

# Current housing situation in Spain

## Data

AVERAGE NEW HOUSE PRICE Q2 2021

**2.482**  
€/m<sup>2</sup>

+ 0.4 % year-on-year

REAL ESTATE EFFORT\*. NATIONAL AVERAGE Q2 2021

**7.6**

\* Investment, in years of salary, to acquire a home

HOUSE SALES JAN-JUN 2021

**+31.4**  
% year-on-year

Jan-Jun 2020: -23.4%

PURCHASES BY FOREIGNERS JAN-JUN 2021

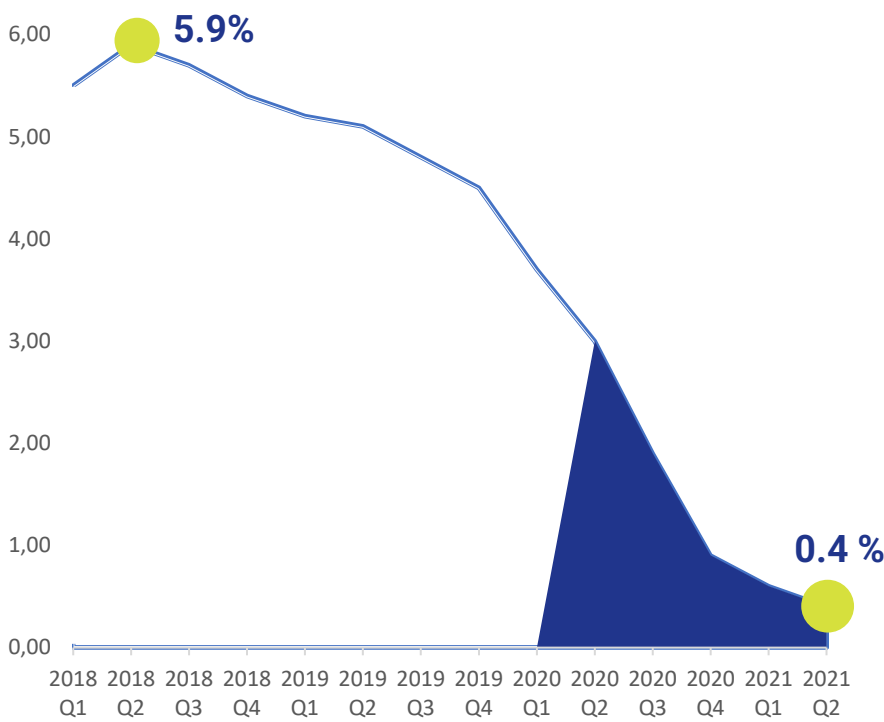
**9.8**  
% of total

Jan-Jun 2020: 11.5%

## Evolution of housing prices in Spain

DESPITE THE STRONG SOCIAL AND ECONOMIC IMPACT OF THE PANDEMIC, HOUSE PRICES HAVE SHOWN POSITIVE GROWTH RATES

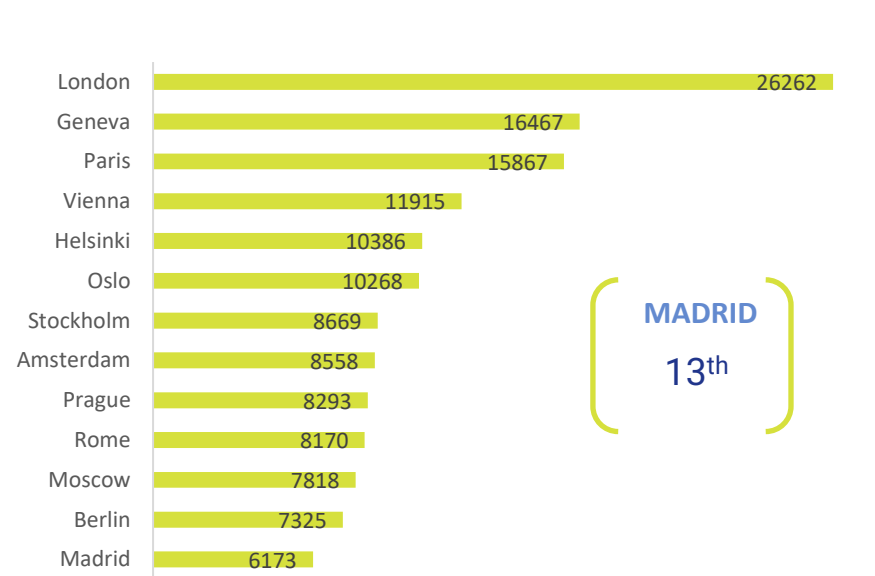
During the hardest months of pandemic, the moderation initiated in mid-2018 in the pace of house price advances accentuated.



### Why do prices behave in this way?

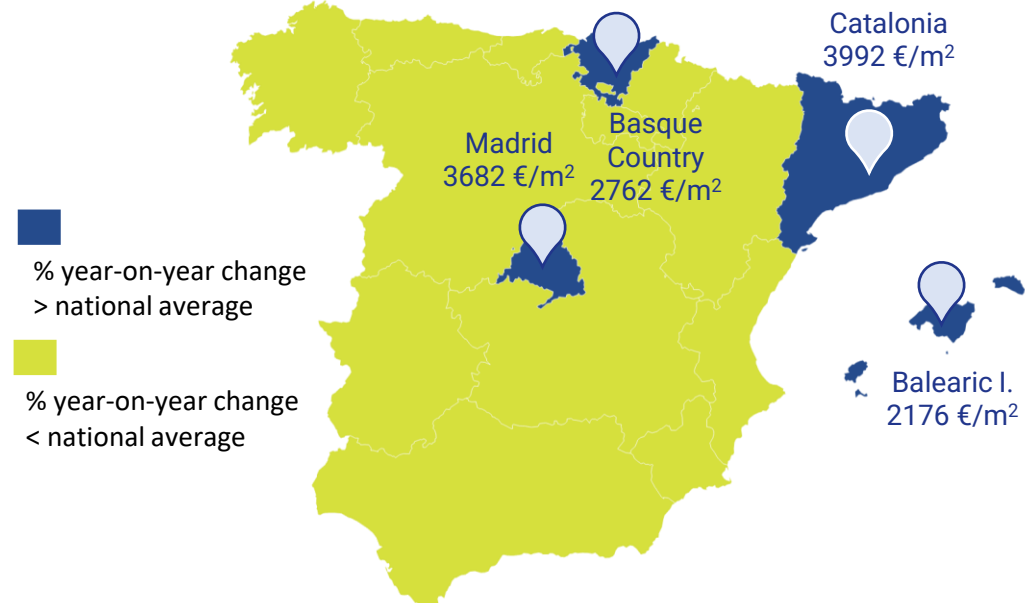
- 1 CHANGING CONSUMER PREFERENCES**  
Towards larger housing units and away from urban centers
- 2 TEMPORARY SHORTAGE OF SUPPLY**  
Due to paralysis in the construction activity
- 3 EXPANSIONARY FISCAL POLICY**  
Aid to families, with surplus savings (compulsory and precautionary)
- 4 EXPANSIONARY MONETARY POLICY**  
Low interest rates, availability of credit for the purchase of housing...
- 5 OUTCROP OF PENT-UP DEMAND**  
It was intended to be purchased but could not due to mobility restrictions or it was decided to delay it due to uncertainty

### Madrid, among the most expensive European cities



\* Calculated by *Global Property Guide* based on the prices of online ads in the central areas of the cities

### In Q2 2021, new home prices in Spain increased by 0.38% year-on-year on average



The real estate effort is highest in the Balearic Islands (16.5), Madrid (8.9) and Catalonia (8.7), while the lowest level is in La Rioja and Murcia (4.7).

### Provincial capitals with the highest price increases

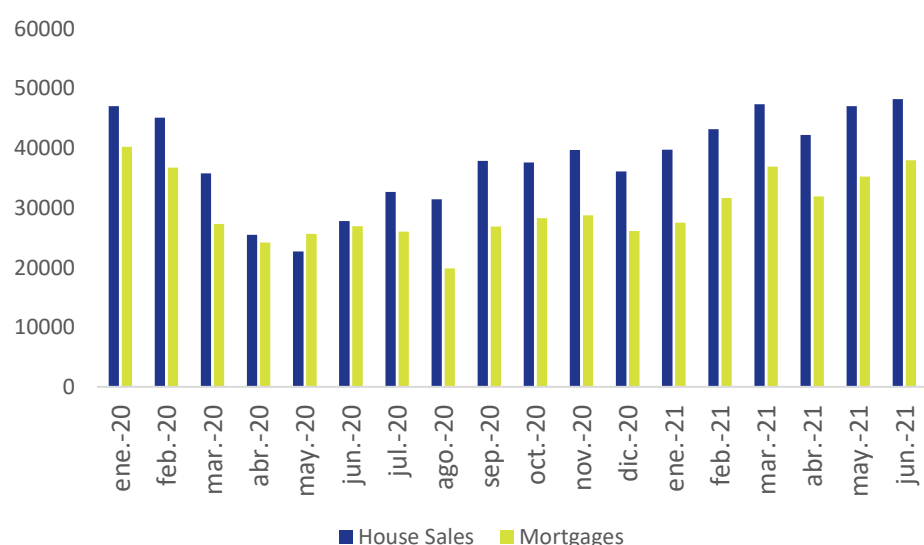
Year-on-year change in August 2021



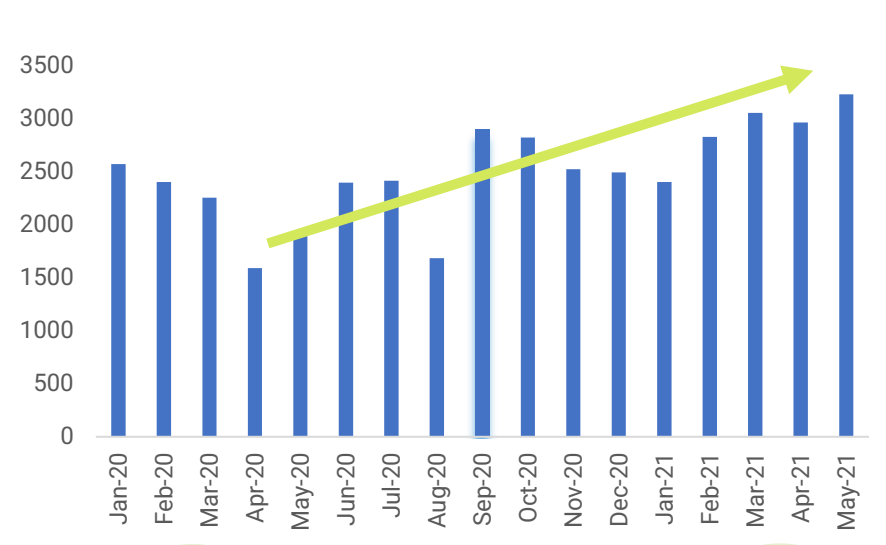
## Demand and supply indicators

HOUSING DEMAND AND SUPPLY REGAIN MOMENTUM IN 2021

### In June 2021, the volume of house sales and mortgages reached pre-pandemic levels



### Number of visas doubles from April 2020 low point



YEAR-ON-YEAR PURCHASES 1 SEMESTER	BY FOREIGNERS		BY SPANIARS	
	2020	-27.9%	-22%	
2021	+11.8%	+33.1%		