



JUST

Q1 Marbella Market Report

Q1 2025 Costa del Sol Market Report: Marbella, Estepona & Benahavís

Overview: The first quarter of 2025 showed robust growth in real estate activity across Marbella, Estepona, and Benahavís (the “Golden Triangle”). Combined property sales in these three municipalities surged 24.7% year-on-year, rising from 1,875 transactions in Q1 2024 to 2,339 in Q1 2025.

This nearly matches the post-pandemic peak of early 2022 and underscores strong buyer demand. Prices continued to climb as well – average asking values in the Golden Triangle reached €4,260 per m² in Q1 2025 (up 12.15% YoY from €3,799/m² in Q1 2024).

This rate of growth far outpaced broader markets; for context, Andalusia’s average was €1,857/m² (+8.1% YoY) and Málaga province’s was €2,869/m² (+13.1%). The Golden Triangle remains one of Spain’s priciest and most active areas, reflecting sustained demand in the high-end segment.

Notably, foreign investment hit record levels, providing a key demand driver. In Málaga province (which encompasses these municipalities), 34.8% of all home purchases in Q1 2025 were by foreign buyers – the highest share ever, up from 31.6% a year prior



New-build development also played a role: a resurgence of completed projects (especially in Estepona) boosted sales of newly built properties by 29.4% YoY. Meanwhile, resale homes continued to dominate the market, accounting for roughly 90% of transactions. In this report, we break down the key

trends for each municipality, comparing Q1 2025 to Q1 2024 across five dimensions: (1) Sales Volume & Price, (2) Buyer Demographics, (3) New Development vs. Resale, (4) Supply Metrics, and (5) Rental & Investment.

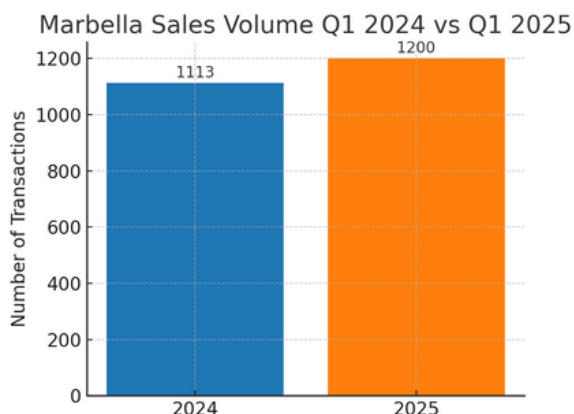
Marbella

Sales Volume & Price Trends:

Marbella maintained its position as the region’s largest market with over 1,200 property sales in Q1 2025, a 7.8% increase year-on-year. This growth, though more modest than its neighbors, reflects strong underlying demand constrained by limited new supply.

Price levels in Marbella continue to set records – Q1 2024 saw the average price per square meter exceed €3,250 for the first time (according to Ministry of Housing data), and prices have risen further since. In 2024 overall, Marbella’s property prices jumped about 12.9%, and Q1 2025 asking values remained on an upward trajectory in the double digits, affirming Marbella’s status as a premium-priced market.

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Buyer Demographics:

The demand in Marbella is heavily international. Foreign buyers likely comprise well over one-third of purchasers, significantly higher than the ~34.8% provincial average. In the luxury segment, the share of overseas clients is even more pronounced – local agencies report the vast majority of high-end sales going to international buyers. British buyers are the single largest group, accounting for roughly 15% of foreign purchases in the region, followed by buyers from northern Europe (notably the Netherlands and Sweden at ~8% each).

Traditional source markets like Germany, Belgium, and Scandinavia remain active, while newer nationalities are emerging: e.g. interest from the United States has grown thanks to improved flight connections, and there’s a noticeable uptick in buyers from Eastern Europe and the Middle East in Marbella’s top-end market. Overall, Marbella’s cosmopolitan appeal – with residents of over 150 nationalities – continues to attract a diverse global clientele.

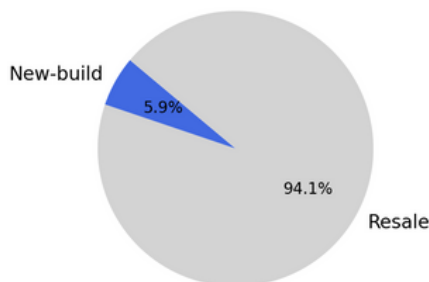
New Development vs. Resale:

Resale homes dominate Marbella’s transactions, typically over 85-90% of sales, and this held true in Q1 2025. New-build sales plunged by 45% year-on-year in Marbella, reflecting a tightening supply of freshly built units. Despite strong buyer appetite for modern homes, few new developments were completed in early 2025, limiting new-build transaction volume.

The resale segment thus carried the market, with healthy turnover of existing villas and apartments. High demand in prime areas means even older properties find buyers – many are being bought for renovation or redevelopment to current luxury standards. The drop in new-build sales is not due to lack of demand but lack of delivered inventory, as most new projects are sold off-plan well before completion.

(It’s worth noting that official new-build figures count only completed homes dedeed, not off-plan sales in progress).

Marbella Q1 2025: New-build vs Resale Sales



Supply Metrics (Inventory & Time on Market):

Housing supply in Marbella remains tight, especially for new luxury homes. After years of undersupply, available stock has dwindled – the inventory of new homes fell by 11% in 2022 and a further 8% in 2023. This constrained supply, combined with steady demand, has pushed prices to record highs. Well-located properties often sell quickly; industry sources note that in Marbella Center the average time on market is under 6 months for appropriately priced homes (significantly faster than Spain’s ~10.6 month average selling time).

Looking ahead, planning authorities are working on Marbella’s new General Plan (PGOM) to enable more development, but as of Q1 2025 new construction is still limited by planning bottlenecks. Inventory of resale properties is moderate – buyers have options, but in coveted areas (e.g. the Golden Mile or Nueva Andalucía) supply of quality listings is scarce, often leading to competitive bidding.

Overall, market equilibrium is tight, with demand outstripping supply in key segments.

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Rental and Investment Metrics:

Marbella’s rental market is booming, driven by both tourism and a growing community of long-term foreign residents. Strong demand for rentals has pushed rents upward (province-wide rents jumped ~11.5% during 2024).

Gross rental yields in Marbella average around 4%–5% annually for apartments – a moderate yield reflecting high property values, though luxury villas often yield lower percentages. Investors remain active, focusing on capital appreciation and lifestyle value as much as rental return. Long-term rentals are in particularly high demand from expatriate families and remote workers who relocate for Marbella’s international schools and quality of life. Many such tenants eventually become buyers, a trend that sustains the sales pipeline.

In the holiday rental sector, Marbella commands some of Spain’s highest rates, especially for upscale villas, which can translate to short-term rental yields that occasionally exceed long-term averages (albeit with higher management costs).

Key investment trends include a preference for turnkey modern properties (with buyers willing to pay a premium for newly renovated or new-build homes) and a high incidence of cash purchases. Because many buyers are high-net-worth individuals with financing from overseas, Marbella’s market has shown resilience to interest rate hikes – a large proportion of transactions are not mortgage-dependent.

Overall, investor sentiment remains bullish, seeing Marbella as a solid long-term bet. (Notably, Spain’s discontinuation of its golden visa program in 2024 has had little impact here – foreign demand remains at record highs without needing residency incentives).

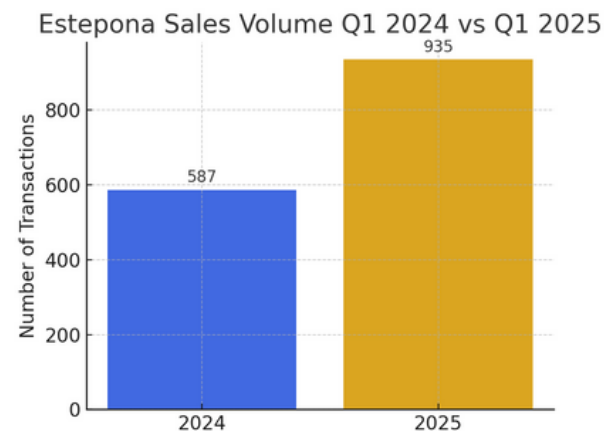
Estepona

Sales Volume & Price Trends:

Estepona was the standout performer in early 2025, posting 59% higher sales volume than the year prior – the largest jump in the Golden Triangle. Sales rocketed from 587 in Q1 2024 to 935 in Q1 2025 as Estepona’s booming development activity and value proposition attracted buyers in droves. This surge pushed Estepona’s quarterly sales to a new high.

Property prices in Estepona have been on a steady rise as well. While still more affordable than Marbella, Estepona’s average prices saw double-digit growth (about 12% YoY in 2024) thanks to increasing demand. Many new-build units are launching at premium price points (albeit still ~20–30% lower per square meter than Marbella), narrowing the gap.

Buyers are drawn by the “bang for buck” – you can often get a newer or larger property for the same budget in Estepona versus Marbella, and this value factor is reflected in the strong uptick in both sales and prices.



Buyer Demographics:

Estepona’s buyer mix is a blend of foreign and local, skewed international for coastal and new development areas. A substantial portion of buyers are foreign nationals, mirroring the regional trend (around one-third or more foreign).

Northern European buyers are especially prominent – British, Dutch, Belgian, and Scandinavian purchasers have a big presence in Estepona’s resorts and urbanizations.

There is also healthy interest from Spanish buyers, including second-home seekers from Madrid and other cities who find Estepona’s newer developments appealing.

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Estepona has also seen an influx of investors from other parts of the world seeking opportunities in new projects – for example, some North American and Middle Eastern buyers have begun to take note of Estepona’s growth. Overall, the buyer profile skews younger and investment-oriented compared to Marbella: many buyers are looking for modern holiday homes or investment properties in upcoming areas like the New Golden Mile, lured by lifestyle and potential appreciation.

New Development vs. Resale:

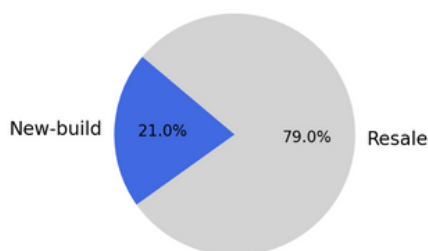
Estepona’s property boom is being driven by new developments. Sales of new-build homes jumped 161% in Q1 2025 (rising from 75 to 196 units sold). Several substantial residential projects were completed or delivered in late 2024 and early 2025, fueling this spike. As a result, new builds comprised a higher share of Estepona’s sales than in the other municipalities.

Resale transactions also rose a robust +44.5%YoY, as many buyers turned to existing homes – including some older properties ripe for renovation.

In fact, a notable trend is purchasers buying 1980s-90s villas or apartments in Estepona with plans to renovate, taking advantage of lower entry prices compared to Marbella. Still, new developments stole the show: Estepona's pipeline of off-plan and recently finished projects (from luxury beachfront apartments to contemporary villa communities) is attracting buyers en masse.

The availability of attractive new-build stock at competitive prices (relative to Marbella) has cemented Estepona as the growth leader. Importantly, nearly 90% of all sales in Estepona are still resales (consistent with the overall market mix), but the new-build segment's growth indicates a shifting dynamic as more fresh product comes online.

Estepona Q1 2025: New-build vs Resale Sales



Supply Metrics:

Estepona currently has the healthiest supply pipeline in the Golden Triangle. The municipality benefits from more available land for development, and authorities have approved numerous projects in recent years.

As of 2025, there are an estimated 170 new developments in the broader Marbella coast region, with Estepona hosting the largest number of these projects. This steady flow of new housing construction has kept inventory levels in check even as demand rises. Housing stock in Estepona is expanding, unlike Marbella where supply is constrained – evidenced by the surge in new-build sales and ongoing cranes on the skyline.

Despite the new supply, the market remains balanced; many developments are sold out early, indicating no glut of inventory. The average time on market for resales in Estepona is moderate – desirable listings still move quickly (often within a few months), though slightly slower than ultra-prime Marbella.

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With more mid-market and new properties, buyers have options to choose from, translating to a reasonable inventory of listings at any given time. However, high demand has started to absorb much of the new supply. Overall, Estepona's months of supply metric remains healthy, and increased construction activity suggests inventory will continue to grow in 2025, helping meet the demand. Importantly, this growth appears sustainable: new projects are being phased sensibly to avoid oversupply, and local planning is encouraging a mix of housing types to cater to broad demand.

Rental and Investment Metrics:

Estepona is increasingly on investors' radar due to its growth and relatively lower price base. Rental yields in Estepona tend to be solid – roughly in the 4–6% range gross, according to market analyses. Because purchase prices are a bit lower than Marbella but rental demand is strong (especially in summer), investors can achieve attractive returns. Rental demand patterns in Estepona show two key segments: long-term rentals from residents working in the coast (or commuting to Gibraltar/Málaga), and short-term holiday rentals concentrated in the coastal developments. Both segments are growing. Long-term rental demand has risen as more foreign professionals and families settle in the area (some choosing Estepona for its quieter vibe and value), while tourism continues to drive high occupancy for vacation rentals.

Notably, new resorts and amenities (like the recent hotel and golf infrastructure improvements) have enhanced Estepona's appeal, drawing more visitors and tenants.

For property investors, key trends include capitalizing on early-stage new developments (many saw significant capital appreciation by completion) and value-add opportunities in resales. Buying to renovate and flip or rent out is a common strategy, given that a renovated property in Estepona can command a premium yet still undercut Marbella's pricing.

The town's improvements in infrastructure and luxury offerings (e.g. beach clubs, restaurants) have begun to reposition Estepona upmarket, suggesting a strong medium-term investment trajectory. Overall, Estepona offers a blend of growth and yield that is enticing to both individual and institutional investors, firmly establishing it as an investment hotspot on the Costa del Sol.

Benahavís

Sales Volume & Price Trends:

Benahavís – a smaller, exclusive market – also enjoyed growth in early 2025. The municipality recorded over 200 property sales in Q1 2025, up 17% from 171 sales in Q1 2024.

This uptick was mainly driven by resales in luxury communities. Benahavís is famed for its high-end real estate (mansions in gated estates, golf resort villas, etc.), and prices here are among the highest in Andalusia. Although its price growth (around +8.4% in 2024) was a bit more modest than Marbella/Estepona, that's on top of an already lofty price base. Many properties in Benahavís are multi-million-euro estates – for example, the average luxury home value in the area is estimated around €2 million, with average prices exceeding €5,000 per m².

Some ultra-prime villa sales have even hit record figures (e.g. one recent sale surpassed €26 million). This shows that Benahavís remains an ultra-luxury enclave, and its market momentum in Q1 2025 further cements new price benchmarks for the area.

Buyer Demographics:

The buyer profile in Benahavís is predominantly foreign and high-net-worth. Given the scarcity of primary residences and the exclusive nature of developments like La Zagaleta, El Madroñal, and Los Flamingsos, most buyers are affluent international individuals seeking second homes or retirement villas. Northern Europeans (British, German, Dutch, Scandinavian) have traditionally been strong players in this market, drawn by the privacy and prestige. In recent years, there's greater diversity: Middle Eastern and North American buyers have started to invest in Benahavís trophy properties, and there's a noted presence of Eastern European and even Latin American investors at the top end. Still, Europeans account for the bulk of transactions – UK nationals and other EU buyers remain key. Unlike Marbella and Estepona, local Spanish demand is very limited here due to the high price point; the municipality's homes are mostly destined for foreign ownership or expats. The typical Benahavís buyer is looking for a secluded luxury retreat – privacy, security, golf, and panoramic views are big draws – and they often purchase with lifestyle in mind more than rental yield.

New Development vs. Resale:

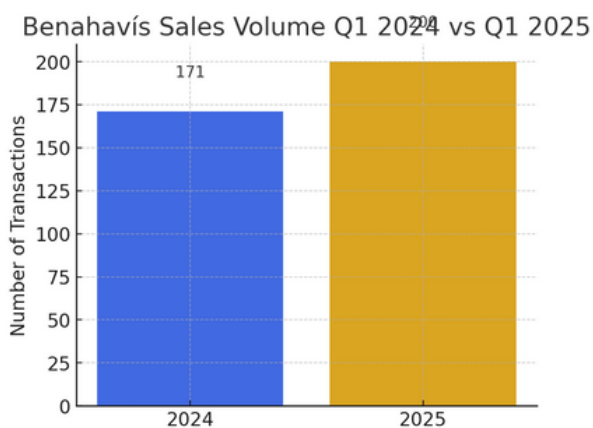
Benahavís saw a sharp decline in new-build sales (–76% YoY) in Q1 2025, as there were virtually no project completions in that period. This drop illustrates the cyclical nature of new developments in a small market: several projects were delivered in prior years, and early 2025 represented a lull before the next wave. Thus, resale transactions accounted for almost all sales in Q1 (resale homes were up +32.9% YoY)

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Buyers focused on existing properties – including contemporary villas built in the last decade and older homes ripe for refurbishment. Notably, some new developments are in the pipeline for Benahavís (e.g. projects in the Real de La Quinta area and boutique villa estates), but their completion dates are beyond Q1.

Once those finish, new-build sales will pick up again. It's important to remember that Benahavís' development is constrained by topography and planning – large-scale projects are few, and new construction tends to be low-density, high-end (often custom villas or small clusters rather than big condo complexes).

Therefore, the market ebbs and flows with the timing of those luxury projects. In Q1 2025, the market activity was essentially all resales, underscoring the value in the existing housing stock and possibly the temporary absence of new product until the next completions come on stream.



Supply Metrics:

Inventory in Benahavís is limited and exclusive. The municipality covers upscale residential zones in the hills, with planning rules that keep densities low. As a result, the pool of available homes at any time is relatively small.

That said, supply has been bolstered in recent years by a few new luxury apartment complexes and villa developments (e.g. in Los Flamingos or along the Ronda road). As of Q1 2025, active listings are quickly absorbed if they are in prime condition and well-priced – for

example, a modernized villa in La Quinta or Los Arqueros often finds a buyer in a short timeframe, given the scarcity of alternatives.

Time on market varies widely here: ultra-luxury estates can take longer to sell (it's not uncommon for €5M+ properties to spend over a year on the market awaiting the right buyer), whereas mid-range properties (for this area, around €800k–€1.5M townhouses or apartments) tend to sell faster due to broader demand. New supply pipeline:

A handful of high-end projects are under construction (including bespoke villa communities) which will gradually add to inventory. However, with developers cautious and focused on quality over quantity, no oversupply is looming. In fact, the bottleneck is land and permits – Benahavís' developable land is limited and often tied up in lengthy planning, keeping future supply expansion modest.

Benahavís remains a sellers' market in many segments, with limited inventory and continuous demand for its rarefied properties.

Rental and Investment Metrics:

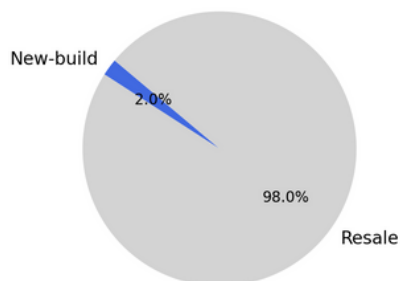
Benahavís is less about rental yield and more about capital preservation and lifestyle investment. Many owners here do not rent out their villas – they are used as private holiday residences. That said, there is a luxury rental market in Benahavís (especially in golf resorts and gated estates) catering to upscale clientele who may pay premium weekly rates.

Such short-term holiday rents can be lucrative in peak season, but overall gross yields are relatively low (often 3–4% range or lower) given the multi-million prices of many homes. Long-term rentals are a small niche (some golf area apartments are rented to locals or expats, but the volume is not high). Investors in Benahavís typically play a long game: they invest in exclusive real estate for capital appreciation, privacy, and as a hedge (these assets tend to hold value well).

One notable trend is investment in renovation of older luxury properties – investors will buy an older mansion at a discount and refurbish it to contemporary luxury standards, banking on significant value uplift given the prestige of addresses like La Zagaleta. Rental demand does exist for certain segments: for example, high-level

executives or athletes might rent a villa for several months, and luxury travel groups seek out marquee villas for short stays. But quantitatively, Benahavís is not a volume rental market. Key investment trends here include ultra-luxury brand developments (such as branded residences or five-star hotel-branded villas) which are on the rise, and continued interest from the global elite looking for secure, high-end enclaves. In essence, Benahavís real estate is viewed as a blue-chip asset – investors are less concerned with immediate yields and more with long-term value and exclusivity. The Q1 2025 performance – solid sales and rising prices amid low supply – confirms that this niche remains extremely resilient and attractive to its target segment.

Benahavís Q1 2025: New-build vs Resale Sales



Key Market Highlights – Q1 2025

- Total Sales: 2,339 properties sold across Marbella, Estepona & Benahavís – +24.7% YoY.
- Marbella: ~1,200 sales (+7.8% YoY); prices above €3,250/m² and climbing.
- Estepona: 935 sales (+59% YoY); new-build transactions up +161%, driving fastest growth.
- Benahavís: 200 sales (+17% YoY); resale activity surged while new-build completions paused.
- Golden Triangle Average Price: €4,260/m², up +12.1% YoY, well above Málaga (€2,869/m²) and Andalusia (€1,857/m²).
- Foreign Buyers: Record 34.8% of all purchases in Málaga province; majority from UK, Netherlands, Scandinavia, Belgium, and growing US/Middle East interest.
- Market Balance: ~90% of sales are resales; new supply concentrated in Estepona while Marbella & Benahavís face tighter inventory.
- Rental Yields: 4–6% gross typical for apartments; luxury villas yield less but deliver strong capital appreciation.
- Investment Outlook: Demand remains strong, supply constrained in prime zones; prices expected to continue rising mid-to-high single digits in 2025.

Sources:

Official data from the Spanish Land Registry and Notary records,
 Instituto Nacional de Estadística (INE),
 Registradores de España
 Idealista

Disclaimer

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