

# How the rise in rental prices makes you closer to buying your home

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Renting is a necessity for many people who cannot afford to buy a property and all the world's large cities face the challenge of providing affordable and adequate housing solutions. Spain follows this global demand and especially in major cities such as Madrid and Barcelona living can be very expensive.

A newly released study by the Bank of Spain indicates that renting costs in the country have jumped by 50% over the last five years.

What is the upside here?

The increase on renting expenses in at least 15 major Spanish means that in key areas of the country is cheaper to pay a mortgage than to pay for renting a home. The study also revealed that in these main areas the cost of a mortgage always comes below 30% of the average family earnings.

In Sevilla, the cost of buying with a mortgage came to just 19% of the average salary, which is €2,671 a month, while in Valencia it was just 16% of €2,776. Rental outlay in the same two cities, meanwhile came to 32% and 26% of monthly earnings. In Murcia – where the average salary is €2,683 a month – tenants are paying 20% on rent, while owners pay just 11% on a mortgage.

Another example showed that the owners of a 90-square-metre apartment in Madrid pay a mortgage of €960 per month, while tenants are paying €1,419 per month, an alarming 40% of a family's income.

**Moving from renting to buying might seem like a bold move. That is why exploring your possibilities with a specialised professional is essential.**

We work along experts in Spanish mortgages that can offer you assistance throughout the whole buying process. Learn how you can qualify and apply for a mortgage in Spain by contacting us [HERE](#).