% and 10% ▼ Decrease between -5% and -10% ▼ Decrease below national average
▲ Increase between 0 and 5% ▼ Decrease over -10% ****n.a.** Not available * Provisional data

PROVINCES

Year-on-year change in average prices

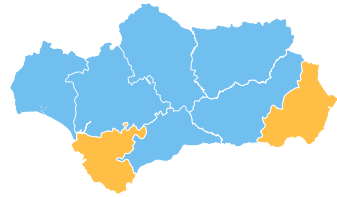


■ Increase over 10% ■ Decrease between 0% and -5% ■ n.a. Not available
■ Increase between 5% and 10% ■ Decrease between -5% and -10% ■ * Provisional data
■ Increase between 0 and 5% ■ Decrease over -10%

See previous IMIE Local Markets trends (index and €/m² prices) and make your own graphs at <https://www.tinsa.es/precio-vivienda>

PROVINCES

Year-on-year change in average prices



| ANDALUSIA | Price Q3 2017 | Year-on-year change | Change since peak | C.C. Q3 2017 | C.C. Q3 2016 |
|-----------|------------------------|---------------------|-------------------|--------------|--------------|
| Almería | 972 €/m ² | ▼ -0.3% | ▼ -49.2% | 0.7% | 6.3% |
| Cádiz | 1,254 €/m ² | ▼ -0.1% | ▼ -39.6% | -0.8% | 1.5% |
| Córdoba | 925 €/m ² | ▲ 0.2% | ▼ -44.5% | -3.7% | -1.9% |
| Granada | 984 €/m ² | ▲ 4.0% | ▼ -37.4% | 3.1% | -1.9% |
| Huelva | 1,100 €/m ² | ▲ 4.0% | ▼ -48.2% | 6.5% | -4.6% |
| Jaén | 807 €/m ² | ▲ 4.0% | ▼ -34.9% | 3.8% | -0.3% |
| Málaga | 1,433 €/m ² | ▲ 3.7% | ▼ -43.5% | 2.2% | 5.1% |
| Seville | 1,234 €/m ² | ▲ 4.3% | ▼ -39.8% | 4.5% | -0.8% |

ARAGON

| | | | | | |
|----------|------------------------|---------|----------|-------|-------|
| Huesca | 967 €/m ² | ▲ 2.7% | ▼ -43.4% | -2.3% | -1.3% |
| *Teruel | 764 €/m ² | ▼ -2.5% | ▼ -29.0% | -2.2% | -0.7% |
| Zaragoza | 1,061 €/m ² | ▼ -0.2% | ▼ -53.3% | 2.0% | -1.6% |

ASTURIAS

| | | | | | |
|----------|------------------------|--------|----------|------|-------|
| Asturias | 1,141 €/m ² | ▲ 1.4% | ▼ -36.0% | 2.1% | -0.6% |
|----------|------------------------|--------|----------|------|-------|

BALEARIC ISLANDS

| | | | | | |
|-----------------|------------------------|---------|----------|------|------|
| Balears (Islas) | 1,953 €/m ² | ▼ -0.1% | ▼ -28.4% | 3.8% | 0.7% |
|-----------------|------------------------|---------|----------|------|------|

CANARY ISLANDS

| | | | | | |
|------------------------|------------------------|--------|----------|------|------|
| Palmas (Las) | 1,249 €/m ² | ▲ 2.0% | ▼ -40.1% | 4.0% | 4.0% |
| Santa Cruz de Tenerife | 1,208 €/m ² | ▲ 5.2% | ▼ -30.4% | 3.9% | 3.0% |

CANTABRIA

| | | | | | |
|-----------|------------------------|--------|----------|------|-------|
| Cantabria | 1,290 €/m ² | ▲ 5.7% | ▼ -38.2% | 6.0% | -1.9% |
|-----------|------------------------|--------|----------|------|-------|

CASTILE AND LEON

| | | | | | |
|------------|------------------------|---------|----------|-------|-------|
| Ávila | 782 €/m ² | ▲ 2.9% | ▼ -49.1% | 2.2% | -2.3% |
| Burgos | 1,044 €/m ² | ▲ 3.3% | ▼ -44.6% | 3.2% | 0.5% |
| León | 803 €/m ² | ▲ 0.9% | ▼ -35.0% | 2.5% | -3.6% |
| *Palencia | 947 €/m ² | ▼ -4.0% | ▼ -35.8% | -4.3% | 5.6% |
| Salamanca | 1,181 €/m ² | ▲ 4.3% | ▼ -34.4% | 6.0% | -1.6% |
| Segovia | 970 €/m ² | ▼ -2.3% | ▼ -46.0% | -2.1% | -3.8% |
| *Soria | 904 €/m ² | ▲ 0.5% | ▼ -36.9% | 3.4% | -5.0% |
| Valladolid | 1,026 €/m ² | ▲ 4.0% | ▼ -41.0% | 4.9% | -3.7% |
| *Zamora | 886 €/m ² | ▼ -1.9% | ▼ -31.1% | -1.5% | 2.8% |

CASTILLA LA MANCHA

| | | | | | |
|-------------|----------------------|---------|----------|-------|-------|
| Albacete | 830 €/m ² | ▲ 1.9% | ▼ -44.6% | -0.9% | -4.2% |
| Ciudad Real | 690 €/m ² | ▼ -4.0% | ▼ -40.1% | -3.4% | -0.1% |
| *Cuenca | 746 €/m ² | ▼ -2.2% | ▼ -46.5% | -2.6% | 3.7% |
| Guadalajara | 924 €/m ² | ▼ -3.1% | ▼ -56.1% | -4.1% | 1.7% |
| Toledo | 705 €/m ² | ▼ -3.0% | ▼ -57.0% | -2.3% | 0.9% |

▲ Increase over 10% ▼ Decrease between 0% and -5% ▼ Decrease over national average
 ▲ Increase between 5% and 10% ▼ Decrease between -5% and -10% ▼ Decrease below national average
 ▲ Increase between 0 and 5% ▼ Decrease over -10% **n.a. Not available * Provisional data

PROVINCES

Year-on-year change in average prices



CATALONIA

| CATALONIA | Price Q3 2017 | Year-on-year change | Change since peak | C.C. Q3 2017 | C.C. Q3 2016 |
|---------------|------------------------|---------------------|-------------------|--------------|--------------|
| Barcelona | 2,003 €/m ² | ▲ 12.8% | ▼ -38.9% | 9.3% | 5.1% |
| Gerona/Girona | 1,405 €/m ² | ▲ 5.4% | ▼ -47.4% | -1.7% | -6.7% |
| Lérida/Lleida | 860 €/m ² | ▼ -0.6% | ▼ -50.4% | 0.4% | -5.6% |
| Tarragona | 1,147 €/m ² | ▲ 0.6% | ▼ -51.3% | 1.4% | 2.9% |

VALENCIAN COMMUNITY

| | | | | | |
|---------------------|------------------------|---------|----------|-------|-------|
| Alicante/Alacant | 1,125 €/m ² | ▲ 2.0% | ▼ -43.1% | 4.4% | -0.3% |
| Castellón/Castellón | 895 €/m ² | ▼ -4.2% | ▼ -50.0% | -0.5% | 0.5% |
| Valencia/València | 931 €/m ² | ▼ -0.5% | ▼ -49.8% | -0.8% | 2.8% |

EXTREMADURA

| | | | | | |
|---------|----------------------|---------|----------|-------|-------|
| Badajoz | 768 €/m ² | ▲ 0.3% | ▼ -34.6% | -4.4% | -2.5% |
| Cáceres | 736 €/m ² | ▼ -3.7% | ▼ -29.2% | -4.3% | -1.2% |

GALICIA

| | | | | | |
|------------------------|------------------------|---------|----------|-------|-------|
| Coruña (La)/Coruña (A) | 1,125 €/m ² | ▼ -0.9% | ▼ -30.8% | 1.0% | 2.9% |
| *Lugo | 761 €/m ² | ▼ -2.8% | ▼ -35.2% | -4.2% | 1.6% |
| *Orense/Ourense | 929 €/m ² | ▲ 7.6% | ▼ -16.8% | 5.9% | -5.5% |
| Pontevedra | 1,121 €/m ² | ▲ 4.6% | ▼ -32.6% | 0.4% | -1.1% |

COMMUNITY OF MADRID

| | | | | | |
|--------|------------------------|---------|----------|-------|------|
| Madrid | 2,004 €/m ² | ▲ 13.2% | ▼ -37.0% | 10.7% | 2.9% |
|--------|------------------------|---------|----------|-------|------|

REGION OF MURCIA

| | | | | | |
|--------|----------------------|---------|----------|-------|-------|
| Murcia | 890 €/m ² | ▼ -2.8% | ▼ -48.9% | -2.2% | -4.2% |
|--------|----------------------|---------|----------|-------|-------|

NAVARRRE

| | | | | | |
|---------|------------------------|--------|----------|------|-------|
| Navarre | 1,051 €/m ² | ▲ 6.6% | ▼ -47.4% | 8.5% | -0.2% |
|---------|------------------------|--------|----------|------|-------|

BASQUE COUNTRY

| | | | | | |
|----------------------|------------------------|---------|----------|-------|------|
| *Álava/Araba | 1,588 €/m ² | ▲ 8.6% | ▼ -41.0% | 6.2% | 4.3% |
| *Guipúzcoa/Guipúzkoa | 2,080 €/m ² | ▼ -3.5% | ▼ -38.4% | -4.1% | 2.2% |
| Biscay/Bizkaia | 1,929 €/m ² | ▼ -2.1% | ▼ -42.2% | -3.3% | 1.0% |

RIOJA (LA)

| | | | | | |
|------------|----------------------|---------|----------|-------|-------|
| Rioja (La) | 791 €/m ² | ▼ -0.4% | ▼ -56.1% | -5.4% | -3.5% |
|------------|----------------------|---------|----------|-------|-------|

CEUTA

| | | | | | |
|---------|------|------|------|------|------|
| **Ceuta | n.a. | n.a. | n.a. | n.a. | n.a. |
|---------|------|------|------|------|------|

MELILLA

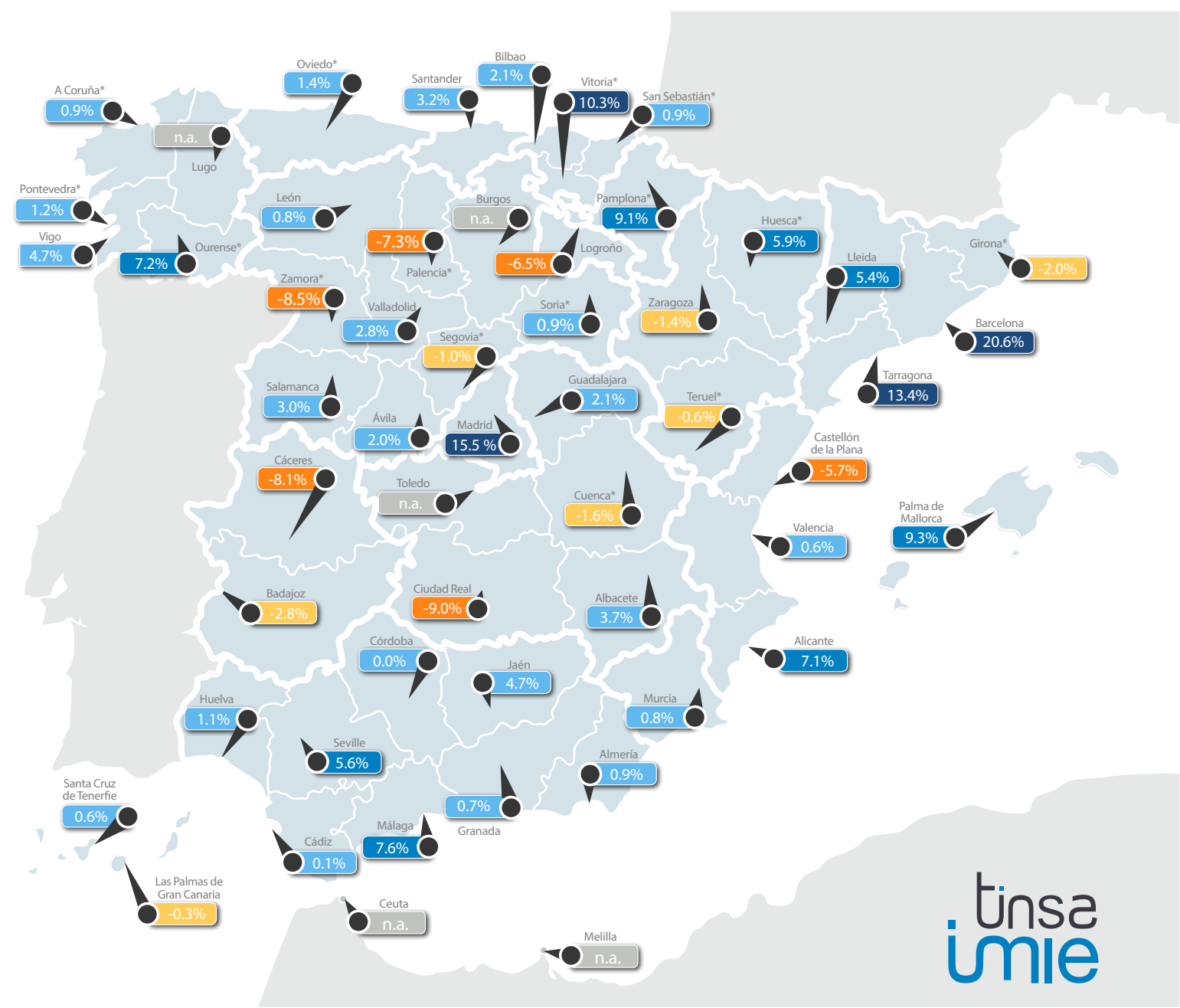
| | | | | | |
|-----------|------|------|------|------|------|
| **Melilla | n.a. | n.a. | n.a. | n.a. | n.a. |
|-----------|------|------|------|------|------|

▲ Increase over 10% ▼ Decrease between 0% and -5% ▼ Decrease over national average
 ▲ Increase between 5% and 10% ▼ Decrease between -5% and -10% ▼ Decrease below national average
 ▲ Increase between 0 and 5% ▼ Decrease over -10% **n.a. Not available * Provisional data

CAPITALS

Year-on-year change in average prices

National average +4.0%



Vigo has been included because it is considered as representative as the provincial capital

- Increase over 10%
- Increase between 5% and 10%
- Increase between 0 and 5%
- Decrease between 0% and -5%
- Decrease between -5% and -10%
- Decrease over -10%
- n.a. Not available
- * Provisional data

See previous IMIE Local Markets trends (index and €/m² prices) and make your own graphs at <https://www.tinsa.es/precio-vivienda>

CAPITALS

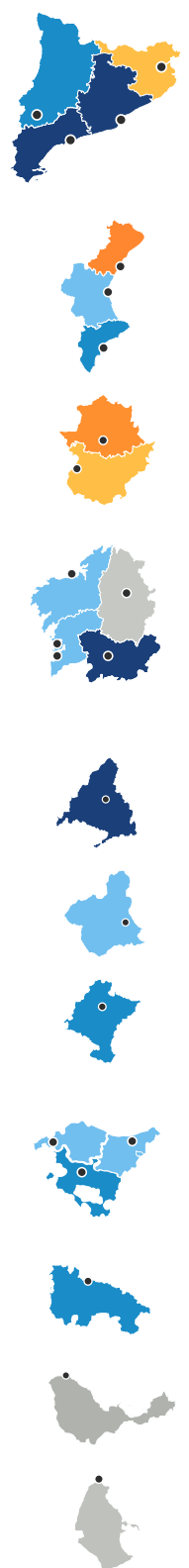
Year-on-year change in average prices

| Region | Price Q3 2017 | Year-on-year change | Change since peak | C.C. Q3 2017 | C.C. Q3 2016 |
|---------------------------|------------------------|---------------------|-------------------|--------------|--------------|
| ANDALUSIA | | | | | |
| Almería | 1,121 €/m ² | ↑ 0.9% | ↓ -47.1% | 4.0% | 3.2% |
| Cádiz | 1,874 €/m ² | ↑ 0.1% | ↓ -37.4% | 2.5% | 1.1% |
| Córdoba | 1,201 €/m ² | ↑ 0.0% | ↓ -48.0% | -2.6% | -0.5% |
| Granada | 1,368 €/m ² | ↑ 0.7% | ↓ -43.9% | 2.5% | -3.5% |
| Huelva | 1,019 €/m ² | ↑ 1.1% | ↓ -50.4% | 3.8% | 0.3% |
| Jaén | 1,145 €/m ² | ↑ 4.7% | ↓ -39.1% | 4.4% | -1.0% |
| Málaga | 1,399 €/m ² | ↑ 7.6% | ↓ -42.1% | 3.4% | 1.3% |
| Seville | 1,511 €/m ² | ↑ 5.6% | ↓ -42.8% | 5.8% | -1.8% |
| ARAGON | | | | | |
| *Huesca | 1,084 €/m ² | ↑ 5.9% | ↓ -45.6% | 4.9% | 0.2% |
| *Teruel | 1,087 €/m ² | ↓ -0.6% | ↓ -38.6% | -0.8% | 2.0% |
| Zaragoza | 1,194 €/m ² | ↓ -1.4% | ↓ -57.4% | -0.4% | 0.4% |
| ASTURIAS | | | | | |
| *Oviedo | 1,264 €/m ² | ↑ 1.4% | ↓ -36.9% | 1.5% | -0.8% |
| BALEARIC ISLANDS | | | | | |
| Palma de Mallorca | 1,769 €/m ² | ↑ 9.3% | ↓ -33.8% | 9.2% | -2.8% |
| CANARY ISLANDS | | | | | |
| Palmas (Las) | 1,339 €/m ² | ↓ -0.3% | ↓ -35.0% | 3.7% | 2.6% |
| Santa Cruz de Tenerife | 1,198 €/m ² | ↑ 0.6% | ↓ -31.1% | 5.1% | 5.7% |
| CANTABRIA | | | | | |
| Santander | 1,590 €/m ² | ↑ 3.2% | ↓ -39.3% | 3.9% | -1.9% |
| CASTILE AND LEON | | | | | |
| Ávila | 912 €/m ² | ↑ 2.0% | ↓ -53.9% | 1.8% | -1.6% |
| **Burgos | n.a. | n.a. | n.a. | n.a. | n.a. |
| León | 1,064 €/m ² | ↑ 0.8% | ↓ -38.7% | 0.0% | -2.7% |
| *Palencia | 1,090 €/m ² | ↓ -7.3% | ↓ -39.0% | -5.4% | 4.4% |
| Salamanca | 1,493 €/m ² | ↑ 3.0% | ↓ -37.6% | 6.1% | 1.1% |
| *Segovia | 1,237 €/m ² | ↓ -1.0% | ↓ -50.3% | -0.6% | -4.7% |
| *Soria | 1,041 €/m ² | ↑ 0.9% | ↓ -42.1% | 2.0% | -8.3% |
| Valladolid | 1,140 €/m ² | ↑ 2.8% | ↓ -46.5% | 5.0% | -4.7% |
| *Zamora | 988 €/m ² | ↓ -8.5% | ↓ -37.1% | -5.9% | -1.8% |
| CASTILLA LA MANCHA | | | | | |
| Albacete | 1,007 €/m ² | ↑ 3.7% | ↓ -52.5% | 1.7% | -7.3% |
| Ciudad Real | 1,013 €/m ² | ↓ -9.0% | ↓ -50.7% | -4.1% | 1.4% |
| *Cuenca | 1,000 €/m ² | ↓ -1.6% | ↓ -49.7% | -0.5% | 0.6% |
| Guadalajara | 1,084 €/m ² | ↑ 2.1% | ↓ -58.4% | -4.8% | 2.6% |
| **Toledo | n.a. | n.a. | n.a. | n.a. | n.a. |

- ▲ Increase over 10%
- ▲ Increase between 5% and 10%
- ▲ Increase between 0 and 5%
- ▼ Decrease between 0% and -5%
- ▼ Decrease between -5% and -10%
- ▼ Decrease over -10%
- ▼ Decrease over national average
- ▼ Decrease below national average
- **n.a. Not available
- * Provisional data

CAPITALS

Year-on-year change in average prices



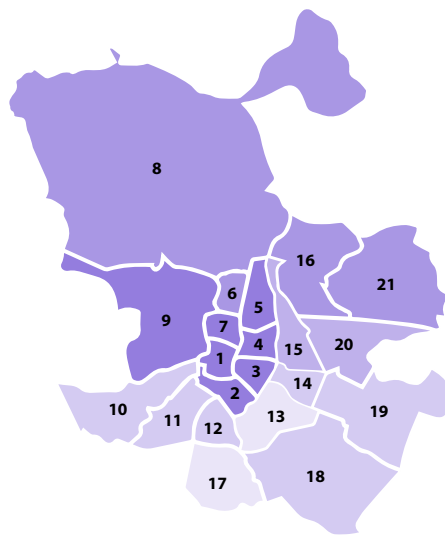
| | Price Q3 2017 | Year-on-year change | Change since peak | C.C. Q3 2017 | C.C. Q3 2016 |
|----------------------------|------------------------|---------------------|-------------------|--------------|--------------|
| CATALONIA | | | | | |
| Barcelona | 3,184 €/m ² | ▲ 20.6% | ▼ -28.3% | 16.8% | 7.6% |
| *Gerona/Girona | 1,472 €/m ² | ▼ -2.0% | ▼ -51.4% | -1.2% | -1.1% |
| Lérida/Lleida | 978 €/m ² | ▲ 5.4% | ▼ -53.9% | 2.4% | -4.8% |
| Tarragona | 1,226 €/m ² | ▲ 13.4% | ▼ -51.8% | 10.5% | -3.1% |
| VALENCIAN COMMUNITY | | | | | |
| Alicante/Alacant | 1,162 €/m ² | ▲ 7.1% | ▼ -40.7% | 3.8% | 0.1% |
| Castellón/Castellón | 835 €/m ² | ▼ -5.7% | ▼ -55.8% | -2.5% | 4.1% |
| Valencia/València | 1,173 €/m ² | ▲ 0.6% | ▼ -51.2% | 1.8% | 4.7% |
| EXTREMADURA | | | | | |
| Badajoz | 1,044 €/m ² | ▼ -2.8% | ▼ -43.8% | -3.2% | -2.4% |
| Cáceres | 1,043 €/m ² | ▼ -8.1% | ▼ -35.0% | -6.4% | 3.7% |
| GALICIA | | | | | |
| *Coruña (La)/Coruña (A) | 1,521 €/m ² | ▲ 0.9% | ▼ -31.7% | 0.7% | 1.7% |
| **Lugo | n.a. | n.a. | n.a. | n.a. | n.a. |
| *Orense/Ourense | 1,137 €/m ² | ▲ 7.2% | ▼ -21.5% | 6.8% | -4.0% |
| *Pontevedra | 1,152 €/m ² | ▲ 1.2% | ▼ -32.4% | -0.3% | -1.9% |
| Vigo | 1,305 €/m ² | ▲ 4.7% | ▼ -37.3% | 1.9% | -4.3% |
| COMMUNITY OF MADRID | | | | | |
| Madrid | 2,488 €/m ² | ▲ 15.5% | ▼ -37.4% | 12.1% | 3.2% |
| REGION OF MURCIA | | | | | |
| Murcia | 986 €/m ² | ▲ 0.8% | ▼ -44.6% | 0.7% | -7.4% |
| NAVARRRE | | | | | |
| *Pamplona | 1,383 €/m ² | ▲ 9.1% | ▼ -51.0% | 8.2% | -6.1% |
| BASQUE COUNTRY | | | | | |
| *Vitoria/Gasteiz | 1,663 €/m ² | ▲ 10.3% | ▼ -44.3% | 7.9% | 3.3% |
| *San Sebastián/Donostia | 2,997 €/m ² | ▲ 0.9% | ▼ -33.3% | -1.6% | 8.7% |
| Bilbao/Bilbo | 2,204 €/m ² | ▲ 2.1% | ▼ -40.7% | 1.9% | 4.5% |
| LA RIOJA | | | | | |
| Logroño | 941 €/m ² | ▲ -6.5% | ▼ -61.3% | -3.1% | -0.2% |
| CEUTA | | | | | |
| **Ceuta | n.a. | n.a. | n.a. | n.a. | n.a. |
| MELILLA | | | | | |
| **Melilla | n.a. | n.a. | n.a. | n.a. | n.a. |

▲ Increase over 10% ▼ Decrease over national average **n.a. Not available *provisional data
 ▲ Increase between 0 and 5% ▼ Decrease between -5% and -10% ▼ Decrease below national average
 ▲ Increase between 0 and 5% ▼ Decrease over -10%

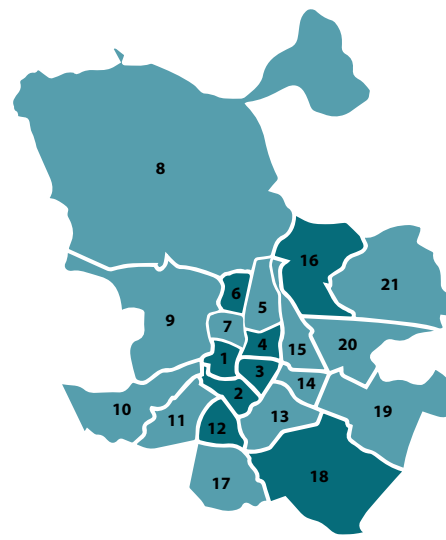
PRICE CHANGES IN THE FIVE LARGEST CITIES

MADRID

AVERAGE PRICE (€/m²)
City average: **2,488 €/m²**



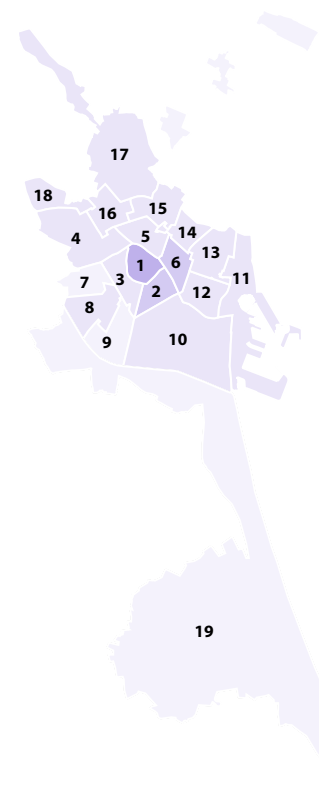
YEAR-ON-YEAR CHANGE (%)
City average: **15.5%**



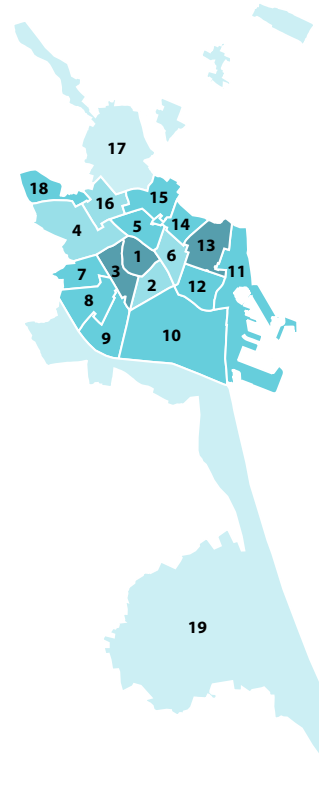
| District | €/m ² | Year-on-year % |
|-----------------------|------------------|----------------|
| 1 Centro | 3,789 | 15.1% |
| 2 Arganzuela | 3,149 | 14.5% |
| 3 Retiro | 3,545 | 16.5% |
| 4 Salamanca | 4,215 | 17.1% |
| 5 Chamartín | 3,667 | 9.6% |
| 6 Tetuán | 2,785 | 12.1% |
| 7 Chamberí | 3,936 | 9.6% |
| 8 Fuencarral-El Pardo | 2,725 | 5.7% |
| 9 Moncloa-Aravaca | 3,195 | 9.8% |
| 10 Latina | 1,765 | 9.3% |
| 11 Carabanchel | 1,635 | 9.3% |
| 12 Usera | 1,595 | 12.2% |
| 13 Puente de Vallecas | 1,427 | 6.8% |
| 14 Moratalaz | 1,947 | 6.9% |
| 15 Ciudad Lineal | 2,299 | 8.9% |
| 16 Hortaleza | 2,736 | 10.9% |
| 17 Villaverde | 1,308 | 6.6% |
| 18 Villa de Vallecas | 1,942 | 13.9% |
| 19 Vicálvaro | 1,743 | 8.3% |
| 20 San Blas | 2,025 | 6.2% |
| 21 Barajas | 2,586 | 7.4% |

VALENCIA

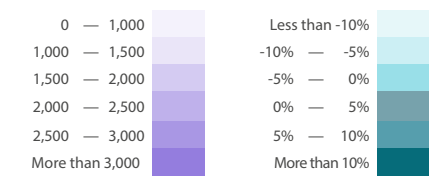
AVERAGE PRICE (€/m²)
City average: **1,173 €/m²**



YEAR-ON-YEAR CHANGE (%)
City average: **0.6%**



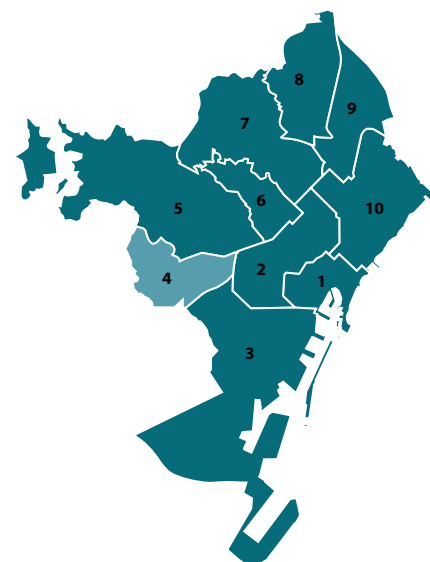
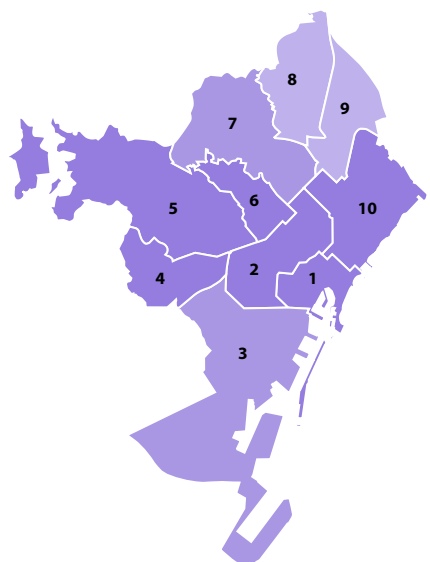
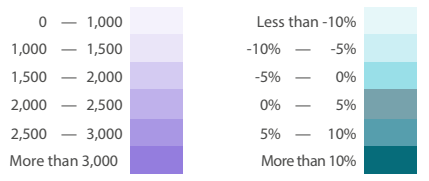
| District | €/m ² | Year-on-year % |
|------------------------|------------------|----------------|
| 1 Ciutat Vella | 2,088 | 9.1% |
| 2 L'Eixample | 1,960 | -3.0% |
| 3 Extramurs | 1,498 | 9.4% |
| 4 Campanar | 1,336 | -2.4% |
| 5 La Saïdia | 1,026 | 0.9% |
| 6 El Pla del Real | 1,714 | -1.2% |
| 7 L'Olivereta | 886 | 4.8% |
| 8 Patraix | 1,016 | 1.6% |
| 9 Jesús | 929 | 0.4% |
| 10 Quatre Carreres | 1,176 | 3.5% |
| 11 Poblets Marítims | 1,011 | 4.1% |
| 12 Camins al Grau | 1,251 | 4.5% |
| 13 Algirós | 1,331 | 9.2% |
| 14 Benimaclet | 1,178 | 1.7% |
| 15 Rascanya | 954 | 2.7% |
| 16 Benicalap | 987 | -2.3% |
| 17 Pobladors del Norte | 842 | -5.1% |
| 18 Pobladors del Oeste | 825 | 3.6% |
| 19 Pobladors del Sur | 1,032 | -8.4% |



BARCELONA

AVERAGE PRICE (€/m²)
City average: **3,184 €/m²**

YEAR-ON-YEAR CHANGE (%)
City average: **20.6%**



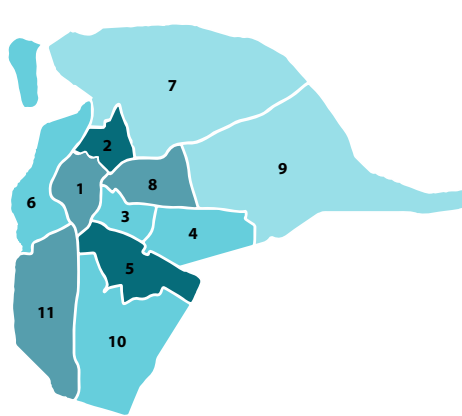
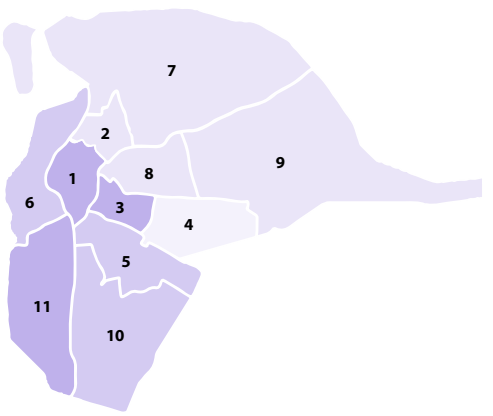
| District | €/m ² | Year-on-year % |
|-----------------------|------------------|----------------|
| 1 Ciutat Vella | 3,602 | 28.5% |
| 2 Eixample | 3,843 | 17.4% |
| 3 Sants-Montjuïc | 2,922 | 26.0% |
| 4 Les Corts | 3,826 | 7.9% |
| 5 Sarrià-Sant Gervasi | 4,308 | 13.0% |
| 6 Gràcia | 3,481 | 11.8% |
| 7 Horta Guinardó | 2,579 | 16.9% |
| 8 Nou Barris | 2,148 | 17.4% |
| 9 Sant Andreu | 2,460 | 18.1% |
| 10 Sant Martí | 3,021 | 19.5% |

SEVILLE

AVERAGE PRICE (€/m²)
City average: **1,511 €/m²**

YEAR-ON-YEAR CHANGE (%)
City average: **5.6%**

| District | €/m ² | Year-on-year % |
|-------------------------------|------------------|----------------|
| 1 Casco Antiguo | 2,434 | 5.9% |
| 2 Macarena | 1,298 | 15.0% |
| 3 Nervión | 2,040 | 0.7% |
| 4 Cerro - Amate | 954 | 0.6% |
| 5 Sur | 1,600 | 13.8% |
| 6 Triana | 1,840 | 3.2% |
| 7 Norte | 1,091 | -1.7% |
| 8 San Pablo - Santa Justa | 1,486 | 9.5% |
| 9 Este - Alcosa - Torreblanca | 1,191 | -2.7% |
| 10 Bellavista - La Palmera | 1,592 | 0.5% |
| 11 Los Remedios | 2,082 | 6.5% |

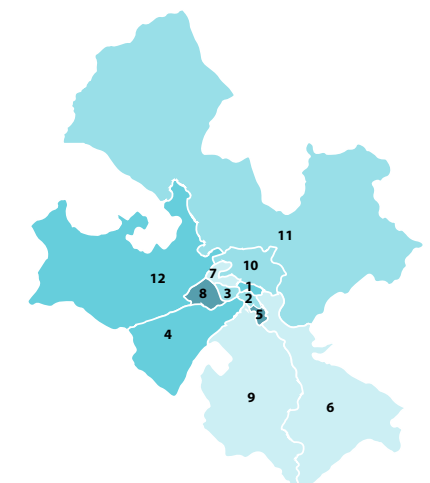
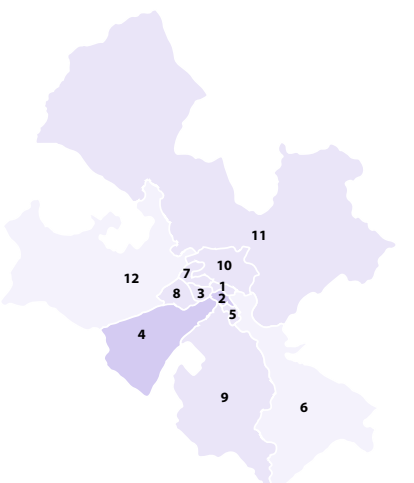


ZARAGOZA

AVERAGE PRICE (€/m²)
City average: **1,194 €/m²**

YEAR-ON-YEAR CHANGE(%)
City average: **-1.4%**

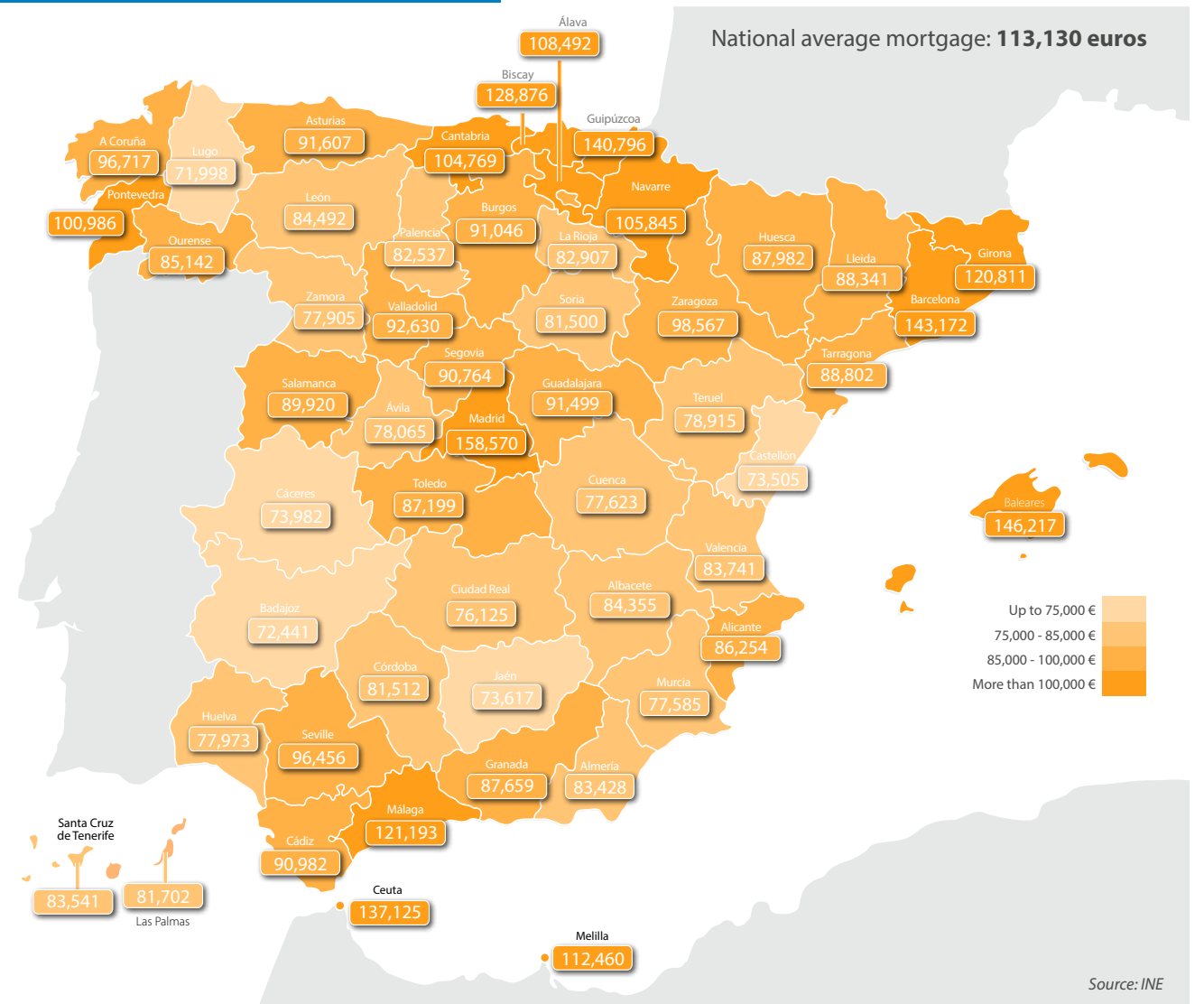
| District | €/m ² | Year-on-year % |
|------------------------------|------------------|----------------|
| 1 Casco Histórico | 1,324 | 1.5% |
| 2 Centro | 1,679 | -1.1% |
| 3 Delicias | 1,029 | -2.9% |
| 4 Universidad | 1,563 | 1.6% |
| 5 San José | 1,186 | 8.1% |
| 6 Las Fuentes | 919 | -7.3% |
| 7 La Almozara | 1,117 | -7.3% |
| 8 Oliver - Valdefierro | 1,311 | 7.1% |
| 9 Torrero-La Paz | 1,042 | -6.4% |
| 10 Margen Izquierda | 1,245 | -1.6% |
| 11 Barrios rurales del norte | 1,075 | -2.4% |
| 12 Barrios rurales del oeste | 876 | 2.3% |



4 FINANCIAL INDICATORS

AVERAGE MORTGAGE

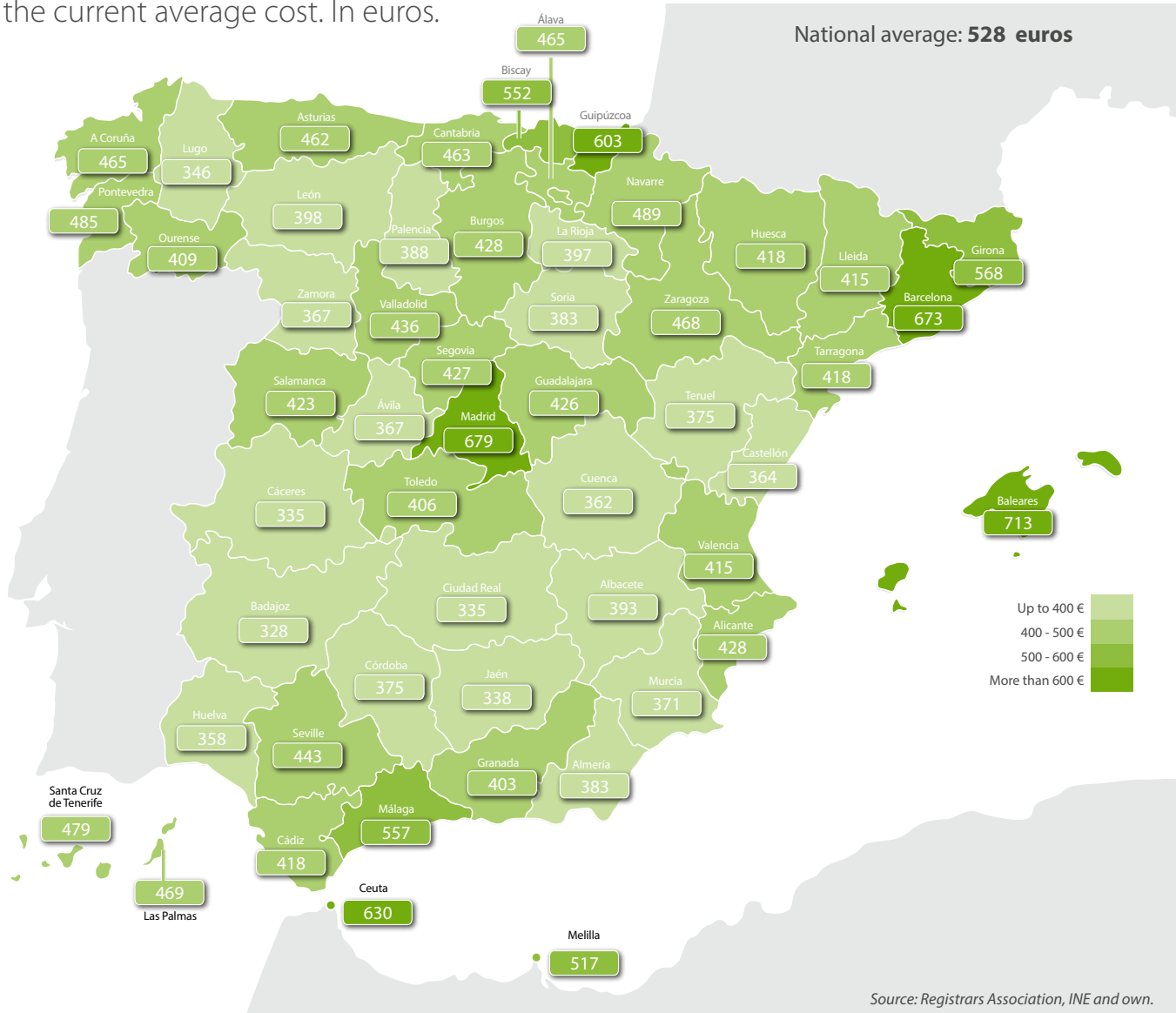
Average mortgage loan amount approved in Q3 2017. In euros.



| REGIONS | Average mortgage (in euros) | PROVINCES | Average mortgage (in euros) | PROVINCES | Average mortgage (in euros) | PROVINCES | Average mortgage (in euros) |
|---------------------|-----------------------------|--------------|-----------------------------|---------------------|-----------------------------|------------------|-----------------------------|
| Extremadura | 72,941 | Lugo | 71,998 | Almería | 83,428 | Asturias | 91,607 |
| Region of Murcia | 77,585 | Badajoz | 72,441 | Santa Cruz Tenerife | 83,541 | Valladolid | 92,630 |
| Canary Islands | 82,722 | Castellón | 73,505 | Valencia | 83,741 | Seville | 96,456 |
| Rioja (La) | 82,907 | Jaén | 73,617 | Albacete | 84,355 | Coruña (A) | 96,717 |
| Valencian Community | 83,687 | Cáceres | 73,982 | León | 84,492 | Zaragoza | 98,567 |
| Castilla-La Mancha | 84,729 | Ciudad Real | 76,125 | Orense | 85,142 | Pontevedra | 100,986 |
| Castile and Leon | 87,931 | Murcia | 77,585 | Alicante | 86,254 | Cantabria | 104,769 |
| Asturias | 91,607 | Cuenca | 77,623 | Toledo | 87,199 | Navarre | 105,845 |
| Galicia | 94,862 | Zamora | 77,905 | Granada | 87,659 | Álava | 108,492 |
| Aragon | 95,865 | Huelva | 77,973 | Huesca | 87,982 | Melilla | 112,460 |
| Andalusia | 96,226 | Ávila | 78,065 | Lleida | 88,341 | Girona | 120,811 |
| Cantabria | 104,769 | Teruel | 78,915 | Tarragona | 88,802 | Málaga | 121,193 |
| Navarre | 105,845 | Soria | 81,500 | Salamanca | 89,920 | Biscay | 128,876 |
| Melilla | 112,460 | Córdoba | 81,512 | Segovia | 90,764 | Ceuta | 137,125 |
| Basque Country | 129,911 | Palmas (Las) | 81,702 | Cádiz | 90,982 | Guipúzcoa | 140,796 |
| Catalonia | 132,784 | Palencia | 82,537 | Burgos | 91,046 | Barcelona | 143,172 |
| Ceuta | 137,125 | La Rioja | 82,907 | Guadalajara | 91,499 | Balearic Islands | 146,217 |
| Balearic Islands | 146,217 | | | | | Madrid | 158,570 |
| Community of Madrid | 158,570 | | | | | | |

AVERAGE MORTGAGE PAYMENT

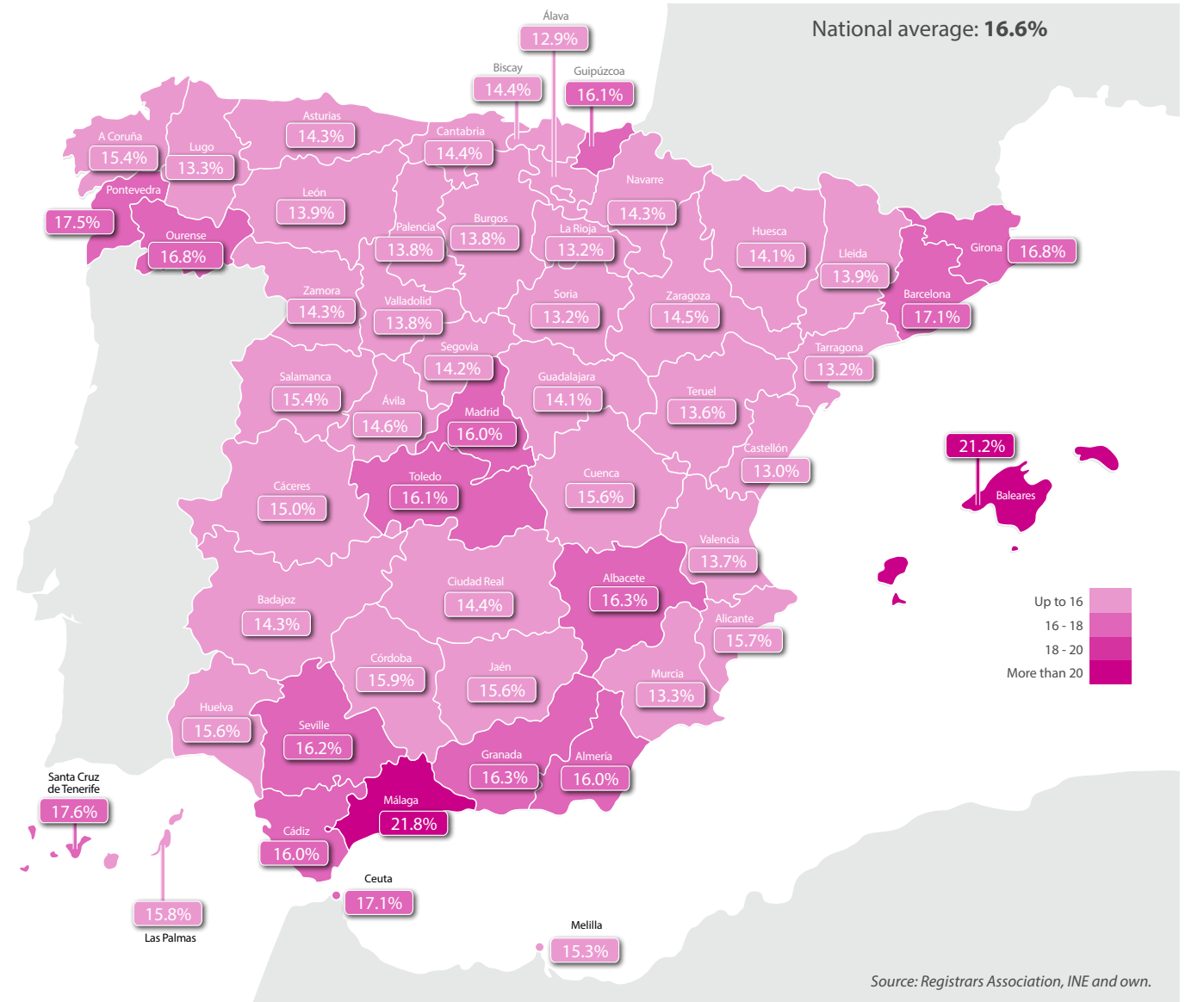
Monthly payment made by a mortgage holder, according to the current average cost. In euros.



| REGIONS | Average mortgage payment (in Euros) | PROVINCES | Average mortgage payment (in Euros) | PROVINCES | Average mortgage payment (in Euros) | PROVINCES | Average mortgage payment (in Euros) |
|---------------------|-------------------------------------|-------------|-------------------------------------|-------------|-------------------------------------|---------------------|-------------------------------------|
| Extremadura | 330 | Badajoz | 328 | Rioja (La) | 397 | Asturias | 462 |
| Region of Murcia | 371 | Cáceres | 335 | León | 398 | Cantabria | 463 |
| Castilla-La Mancha | 395 | Jaén | 338 | Granada | 403 | Coruña (A) | 465 |
| Rioja (La) | 397 | Lugo | 346 | Toledo | 406 | Álava | 465 |
| Castile and Leon | 414 | Ciudad Real | 355 | Orense | 409 | Zaragoza | 468 |
| Valencian Community | 415 | Huelva | 358 | Valencia | 415 | Palmas (Las) | 469 |
| Andalusia | 442 | Cuenca | 362 | Lleida | 415 | Santa Cruz Tenerife | 479 |
| Aragon | 455 | Castellón | 364 | Tarragona | 418 | Pontevedra | 485 |
| Galicia | 456 | Zamora | 367 | Huesca | 418 | Navarre | 489 |
| Asturias | 462 | Ávila | 367 | Cádiz | 418 | Melilla | 517 |
| Cantabria | 463 | Murcia | 371 | Salamanca | 423 | Biscay | 552 |
| Canary Islands | 474 | Córdoba | 375 | Guadalajara | 426 | Málaga | 557 |
| Navarre | 489 | Teruel | 375 | Segovia | 427 | Girona | 568 |
| Melilla | 517 | Almería | 383 | Alicante | 428 | Guipúzcoa | 603 |
| Basque Country | 557 | Soria | 383 | Burgos | 428 | Ceuta | 630 |
| Catalonia | 624 | Palencia | 388 | Valladolid | 436 | Barcelona | 673 |
| Ceuta | 630 | Albacete | 393 | Seville | 443 | Madrid | 679 |
| Community of Madrid | 679 | | | | | Balearic Islands | 713 |
| Balearic Islands | 713 | | | | | | |

AFFORDABILITY

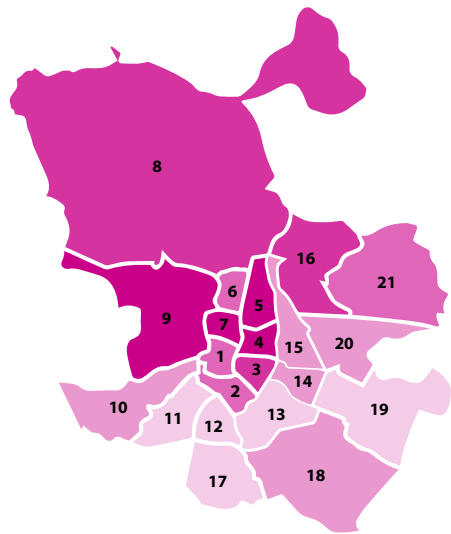
Percentage of income used to pay first year of mortgage. In euros.



| REGIONS | Affordability | PROVINCES | Affordability | PROVINCES | Affordability | PROVINCES | Affordability |
|---------------------|---------------|-------------|---------------|-------------|---------------|---------------------|---------------|
| Rioja (La) | 13.2 | Álava | 12.9 | Zamora | 14.3 | Palmas (Las) | 15.8 |
| Region of Murcia | 13.3 | Castellón | 13.0 | Asturias | 14.3 | Córdoba | 15.9 |
| Castile and Leon | 14.2 | Tarragona | 13.2 | Navarre | 14.3 | Madrid | 16.0 |
| Valencian Community | 14.3 | Soria | 13.2 | Badajoz | 14.3 | Cádiz | 16.0 |
| Asturias | 14.3 | Rioja (La) | 13.2 | Biscay | 14.4 | Almería | 16.0 |
| Navarre | 14.3 | Lugo | 13.3 | Cantabria | 14.4 | Toledo | 16.1 |
| Cantabria | 14.4 | Murcia | 13.3 | Ciudad Real | 14.4 | Guipúzcoa | 16.1 |
| Aragon | 14.5 | Teruel | 13.6 | Zaragoza | 14.5 | Seville | 16.2 |
| Extremadura | 14.6 | Valencia | 13.7 | Ávila | 14.6 | Albacete | 16.3 |
| Basque Country | 14.9 | Palencia | 13.8 | Cáceres | 15.0 | Granada | 16.3 |
| Melilla | 15.3 | Burgos | 13.8 | Melilla | 15.3 | Girona | 16.8 |
| Castilla-La Mancha | 15.6 | Valladolid | 13.8 | Coruña (A) | 15.4 | Orense | 16.8 |
| Community of Madrid | 16.0 | Lleida | 13.9 | Salamanca | 15.4 | Ceuta | 17.1 |
| Galicia | 16.2 | León | 13.9 | Jaén | 15.6 | Barcelona | 17.1 |
| Canary Islands | 16.6 | Guadalajara | 14.1 | Cuenca | 15.6 | Pontevedra | 17.5 |
| Catalonia | 16.7 | Huesca | 14.1 | Huelva | 15.6 | Santa Cruz Tenerife | 17.6 |
| Ceuta | 17.1 | Segovia | 14.2 | Alicante | 15.7 | Balearic Islands | 21.2 |
| Andalusia | 17.6 | | | | | Málaga | 21.8 |
| Balearic Islands | 21.2 | | | | | | |

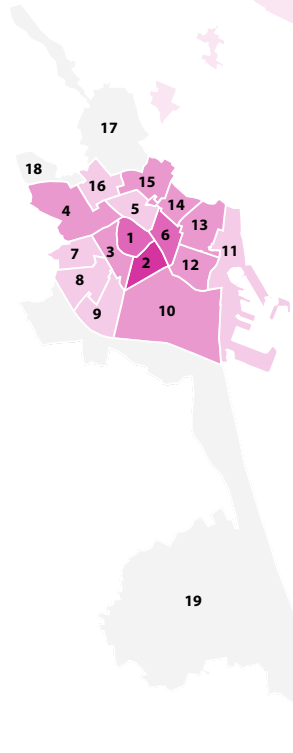
AFFORDABILITY IN THE FIVE LARGEST CITIES

MADRID
City average: **23.3%**



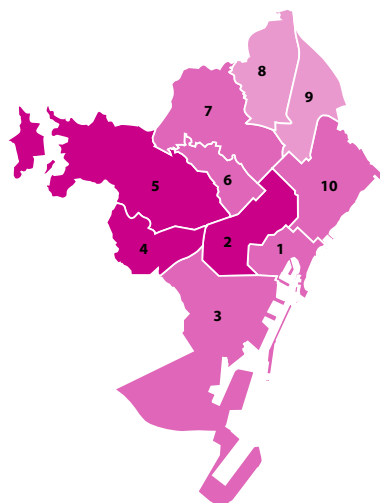
| District | Affordability |
|-----------------------|---------------|
| 1 Centro | 23.2% |
| 2 Arganzuela | 24.5% |
| 3 Retiro | 26.4% |
| 4 Salamanca | 37.1% |
| 5 Chamartín | 34.3% |
| 6 Tetuán | 21.6% |
| 7 Chamberí | 32.9% |
| 8 Fuencarral-El Pardo | 27.5% |
| 9 Moncloa-Aravaca | 37.9% |
| 10 Latina | 15.4% |
| 11 Carabanchel | 14.0% |
| 12 Usera | 14.9% |
| 13 Puente de Vallecas | 11.9% |
| 14 Moratalaz | 16.0% |
| 15 Ciudad Lineal | 20.0% |
| 16 Hortaleza | 30.0% |
| 17 Villaverde | 12.1% |
| 18 Villa de Vallecas | 16.5% |
| 19 Vicálvaro | 14.9% |
| 20 San Blas | 19.6% |
| 21 Barajas | 22.8% |

VALENCIA
City average: **16.7%**



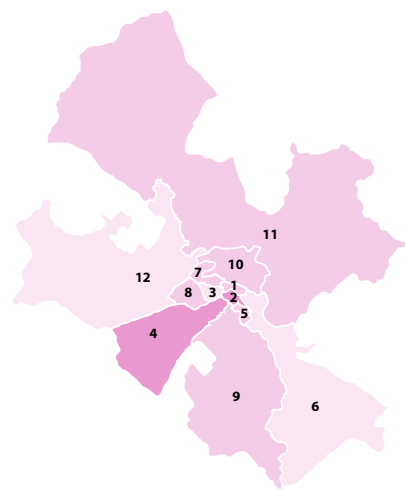
| District | Affordability |
|---------------------|---------------|
| 1 Ciutat Vella | 23.5% |
| 2 L'Eixample | 26.0% |
| 3 Extramurs | 18.7% |
| 4 Campanar | 18.0% |
| 5 La Saïdia | 13.6% |
| 6 El Pla del Real | 21.4% |
| 7 L'Olivereta | 12.7% |
| 8 Patraix | 14.2% |
| 9 Jesús | 11.7% |
| 10 Quatre Carreres | 16.5% |
| 11 Pobles Marítims | 12.2% |
| 12 Camins al Grau | 17.7% |
| 13 Algirós | 16.9% |
| 14 Benimaclet | 15.4% |
| 15 Rascanya | 15.3% |
| 16 Benicalap | 14.3% |
| 17 Pobles del Norte | |
| 18 Pobles del Oeste | |
| 19 Pobles del Sur | |

BARCELONA
City average: **24.7%**



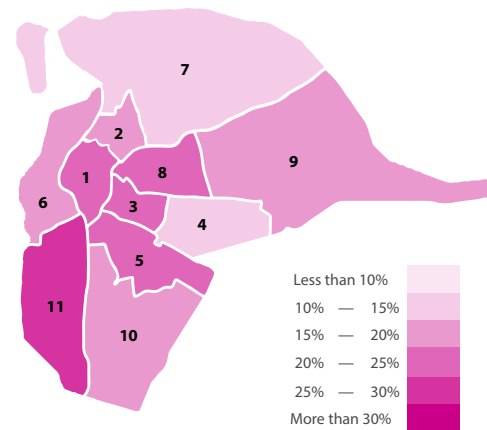
| District | Affordability |
|-----------------------|---------------|
| 1 Ciutat Vella | 20.7% |
| 2 L'Eixample | 31.3% |
| 3 Sants-Montjuïc | 21.5% |
| 4 Les Corts | 36.7% |
| 5 Sarrià-Sant Gervasi | 40.8% |
| 6 Gràcia | 21.6% |
| 7 Horta Guinardó | 20.5% |
| 8 Nou Barris | 18.4% |
| 9 Sant Andreu | 19.5% |
| 10 Sant Martí | 23.2% |

ZARAGOZA
City average: **12.1%**



| District | Affordability |
|------------------------------|---------------|
| 1 Casco Histórico | 11.6% |
| 2 Centro | 15.9% |
| 3 Delicias | 9.4% |
| 4 Universidad | 17.3% |
| 5 San José | 11.3% |
| 6 Las Fuentes | 8.1% |
| 7 La Almozara | 10.5% |
| 8 Oliver - Valdefierro | 14.2% |
| 9 Torrero-La Paz | 10.4% |
| 10 Margen Izquierda | 11.7% |
| 11 Barrios rurales del norte | 12.6% |
| 12 Barrios rurales del oeste | 9.3% |

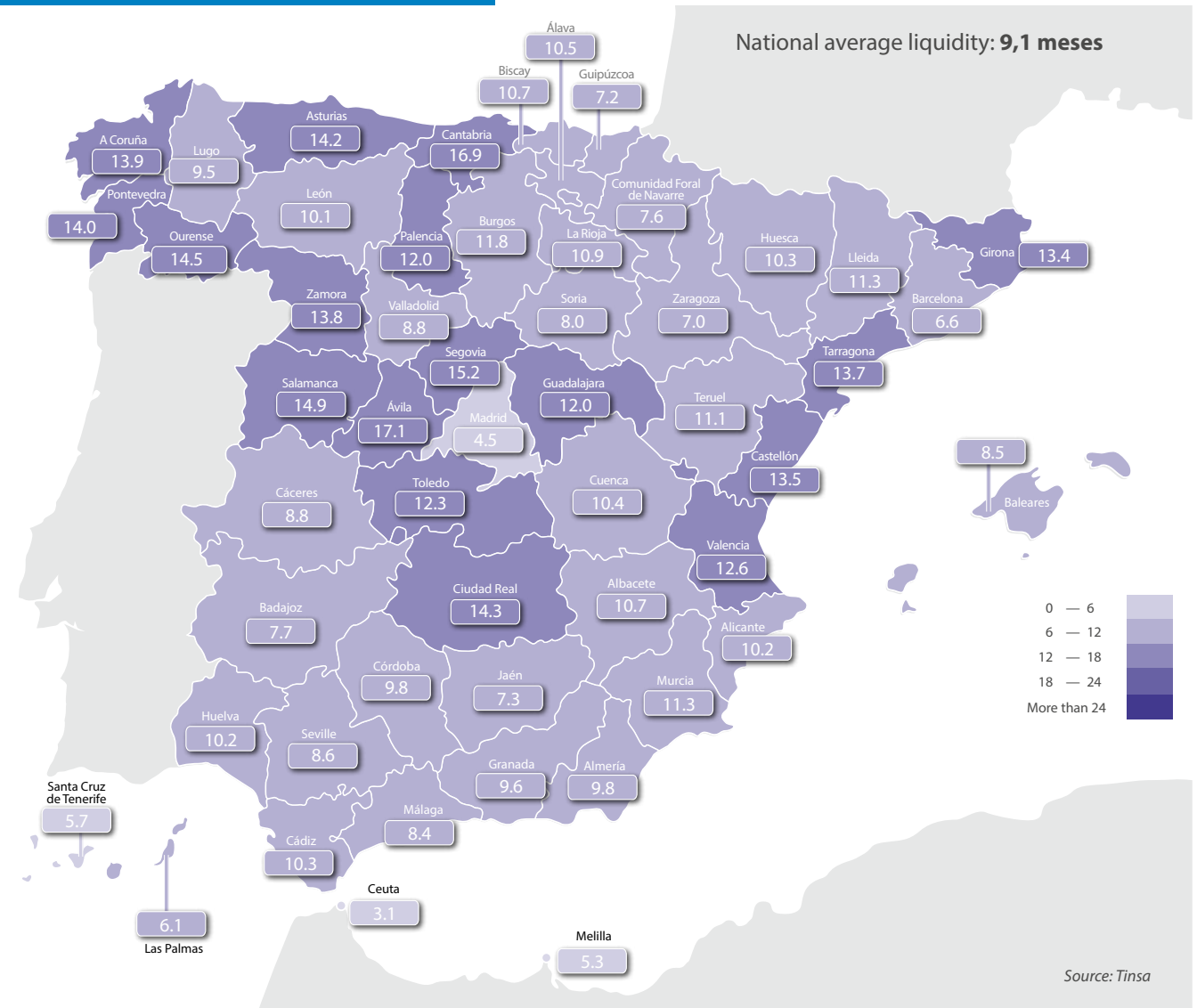
SEVILLE
City average: **19.1%**



| District | Affordability |
|----------------------------|---------------|
| 1 Casco Antiguo | 22.2% |
| 2 Macarena | 16.8% |
| 3 Nervión | 22.4% |
| 4 Cerro - Amate | 13.5% |
| 5 Sur | 21.6% |
| 6 Triana | 19.9% |
| 7 Norte | 12.8% |
| 8 San Pablo - Santa Justa | 20.1% |
| 9 Este-Alcosa-Torreblanca | 15.8% |
| 10 Bellavista - La Palmera | 19.2% |
| 11 Los Remedios | 25.3% |

5 MARKET ACTIVITY INDICATORS

LIQUIDITY MAP: MONTHS TAKEN TO SELL A PROPERTY



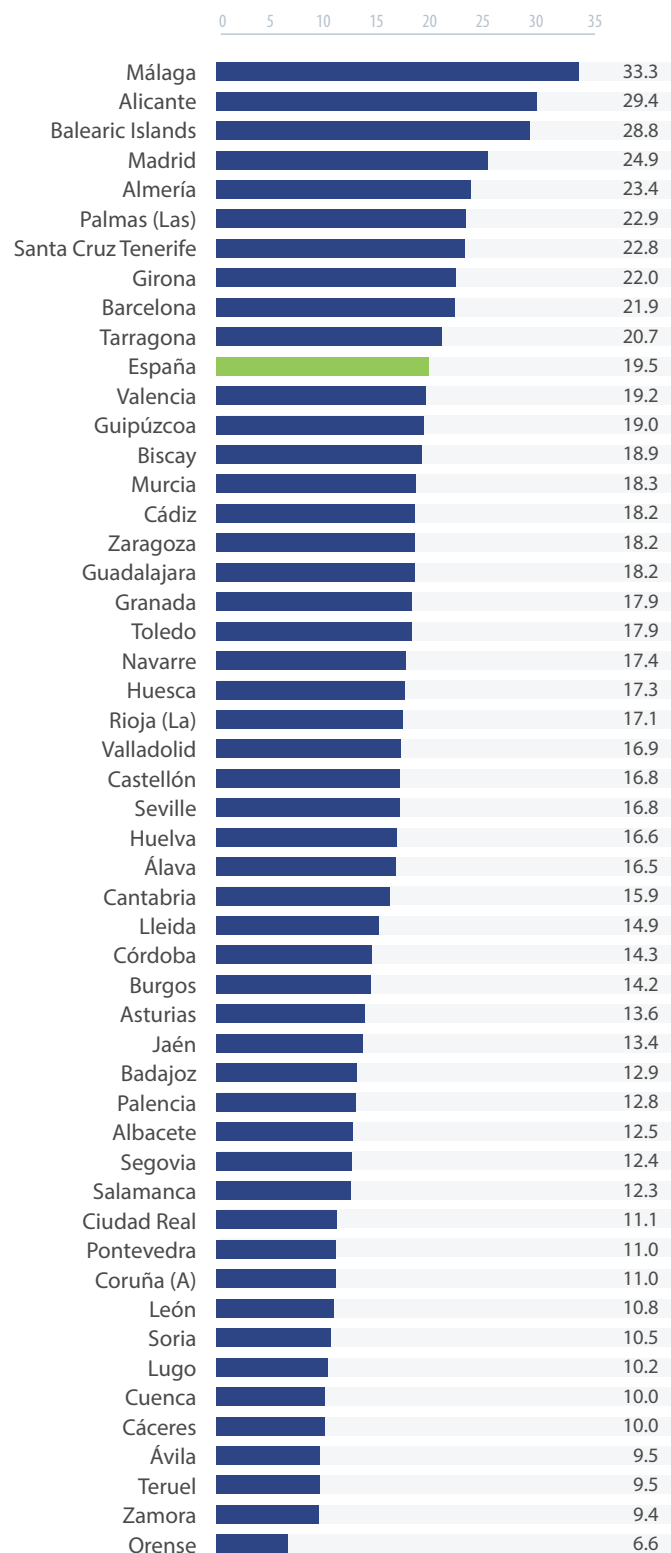
| REGIONS | Selling time (in months) | PROVINCES | Selling time (in months) | PROVINCES | Selling time (in months) | PROVINCES | Selling time (in months) |
|----------------------|--------------------------|------------------------|--------------------------|------------|--------------------------|-------------|--------------------------|
| Canary Islands | 5.9 | Ceuta | 3.1 | Lugo | 9.5 | Guadalajara | 12.0 |
| Aragon | 8.0 | Madrid | 4.5 | Granada | 9.6 | Palencia | 12.0 |
| Extremadura | 8.1 | Melilla | 5.3 | Córdoba | 9.8 | Toledo | 12.3 |
| Catalonia | 8.7 | Santa Cruz de Tenerife | 5.7 | Almería | 9.8 | Valencia | 12.6 |
| Andalucía | 9.1 | Palmas (Las) | 6.1 | León | 10.1 | Girona | 13.4 |
| Basque Country | 9.6 | Barcelona | 6.6 | Huelva | 10.2 | Castellón | 13.5 |
| Valencian Community | 11.5 | Zaragoza | 7.0 | Alicante | 10.2 | Tarragona | 13.7 |
| Castile and Leon | 11.9 | Guipúzcoa | 7.2 | Huesca | 10.3 | Zamora | 13.8 |
| Castilla - La Mancha | 12.2 | Jaén | 7.3 | Cádiz | 10.3 | Coruña (A) | 13.9 |
| Galicia | 13.4 | Navarre | 7.6 | Cuenca | 10.4 | Pontevedra | 14.0 |
| | | Badajoz | 7.7 | Álava | 10.5 | Asturias | 14.2 |
| | | Soria | 8.0 | Biscay | 10.7 | Ciudad Real | 14.3 |
| | | Málaga | 8.4 | Albacete | 10.7 | Orense | 14.5 |
| | | Balearic Islands | 8.5 | Rioja (La) | 10.9 | Salamanca | 14.9 |
| | | Seville | 8.6 | Teruel | 11.1 | Segovia | 15.2 |
| | | Cáceres | 8.8 | Lleida | 11.3 | Cantabria | 16.9 |
| | | Valladolid | 8.8 | Murcia | 11.3 | Ávila | 17.1 |
| | | | | Burgos | 11.8 | | |

| 5 LARGEST CITIES | Selling time (in months) |
|------------------|--------------------------|
| Madrid | 3.2 |
| Barcelona | 3.4 |
| Zaragoza | 5.5 |
| Seville | 6.4 |
| Valencia | 8.7 |

DEVELOPMENT ACTIVITY & RELATIVE SALES

Sales against current supply

Sales (year-to-date*) per 1,000 properties available in each province.

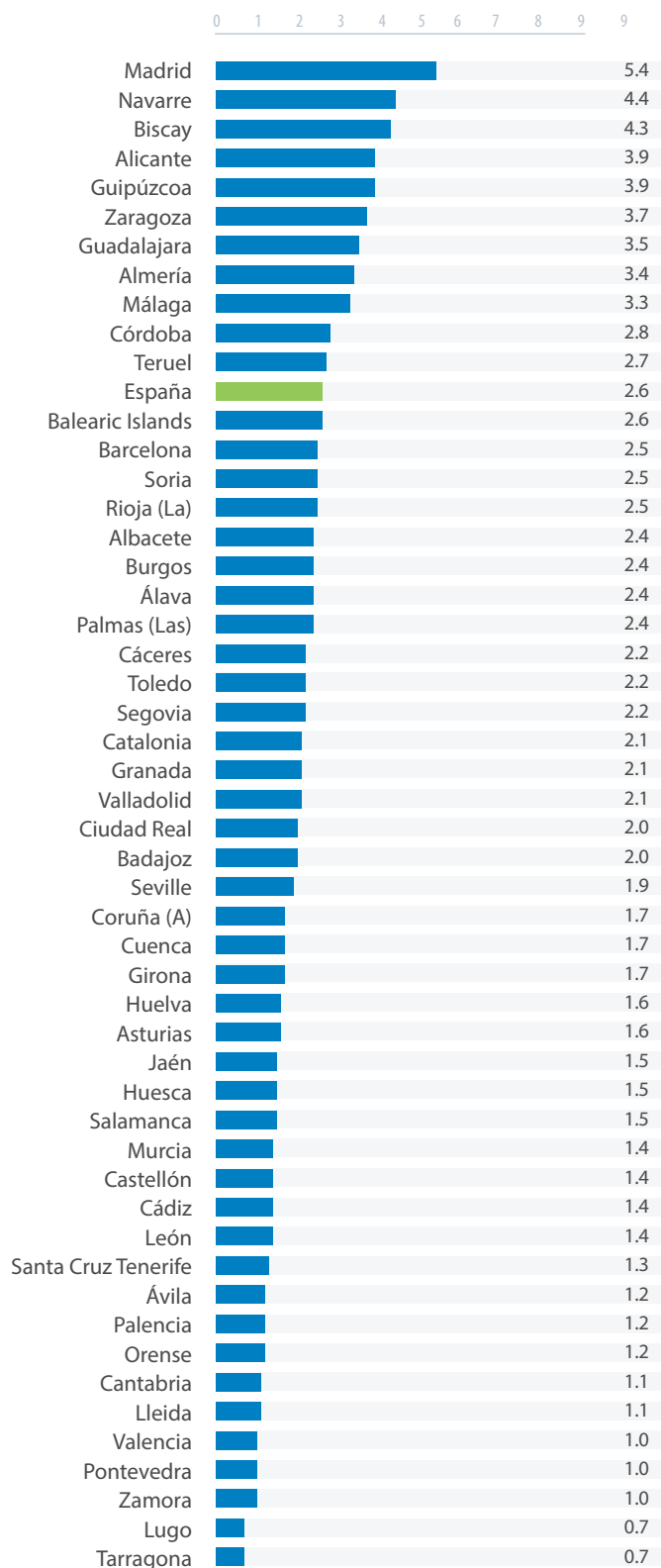


*Sales over the last four quarters, Q2 2016 to Q1 2017

Source: Ministry of Development

Building licences against current supply

Building licences over the last year-to-date* per 1,000 properties available in each province.



*Building licences approved over the last four quarters, Q2 2016 to Q1 2017

Source: Ministry of Development

6 METHODOLOGY

The IMIE Local Markets series are compiled using information from Tinsa data bases, which, with almost 6 million valuations, represent more than 25% of the total carried out in Spain. They are easily the largest data bases in the sector. Data is collected on a daily basis by a group of more than 1,300 qualified professionals (architects and technical architects) throughout the entire Spanish market. The thoroughness behind this data collection stands well ahead that of other sources, fed by non-expert staff.

Valuations are carried out in accordance with Bank of Spain regulations as set out in the ECO/805/2003. Valuation reports are completed using a computer program, developed specifically for Tinsa, which allows the data included in the reports to be strictly collected and consolidated, thus facilitating its later use in a similar and recurring basis. Each report received is subject to comprehensive quality control carried out by a team of over 80 professionals with wide experience in the type of property valued, before it is sent to the client.

The calculation methods are similar to those used in the IMIE General and Large Markets. Their main characteristics are as follows:

- Variable measurement: price per square metre of built property.
- Frequency: quarterly.
- Area: Spain.
- Sample: all property valuations carried out by Tinsa using the comparison method and for mortgage purposes.

As regards product classification, this has been done using two main characteristics of the property: location and type. Regarding location, each provincial market has been zoned by area according to, firstly, the division of urban areas depending on the size of its population (number of inhabitants) and the influence on some of them by their proximity to other main population centres (areas of influence). Areas closely linked to the second home market (coastal, mountain, island and similar) have also been considered as well as those in rural settings, whose market is smaller and less volatile. Here, we have endeavoured to maintain local administrative divisions as far as possible.

Regarding property type, products have been divided according to the type of property (single-family home or apartment), the state of the properties (which implicitly includes age and refurbishments) and their functionality (mainly based on the number of bedrooms).

The interaction of both classifications leads to the different segments in each local market, also known as base groups. Each has its own weight within a province, which is estimated from the number of valuations carried out in the same group over the last year. The weighted aggregate of the base groups in each province makes up the provincial index. The provincial weighted aggregate makes up the index for each region.

* Some provincial capitals and provinces have less market activity and data supplied is therefore provisional. It becomes definitive as the time series is consolidated. Capitals generally affected are A Coruña, Cuenca, Girona, Huesca, Lugo, Ourense, Oviedo, Palencia, Pamplona, Pontevedra, San Sebastián, Segovia, Soria, Teruel, Toledo, Vitoria and Zamora. Provinces with provisional data this quarter are Alava, Cuenca, Guipuzcoa, Lugo, Ourense, Palencia, Soria, Teruel and Zamora. Ceuta, Melilla and the Basque Country also have provisional figures.

** The set and changes for the provincial capitals of Burgos, Lugo and Toledo are not available for this quarter neither are those for Ceuta and Melilla.

tinsa
umie

info@tinsa.es

José Echegaray, 9
Parque empresarial
28232-Las Rozas (MADRID)
(+34) 91 372 75 00
(+34) 91 372 75 10