

# Madrid and Barcelona overtaken by Lisbon as the most expensive capital city in southern Europe

**Madrid, 04 October 2022:** CASAFARI, the largest European real estate data platform, presented today the conclusions of the Residential Market Report, covering the months of June to August 2022, highlighting August compared to the same period in 2021 of five European cities: Madrid, Barcelona, Lisbon, Paris and Milan.

The categories analysed were average price per m<sup>2</sup> for sale and rent, as well as supply and demand in the property listings to which CASAFARI has access, from which conclusions are drawn such as the evolution of transactions in the residential market.

Sales prices, in these five cities, increased by 2.6% on average, between August 2021 and 2022, with **Lisbon overtaking Milan, Madrid and Barcelona as the most expensive capital in southern Europe to buy a home, in August 2022.**

**Lisbon and Madrid have the highest price growth, with increases of 5.4% and 5.0%, respectively.** In Barcelona, prices were stable with a slight increase of 0.9% and in Paris they fell by 0.6%.

In this period, the growth in rental prices outpaced the increase in selling prices in the cities observed. Rents increased by an average of 13.1% in 2022 compared to the same period last year. **Lisbon leads the group with a positive variation of 23.2% in the annual growth of rents.**

The decrease in the supply of properties for rent was consistent across all the cities analysed, where the number of listings decreased, on average, by 32%. **Lisbon was the capital city that felt the reduction in property listing supply the most with a decrease of 52.3%. Milan and Barcelona fell by 37.2% and 31.6%, respectively. Madrid had a moderate decrease of 16.3%.**

In terms of rental yields, the report also identifies that investment varies between **5.3% in Madrid, 5.6% in Barcelona**, 4.7% in Lisbon, 3.8% in Paris, and 5.0% in Milan.

For Juan Ruiz, Senior Transaction Specialist at CASAFARI: "Considering the increase in rents and the potential destabilisation of sale prices, it seems to be a great time for investors in this asset class, which is seen as a safe and very attractive investment in these turbulent times".