

Annual Property Market Report Sales & Rentals 2024

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In-depth analysis of the property sales and rental market trends on the Costa del Sol

The Malaga and broader Costa del Sol property markets remain resilient and highly attractive to both domestic and international investors. In 2024, Malaga saw a 7% increase in home sales, with nearly 39% driven by foreign buyers. New builds are particularly strong, with a 56% surge in sales and a 9% overall rise in property prices. Despite a 17% dip in mortgage activity due to high interest rates, moderating Euribor levels offer hope for borrowing cost relief. Supply continues to expand, especially in West Costa del Sol, where demand remains robust.

Simultaneously, the rental market in Costa del Sol—led by Malaga and Marbella—has seen remarkable growth. Since 2020, rental prices in Malaga have jumped 55%, with average rents reaching €15.20/m² (and €16.40/m² in the historic centre). Long-term rentals yield up to 10% in certain areas, while holiday lets remain lucrative, although now under tighter regulations. The surge in demand for tourist properties, paired with a 56% national drop in rental supply, creates an ideal scenario for high occupancy and strong returns.

Infrastructure is a key asset: Malaga-Costa del Sol Airport hit a record 24.9 million passengers in 2024, which is up from 81.6% from 10 years ago, bringing an additional 11.2 million more passengers to the Costa del Sol. Supporting the region's tourism and rental demand. Marbella, with its elite lifestyle and growing international appeal, continues to command premium rental values and attract high-end investment.



Key Highlights: Sales, Prices & Rental Trends

Property Market

- Home sales rose 7% to nearly 38,000 & Foreign buyers accounted for 39% of purchases.
- Property prices rose 9%, with new builds leading.
- New build sales up 56%, driven by demand and housing starts.
- Mortgage activity dropped 17% due to high rates.
- Housing starts up 29% YoY and 4x in a decade.
- Euribor averaged 3.27%, down from its 2023 peak, signaling early signs of relief for borrowers.

Rental Market

- Rental yields in Malaga: 7.8% avg, up to 10% in select areas.
- Long-term rental availability in Spain down 56% since 2020.
- Rent prices in Malaga have surged by 55% since 2020, reaching an average of €15.20 per square metre, and climbing to €16.40 in the historic centre.
- Malaga Airport: 24.9M passengers in 2024 (+11.5% YoY); 156 destinations.
- Holiday rental returns: ~10% annually; Malaga rated A+.
- Marbella named Europe's No.1 Golf Destination; strong luxury appeal. Benalmadena voted best place to live.
- Tourist rental restrictions: new licenses limited in 43 districts.
- Marbella tourist license down 8.5% YoY, tightening supply.



Property Sales Market Report

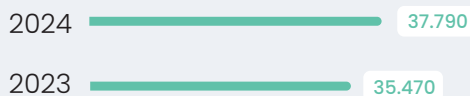
The Malaga & Costa del Sol housing market in 2024 presented a picture of upbeat stability, underpinned by steady sales, rising prices, and an increasing supply of new developments. However, activity in the mortgage market contracted, reflecting broader macroeconomic factors such as higher interest rates and tighter monetary policy. The following report explores the key market segments and trends.

Sales Performance

Home sales in Malaga province (home to the west Costa del Sol) totalled 37.790 in 2024, representing a reasonable year-on-year increase of 7%. This represented a 15% increase over the ten-year average and an overall increase of 46% over the last decade, highlighting sustained long-term growth in the market. It was the second-best year on record for home sales.

7%

Year-On-Year Growth
in Number of Transactions



Foreign Buyers

Foreign demand continues to be a crucial driver of housing demand in Malaga. There were 14.475 sales involving international buyers in 2024, up 5% from the previous year. This segment outperformed the ten-year average by 19% and has increased by 32% over the last ten years, reinforcing the province's position as a leading destination for overseas purchases.

Foreign Residents

-3%

3.963

Foreign Non-Residents

+8%

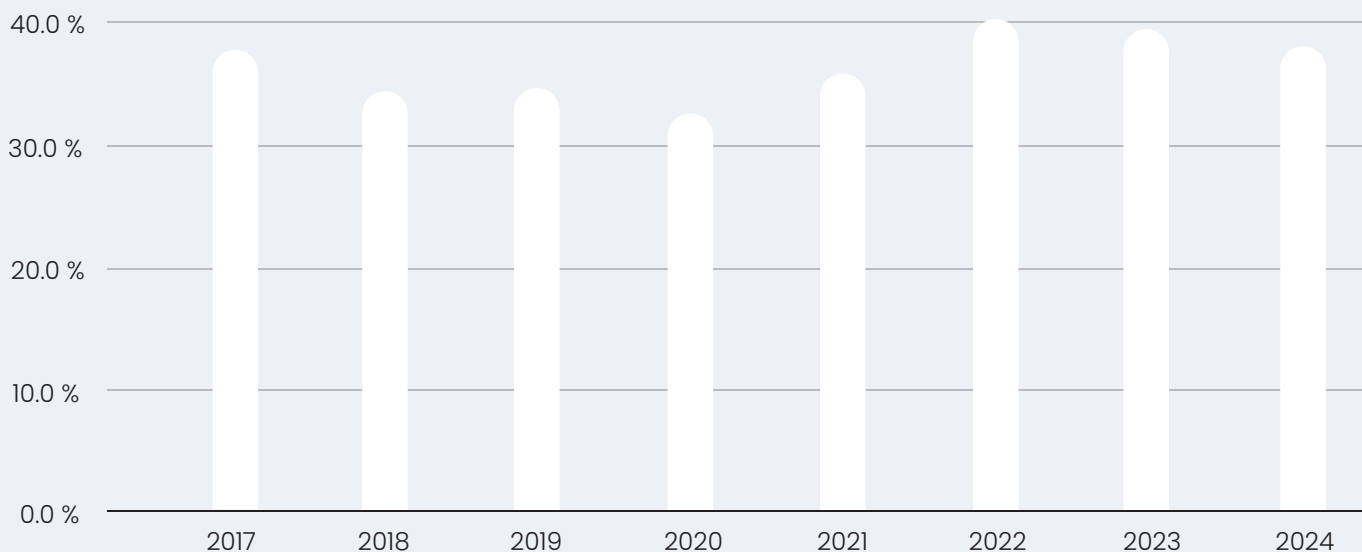
10.512

Total Foreign Sales

+5%

14.475

Despite a minor decline in overall market share, foreign buyers still accounted for 39% of all transactions, slightly down from 40% a year ago. This indicates a relative increase in purchases by domestic buyers or a slowing pace of growth among foreign investors. The Malaga province foreign market-share is one of the highest in Spain.



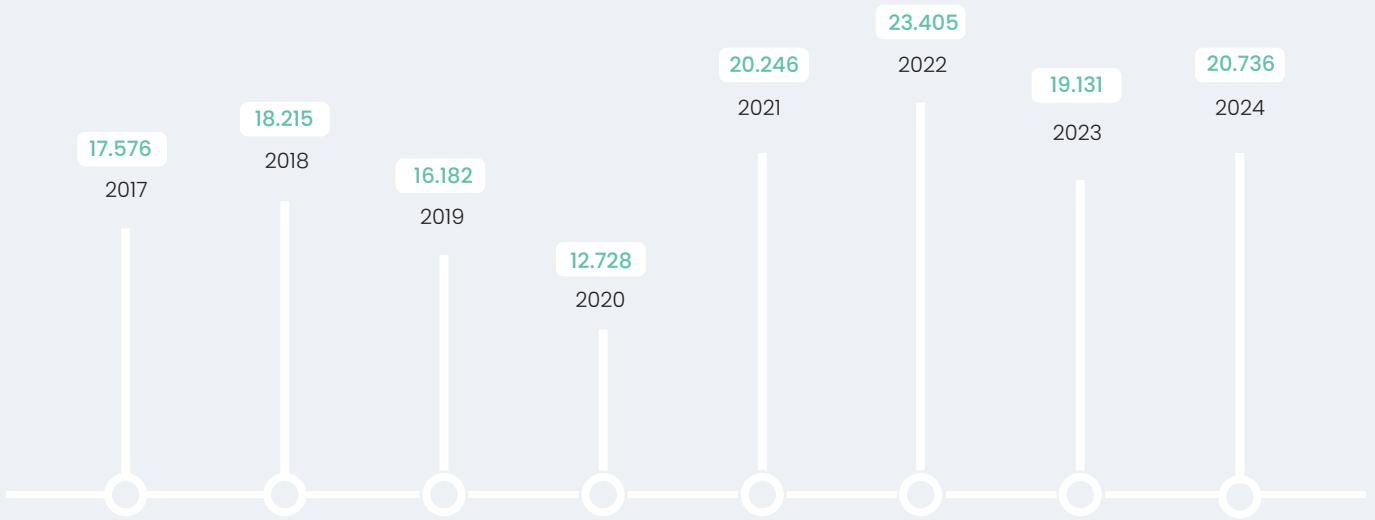
New build homes

Newly-built home sales saw robust performance with 5,360 units sold in 2024—an impressive year-on-year growth of 56%, and the second-highest sales figures seen in this segment for over a decade. Compared to the ten-year average, new build sales rose by 116%, indicating a major surge in demand for modern housing stock in Malaga province, home to the Costa del Sol.



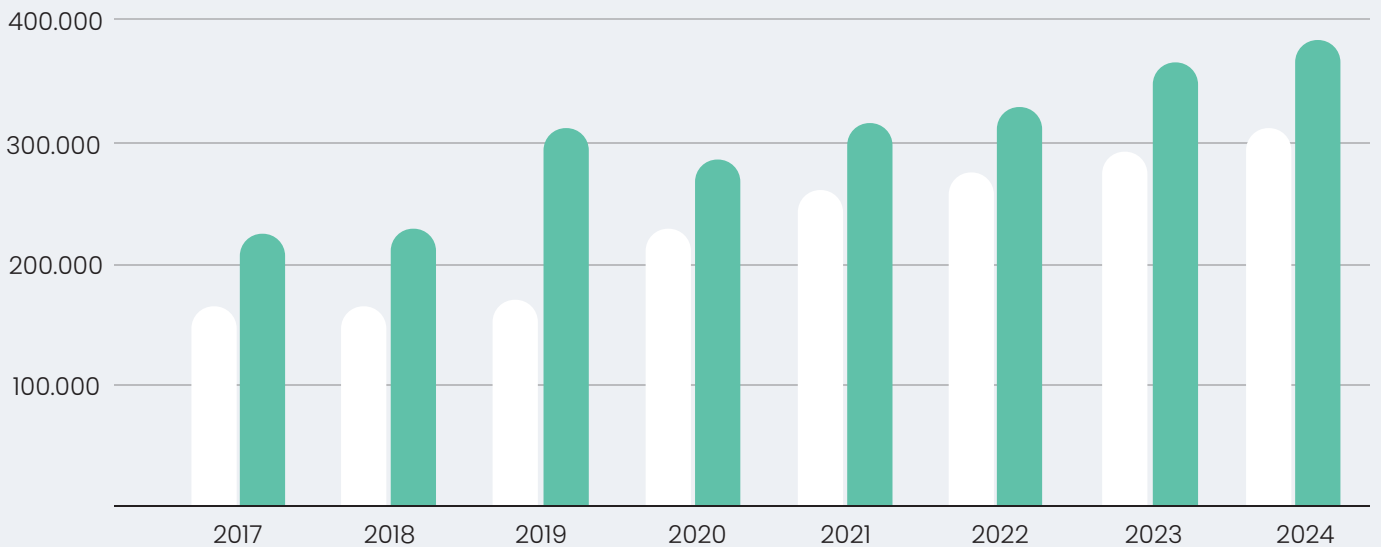
Costa del Sol West Home Sales

Looking just at home sales in the municipalities of the western Costa del Sol, there were 20,736 sales—an 8% increase compared to the previous year and a 35% rise over a decade. It was the second-best year on record and 15% higher than the ten-year average, which is a good benchmark for judging the year's performance.



House Price Trends

Home prices in Malaga province continued to increase in 2024. The average price of all homes sold reached 315,274, up 9% from the previous year. Newly built homes averaged 378,604, marking a smaller annual gain of 3%.



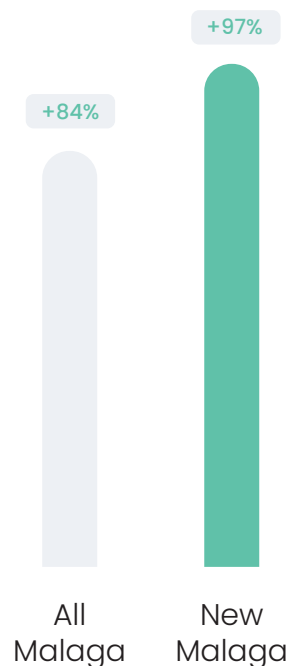
Taking a longer view, price growth has been strong across both property types but significantly higher for new builds. The ten-year price index rose from 100 to 184 for all property types and to 197 for newly built dwellings

- All property prices have nearly doubled over the last decade (up 84%).
- New build prices have increased by 97% over the same period.

Interestingly, over the last five years, price increases have been more pronounced in the resale segment than in the new build sector. Resale prices rose by 84% compared to just 22% for new properties. This shift may be due to the high base price of new builds in recent years or a narrowing value gap, with buyers increasingly willing to pay premium prices for well-located resales.

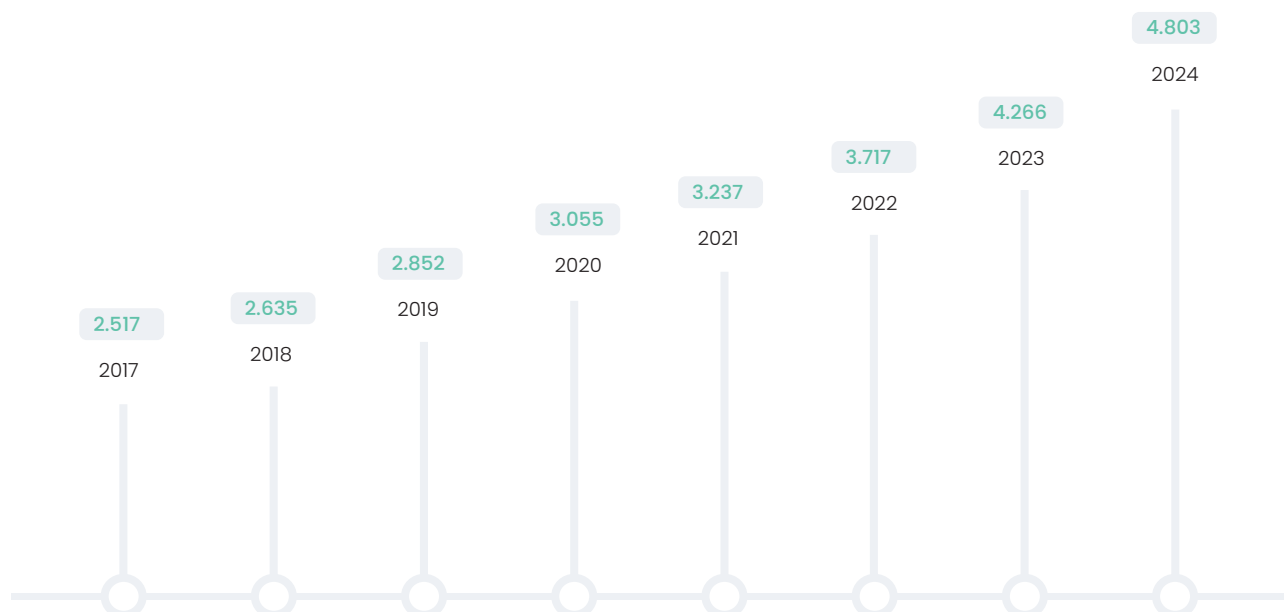
Growth from 2015 to 2024

Index: 2015 = 100



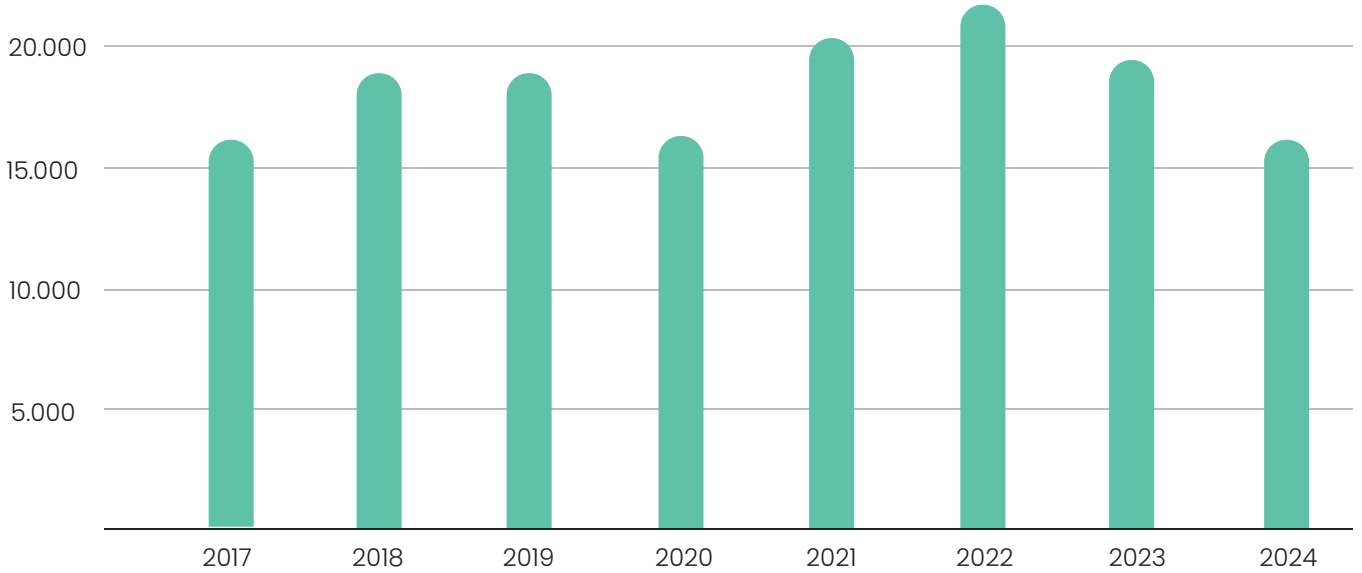
Marbella Case Study

According to figures from the Spanish property portal Idealista, the average asking price of property for sale in Marbella during the first half of 2024 was €4,803 per square metre, representing an annual increase of 13%. Over the past five years, asking prices have risen by 68%, highlighting strong and sustained demand in the area.

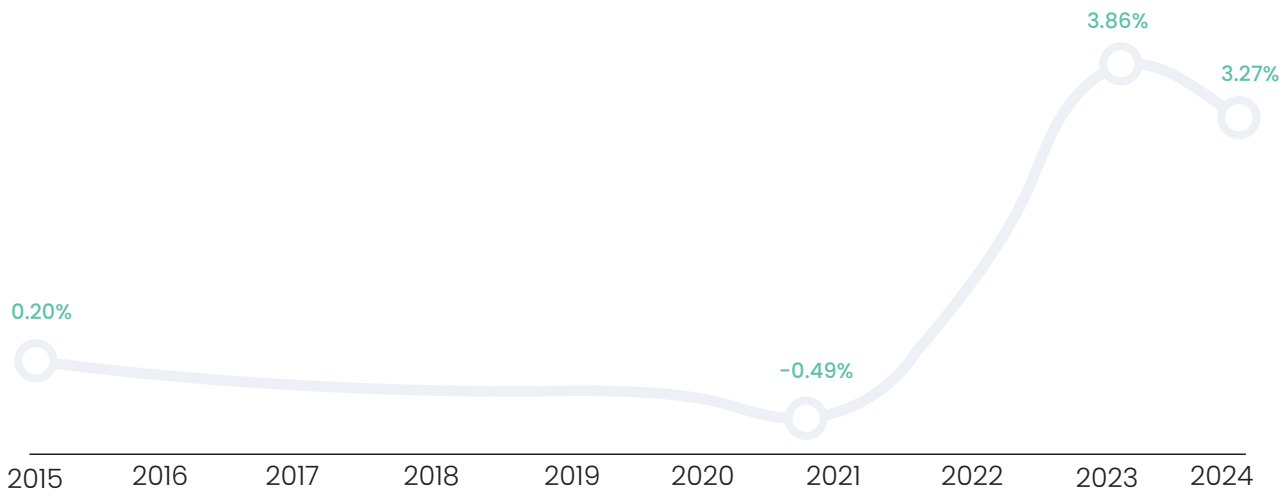


Mortgage Market

Mortgage activity in Malaga province softened in 2024 in response to higher borrowing costs and tighter monetary conditions. A total of 16,333 new mortgages were signed in the region, down 17% compared to the previous year. Against the ten-year average, mortgages were down by 7%, while the long-run trend remains positive with a 34% increase in the last decade.



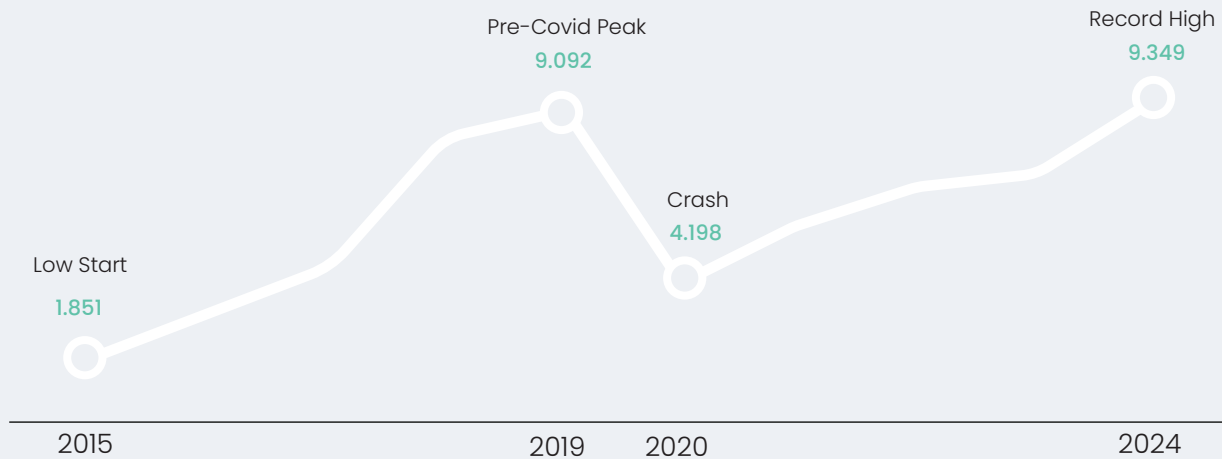
A key driver of the slowdown was the higher Euribor rate, which averaged 3.27% for the year. Although this is slightly lower than the 2023 peak of 3.86%, it still represents a sharp increase from the negative rates seen in 2021 (as low as -0.49%).



The European Central Bank (ECB) began tightening monetary policy in 2022 in response to inflation pressures. With inflation now easing, financial markets expect the ECB to ease rates modestly in the near future, though borrowing costs are likely to remain elevated by historical standards through 2025.

Housing Starts

Reflecting developer confidence and robust demand in the new build segment, planning approvals for new housing starts reached 9,349 in 2024. This is a significant 29% increase over the previous year and 55% above the ten-year average. Over the past decade, approvals have surged fourfold, demonstrating a major rebound in construction activity from post-crisis lows.



This growth aligns with rising demand for modern accommodation, including buyers prioritising energy efficiency, community amenities, and prime locations often found in new developments.

Rental Market

Report

As one of the most desirable destinations in Europe, Spain, and particularly the Costa del Sol, continues to capture the attention of international investors, digital nomads, and second-home buyers. With a combination of Mediterranean charm, modern infrastructure, and strong tourism demand, the region remains a top-tier location for those looking to invest in rental property, whether for short- or long-term.

Why Spain, Why Now?

Spain has been ranked the 2nd best country to visit in Europe in 2025 by European Best Destinations, thanks to its rich culture, iconic landmarks, and idyllic coastlines from the beaches of Formentera to the mountain trails of Málaga's Caminito del Rey. Additionally, Spain ranks third in the top 10 of the Travel and Tourism Development Index, reflecting its strength in infrastructure, safety, sustainability, and cultural heritage. This makes it not only an attractive place to live or visit, but also a great place to invest.

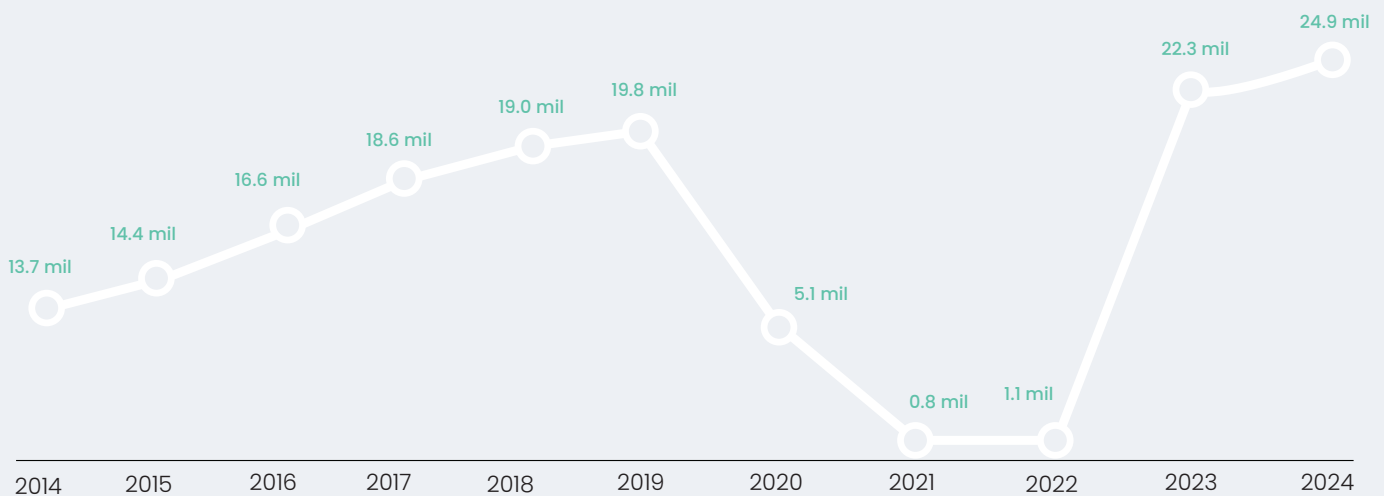
Malaga: Southern Spain's Rising Star

Málaga has long been loved for its beaches and sunny lifestyle, but today, it's also one of Spain's most dynamic property investment destinations. With a fast-growing tech industry, upgraded infrastructure, and a mild climate all year round, the city offers strong potential whether you're considering short-term holiday lets or long-term rentals.

As of November 2024, Málaga province had 41,039 registered tourist properties, a notable rise from 34,567 in 2020. Rental income in Málaga remains among the highest in Spain. According to Tinsa's Q4 2024 report, long-term rentals offer an average annual return of 7.8% over five years, reaching up to 9–10% in certain areas. Rental demand continues to grow, driving prices up by 55% since 2020. As of March 2025, average rent stands at €15.20/m², with the historic centre commanding even higher rates at €16.40/m².

Malaga Airport: A Gateway Driving Growth

In 2024, the airport reached a historic milestone with 24.9 million passengers, the highest figure in its 105-year history. That's a growth of 11.5% over the previous year, reflecting the region's soaring appeal to both international tourists and second-home owners. With its current infrastructure built for a maximum of 30 million passengers and 5 million added in just the last five years, Málaga is fast approaching full capacity, doing so far ahead of national forecasts.



Málaga is now the 3rd busiest airport in Spain, only outperformed by Madrid and Barcelona, handling 85% of all international air traffic into Andalucía. Its role in connecting Costa del Sol to the rest of the world cannot be overstated. Over a 10 year period Malaga Airport passenger arrivals have increased by 81.6%, bringing an additional 11.2 million more passengers to Costa del Sol.

Marbella: A Lifestyle and Investment Powerhouse

With its glamorous reputation, world-class golf courses, designer shopping, fine dining, and beachside living, Marbella remains a magnet for luxury tourism and high-end real estate investment. In 2025, Marbella was named Europe's No. 1 Golf Destination, adding yet another draw for both lifestyle buyers

and seasonal visitors. The town’s unique microclimate offers more than 320 days of sunshine a year, making it ideal for outdoor living and al fresco dining.

Holiday Rental Trends: Marbella & Malaga

Holiday Rentals continue to be a strong investment option in both Málaga and Marbella. Despite a decrease in the number of licensed holiday homes—down 8.5% in Marbella between August and November 2024, reflecting a broader 7.2% national decline—Málaga still stands out as one of the top-performing markets in Spain. According to Idealista, Málaga boasts average gross returns of 10% or more annually and has earned an A+ rating for vacation rentals based on high demand, strong revenue growth, and solid occupancy levels.

Tourist Homes by Area: Where are the Rentals?	Tourist Homes	% of Total Housing Stock	
Understanding where tourist rental properties are most concentrated helps guide smarter investment decisions—whether you’re buying to let or already renting out your holiday home. Here’s a snapshot of the number of registered tourist homes across key municipalities on the Costa del Sol, based on data from November 2024. These figures reflect both demand and regulation trends, helping you identify saturated areas versus those with room for growth.	Malaga City	7,496	2.86%
	Marbella	6,881	6.86%
	Mijas	4,146	6.68%
	Estepona	3,318	6.82%
	Benalmadena	2,980	5.92%
	Torremolinos	2,578	5.27%
	Fuengirola	2,382	5.55%
	Manilva	1,097	6.10%
	Benahavis	820	8.60%

What does this mean for you?

Málaga City leads with the highest number of tourist homes, but its relatively low saturation rate (2.86%) suggests ongoing opportunities, especially for well-located and well-managed properties. Marbella, Mijas, and Benalmádena remain key markets, combining high tourist volume with established infrastructure. Benahavís stands out with the highest concentration relative to housing stock (8.60%), signalling a mature market in high demand. As Costa del Sol municipalities review their licensing frameworks, knowing these figures helps investors stay one step ahead.

Costa del Sol: Long-Term Outlook

The Costa del Sol remains one of Europe’s top regions for property investment, particularly for rental income. With year-round sunshine, a booming tourism sector, and a growing expat community, it offers both lifestyle benefits and strong returns. Since 2020, long-term rental availability in Spain has dropped by 56%, while average rents have increased by 30%. Málaga alone has seen a 55% rise in rental prices, with other hotspots like Marbella following suit. This supply shortage, combined with rising demand, creates ideal conditions for landlords. What truly sets the region apart is the lifestyle: excellent infrastructure, international schools, top-tier healthcare, and rich cultural life all contributing to high occupancy rates and long-term capital growth.

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