



MARESME

REAL ESTATE MARKET Q1 & Q2 2014



LUCAS FOX
INTERNATIONAL PROPERTIES

OVERVIEW

Lucas Fox has seen continued improvements in the market in the first two quarters of 2014. There is a great deal more confidence amongst buyers - in particular international buyers - as prices continue to stabilize, and this is reflected in the increasing number of transactions. The big change is that sellers' expectations are more realistic and that asking prices are coming down in line.

Lucas Fox has seen the number of enquiries for prime Maresme property almost triple in the first half of 2014 compared to the same period in 2013. This has not, however, translated into increased sales, with prime market trading at an equivalent level for each of the past three six month periods.

The majority of prime market international buyers are looking at Maresme as a second / holiday home location. Others are based or being relocated to Barcelona for work and looking for properties within easy commutable distance of the city. The average age of Maresme buyers is between 40 and 65 years.



MARESME REAL ESTATE MARKET: SUMMARY

"This year, we have seen increased demand and movement in the Maresme Coast area at the lower/mid-range of the market – from around €500,000 – €800,000. There also remains strong interest in the higher end of the market, from €2 million-plus, though the level of transactions at this end of the market remains slow," says Tom Maidment, Partner of Lucas Fox Maresme. *"The prime Maresme market, whilst attracting ever greater levels of interest from international buyers, is still seeing a limited number of transactions, suggesting that prices may have to drop further to stimulate an increase in sales volume."*

MARESME: THE BEST OF BOTH WORLDS

Over the past couple of years, the profile of the Maresme Coast as a primary and secondary residence destination has gained considerable attraction amongst international buyers keen to take advantage of the best of both worlds. Easy access to the world-class city of Barcelona, whilst being far enough away to enjoy a country/coastal lifestyle in stunning surroundings at a more tranquil pace.

The area's beaches, golf courses, quaint villages, natural parks and, above all, superb access to Barcelona city are making this an increasingly attractive area for Northern European buyers relocating to Catalonia and also for Eastern European clients looking for second homes within close proximity of Barcelona and its airport.

The Maresme Coast boasts three of the region's most exclusive residential estates: Supermaresme and Rocaferrera in Sant Andreu de Llavanes and Can Teixidó in Alella.

The wine growing town of Alella, just 15km north of Barcelona is also attracting particular interest from international buyers as it is home to the Maresme's leading international school, Hamelin.



THE AREA'S BEACHES, GOLF COURSES, QUAIN VILLAGES, NATURAL PARKS AND, ABOVE ALL, SUPERB ACCESS TO BARCELONA CITY ARE MAKING THIS AN INCREASINGLY ATTRACTIVE AREA

"THIS YEAR, WE HAVE SEEN INCREASED DEMAND AND MOVEMENT IN THE MARESME COAST AREA AT THE LOWER/MID-RANGE OF THE MARKET"



Tom Maidment

Partner, Lucas Fox Maresme



MARESME PRIME MARKET PROPERTY

The Maresme prime property market has remained fairly static over the past eighteen months, with similar levels of trading for comparable periods each half-year.

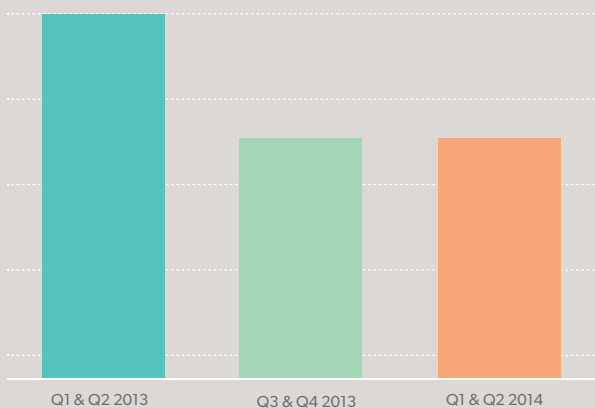
The majority of prime market buyers are investing in second (holiday) homes - some with the intention of eventually retiring to the area. The average age profile of Maresme Coast buyers is from 40 to mid-60s.

FOREIGN INVESTMENT

At Lucas Fox, clientele interested in buying in the Maresme area are predominantly foreign buyers.

"The number of enquiries generated by the Lucas Fox Maresme Coast office has almost tripled in the first two quarters of 2014 compared to the same period in 2013," says Tom Maidment, Partner of Lucas Fox Maresme. "Interestingly, the number of enquiries from local clients has also doubled during the same period year on year, now accounting for 30% of Lucas Fox's enquiries in the area. The number of Russian enquiries has dropped by 15% in comparison with the same period in 2013, primarily due to the crisis in Crimea, the political and economic instability in the region and the resulting devaluation of the Rouble against the Euro. Northern European buyers remain the area's most active clients, accounting for over 50% of our enquiries."

MARESME PRIME MARKET SALES VOLUME, Q1&2 2013 - Q1&2 2014/ Source: Lucas Fox sales data



The average age of Maresme buyers is between

40 and 65 years



344m²
Prime market properties average size



2177m²
Prime market properties average land plot

↓ 15%

Number of Russian enquires in comparison with Q1 & Q2 2013

↓ 20%

Devaluation of the Rouble against the Euro

30%

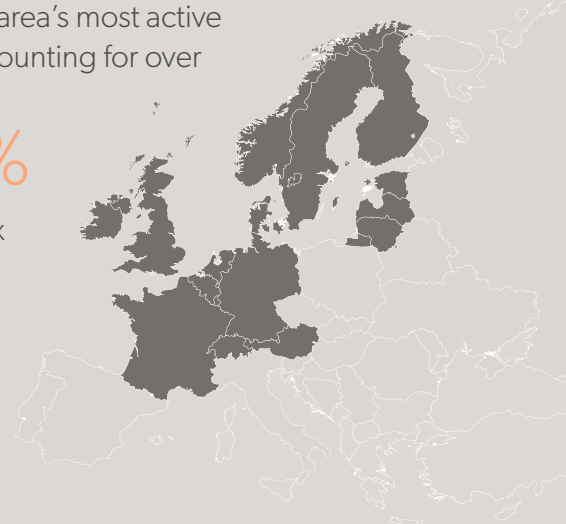
of Lucas Fox's enquiries in Maresme are from local clients

Northern European buyers

remain the area's most active clients, accounting for over

50%

of Lucas Fox enquiries





LUCAS FOX ANALYSIS AND PREDICTIONS

"Whilst there has been increased movement in the first two quarters of 2014, the market still remains comparatively slow in Maresme," Tom Maidment, Partner of Lucas Fox Maresme, explains. "Prices in the wealthy Maresme area have stood up slightly better to the economic crisis than second home areas such as the neighboring Costa Brava, principally because sellers haven't been under the same financial pressure to sell their primary residences.

The Maresme, whilst increasing in profile, is also still lesser known at an international level than, for example, the Costa Brava or Sitges - the coastal area immediately to the south of Barcelona city.

We haven't yet seen the effects of the "Golden Visa" on the Maresme Coast property market. This is due, in part, to the lack of supply of suitable new build property for residency investors at the €500,000 level.

Most buyers in Maresme are looking for detached villas with sea views and private swimming pools within close proximity of the nearest village, the coastal highway and beaches. Buyers

are increasingly attracted to properties in 'move-in' condition. Demand for properties requiring renovation has diminished - unless being offered at investment prices.

International families looking for international schools in Maresme tend to focus their property search on Alella (Hamelin School) and the nearby towns of El Masnou, Teià and Premià de Dalt.

Most buyers prefer to be within comfortable commuting distance of Barcelona city so the towns in the southern area of the Maresme remain highly sought-after, including Alella, Teià, Premià de Dalt and Cabrils. Some of the most high-end residential areas on Maresme are around the villages of Sant Andreu de Llavaneres and Sant Vicenç de Montalt, a little further north.

Although interest has increased amongst national buyers, the number of property purchases by Spaniards remains scarce and there is still relatively limited movement amongst international buyers compared to the Barcelona and Costa Brava market - particularly at the mid to high end of the market. Prices may have to drop further before we see greater fluidity in the Maresme market."



MORE INFORMATION:

If you are interested in knowing more about the property market in this region, please contact Lucas Fox on:

E: info@lucasfox.com

T: +34 933 562 989



Tom Maidment
Partner Lucas Fox Maresme

