

Costa del Sol's property market in 2022

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2022 has been a busy year for the Costa del Sol's property market. In fact, it has arguably been the busiest since 2007. This is reflected in a range of independent research which all report positive trends.

Tinsa (Spain's largest property valuation company) released their property data for Q2 2022, reporting that property prices in the province had risen by 8% compared to the previous year. Malaga city had risen by 6.9% and Marbella by 5.9%.

Spain's Institute of National Statistics similarly reported a strong housing market, with 22 per cent more mortgage loans being signed in Malaga between January and July 2022, compared to the same period in 2021.

Recent research by the property portal Idealista showed that property rentals had also risen in 2022, with average rents in Malaga increasing by over 19% compared to 2021. This increase was even higher in areas such as Marbella and Estepona, where rents rose by over 27%.

Malaga's Association of Architects approved 2,987 new development projects in the first half of the year, representing a 22 per cent increase on 2021. Head of the Malaga's Association of Architects, Francisco Sarabia commented that this reflected a "steady growth".

During this period, the Costa del Sol saw a rise in the number of new development projects being approved, including 37

in Marbella, 48 in Benahavís, 39 in Mijas, 27 in Benalmádena, and 23 in Estepona.

There is the concern that the property market could overheat due to inflation. However, CaixaBank Research published a report in July showing that Spain and Italy sit at the very bottom of the table in terms of risk. Their conclusion is that “for the moment, there are no signs of overvaluation or excessive imbalances in their real estate markets”.

It remains to be seen what effects external factors will have on the market but there are currently no signs of foreign demand diminishing.