



Real Estate

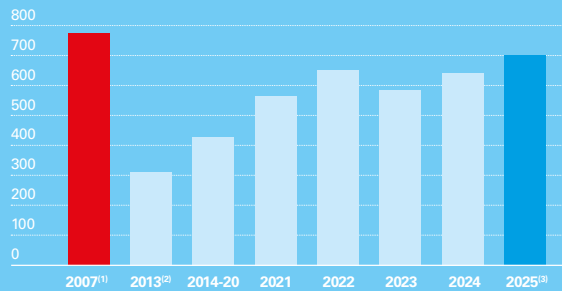
The Spanish real estate sector, in the midst of a boom



Housing demand skyrockets in 2025 to its highest levels since 2007...

Home sales

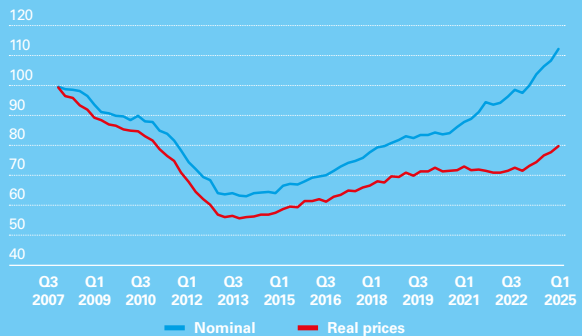
Thousands



Notes: (1) Previous peak. (2) Post-bubble low. (3) Trailing 12 months to Q1 2025.
Source: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE).

... and there are already some signs of overvaluation in the market

Housing Price Index



2025-2026 forecasts

	2023	2024	2025	2026
Sales (thousands)	584	642	720 (650)	720 (618)
New construction permits (thousands)	109	128	140 (135)	150 (145)
House prices (MIVAU) (annual change, %)	3.9	5.8	9.6 (5.9)	6.3 (3.0)
House prices (INE) (annual change, %)	4.0	8.4	10.8 (7.2)	6.3 (3.0)

Note: In brackets, forecast from the *Real Estate SR S1/2025*.

Factors that continue to drive the real estate sector:



Low interest rates



Population growth



Improving household purchasing power



Strength of the labour market

The accumulated housing deficit explains much of the upward pressures on prices

It is concentrated in more urban and touristic provinces...

Top 15 with the highest deficit as a % of the stock of primary homes

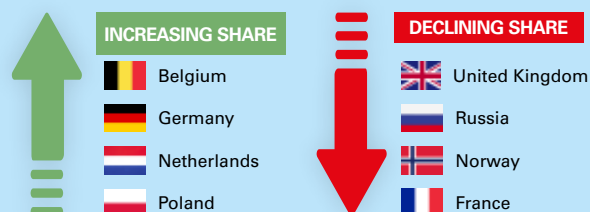


... and could explain up to 39% of the recent increase in prices



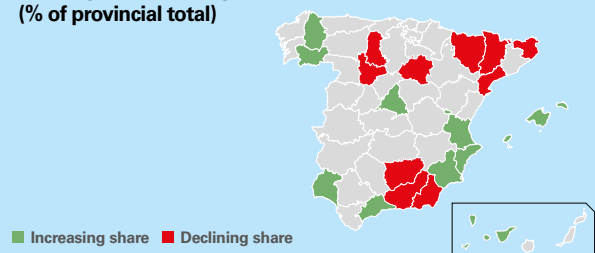
Much of the surge in demand is due to non-resident foreign buyers

Changes are noted in the nationalities most interested in Spain's housing market



Traditional destinations are consolidated and other new ones emerge

Housing sales to foreign non-residents (% of provincial total)



Note: CaixaBank Research, based on data from the Spanish National Statistics Institute (INE) and the Ministry of Housing and Urban Agenda (MIVAU).