

## 24<sup>th</sup> Market Report – January 2020 - Part 2 – LOCAL TRENDS

**The Overall Market** – There are many international influences so when one is down, another is up.

- American interest is on the increase.
- Málaga city demand is insatiable.
- There are fewer developments starting now than a year ago.
- Agents say things are difficult. Who is to buy the excess stock?
- Construction prices and sales prices are high and rising. Can the market sustain these prices?
- Strong indications that the new build market is struggling, but developers' prices aren't reducing, yet!

### **Statistics – average difference between the Asking Price and Actual Selling Price**

- Highest this year, it shows a reduction in optimism in the market.

### **The market in individual Municipalities and Areas**

- **San Roque (Sotogrande, etc):** Last year was poorer than 2018
- **Casares and Gaucín:** Country villas and coastal properties are two very different markets.
- **Manilva:** There are still sales, but less than expected. Off-plan market has driven up prices too high.
- **Estepona:** Number of sales in 2019 were the same as last year, but the average value reduced.
- **Benahavis:** A place where egos and money meet, but there are many properties for sale.
- **Marbella:** High prices and rents with many villas unsold. Prices must drop. New PGOU this year?
- **Mijas, Fuengirola, Benalmádena and Torremolinos:** There is concern at overbuild.
- **Málaga City:** Raised prices and rents pricing out residents. Draconian regulations coming in?
- **Costa del Sol East and 'Inland Spain':** 'Regularisation' could substantially change the market.
- **Almería and Murcia:** The market has dipped, in price and number of sales.
- **Murcia and Alicante South:** Lower demand and oversupply in many areas. Climate change flooding.
- **Costa Blanca North:** Stable market in Valencian community. New developments, land over-priced.
- **Barcelona:** Stable market because prices and rents so high there is no profit left

- **Costa Brava:** Less demand and many available. Prices could rise due to restrictive urban plans.
  - **Balearics – Mallorca, Menorca and Ibiza:** Slow market with scarcity of good product.
  - **Canaries:** The market was slow to pick up after summer. Prices have stayed constant.
  - **General:** Rents increasing, but concern at over-development could lead to a price collapse.
  - **Climate Crisis:** Flooding, sea rise, increased running costs. Better Energy rating = higher value.
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- **Full Report:** <https://surveyspain.com/2020/01/24/survey-spain-quarterly-spanish-property-market-report-january-2020-part-ii/>

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