VANTYS GROUP

THE VALUE BEHIND EVERY WALL

REAL ESTATE - RENOVATIONS - RENTALS

MONTHLY REPORT · RESIDENTIAL MARKET

Spain, August 2026

Affordability is becoming the world's central housing challenge, as Spain confirms itself as the most dynamic residential market in Western Europe.

2.94%	€2,050	-11.8%	+8.8%
12-month Euribor (Aug.)	Price/m² Spain (May)	Transactions (YoY)	Price/m² (YoY)

1. Global macroeconomic context

In August 2026, the global residential market is settling into a new financial equilibrium: the end of the era of near-free credit. Financing conditions have stabilised on a plateau — between 3.2% and 3.5% in the eurozone, and around 6% in the United States — that prevents both a sharp price rebound and a widespread collapse.

Price dynamics are driven mainly by a persistent mismatch between supply and demand. Resales remain constrained by the lock-in effect, and new development continues to be penalised by high material costs, land scarcity and environmental requirements.

> *Affordability, not financing, has become the central challenge of the global residential market.*

Southern Europe and emerging markets (Spain, Italy, India) maintain dynamic growth thanks to international capital and strong rental demand, while Anglo-Saxon markets continue their adjustment with modest volumes.

2. Spain: solid fundamentals, insufficient supply

Spain has become the most dynamic residential market in Western Europe, underpinned by structural factors: demographics, international appeal, residential tourism and insufficient supply. The problem is no longer demand, but supply.

- Bubble risk is considered limited: lower household debt, stricter lending criteria and more prudent developers, unlike 2004-2008.
- Analyst consensus (Bankinter, CaixaBank Research) anticipates a normalisation of price growth in 2027, towards an annual pace of between +4% and +6%.
- S&P Global Ratings forecasts a further +7.4% price rise in 2027, positioning Spain as the most dynamic market among the major European economies.

3. Transactions and prices · May 2026 data

According to the General Council of Notaries, residential transactions fell 11.8% year-on-year in May 2026 — the fifth consecutive decline — while the price per square metre reached €2,050/m² (+8.8% YoY), a new historic high for flats (+14%, €2,450/m²).

Price per m² in the main regions

Region	€/m²
Balearic Islands	4,380
Community of Madrid	3,860
Basque Country	3,080
Catalonia	2,520
Canary Islands	2,510

Region	€/m²
Andalusia	1,860
Valencian Community	1,750

4. Costa del Sol and Málaga: a market that stands apart

Málaga and the Costa del Sol continue to outperform the national average, with increases close to 10% in the mid-to-upper segment. American and Canadian buyers are emerging this summer as the foreign clientele with the fastest-growing purchasing power in the luxury segment.

- Andalusia is now home to more than 123,000 golfer homeowners, with a real-estate asset base linked to this segment exceeding €30 billion.
- While only 5.7% of conventional tourists end up buying property in Spain, that figure rises to 27% among golf enthusiasts.
- The visa for international remote workers continues to support premium rental markets in Málaga, alongside Valencia and Barcelona.

5. Outlook for 2027

A decline in interest rates should support demand throughout 2027, while the structural housing deficit — estimated by CBRE at more than 750,000 units — will continue to exert lasting pressure on prices. Madrid, Barcelona, the Valencian Community, Andalusia and the Balearic Islands should retain the best returns, supported by solid domestic and international demand.

> *The structural deficit, estimated by CBRE at more than 750,000 homes, is confirmed as the central variable of the Spanish market.*

The Vantys view

Headlines speak of a single market. The reality is seventeen: seventeen tax regimes, seventeen regulatory frameworks, seventeen demand profiles. Treating Spain as a homogeneous block remains the costliest mistake a buyer, seller or investor can make.

On the Costa del Sol, that nuance is everything. Here, the international buyer chasing sun and golf, the investor seeking returns, and the resident who needs a home in an increasingly strained market all coexist. Our job at Vantys is to translate every data point into what it means for your specific decision.

If you're weighing your next property move on the Costa del Sol, let's talk: knowing the ground makes the difference.

Report prepared with data available as of August 2026. Sources: General Council of Notaries, Bank of Spain, CBRE, Savills, S&P Global Ratings, INE, Fitch Ratings.