

# NEWSLETTER

## How is the Real Estate Market?

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

### ARE PROPERTY ASKING PRICES OUTPACING REALITY? INSIGHTS FROM THE LATEST MARKET DATA

Based on the price data for the first quarter of 2024 – as the figures for the second quarter have not yet been released by the Land Registries – we have compiled two charts to analyze trends: one for Marbella and another for Benahavis. These charts show the trends in asking prices, closing prices, and valuations by appraisers. A shift in these trends is beginning to emerge, offering some interesting insights:

**1. Asking prices continue to rise.** Property owners are still setting higher asking prices, with a double-digit growth pattern that has persisted for the past three years. In the last twelve months, asking prices increased by 11% in



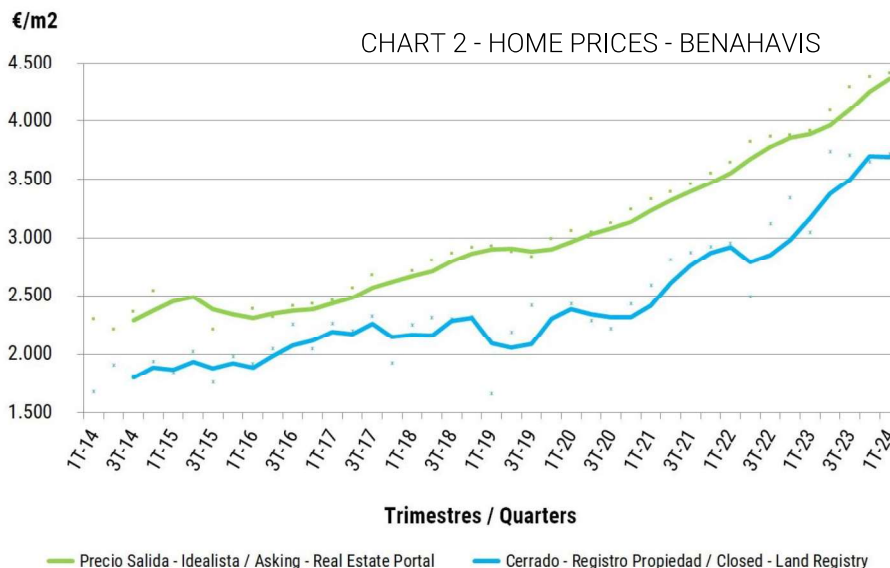
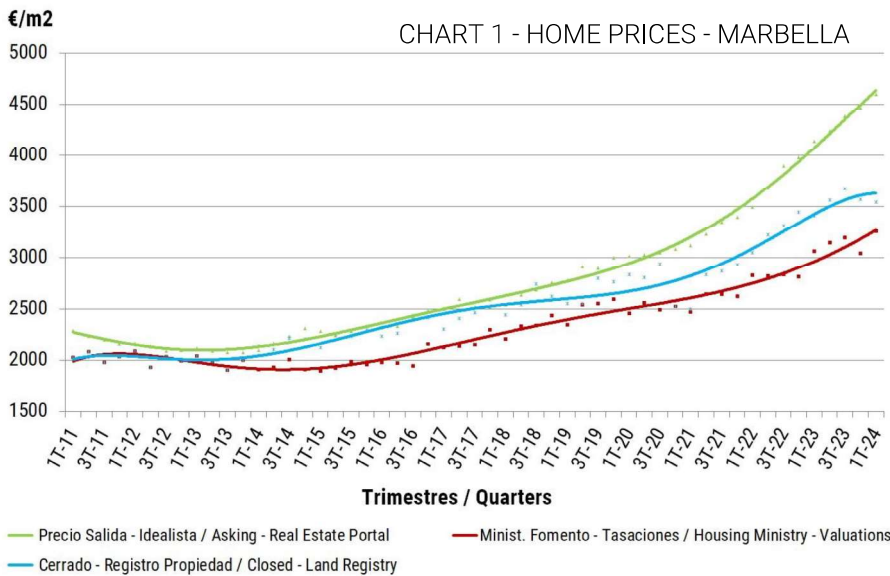
Marbella and 13% in Benahavis. As previously mentioned, a healthy market cannot sustain such prolonged double-digit growth.

**2. Closing prices are flattening.** The prices at which properties are actually sold, as reported by the Land Registry, have shown a slight decline – down 1% since the first quarter of 2023 in Marbella, with consecutive decreases in the last two quarters. Benahavis reflects a similar trend with a 1% decline and three quarters of consecutive decreases. This marks the first significant change in the trend since the pandemic year of 2020.

**3. The gap between asking and closing prices is widening.** In Marbella, this gap has reached a historic high of almost 30%, while in Benahavis, it is closer to 20%. If property owners continue to set higher asking prices, the disparity between what sellers want and what buyers are willing to pay will grow, potentially impacting the number of sales in the market.

**4. Valuers are also increasing prices, but at a slower rate.** The red line on the chart represents the valuations given by appraisers, which also show an upward trend of 6.3% over the past year. However, this increase is about half of what is being reflected in asking prices.

In summary, while asking prices keep climbing, actual closing prices have remained flat. This divergence is causing the gap between what owners are asking and what buyers are willing to pay to widen. The data on closed transactions for the second quarter of 2024 is expected to be released in early October, which will provide further insights into whether this growing gap is impacting the number of sales in the market.



# DOCUMENTATION OF A PROPERTY: UNDERSTANDING THE I.B.I. RECEIPT – WHAT TO LOOK FOR?

Continuing with our focus on essential property documents, and following my previous article on the Nota Simple, this month I will delve into the details of the I.B.I. receipt.

## What is the I.B.I.?

The I.B.I., short for Impuesto de Bienes Inmuebles, is an annual property tax applicable to all real estate in Spain. This local tax must be paid by property owners, regardless of their residential status, to the local council. It's important to note that the tax is associated with the property itself, not the owner. The revenue from the I.B.I. is used to fund local infrastructure and services provided by the Town Hall.

## Who Manages the I.B.I.?

The management of the I.B.I. falls under the Patronato de Recaudación Provincial, which has offices in Marbella, San Pedro de Alcántara, and Estepona. For more information, you can visit their website at [www.prpmalaga.es](http://www.prpmalaga.es).

## When is the I.B.I. Due?

The payment is typically due in early to mid-September each year.

## What Information Does the I.B.I. Receipt Contain?

The I.B.I. receipt includes several key pieces of information:

### What information can you find on the I.B.I. receipt?

- The issuing council, tax (it should say I.B.I. Urbana) and deadline for payment.
- The information on the owner/tax payer, name and D.N.I. or N.I.E., and post address (not the address of the taxable property).
- Address of the taxable property that the receipt refers to.
- ID numbers of the property: two are used "Matricula" and "Referencia Catastral". Dates: issue date, deadline and tax year.
- Total amount pending calculated from the base tax plus possible interest or penalties for late payment.
- I think this is the important part: the catastral value of the land where the property is and the catastral value of the construction. The catastral value of the property is, in general, the addition of those two. Those values are used for some tax value calculations like the Plusvalia Municipal or the Transfer Tax (already mentioned on previous articles).
- When the catastral values were updated by the council and the rate for the tax (in this example it is 0,4 %).

- Issuing Authority and Tax Details: The receipt will specify the council issuing the tax, the type of tax (I.B.I. Urbana), and the payment deadline.

- Owner/Taxpayer Information: It lists the name, D.N.I. or N.I.E. number, and the mailing address of the owner or taxpayer (this address is not necessarily the address of the property being taxed).

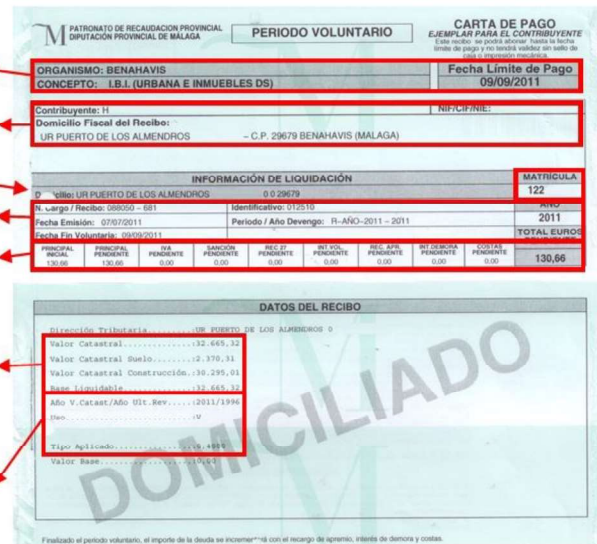
- Taxable Property Address: The address of the property to which the receipt refers.

- Property Identification Numbers: Two key identifiers are used: "Matricula" and "Referencia Catastral." It also includes relevant dates such as the issue date, deadline, and tax year.

- Total Amount Due: This is calculated from the base tax, plus any applicable interest or penalties for late payment.

- Key Valuation Information: The receipt provides the cadastral value of the land and the cadastral value of the building. Generally, the cadastral value of the property is the sum of these two amounts. These values are crucial for calculating other taxes, such as the Plusvalia Municipal or the Transfer Tax, which I have covered in previous articles.

- Cadastral Value Update and Tax Rate: It also indicates when the cadastral values were last updated by the council and the applicable tax rate (for example, 0.4%).



EXCLUSIVE PROPERTIES



Independent Villa  
Istan, Malaga  
5 bed | 5+1 bath  
2 garages  
442 sqm  
10.336 sqm plot  
1.649.000 €

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Real Estate in Marbella & Benahavis





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