



NOLL

SOTOGRADE

|||| **REAL ESTATE**

Sotogrande

SEMESTRAL

REPORT 2024

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Prepared By :

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Home 6.700.000 € - Ref. NP1799

Note from Charles

I am delighted to present this comprehensive report on the real estate market and broader economic landscape of Sotogrande. As the owner of our esteemed real estate agency, I have witnessed firsthand the dynamic growth and unique appeal of this exceptional region.

This report aims to provide valuable insights into the current market trends, rental landscape, new developments, local businesses, security environment, and the exciting events that are shaping Sotogrande's vibrant summer season.

ABOUT CHARLES GUBBINS

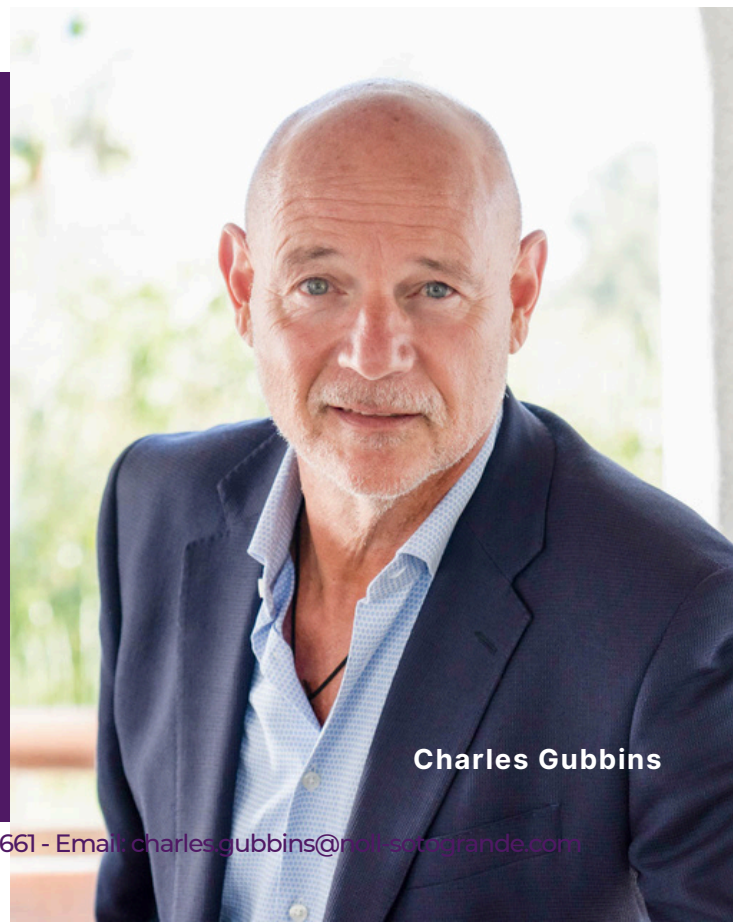
For over a decade Charles has been considered one of the most trusted Real Estate agents in Sotogrande on the Costa del Sol in southern Spain.

He is co-owner of Noll Sotogrande Real Estate, a property firm that offers distinctive services for discerning clients.

Our portfolio offered by Noll Sotogrande features some of the most distinctive luxury properties in Sotogrande; from luxury villas for sale in the Kings and Queens and La Reserva de Sotogrande, to apartments in the Sotogrande Port and marina, as well as building plots all over the Sotogrande residential Estate.

As buying a home is one of the biggest decisions you will ever make in your lifetime, and real estate investment anywhere in the world is complex, you will need the assistance of a local estate agent that dominates in the Sotogrande area.

If you are looking to invest in real estate, purchase a villa, penthouse, apartment, townhouse in Sotogrande please do connect with me, as it will be my pleasure to assist.



Charles Gubbins

Real Estate Market

The real estate market in Sotogrande is experiencing robust growth, driven by several compelling factors. The resort's appeal lies in its spacious, low-density environment, offering a tranquil and exclusive lifestyle that is increasingly attractive compared to the more crowded and expensive Marbella.

Additionally, Sotogrande benefits from the presence of the prestigious Sotogrande International School (SIS), drawing families seeking quality education.

The market has also seen a surge in interest from wealthy Eastern Europeans, particularly those wary of the escalating Russia-Ukraine war, who view Sotogrande as a safe haven offering both investment potential and abundant sunshine.

“The availability of low interest rates has made property investments more accessible, enhancing the area's allure as a prime real estate destination.”



Home 6.700.000 € - Ref. NP1799

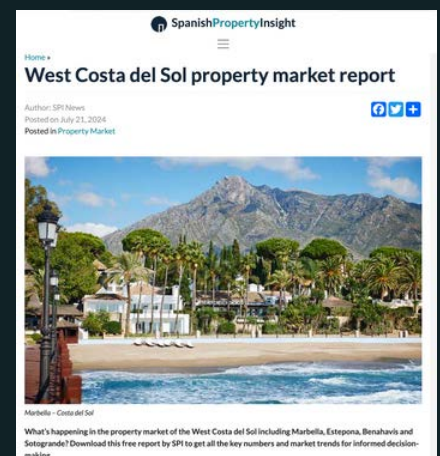
Sales Update

The real estate market on the Costa del Sol has experienced a notable shift since 2019. According to a recent report from Spanish Property Insight, there was significant growth in the property market up until last year (2023), when the pace started to slow down. The demand has diversified, with increased interest from a variety of nationalities, though British buyers still represent a significant portion of the market despite a slight decline in their dominance post-Brexit (*Spanish Property Insight*).

In Sotogrande, property prices have surged over the past five years, driven by economic stability, international appeal, and continuous infrastructural developments. Luxury villas that averaged around €3 million in 2018 are now frequently listed between €4 million and €8 million and even more. Similarly, apartment prices have risen from approximately €400,000 to over €800,000, and townhouses from €700,000 to over €950,000 (*Spanish Property Insight*).

This increase in property prices in Sotogrande can be attributed to several factors:

- **Economic Growth:** Spain's economic recovery post Covid, has bolstered domestic buyer confidence.
- **International Demand:** Sotogrande's reputation as a secure, luxurious destination has attracted buyers from Europe, the Middle East, and the US.
- **Infrastructure Developments:** New amenities and improved facilities have added significant value. Sotogrande SA continue to develop La Reserva, and the So Hotel is meeting expectations.
- **Brexit and Currency Fluctuations:** Favorable exchange rates have made investments more attractive for non-Eurozone buyers (*Spanish Property Insight*)



SOURCE


Despite the recent slowdown in the market, Sotogrande's blend of luxury living and strategic location suggests that its property market will continue to see growth, albeit at a potentially more moderated pace. This makes it an appealing option for investors seeking a unique combination of exclusivity and growth potential.

Rental Market Situation

Holiday rental properties in Sotogrande are experiencing unprecedented demand, signalling a highly promising summer season for the resort. Both luxurious large villas and smaller, more affordable apartments have seen significant early reservations, leaving few properties available.

This surge in interest has driven prices higher, now at an average €11,6 per m² *1.

However still well below Marbella golden mile which is at €18,7/m²*2, as the supply of rental properties struggles to keep pace with the burgeoning demand.



Luxury Villa by the Beach in Sotogrande Costa for rent

Stunning luxury villa with a contemporary touch available for long and short term rentals except for the month of August. The property is located in one of the best locations in Sotogrande...

10.000 €/Month Reference NPR6518

Beds	Baths	Plot	Built
8	8	2.800 m ²	690 m ²

[More info](#)

“The scarcity of available rentals, coupled with their high desirability, underscores Sotogrande's growing popularity as a premier vacation destination, poised for a thriving summer tourism season.”



Traditional Villa with modern interior for rent in Sotogrande Alto

Discover an enchanting villa bathed in the warm glow of the southern sun, now available for rent. Boasting four bedrooms and four bathrooms, alongside generous living spaces including...

6.000 €/Month Reference NPR1845

Beds	Baths	Plot	Built
4	4	1.040 m ²	356 m ²

[More info](#)

New developments and building in and around Sotogrande.

THE REAL ESTATE INDUSTRY HAS SEVERAL FACTORS THAT DRIVE NEW BUILDING PROJECTS, WHILE OTHER FACTORS MAY ACT AS BARRIERS TO GROWTH. IN SOTOGRANDE AND ITS ENVIRONS, WHERE NEW BUILDS ARE APPEARING ON WHAT SEEMS A REGULAR BASIS THE DYNAMICS ARE SLIGHTLY DIFFERENT WHERE NEW BUILDS ARE TARGETED TO THOSE LOOKING FOR A SECOND HOME UNLIKE BIG CITIES WHERE THE END USER SEES THE PROPERTY AS THEIR FIRST RESIDENCE.

Factors driving new builds in urban areas are typically **population growth**, where a growing population creates demand for new housing and commercial properties to accommodate the needs of expanding communities; new **urbanisations**, where the trend of people moving from rural areas to urban centers fuels the need for new residential and commercial developments in cities; **strong economic conditions** including job growth and rising incomes, stimulate demand for **new commercial spaces**, such as offices, retail stores, and industrial facilities; **low Interest rates**, making borrowing for real estate development more attractive and affordable; and **technological advancements** where innovations in construction techniques, materials, and smart building technologies drive efficiency and may lower costs, encouraging new building projects.

Sotogrande though is a residential resort, principally made up of second homes and where the factors driving growth in the new build sector are different to cities.

These include: Tourism, high demand for holiday destinations and second homes from domestic and international tourists; **desirable locations** with low density (Post Covid), such as coastal regions, mountain retreats, or picturesque countryside settings, such as Sotogrande that attract developers seeking to invest; **the desire for luxury amenities and lifestyle experiences**, such as golf courses, spas, marinas, and exclusive clubs, motivates developers to create upscale holiday developments to cater to discerning clientele; **favorable investment opportunities** in the holiday property market, including potential for capital appreciation, rental income, and tax benefits, incentivize developers to build second home developments; **infrastructure development**, including transportation networks, and airports, enhancing accessibility and connectivity; and changing lifestyles and preferences, such as a desire for work-life balance, remote work opportunities, and wellness-focused retreats, drive demand for second homes as holiday escapes or investment properties

Cont. New developments and building in and around Sotogrande.

Many of these factors seem to be applicable to the Sotogrande area and the result are a significant number of new developments.

In Alcaidesa, several exciting new developments are underway. Serenity has launched its third phase, offering apartments with three bedrooms starting at 509,000€ and four-bedroom options from 785,000€. Alcaidesa Homes is currently in its first phase, with three-bedroom units starting at 338,000€ and two-bedroom units from 324,000€, expected to be ready by Q3 2026.

San Roque is also seeing significant growth with the introduction of Adel, 32 townhouses, all featuring four bedrooms, with prices starting at 539,000€. These townhouses are scheduled for delivery by Q4 2026. Additionally, Emerald Greens has in total 80 apartments across 10 blocks, currently building phases 2.2 and 3, from which prices start at 375,000€ for two-bedroom apartments and 445,000€ for three-bedroom units, with delivery anticipated by Q4 2025.

In Sotogrande, Village Verde has entered its second phase, offering two-bedroom apartments from 850,000€ and three-bedroom units from 1,150,000€. La Finca has only one unit remaining, a three-bedroom townhouse priced at 595,000€. Los Albares features a total of 49 townhouses and villas, with prices starting at 920,000€. Sphere offers three-bedroom apartments starting at 1,109,000€, expected to be completed by Q1 2026.

Looking ahead, more developments are on the horizon, including El Pueblito in Torreguadiaro by Acciona and a potential project, El Encinar, by Metrovacesa. These upcoming projects promise to further enhance the appeal and luxury of the Sotogrande area.



Sphere 1.757.000 € Reference NP1647

Restaurants and local business situation

The restaurant scene in Sotogrande has seen a notable improvement, offering an array of dining options to residents and visitors alike. With 16 restaurants in the neighbouring Torreguadiaro, 13 in the port area, and 9 along the marina, there's a diverse selection of cuisines and atmospheres to explore.

Additionally, the So Sotogrande Hotel boasts three dining establishments, adding to the culinary diversity of the area. Moreover, the golf clubs and beach restaurants, known as Chiringuitos, contribute to the vibrant dining landscape, with a total of seven beachfront establishments offering fresh seafood and Mediterranean delights.

This abundance of dining choices reflects the growing appeal of Sotogrande as a destination for food enthusiasts, enhancing the overall experience for residents and visitors alike.



Sotogrande Security

Sotogrande continues to enjoy an exceptional secure environment, with minimal reported incidents of break-ins or criminal activity, countable on one hand. The presence of surveillance cameras throughout the urbanization, and visible patrols further enhances security measures, providing residents and visitors with peace of mind.



Moreover, the resort's low-key, family-oriented atmosphere acts as a natural deterrent to thieves and violent incidents.



Unlike some bustling tourist destinations, Sotogrande's tranquil ambiance and focus on quality of life discourage antisocial behaviour, fostering a safe and welcoming community for all who reside or visit.

General summer news update

This summer promises to be nothing short of spectacular in Sotogrande, with a line-up of prestigious sporting events set to captivate audiences worldwide.

The excitement kicks off with the LIV golf tournament hosted at Valderrama in July, bringing top golfers such as major winners Jon Rahm, Sergio Garcia, Bryson DeChambeau, Phil Mickelson, Martin Kaymer, Dustin Johnson, Brooks Koepka, to the renowned course for thrilling competition.

Following closely after in August, the high-goal Polo season, organized by the Ayala Polo group, returns to showcase the sport's elegance and skill against the backdrop of Sotogrande's landscape.

And as the season unfolds, anticipation builds for the Estrella Damm European Tour golf event at the Real Club Golf Sotogrande in October, promising world-class golfing action and showcasing the region's premier golfing facilities to a global audience.

With these prestigious events highlighting Sotogrande's allure, this summer is poised to be a showcase of the resort's finest offerings on the international stage.



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Why Sotogrande is Turning into a Seller's Market

OVER THE PAST COUPLE OF YEARS SOTOGRANDE HAS EXPERIENCED A NOTABLE SHIFT TOWARD A SELLER'S MARKET. THIS TRANSITION IS CHARACTERIZED BY INCREASED DEMAND AND LIMITED SUPPLY, RESULTING IN FASTER SALES AND OFTEN HIGHER PROPERTY PRICES. HERE ARE SEVERAL KEY REASONS DRIVING THIS CHANGE:

INCREASED DEMAND

Economic Growth: The steady Spanish economy has significantly boosted confidence enabling and encouraging more individuals to invest in second home property. The positive economic climate has spurred greater interest in real estate, contributing to heightened demand.

Desirability: Sotogrande's popularity is rising due to continuous improvements in local amenities and infrastructure. Its growing reputation as a prime location for year round living and investing attracts more buyers.

The popularity of Sotogrande is further enhanced by its excellent security, prestigious international school, and low-density living environment, making it particularly appealing post-COVID, and to long term residents of Marbella who now find that city crowded, and dangerous in comparison to what it used to be 30 years ago.

Foreign Investment: There's been a notable influx of foreign buyers drawn to

Sotogrande's secure environment and investment opportunities. This surge is fueled by international interest from regions experiencing political or economic instability, such as Eastern Europe, the Middle East, and the USA. The ongoing conflict in Ukraine, unrest in Gaza, and political tensions in the US have prompted many to seek safer, more stable environments like Sotogrande.

LIMITED SUPPLY

Low Inventory: Despite ongoing construction, it will be some time before new homes are completed. Meanwhile, fewer existing homes are being listed for sale, leading to a diminished supply. Given Sotogrande's geographic limitations, the growing interest from potential buyers is driving prices up.

MARKET SENTIMENT

Positive Outlook: Buyers' expectations of rising property values are encouraging them to purchase now rather than later. This anticipation of future gains fuels current demand, contributing to the seller's market dynamic.

Cont. Why Sotogrande is Turning into a Seller's Market

Investment Potential: The perception of Sotogrande as a sound investment destination due to its escalating property values attracts more buyers. Investors see Sotogrande's real estate as a lucrative opportunity, further intensifying market competition.

INTEREST RATES

Low Mortgage Rates: The competitive interest rates offered by Spanish banks make mortgages more affordable, encouraging more people to borrow and buy properties. This increased borrowing capacity amplifies demand.

LOCAL FACTORS

Quality of Life: Enhancements in local quality of life, such as schools, good security measures, and a wide array of amenities, draw more buyers to the area. Sotogrande's effective marketing as a luxury destination with unique lifestyle benefits—like its golf courses, polo fields, and marinas—adds to its attractiveness.

Lifestyle Appeal: The promotion of Sotogrande as a premier luxury destination with an exceptional lifestyle attracts a high number of affluent buyers, driving up demand.

External Factors

Political Stability: The relative stability in Europe, contrasted with instability elsewhere, makes Sotogrande a preferred destination for international buyers seeking safety and stability.

This is particularly true for buyers from regions like Eastern Europe and the Middle East, who view la Costa del Sol generally as the California of Europe, and Sotogrande as a refuge from geopolitical turmoil.

Telecommuting Trends: The rise of remote work enables more people to relocate to desirable areas like Sotogrande. This trend has broadened the market, as professionals no longer need to live close to their workplaces and can choose locations that offer a higher quality of life.

Understanding these dynamics is crucial for buyers, sellers, and real estate professionals navigating the shifting market in Sotogrande. Sellers benefit from increased buyer competition, potentially securing higher prices and quicker sales.

Conversely, buyers need to act swiftly and be prepared for competitive bidding situations.

The evolving market conditions in Sotogrande underscore the need for strategic planning and timely action in real estate transactions.

Appoint your personal buying or selling agent



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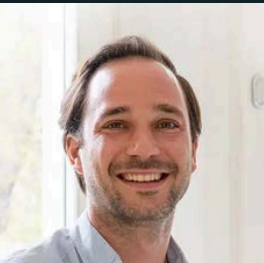
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We deliver the dream of home-ownership in Sotogrande!

If you consider Sotogrande as a location for your principal or secondary residence you will be struck by how it can provide you with a great home and an active and happy lifestyle.

Working for you is what we do best! We do so as a team utilising our shared strengths of languages, senior business experience in other industry sectors, as well experience of living in many different countries as expatriates.

- 1. Responsiveness**
- 2. Communication**
- 3. Specialty/expertise**
- 4. Knowledge of industry trends at large**
- 5. Excellent reputation**

APPOINT NOLL SOTOGRANDE AS YOUR PERSONAL AGENCY.

Noll Sotogrande Real Estate

Over the past twenty years, Noll Sotogrande Real Estate has earned a very good reputation for selling Sotogrande properties and benefits from many referrals from agents along the Costa del Sol.

It is particularly important to us to understand your requirements for a property and thus to present you in an efficient way the properties that really interest you.



4.950.000 € - Ref. NP1736

Contact Noll Sotogrande

Should you be looking to buy or sell your property in Sotogrande, be it a villa, penthouse, apartment, townhouse or country property in Sotogrande or inland, please contact us

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