



SPAIN - August 2017

SPANISH PROPERTY SALES INCREASED IN THE FIRST FEW MONTHS OF 2017..... 1

Spanish property sales increased in the first few months of 2017

Sales of property in Spain increased across all regions in the first quarter of 2017, up 26%, according to the latest study from international agents with offices around the nation.

The increase in the volume of sales has been particularly noticeable in key cities such as a rise of 58% in Barcelona and an increase of 50% in Valencia, according to the latest quarterly market report from Lucas Fox International.

The total value of transactions also rose significantly in the first quarter, up by 54% across all regions, by 62% in Barcelona, by 109% in Madrid and by 112% in Valencia.

According to the National Institute of Statistics (INE), the number of property sales transactions across the whole of Spain during the first two months of 2017 went up by 10% compared to the same period in 2016.

The biggest increases were 23% in Barcelona, a rise of 21% in Girona, up 17% in the Balearics, up 12% in Málaga and a rise of 11% in Madrid. Most indices are also reporting property price increases of between 2.5% and 4.5% across Spain.

‘Our market analysis shows that home sales across the cities and most desirable second-home destinations maintained a steady upward trend in the first quarter of 2017,’ said Rod Jamieson, head of operations at Lucas Fox.

‘We expect that the recovery will extend to the surrounding areas of the cities and other parts of Spain during the next 12 to 18 months. With easier financing and continued low interest rates, we predict that the demand for homes will continue to rise,’ he explained.

In Barcelona where Lucas Fox carries out the majority of its business, the number of sales to Spanish buyers in the first quarter of 2017 almost doubled compared to the same period last year, representing 29% of all buyers in the first quarter of the year.

Meanwhile, whereas Brexit has had some impact on the market in resort areas. Lucas Fox data shows that this is not the case in the cities. During the first quarter of 2017, there was a significant increase in the number of sales to British buyers in Barcelona to 25% of all sales, and also in Madrid and Valencia despite the weakened pound.

Other notable trends include the increase in sales to Turkish buyers, many of whom are taking advantage of the golden visa scheme, representing 12% of all Lucas Fox Barcelona sales in the first quarter of this year.

‘The Turks see Spain as a safe haven for investment given the current political turmoil in Turkey. Overall, following Brexit, a number of international clients who previously invested in the UK are investing in Spanish city homes in order to diversify their funds,’ said Lucas Fox head of international sales Karen Storms.

‘With overall growth predicted in the sector, they are taking advantage of the current low property prices and the prospect of healthy capital gains. Foreigners buying homes in Spain are still in line for good returns,’ she added.

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