



**thepropertyfinders**  
**Madrid Market Report**  
**2025**

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## Introduction

It is important to recognise we are analysing two markets in respect of the property market in Madrid. Firstly, the regional one for which we can define the number of foreign property buyers and, secondly, the municipal market, that is the city of Madrid itself, for which we can only guesstimate the overseas element as there is no breakdown between domestic and foreign buyers at the municipal level. The region, the Comunidad de Madrid, occupies 8,022km<sup>2</sup> and has a population of approximately 6.8m while the city of Madrid, situated roughly at the geographical centre of the region, covers 604km<sup>2</sup>. Just over half of the region's population live in the city, around 3.5m. Unless otherwise stated, the statistics quoted in this market review are from the Notaries and MITMA (Ministerio de Transportes y Movilidad Sostenible).

## The Numbers

The full-year statistics for 2024 show that at both the regional and municipal levels the property market in Madrid thrived - across the board the numbers were all up. The total number of transactions in the Comunidad de Madrid were 88,229, equating to 12.6% of Spain's property market. And while transaction numbers grew an annual 11.5% across the country the Madrid region beat that - the market was up 16% compared with 2023. In terms of distribution, purchases were more or less evenly split 50/50 between the Madrid region as a whole and the municipality of the city itself, that is the city centre and immediate suburbs. The 45,082 purchases recorded in the Madrid municipality represented 51.1% of the regional total and 6.5% market share of Spain's total property market. Both the regional and municipal sectors of the property market experienced strong growth in 2024, up 16% in comparison with 2023.

## Overseas Buyers

The 2024 total of foreign buyers in the Madrid region was 10,587, up 15% on the previous year and representing 12% of the region's market. Whereas the breakdown of overseas buyers into resident and non-resident across the whole Spanish market shows 57% are resident buyers, in the Comunidad de Madrid 88% are resident foreigners and only 12% non-resident. However, because there is no similar breakdown at the municipal level we just don't know how many foreign nationals bought a property in the city itself in 2024. The best we can do is assume the region's ratios are similar and then we get an approximation of 5,400 foreign buyers of whom only 650 were non-resident. These figures suggest that a big majority of international buyers in the Madrid region live permanently in or close to the capital.

There is a considerable difference between what foreign property buyers spend on average compared with the average spend per square metre in the domestic sector. In 2024, the average pm<sup>2</sup> across Spain was €1,686 up 6.9%, but overseas buyers spent an average of €2,306, approximately 36% more than domestic buyers. Meanwhile, the average price pm<sup>2</sup> in the Madrid region in 2024 was way above both those figures, coming in at €3,353 pm<sup>2</sup>, an increase of 5.5% since 2023

## Overseas Buyers & The Luxury Market

According to a recent report by PwC and the Urban Land Institute (ULI), Madrid is ranked as the second most attractive European city for real estate investment, solidifying its position as the leader in Spain's luxury housing market.

There are reports of prices up to €25,000 per square metre in some exclusive developments and currently, there are around 30 high-end new-build projects under construction. In addition more than 100 classic buildings are undergoing renovation in the city's prime districts.

We've already pointed out the difference in the prices paid by international buyers when compared with domestic buyers and that difference becomes even more stark when the foreign buyers are split into resident and non-resident groups. The reality is that resident foreign buyers average spend pm<sup>2</sup> is very similar to that of domestic buyers, just 4% higher at €1,764 pm<sup>2</sup>. At the luxury end of the market, however, it's a very different story and the focus is all on the non-resident foreign buyer, particularly from the United States and South America. For example, non-resident buyers from the US spent, on average, €3,750 pm<sup>2</sup>, those from Colombia and Ecuador €4,290 and €4,302 respectively, while non-resident Venezuelans outspent all other nationalities on €6,175pm<sup>2</sup>.

In common with many of Europe's historic city centres, Madrid is a collection of neighbourhoods, *barrios*, each with a distinct character, ranging from smart and sophisticated to trendy and bohemian, and throughout the city visitors and residents enjoy some of the best and safest street life anywhere in the world. Chamberí and Salamanca, Malasaña, Las Letras, Chueca and La Latina exemplify the diversity of Madrid's centrally located *barrios*, offering a range of lifestyles and property prices.

New-build properties remain highly sought after, with developers focusing on modern, energy-efficient homes that cater to both local buyers and international investors. Several key projects are set to launch in 2025, further shaping Madrid's high-end property market. Meanwhile, the resale market remains competitive, particularly in central districts where demand is outstripping supply.

## Conclusion

Madrid's property market closed 2024 on a high note, underpinned by broad-based growth across both the region and the city itself and the expectation is for this to continue in 2025. With strong transaction numbers, increasing foreign interest, and rising property values, the city remains one of Europe's top real estate investment destinations. The outlook for 2025 suggests continued expansion, particularly in the high-end sector, as Madrid attracts international capital seeking stability and quality living. ©Barbara Wood