

NEWSLETTER

How is the Real Estate Market?

ALFONSO LACRUZ'S NEWSLETTER, YOUR LOCAL EXPERT IN BENAHAIVIS AND MARBELLA

HOW DID THE LUXURY REAL ESTATE MARKET START 2023 IN MARBELLA AND BENAHAIVIS?

It appears that the real estate market in Marbella and Benahavis is entering into a phase of stabilization: that is our team's feeling and what has emerged in conversations with real estate professionals such as lawyers or real estate agents.

Last year, **2022, the market achieved an all-time high in closed transactions.** The pace of activity was quite rapid, with properties being sold in under a week and final prices even surpassing initial asking prices, leading to double-digit price increase.

As highlighted in our recent newsletters, **the start of 2023 has been encouraging for the local real estate sector** despite the prevailing negative economic news. While the

number of sales has slightly decreased compared to 2022, 2023 has seen a robust performance in terms of transactions, and prices are stabilizing. This trend is actually beneficial to maintain demand without causing alarm. Let's

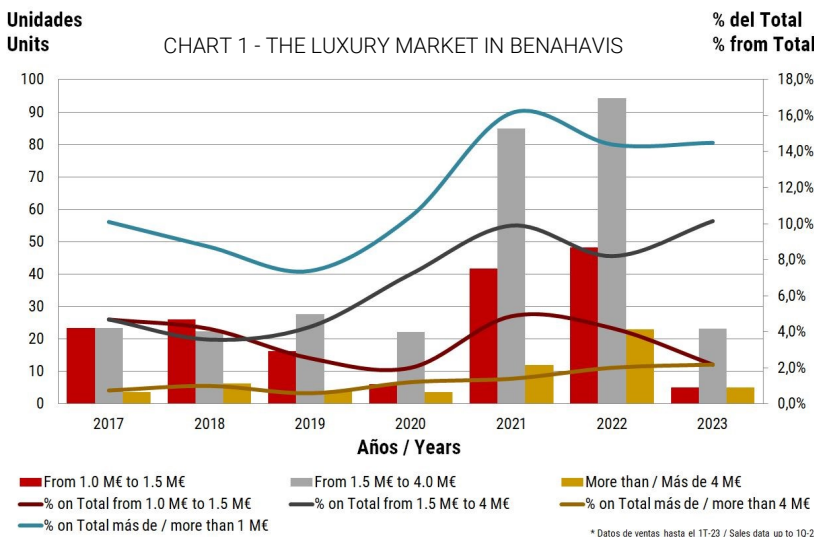
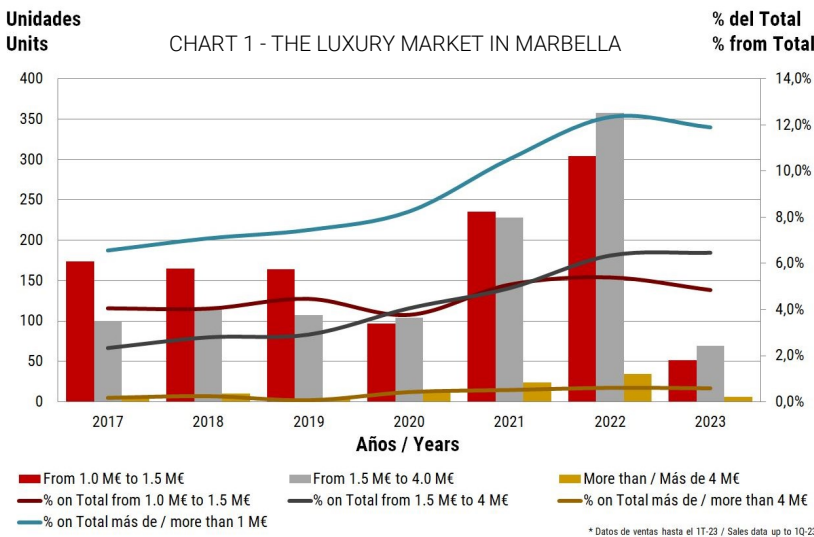


now delve into the state of the high-end market.

In general, the luxury market is also displaying a positive performance as seen on the accompanying charts that I will now elaborate on in more detail:

1. In Marbella the percentage of high-end luxury homes sold (above 1.5 million euros) has increased slightly compared to the total number of homes sold. Conversely, there's a 0.6% decline in sales of properties priced between 1 and 1.5 million euros. This particular range is experiencing a strong impact due to a shortage of available properties, hence the decrease in sales. Consequently, the growth in high-end property transactions, which had doubled over the last five years, has moderated. However, it remains at levels akin to the peak year, 2022.

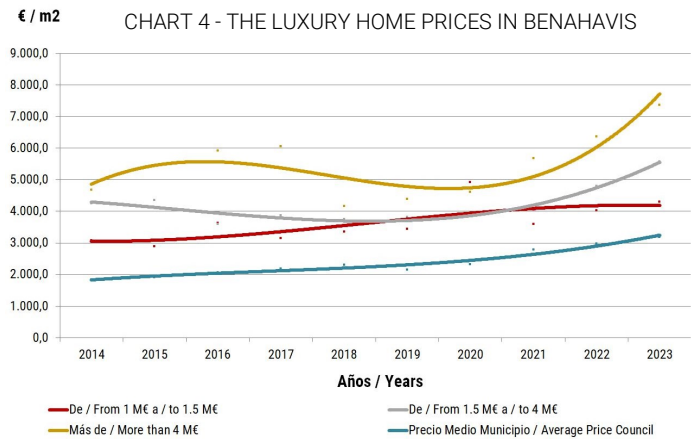
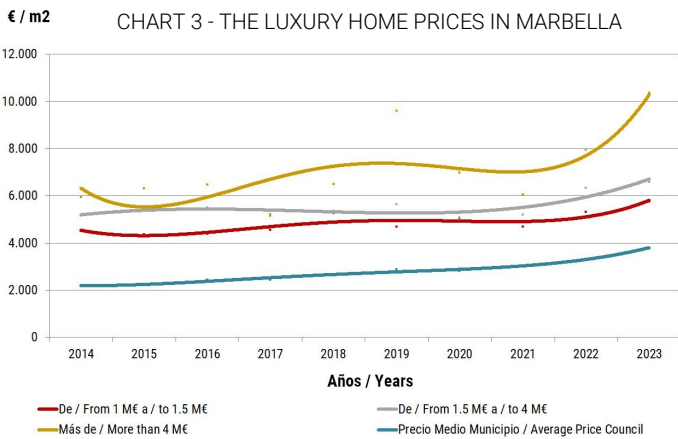
2. A similar pattern is visible in Benahavis, but with varying rates. Sales for properties exceeding 4 million euros and those priced between 1.5 and 4 million euros keep rising. Meanwhile, transactions for properties between 1 and 1.5 million euros have decreased. This decline can also be attributed to the scarcity of stock in that range. Notably, there has been a substantial surge in sales volume for properties priced between 1.5 and 4 million euros, with the percentage of transactions tripling over the past 5 years and an additional 2% increase noted at the start of 2023.



3. In terms of pricing in **Marbella**, **prices keep rising for all types of properties**. In fact, it can be appreciated on chart 3 that properties above 4 million euros are the ones with a higher increase, showing the strength of this high end market and reaching an average, for the first time, of 10.000 euros/sqmt.

4. In Benahavis the tendency of the curves on chart 4 is similar to Marbella but still on lower price levels. The prices on the highest levels are the ones going up with more strength and reaching 8.000 euros/sqmt. but still 2.000 euros/sqmt. lower than Marbella.

In summary, despite all the negative economic news that unsettles us every day, the high end real estate market is performing well: **a higher percentage of transactions was closed on those levels and prices still kept on rising** at the beginning of this uncertain year.



EXCLUSIVE PROPERTIES



Restaurant space
Marbella
168,93 m2 built
25,36 m2 of terrace for
1,195.000 €



Apartment, Real de la Quinta,
Benahavis
Coming Soon!
Pool & Sea views for
875.000 €



Rustic finca
Benahavis
6 bed, 4 bath, 286 m2 built
& 10.005 m2 plot for
749.500 €

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