

MitulaGroup^o



**Spanish Property
Price Report
4th Quarter 2016**

Contents

- 3** Introduction
- 5** Overview
- 7** Average Property Prices
 - 7** Spain
 - 7** By Autonomous Community
 - 10** By Province
- 13** User Searches
- 16** The Quarter in Figures
- 18** About Mitula Group

The document you have in front of you is the first Quarterly Spanish Property Price Report produced by Mitula Group. It is related to the fourth quarter of 2016 and we think we can say that it is the most reliable, complete and complex report of its type ever created for the Spanish housing market.

Important Considerations

The housing market is a complex sector in constant flux. In Spain it is one of the principal driving forces of the economy and a big part of our lives as citizens. That's why with this report and similar ones to be published periodically from now on, Mitula Group wants to give the public and the press access to its vast database and a reflection of the country's current situation in relation to the housing market.

The objective is to offer precise and detailed information about property price variations as well as identifying and anticipating cycles and trends. That's why the Mitula Group report is supported by a rigorous and strict methodology that takes into account not only the overall figures, but also other official indications that can aid in understanding the complexity of the market and its main players.

What differentiates this report from others?

- ◉ Because of the nature of Mitula Group's business, the report has access to an immense database of advertised properties which accounts for the vast majority of property published online. It also stands apart because of the enormous sample size used, which in this first report is over 400,000 validated property listings from more than 10 million in our database.
- ◉ To narrow down the sample size, only validated listings which underwent duplication elimination and quality control processes were used. We also took into account the official estimated figures released by the Ministry of Public Works and Transport for each province.

¹ Estimación del parque de viviendas. Ministry of Development.
<http://www.fomento.gob.es/BE2/?nivel=2&orden=33000000>

- ◉ We've tried to provide better insights by using information from third parties to enrich our data using, for example, PRD² (ratio of house price to household income, Banco de España), which calculates the time required per household to pay the entire price of a property.

This document's objective is to broaden the scope of information available about the complex Spanish property market and become a point of reference for the entire sector.

² PRD otherwise known as Household Production is a unit of measurement recommended by the UN and the World Bank which describes the relationship between house prices and household income.

The average house price in Spain ended the year trending towards stability and with differing regional pictures. Roughly half of the regional markets saw increased prices whilst the other half saw decreases. In both cases however, the variations were less than 2% and we can't say that there have been any major fluctuations during this period.

The monthly variation at country level was 0.02%, whilst during the last quarter prices rose an almost imperceptible 0.08%, going from 1,476 Euros/m² to 1,478 Euros/m².

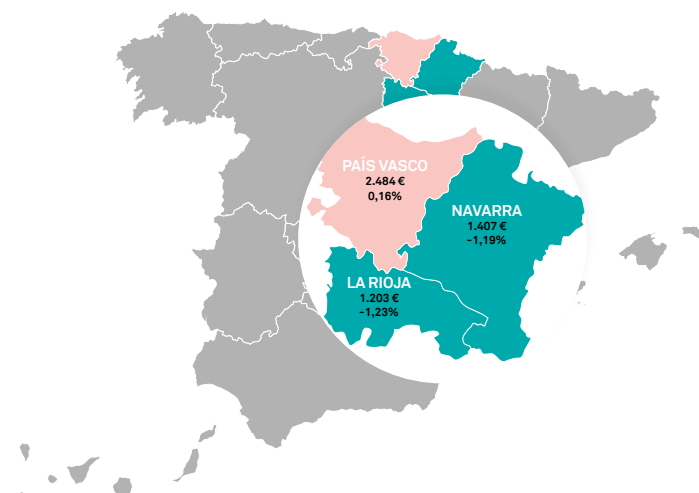
The Regional Pictures

Only 2 Regions experienced price rises of more than 1.1% in this period. One was the Valencian Community, which saw a rise in property prices of 1.14% the other was The Canary Islands which registered a rise of 2.57% and as such was the region with the biggest increase for the fourth quarter.

On the other hand Murcia (-1.08%), Navarra (-1.19%) and La Rioja (-1.23%) were the regions which saw the biggest house price drops of the quarter.

Provinces

If we look on a more granular level, the Spanish provinces with the biggest monthly changes during the period analysed were Ávila (1.29%), Guipúzcoa (0.87%) y La Rioja (0.84%). In the case of La Rioja, despite an overall fall over the quarter as a whole, a strong end to the year in December means that it is among the biggest movers on a monthly level. This is a tendency it shares with the 3 Basque provinces and Navarra.



On the other hand, the provinces that showed stronger house price growth in the last quarter were Santa Cruz de Tenerife which lead the way (6.30%) along with Álava (3.61%) and Ávila (3.07%).

On the other end of the scale Palencia (-1.41%), Guadalajara (-1.16%) and Cantabria (-1.05%) were the provinces which experienced the biggest monthly decreases in property prices. Provinces that stand out as net price fallers over the whole quarter include Huesca (-2.97%), Huelva (-2.05%) and Valladolid (-1.69%).

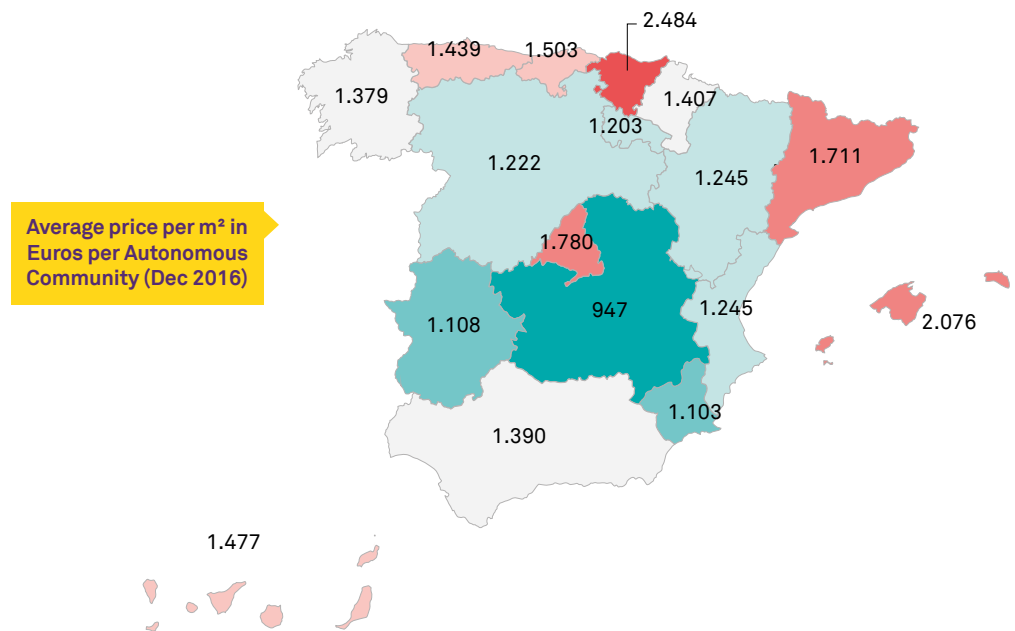
Spanish average price

The average sale price in Spain in December 2016 was 1,478 Euros/m², a figure that hardly changed from previous months. The figure for the quarterly rise sits at a modest 0.08%.

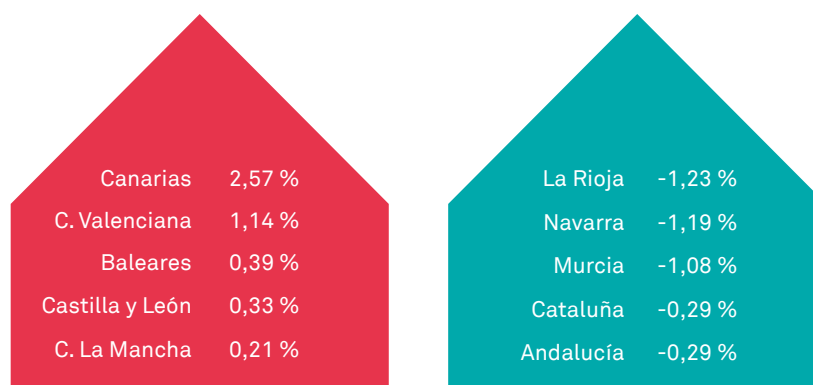
The reason for this stagnation in prices can be found by looking at the uneven figures registered by the different regions of the country. In eight of the autonomous regions prices fell during the fourth quarter, while in seven of them prices rose. Only two (Cantabria and Extremadura) didn't see any price fluctuation over the period measured.

Average price in the autonomous communities

The regions saw differing tendencies over the fourth quarter with regard to house prices, which adds weight to the popular notion of a Spain with two speeds.



The Canary Islands was the community with the biggest quarterly variation (2.57%), most likely due to the holiday homes market acting as a spinnaker towards recovery after the financial crisis of the early 2010s. In the Canary Islands the mean price went from 1,467 Euros/m² in November to 1,477 Euros/m² in December. A rise of 0.54%.



Quarterly house price variation

In this region, the PRD (ratio of house prices compared to household income) has also grown notably having gone from 7.61 years in October to 8.64 in November. It's important to point out that the Canary Islands as a community has an unemployment rate of 24.9% according to the EPA data from the last quarter of 2016³.

PRD index by Autonomous Community (Dec 2016)

| | PRD (years) | EPA Q4 |
|--------------------|-------------|----------------|
| ESPAÑA | 6,76 | 18,63 % |
| Andalucía | 9,69 | 28,25 % |
| Asturias | 6,87 | 14,59 % |
| Baleares | 11,63 | 13,80 % |
| Canarias | 8,64 | 24,90 % |
| Cantabria | 8,13 | 12,89 % |
| Castilla y León | 6,08 | 14,81 % |
| Castilla-La Mancha | 6,27 | 22,14 % |
| Cataluña | 7,57 | 14,85 % |
| C. Valenciana | 7,42 | 19,15 % |
| Extremadura | 8,02 | 28,31 % |
| Galicia | 7,75 | 16,29 % |
| Madrid | 7,38 | 14,60 % |
| Murcia | 6,70 | 18,58 % |
| Navarra | 5,77 | 10,01 % |
| País Vasco | 8,44 | 12,27 % |
| La Rioja | 4,83 | 10,90 % |

³ Survey of active population. INE (last data, 2016Q4). http://www.ine.es/prensa/epa_prensa.htm

Another coastal area heavily reliant on the holiday housing market is Valencia which is the community with the second largest rise in property prices for the period measured with growth of 1.14% for the last quarter of the year. Here the average price went from 1,242 Euros/m² in November to 1,245 in December, a monthly increase of 0.24%.

The PRD grew from 6.78 years in October to 7.42 years in December, demonstrating an increasing financial burden on families in a region where unemployment stands at 19,15%.

A third recovery that stands out is in the Balearic Islands, another region where the holiday homes market and tourism have a huge impact. In the Balearic archipelago prices went from 2,068 Euros/m² in October to 2,076 Euros/m² in the last month of the year.

This represents a quarterly rise of 0.39% which although more modest than in the previous communities discussed, does come in a region with higher asking prices in general.

In order to be able to afford to buy a house in the Balearic Islands, the average family must spend 11.63 years' household income.

Despite this, the financial burden is greater, given that the PRD grew by more than a year, going from 10,18 years to purchase a property to 11.63 for the last quarter of 2016. All of this in a region where the unemployment figure stands at 13.8%

and where the economy is characterised by seasonal employment in the tourism sector.

The regions that have suffered the most pronounced quarterly drops are La Rioja (-1.23%), Navarra (-1.19%) and Murcia (-1.08%). In the case of La Rioja the price changed from 1,218 Euros/m² in October to 1,193 Euros/m² in November only to increase again in December to 1,203 Euros/m² meaning a monthly rise of 0.84% but an overall decrease for the quarter as a whole.

This monthly variation also means that the PRD has grown, going from 4.70 years to 4.83 in one of the regions of the country with the lowest unemployment rate (10.90%).

Navarra also finds itself among the regions with the largest decreases in property prices over the last quarter. The region has gone from having an average price of 1,424 Euros/m² in October to 1,407 Euros/m² in December, reaching its lowest point in November at 1,397 Euros/m². As a result, its monthly variation stands at 0.72%. In this case, the savings needed by a family to afford a house have also increased despite the quarterly fall in Property Prices. In the region with the lowest unemployment in Spain (10.1%) the PRD in October stood at 5.11 years, and in December that figure had risen to 5.77.

Murcia is the third Spanish region where prices suffered the most pronounced decreases. Here prices went from 1,115 Euros/m² in October to 1,103 Euros/m² in December with a monthly variation of -0.36%.

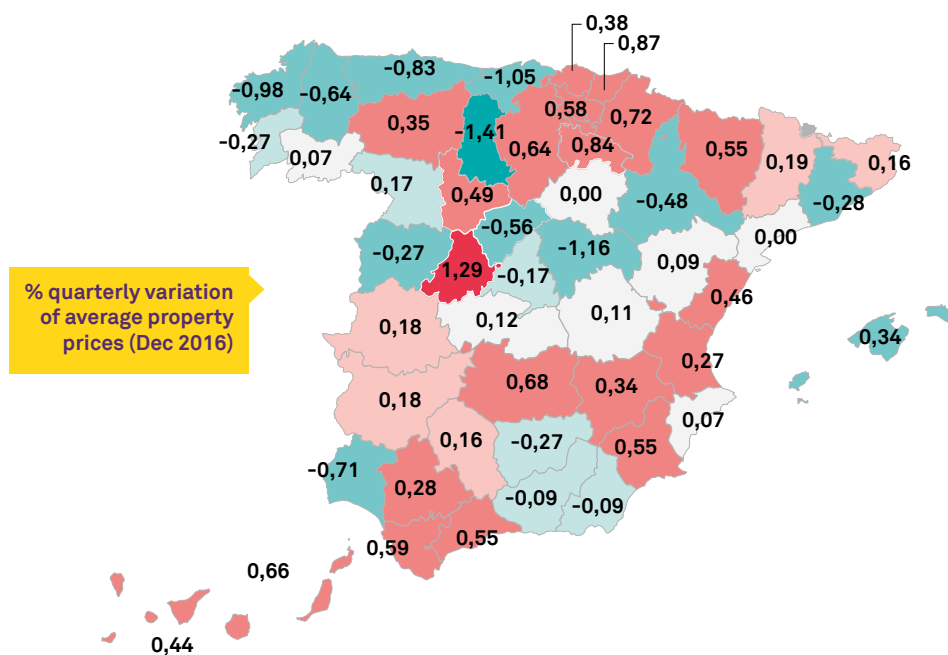
Even so, the ratio of property prices to family income rose, going from 5.93 years to afford a home to 6.70, which is a significant increase if we take into account the unemployment figure of 18.58% for Murcia.

Average prices in the provinces

The Mitula Group Quarterly Property Price Report allows us to confirm that during the last 3 months of 2016, the average property sale prices registered monthly increases in 29 provinces, and quarterly increases in 23.

| Prices €/m ² December | | Monthly variation | Quarterly variation |
|-------------------------------------|-------|----------------------|------------------------|
| Toledo | 839 | Palencia | -1,41 % |
| Ciudad Real | 886 | Guadalajara | -1,16 % |
| Ávila | 940 | Cantabria | -1,05 % |
| Cuenca | 952 | La Coruña | -0,98 % |
| Guadalajara | 1.024 | Asturias | -0,83 % |
| Teruel | 1.074 | Huelva | -0,72 % |
| Lleida | 1.076 | Ceuta/Melilla | -0,67 % |
| Lugo | 1.080 | Lugo | -0,64 % |
| Badajoz | 1.085 | Segovia | -0,56 % |
| Castellón | 1.098 | Zaragoza | -0,48 % |
| Tenerife | 1.587 | Huesca | 0,55 % |
| Madrid | 1.780 | Álava | 0,58 % |
| Barcelona | 1.813 | Cádiz | 0,59 % |
| Málaga | 1.836 | Burgos | 0,64 % |
| Gerona | 1.851 | Las Palmas | 0,66 % |
| Álava | 1.896 | Ciudad Real | 0,68 % |
| Ceuta/Melilla | 1.915 | Navarra | 0,72 % |
| Baleares | 2.076 | La Rioja | 0,84 % |
| Guipúzcoa | 2.558 | Guipúzcoa | 0,87 % |
| Vizcaya | 2.611 | Ávila | 1,29 % |
| | | Huesca | -2,97% |
| | | Huelva | -2,05% |
| | | Valladolid | -1,69% |
| | | Soria | -1,55% |
| | | Albacete | -1,52% |
| | | Las Palmas | -1,30% |
| | | La Rioja | -1,23% |
| | | Navarra | -1,19% |
| | | Cádiz | -1,16% |
| | | Lugo | -1,10% |
| | | Tarragona | 1,03 % |
| | | Valencia | 1,09 % |
| | | Sevilla | 1,14 % |
| | | Castellón | 1,29 % |
| | | Burgos | 1,54 % |
| | | Salamanca | 2,28 % |
| | | Teruel | 2,38 % |
| | | Ávila | 3,07 % |
| | | Álava | 3,61 % |
| | | Tenerife | 6,30 % |

Quarterly variations



Looking at the quarterly figures, the provinces that experienced the biggest rises in the last 3 months of 2016 were Santa Cruz de Tenerife (6.30%), Álava (3.61%) and Ávila (3.07%). Santa Cruz de Tenerife stands out as having seen almost double the increase in property prices compared to the next biggest provincial increase.

At the other end of the scale we can see that Huesca (-2.97%), Huelva (-2.05%) and Valladolid (-1.69%) are the provinces that suffered the biggest drops in property prices over the same period.

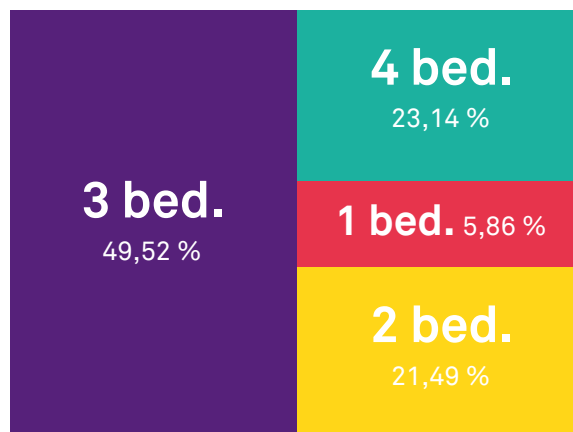
User behaviour as an indicator of the property market

As well as statistics on property prices, this report also offers insights into the preferences of the Spanish property buyer.

Thanks to the filters applied to searches by our users we know that apartments are the most searched for type of home in Spain (42.88%). The Spanish equivalent of terraced or attached houses come second with 24.72%, and detached houses third with 18.84% of searches in the fourth quarter.

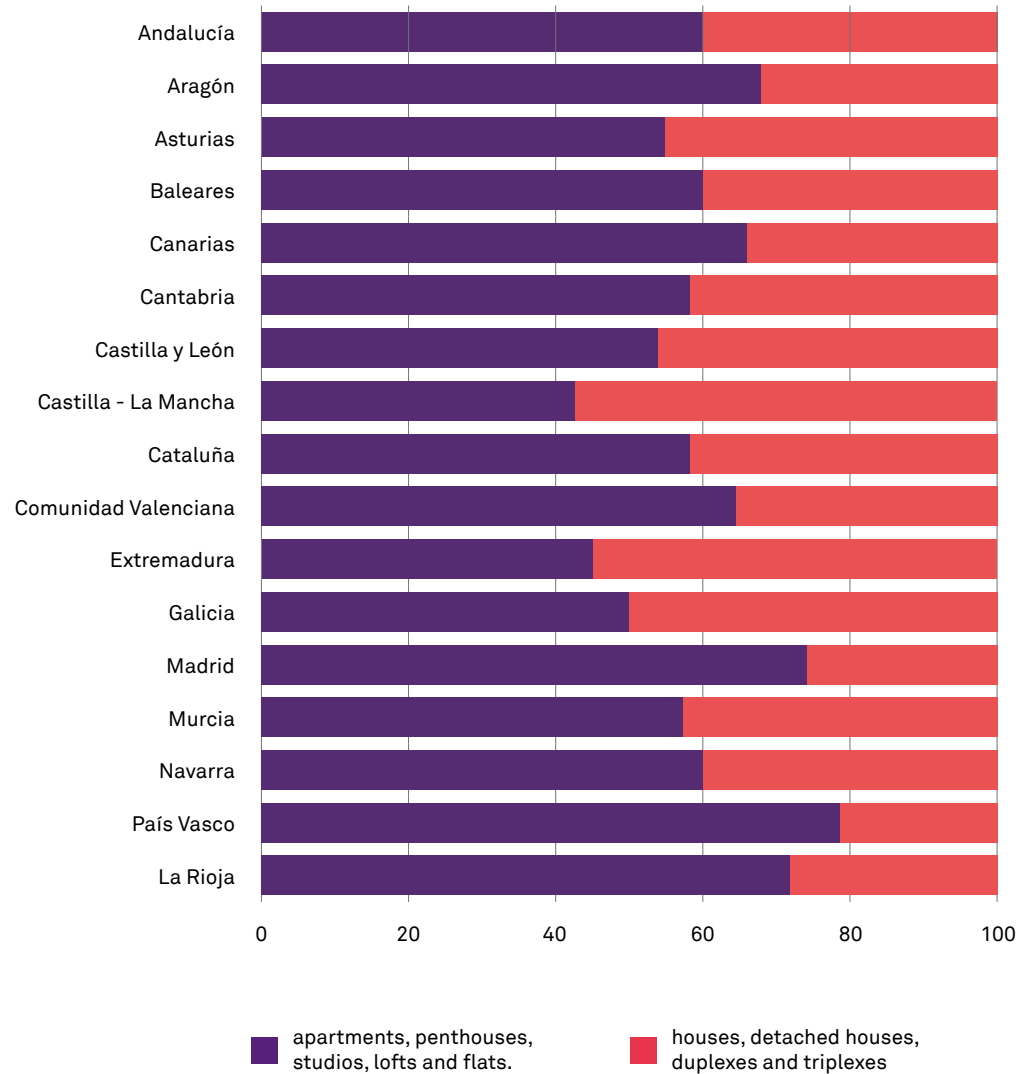


Regarding the type of apartment that generates the biggest interest in the Spanish market, 3 bedroom apartments come first (49.52%) counting for almost half of all searches within the period measured. The other half is split between 4 bedrooms (23.14%), 2 bedrooms (21.49%) and one bedroom (5.86%)



Autonomous communities

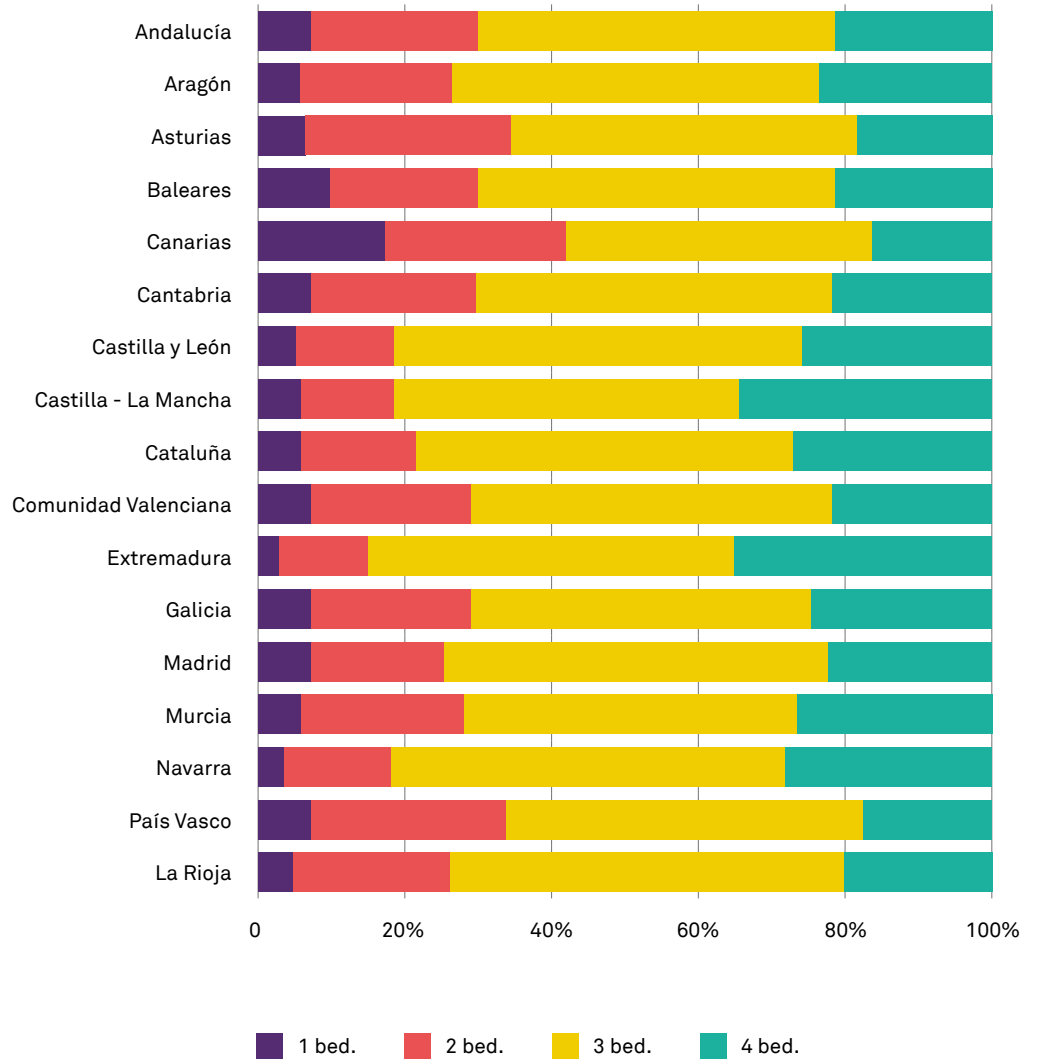
In the majority of the Spanish regions apartments are the most searched for type of property. The Basque Country (68.72%), Aragón (52.80%) and La Rioja (52.32%) are the three that show the greatest tendency to search for apartments. The rest is split between houses, detached houses, duplexes and triplexes.



Property type searched for in autonomous regions

Clearly 3 bedroom apartments are the most popular property type in Spain as a whole. In some communities such as Navarra (55.12%), Castilla and Leon (54.60%) and La Rioja (53.56%), this type of property accounts for more than half of apartment searches carried out in the fourth quarter of 2016.

Two bedroom properties are the second most searched for option in Spain as a whole, but with some regional exceptions. In areas such as Extremadura (34.41%) and Catalunya (29.47%) 4 bedroom apartments are the second most searched for option, whereas in others such as the Canary Islands the tendency is towards smaller apartments with 2 bedrooms (27.02%) or even one bedroom (16.58%).



Searches by number of bedrooms and region

Although in Spain as a whole users tend to search for apartments, there are certain regions with different preferences. In Extremadura (39.67%), Murcia (30.42%) and Castilla la Mancha (33.72%) houses are the most popular property type among users.

| | Price per m ² in Euros | | | Monthly variation m ² | Quarterly variation m ² | PRD | | | Unemployment (EPA Q4) |
|------------------------|-----------------------------------|--------------|--------------|----------------------------------|------------------------------------|--------------|--------------|--------------|-----------------------|
| | Oct | Nov | Dec | | | Oct | Nov | Dec | |
| ESPAÑA | 1.476 | 1.477 | 1.478 | 0,02 % | 0,08 % | 6,75 | 6,76 | 6,76 | 18,91 % |
| Andalucía | 1.394 | 1.386 | 1.390 | 0,29 % | -0,29 % | 8,09 | 8,01 | 9,69 | 28,52 % |
| Almería | 1.123 | 1.135 | 1.134 | -0,09 % | 0,98 % | | | | |
| Cádiz | 1.384 | 1.360 | 1.368 | 0,59 % | -1,16 % | | | | |
| Córdoba | 1.247 | 1.241 | 1.243 | 0,16 % | -0,32 % | | | | |
| Granada | 1.186 | 1.175 | 1.174 | -0,09 % | -1,01 % | | | | |
| Huelva | 1.268 | 1.251 | 1.242 | -0,72 % | -2,05 % | | | | |
| Jaén | 1.115 | 1.126 | 1.123 | -0,27 % | 0,72 % | | | | |
| Málaga | 1.851 | 1.826 | 1.836 | 0,55 % | -0,81 % | | | | |
| Sevilla | 1.398 | 1.410 | 1.414 | 0,28 % | 1,14 % | | | | |
| Aragón | 1.223 | 1.228 | 1.225 | -0,24 % | 0,16 % | 4,21 | 4,28 | 5,03 | 14,88 % |
| Huesca | 1.315 | 1.269 | 1.276 | 0,55 % | -2,97 % | | | | |
| Teruel | 1.049 | 1.073 | 1.074 | 0,09 % | 2,38 % | | | | |
| Zaragoza | 1.233 | 1.249 | 1.243 | -0,48 % | 0,81 % | | | | |
| Asturias | 1.440 | 1.451 | 1.439 | -0,83 % | -0,07 % | 5,52 | 5,51 | 6,87 | 17,05 % |
| Baleares | 2.068 | 2.083 | 2.076 | -0,34 % | 0,39 % | 10,18 | 10,18 | 11,63 | 10,60 % |
| Canarias | 1.440 | 1.469 | 1.477 | 0,54 % | 2,57 % | 7,61 | 7,76 | 8,64 | 26,01 % |
| Las Palmas | 1.389 | 1.362 | 1.371 | 0,66 % | -1,30 % | | | | |
| Santa Cruz de Tenerife | 1.493 | 1.580 | 1.587 | 0,44 % | 6,30 % | | | | |
| Cantabria | 1.503 | 1.519 | 1.503 | -1,05 % | 0,00 % | 6,68 | 6,76 | 8,13 | 12,53 % |
| Castilla y León | 1.218 | 1.220 | 1.222 | 0,16 % | 0,33 % | 5,38 | 5,39 | 6,08 | 13,91 % |
| Avila | 912 | 928 | 940 | 1,29 % | 3,07 % | | | | |
| Burgos | 1.232 | 1.243 | 1.251 | 0,64 % | 1,54 % | | | | |
| León | 1.149 | 1.145 | 1.149 | 0,35 % | 0,00 % | | | | |
| Palencia | 1.263 | 1.280 | 1.262 | -1,41 % | -0,08 % | | | | |
| Salamanca | 1.450 | 1.487 | 1.483 | -0,27 % | 2,28 % | | | | |
| Segovia | 1.246 | 1.242 | 1.235 | -0,56 % | -0,88 % | | | | |
| Soria | 1.226 | 1.207 | 1.207 | 0,00 % | -1,55 % | | | | |
| Valladolid | 1.240 | 1.213 | 1.219 | 0,49 % | -1,69 % | | | | |
| Zamora | 1.206 | 1.202 | 1.200 | -0,17 % | -0,50 % | | | | |

| | Price per m ² in Euros | | | Monthly variation m ² | Quarterly variation m ² | PRD | | | Unemployment (EPA Q4) |
|-----------------------------|-----------------------------------|--------------|--------------|----------------------------------|------------------------------------|-------------|-------------|-------------|-----------------------|
| | Oct | Nov | Dec | | | Oct | Nov | Dec | |
| Castilla-La Mancha | 945 | 946 | 947 | 0,11 % | 0,21 % | 5,20 | 5,23 | 6,27 | 22,67 % |
| Albacete | 1.186 | 1.164 | 1.168 | 0,34 % | -1,52 % | | | | |
| Ciudad Real | 883 | 880 | 886 | 0,68 % | 0,34 % | | | | |
| Cuenca | 943 | 951 | 952 | 0,11 % | 0,95 % | | | | |
| Guadalajara | 1.016 | 1.036 | 1.024 | -1,16 % | 0,79 % | | | | |
| Toledo | 834 | 838 | 839 | 0,12 % | 0,60 % | | | | |
| Cataluña | 1.716 | 1.714 | 1.711 | -0,18 % | -0,29 % | 6,86 | 6,84 | 7,57 | 14,63 % |
| Barcelona | 1.820 | 1.818 | 1.813 | -0,28 % | -0,38 % | | | | |
| Gerona | 1.870 | 1.848 | 1.851 | 0,16 % | -1,02 % | | | | |
| Lérida | 1.072 | 1.074 | 1.076 | 0,19 % | 0,37 % | | | | |
| Tarragona | 1.360 | 1.374 | 1.374 | 0,00 % | 1,03 % | | | | |
| Comunidad Valenciana | 1.231 | 1.242 | 1.245 | 0,24 % | 1,14 % | 6,78 | 6,87 | 7,42 | 20,17 % |
| Alicante | 1.431 | 1.444 | 1.445 | 0,07 % | 0,98 % | | | | |
| Castellón | 1.084 | 1.093 | 1.098 | 0,46 % | 1,29 % | | | | |
| Valencia | 1.099 | 1.108 | 1.111 | 0,27 % | 1,09 % | | | | |
| Extremadura | 1.108 | 1.105 | 1.108 | 0,27 % | 0,00 % | 6,15 | 6,10 | 8,02 | 25,61 % |
| Badajoz | 1.084 | 1.083 | 1.085 | 0,18 % | 0,09 % | | | | |
| Cáceres | 1.140 | 1.136 | 1.138 | 0,18 % | -0,18 % | | | | |
| Galicia | 1.380 | 1.386 | 1.379 | -0,51 % | -0,07 % | 6,17 | 6,23 | 7,75 | 16,35 % |
| La Coruña | 1.412 | 1.433 | 1.419 | -0,98 % | 0,50 % | | | | |
| Lugo | 1.092 | 1.087 | 1.080 | -0,64 % | -1,10 % | | | | |
| Orense | 1.346 | 1.343 | 1.344 | 0,07 % | -0,15 % | | | | |
| Pontevedra | 1.487 | 1.484 | 1.480 | -0,27 % | -0,47 % | | | | |
| Madrid | 1.785 | 1.783 | 1.780 | -0,17 % | -0,28 % | 7,49 | 7,51 | 7,38 | 15,19 % |
| Murcia | 1.115 | 1.107 | 1.103 | -0,36 % | -1,08 % | 5,93 | 5,93 | 6,70 | 19,75 % |
| Navarra | 1.424 | 1.397 | 1.407 | 0,72 % | -1,19 % | 5,11 | 4,97 | 5,77 | 12,41 % |
| País Vasco | 2.480 | 2.470 | 2.484 | 0,57 % | 0,16 % | 7,75 | 7,69 | 8,44 | 12,80 % |
| Álava | 1.830 | 1.885 | 1.896 | 0,58 % | 3,61 % | | | | |
| Vizcaya | 2.615 | 2.601 | 2.611 | 0,38 % | -0,15 % | | | | |
| Gipúzcoa | 2.571 | 2.536 | 2.558 | 0,87 % | -0,51 % | | | | |
| La Rioja | 1.218 | 1.193 | 1.203 | 0,84 % | -1,23 % | 4,70 | 4,59 | 4,83 | 13,57 % |

Leaders in classified advert aggregation

Mitula Group is a world leading classified adverts search engine operator whose portfolio includes 170 sites in more than 45 countries and in 18 languages. It groups and classifies more than 250 million adverts from more than 13,000 publishers, and through its advanced technology is able to offer reliable, relevant and simple results for complex and diverse user queries. Mitula Group manages its websites through 4 principal brands 'Mitula', 'Nestoria', 'Nuroa' and 'DotProperty'.

From a base of more than 10 million adverts, Mitula Group's data and statistics team developed a methodology to filter the information whilst ensuring the quality of the data and extracted a sample over 420,000 adverts to work with.

Methodology

Fild

The sample of adverts used for this report were all property listings taken from Mitula Group's Spanish property sites. These included properties listed as apartments, penthouses, studios, flats, houses (both detached and terraced), duplexes, triplexes and lofts.

Sample selection and size

To make sure that the sample was representative for all regions, the data team took into account the official statistics released by the Ministry of Development for each region. We analysed over 400,000 ads proportionally distributed throughout the country.

Data Quality

The Mitula Group data department guarantees the quality of the data. In creating this report all the necessary procedures were carried out to make sure that all data was correctly filtered, validated and representative.

The filters applied include algorithms to identify and remove duplicated content, properties incorrectly geolocated and listings with anomalous price or m² values.

First filter:

- Square meterage between 20 and 350m².
- Price per unit of surface area between 400 and 6,000 per m².

Second filter:

- For each province a new test to make sure that listings with extreme values that might be left after the first test are eliminated.

Fuentes de datos externas

The data department has sought to provide better insights by crossing third party information with our own to build layered results. By doing this we generated the PRD metric as the ratio of property prices to household income, or the time needed to pay for a property in full whilst assuming all household income goes towards this payment. We obtained this value from the INE through their quality of life survey (Base 2003)⁴.

The unemployment statistics were obtained from the latest EPA survey published by the INE.

⁴Encuesta de condiciones de vida (Base 2003). INE (last data 2015).
http://www.ine.es/dyngs/INEbase/es/operacion.htm?c=Estadistica_C&cid=1254736176807&menu=ultiDatos&idp=1254735976608



Fintonic, la llave maestra de tus finanzas



Premio Google a la
mejor app de Finanzas



Fintonic te cuadra todos los gastos y te avisa de cualquier imprevisto con tu dinero: comisiones, recibos duplicados, descubiertos...



Te facilita préstamos y seguros en pocos minutos, desde la propia app y sin papeleos.



¡Descárgatela gratis!



MitulaGroup^o

Press Contact


Montse Torres
media@mitulagroup.com


Data and Information Department

insights@mitulagroup.com

Advertisements

advertising@mitulagroup.com

 [/mitulacom](https://www.facebook.com/mitulacom)

 [/mitula_es](https://twitter.com/mitula_es)