



# COASTAL PROPERTY REPORT 2020



**INDEX**

**Methodological notes .....4**

**General situation .....5**

**Executive summary .....9**

    General situation .....9

    Prices .....10

    Supply .....12

    Activity .....13

    Land market .....14

    Demand .....15

**Map on coastal holiday home market.....17**

**MEDITERRANEAN COASTLINE**

**Catalan Coast .....18**

    Girona .....18

    Barcelona .....20

**Comunidad Valenciana Coast .....24**

    Castellón (Costa del Azahar).....24

    Costa de Valencia .....26

    Alicante (Costa Blanca) .....28

**Balearic Islands .....32**

    Mallorca.....32

    Ibiza/Formentera.....34

**Andalusian Mediterranean Coast.....36**

    Costa de Almería .....36

    Málaga (Costa del Sol) .....38

**ATLANTIC COASTLINE**

**Andalusia Atlantic Coast (Costa de la Luz).....42**

    Cádiz .....42

**Canary Islands .....45**

    Tenerife .....45

    Gran Canaria .....47

    Lanzarote.....48

**ATLANTIC OCEAN/CANTABRIAN SEA**

**Costa Gallega .....51**  
    Pontevedra (Rías Bajas) .....51

**CANTABRIAN SEA**

**Asturias Coast (Costa Verde) .....53**  
**Basque Coast .....55**  
    Guipúzcoa .....55

**ACKNOWLEDGEMENTS .....57**



## METHODOLOGICAL NOTES

The Coastal Property Report 2020 is an analysis of the main coastal holiday home markets in Spain. The contents have been compiled in collaboration with Tinsa professionals who work in the selected areas.

In the face of the current exceptional situation caused by covid-19, it was decided to carry out the analysis immediately after the market was reactivated after lockdown. Its geographical reach has been limited to 24 main areas with data on recent trends (pre covid-19) and first impressions on the potential impact of the current situation since residential markets on the coast could be particularly affected by their dependence on both Spanish and foreign demand. The report also includes statistics on recent sales, prices and building licences in other main municipalities located in the provinces of the selected areas.

This study includes a comprehensive qualitative description elaborated from a survey among local professionals who were asked for information on price trends, supply, new-built supply levels, activity and demand during 2019 as well as during Q1 2020, the start of the covid-19 crisis. Complementing the technical side are the following statistics:

- Per m<sup>2</sup> price in coastal municipalities, year-on-year changes and variation since peak. Price statistics come from market prices ascertained by mortgage valuations carried out by Tinsa. The prices for Q1 2020 included in this report are provisional until they can be consolidated after two quarters. *(Source: Tinsa)*
- Graph of changes in prices from 2001 to Q1 2020 in the most important municipalities. *(Source: Tinsa IMIE Local Markets Report)*
- Sales in each area 2018-2019. *(Source: Ministry of Transport, Mobility and Urban Agenda)*
- New-built licences in coastal municipalities with over 10,000 inhabitants 2018-2019. *(Source: Ministry of Transport, Mobility and Urban Agenda)*

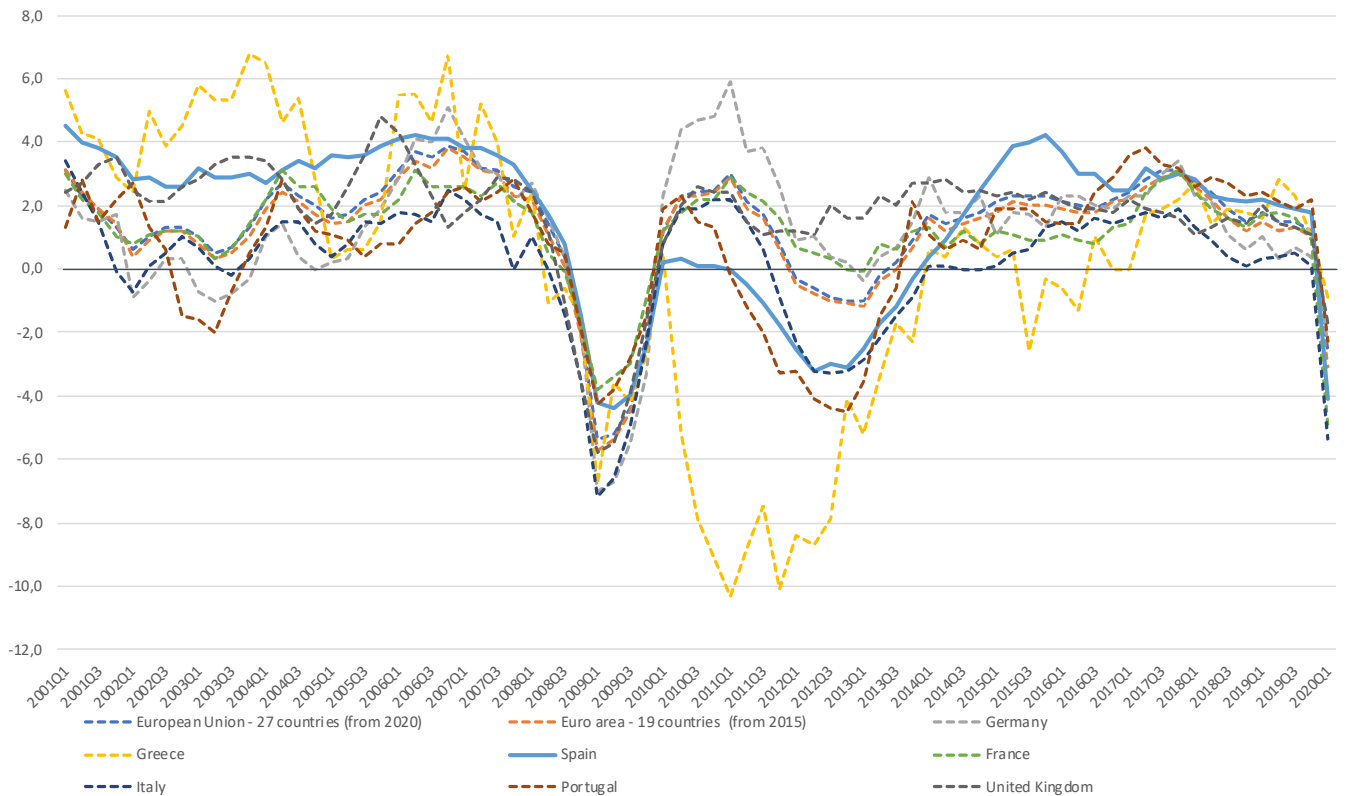
Given the high value added by the direct professional experience to the depth of the report, Tinsa has included a list of the names of the professionals – this report would not have been possible without their selfless cooperation.



## GENERAL SITUATION

The impact of covid-19 on the international economy in general and the Spanish economy in particular, during this year and probably those to come, drastically conditions fundamental market paradigms and completely disrupts recently identified trends. Most official forecasts for the next few quarters in Spain agree on the huge impact and most of all, on the obvious uncertainty and exposure to systematic risks. As a result, for half the year, a large part of the analysis remains as yet conjectural until detailed statistics for the last few months are available along with the first conclusions after the period of Spanish lockdown.

Change in European GDP (annual % change)

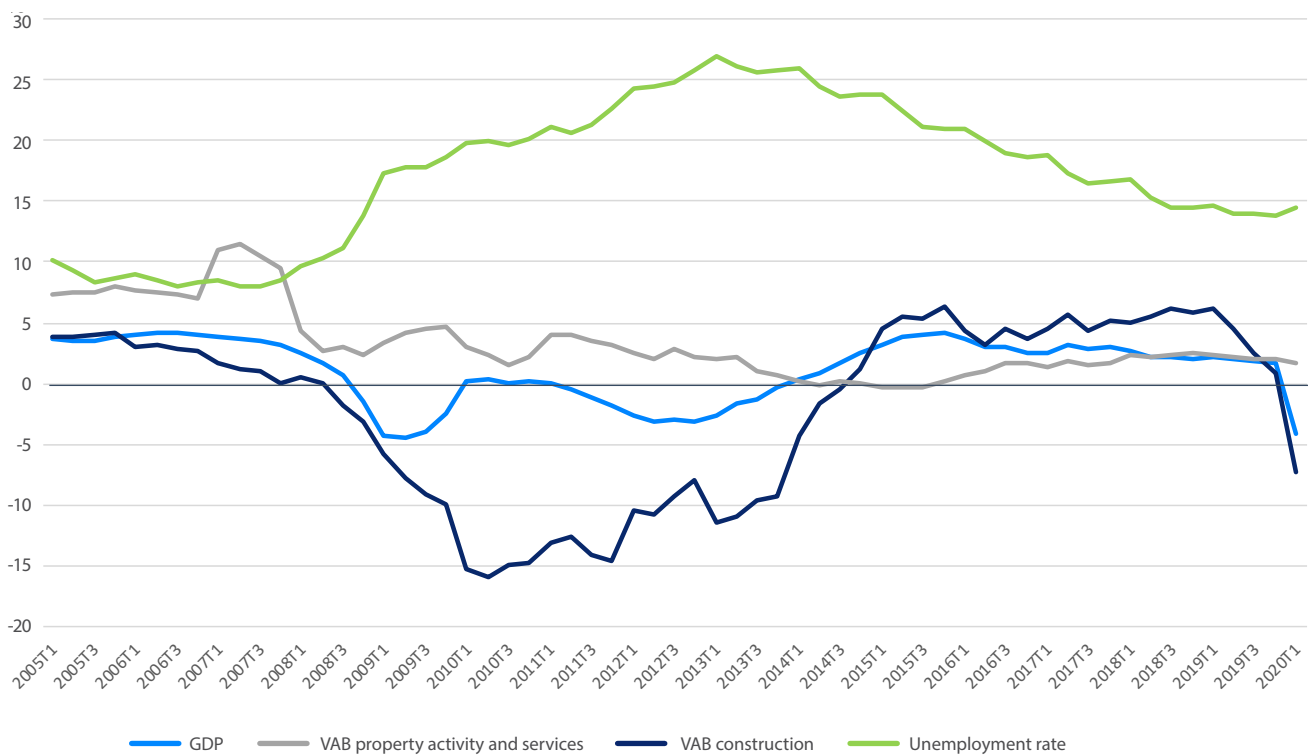


Source: Eurostat

Previously (in 2019), the Spanish economy had slowed down its rate of growth and shown signs that the five-year expansion cycle was coming to a close, after a significant crisis beforehand. Annual GDP growth figures from the Spanish National Accounts for the second semester of the year were already below 2%, with consumer spending even lower (just over 1%). Other macroeconomic aggregates were behaving in a similar fashion to the extent that most forecasts for 2020 indicated much reduced growth with risks (the incidence of Brexit, international commercial tensions, etc.) that could lead to a change in the cycle, albeit cushioned.

As regards the residential sector, the same scenario was broadly applicable with the addition of some specifics such as a significant increase in prices in the main cities and coastal markets, the difficulty of access to housing among the younger population and manifestly unfavourable demographic trends in most of inland Spain. However, the slowdown in supply of new builds over the last few months, a debt ratio well below that seen ten years earlier and contained appreciation rates outside the mentioned markets were encouraging factors.

Annual change (%) in Spanish indicators



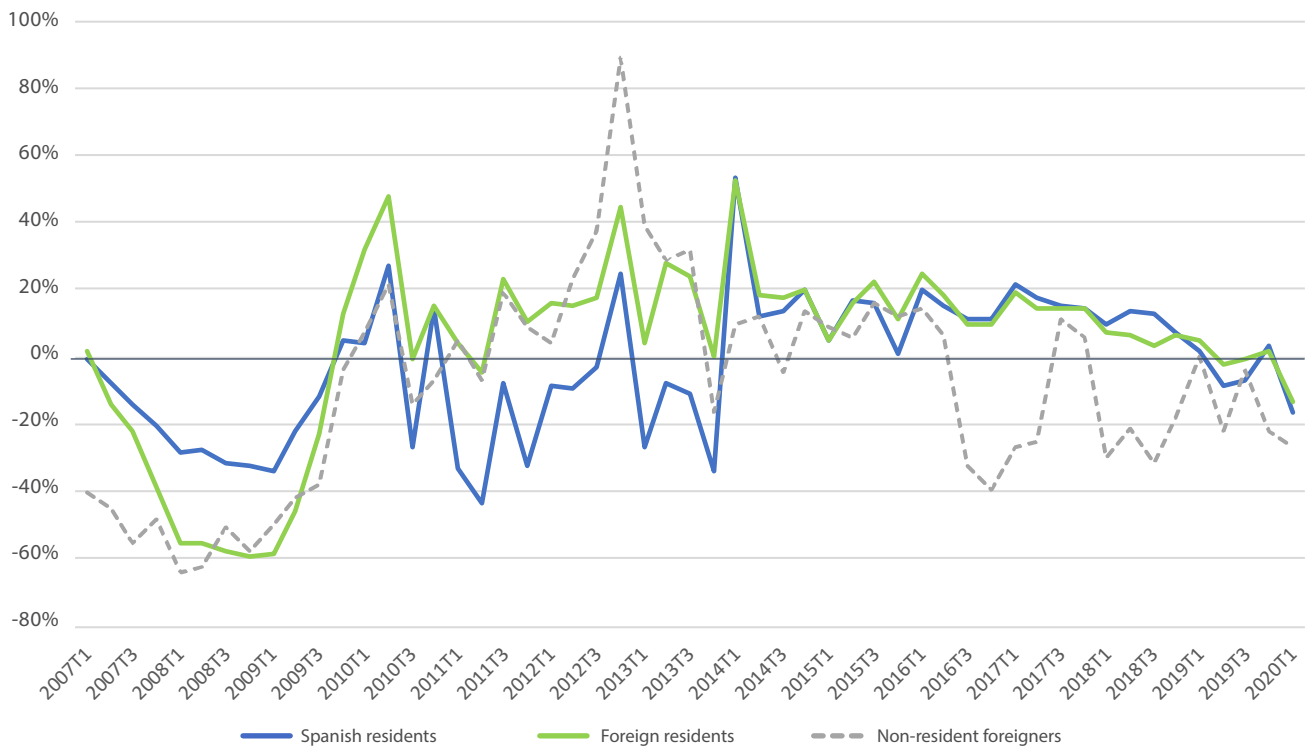
Source: INE

No forecast could anticipate that, at the beginning of 2020, a pandemic would take place with a prolonged period of lockdown and the almost complete paralysis of numerous production sectors including residential property, undermining Spanish economic activity and the job market, with unpredictable consequences in the long term from both the quantitative and qualitative points of view. While this hiatus was centered mostly in the second quarter of the year, data published for the first quarter already showed annual drops of 4% in GDP and of almost 6% in household spending. The figure for the construction sector was even higher. At the same time, total housing sales were falling at an annual rate of 16%, although those for Q2 will be unique on record.

With this situation, generalised by definition, coastal residential markets are expected to be particularly exposed because of their dependence on foreign demand. Their recovery will depend not only on the reactivation of activity, but also on the return to some sense of normality in international travel and the regaining of additional buyer and investor confidence as well as that of the Spanish themselves.

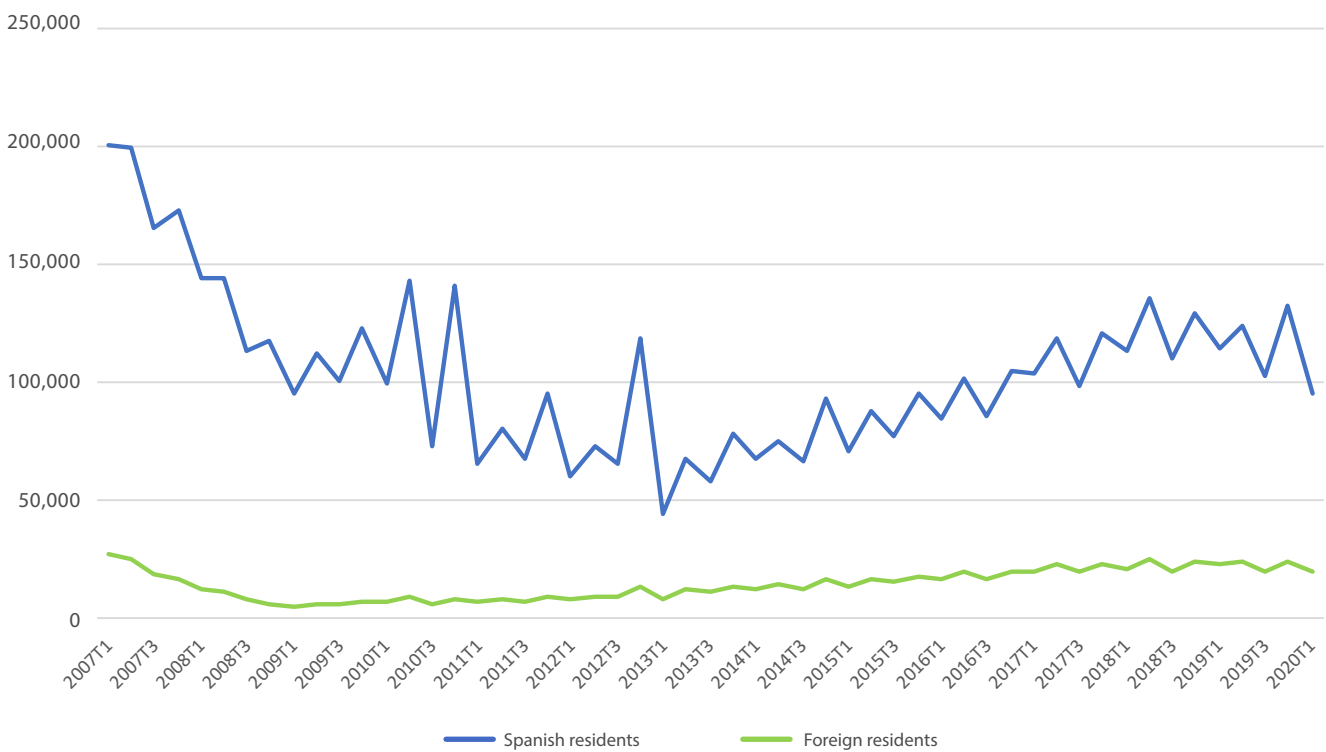
If the effect of Brexit was one of the largest unknowns in previous years, risk is now liable from anywhere with a component of even higher uncertainty about what's next. Before the arrival of the pandemic, in 2019, an adjustment in sales took place throughout Spain among local demand (around 3%) while demand from foreign residents grew by over 1% (in 2018, it was lower than previous years as was demand from Spanish residents).

Annual change (%) in property sales



Source: Ministry of Transport, Mobility and Urban Agenda

Property sales between residents in Spain



Ministry of Transport, Mobility and Urban Agenda

Forecasts for the year-on-year decrease in Spanish GDP in 2020 sit around 10% with obviously significant growth in 2021 given the previous level, but still not at pre-covid volumes. More than ever, estimates are volatile and will probably vary considerably over the next few months, depending on circumstances that change quickly and determine practically all markets.

This scenario can be applied to the residential market and specifically, to housing markets in coastal locations. A year ago, these markets were showing general signs of stabilisation (continuing until now) and they currently find themselves at the beginning of a reactivation of the market and waiting to see how supply, demand and prices perform during the second half of the year and in the following one or two years.

*Forecasts for the Spanish economy (% of annual change unless otherwise indicated)*

	2019	EARLY RECOVERY			GRADUAL RECOVERY		
		2020	2021	2022	2020	2021	2022
<b>GDP</b>	2	-9	7.7	2.4	-11.6	9.1	2.1
<b>Private spending</b>	1.1	-9.1	9	1.8	-11.2	11.2	1.6
<b>Gross fixed capital formation</b>	1.8	-20.6	9.7	8.8	-26.5	7.4	7.1
<b>Harmonised index of consumer prices</b>	0.8	-0.1	1.3	1.6	-0.2	1.2	1.5
<b>Unemployment rate (% of active population)</b>	14.1	18.1	18.4	17.1	19.6	18.8	17.4

*Source: Bank of Spain – June 2020 forecasts*



## EXECUTIVE SUMMARY

### General Situation

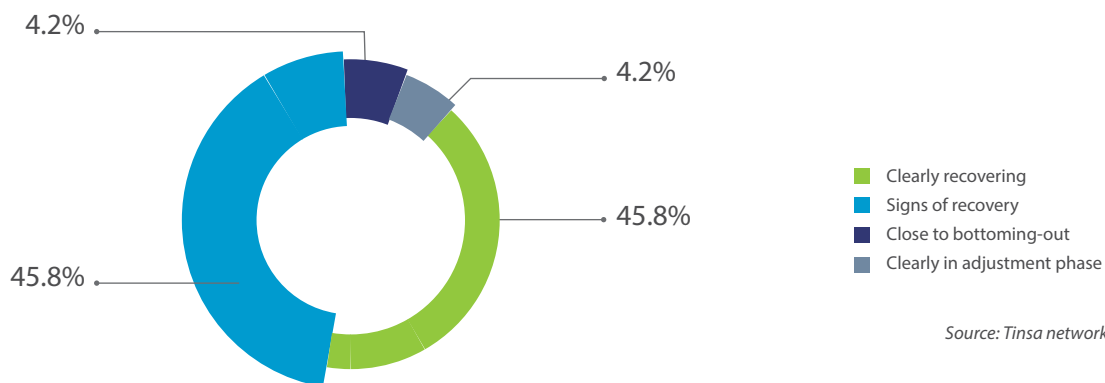
been suddenly interrupted and over the next few months, we will see the adjustments and new changes in trends experienced by the market. The main effects derived from this health and economic crisis that affect the property market are solvency and buying decisions by part of the demand and secondly, financing conditions for developers and homebuyers.

If we take a quick look at the last few years, we can see that in 2015 the market was obviously improving, with slight year-on-year increases in prices and activity. This took place at two speeds – next to some areas that were gradually stirring, there were others with a property market much at a standstill and with a very variable new-build supply translating to an inexistent land market. In 2016, the coastal holiday home market continued to show signs of improvement both in prices and activity. At this point, there was talk of a tenuous recovery in those areas with year-on-year price rises were increasing. In 2017, recovery continued to stretch along the entire Spanish coastline led by the Mediterranean coast and it was possible to conclude that two-thirds of coastal areas were doing well.

In 2018, the trend of slow but steady recovery continued to spread and at this stage, it was possible to pinpoint those areas with a non-absorbable supply of new builds as well as the weight of foreign demand. Furthermore, improvement registered a higher rate than in previous years. Finally, in 2019 the market situation reflected a stable scenario with demand from both Spanish and foreign buyers mostly recuperated. Some areas where recovery started earlier could be described as consolidated second home markets albeit with a certain degree of burnout in the upward trend for prices and demand.

After four years of sustained growth in activity within the property sector on the Spanish coastline, the arrival of covid-19 has led to a sudden halt and a high level of uncertainty about what lies ahead for residential markets on the coast in Spain. A key component in their recovery will the gradual easing up of restrictions on movement as well as sustained demand through government measures aimed at businesses and families.

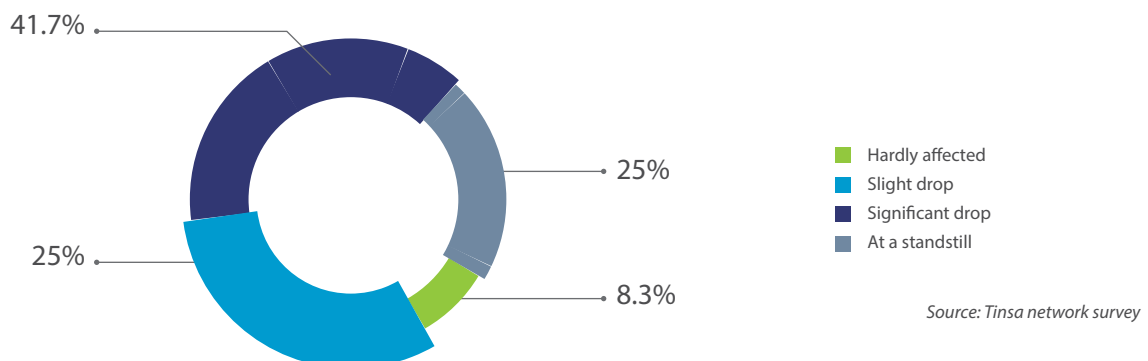
Graph 1. Situation of holiday homes in the area during 2019



During 2019, there was a general improvement in 91.7% of the areas analysed in terms of number of sales, the time taken to sell or price increases. Just a few specific cases showed a less upbeat picture. The recovery of demand, the increase in sales and new developments due to the absorption of new-build supply and the consolidation of holiday let apartments were all features worth highlighting. The lesser consolidated areas were those with competitive disadvantages compared to others in the same provinces that were showing improvement and covering the existing demand. Shortcomings included factors such as development at a standstill because of pending planning regulations or less appeal and diversification for demand.

The markets showing sustained activity were Malaga, the Balearic Islands, the Canary Islands, Cadiz and Guipúzcoa. Among those areas where the adjustment phase was still taking place the Garraf coast in Barcelona stands out. Also going down, although close to bottoming out was the Costa del Azahar in Castellón.

Graph 2. General situation of the holiday home market after the arrival of covid-19



After the arrival of the situation caused by the pandemic, falls of 66.7% were registered in activity and 25% of the analysed areas came to a complete standstill. Expectations vary on how quickly demand will recover and on what terms activity will get going again. A higher preference for detached homes is expected, both to buy and for holiday lets against a drop in the appeal of smaller apartments and misgivings about hotel crowds.

The most optimistic expectations forecast a recovery of demand to previous levels in tandem with the phases of easing out of lockdown, although they're less optimistic of a quick recovery in areas dependent on foreign demand. Estate agents are recommending price drops to avoid lengthy periods on the market; some developers are considering not starting new projects; and some predictions even point to a transfer of holiday demand from very touristic areas of the coast to less crowded rural areas.

The holiday home sector has come to a practical standstill in terms of transactions over the last few months, a taste of a future period of as yet unknown adjustments.

The areas most affected by a complete standstill in activity are found in the Canary and Balearic Islands as well as Castellón. Those with a significant decrease include Malaga, Alicante, Valencia, Cadiz and Barcelona. Lastly, the Guipúzcoa coast has been slightly affected.

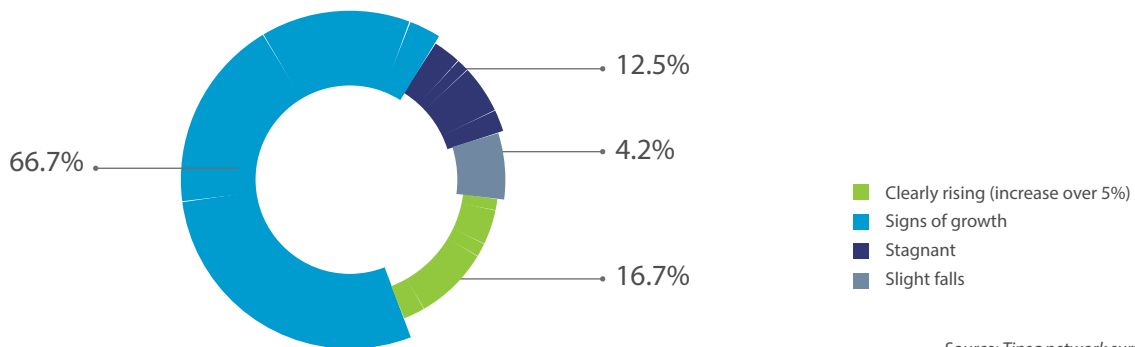
## Prices

We find ourselves in a moment of change in trends. The absence of transactions due to covid-19 has caused prices to freeze in anticipation of unknown adjustments that could happen over the next few months. During 2019, prices showed a slight increase in most of the areas analysed, with an underlying moderately strong upward trend.

When it comes to looking at prices in coastal municipalities, it's important to bear in mind the unique characteristics of this market. In some cases, they are large municipalities where the market closest to the coast performs differently to that located more inland. There can also be differences between the price trend shown for the municipality as a whole and the specific performance of a holiday home segment.

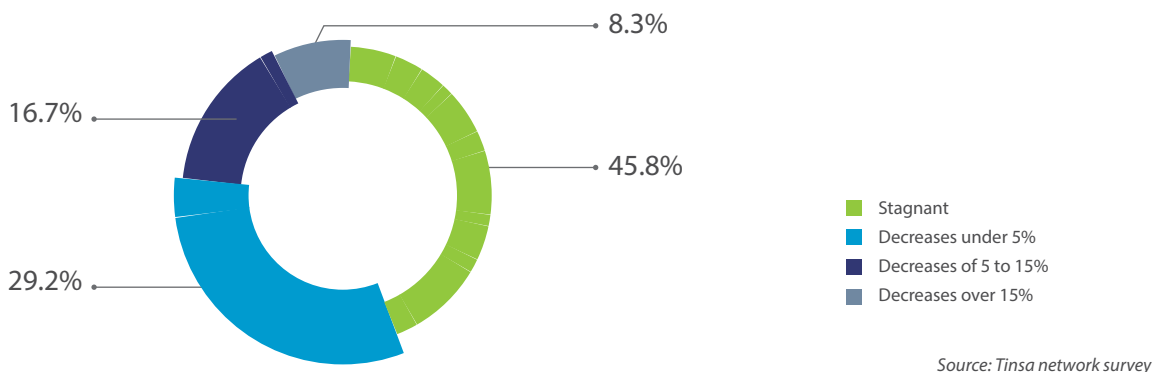
Perspectives for the next few months did point to stabilisation with improvement in the most consolidated areas, but this trend has been interrupted and current forecasts indicate a delayed adjustment of moderate intensity. However, it will be with big differences in price discounts per area, depending on owners' need for liquidity, whether they're individuals or large companies and on the effect of the crisis on the demand profile for particular properties. Price drops will take time to appear in the statistics because they will mostly take place as negotiations on supply prices established prior to covid-19.

Graph 3. Price changes in the main areas during 2019



A total of 83.3% of the areas analysed show an upward trend in prices, against 12.5% where stabilisation is apparent and 4.2% with slight decreases.

Graph 4. Change in prices in the main areas due to the covid-19 situation



Price reaction to covid-19 is divided almost equally between stagnancy and contained decreases with 45.8% showing a price freeze and 45.8% registering price drops of less than 15%.

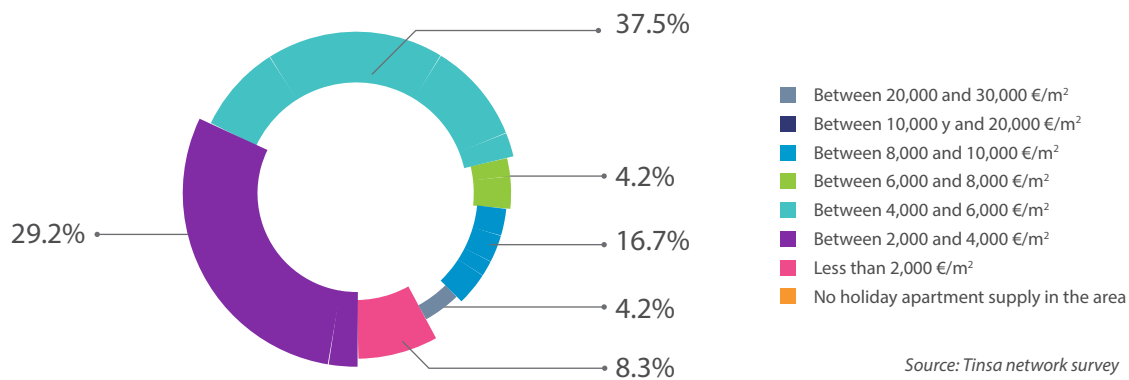
In comparison with the previous year, 2019 showed continuity in price trends in 70.8% of the areas analysed, an upward trend in 25% against 4.2% who saw price trends slow down or drop.

Graph 5. Holiday home price changes



Source: Tinsa network survey

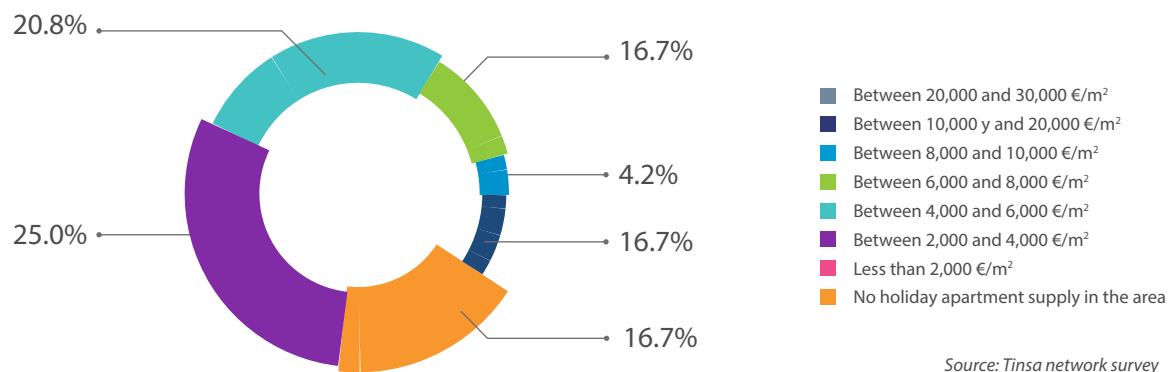
Graph 6. Average price for a holiday apartment with a frontline beach position



Source: Tinsa network survey

The survey on the average price for an apartment with a beachfront position in the best locations in each area showed that in 29.2% of areas it lay between €2,000 and €4,000 per m<sup>2</sup>. In 8.3%, it was less than €2,000 per m<sup>2</sup> and in 37.5% it ranged from €4,000 to €6,000 per m<sup>2</sup>. Among the locations with the highest average prices, Ibiza, Marbella, Barcelona and Donostia/San Sebastián stood out.

Graph 7. Average price for a holiday house with a frontline beach position



Source: Tinsa network survey

Detached homes followed a similar pattern. In 25% of areas, frontline beach properties in good locations had an average value of €2,000 to €4,000 per m<sup>2</sup>, 20.8% were within the range €4,000 and €6,000 per m<sup>2</sup>, while a further 16.7% lay within €6,000 and €8,000 per m<sup>2</sup>. Among the areas with the highest prices for this type of property were Ibiza and Formentera, Mallorca, Marbella, the Costa Brava and Sitges in Barcelona.

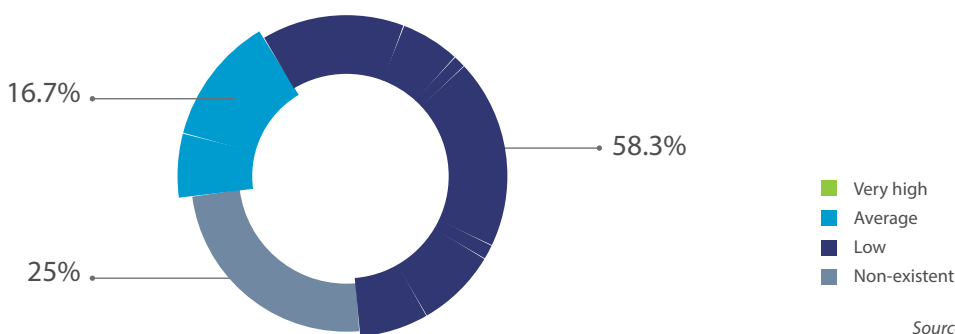
## Supply

New-build supply inherited from the last crisis has gradually dried up over the last few years and an estimated 25% of areas has no supply. The majority of areas (58.3%) is made up of coastal sections where supply is low and there are no areas where supply is described as plentiful. There is still, however, an excess in parts of Castellón, Alicante and Valencia.

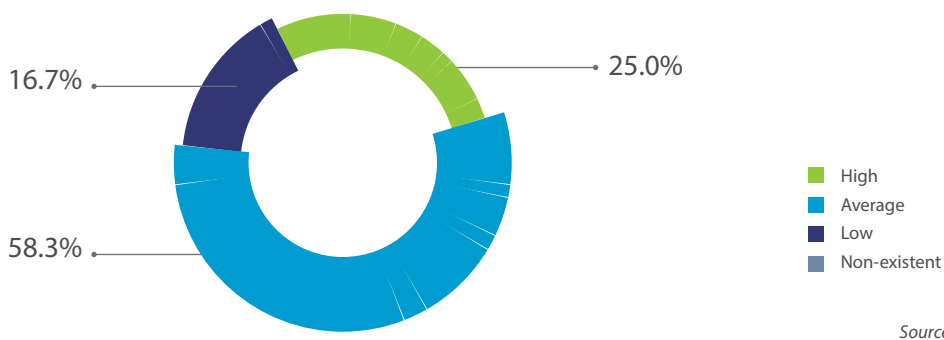
During 2019, a rate of average absorption was maintained in 58.3% of the areas analysed, there was a higher rate in 25% of areas and in 16.7% there were difficulties in absorbing available supply. The locations with the highest absorption rates were in the Balearic Islands, the Canary Islands and Malaga.

The supply of holiday homes in Spain was mostly resale (79.2%) against just 8.3% of areas where new builds were more prevalent. A predominance of new builds was seen in Mallorca and Gran Canaria. In the remaining 12.5%, there was a balance between resale and new-build properties.

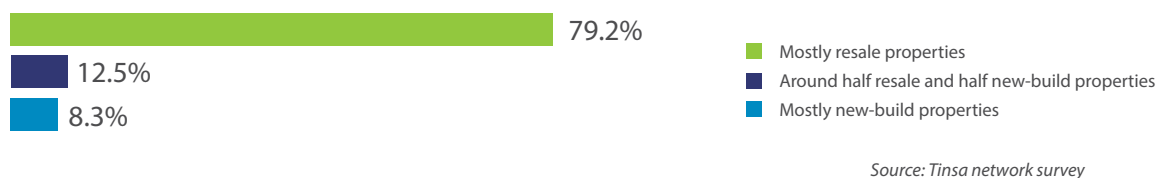
Graph 8. Supply of new-build property (left over from the 2008 crisis) in holiday homes in the area



Graph 9. Rate of absorption of supply



Graph 10. Type of holiday home in the area



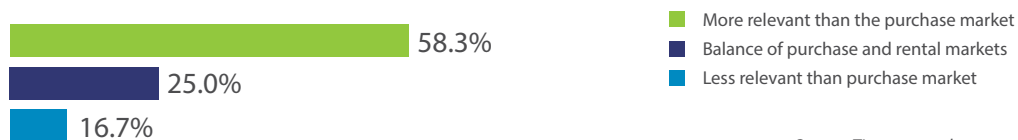
## Supply • Rentals

Rentals carry particular weight in coastal markets with strong seasonal characteristics. Properties offered as holiday lets during the summer compete with hotels as potential accommodation for tourists. Restrictions on movement, the temporary closure of numerous restaurants and capacity limits in public spaces such as beaches have had a strong negative impact on the tourism sector during this period. However, the gradual lifting of restrictions along with health security have allowed this sector to show itself as secure and even as a preferred option against hotels due to the ability to social distance.

The rental market was more relevant than the purchase market in 58.3% of areas analysed. It is the same as the purchase market in 25% of areas and is less important in 16.7%.

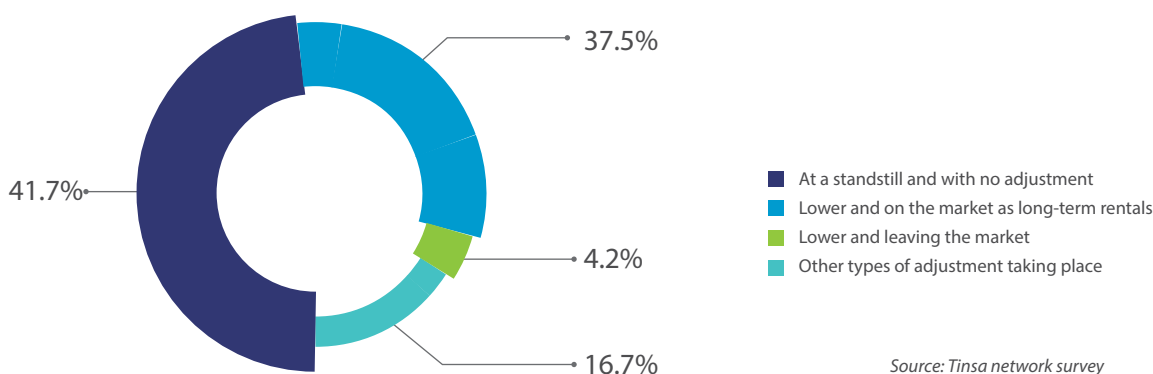
Lastly, the arrival of covid-19 in terms of supply of holiday homes has brought the market to a halt in 41.7% of the areas analysed and a transfer of supply to long-term rentals in over a third of locations (37.5%). This effect can be seen in areas such as Barcelona, Valencia, Cadiz and the Canary Islands.

Graph 11. State of rental market in holiday supply in 2019



Source: Tinsa network survey

Graph 12. Impact of covid-19 situation on supply on holiday let market



Source: Tinsa network survey

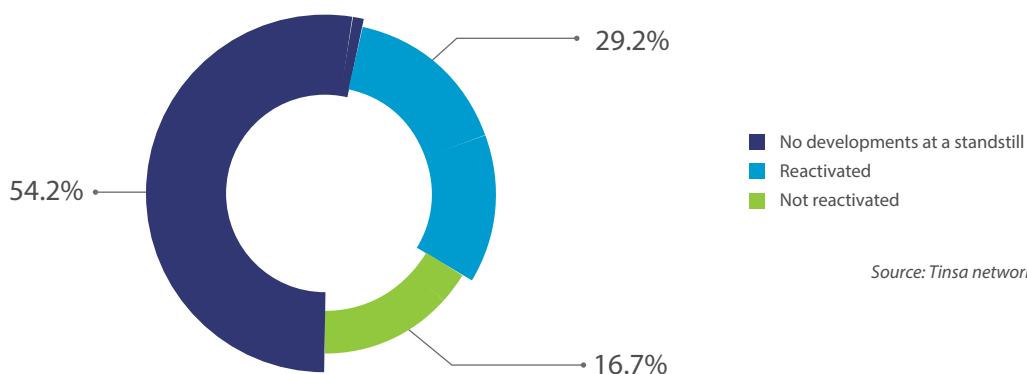
## Development activity

After years of low levels of development activity due to weak demand and the existence of over-supply of finished property, the situation has changed and now registered three consecutive years of growth. Before the arrival of covid-19, development activity on the Spanish coastline was mixed. While there are increasingly more areas with significant activity, carried out mainly by large developers and foreign capital, others have very low or non-existent activity where if construction is taking place it is in the hands of small locally-based developers and mostly for principal homes.

The return of development activity is in response to unsatisfied demand, either because demand is higher than available supply or because the products on the market do not meet buyers' requirements. 79.2% of the areas studied have development activity and have started new holiday home projects after four years of sustained growth. At the same time, over half the areas have no developments at a standstill as a result of the last crisis.

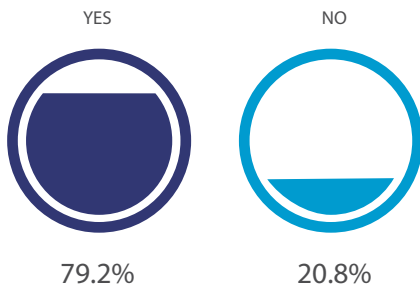
The prevailing profile is that of large established developers in 41.7% of areas, followed by local developers backed by foreign capital who represent 20.8% of the total. In third place with 16.7% are local developers who are self-financed. In 8.3% of the areas there is no significant development activity.

Graph 13. Reactivation of developments at a standstill after the 2008 crisis



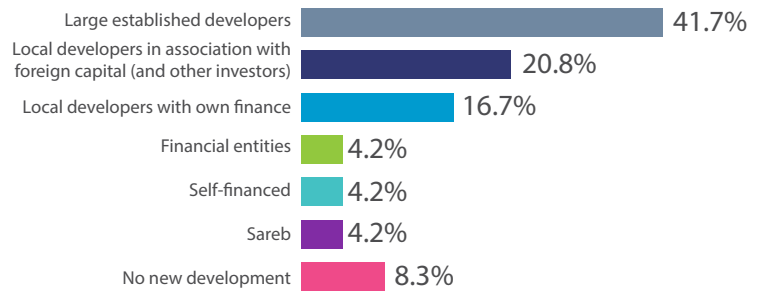
Source: Tinsa network survey

Graph 14. New projects started



Source: Tinsa network survey

Graph 15. Who is behind development activity



Source: Tinsa network survey

## Land Market

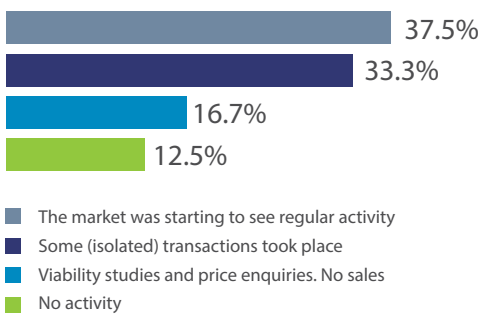
The land market showed signs of activation in 2017 in parallel with the expansion of development activity after several years of price negotiations with no significant result in transactions. These were hampered in some cases by lack of availability in those areas with incipient demand or by final prices not high enough compared to those for land to make investment in development viable. In 2018, the land market experienced no real variations or a substantial rise in sales. During the 2019 period it has shown an upturn and the areas where regular activity is recovered are increasing, confirming this trend in 37.5% of the locations studied.

In terms of land prices, increases took place in 2019 in 33.3% of areas studied. The areas with a tendency towards stability in the land market were on the Catalan coast, the Comunidad Valenciana and the Canary Islands.

Land prices have not seen significant decreases because of covid-19 this year. There have been no sales in 62.5% of areas and in a third, prices have not gone down.

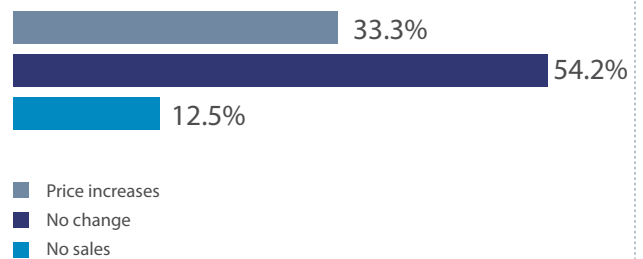
Similarly, the existence of pending urban planning and regulations affects the land market. It generally brings sales to a halt in those areas affected and drives them when the said regulations are finally approved. Just 17% of the areas analysed have recent planning approvals that affect property activity in the short or medium term.

Graph 16. Land market situation (pre-covid-19)



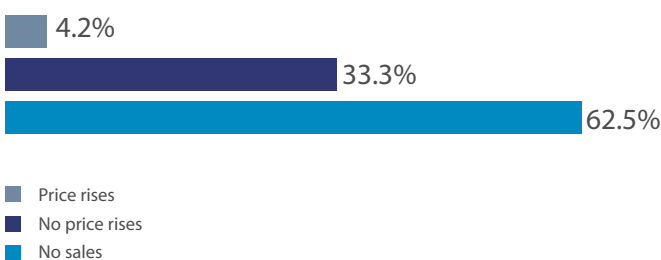
Source: Tinsa network survey

Graph 17. Changes in land prices (pre-covid-19)



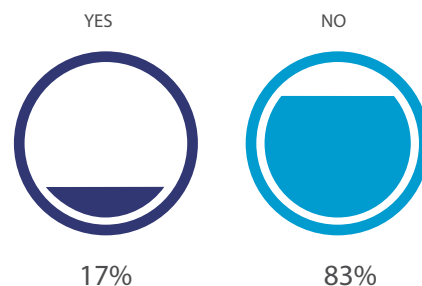
Source: Tinsa network survey

Graph 18. Price changes/ drops in the land market due to the covid-19 situation



Source: Tinsa network survey

Graph 19. Approval of planning regulations affecting the property market in the short and medium term.



Source: Tinsa network survey

## Demanda

In 2017, there was a strong push in the number of sales with areas experiencing this phenomenon increasing from 23% to 84.5%. In 2018, improvement continued with 87% of areas seeing increases, although this trend reversed in 2019 when it dropped to 75%. In the current period, considering the main areas previously selected, the figure is 75%, continuing the trend of stabilization.

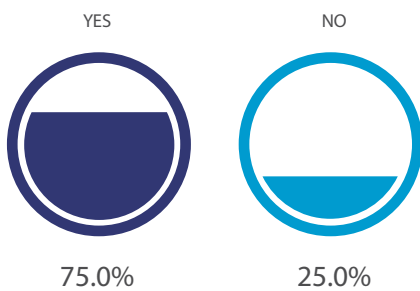
This change was due to upward pressure on prices produced by the increase in demand combined with signs and expectations of a slowdown in the economy. Figures stabilised as a result. The arrival of covid-19 has led to a halt in sales in practically half the areas analysed.

As regards to where demand comes from, in approximately half the areas under study buyers of holiday homes are mainly Spanish with a predominance of over 50% compared to foreign buyers. The balance between the two buyer profiles is equal in almost a third of areas. There are also niche markets that differ from the predominant profile within some of the areas analysed.

Covid-19 has brought purchases by foreigners to a standstill in 45.8% of areas, while Spanish buyers have stopped buying in just 29.2%. In 16.7% of areas, there has been no discernible change. There's noticeably higher disruption but with a shorter recovery time among foreign demand.

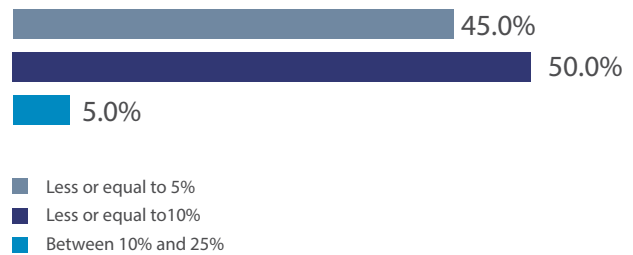
Expectations for strength of demand over the next few months are somewhat more pessimistic for foreign demand than Spanish, although when it happens, the recovery of foreign demand could be quicker. It is expected to have more effect and a shorter recovery period in 37.5% of foreign demand while the same percentage of Spanish demand would see the same effect but with a longer recovery time. It is worth pointing out that 8.3% and 4.2% of areas do not expect to be affected or see changes in demand from either Spanish or foreign buyers (these areas are in parts of Ibiza and Formentera).

Graph 20. Increase in the number of holiday home sales in 2019



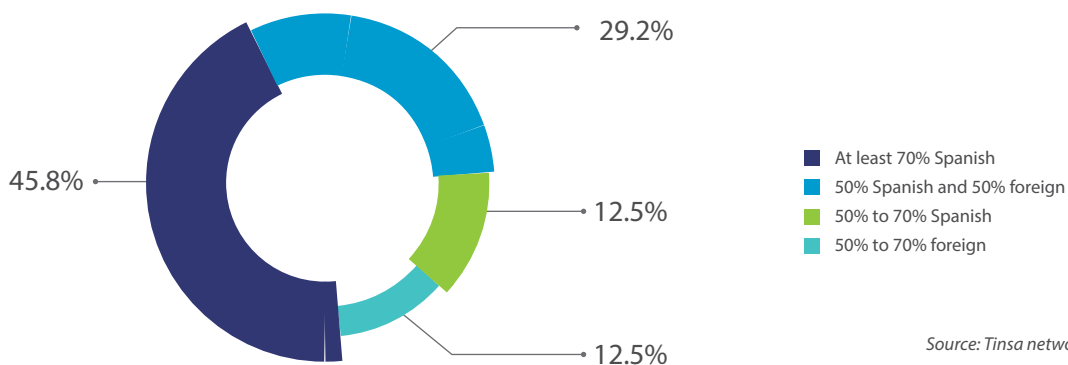
Source: Tinsa network survey

Graph 21. Percentage growth in sales of holiday homes in 2019



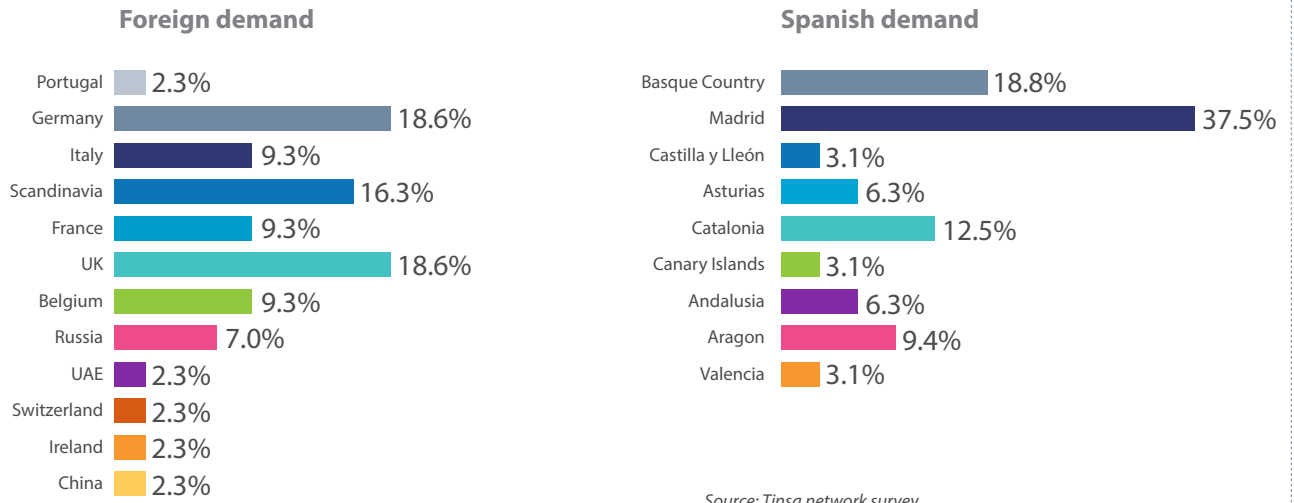
Source: Tinsa network survey

Graph 22. Profile of usual buyer



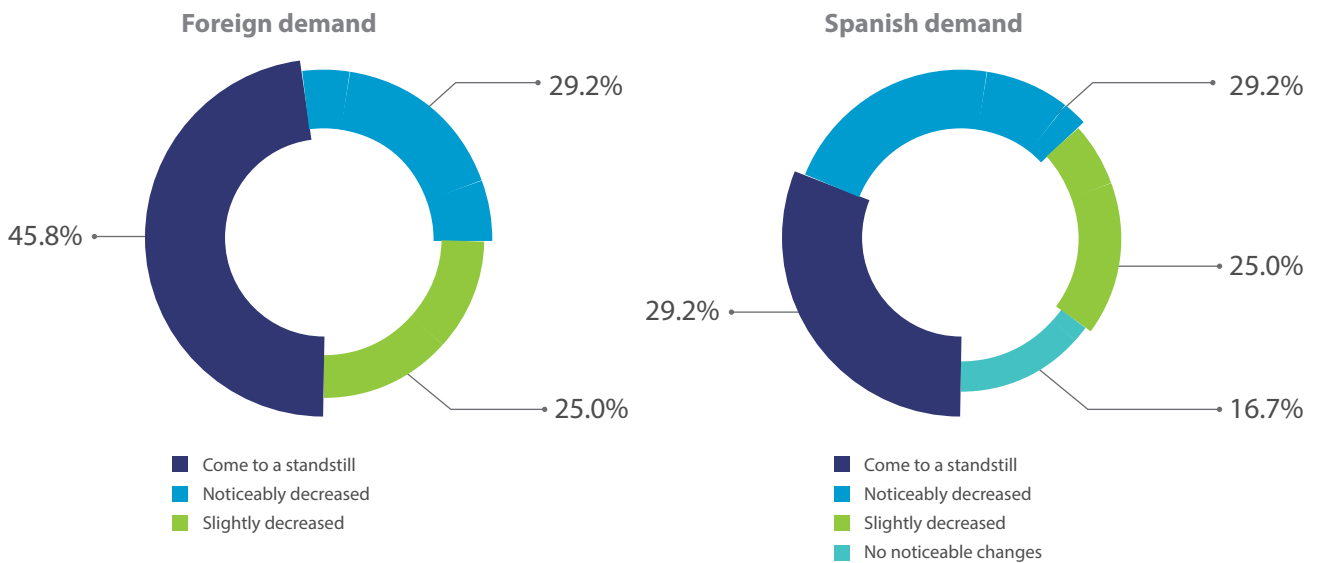
Source: Tinsa network survey

Graph 23. Where buyers come from



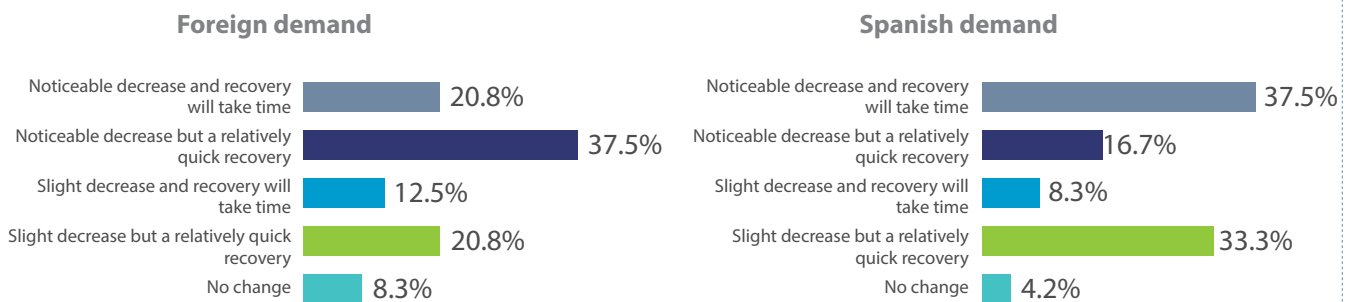
Source: Tinsa network survey

Graph 24. Changes in trends among foreign and Spanish buyers due to covid-19



Source: Tinsa network survey

Graph 25. Expectation of change in foreign and Spanish demand over the next few months because of covid-19



Source: Tinsa network survey

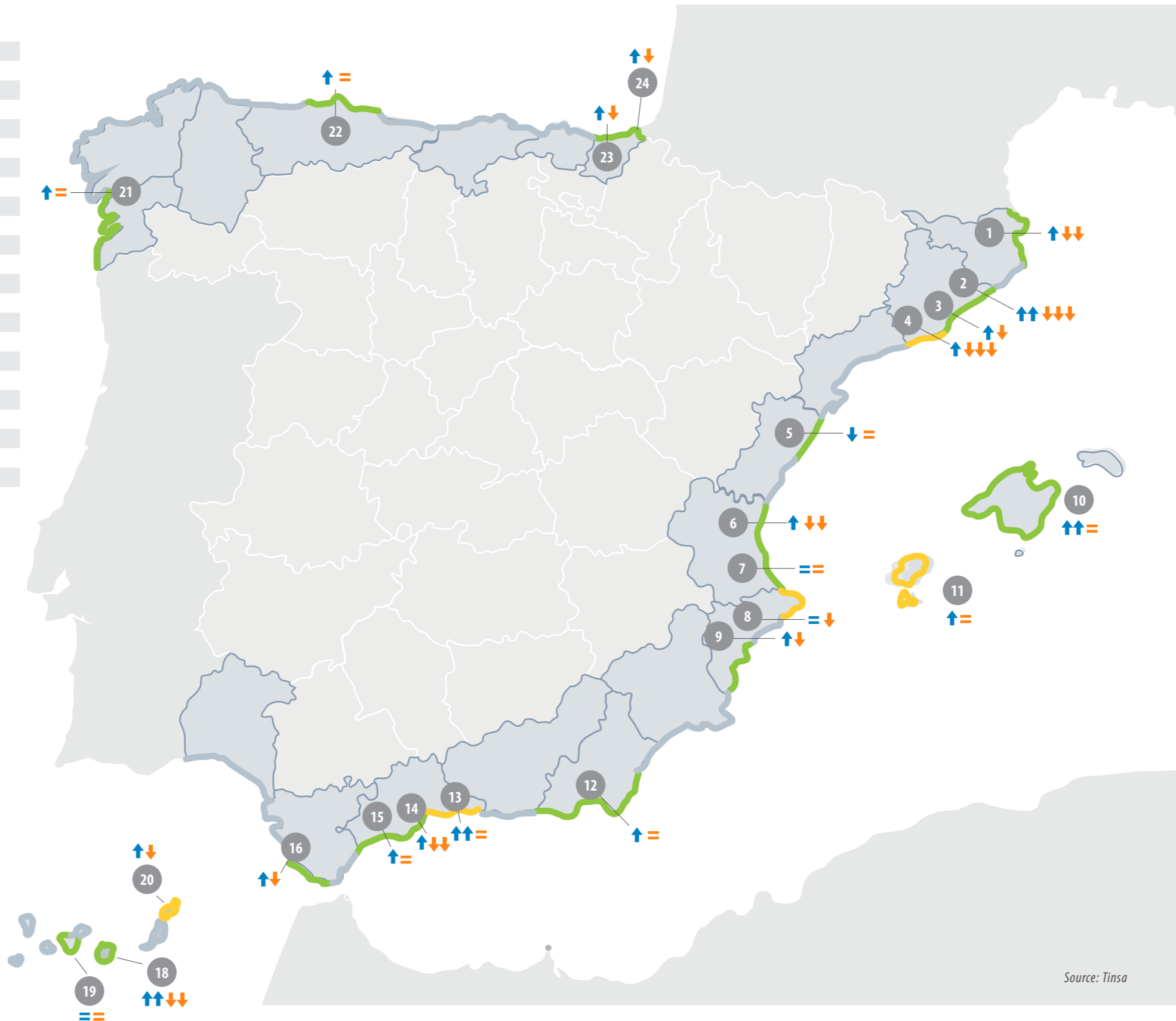


### The situation of the coastal holiday home market

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

List of zones

- 1 Costa Brava: entre Portbou y Sant Feliú de Guixols
- 2 El Maresme: Malgrat de Mar - Montgrat
- 3 Badalona - Gavá
- 4 Costa del Garraf: Castelldefels - Cubelles
- 5 Vinaròs - Castellón
- 6 Canet d'en Berenguer - Alboraià
- 7 Playas de Sueca y Oliva
- 8 Calpe - Villajososa
- 9 Campello - Santa Pola
- 10 Mallorca
- 11 Ibiza y Formentera
- 12 Níjar - Aguadulce
- 13 La Axarquía: Nerja - Rincón de la Victoria
- 14 Torremolinos - Mijas
- 15 Marbella - Manilva
- 16 Tarifa - Conil
- 17 Gran Canaria: Las Palmas, Telde, ingenio ⇕ ↑ =
- 18 Gran Canaria: San Bartolomé de Tirajana, Mogán
- 19 Tenerife Sur
- 20 Lanzarote
- 21 O Grove - Vilagarcía de Arousa
- 22 Muros de Nalón - Villaviciosa
- 23 Mutriku - Orío
- 24 San Sebastián - Hondarribia



- Sales of holiday homes have increased compared to last year
- Sales of holiday homes have not increased compared to last year

**Change in prices over last year**

- ⇕ Clearly rising (increase over 5%)
- ↑ Signs of growth
- = Stagnancy
- ↓ Slight fall

**Adjustments**

- = Stagnancy
- ↓ Decrease of less than 5%
- ⇓ Decrease of 5% to 15%
- ⇓⇓ Decrease over 15%

Source: Tinsa

| Mediterranean Sea

Catalan Coast



## Girona

### COSTA BRAVA · BETWEEN PORT BOU AND SANT FELIU DE GUÍXOLS

**Including the following towns**

Portbou, Colera, Llançà, Port de la Selva, El, Cadaqués, Roses, Castelló d'Empúries, Sant Pere Pescador, Escala, L', Torroella de Montgrí, Pals, Begur, Palafrugell, Mont-ras, Palamós, Calonge, Castell-Platja d'Aro, Sant Feliu de Guixols, Santa Cristina d'Aro.

**General Situation**

The market has shown signs of moderate reactivation, although sustained annually over the last few years. In 2019, there was a slight increase in sales in the area generally, more pronounced in places such as Cadaqués, Begur, the coast in Palafrugell and Platja d' Aro. Elsewhere it was less significant.

Covid-19 has caused a slight drop in activity with sales at varying levels of standstill in different areas. However, adjustment is expected.

**Prices**

Demand increased to a greater or lesser extent in all areas in 2019, which translated to a very moderate rise in prices. This trend was in line with that experienced in 2018.

Covid-19 has caused moderated price decreases in general. However, there are some exceptional cases such as Palafrugell town centre where the price of houses with a patio or garden has gone up slightly.

- *APARTMENT: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments with a frontline beach position and recent construction is at a premium.*
- *DETACHED HOUSE: The most expensive area had prices between €10,000 and €20,000 per m<sup>2</sup> for detached homes with a frontline beach position, good views and on well-located plots. They have over 300 m<sup>2</sup>, large plots of land and high quality finishes.*

**Supply**

The level of new-build supply is low. In practically all municipalities, the excess of new development has been absorbed leaving a very small remnant. The rate of sales has been average with the exception of Palamós where it has been higher and new development has started. The type of new-build supply depends on the area. In Begur and parts of Platja d' Aro, detached homes with medium to high quality finishes and over 200m<sup>2</sup> have been sold, while in other areas sales are mostly of average-sized apartments.

Resale properties dominate and the rental market is more prevalent than the purchase. Most holiday homes are apartments.

Sales increased during 2019 and the time taken to sell remained static. The impact of covid-19 is expected to lengthen the time taken to sell and reduce sales, particularly of resale properties.

## Development Activity

Foreign buyers account for more than half of sales. Spanish buyers are traditionally from the area itself. Foreign demand has been more affected than Spanish. However, recovery to pre-covid-19 levels is expected to be prolonged in both sectors.

## Land Market

Viability studies and price negotiations. No sales and no sign of price rises. Some development is taking place on plots foreclosed by banks. Among new planning approvals with short and medium-term effects is the Costa Brava Planning Director Plan (Plan Director Urbanístico in Spanish).

## Demand

Foreign buyers account for more than half of sales. Spanish buyers are traditionally from the area itself. Foreign demand has been more affected than Spanish. However, recovery to pre-covid-19 levels is expected to be prolonged in both sectors.

PRICES CATALAN COAST	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% change	Change since
	Q1 2019	Q1 2020	Q1 2019-Q1 2020	2008 peak
<b>Girona Province (coast and interior)</b>	<b>1,474</b>	<b>1,523</b>	<b>3.3%</b>	<b>-43.0%</b>
Blanes	1,389	1,510	8.7%	-45.4%
Castelló d'Empúries	1,673	1,780	6.4%	-42.1%
Calonge	1,793	1,630	-9.1%	-44.8%
Castell-Platja d'Aro	2,451	2,308	-5.8%	-39.0%
Lloret de Mar	1,614	1,707	5.8%	-38.2%
Palamós	1,721	2,029	17.9%	-35.6%
Sant Feliu de Guíxols	1,582	1,920	21.4%	-31.5%

Valores medios de vivienda terminada (nueva y usada), vacacional y no vacacional, en el municipio.

Source: Tinsa

SALES CATALAN COAST	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Girona Province (coast and interior)</b>	<b>11,643</b>	<b>12,253</b>	<b>5.2%</b>	<b>763</b>	<b>873</b>	<b>14.4%</b>	<b>10,880</b>	<b>11,380</b>	<b>4.6%</b>
Blanes	538	550	2.2%	50	19	-62.0%	488	531	8.8%
Castelló d'Empúries	684	669	-2.2%	23	17	-26.1%	661	652	-1.4%
Calonge	379	421	11.1%	11	26	136.4%	368	395	7.3%
Castell-Platja d'Aro	483	513	6.2%	66	102	54.5%	417	411	-1.4%
Lloret de Mar	573	686	19.7%	25	34	36.0%	548	652	19.0%
Palamós	339	363	7.1%	30	81	170.0%	309	282	-8.7%
Palafrugell	481	487	1.2%	30	22	-26.7%	451	465	3.1%
Sant Feliu de Guíxols	436	337	-22.7%	19	25	31.6%	417	312	-25.2%

Source: Mitma

NEW-BUILD LICENCES CATALAN COAST	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Girona Province (coast and interior)</b>	<b>813</b>	<b>1,216</b>	<b>49.6%</b>	<b>235</b>	<b>447</b>	<b>90.2%</b>	<b>578</b>	<b>769</b>	<b>33.0%</b>
Blanes	6	6	0.0%	1	2	100.0%	5	4	-20.0%
Calonge	32	40	25.0%	4	13	225.0%	28	27	-3.6%
Castelló de Empúries	9	22	144.4%	7	7	0.0%	2	15	650.0%
Castell-Platja d'Aro	7	17	142.9%	2	8	300.0%	5	9	80.0%
Lloret de Mar	7	36	414.3%	6	11	83.3%	1	25	2,400.0%
Palafrugell	3	12	300.0%	3	9	200.0%	0	3	N.D.
Palamós	48	52	8.3%	0	3	N.D.	48	49	2.1%
Sant Feliu de Guíxols	8	18	125.0%	8	8	0.0%	0	10	N.D.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Barcelona

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

#### Including the following towns

Malgrat de Mar, Santa Susanna, Pineda de Mar, Calella, Sant Pol de Mar, Canet de Mar, Arenys de Mar, Caldes d'Estrac, Sant Vicenç de Montalt, Sant Andreu de Llavanes, Mataró, Cabrera de Mar, Vilassar de Mar, Premià de Mar, Masnou, El Montgat.

#### General Situation

The situation in 2019 compared to the previous year improved and there was an increase in development activity. Covid-19 has led to a drop in sales and enquiries.

#### Prices

Signs of growth during 2019. Prices started to rise four years ago and have since maintained an upward trend. The rise in prices in 2019 was higher than that in 2018. The rise was particularly high in Mataró, the capital of the Maresme district and the areas closest to Barcelona (El Masnou, Montgat, Alella and Tiana). This was not the case in those further from Barcelona and inland (Tordera-Sant Iscle Vallalta-Sant Cebria de Vallalta).

Covid-19 has caused estimated price drops of 5% in the main areas.

- *APARTMENT: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup>, specifically in Mataró, Sant Vicenç de Montalt, Llavanes and Caldes d'Estrac. They are apartments with around 110 m<sup>2</sup> and 3 to 4 bedrooms.*
- *DETACHED HOUSE: The most expensive area had prices between €6,000 and €8,000 per m<sup>2</sup>, specifically in Arenys de Mar and Alella-Sant Vicenç de Montalt. They are detached homes with around 400 m<sup>2</sup> and 5 to 6 bedrooms in residential complexes and on the seafront promenade.*

#### Supply

The level of new-build supply is low after several years of low absorption of an excess that was considered difficult to sell. Tordera is the exception and still have a considerable supply of unsold new-build homes. Holiday homes are mostly resale. The purchase and rental markets are balanced. The most properties on the market are apartments with 65 to 85m<sup>2</sup>, 2 to 3 bedrooms, refurbished or recently built and with average quality finishes.

Because of covid-19, many properties are now on the market as long-term rentals, reducing the supply.

Sales remained stable during 2019.

#### Development Activity

Practically all areas had developments that were restarted during 2019, particularly those furthest south. New development has generally started in all municipalities in the Maresme district. Several developments are underway in Sant Andreu de Llavanes (140 units), but the place with the highest activity of all is Mataró (300 units), marketed as principal residences. Pineda (50 units) and Masnou (200 units) also have new development. The most common new builds are apartments with 90 to 110m<sup>2</sup>, 3 or 4 bedrooms and 2 bathrooms. They are being built by large established developers.

#### Land Market

Some isolated sales have taken place and prices have started to rise in general, due amongst other things to the increase in property prices. There's demand for land in the areas with the highest property activity in the region because the supply of new builds in these municipalities have dried up. There are many sectors with development pending, but a shortage of land ready to build on.

#### Demand

Most buyers are Spanish from Barcelona and the city's suburbs. Foreign investors tend to be Chinese, Russian and British. Spanish buyers have become bigger players in the market than foreigners over the last few months.

### BETWEEN BADALONA AND GAVÁ (MAR)

#### Including the following towns

Badalona, Sant Adrià de Besòs, Barcelona, El Prat de Llobregat, Viladecans and Gavà.

#### General Situation

There was clear recovery in 2019 when the situation improved compared to 2018 with a wider range of supply and quality.

#### Prices

Clearly rising and with moderate increases during 2019. They are maintaining this trend in line with that registered last year. Covid-19 has caused price drops of over 15% in specific areas.

- *APARTMENT: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup>. These were apartments in Barcelona with 100 to 200 m<sup>2</sup>, very high quality finishes, new or nearly new (built 5 to 10 years ago).*
- *DETACHED HOUSE: The most expensive area had prices between €6,000 and €8,000 per m<sup>2</sup> for detached homes in Gavà Mar with around 250 to 350 m<sup>2</sup>, 3 to 4 bedrooms, very high quality finishes, new or nearly new.*

## Supply

The supply of new holiday homes is low and saleable in the short term. On the holiday home market, resale properties predominate with a higher prevalence of rentals. Most supply are apartments with medium to high quality finishes and 1 to 3 bedrooms.

Sales have gone up compared to the time taken to finish new builds, which has lengthened since last year. Covid-19 has affected delivery schedules, which are noticeably longer. New-build properties will see lower price drops.

## Development Activity

Developments in areas surrounding Barcelona that were at a standstill during the crisis were restarted 2 or 3 years ago and have since been completed. New holiday home projects have started in Badalona and Barcelona. They are apartments and townhouses with communal gardens and mostly with pools, being built by local developers in conjunction with foreign capital.

## Land Market

Viability studies and price negotiations. No sales. Prices have not gone up. There's gradually less land available for new construction. Barcelona city has approved a change in its planning regulations under which 30% of properties in all new-build developments must be for social housing.

## Demand

Most buyers are foreign from Germany, Russian, Scandinavia and Eastern Europe.

## COSTA DEL GARRAF · BETWEEN CASTELLDEFELS AND CUBELLES

### Including the following towns

Castelldefels, Sitges, Sant Pere de Ribes, Vilanova i la Geltrú, Cubelles.

### General Situation

Over the last year, there has been a slight improvement in the holiday market on the coast, particularly in Sitges, the area with the highest demand for this type of market.

Covid-19 has brought activity to a halt and prices are expected to go down. In municipalities such as Sitges and Castelldefels with more high-end demand, the decrease should not be so high. In the rest of the area, with the exception of Cubelles that does have lots of holiday homes, the effect is less since the percentage is much lower compared to the total.

### Prices

After several years of continual price rises, the first signs of stabilisation were seen in 2019. They are still rising in Sitges and Castelldefels because demand for holiday homes here comes from wealthier buyers.

- *APARTMENT: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments in Sitges, on the seafront promenade and in Terramar. Demand is much higher than supply for frontline beach positions. The type of property varies from 2-bedroom apartments to homes with over 100 m<sup>2</sup>, 4 bedrooms and built 20 and 30 years ago.*
- *DETACHED HOUSE: The most expensive area had prices between €10,000 and €20,000 per m<sup>2</sup> for detached homes on the seafront promenade and in the Terramar area of Sitges with more than 300 m<sup>2</sup>.*

## Supply

The supply of new-build holiday homes is average as is the rate of absorption after coming down from very high levels left over from the 2008 crisis. Most properties are apartments with 2 to 3 bedrooms, 75-90 m<sup>2</sup>, medium-high quality finishes and in different areas, although most concentrated in Sitges and Castelldefels.

Supply in the area is mostly resale with a higher predominance of the rental market than the purchase. The exceptions are Sant Pere de Ribes (the municipality boundaries do reach the seafront, but it does not have a high proportion of holiday homes) as well as Vilanova, which does have holiday homes but as a low percentage of the total. Holiday homes are mostly apartments with 75-90 m<sup>2</sup>, 2 to 3 bedrooms and medium-high quality finishes.

Covid-19 had led to a standstill in the market without no change in prices, but with properties taken off the market.

Sales increased in 2019 and the time taken to sell went down slightly compared to 2018.

## Development Activity

Development activity is centered in Vilanova i la Geltrú, Sitges, Castelldefels and Vilanova. Some developments have restarted and new builds are taking place. They are apartments with 70-90 m<sup>2</sup> and medium quality finishes. Development initiatives are from local developers in association with foreign capital and other investors such as Sareb.

## Land Market

There was hardly any movement during 2019. Isolated sales took place. No price increases.

## Demand

Demand comes from both Spanish and foreign buyers, although Spanish buyers have gained prominence over the last year. They come from Barcelona, Aragon and the rest of Catalonia. Sitges and Castelldefels have a higher percentage of foreign buyers from the UK, Germany and France.

PRICES

CATALAN COAST

	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Barcelona Province (coast and interior)</b>	<b>2,186</b>	<b>2,192</b>	<b>0.3%</b>	<b>-33.2%</b>
Barcelona, Capital	3,389	3,347	-1.3%	-24.4%
Castelldefels	3,075	3,062	-0.4%	-25.5%
Cubelles	1,650	1,691	2.5%	-46.7%
Gavà	2,459	2,307	-6.2%	-37.0%
Mataró	1,855	1,878	1.2%	-43.5%
Pineda de Mar	1,400	1,501	7.2%	-50.7%
Premià de Mar	2,033	2,109	3.7%	-36.0%
Sitges	3,355	3,210	-4.3%	-33.4%
Vilanova i la Geltrú	1,800	1,716	-4.7%	-43.9%

Average values of finished housing (new and used), vacational and non-vacational, in the municipality

Source: Tinsa

SALES

CATALAN COAST

	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Barcelona Province (coast and interior)</b>	<b>60,833</b>	<b>59,554</b>	<b>-2.1%</b>	<b>4,991</b>	<b>5,017</b>	<b>0.5%</b>	<b>55,842</b>	<b>54,537</b>	<b>-2.3%</b>
Barcelona, Capital	15,156	14,880	-1.8%	883	741	-16.1%	14,273	14,139	-0.9%
Castelldefels	813	775	-4.7%	31	23	-25.8%	782	752	-3.8%
Cubelles	369	351	-4.9%	9	58	544.4%	360	293	-18.6%
Gavà	535	494	-7.7%	33	34	3.0%	502	460	-8.4%
Mataró	1,551	1,398	-9.9%	169	165	-2.4%	1,382	1,233	-10.8%
Pineda de Mar	493	412	-16.4%	28	8	-71.4%	465	404	-13.1%
Premià de Mar	307	292	-4.9%	6	5	-16.7%	301	287	-4.7%
Badalona	2,796	2,478	-11.4%	645	278	-56.9%	2,151	2,200	2.3%
Viladecans	708	604	-14.7%	120	51	-57.5%	588	553	-6.0%
El Prat de Lobregat	518	527	1.7%	36	59	63.9%	482	468	-2.9%
Sitges	603	654	8.5%	110	160	45.5%	493	494	0.2%
Vilanova i la Geltrú	1,052	922	-12.4%	247	183	-25.9%	805	739	-8.2%

Source: Mitma

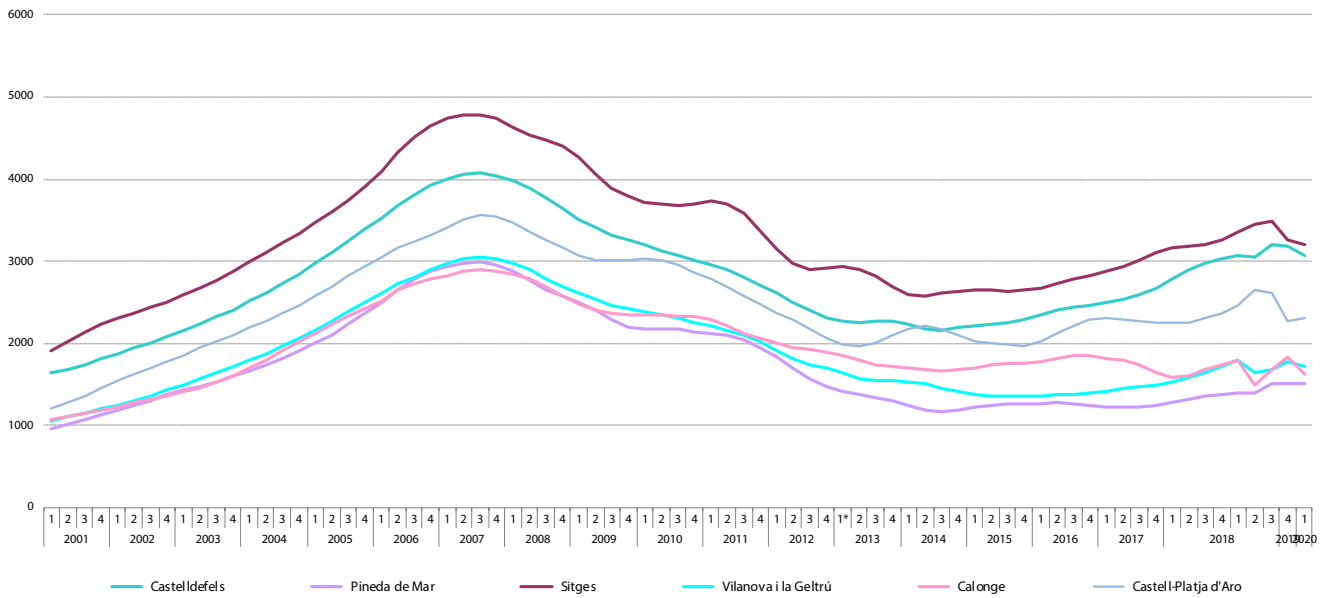
NEW-BUILD LICENCES

CATALAN COAST

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART, 2018	APART, 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Barcelona Province (coast and interior)</b>	<b>10,544</b>	<b>11,300</b>	<b>7.2%</b>	<b>1,132</b>	<b>1,223</b>	<b>8.0%</b>	<b>9,412</b>	<b>10,077</b>	<b>7.1%</b>
Barcelona, Capital	2,004	2,140	6.8%	32	57	78.1%	1,972	2,083	5.6%
Castelldefels	152	55	-63.8%	16	13	-18.8%	136	42	-69.1%
Cubelles	56	23	-58.9%	3	3	0.0%	53	20	-62.3%
Gavà	101	82	-18.8%	5	9	80.0%	96	73	-24.0%
Mataró	205	526	156.6%	14	24	71.4%	191	502	162.8%
Pineda de Mar	28	88	214.3%	9	3	-66.7%	19	85	347.4%
Premià de Mar	11	26	136.4%	5	3	-40.0%	6	23	283.3%
Badalona	451	827	83.4%	5	9	80.0%	446	818	83.4%
Viladecans	26	235	803.8%	4	4	0.0%	22	231	950.0%
El Prat de Lobregat	229	79	-65.5%	10	3	-70.0%	219	76	-65.3%
Sitges	215	134	-37.7%	29	24	-17.2%	186	110	-40.9%
Vilanova i la Geltrú	107	306	186.0%	16	14	-12.5%	91	292	220.9%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



## | Mediterranean Sea

### Comunidad Valenciana Coast



## Castellón (Costa del Azahar)

### BETWEEN VINARÒS AND CASTELLÓN DE LA PLANA

#### Including the following towns

Vinaròs, Benicarló, Peñíscola, Alcalà de Xivert, Torreblanca, Cabanes, Oropesa del Mar/Oropesa, Benicasim/Benicàssim, Castellón de la Plana/ Castelló de la Plana, Almazora/Almassora.

#### General Situation

The general trend in 2019 was a drop in prices, although with obvious stabilisation and increases in places like Benicàssim, Vinaròs and Benicarló. The most touristic resorts have been conditioned by the large amount of excess new-build supply left over from the 2008 crisis and over the last few years, there has been considerable adjustment in prices, which led to a rise in sales to private buyers and investment funds. Benicàssim has the most consolidated market because it is used as for second homes by residents in Castellón. As a result, few new properties were built in the town during the boom and price adjustment has been lower due to the lack of excess supply.

Covid-19 has brought the market to a standstill. There are currently many sales that were not completed before March and now pending while potential clients wait to see how the market evolves.

#### Precios

Sight falls during 2019. In Marina D'Or (Oropesa del Mar), there is still a large supply of properties and adjustments continue to take place. Exceptions are Benicàssim and Vinaròs, both with an increase in sales and slight rises in prices. Price trends in 2019 followed those seen in 2018.

- **APARTMENT** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in Benicàssim and Peñíscola, with 3 bedrooms in the former and 1 or 2 in the latter.
- **DETACHED HOUSE:** The most expensive area had prices between €6,000 and €8,000 per m<sup>2</sup> for detached homes in Benicàssim, to the north and south of the area known as Torreón on the Paseo Pilar Coloma. These are protected detached homes from the early 20th century with 500 to 600 m<sup>2</sup>, 6 to 8 bedrooms and bought for refurbishment or homes built in the 1970s, also bought to refurbish.

#### Supply

The new-build supply is average with a low rate of absorption. Supply is extremely high and the sales pace has been slow. Most are in Oropesa del Mar. Sales do take place, but there's abundant supply.

On the holiday home market, resale properties predominate and there has been hardly any new-build supply since 2008. The purchase and rental markets are balanced. The areas with higher proportions of holiday lets are Oropesa del Mar, Alcossebre and Peñíscola because of the high supply. Properties are similar to those for sale – homes with 2 to 3 bedrooms and 60-90 m<sup>2</sup>.

Sales went up in 2019 compared to the previous year.

Covid-19 has brought the market to a standstill but with no visible adjustment so far.



## Development Activity

Nowhere stands out for its development activity and there are no new builds for sale. Some new projects are underway in Oropesa in the Marina D'Or area where there's a building under construction with a frontline beach position for properties with 2 to 3 bedrooms and 60-90 m<sup>2</sup>. A small number of homes are also being built privately.

## Merado de Suelo

Virtually no activity. No price increases. There have only been a few isolated sales for land belonging to banks, sold at prices well below their value. Companies with financial resources are investing for development in the long term.

## Demand

Buyers are mostly Spanish and mainly from Castellón province itself, Aragon and Madrid. Peñíscola and Alcalá de Xivert have a higher percentage of foreign buyers.

PRICES C. VALENCIANA COAST	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% change	Change since
	Q1 2019	Q1 2020	Q1 2019-Q1 2020	2008 peak
<b>Castellón Province (coast and interior)</b>	<b>895</b>	<b>923</b>	<b>3.1%</b>	<b>-48.4%</b>
Almazora/Almassora	739	772	4.5%	-53.5%
Benicarló	821	867	5.6%	-55.6%
Benicasim/Benicàssim	1,751	1,794	2.5%	-33.0%
Castellón de la Plana	917	882	-3.8%	-53.3%
Oropesa del Mar/Orpesa	1,186	1,142	-3.7%	-57.9%
Borriana/Burriana	791	773	-2.3%	-52.6%
Peñíscola/Peñíscola	1,558	1,407	-9.7%	-45.3%
Vinaròs	937	999	6.6%	-46.5%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES C. VALENCIANA COAST	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Castellón Province (coast and interior)</b>	<b>9,625</b>	<b>9,257</b>	<b>-3.8%</b>	<b>794</b>	<b>550</b>	<b>-30.7%</b>	<b>8,831</b>	<b>8,707</b>	<b>-1.4%</b>
Almazora/Almassora	418	387	-7.4%	25	36	44.0%	393	351	-10.7%
Benicarló	373	363	-2.7%	14	15	7.1%	359	348	-3.1%
Benicasim/Benicàssim	493	429	-13.0%	41	14	-65.9%	452	415	-8.2%
Castellón de la Plana	2,458	2,082	-15.3%	353	170	-51.8%	2,105	1,912	-9.2%
Oropesa del Mar/Orpesa	739	773	4.6%	30	27	-10.0%	709	746	5.2%
Borriana/Burriana	479	528	10.2%	16	56	250.0%	463	472	1.9%
Peñíscola/Peñíscola	467	387	-17.1%	6	16	166.7%	461	371	-19.5%
Vinaròs	523	595	13.8%	52	17	-67.3%	471	578	22.7%

Source: Mitma

NEW-BUILD LICENCES C. VALENCIANA COAST	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART, 2018	APART, 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Castellón Province (coast and interior)</b>	<b>841</b>	<b>833</b>	<b>-1.0%</b>	<b>190</b>	<b>210</b>	<b>10.5%</b>	<b>651</b>	<b>623</b>	<b>-4.3%</b>
Almazora/Almassora	5	11	120.0%	5	7	40.0%	0	4	N.A.
Benicarló	6	18	200.0%	6	8	33.3%	0	10	N.A.
Benicasim/Benicàssim	104	0	-100.0%	11	0	N.A.	93	0	N.A.
Borriana/Burriana	27	21	-22.2%	24	21	-12.5%	3	0	N.A.
Castellón de la Plana/ Castelló de la Plana	243	270	11.1%	25	25	0.0%	218	245	12.4%
Nules	3	2	-33.3%	3	2	-33.3%	0	0	N.A.
Oropesa del Mar/Orpesa	292	135	-53.8%	6	5	-16.7%	286	130	N.A.
Vinaròs	5	137	2,640.0%	5	7	40.0%	0	130	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Costa de Valencia

### BETWEEN CANET D'EN BERENGUER AND ALBORAYA

#### Including the following towns

Canet d'En Berenguer, Puçol, El Puig de Santa María, el, La Pobla de Farnals, Massamagrell, Valencia, Massalfassar, Albuixech, Albalat dels Sorells, Foios, Meliana, Alboraya.

#### General Situation

The area has a very stable holiday home market that has avoided sharp falls in prices over the last few years. The improvement compared to previous years is slow but steady.

Covid-19 has led to a halt in sales, but no change in prices.

#### Prices

Prices remained stagnant until 2018 with gradual increases since then. During 2019, prices showed signs of growth and increased more than 2018.

Covid-19 has caused prices to stagnate and the first price drops of between 5% and 15% have started to appear.

- *APARTMENT: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in areas close to Valencia city with communal areas and a pool, 50-75 m<sup>2</sup>, 2 bedrooms, medium quality finishes and built 15-20 years ago.*
- *DETACHED HOUSE: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for detached homes in areas close to Valencia city with a small garden, around 200 m<sup>2</sup>, medium quality finishes and built 15-20 years ago.*

#### Supply

The level of new-build supply is low and being absorbed at a moderate rate. The main type of property are apartments with between 80 and 90 m<sup>2</sup>, 2 bedrooms, medium quality finishes, in residential complexes with a pool and close to the coast.

Resale properties are prevalent on the holiday home market where rentals are less relevant than purchases. Properties are similar to those for sale – around 65-85 m<sup>2</sup>, 2 bedrooms and close to the coast.

Covid-19 has caused the rental market to come to a standstill while it waits to return to previous activity levels when lockdown movements are lifted. The time taken to sell during 2019 was slightly less than the previous year.

#### Development Activity

No developments at a standstill have been restarted and new holiday homes projects are underway in Sagunto (Puerto de Sagunto). Both Sagunto and Alboraya stand out for development activity in the area. New builds are generally in apartment blocks with pool and sports facilities, as near as possible to the beach and with 65 and 75 m<sup>2</sup> for 2 bedrooms and between 95 and 105 m<sup>2</sup> for 3 bedrooms, and medium to high quality finishes. Building the new homes are large established developers in conjunction with local developers in association with foreign capital and other investors.

#### Land Market

The market was starting to get back to normal levels of activity but with no price increases. In 2018, the coastal protection planning regulations (PATIVEL in Spanish) and the law protecting local farmland were approved. In both cases, there are five-year timelines for the start of development in areas where it is permitted or the reversal of development land to protected land. These laws have most impact on development land in Puig de Santamaría and limit the development of more land in the other municipalities.

#### Demanda

It mostly comes from Spanish buyers from Madrid and Aragon. Foreign demand is mainly made up of British buyers.

### BETWEEN SUECA AND OLIVA

#### Including the following towns

Sueca, Cullera, Tavernes de la Valldigna, Xeraco, Gandia, Daimús, Guardamar de la Safor, Bellreguard, Miramar, Piles, Oliva.

#### General Situation

2018 saw the first signs of a general reactivation of demand. The holiday home market situation in 2019 was clearly better than in 2018 and showed consistent growth in demand, although varying depending on the beach area.

Covid-19 has caused a significant drop in activity and delays in decision making by investors. However, estate agents are relatively optimistic that there will be a return to the previous situation in the medium term.

#### Prices

Stagnancy. In most beach areas, prices are stable, conditioned by the high supply from previous years. There has been a rise in prices in the Oliva Nova development. Price changes in 2019 were in line with those seen in 2018.

- *APARTMENT: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments on the beach in Cullera and Gandía, with frontline positions. They have 75-100 m<sup>2</sup>, 2 or 3 bedrooms, medium quality finishes and were built 30 years ago.*
- *DETACHED HOUSE: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for detached homes in Cap Blanc and nearby beaches in Cullera. They have around 250 m<sup>2</sup> and medium quality finishes and were built around 15 years ago.*

## Supply

The level of new-build supply is very low. The excess from the 2008 crisis on the beaches in Xeraco, Daimuz and Bellreguard was absorbed by the market several years ago. There is slightly more on the beach at Piles, where completed new-build apartments are for sale. The best-selling properties are apartments with 85 m<sup>2</sup>, 2 bedrooms and 2 bathrooms.

The supply of holiday homes in the area is mostly resale with the exception of the beaches at Piles, Tavernes de la Vallidigna and Oliva. The holiday let market is more relevant than the purchase and there's demand for apartments in complexes with a pool, near the sea and 2 to 3 bedrooms.

Sales were brisk in 2019 and growth took place across the area. Covid-19 caused sales to drop significantly but on the beaches at Gandía and Cullera prices are already back to where they were prior to the pandemic.

The time taken to sell is similar to last year. Covid-19 has lengthened it considerably, but a quick recovery to previous timescales is expected. Similarly, the pandemic has caused a spike in demand for rentals compared to previous years.

## Development Activity

Developments at a standstill have restarted. In Racó de Cullera, work has begun again on an apartment block with 13 units. New developments were started in 2019 in Gandía, Daimuz and Oliva. Properties are mostly apartments with medium quality finishes, 2 or 3 bedrooms, 2 bathrooms and an average size of 85 m<sup>2</sup>.

## Land Market

Demand for land in the area is practically non-existent. Much of it belongs to financial entities who financed the purchase in the past. Furthermore, the process for land management in the area is very slow. Land ready for development is available in most areas such as Guardamar de la Safor, Daimuz, Bellreguard and Foies de Gandía, and particularly in Sueca, Oliva and Piles. The beaches at Xeraco, Tavernes de Vallidigna, those in the Safor district and in Ribera Baixa are exceptions with a shortage of available land.

## Demand

Buyers are mostly Spanish from the region itself and from inland areas in the province in Cullera, Tavernes de Vallidigna, Xeraco, Gandía, Daimuz, Guardamar de la Safor, Bellreguard, Miramar and Piles. Locals and buyers from Valencia buy in Sueca. In Oliva, there's a higher proportion of foreign buyers from France, the Netherlands and Belgium.

Covid-19 could have a significant impact on foreign demand.

PRICES C. VALENCIANA COAST	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Valencia Province (coast and interior)</b>	<b>1,042</b>	<b>1,078</b>	<b>3.5%</b>	<b>-41.9%</b>
Alboraya	1,325	1,470	10.9%	-40.8%
Canet d'En Berenguer	1,316	1,160	-11.9%	-55.5%
Pobla de Farnals (la)	1,113	1,222	9.8%	-52.7%
Gandia	911	968	6.2%	-44.3%
Puçol	965	1,101	14.1%	-46.6%
Cullera	1,287	1,214	-5.7%	-43.8%
Valencia, Capital	1,391	1,498	7.7%	-37.7%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality

Source: Tinsa

SALES C. VALENCIANA COAST	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Valencia Province (coast and interior)</b>	<b>34,946</b>	<b>33,062</b>	<b>-5.4%</b>	<b>1,795</b>	<b>1,916</b>	<b>6.7%</b>	<b>33,151</b>	<b>31,146</b>	<b>-6.0%</b>
Alboraya	299	291	-2.7%	11	17	54.5%	288	274	-4.9%
Canet d'En Berenguer	255	273	7.1%	1	4	300.0%	254	269	5.9%
Pobla de Farnals (la)	217	208	-4.1%	21	7	-66.7%	196	201	2.6%
Gandia	1,507	1,459	-3.2%	87	36	-58.6%	1,420	1,423	0.2%
Cullera	661	687	3.9%	24	6	-75.0%	637	681	6.9%
Puçol	295	278	-5.8%	26	14	-46.2%	269	264	-1.9%
Oliva	704	551	-21.7%	138	44	-68.1%	566	507	-10.4%
Valencia, Capital	11,432	10,216	-10.6%	256	696	171.9%	11,176	9,520	-14.8%

Source: Mitma

## NEW-BUILD LICENCES C. VALENCIANA COAST

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Valencia Province (coast and interior)</b>	<b>3,304</b>	<b>4,796</b>	<b>45.2%</b>	<b>736</b>	<b>920</b>	<b>25.0%</b>	<b>2,568</b>	<b>3,876</b>	<b>50.9%</b>
Alboraya	29	48	65.5%	3	3	0.0%	26	45	73.1%
Cullera	3	27	800.0%	3	10	233.3%	0	17	N.A.
Gandia	7	97	1.285.7%	7	7	0.0%	0	90	N.A.
Puçol	12	34	183.3%	9	24	166.7%	3	10	233.3%
Oliva	98	67	-31.6%	12	16	33.3%	86	51	-40.7%
Valencia, Capital	1,826	2,382	30.4%	24	23	-4.2%	1,802	2,359	30.9%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Alicante (Costa Blanca)

### BETWEEN CALPE AND VILLAJYOSA

#### Including the following towns

Calpe, Altea, l'Alfàs del Pi, Benidorm, Finestrat, Villajoyosa.

#### General Situation

The areas included in the report have more or less improved compared to last year. The shortage of land ready for development and pending new-build supply affect the general situation counterbalanced by the holiday appeal in the different areas.

Covid-19 has caused a significant drop in sales and price adjustments have yet to be seen.

#### Prices

Prices are similar to those last year. They have gone up in places like Benidorm and Calpe, stayed the same in Altea and gone down in l'Alfàs del Pi.

Covid-19 has not caused significant changes with decreases of less than 5% noticeable.

- **APARTMENT:** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in Benidorm with a frontline beach position, 100 m<sup>2</sup>, 2 bedrooms, medium to high quality finishes and built around 15 years ago.
- **DETACHED HOUSE:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for detached homes in Altea with 250-300m<sup>2</sup>, 3 or 4 bedrooms, medium to high quality finishes and built around 20 years ago.

#### Supply

The supply of new builds is average and the absorption rate low. The excess has sold slowly with slight adjustments in prices over the last few years, competing on the market with new-build developments on the limited development land available. The shortage of land will allow this excess to gradually be absorbed in the long term. The best-selling properties are apartments with 80 and 100 m<sup>2</sup>, 2 bedrooms, behind frontline beach, near the coast or with views.

Supply in the area is mostly resale with a balance between rentals and purchases. Benidorm is an exception where the rental market is more prevalent than the purchase.

Sales went down in 2019 compared to 2018 and the time taken to sell remained the same.

#### Development Activity

Developments previously at a standstill have been restarted. In 2019 compared to 2018, the number of building licences dropped in Villajoyosa, went up in Calpe and Benidorm, and stayed the same in Jávea and Altea.

Benidorm and Villajoyosa are the areas with the most development activity. The most common properties are apartments with communal areas, 80 m<sup>2</sup>, 2 bedrooms and medium quality finishes. Self-financing local developers tend to be behind them.

#### Land market

The land market is showing reduced levels of activity. Some sales have taken place and prices have not changed.

Stagnancy due to planning regulations is considerable in several municipalities. This unfavourable situation is due to the lack of land ready for development, administrative and legal problems or lack of development land management. In the last few years, the last available plots on the coast (frontline and behind frontline beach) have been managed, mostly through Sareb. Development and management of new planning projects is necessary.

#### Demand

Spanish and foreign buyers are equally important in the holiday home market. Foreigners come from the UK, Belgium, Sweden, France, Germany, Russia, Norway and the Netherlands with those from the UK and Central Europe the most prevalent.

## BETWEEN CAMPELLO AND SANTA POLA

### Including the following towns

El Campello, Alicante, Elche, Santa Pola.

### General Situation

Signs of recovery during 2019. The situation has improved in general terms for all areas. Elche and El Campello have seen an increase in building licences; the Arenales and La Marina areas (in Elche) and Gran Alacant (Santa Pola) have completed several well-received developments; and Alicante has an area where development is pending, the PAU-5, of which a large number of properties will be for principal homes.

Covid-19 has caused a substantial drop in sales, but the market is still not showing significant adjustment.

### Prices

Signs of growth in 2019. Price changes were in line with those experienced in 2018 after several years of continued improvement.

- *APARTMENT: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in Alicante, with a frontline beach position in San Juan, 100-180 m<sup>2</sup>, 2 to 4 bedrooms, very high quality finishes and in the final phase of construction.*
- *HOUSE: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for townhouses, with a frontline beach position in San Juan, 250-300m<sup>2</sup>, 4 bedrooms, very high quality finishes and in the final phase of construction.*

### Supply

The supply of new builds is average. The improvement in sales has helped to reduce excess supply. They are mostly apartments with communal areas, 80 m<sup>2</sup>, 2 bedrooms and medium quality finishes.

Resales dominate the holiday home market and the rental market is more prevalent than the purchase. They are mostly 2-bedroom apartments with communal areas and medium quality finishes.

Sales increased over the last year while the time taken to sell for new-build developments remained the same.

### Development Activity

A few developments at a standstill after the last crisis have been restarted and new projects have also begun, mainly built by large established developers. The place with the highest holiday home construction in the area is Elche. New construction in 2019 took place in Campello, with 207 new homes; in Alicante, with 781; in Elche with 334 and in Santa Pola with 79. The most common type of holiday home under construction are apartments with 2 or 3 bedrooms, between 80 and 105 m<sup>2</sup>, communal areas and medium-high quality finishes.

### Land Market

Some (isolated) sales have taken place and prices have not risen. In the medium term, there could be a shortage of land ready for development. Changes in regulations have led to some planning uncertainty over the last few years. On the one hand, the Review of Urban Planning for Alicante (proceedings started 15 years ago) is still pending and the Urban Planning for Campello approved in 2011 was declared null and void by the Spanish Supreme Court. This has brought construction work to a standstill and made proceedings considerably slower. On the other, in 2018 the Regional Action Plan for Green Infrastructure on the coast in the region (Plan de Acción Territorial de la Infraestructura Verde del Litoral de la Comunidad Valenciana in Spanish) was approved; licences on affected land had been on standby since November 2015.

### Demand

The buyer profile is divided between Spanish and foreigners with slightly more Spanish. Foreigners are from the UK, Belgium, France, Germany, Russian, Norway and the Netherlands. Spanish buyers tend to be from Madrid, Barcelona, Murcia or Valencia.

Due to covid-19, both Spanish and foreign demand are expected to be significantly affected.

PRICES

C.VALENCIANA COAST

	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Alicante Province (coast and interior)</b>	<b>1,205</b>	<b>1,196</b>	<b>-0.7%</b>	<b>-39.5%</b>
Alfàs del Pi (I')	1,626	1,531	-5.8%	-40.0%
Alicante, Capital	1,280	1,311	2.4%	-33.1%
Altea	1,712	1,718	0.4%	-30.4%
Benidorm	1,723	1,757	2.0%	-39.2%
Calpe/Calp	1,621	1,706	5.2%	-31.8%
Campello (el)	1,703	1,411	-17.1%	-34.7%
Dénia	1,485	1,800	21.2%	-29.4%
Elche/Elx	949	918	-3.3%	-47.8%
Guardamar del Segura	1,305	1,161	-11.0%	-46.9%
Jávea/Xàbia	1,901	1,872	-1.5%	-28.7%
Pilar de la Horadada	1,305	1,492	14.3%	-33.6%
Orihuela (Costa)	1,851	1,747	-5.6%	-27.0%
Santa Pola	1,382	1,415	2.4%	-36.2%
Torrevieja	1,255	1,317	5.0%	-40.9%
Villajoyosa/Vila Joiosa (Ia)	1,205	1,202	-0.2%	-49.3%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES

C.VALENCIANA COAST

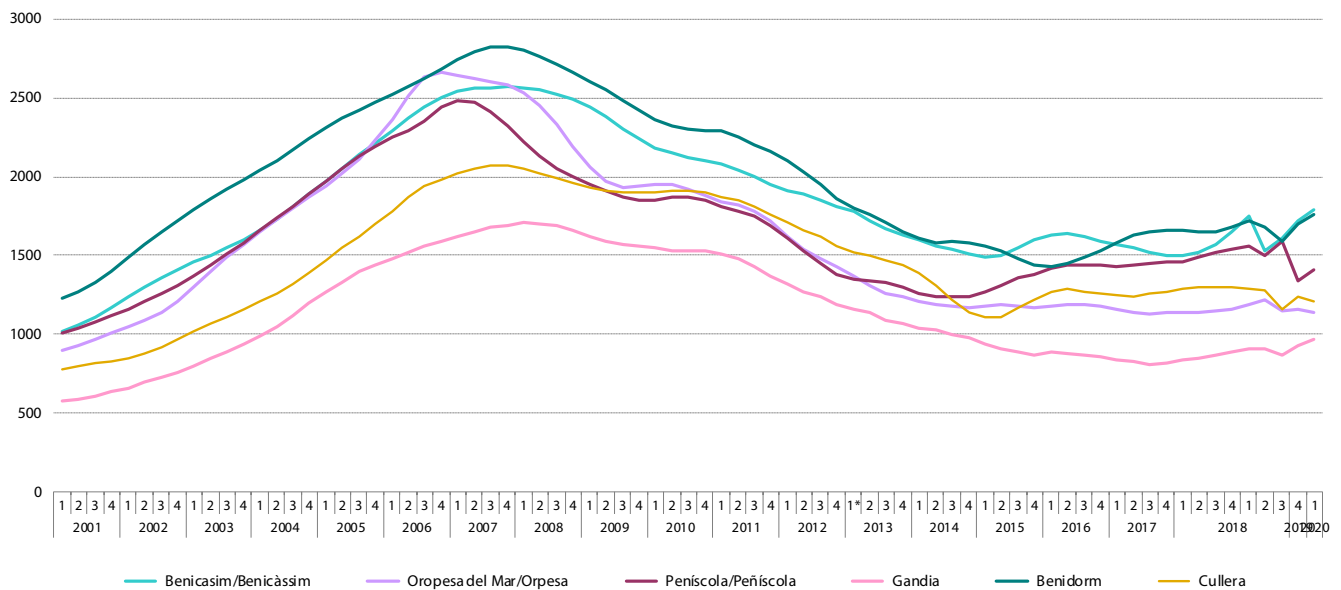
	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Alicante Province (coast and interior)</b>	<b>44,221</b>	<b>42,418</b>	<b>-4.1%</b>	<b>5,142</b>	<b>5,456</b>	<b>6.1%</b>	<b>39,079</b>	<b>36,962</b>	<b>-5.4%</b>
Alfàs del Pi (I')	505	425	-15.8%	45	18	-60.0%	460	407	-11.5%
Alicante, Capital	7,070	6,561	-7.2%	719	644	-10.4%	6,351	5,917	-6.8%
Altea	633	595	-6.0%	62	40	-35.5%	571	555	-2.8%
Benidorm	2,240	1,744	-22.1%	175	85	-51.4%	2,065	1,659	-19.7%
Calpe/Calp	1,032	1,030	-0.2%	73	178	143.8%	959	852	-11.2%
Campello (el)	792	751	-5.2%	56	88	57.1%	736	663	-9.9%
Dénia	1,542	1,536	-0.4%	34	150	341.2%	1,508	1,386	-8.1%
Elche/Elx	3,028	2,819	-6.9%	459	303	-34.0%	2,569	2,516	-2.1%
Guardamar del Segura	901	888	-1.4%	262	282	7.6%	639	606	-5.2%
Jávea/Xàbia	1,141	926	-18.8%	71	65	-8.5%	1,070	861	-19.5%
Pilar de la Horadada	1,166	1,066	-8.6%	525	490	-6.7%	641	576	-10.1%
Santa Pola	1,398	1,485	6.2%	130	212	63.1%	1,268	1,273	0.4%
Torrevieja	5,261	5,282	0.4%	626	797	27.3%	4,635	4,485	-3.2%
Villajoyosa/Vila Joiosa (Ia)	756	747	-1.2%	84	54	-35.7%	672	693	3.1%
Orihuela	4,081	3,767	-7.7%	903	872	-3.4%	3,178	2,895	-8.9%

Source: Mitma

## NEW-BUILD LICENCES C.VALENCIANA COAST

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Alicante Province (coast and interior)</b>	<b>6,331</b>	<b>5,696</b>	<b>-10.0%</b>	<b>1,328</b>	<b>1,447</b>	<b>9.0%</b>	<b>5,003</b>	<b>4,249</b>	<b>-15.1%</b>
Alfàs del Pi (l')	14	22	57.1%	10	10	0.0%	4	12	200.0%
Alicante, Capital	1,076	781	-27.4%	33	36	9.1%	1,043	745	-28.6%
Altea	60	63	5.0%	33	28	-15.2%	27	35	N.A.
Benidorm	48	69	43.8%	8	2	-75.0%	40	67	67.5%
Calpe/Calp	75	118	57.3%	43	33	-23.3%	32	85	165.6%
Campello (el)	175	207	18.3%	8	23	187.5%	167	184	10.2%
Dénia	266	71	-73.3%	26	47	80.8%	240	24	-90.0%
Elche/Elx	239	334	39.7%	25	35	40.0%	214	299	39.7%
Guardamar del Segura	492	223	-54.7%	5	16	220.0%	487	207	-57.5%
Jávea/Xàbia	115	115	0.0%	57	70	22.8%	58	45	-22.4%
Orihuela	649	865	33.3%	118	214	81.4%	531	651	22.6%
Pilar de la Horadada	283	233	-17.7%	21	13	-38.1%	262	220	-16.0%
Santa Pola	212	79	-62.7%	5	5	0.0%	207	74	-64.3%
Torreveija	685	477	-30.4%	60	36	-40.0%	625	441	-29.4%
Villajoyosa/Vila Joiosa (la)	240	169	-29.6%	1	1	0.0%	239	168	-29.7%

Source: Mitma  
\*Available data for municipalities with more than 10,000 inhabitants.



## | Mediterranean Sea

### Balearic Islands



## Mallorca

### Including the following towns

Capdepera, Son Servera, Sant Llorenç des Cardassar, Manacor, Felanitx, Santanyí, Ses Salines, Campos, Lluçmajor, Palma de Mallorca, Calvià, Andratx, Estellencs, Banyalbufar, Valldemossa, Deià, Sóller, Fornalutx, Escorca, Pollença, Alcúdia, Muro, Santa Margalida, Artá.

### General Situation

The holiday market in Mallorca is tied to a foreign market with high purchasing power. In 2019, there was a considerable rise in development activity with a higher number of building licences.

Covid-19 has caused a slight drop in activity with a temporary halt. However, activity is recovering its previous levels as restrictive measures are lifted.

### Prices

Clearly rising with increases in excess of 5%. An upward trend in line with that experienced the previous year. After several years of upward pressure of prices and a shortage of new development, 2019 saw an increase in development activity.

Covid-19 has brought prices to a standstill.

- **APARTMENT:** The most expensive area had prices between €6,000 and €8,000 per m<sup>2</sup> for apartments in exclusive parts of Andratx, Calvià and Palma with around 120 m<sup>2</sup>, 2 or 3 bedrooms, high quality finishes and recently built (10 years ago at the most).
- **DETACHED HOUSE:** The most expensive area had prices between €10,000 and €20,000 per m<sup>2</sup> for detached homes with around 500m<sup>2</sup>, 5 or 6 bedrooms, high quality finishes, pool, domotics, minimalist design, recently built (3 years ago at the most) and exceptional views.

### Supply

The supply of new builds on the island can be considered low with a high rate of absorption. Existing supply is available in the aforementioned coastal areas and tends to be medium-high to high end, both for apartments and detached houses. The best-selling properties are apartments with an average size, medium to high quality finishes in exclusive locations. Large properties in the countryside with an average size of 400-500m<sup>2</sup> have also come on the market.

New builds dominate the holiday home supply. The rental market, more significant than the purchase, have seen continual price rises over the last few years. Holiday lets are apartments with around 90 m<sup>2</sup> or detached homes with around 250-300 m<sup>2</sup> and medium quality finishes.

Sales increased in 2019 in some areas. The time taken to sell also improved compared to the previous year.

Covid-19 has meant that properties for holiday lets have been taken off the market and are now being offered as rental homes.

### Development Activity

Developments previously at a standstill in Calvià and Palma were restarted and new developments are also underway. Palma, Calvià and Andratx stand out for their development activity. The most common new-build properties are apartments with between 100 and 150 m<sup>2</sup>, and high quality finishes. Builders are mostly large established developers.



## Land Market

The market is experiencing normal activity levels and prices are rising. There's a shortage of available land both for high-end and all other types of property. This has led to an increase in refurbishment and the demolition of buildings of a certain age to develop new buildings.

As regards new planning regulations, highlights include the 9/2020 Law of Urgent Measures of Regional Protection (Decreto ley 9/2020 de Medidas Urgentes de Protección del Territorio in Spanish), whose aim is to increase the amount of protected rural land on the islands as well as contain urban development.

## Demand

Buyers are mostly foreign from Germany and Northern European countries. Russian buyers, who increased considerably a few years ago, have practically disappeared.

Both foreign and Spanish demand could be significantly affected by restrictions caused by covid-19.

PRICES BALEARIC ISLANDS	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% change	Change since
	Q1 2019	Q1 2020	Q1 2019-Q1 2020	2008 peak
<b>Mallorca Island (coast and interior)</b>	<b>2,018</b>	<b>2,135</b>	<b>5.8%</b>	<b>-20.0%</b>
Calvià	2,922	2,889	-1.1%	-16.5%
Llucmajor	2,010	1,856	-7.7%	-29.5%
Manacor	1,513	1,518	0.3%	-33.5%
Capdepera	1,863	1,725	-7.4%	-44.7%
Palma de Mallorca	2,097	2,257	7.6%	-15.5%
Santa Margalida	1,656	1,512	-8.7%	-36.9%
Sóller	2,184	2,505	14.7%	-10.1%

Average values of finished housing (new and used), vocational and non-vocational, in the municipality.

Source: Tinsa

SALES BALEARIC ISLANDS	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Mallorca Island (coast and interior)</b>									
Calvià	1,433	1,286	-10.3%	48	73	52.1%	1,385	1,213	-12.4%
Llucmajor	649	593	-8.6%	17	19	11.8%	632	574	-9.2%
Manacor	677	577	-14.8%	54	45	-16.7%	623	532	-14.6%
Capdepera	231	319	38.1%	12	71	491.7%	219	248	13.2%
Palma de Mallorca	5,705	4,786	-16.1%	296	398	34.5%	5,409	4,388	-18.9%
Santa Margalida	162	158	-2.5%	16	2	-87.5%	146	156	6.8%
Alcúdia	591	345	-41.6%	16	11	-31.3%	575	334	-41.9%
Andratx	407	382	-6.1%	75	50	-33.3%	332	332	0.0%
Santanyí	311	411	32.2%	10	107	970.0%	301	304	1.0%
Son Servera	198	215	8.6%	38	32	-15.8%	160	183	14.4%
Sóller	176	137	-22.2%	6	2	-66.7%	170	135	-20.6%

Source: Mitma

NEW-BUILD LICENCES BALEARIC ISLANDS	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Mallorca Island (coast and interior)</b>									
Alcúdia	29	42	44.8%	22	28	27.3%	7	14	100.0%
Andratx	39	63	61.5%	21	26	23.8%	18	37	105.6%
Calvià	151	256	69.5%	90	110	22.2%	61	146	139.3%
Capdepera	22	92	318.2%	12	6	-50.0%	10	86	760.0%
Llucmajor	58	76	31.0%	41	46	12.2%	17	30	76.5%
Manacor	35	202	477.1%	25	189	656.0%	10	13	30.0%
Palma de Mallorca	1,148	942	-17.9%	98	121	23.5%	1,050	821	-21.8%
Santa Margalida	22	15	-31.8%	13	14	7.7%	9	1	-88.9%
Santanyí	65	216	232.3%	51	53	3.9%	14	163	1.064.3%
Sóller	4	10	150.0%	4	3	-25.0%	0	7	N.A.
Son Servera	5	44	780.0%	5	6	20.0%	0	38	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Ibiza • Formentera

### Including the following towns

Sant Joan de Labritja, Santa Eulalia, del Río Eivissa, Sant Josep de sa Talaia, Sant Antoni de Portmany, Formentera.

### General Situation

Foreign demand put constant pressure on the market, particularly in the luxury sector, pushing prices up. The situation is similar to last year.

Covid-19 has caused sales to come to a halt, but prices have shown no sign of change.

### Prices

Prices rose moderately in 2019 compared to the previous year with no area standing out because the region is small and homogeneous. The market has gone up continuously over the last few years.

- **APARTMENT:** The most expensive area had prices between €8,000 and €10,000 per m<sup>2</sup> for an apartment. The highest prices reached €12,000 per m<sup>2</sup> on the seafront promenade in Ibiza, with a frontline marina position, around 100 m<sup>2</sup> and 2 bedrooms as well as top-floor apartments with 200 m<sup>2</sup> and 4 bedrooms, high quality finishes and recently built between 5 and 10 years ago.
- **DETACHED HOUSE:** The most expensive area had prices between €10,000 and €20,000 per m<sup>2</sup> for a detached house in exclusive parts of developments on the coast at Sant Josep and Santa Eulalia, with between 300 and 500 m<sup>2</sup> on plots with between 1,000 and 2000 m<sup>2</sup>, 6 to 10 bedrooms, pool, high quality finishes and built between 10 and 20 years ago.

### Supply

The supply of new-build holiday homes is very low and non-existent in the busiest areas of the market. The original excess were apartments with between 70 and 100 m<sup>2</sup>, and townhouses with 100 to 120 m<sup>2</sup>. Currently, 2-bedroom apartments with around 85 m<sup>2</sup> are available.

Resale properties dominate supply and rentals are more relevant than purchases. The main type of holiday home are apartments with 1 or 2 bedrooms near the sea. For detached homes, the location is more varied and they tend to have between 300 and 500 m<sup>2</sup>, and 5 to 6 bedrooms.

Sales have increased but the time taken to sell has lengthened since last year.

Covid-19 has led to a standstill and the time taken to sell properties is expected to be even longer.

### Development Activity

Developments at a standstill have been reactivated and new construction is underway. The areas with the most development activity are those near Ibiza and Bahía de San Antonio. The best-selling properties are apartments with 2 or 3 bedrooms, between 85-110 m<sup>2</sup>, medium to high quality finishes and in locations near the beach, but not with a frontline position. Construction is mainly in the hand of local developers in association with foreign capital or other investors.

### Land market

Some isolated sales have taken place and prices have not gone up. The land market shows little activity after several years of normal levels of sales, transfer of plots and licence applications. Changes in planning regulations have also conditioned activity.

In 2017, the Regional Regulations (Norma Territorial Cautelar in Spanish) was approved, affecting projects on rural land and increasing protected land. In 2019, the new planning regulations for the largest municipality, Ibiza, were provisionally approved. There are projects that are waiting for definitive approval.

### Demand

Buyers of holiday homes on the island are mostly foreign and mainly from Germany, the UK, Italy and Central Europe in general. Among Spanish buyers, those from Madrid and Catalonia stand out.

Covid-19 is expected to have little effect and demand to recover quickly.

PRICES BALEARIC ISLANDS	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Ibiza &amp; Formentera Islands (coast and interior)</b>	<b>3,795</b>	<b>3,938</b>	<b>3.8%</b>	<b>15.5%</b>
Eivissa	<b>3,455</b>	<b>3,728</b>	7.9%	19.8%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES BALEARIC ISLANDS	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Ibiza &amp; Formentera Islands (coast and interior)</b>									
Eivissa	462	487	5.4%	39	51	30.8%	423	436	3.1%

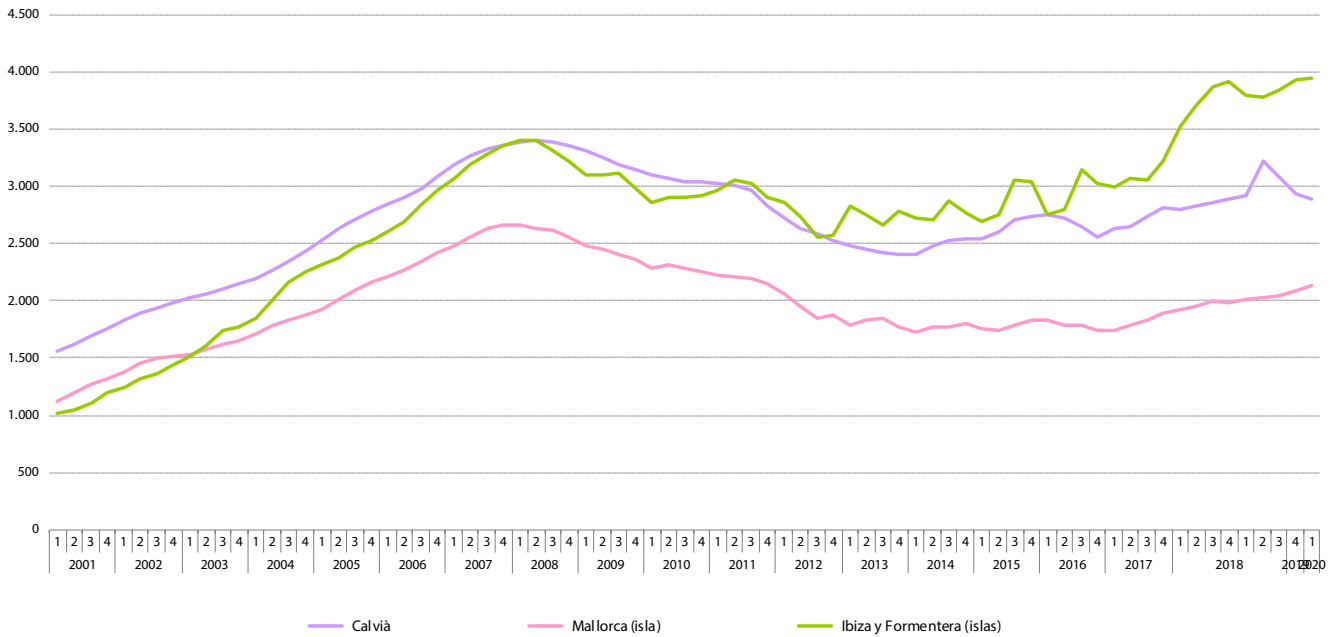
Source: Mitma

## NEW-BUILD LICENCES BALEARIC ISLANDS

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Ibiza &amp; Formentera Islands</b>									
<i>(coast and interior)</i>	297	444	49.5%	35	13	-62.9%	262	431	64.5%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



| Mediterranean Sea

Mediterranean Andalusia



## Costa de Almería

### BETWEEN NÍJAR AND ROQUETAS DE MAR

**Including the following towns**

Níjar, Almería, Enix, Roquetas de mar.

**General Situation**

The situation has shown signs of improvement with some new projects underway since there is little new-build supply. Prices have remained stable, but sales have gradually gone up in some areas over the last two years.

**Prices**

Signs of growth during 2019. The best performing area was Almeria city. Other markets started to show downward adjustments.

- *APARTMENT: The most expensive area had prices below €2,000 per m<sup>2</sup> for apartments in the coast of Níjar, San José, Urbanización del Toyo and Aguadulce, with 2 bedrooms, medium quality finishes, limited communal areas and built up to 10 years ago.*
- *DETACHED HOUSE: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for detached houses in Aguadulce and San José and Aguamarga, in Níjar with around 150-180 m<sup>2</sup>, 4 bedrooms and two or three rows back from the beach.*

**Supply**

The level of new-build supply is low and the rate of absorption has been moderate over the last few years. Excess supply is higher in the Retamar residential area, although the number of unsold properties is low. Homes are mainly apartments with 2 or 3 bedrooms, around 80-100 m<sup>2</sup> and in complexes with pool and communal areas.

Holiday home supply is mostly resale. The rental market, more relevant than the purchase, consists mainly of properties with 2 or 3 bedrooms, an average of 100 m<sup>2</sup> in residential blocks with green areas.

In 2019, sales increased considerably and the time taken to sell improved significantly compared to the previous year.

**Development Activity**

There are hardly any developments at a standstill and the few that are unfinished are found in the Toyo development in Almeria. After several years with no activity and boosted by an increase in sales, new developments have started in the areas of San José, Aguamarga and Aguadulce. Development activity is particularly strong on the Níjar coast due to lack of supply and the level of existing consolidation. New builds are mostly apartments with around 100 m<sup>2</sup> and 2 bedrooms. They are being built by local self-financed developers.

**Land Market**

Viability studies and price negotiations. No sales. Land ready for development is available, but it has not been reactivated because of lack of consistent demand.

## Demand

More than 70% of buyers are Spanish and the number of foreign buyers has fallen. Spanish buyers come mainly from Madrid, Jaén and Granada while foreign demand is made up of Germans and French.

PRICES MEDITERRANEAN ANDALUSIA	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% change	Change since
	Q1 2019	Q1 2020	Q1 2019-Q1 2020	2008 peak
<b>Almería Province (coast and interior)</b>	<b>1,009</b>	<b>996</b>	<b>-1.3%</b>	<b>-48.0%</b>
Almería, Capital	1,113	1,153	3.6%	-45.6%
Ejido (El)	978	935	-4.4%	-51.1%
Mojácar	1,449	1,556	7.4%	-43.0%
Roquetas de Mar	1,063	1,021	-4.0%	-53.1%
Vera	1,237	1,097	-11.3%	-55.9%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES MEDITERRANEAN ANDALUSIA	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Almería Province (coast and interior)</b>	<b>11,679</b>	<b>12,008</b>	<b>2.8%</b>	<b>1,416</b>	<b>1,474</b>	<b>4.1%</b>	<b>10,263</b>	<b>10,534</b>	<b>2.6%</b>
Almería, Capital	2,818	2,859	1.5%	389	428	10.0%	2,429	2,431	0.1%
Ejido (El)	1,122	1,499	33.6%	169	294	74.0%	953	1,205	26.4%
Mojácar	455	507	11.4%	86	163	89.5%	369	344	-6.8%
Roquetas de Mar	2,112	2,127	0.7%	204	207	1.5%	1,908	1,920	0.6%
Vera	968	775	-19.9%	51	32	-37.3%	917	743	-19.0%

Source: Mitma

NEW-BUILD LICENCES MEDITERRANEAN ANDALUSIA	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Almería Province (coast and interior)</b>	<b>1,790</b>	<b>1,971</b>	<b>10.1%</b>	<b>274</b>	<b>421</b>	<b>53.6%</b>	<b>1,516</b>	<b>1,550</b>	<b>2.2%</b>
Almería, Capital	855	743	-13.1%	49	62	26.5%	806	681	-15.5%
Ejido (El)	63	237	276.2%	37	98	164.9%	26	139	434.6%
Roquetas de Mar	95	108	13.7%	25	40	60.0%	70	68	-2.9%
Vera	86	27	-68.6%	22	22	0.0%	64	5	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Málaga (Costa del Sol)

### LA AXARQUÍA: BETWEEN NERJA AND RINCON DE LA VICTORIA

#### Including the following towns

Nerja, Torrox, Vélez-Málaga, Algarrobo, Rincón de la Victoria.

#### General Situation

2019 saw a continuation of the 2018 trend with an increase in demand for second homes generally; this was higher in those areas with better tourist appeal such as Nerja, Rincón de la Victoria, Torrox and Torre del Mar and somewhat lower elsewhere. At the end of 2019, stabilisation in both demand and prices was seen.

Covid-19 has caused a significant drop in activity. It's expected that the demand for holiday homes will fall compared to that registered up until 2019 after sustained recovery since 2017.

#### Prices

Clearly rising in 2019. Prices went up and in the most sought-after areas with lower supply, they rose by over 5%. This trend was similar to that seen in 2018.

Covid-19 has caused stagnancy and it is starting to have a greater effect on those areas next to Vélez-Málaga such as Chilches, Benajárfate, Almayate and Valle Niza.

- *APARTMENT: The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments with a frontline beach position in Nerja and exclusive parts of Rincón de la Victoria with 80-100 m<sup>2</sup>, 2 or 3 bedrooms and of a certain age due to the lack of new-build supply.*
- *DETACHED HOUSE: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for detached homes in Nerja, in the Punta Lara, Burriana and Parador areas as well as in Rincón de la Victoria, in the El Cantal and Torre Benagalbón areas, with 200 to 250m<sup>2</sup>, 4 to 6 bedrooms, large plots and of a certain age.*

## Supply

The level of new-build supply is low. It has gone down considerably over the last few years and is higher in areas such as Valle Niza, Benjarafe and Chilches. New-build supply mainly consists of apartments with between 70 and 90 m<sup>2</sup>, 2 bedrooms, medium quality finishes, in complexes with large communal areas and located two or three rows back from the beach.

Supply is mainly resale and the rental market is more prevalent than the purchase. Torrox and Nerja are the exceptions as they have higher demand from foreigners and therefore for rentals. Properties on offer tend to be apartments with 2 or 3 bedrooms, 80-110 m<sup>2</sup>, in good condition and built between 20 and 25 years ago.

Sales went down in 2019 and the time taken to sell was the same.

Covid-19 has brought the market to a standstill and there have been few adjustments except for a slight drop in prices to guarantee rentals. A drop in sales is expected in the less attractive tourist destinations.

## Development Activity

No developments at a standstill after the 2008 crisis were restarted. New projects are taking place in the following places: Torrox (80-100 homes), Torre del Mar (30-50 homes), Rincón de la Victoria (30-50 homes), Caleta de Vélez (50-70 homes) and Benjarafe-Chilches (60-80 homes). There are other developments in Rincón de la Victoria and Torre del Mar, but their location makes them more suitable for principal homes (Parque Victoria and El Tomillar among others). Second home development stands out in the areas previously mentioned and the first three municipalities also have principal home development in progress.

New builds are mostly apartments with an average size of 70-90 m<sup>2</sup>, 2 bedrooms (1 and 3 bedrooms are also available to a lesser extent) and good quality finishes.

Building work is primarily being carried out by large established developers with the exception of Rincón de la Victoria. Here, given the small size of the projects, developers tend to be local and financed by banks. Large developers are present in the rest of the area and in the larger projects.

## Land Market

The market was starting to return to normal levels and prices have not changed. Most available building land belongs to financial entities and over the last few years, agreements have been reached with developers and transactions are taking place with development activity starting in 2017. Land is mostly for small to medium-sized developments.

## Demand

In those municipalities in the east of the Axarquía such as Nerja and Torrox, most buyers are foreign while Spanish are more prevalent in places like Rincón de la Victoria and Torre del Mar. Percentages of buyers vary by area (with almost 50% of each or with an even higher percentage of foreign buyers). Scandinavians (Norwegian and Danish) stand out along with other Europeans (Germans and Belgians) as the countries with the highest demand. Spanish buyers tend to come mostly from Andalusia (Córdoba and Jaén) and Madrid.

Foreign demand could be substantially affected by restrictions caused by covid-19.

## BETWEEN TORREMOLINOS AND MIJAS

### Including the following towns

Torremolinos, Benalmádena, Fuengirola, Mijas.

### General Situation

Clear recovery in 2019. Activity broadened across the different municipalities and the number of new developments went up. The upward trend on prices moderated and sales went down slightly.

Covid-19 has caused a significant drop in activity. Some sales transactions have been brought to a halt and demand has dropped further in expectation of possible price adjustments.

### Prices

Clearly rising in 2019. Prices have been going up for several years with moderate increases conditioned by unsold new-build supply and new developments that have set high benchmark prices. Trends were similar to those seen in 2018.

Covid-19 has caused prices to stagnant.

- *APARTMENT: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments on the seafront promenades in the different areas with sea views, around 80-100 m<sup>2</sup>, 2 or 3 bedrooms and recently refurbished.*
- *DETACHED HOUSE: The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for detached homes of which there are very few on sale. There's no real supply with a frontline beach position and very few resale townhouses available.*

## Supply

The supply of new builds in the area is low. Over the last few years, it has largely been absorbed and the current excess supply is located in Mijas and in Benalmádena to a lesser extent. The rate of absorption is high. The most common properties are apartments with around 80 m<sup>2</sup>, 2 bedrooms with parking space and storeroom in private complexes with amenities and away from the coast.

On the holiday home market, resale properties dominate and rentals are less relevant than purchases. Holiday lets are significant in all areas, although centered mostly in high season. The most common types of property are apartments near the coast and mainly in the coastal resorts. On the other hand, new builds are high quality in private complexes with amenities.

Sales went down slightly and the time taken to sell was similar to that seen in 2018.

Covid-19 could considerably lengthen the time taken to sell.

## Development Activity

The developments at a standstill after the 2008 crisis that have not been reactivated tend to have unresolved planning issues. New developments have started in areas in the different municipalities. Mijas stands out for its development activity with a high number of units underway as does Benalmádena with a high number of building licences in 2019.

New builds are mainly apartments with over 100 m<sup>2</sup>, 2 or 3 bedrooms, high quality finishes and modern design on complexes with a wide range of amenities. Development in the area is in the hands of local developers in association with foreign capital and other investors.

## Land Market

Some isolated sales have taken place and prices have gone up, mainly in areas primed for development years ago where the new developments that are taking place have high prices compared to those seen in previous years.

## Demanda

Although Spanish buyers have returned to the scene over the last few months, foreign buyers account for between 50 and 70% of sales. The exceptions are Mijas where foreign buyers make up the large majority and in Fuengirola where buyers are mostly Spanish. In terms of where they come from, the British stand out with Germans to a lesser extent and among the Spanish, they are from Madrid and inland Andalusia.

Demand could be noticeably affected by restrictions caused by covid-19.

## BETWEEN MARBELLA AND MANILVA

### Including the following towns

Marbella, Estepona, Casares, Manilva.

### General Situation

In clear recovery in 2019. New-build supply in the hands of financial entities was sold several years ago and afterwards the rate of sales started to rise and with the improvement in demand, prices went up. New-build prices reached high levels in 2017, close to what could be considered their ceiling. In 2018, construction continued to be very active with new developments and off-plan sales, aimed at the luxury sector. In 2019, new builds continued to rise in tandem with prices, although there was a contained decrease in sales.

Covid-19 has caused a moderate fall leaving demand on hold before it has resumed with sales.

### Prices

Prices in the area continued clearly to rise during 2019 with a higher year-on-year increase than in 2018. Prices have maintained a positive trend for several years, driven by constant year-round demand.

Covid-19 has caused estimated price drops of between 5 and 15%.

- *APARTMENT: The most expensive area had prices between €8,000 and €10,000 per m<sup>2</sup> for apartments in complexes within resorts, Puerto Banús and on the Golden Mile in Marbella with 100 m<sup>2</sup>, 2 bedrooms, high quality finishes and built up to 20 years ago.*
- *DETACHED HOUSE: The most expensive area had prices between €8,000 and €10,000 per m<sup>2</sup> for villas on the Golden Mile, in Zagaleta, Monteros Playa and Puerto Banús. They have between 400 and 600m<sup>2</sup>, 4 to 6 bedrooms, high quality finishes and were built between 5 and 10 years ago.*

## Supply

The level of new-build supply is low and has gradually been absorbed over the last few years. The most commonly available properties are apartments with around 80-100 m<sup>2</sup>, medium to high quality finishes, located in resort centre or surrounding residential areas.

Holiday home supply is mostly resale with the exception of Estepona where there are lot of new builds. The rental and purchase markets are balanced. The most common holiday lets are apartments with around 80-100 m<sup>2</sup>, in complexes near the beach.

Sales dropped slightly in 2019 and the time taken to sell remained the same.

## Development Activity

There are no developments at a standstill pending reactivation. New development activity has increased and new projects are underway in Estepona (1,000 homes), Marbella (500 units) and Manilva (150 homes). Estepona stands out for development activity – the municipality benefitted from the annulment of the Marbella General Town Planning Regulations (Plan General de Ordenación Urbana de Marbella in Spanish) in November 2015 that caused part of investment destined for Marbella to transfer to Estepona.

New-build properties consist of three types: villas for the luxury sector with size ranges of 300-500 m<sup>2</sup> or 400-1,000 m<sup>2</sup>; apartment developments with medium to high quality finishes, in complexes with pool and gardens, around 100 m<sup>2</sup> and very close to the beach; and apartment developments with high quality finishes, 150-200 m<sup>2</sup> and in complexes with luxury finishes, pool and gardens.

Behind new construction are mainly local developers in association with foreign capital and other investors.

## Land Market

Some sales have taken place and prices have not gone up.

Because of the lack of available land in Marbella, developments are moving to the next-door resorts of Estepona and Benahavís.

Marbella is struggling to bring out new planning regulations after the General Plan was annulled in November 2015 after initial approval in 2010. The new text for the 1986 regulations (Texto Refundido del Plan in Spanish) was also declared null and void in February 2020 after initial approval in 2017. This planning uncertainty has shifted development investment to nearby municipalities.

## Demand

Spanish and foreign buyers share centre stage, although in certain places such as Marbella, foreigners are much more relevant than Spanish. They usually come from the UK, Ireland, France, Belgium, Switzerland, Sweden, Norway and the UAE. Among Spanish buyers, those from Madrid and the Basque Country are the most prevalent.

Foreign demand has gone down slightly due to covid-19 compared to Spanish demand, which has barely registered any changes. Sustained recovery of demand is expected.

PRICES MEDITERRANEAN ANDALUSIA	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Málaga Province (coast and interior)</b>	<b>1,635</b>	<b>1,684</b>	<b>3.0%</b>	<b>-33.6%</b>
Benalmádena	1,814	1,959	8.0%	-32.4%
Casares	1,563	1,894	21.2%	-35.4%
Estepona	1,647	1,783	8.2%	-35.6%
Fuengirola	1,907	1,901	-0.3%	-31.1%
Málaga, Capital	1,659	1,739	4.8%	-27.8%
Manilva	1,370	1,477	7.8%	-42.5%
Marbella	2,231	2,388	7.0%	-20.8%
Mijas	1,733	1,712	-1.2%	-35.3%
Nerja	2,095	2,250	7.4%	-16.8%
Rincón de la Victoria	1,726	1,762	2.1%	-29.1%
Torremolinos	1,849	1,945	5.2%	-30.4%
Torrox	1,549	1,664	7.4%	-37.6%
Vélez-Málaga	1,357	1,386	2.1%	-37.5%

Average values of finished housing (new and used), vacational and non-vacational, in the municipality.

Source: Tinsa



## SALES

MEDITERRANEAN ANDALUSIA

	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Málaga Province (coast and interior)</b>	<b>34,441</b>	<b>30,876</b>	<b>-10.4%</b>	<b>3,938</b>	<b>3,657</b>	<b>-7.1%</b>	<b>30,503</b>	<b>27,219</b>	<b>-10.8%</b>
Benalmádena	2,371	1,988	-16.2%	208	105	-49.5%	2,163	1,883	-12.9%
Casares	588	395	-32.8%	121	64	-47.1%	467	331	-29.1%
Estepona	2,514	2,344	-6.8%	301	371	23.3%	2,213	1,973	-10.8%
Fuengirola	1,780	1,672	-6.1%	124	192	54.8%	1,656	1,480	-10.6%
Málaga, Capital	7,674	6,752	-12.0%	834	1,008	20.9%	6,840	5,744	-16.0%
Manilva	1,399	981	-29.9%	525	256	-51.2%	874	725	-17.0%
Marbella	4,075	3,681	-9.7%	194	332	71.1%	3,881	3,349	-13.7%
Mijas	3,047	2,832	-7.1%	322	330	2.5%	2,725	2,502	-8.2%
Nerja	722	486	-32.7%	180	21	-88.3%	542	465	-14.2%
Rincón de la Victoria	945	819	-13.3%	168	145	-13.7%	777	674	-13.3%
Torremolinos	2,002	1,747	-12.7%	176	108	-38.6%	1,826	1,639	-10.2%
Torrox	808	654	-19.1%	96	49	-49.0%	712	605	-15.0%
Vélez-Málaga	1,645	1,391	-15.4%	185	122	-34.1%	1,460	1,269	-13.1%

Source: Mitma

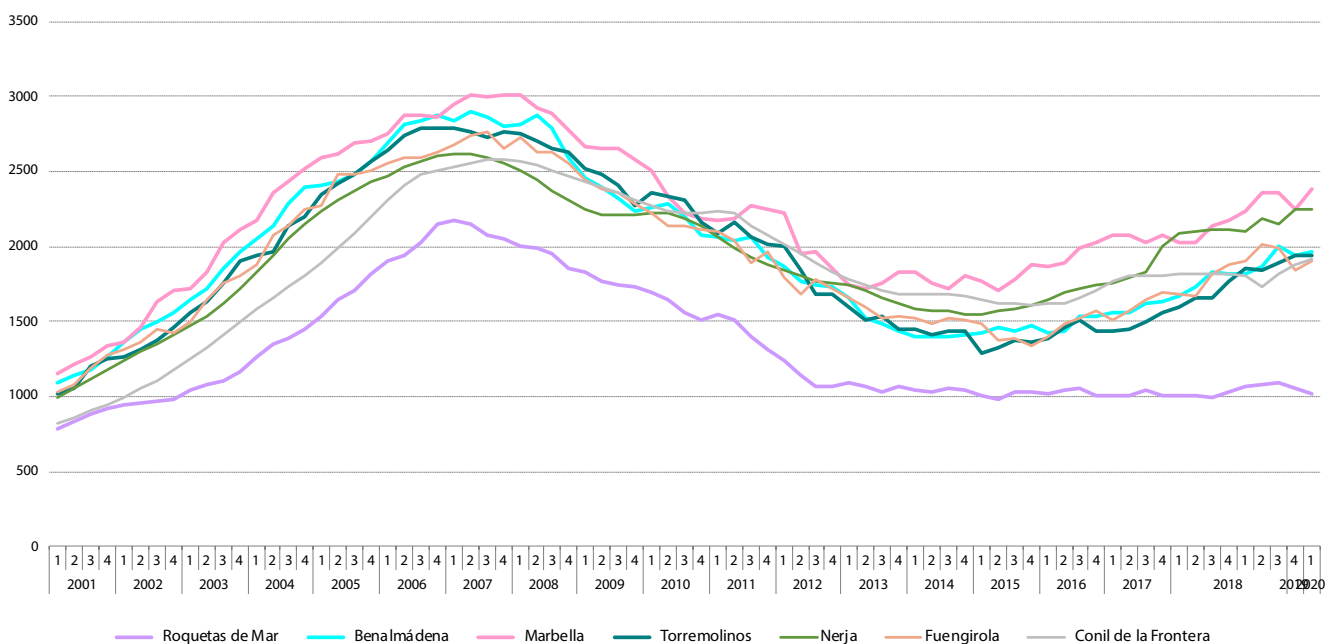
## NEW-BUILD LICENCES

MEDITERRANEAN ANDALUSIA

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Málaga Province (coast and interior)</b>	<b>6,166</b>	<b>6,941</b>	<b>12.6%</b>	<b>996</b>	<b>996</b>	<b>0.0%</b>	<b>5,170</b>	<b>5,945</b>	<b>15.0%</b>
Benalmádena	150	520	246.7%	22	47	113.6%	128	473	269.5%
Estepona	417	1,670	300.5%	60	132	120.0%	357	1,538	330.8%
Fuengirola	373	632	69.4%	55	16	-70.9%	318	616	93.7%
Málaga, Capital	2,202	1,006	-54.3%	133	81	-39.1%	2,069	925	-55.3%
Manilva	48	156	225.0%	1	65	6,400.0%	47	91	N.A.
Marbella	281	551	96.1%	117	160	36.8%	164	391	138.4%
Mijas	604	422	-30.1%	142	78	-45.1%	462	344	-25.5%
Nerja	64	39	-39.1%	44	20	-54.5%	20	19	-5.0%
Rincón de la Victoria	43	163	279.1%	12	11	-8.3%	31	152	390.3%
Torremolinos	382	141	-63.1%	15	2	-86.7%	367	139	-62.1%
Torrox	309	85	-72.5%	53	11	-79.2%	256	74	-71.1%
Vélez-Málaga	233	472	102.6%	27	52	92.6%	206	420	103.9%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



## | Atlantic Ocean

### Atlantic Andalusia (Costa de la luz)



## Cádiz

### BETWEEN TARIFA AND CONIL

#### Including the following towns

Tarifa, Barbate (Zahara de los atunes), Vejer de la Frontera, Conil de la Frontera.

#### General Situation

The area has kept up a continual trend of recovery over the last few years, although at different speeds and strengths of reactivation depending on the municipalities. Areas such as Tarifa and Zahara de los Atunes have led recovery with development sold off plan. Conil lies a step behind with a slower recovery and much further behind compared to the others is Barbate.

Covid-19 has caused the market to come to a halt and the first signs of adjustment are being seen in slight price drops in parts of Tarifa.

#### Prices

Prices went up in 2019, more obviously in areas such as Tarifa and Atlanterra than in Conil and Barbate (where they were stable). Developments were sold off plan. Price increases were higher than those registered in 2018.

Covid-19 has caused prices to drop by less than 5%.

- **APARTMENT:** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in Tarifa and Atlanterra with around 70-80m<sup>2</sup>, 2 bedrooms, medium quality finishes and built between 15 and 20 years ago.
- **DETACHED HOUSE:** The most expensive area had prices between €2,000 and €4,000 for detached homes in Tarifa and Atlanterra with 120-150m<sup>2</sup>, 3 or 4 bedrooms, medium quality finishes and built on average between 20 and 30 years ago.

#### Supply

There is practically no new-build supply. The situation in the area has notably improved and pending holiday homes all sold. They were townhouses with between 70 and 80 m<sup>2</sup>, average quality finishes and located in private complexes with pool.

Supply is balanced between new and resale and the rental and purchase markets are also balanced with the exception of Atlanterra where the volume of rentals is clearly higher. The most commonly available properties are 2-bedroom apartments in private complexes with between 70 and 80 m<sup>2</sup> and medium quality finishes in Conil, Tarifa and Atlanterra.

Sales went up by an estimated 10% during 2019 compared to the previous years with a similar pattern seen in all municipalities. The time taken to sell was the same during 2019.

Covid-19 has caused a drop in holiday let supply and properties are now on the market as long-term rentals. It has also put the brake on sales by an estimated 80% and only previously-agreed transactions are taking place.

## Development Activity

Tarifa and the Atlanterra area have the highest development activity. New projects were started including those in Zahara de los Atunes, with a total of 150- 200 homes, those in Urbanización de Atlanterra, which make up 60-70 homes and some developments in Tarifa that total 120 homes. The new projects, built by local self-financed developers, have 2-bedroom homes with 60-70 m<sup>2</sup> and medium quality finishes. Tarifa is the exception where foreign developers have invested.

## Land market

The land market is beginning to return to usual activity levels and prices have increased.

## Demand

Demand for holiday homes in this area is mostly from Spanish buyers, from Andalusia, Madrid and the Basque Country whose market share has increased over the last year. Among foreign buyers, the Germans and British predominate. In the Atlanterra area, there are luxury homes, mostly bought by foreigners.

PRICES COSTA DE LA LUZ	Price €/m <sup>2</sup>	Price €/m <sup>2</sup>	% change	Change since
	Q1 2019	Q1 2020	Q1 2019-Q1 2020	2008 peak
<b>Cádiz Province (coast and interior)</b>	<b>1,307</b>	<b>1,334</b>	<b>2.1%</b>	<b>-35.7%</b>
Algeciras	966	1,038	7.5%	-42.8%
Barbate	1,369	1,512	10.4%	-34.7%
Cádiz, Capital	1,943	2,013	3.6%	-32.8%
Conil de la Frontera	1,809	1,919	6.1%	-27.2%
Chiclana de la Frontera	1,410	1,305	-7.4%	-51.5%
Chipiona	1,500	1,529	1.9%	-45.9%
Línea de la Concepción (La)	1,023	1,019	-0.4%	-51.8%
Puerto de Santa María	1,487	1,404	-5.6%	-40.8%
Rota	1,663	1,579	-5.1%	-46.6%
San Fernando	1,160	1,112	-4.1%	-50.7%
San Roque	1,298	1,282	-1.2%	-47.3%
Sanlúcar de Barrameda	1,200	1,213	1.1%	-45.0%
Tarifa	2,209	2,554	15.6%	-6.7%
Vejer de la Frontera	1,357	1,317	-2.9%	-34.3%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

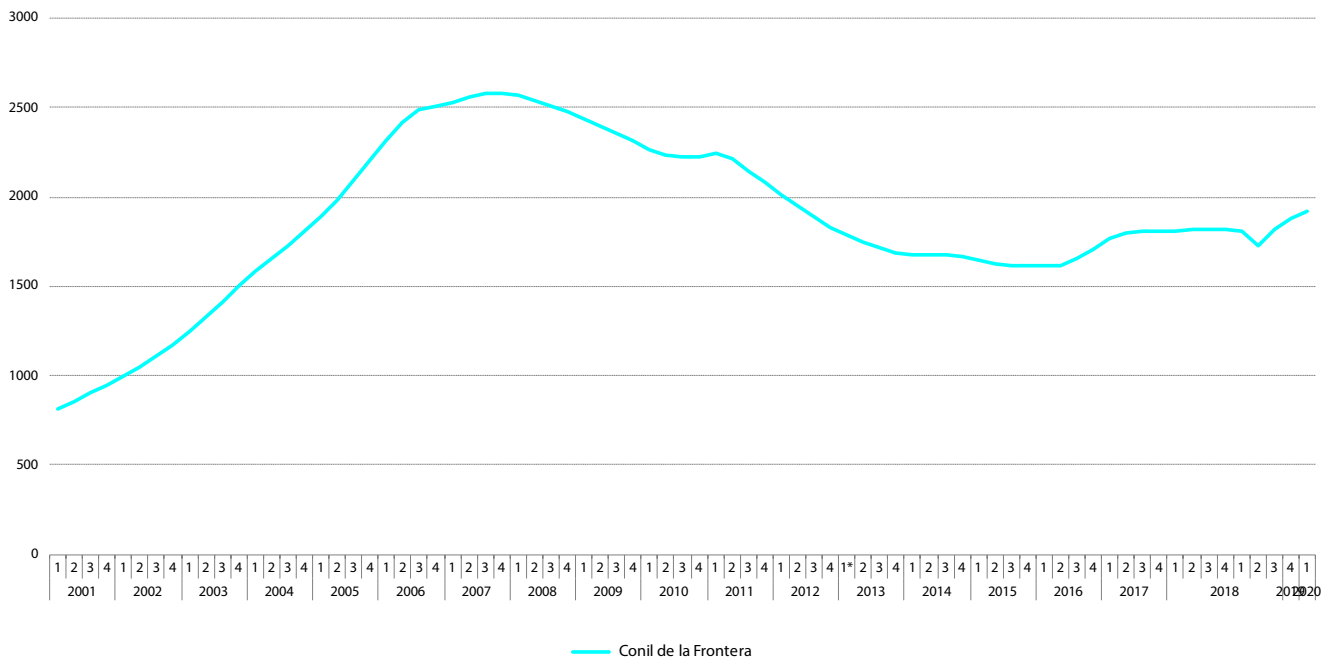
SALES COSTA DE LA LUZ	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Cádiz Province (coast and interior)</b>	<b>14,404</b>	<b>14,897</b>	<b>3.4%</b>	<b>1,143</b>	<b>1,251</b>	<b>9.4%</b>	<b>13,261</b>	<b>13,646</b>	<b>2.9%</b>
Algeciras	1,286	1,749	36.0%	23	371	1,513.0%	1,263	1,378	9.1%
Barbate	276	308	11.6%	7	24	242.9%	269	284	5.6%
Cádiz, Capital	1,292	1,359	5.2%	98	157	60.2%	1,194	1,202	0.7%
Conil de la Frontera	258	256	-0.8%	7	23	228.6%	251	233	-7.2%
Chiclana de la Frontera	1,230	1,318	7.2%	71	71	0.0%	1,159	1,247	7.6%
Chipiona	450	405	-10.0%	38	14	-63.2%	412	391	-5.1%
Línea de la Concepción (La)	683	744	8.9%	17	16	-5.9%	666	728	9.3%
Puerto de Santa María	1,212	1,063	-12.3%	82	31	-62.2%	1,130	1,032	-8.7%
Rota	687	632	-8.0%	100	48	-52.0%	587	584	-0.5%
San Fernando	847	848	0.1%	39	17	-56.4%	808	831	2.8%
San Roque	784	552	-29.6%	154	20	-87.0%	630	532	-15.6%
Sanlúcar de Barrameda	734	802	9.3%	37	13	-64.9%	697	789	13.2%
Tarifa	467	366	-21.6%	138	108	-21.7%	329	258	-21.6%
Vejer de la Frontera	139	166	19.4%	2	21	950.0%	137	145	5.8%

Source: Mitma

## NEW-BUILD LICENCES COSTA DE LA LUZ

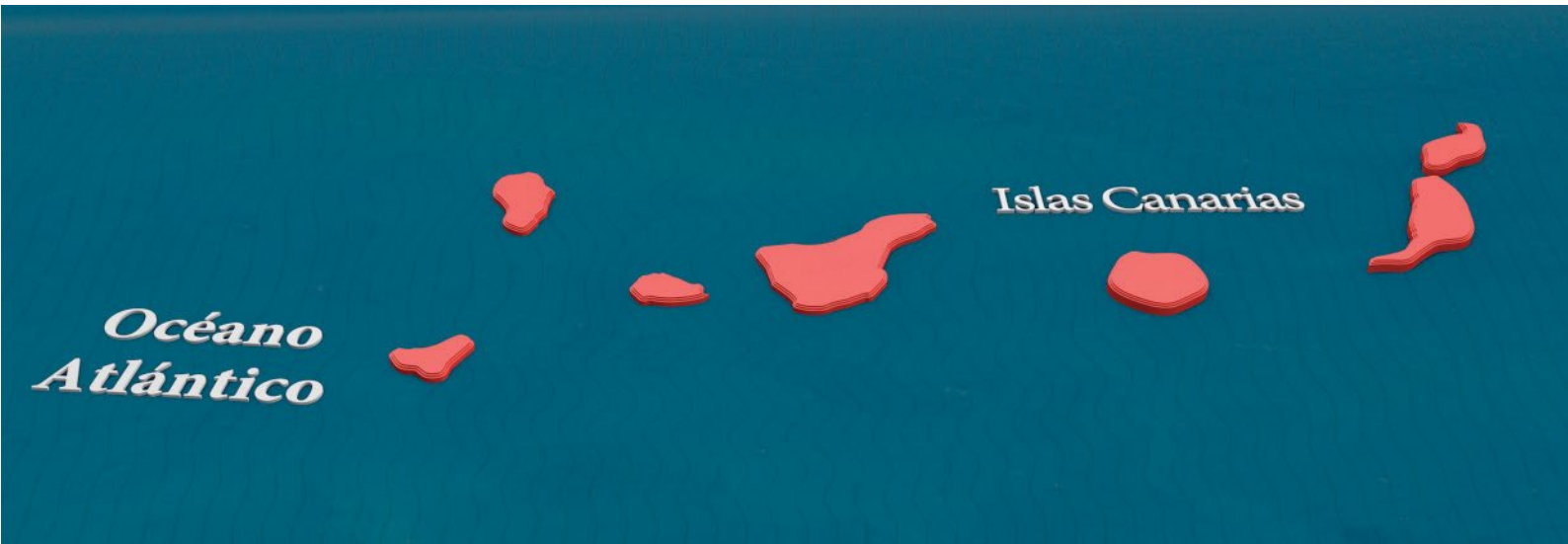
	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Cádiz Province (coast and interior)</b>	<b>1,376</b>	<b>1,915</b>	<b>39.2%</b>	<b>423</b>	<b>700</b>	<b>65.5%</b>	<b>953</b>	<b>1,215</b>	<b>27.5%</b>
Algeciras	163	98	-39.9%	43	61	41.9%	120	37	-69.2%
Barbate	19	19	0.0%	13	7	-46.2%	6	12	100.0%
Cádiz, Capital*	187	207	10.7%	38	125	228.9%	149	82	-45.0%
Conil de la Frontera	34	99	191.2%	21	74	252.4%	13	25	92.3%
Chiclana de la Frontera	29	59	103.4%	29	59	103.4%	0	0	N.A.
Chipiona	8	233	2,812.5%	8	6	-25.0%	0	227	N.A.
Línea de la Concepción (La)	24	39	62.5%	15	10	-33.3%	9	29	222.2%
Puerto de Santa María	27	55	103.7%	9	34	277.8%	18	21	16.7%
Rota	221	208	-5.9%	36	27	-25.0%	185	181	-2.2%
San Fernando	29	58	100.0%	19	17	-10.5%	10	41	310.0%
San Roque	139	43	-69.1%	25	43	72.0%	114	0	N.A.
Sanlúcar de Barrameda	30	0	-100.0%	23	0	-100.0%	7	0	N.A.
Tarifa	86	254	195.3%	12	3	-75.0%	74	251	239.2%
Vejer de la Frontera	68	5	-92.6%	3	5	66.7%	65	0	N.A.

Source: Mitma  
\*Available data for municipalities with more than 10,000 inhabitants.



| Atlantic Ocean

Canary Islands



## Tenerife

### SOUTH TENERIFE

#### Including the following towns

Candelaria, Arafo, Güímar, Fasnia, Arico, Granadilla de Abona, San Miguel de Abona, Arona, Adeje, Guía de Isora y Santiago del Teide.

#### General Situation

The southern part of Tenerife has experienced a consolidated recovery over the last few years. Demand from foreign buyers drives sales of both resale and new-build properties. In the case of the latter, holiday apartments in managed complexes have higher prices and sales than last year.

Covid-19 has brought the market to a complete standstill. The travel prohibition has had a dramatic impact on the holiday market with practically zero hotel occupancy and a significant drop in managed apartment and holiday lets. Foreigners who have their spring or winter homes in Tenerife have not visited and the rental market has dropped significantly as a result.

#### Prices

Price trends stayed generally in line with those seen in 2018.

Covid-19 has led to estimated price decreases of between 5 and 15%. Arona, Adeje and the Santiago del Teide coast are exceptions to this first adjustment and have maintained price levels.

- **APARTMENT:** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in San Miguel and Santiago del Teide with between 70-90m<sup>2</sup> and 1 or 2 bedrooms and built approximately 12 to 20 years ago.
- **DETACHED HOUSE:** The most expensive area had prices between €2,000 y €4,000 per m<sup>2</sup> for detached homes in Arona, Adeje and the coast at Guía de Isora with between 230 and 350 m<sup>2</sup> on plots ranging from 500 to 1,000 m<sup>2</sup>. New construction is building properties with clean lines, domotics and for very high-end purchasing power.

#### Supply

The level of new-build supply is low and the rate of absorption average. There are some exceptions in less important locations.

Properties in tourist resorts near Adeje and Arona have improved compared to areas further from Costa Adeje. Another area with clearly growing demand is Médano in the Granadilla municipality.

Tourist apartments with 1 or 2 bedrooms are the most sought-after. Plots around Caleta de Adeje for detached homes have seen sustained demand as well as villas and apartments linked to golf.

Resales predominate and the rental market is more relevant than the purchase. Holiday lets consist of 1 or 2 bedroom properties within tourist complexes with communal kitchen and pool.

The number of holiday lets has gone down and many are being offered as long-term rentals. Part of the supply is aimed as Canary Island residents for this summer while owners wait to see how foreign tourism performs once travel is permitted.

Sales went up and the time taken to sell was reduced slightly compared to the previous year. The coastal areas within the municipalities continued to be those with the highest number of sales.

### Development Activity

There are no developments at a standstill since the 2008 crisis. Over the last year, new holiday home developments have been started in Granadilla, Adeje and Arona. The most common new-build properties are tourist apartments with 1 or 2 bedrooms in hotel-managed complexes as well as detached houses (tourist villas) in La Caleta de Adeje area and Roque del Conde in Arona, with higher quality finishes than other supply on the market. Development activity stands out in Granadilla, Adeje and Arona. Building is being carried out by foreign developers and capital in association with local developers.

### Land Market

Prices have gone up in Arona, Granadilla (EL Médano) and La Caleta de Adeje. The unblocking of El Mojón planning development in Arona and the approval of the Plan for the Modernisation and Improvements in tourist areas with the aim to reorder and upgrade tourism quality standards, have made available land more attractive and led to the release of land in the hands of banks. Spanish and private foreign developers have appeared in El Médano area to build private villas.

### Demand

Foreign buyers carry more weight on the island than Spanish, particularly Belgian, Russian and Scandinavians. In Adeje and Arona, buyers are mostly foreigners and account for between 50 and 70% of the total.

Covid-19 has caused a severe impact on foreign demand and recovery is expected to be slow. Spanish demand, although equally affected, looks likely to see a quicker recovery.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Tenerife Province (coast and interior)</b>	<b>1,293</b>	<b>1,326</b>	<b>2.6%</b>	<b>-23.6%</b>
Tenerife (island)	1,303	1,343	3.1%	-23.5%
Adeje	2,202	1,974	-10.4%	-10.7%
Arona	1,562	1,614	3.3%	-15.0%
Candelaria	1,551	1,481	-4.5%	-22.1%
Puerto de La Cruz	1,583	1,847	16.7%	-17.0%
San Cristóbal de La Laguna	1,132	1,162	2.6%	-31.0%
Santa Cruz de Tenerife	1,285	1,322	2.9%	-23.9%
Tacoronte	1,169	1,274	9.0%	-29.5%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES CANARY ISLANDS	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Tenerife Province (coast and interior)</b>	<b>12,129</b>	<b>11,747</b>	<b>-3.1%</b>	<b>915</b>	<b>740</b>	<b>-19.1%</b>	<b>11,214</b>	<b>11,007</b>	<b>-1.8%</b>
Adeje	1,590	1,741	9.5%	210	154	-26.7%	1,380	1,587	15.0%
Arona	1,970	1,607	-18.4%	114	90	-21.1%	1,856	1,517	-18.3%
Candelaria	280	256	-8.6%	26	4	-84.6%	254	252	-0.8%
Puerto de La Cruz	678	646	-4.7%	20	17	-15.0%	658	629	-4.4%
San Cristóbal de La Laguna	1,086	1,127	3.8%	91	42	-53.8%	995	1,085	9.0%
Santa Cruz de Tenerife	1,849	2,129	15.1%	87	95	9.2%	1,762	2,034	15.4%
Granadilla de Abona	766	677	-11.6%	104	174	67.3%	662	503	-24.0%
La Orotava	202	246	21.8%	5	5	0.0%	197	241	22.3%
Tacoronte	156	198	26.9%	12	8	-33.3%	144	190	31.9%

Source: Mitma

## NEW-BUILD LICENCES CANARY ISLANDS

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Tenerife Province (coast and interior)</b>	<b>1,400</b>	<b>1,444</b>	<b>3.1%</b>	<b>391</b>	<b>382</b>	<b>-2.3%</b>	<b>1,009</b>	<b>1,062</b>	<b>5.3%</b>
Adeje	143	246	72.0%	86	110	27.9%	57	136	138.6%
Arona	224	252	12.5%	13	10	-23.1%	211	242	14.7%
Candelaria	58	24	-58.6%	20	5	-75.0%	38	19	-50.0%
Puerto de La Cruz	3	22	633.3%	3	5	66.7%	0	17	N.A.
San Cristóbal de La Laguna	120	122	1.7%	15	19	26.7%	105	103	-1.9%
Santa Cruz de Tenerife	37	179	383.8%	10	9	-10.0%	27	170	529.6%
Granadilla de Abona	237	195	-17.7%	21	12	-42.9%	216	183	-15.3%
La Orotava	29	24	-17.2%	20	8	-60.0%	9	16	77.8%
Tacoronte	11	12	9.1%	8	12	50.0%	3	0	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Gran Canaria

### Including the following towns

San Bartolomé de Tirajana, Mogán, Aldea de San Nicolás, Telde, Ingenio, Agüimes, Santa Lucía de Tirajana, Arucas, Las Palmas de Gran Canaria

### General Situation

The market showed high levels of activity in 2019 as it did in 2018. The reactivation started several years ago continues to take place, driven by the foreign market.

Covid-19 has caused activity to come to a complete standstill.

### Prices

Signs of growth during 2019 and prices have been going up for several years. Prices in small rural areas have stayed the same in a much smaller market with coastal areas seeing clear price rises. Similarly, the northwest of the island has seen more moderate growth than other more dynamic areas. In spite of the surge in tourism, the municipalities here have little tourist activity compared to others in the south of the island.

Covid-19 has yet to lead to relevant price drops.

- **APARTMENT:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments with a frontline beach position on the coast in Maspalomas, Pasito Blanco, 1 to 3 bedrooms, large terraces and sea views, medium-high quality finishes, built at least 20 years ago but mostly refurbished.
- **DETACHED HOUSE:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for homes on the coast in the capital, Las Palmas de Gran Canaria and in San Bartolomé de Tirajana and Mogán. They are villas or beach chalets with between 140 and 250 m<sup>2</sup>, 2 or 3 bedrooms and high quality finishes.

### Supply

There is hardly any new-build supply in the area and the small amount there is shows a rate of high absorption. They are mainly apartments with 2 or 3 bedrooms close to the beach at Playa de Las Canteras or in the historic centre of Vegueta Triana. Part of the excess supply is obsolete and under refurbishment to improve finishes and add to its appeal for holiday lets. Townhouses in private complexes with communal areas have sold relatively quickly.

New builds dominate the holiday home market and the purchase and rental markets are balanced. The most common properties are apartments with 2 bedrooms with communal areas, pool and gardens.

Sales went up with significant growth in Las Palmas de Gran Canaria and the time taken to sell is similar to last year.

After covid-19 lockdown, transactions that were halted restarted, but uncertainty is putting the brake on new investment decisions.

### Development Activity

No developments at a standstill have been reactivated and refurbishments have been registering significant levels of activity for several years. Apartments are refurbished for holiday lets.

Development activity is centered on Las Palmas de Gran Canaria and under construction are apartments with 1 or 2 bedrooms, close to the beach at Playa de Las Canteras, built by local self-financed developers.

### Land Market

The market is starting to return to usual activity levels and prices have increased, particularly in Las Palmas de Gran Canaria and the south of the island. Buildings have also been demolished to make way for new builds. In some areas, such as Mogán and San Bartolomé de Tirajana, there's a shortage of land ready for development.

## Demand

A balanced presence of Spanish and foreign buyers. In Las Palmas de Gran Canaria, the market is mostly Spanish and in the south, there's a similar proportion of Spanish and foreign. They come mainly from Scandinavia, Germany and Italy.

Foreign demand is expected to be more severely affected by covid-19 restrictions.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Las Palmas Province (coast and interior)</b>	<b>1,357</b>	<b>1,371</b>	<b>1.0%</b>	<b>-34.9%</b>
Gran Canaria (island)	1,288	1,314	2.0%	-32.2%
Aruacas	1,126	1,064	-5.5%	-34.4%
Las Palmas de Gran Canaria	1,475	1,483	0.5%	-28.0%
Mogán	2,146	2,260	5.3%	-18.1%
San Bartolomé de Tirajana	1,484	1,912	28.8%	-32.9%
Telde	1,169	1,130	-3.3%	-38.4%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

SALES CANARY ISLANDS	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Las Palmas Province (coast and interior)</b>	<b>13,140</b>	<b>12,883</b>	<b>-2.0%</b>	<b>651</b>	<b>1,004</b>	<b>54.2%</b>	<b>12,489</b>	<b>11,879</b>	<b>-4.9%</b>
Aruacas	275	281	2.2%	11	25	127.3%	264	256	-3.0%
Las Palmas de Gran Canaria	3,373	3,508	4.0%	87	350	302.3%	3,286	3,158	-3.9%
Mogán	769	581	-24.4%	34	29	-14.7%	735	552	-24.9%
San Bartolomé de Tirajana	1,664	1,227	-26.3%	56	13	-76.8%	1,608	1,214	-24.5%
Telde	694	733	5.6%	18	58	222.2%	676	675	-0.1%

Source: Mitma

NEW-BUILD LICENCES CANARY ISLANDS	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Las Palmas Province (coast and interior)</b>	<b>1,647</b>	<b>2,531</b>	<b>53.7%</b>	<b>517</b>	<b>398</b>	<b>-23.0%</b>	<b>1,130</b>	<b>2,133</b>	<b>88.8%</b>
Aruacas	59	37	-37.3%	59	25	-57.6%	0	12	N.A.
Las Palmas de Gran Canaria	480	1,061	121.0%	27	32	18.5%	453	1,029	127.2%
Mogán	29	200	589.7%	8	11	37.5%	21	189	800.0%
San Bartolomé de Tiajana	40	34	-15.0%	36	30	-16.7%	4	4	0.0%
Telde	160	53	-66.9%	42	30	-28.6%	118	23	-80.5%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

## Lanzarote

### Including the following towns

Haría, Tegui, Arrecife, San Bartolomé, Tías, Yaiza, Tinajo.

### General Situation

In clear recovery. The holiday home market stayed the same in 2019 as 2018 with a moderate decrease in some areas at the end of the year. It has shown dynamic growth over the last few years and is now starting to show signs of a moderate slowdown.

The holiday market came to a complete standstill in the face of the sector's general uncertainty caused by covid-19 and since restrictions have been lifted, a significant surge has taken place.

### Prices

Prices stagnated during 2019. After several years of upward trend, prices are starting to show signs of stabilisation with the exception of Puerto del Carmen where, unlike Costa Tegui and Playa Blanca, prices maintained moderate increases due to lack of supply. Prices slowed down in 2019 compared to the previous year.

- **APARTMENT:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments in Puerto del Carmen and Playa Blanca with 1 or 2 bedrooms, large terraces and sea views, built at least 20 years ago and mostly refurbished.
- **DETACHED HOUSE:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup>. There are very few detached homes located on the frontline beach at Puerto del Carmen and Playa Blanca. They are villas with around 80-100 m<sup>2</sup>, 2 or 3 bedrooms, quality finishes, on independent plots with a pool and built over 15 years ago.



## Supply

There is hardly any new-build supply in the area and the absorption of the excess has taken place at a moderate rate. Properties are villas, both townhouses and detached, with pool, around 80 m<sup>2</sup> to 90 m<sup>2</sup> and medium to high quality finishes.

Supply is divided between purchase and rental in equal proportions, although rental demand in 2019 was higher. On the holiday home market there are two different types of property, equally sought-after: tourist apartments with 1 bedrooms and tourist villas with 2 or 3 bedrooms, both preferably near the beach and shopping and leisure centres in the resort areas.

Supply has not changed substantially in comparison with pre-covid-19.

Sales did not increase during 2019 and performance is broadly similar across all the coastal municipalities. The time taken to sell is the same.

## Development Activity

Developments at a standstill were reactivated and tended to be abandoned or obsolete complexes and have now seen the start of refurbishment. They are mainly in Costa Teguisse with some in Playa Blanca, where they are also used as principal homes.

In Playa Blanca and Puerto del Carmen, some small developments of several villas, together or separate, have started. In Costa Teguisse, a project for 26 villas has been planned, although not yet started. Development activity stands out in Playa Blanca.

The most common properties are tourist villas with 2 or 3 bedrooms, private garden, pool and terraces and medium to high quality finishes. Building is being carried out by local developers in association with foreign capital or other investors.

## Land Market

Some isolated sales have taken place and prices have not increased.

Over the last few years, some municipalities have approved planning regulations that have brought investment decisions temporarily to a halt. At the same time, there's plenty of available land in Playa Blanca and Costa Teguisse while Puerto del Carmen has less.

## Demand

Foreign buyers are in similar proportion to Spanish, although there has been an increase in Spanish homebuyers. Among foreigners, British buyers stand out, followed by French and Italian. Among the Spanish, the majority are from the north of the country: the Basque Country, Catalonia and Galicia among other regions.

Demand is expected to be severely affected by covid-19, but in the short term and followed by a quick recovery.

PRICES CANARY ISLANDS	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
	<b>Las Palmas Province (coast and interior)</b>	<b>1,357</b>	<b>1,371</b>	<b>1.0%</b>
Lanzarote (Island)	1,665	1,691	1.6%	-31.0%
Arrecife	1,227	1,311	6.8%	-35.2%
Teguisse	2,013	1,630	-19.0%	-30.5%
Tías	2,313	2,386	3.2%	-21.1%

Average values of finished housing (new and used), vacation and non-vacation, in the municipality.

Source: Tinsa

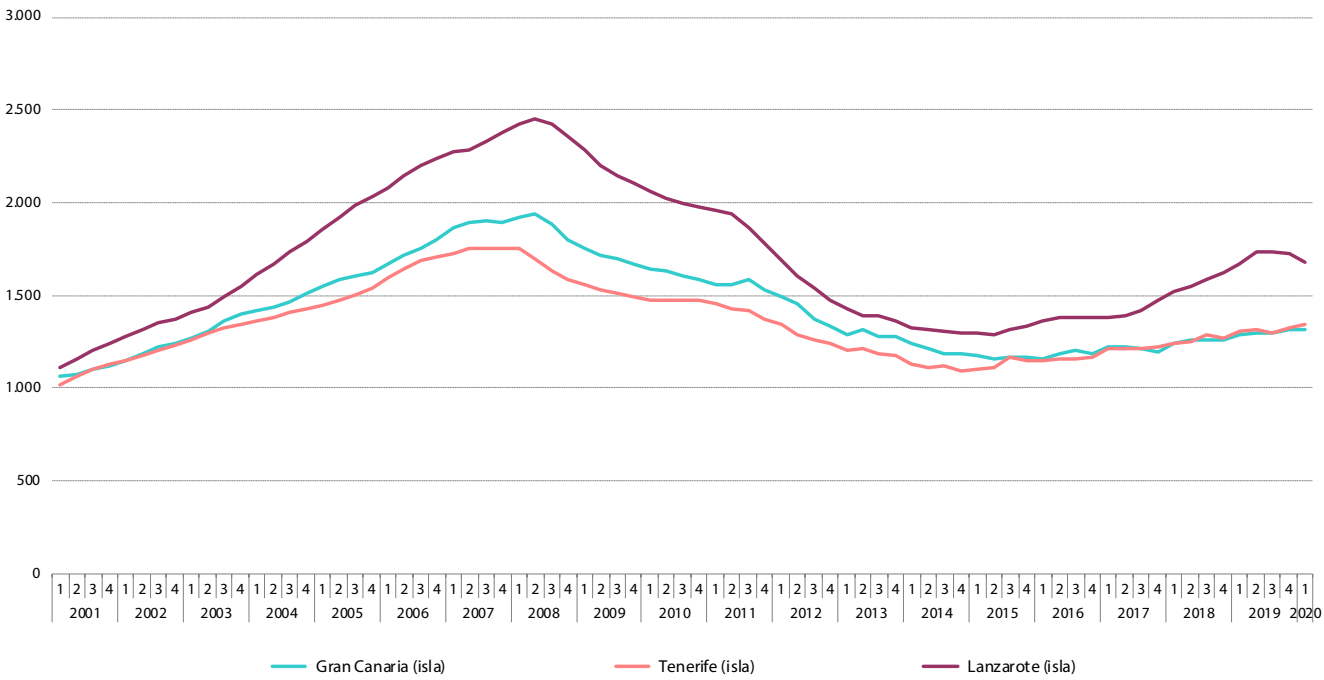
SALES CANARY ISLANDS	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Las Palmas Province (coast and interior)</b>	<b>13,140</b>	<b>12,883</b>	<b>-2.0%</b>	<b>651</b>	<b>1,004</b>	<b>54.2%</b>	<b>12,489</b>	<b>11,879</b>	<b>-4.9%</b>
Arrecife	575	470	-18.3%	19	28	47.4%	556	442	-20.5%
Teguisse	479	337	-29.6%	18	7	-61.1%	461	330	-28.4%
Tías	433	378	-12.7%	4	2	-50.0%	429	376	-12.4%

Source: Mitma

NEW-BUILD LICENCES CANARY ISLANDS	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Las Palmas Province (coast and interior)</b>	<b>1,647</b>	<b>2,531</b>	<b>53.7%</b>	<b>517</b>	<b>398</b>	<b>-23.0%</b>	<b>1,130</b>	<b>2,133</b>	<b>88.8%</b>
Arrecife	105	86	-18.1%	4	3	-25.0%	101	83	-17.8%
Teguisse	99	81	-18.2%	71	24	-66.2%	28	57	103.6%
Tías	39	30	-23.1%	12	21	75.0%	27	9	-66.7%

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



| Atlantic Ocean

Galician Coast



## Pontevedra (Rías Baixas)

### BETWEEN O GROVE AND VILLAGARCÍA DE AROUSA

#### Including the following towns

O Grove, Meaño, Cambados, Vilanova de Arousa, Vilagarcía de Arousa, Illa de Arousa, Sanxenxo.

#### General Situation

En 2017 se detectaron los primeros indicios de recuperación, tras varios periodos marcados por bajos precios de activos de entidades financieras. En los periodos siguientes la situación ha mostrado una progresiva pero contenida recuperación tanto en ritmo de absorción como en precios. No se ha reactivado la actividad promotora en los últimos años y el covid-19 ha provocado una paralización completa de la actividad.

#### Prices

Prices bottomed out in 2016 and since then, there have been signs of improvement with stagnancy in the smallest municipalities. The upward price trend was more accentuated in 2019 than the previous year. Covid-19 has caused prices to stagnate.

- **APARTMENT:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments in Paseo de Silgar (Sanxenxo) with between 80 and 100m<sup>2</sup>, 3 bedrooms, 2 bathrooms, medium to high quality finishes and built around 20 years ago.
- **DETACHED HOUSE:** The most expensive area had prices between €6,000 and €8,000 per m<sup>2</sup> for detached homes on Isla de la Toja with around 300 m<sup>2</sup>, 5 bedrooms and built on average 20 years ago.

#### Supply

New-build supply is low and saleable in the long term. Very little supply of brand new properties since hardly any have been built for principal or second homes over the last few years. The market is mostly resale and sales went up in 2019 compared to 2018.

The best-selling properties are apartments with 2 or 3 bedrooms, between 70 and 120 m<sup>2</sup>, with the most sought-after nearest the beach. Holiday lets are more relevant than purchases and tend to be apartments with 2 or 3 bedrooms, between 70 and 120 m<sup>2</sup>, with the most sought-after nearest the beach.

#### Development Activity

Developments that were halted because of the crisis were completed in 2017. Sanxenxo and Vilagarcía de Arousa are the areas with the most activity. In Portonovo, Sanxenxo, a development of 30 homes has been built and in Vilagarcía de Arousa around 40 homes. No developments are built exclusively for holiday homes.

#### Land Market

Viability studies and price negotiations. No activity or significant transactions.

## Demand

Buyers from Madrid, Catalonia and the Basque Country predominate in the area. Foreign buyers are mostly from Portugal and Germany.

PRICES GALICIAN COAST	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Pontevedra Province (coast and interior)</b>	<b>1,127</b>	<b>1,161</b>	<b>3.0%</b>	<b>-30.1%</b>
Pontevedra, Capital	1,127	1,222	8.5%	-29.9%
Sanxenxo	1,592	1,290	-19.0%	-39.0%
Moaña	1,053	1,097	4.2%	-29.2%
Vilagarcía de Arousa	820	971	18.4%	-22.1%
Vigo	1,355	1,399	3.2%	-32.8%

Average values of finished housing (new and used), vocational and non-vocational, in the municipality.

Source: Tinsa

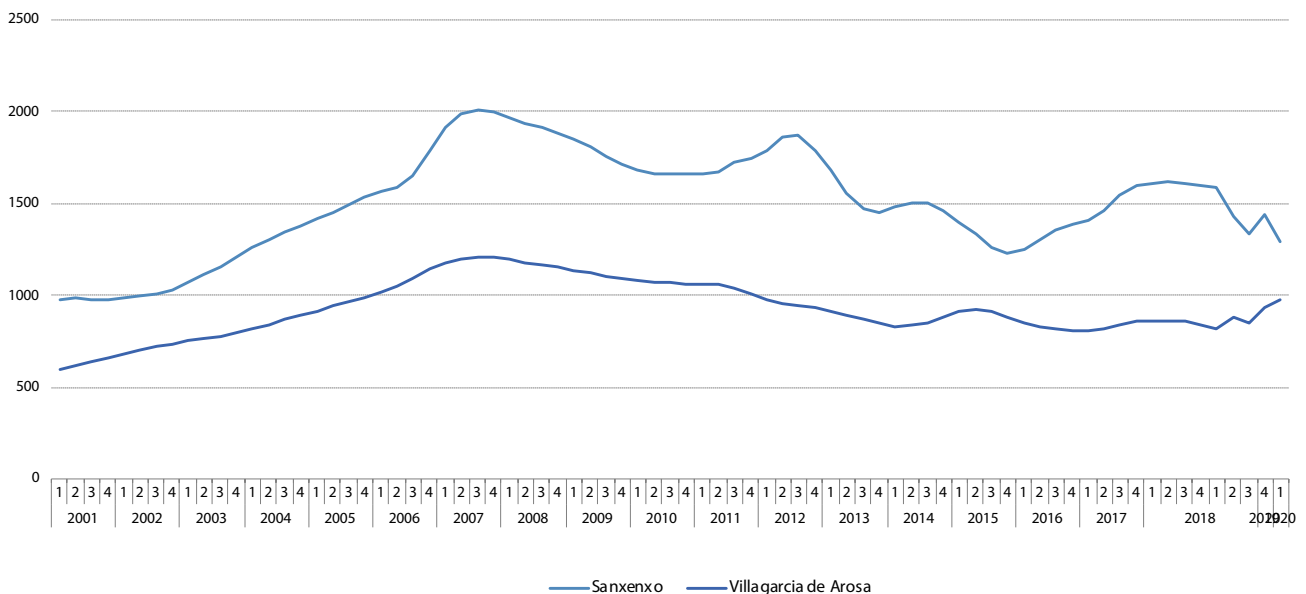
SALES GALICIAN COAST	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Pontevedra Province (coast and interior)</b>	<b>6,426</b>	<b>6,554</b>	<b>2.0%</b>	<b>495</b>	<b>529</b>	<b>6.9%</b>	<b>5,931</b>	<b>6,025</b>	<b>1.6%</b>
Pontevedra, Capital	608	695	14.3%	43	79	83.7%	565	616	9.0%
Sanxenxo	260	314	20.8%	23	61	165.2%	237	253	6.8%
Baiona	125	122	-2.4%	9	4	-55.6%	116	118	1.7%
Moaña	117	82	-29.9%	22	5	-77.3%	95	77	-18.9%
Vilagarcía de Arousa	278	342	23.0%	17	46	170.6%	261	296	13.4%
Vigo	2,451	2,373	-3.2%	152	130	-14.5%	2,299	2,243	-2.4%

Source: Mitma

NEW-BUILD LICENCES GALICIAN COAST	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Pontevedra Province (coast and interior)</b>	<b>1,210</b>	<b>1,120</b>	<b>-7.4%</b>	<b>417</b>	<b>503</b>	<b>20.6%</b>	<b>793</b>	<b>617</b>	<b>-22.2%</b>
Baiona	81	16	-80.2%	8	16	100.0%	73	0	N.A.
Moaña	13	12	-7.7%	13	12	-7.7%	0	0	N.A.
Nigrán	19	62	226.3%	19	9	-52.6%	0	53	N.A.
Pontevedra, Capital	402	157	-60.9%	18	20	11.1%	384	137	-64.3%
Sanxenxo	82	40	-51.2%	32	19	-40.6%	50	21	-58.0%
Vigo	262	341	30.2%	59	70	18.6%	203	271	33.5%
Vilagarcía de Arousa	16	57	256.3%	16	19	18.8%	0	38	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



## | Cantabrian Sea

### Asturias Coast (Costa Verde)



#### BETWEEN MUROS DEL NALÓN AND VILLAVICIOSA

##### Including the following towns

Muros del Nalón, Soto del Barco, Castrillón, Avilés, Gozón, Carreño, Gijón, Villaviciosa

##### General Situation

Signs of recovery in 2019 with contained improvement compared to 2018. The market bottomed out in 2016, new-build supply is gradually being sold and new developments are at planning stage. Recovery had been minimal since 2018.

Covid-19 has had little effect. Some developers have talked of stopping building work or not starting, but there have been no adjustments so far.

##### Prices

Signs of growth during 2019 after a long period of stagnancy. There are a few luxury developments in Luanco and Gijón with high prices and fast sales.

- **APARTMENT:** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> for apartments in Gijón, with 85 to 100m<sup>2</sup> 3-4 bedrooms, terraces and communal pool in the complex. Frontline beach position. Around €4,500 per m<sup>2</sup>.
- **DETACHED HOUSE:** The most expensive area had prices between €2,000 and €4,000 per m<sup>2</sup> in Luanco with 180-240 m<sup>2</sup>, 3 or 4 bedrooms, new build and priced from €700,000.

##### Supply

A low level of new-build supply, saleable in the short term and selling at a moderate rate. New builds or recently built resale properties with little use predominate. The best-selling properties are apartments with 2 or 3 bedrooms in private complexes.

The holiday let market is more relevant than the purchase with holiday lets mostly 3-bedroom apartments or 3 to 4-bedroom detached homes. Covid-19 has increased demand for rental apartments and rural accommodation.

##### Development Activity

Development activity, carried out by large established developers, while contained, stands out in Gijón and Luanco. The properties are apartments with high quality finishes.

##### Land Market

The market is starting to return to normal activity levels with no signs of price increases. The recent approval of new planning regulations would appear to have reactivated interest among potential buyers.

##### Demand

Improvement in demand. Sales in certain areas went up compared to the previous year. Today's second home buyers are different from those in 2008. Nowadays, buyers do not need as much financing and have more of their own funds. In theory, they are not as vulnerable to the covid-19 crisis as buyers were to the 2008 crisis. The time taken to sell was the same in 2019. Holiday home buyers are mainly Spanish from Asturias, Castilla-León and Madrid.

## PRICES

### ASTURIAS COAST

	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Asturias Province (coast and interior)</b>	<b>1,200</b>	<b>1,176</b>	<b>-2.0%</b>	<b>-34.1%</b>
Gijón	1,386	1,392	0.4%	-36.7%
Llanes	1,436	1,237	-13.9%	-47.3%

Average values of finished housing (new and used), vacational and non-vacational, in the municipality.

Source: Tinsa

## SALES

### ASTURIAS COAST

	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Asturias Province (coast and interior)</b>	<b>10,186</b>	<b>10,120</b>	<b>-0.6%</b>	<b>992</b>	<b>787</b>	<b>-20.7%</b>	<b>9,194</b>	<b>9,333</b>	<b>1.5%</b>
Gijón	3,042	2,953	-2.9%	262	246	-6.1%	2,780	2,707	-2.6%
Llanes	274	252	-8.0%	15	6	-60.0%	259	246	-5.0%

Source: Mitma

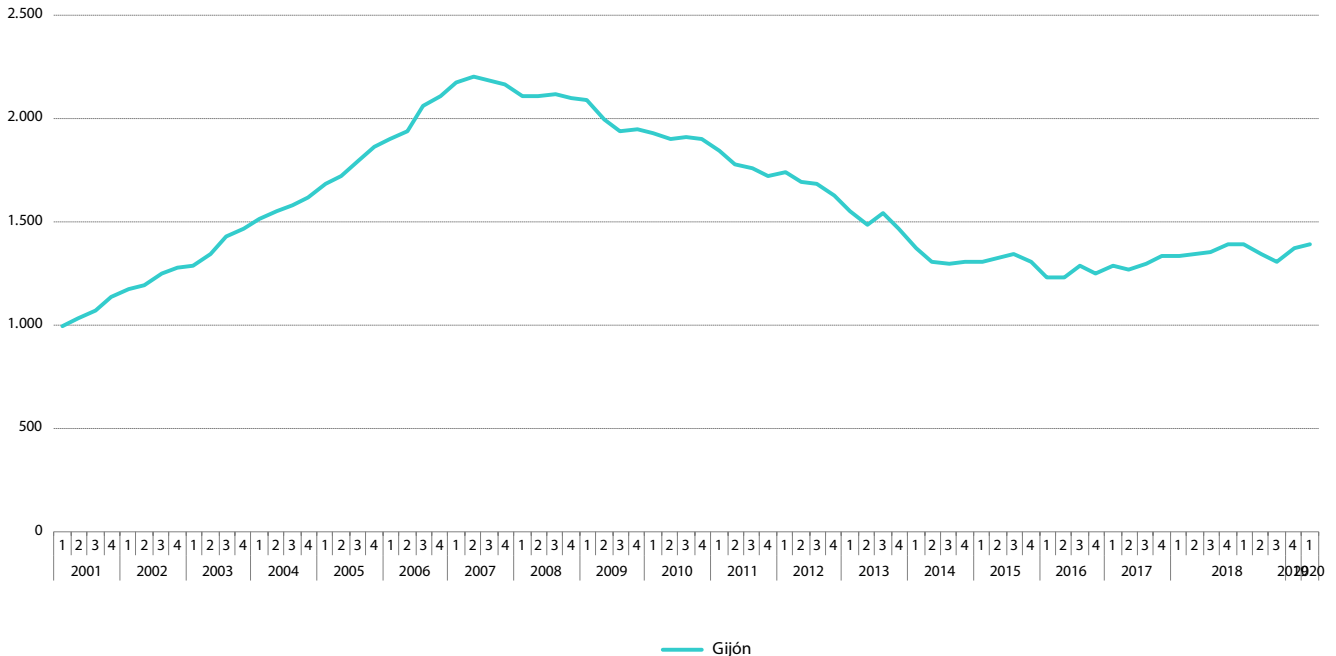
## NEW-BUILD LICENCES

### ASTURIAS COAST

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Asturias Province (coast and interior)</b>	<b>1,776</b>	<b>1,507</b>	<b>-15.1%</b>	<b>447</b>	<b>394</b>	<b>-11.9%</b>	<b>1,329</b>	<b>1,113</b>	<b>-16.3%</b>
Gijón	310	441	42.3%	26	30	15.4%	284	411	44.7%
Llanes	3	32	966.7%	3	4	33.3%	0	28	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.



## | Cantabrian Sea

### Basque Coast



## Guipúzcoa

### COSTA DE MUTRIKU TO ORIO

#### Including the following town

Mutriku, Deba, Zumaia, Getaria, Zarautz, Aia, Orio.

#### General Situation

La zona ha mantenido una clara recuperación en los últimos cuatro años hasta 2019. Prima la primera residencia y la oferta vacacional es escasa. Se ha detectado durante 2019 una mejora notable que ha abarcado todo el mercado residencial en Gipuzkoa.

#### Prices

Prices maintained an upward trend between 2016 and 2019, driven by an increase in demand and better financing. Covid-19 has caused a slight drop, mainly attributed to travel restrictions, with moderate falls of around 5% in the main areas. They are the same principal homes that can be bought as second homes.

- **APARTMENT:** The most expensive area had prices between €4,000 and €6,000 per m<sup>2</sup> for apartments in Zarautz with around 100m<sup>2</sup>, 3 bedrooms and 2 bathrooms, built around 45 years ago and in good condition.
- **DETACHED HOUSE:** There are no detached homes with a frontline beach position in the area.

#### Supply

There is no new-build supply left over from the previous property cycle. The market is mostly resale and purchases predominate in an almost irrelevant rental market. The main holiday let supply are apartments with communal amenities, 3 bedrooms and 2 bathrooms, medium quality finishes and in beach resorts.

#### Development Activity

Activity has been very low due to weak demand and concentrated on the coast. In 2017, principal home developments were built with 2-bedroom, 2-bathroom apartments and they sold reasonably quickly. To date, this is a market with no new builds for principal or second homes, nor are there any developments at a standstill after the 2008 crisis. Those that were left over have been completed and sold quickly over the last few years. They were average sized with average quality finishes and on the outskirts of the main towns.

#### Land Market

The land market is starting to return to normal activity levels after several years of inactivity. Due to the shortage of land, prices have gone up generally and kept their value during covid-19. Changes or new approval of regulations that could affect property activity in the area in the short or medium term are not planned.

## Demand

The number of sales in 2019 went up compared to 2018. Covid-19 has led to a drop in sales and the time taken to sell is expected to lengthen over the next few months.

Buyers are mostly Spanish with the highest demand for second homes in the area from buyers from Madrid and the inland areas of the Basque Country.

## BETWEEN SAN SEBASTIÁN AND HONDARRIBIA

### Including the following towns

Donostia/San Sebastián, Pasaia, Hondarribia.

### General Situation

The area saw clear recovery in the four years leading up to 2019 due to a reactivation of demand that has gradually overtaken supply. Holiday homes are poorly represented compared to principal homes.

### Prices

Prices started to climb in 2017; in 2018 they showed the tendency to stabilise and started to go up again in 2019. Covid-19 has caused a slight drop due mainly to travel restrictions. Rental prices are showing the tendency to rise.

- **APARTMENT:** The most expensive area had prices between €8,000 and €10,000 per m<sup>2</sup> for apartments in San Sebastián with around 100m<sup>2</sup>, 3 bedrooms and 2 bathrooms, built on average 50 years ago and with high quality finishes.
- **DETACHED HOUSE:** There are no detached homes with a frontline beach position in the area.

### Supply

There is no new-build supply left over from the previous property cycle since it was all sold between 2016 and 2019. Holiday homes on the market are very similar in type and characteristics to those used as principal homes. Resale properties predominate, with a balance between the rental and purchase markets. The most common type are apartments with 100 m<sup>2</sup>, communal amenities, 3 bedrooms and 2 bathrooms.

### Development Activity

This is a market where hardly any construction is underway nor are there developments left over from the 2008 crisis. New projects under construction are centered in San Sebastián, mostly principal homes, started in 2017, completed and sold reasonably quickly. They were properties with around 100 m<sup>2</sup>, 3 bedrooms and 2 bathrooms and medium quality finishes.

### Land Market

Normal activity levels are returning with general price increases. There's no land market specifically for holiday homes. Land is in short supply and prices have gone up generally. Changes or new approval of regulations that could affect property activity in the area in the short or medium term are not planned.

### Demand

Sales have shown an upward trend with a general improvement in demand. Buyers are Spanish from Madrid. There is no significant foreign buyer profile in the area.

PRICES BASQUE COAST	Price €/m <sup>2</sup> Q1 2019	Price €/m <sup>2</sup> Q1 2020	% change Q1 2019-Q1 2020	Change since 2008 peak
<b>Guipúzcoa Province (coast and interior)</b>	<b>2,353</b>	<b>2,453</b>	<b>4.2%</b>	<b>-27.4%</b>
Donostia-San Sebastián	3,427	3,602	5.1%	-19.8%

Average values of finished housing (new and used), vacational and non-vacational, in the municipality.

Source: Tinsa

SALES BASQUE COAST	TOTAL			NEW			RESALE		
	TOTAL 2018	TOTAL 2019	Change (%)	NEW 2018	NEW 2019	Change (%)	RESALE 2018	RESALE 2019	Change (%)
<b>Guipúzcoa Province (coast and interior)</b>	<b>7,384</b>	<b>7,989</b>	<b>8.2%</b>	<b>1,375</b>	<b>1,776</b>	<b>29.2%</b>	<b>6,009</b>	<b>6,213</b>	<b>3.4%</b>
Donostia-San Sebastián	2,245	2,560	14.0%	416	727	74.8%	1,829	1,833	0.2%
Hondarribia	211	230	9.0%	47	56	19.1%	164	174	6.1%
Orio	59	46	-22.0%	7	1	-85.7%	52	45	-13.5%
Mutriku	47	43	-8.5%	2	2	0.0%	45	41	-8.9%
Irun	748	675	-9.8%	118	113	-4.2%	630	562	-10.8%
Pasaia	207	183	-11.6%	26	4	-84.6%	181	179	-1.1%
Zarautz	163	164	0.6%	9	10	11.1%	154	154	0.0%

Source: Mitma



## NEW-BUILD LICENCES

### BASQUE COAST

	TOTAL			APARTMENT			HOUSE		
	TOTAL 2018	TOTAL 2019	Change (%)	APART. 2018	APART. 2019	Change (%)	HOUSE 2018	HOUSE 2019	Change (%)
<b>Guipúzcoa Province (coast and interior)</b>	<b>2,277</b>	<b>1,245</b>	<b>-45.3%</b>	<b>40</b>	<b>50</b>	<b>25.0%</b>	<b>2,237</b>	<b>1,195</b>	<b>-46.6%</b>
Donostia-San Sebastián	705	364	-48.4%	14	25	78.6%	691	339	-50.9%
Hondarribia	137	21	-84.7%	1	2	100.0%	136	19	-86.0%
Zarautz	31	1	-96.8%	0	1	N.A.	31	0	N.A.

Source: Mitma

\*Available data for municipalities with more than 10,000 inhabitants.

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