



PORTA DA FRENTE | CHRISTIE'S

REALTY PREMIUM MARKET 2026 · 2ND EDITION

# The **High-End** Residential Real Estate Market in Portugal

Impact and Trends | April 2026

16 April 2026 | Nova SBE, Carcavelos

DATA PARTNERS **idealista** & **Confidencial Imobiliário**

## EXECUTIVE SUMMARY

# High-end prices rise 8.5% as demand surges and supply declines again

## +8.5%

Price/sqm high-end (Q4 YoY)  
Q4 2024: 7,323 → Q4 2025: 7,945 EUR/sqm

## -6.8%

Total supply (annual average)  
2024 → 2025 (-24.8% since 2021)

## +12.0%

High-end demand — leads (annual average)  
2024 → 2025

## 7,945

EUR/sqm high-end — weighted average (Q4 2025)  
Affluent: 6,496 | Premium: 8,148 | Luxury: 11,176

## ~21,000

Dwellings available (Q4 2025)  
7,300 apartments + 13,700 houses high-end units  
available (Q4 2025)

## +35.8%

Cumulative price appreciation  
Q1 2021 → Q4 2025



# Objectives, Data & Definitions

Methodology and study framework

## OBJECTIVES, DATA &amp; DEFINITIONS

# This study quantifies supply, demand, prices and economic impact of the high-end segment

## Objectives

- Characterise the **supply** of high-end residential properties in Portugal
- Quantify **demand** and pressure on the premium market
- Analyse **price** trends and appreciation drivers
- Estimate the **economic impact** of the luxury segment on the Portuguese economy

## Data Sources

- **Idealista** — Supply, prices, demand by segment and district
- **Confidencial Imobiliário** — Transactions, volume, average price per sqm
- **INE** — Permits, construction costs, bank valuations
- **Knight Frank / Savills** — International luxury benchmarks
- **UBS** — Global Real Estate Bubble Index
- **PdF Christie's** — Internal data, sales, buyer profiles

## OBJECTIVES, DATA &amp; DEFINITIONS

# The high-end segment is defined by the highest price percentiles in the market

Each quarter, listed properties are ranked by price/sqm and segmented by percentiles of the national distribution. Thresholds adjust automatically to market conditions.

## Affluent

Top 10-5% (p90-p95)

**6,496** EUR/sqm

Q4 2025

## Premium

Top 5-2% (p95-p98)

**8,148** EUR/sqm

Q4 2025

## Luxury

Top 2% ( $\geq$ p98)

**11,176** EUR/sqm

Q4 2025

**Methodology:** Each quarter, this study ranks all listed properties in Portugal by price/sqm and defines the Affluent, Premium and Luxury segments by the upper percentiles of the distribution. Thresholds adjust to market conditions — this is the benchmark we use to measure. The values above correspond to **Q4 2025**.

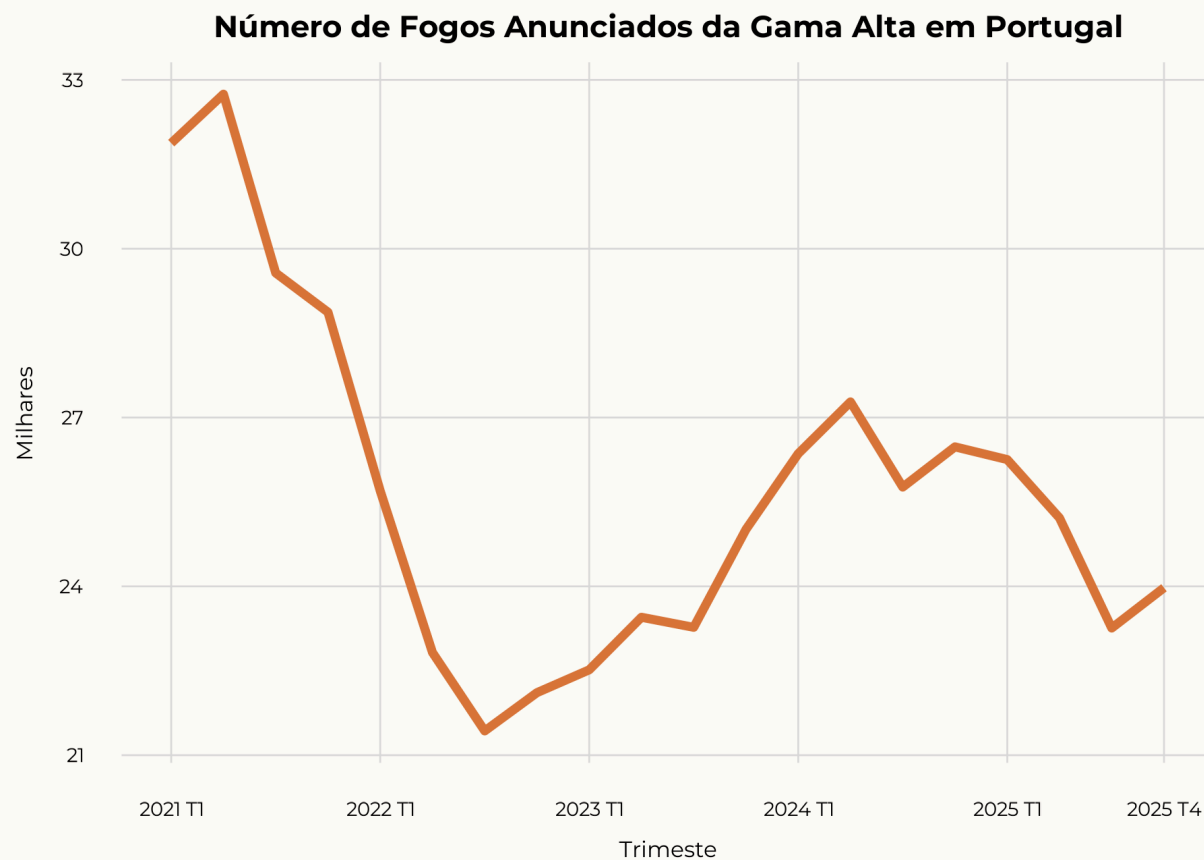


# I Market Overview — Supply

Trends in high-end property supply in Portugal

## I. MARKET OVERVIEW · SUPPLY

# High-end supply rebounded in 2024 but fell again in 2025 — cumulative decline of 25% since 2021

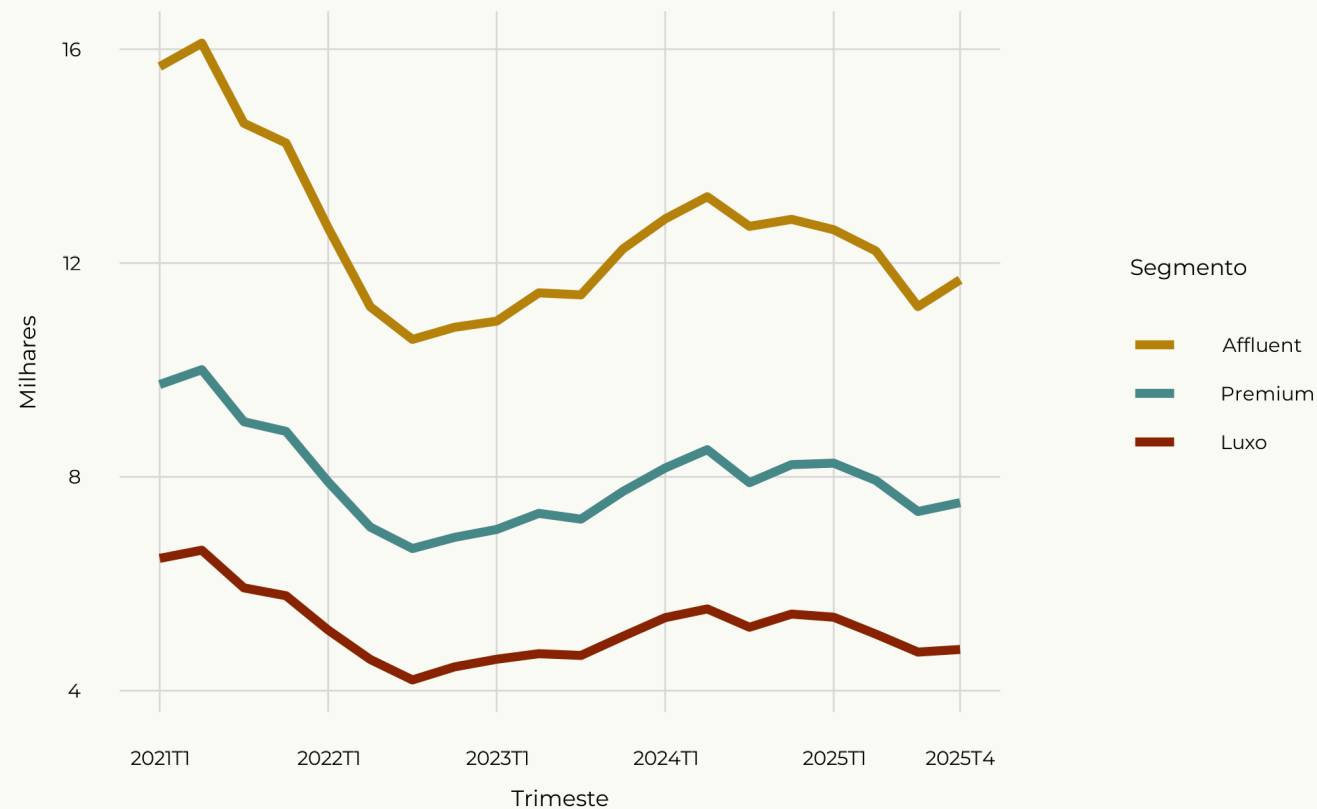


**23,975 dwellings** available in Q4 2025 — a cumulative decline of **-24.8%** since 2021, but a quarterly recovery of **+3.1%**.

## I. MARKET OVERVIEW · SUPPLY

# The supply contraction is broad-based across all three high-end segments

### Número de Fogos Anunciados da Gama Alta em Portugal: Segmentos

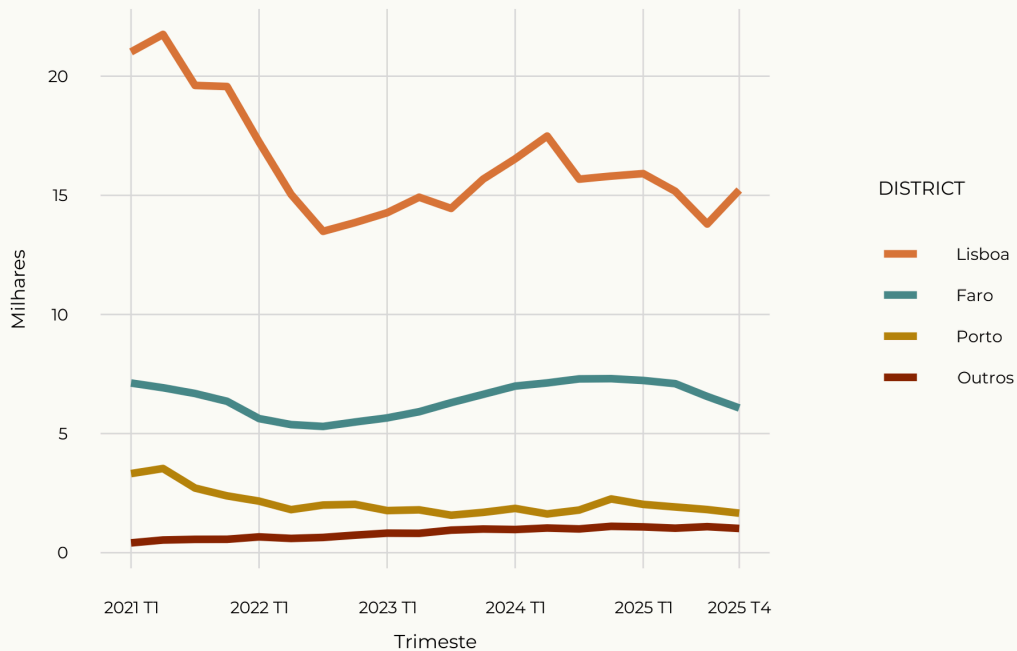


I. MARKET OVERVIEW · SUPPLY

# Lisboa, Faro and Porto account for the vast majority of high-end supply

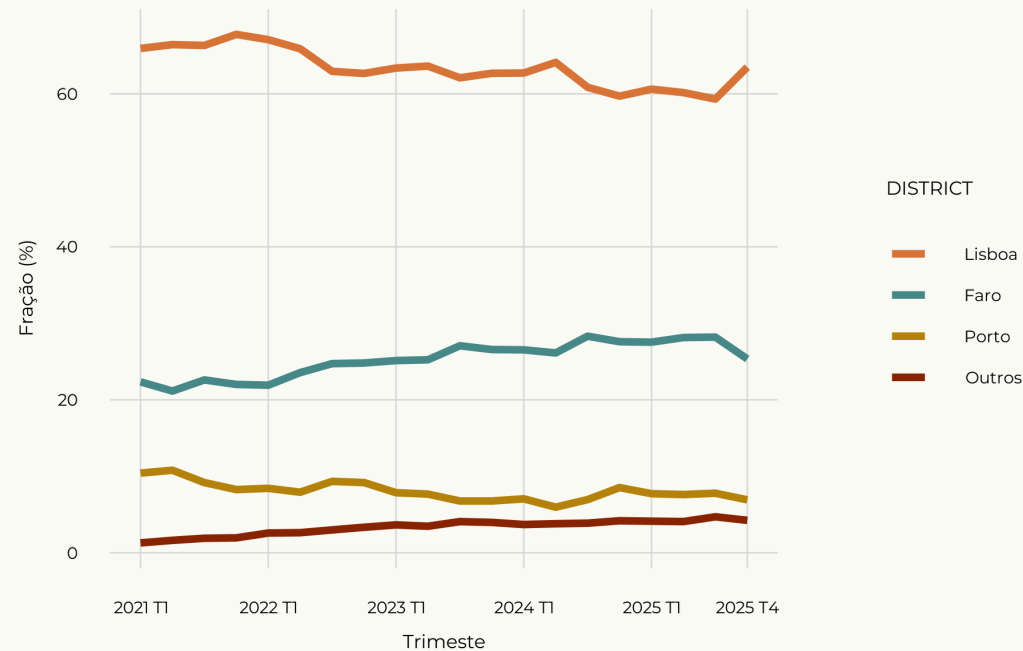
Número de Fogos Anunciados por Distrito

da Gama Alta em Portugal



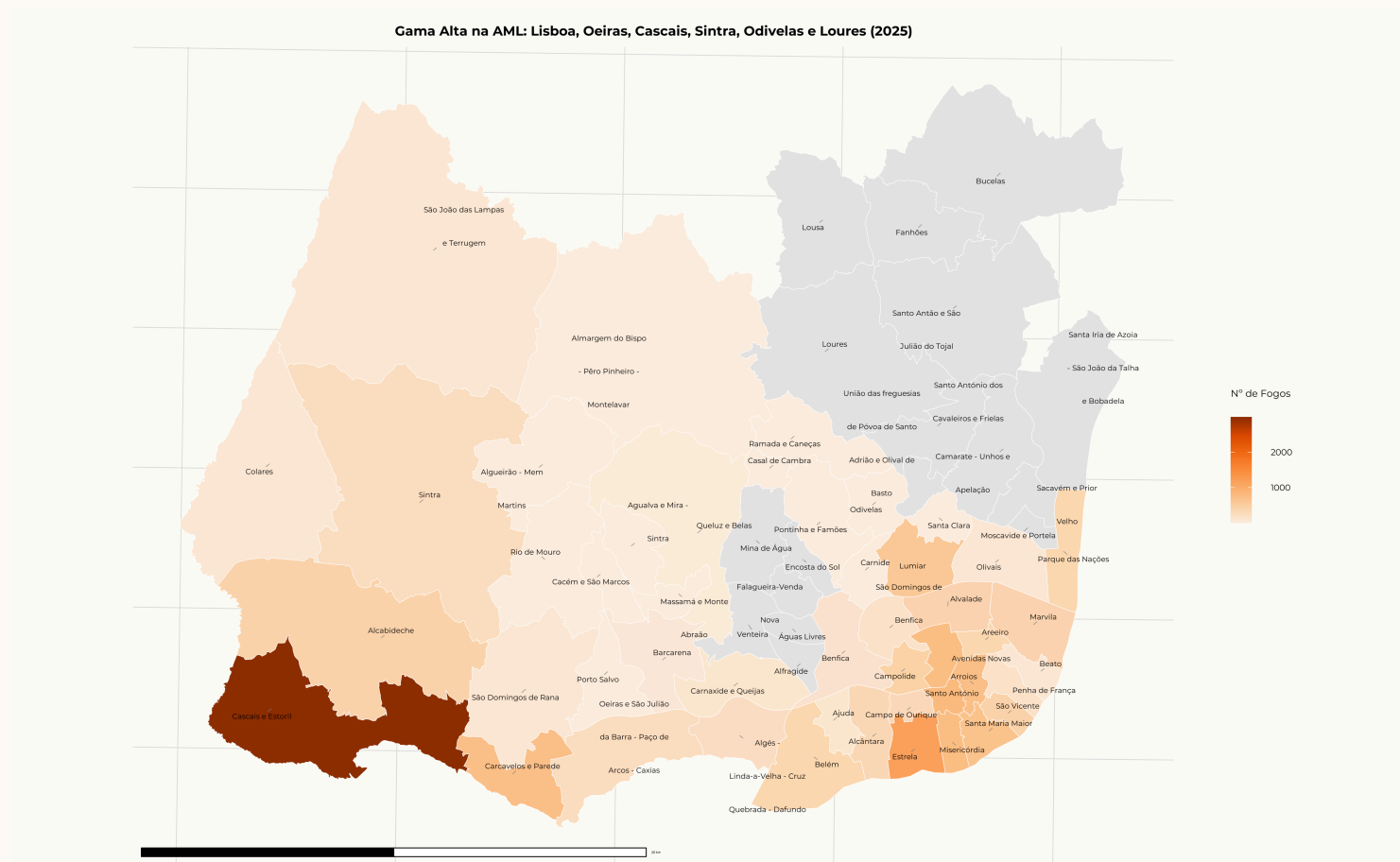
Fração de Fogos Anunciados por Distrito

da Gama Alta em Portugal



## I. MARKET OVERVIEW · SUPPLY

## In the Lisboa district, supply is concentrated in Cascais and the historic centre





## I. MARKET OVERVIEW · SUPPLY

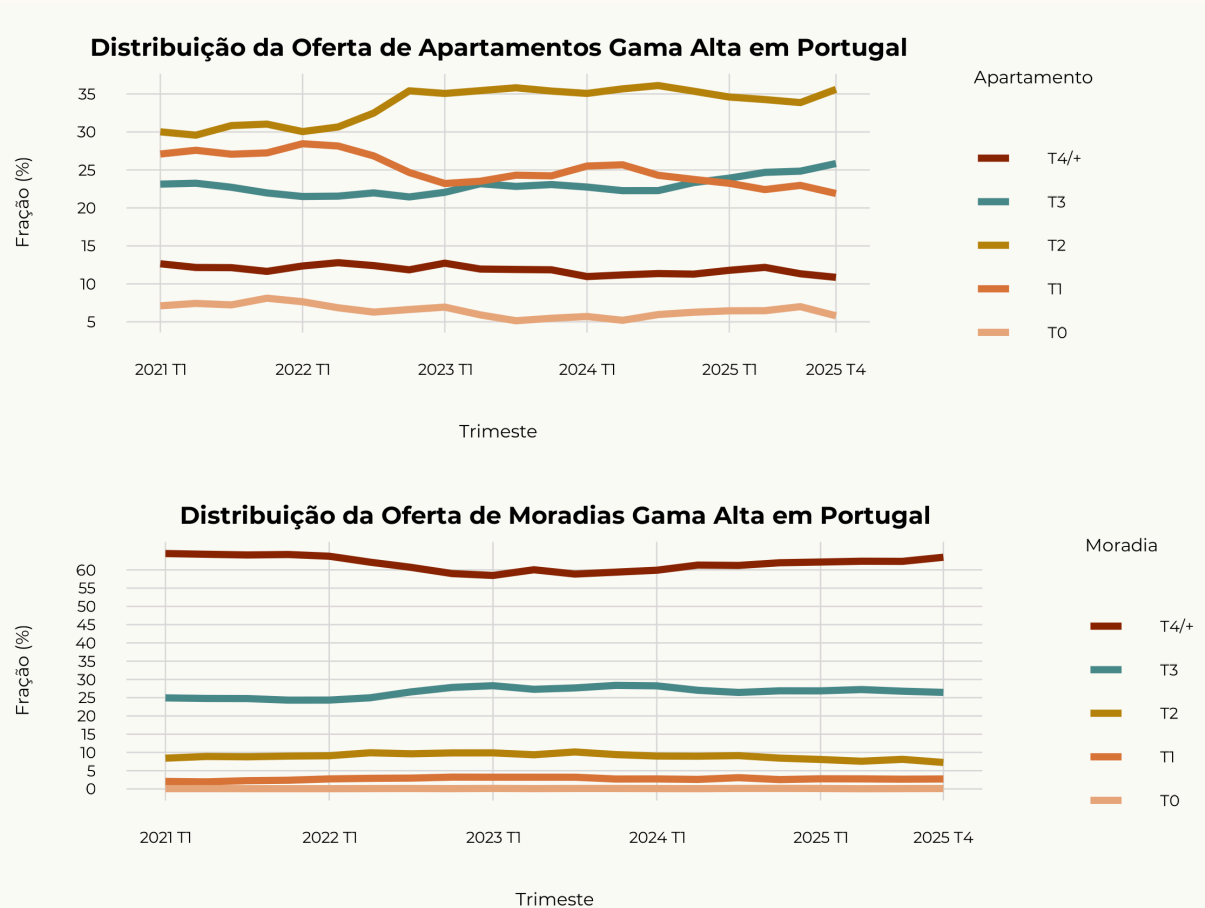
# The top 20 parishes for high-end supply are concentrated in Lisboa, Cascais and the Algarve

	Rank	Localização	Distrito	Fluente	Premium	Luxo	Gama Alta	Rank 2024
–	1	Cascais e Estoril	Lisboa	848	999	1145	2992	1
–	2	Quarteira	Faro	901	528	284	1714	2
–	3	Estrela	Lisboa	414	511	222	1147	3
–	4	Santo António	Lisboa	229	245	353	828	4
–	5	Cedofeita - Santo Ildefonso - Sé - Miragaia - São Nicolau - Vitória	Porto	597	136	36	770	5
▲	6	Misericórdia	Lisboa	261	317	177	755	8
▼	7	Avenidas Novas	Lisboa	261	260	230	752	6
▲	8	Carcavelos e Parede	Lisboa	388	168	177	732	9
▼	9	Arroios	Lisboa	376	198	148	722	7
▲	10	Lagos	Faro	238	356	120	714	12
▼	11	Santa Maria Maior	Lisboa	278	234	181	693	10
▲	12	Almancil	Faro	192	142	252	586	13
▼	13	Albufeira e Olhos de Água	Faro	281	140	153	574	11
▲	14	★ Lumiar	Lisboa	368	190	15	574	31
▲	15	Aldoar - Foz do Douro - Nevogilde	Porto	254	153	54	461	19
▲	16	Campolide	Lisboa	173	197	74	444	17
▼	17	São Vicente	Lisboa	248	142	38	429	16
▼	18	Alcabideche	Lisboa	258	101	61	420	15
▼	19	Alvalade	Lisboa	258	110	25	394	14
▲	20	★ Marvila	Lisboa	158	197	35	390	36

★ **New entries in the Top 20:** Lumiar (#14, was 31st in 2024) and Marvila (#20, was 36th). Arrows indicate change vs 2024 ranking: ▲ rose, ▼ fell, – unchanged.

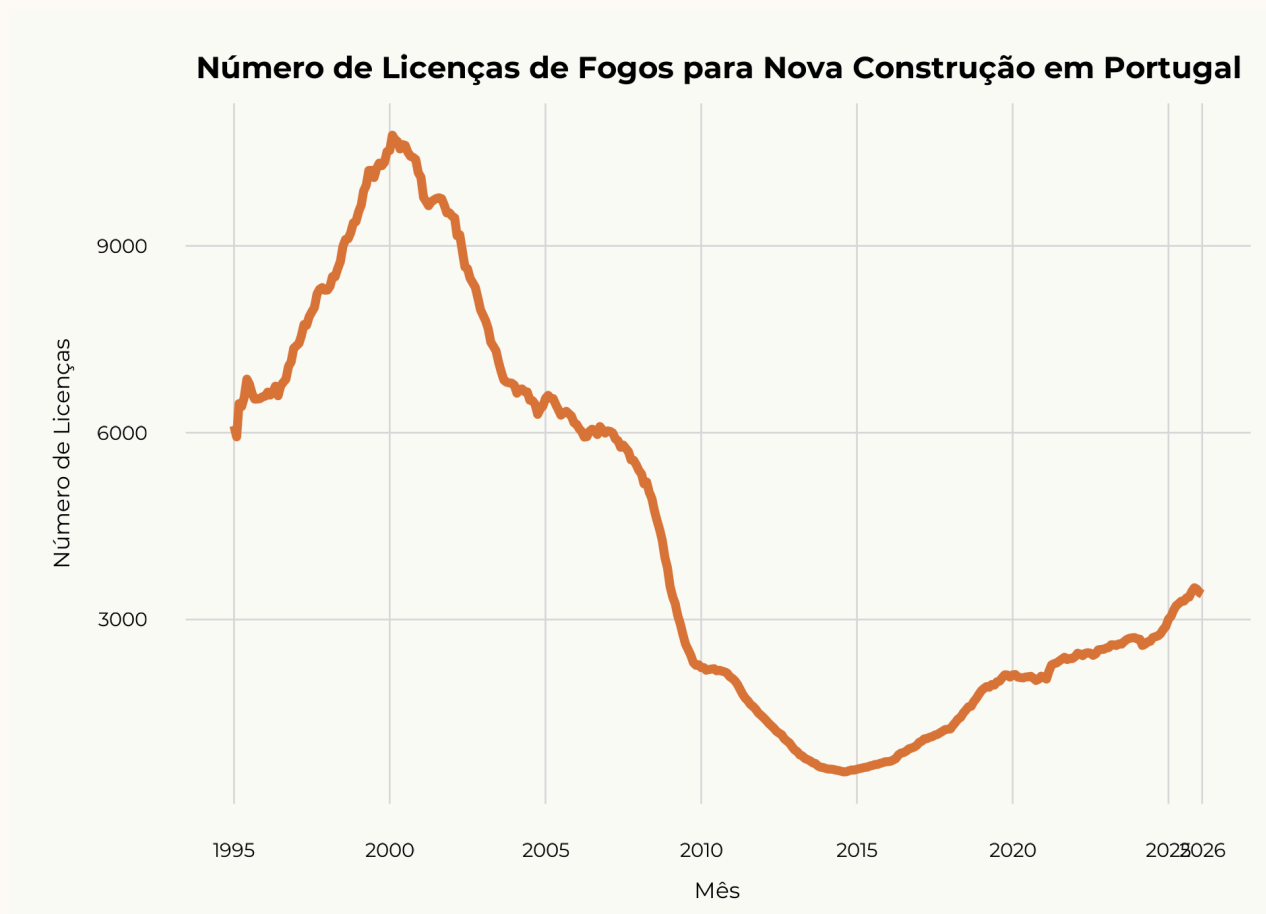
I. MARKET OVERVIEW · SUPPLY

# Only 7,300 apartments and 13,700 luxury houses are available



## I. MARKET OVERVIEW · SUPPLY

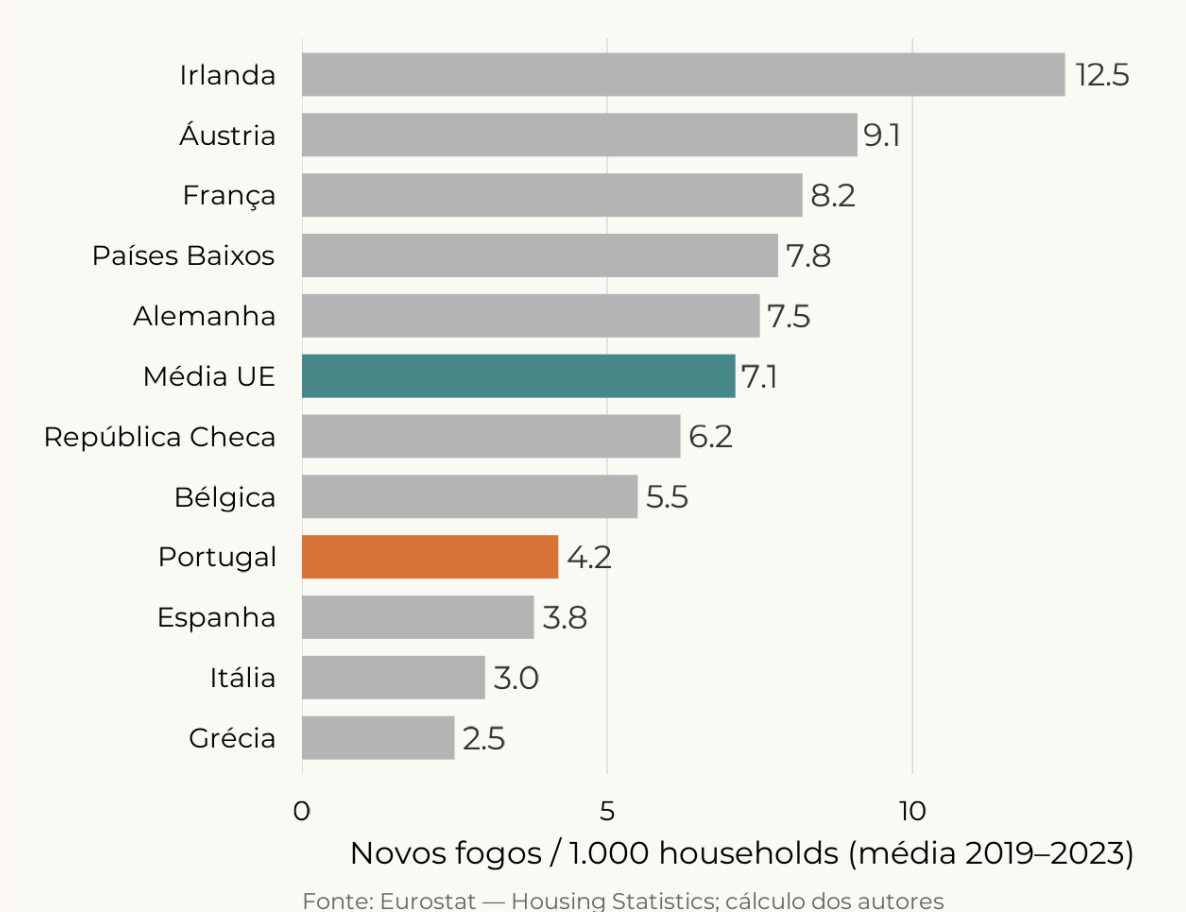
# Permits have risen, but the pace of construction remains far below what is needed



In 2024, only **~25,000 dwellings** were completed — less than half the **70,000/year** threshold needed to replenish the housing stock. Estimated cumulative deficit between **150,000 and 465,000** units (APPII/JRC).

## I. MARKET OVERVIEW · SUPPLY

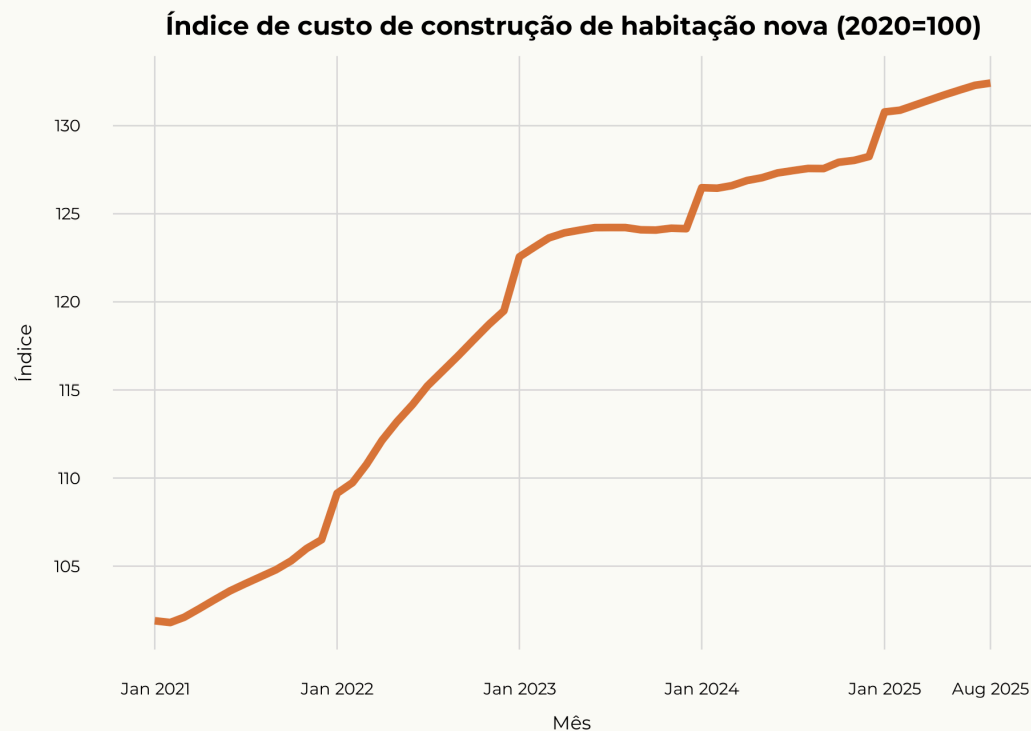
# Portugal builds fewer new dwellings per household than most EU countries



Portugal builds **4.2 new dwellings per 1,000 households**, well below the EU average (**7.1**) and virtually all Western countries (France 8.2, Germany 7.5, Ireland 12.5). **Structural supply shortage.**

## I. MARKET OVERVIEW · SUPPLY

# Construction costs surged: first materials, then labour



## 📦 Phase 1 — Materials (2021–2022)

Post-COVID disruption and war in Ukraine: steel **+35%**, concrete **+18%**, total materials cost **+32%** cumulative.

## 👷 Phase 2 — Labour (2023–2025)

Minimum wage rose **+31%** (€635 → €870). Scarce labour accounts for **40–50%** of total construction cost.

## I. MARKET OVERVIEW · SUPPLY

# Costs make it unviable to sell below €4,500–5,000/sqm of saleable area

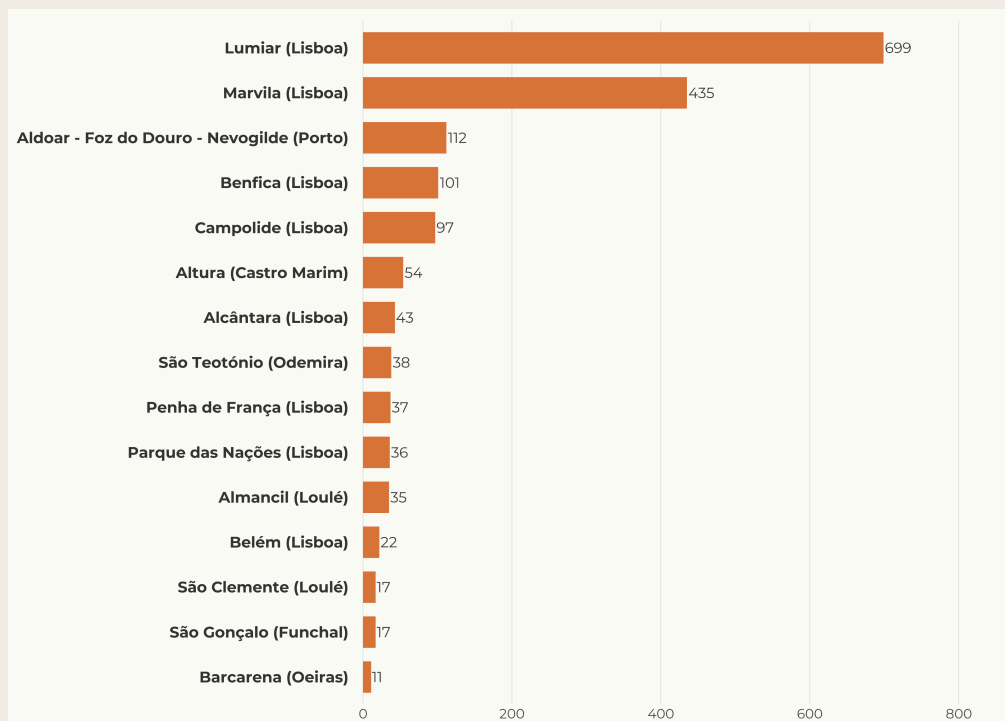


All new construction automatically enters the **High-End** segment, compressing affordable supply and supporting prices of the existing stock — a structural mechanism, not a cyclical one.

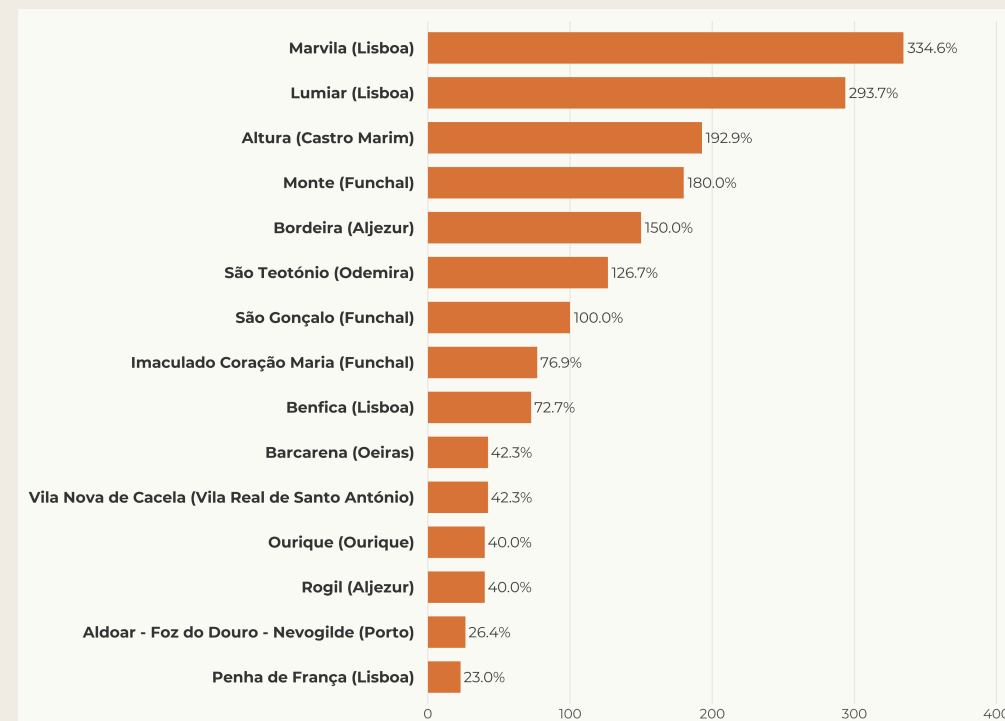
## I. MARKET OVERVIEW · SUPPLY

## Some parishes recorded supply increases despite the national downward trend

## Largest absolute increase



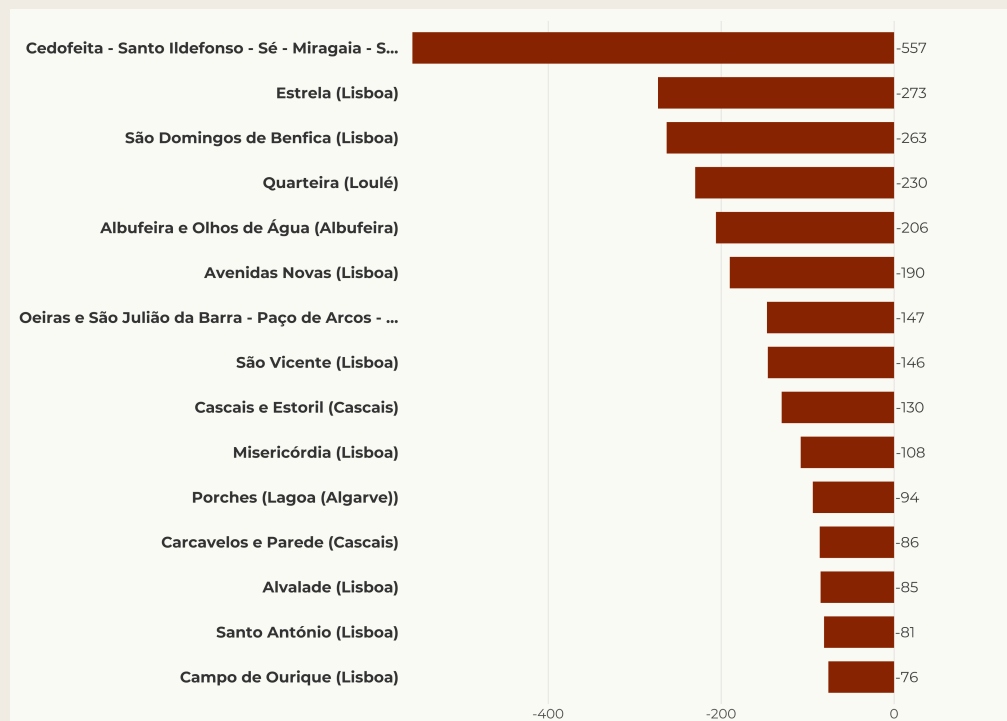
## Largest percentage increase



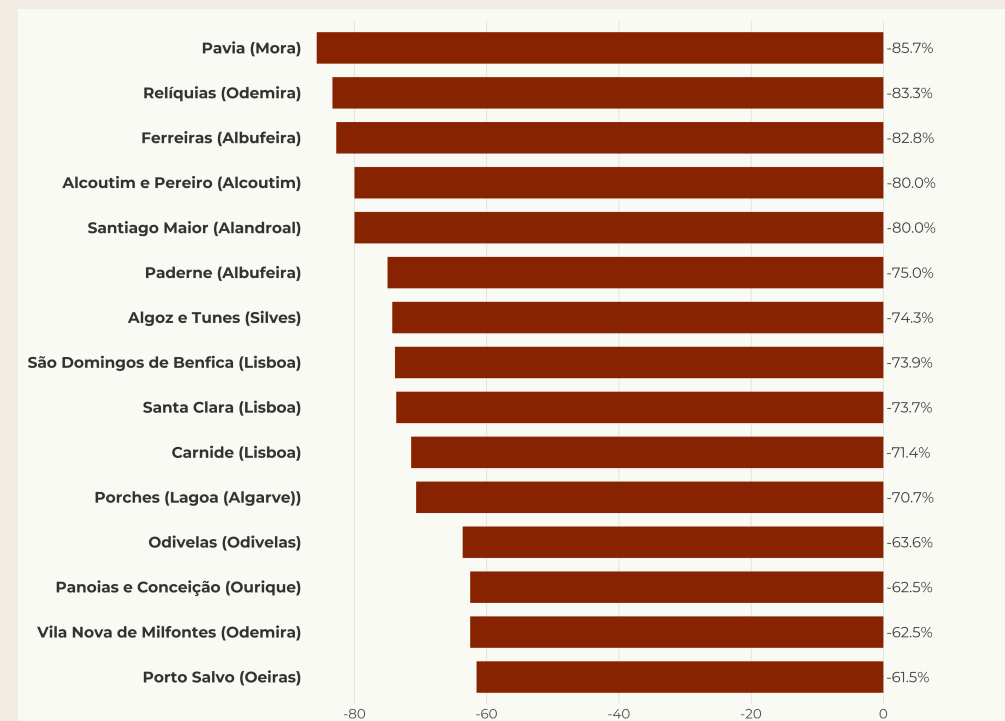
## I. MARKET OVERVIEW · SUPPLY

## The largest supply declines are concentrated in the highest-demand areas

## Largest absolute decline



## Largest percentage decline





# I Market Overview — Demand

Demand dynamics in the premium segment

## I. MARKET OVERVIEW · DEMAND

# The market reached 169,812 transactions and EUR 41.2 bn in 2025 — both all-time records

## 169,812

Dwelling transactions (2025)  
**All-time record**

## 41.2

EUR bn volume (current prices)  
**+21.7% vs 2024**

## ~243K

EUR average price (2025)  
**per transaction**

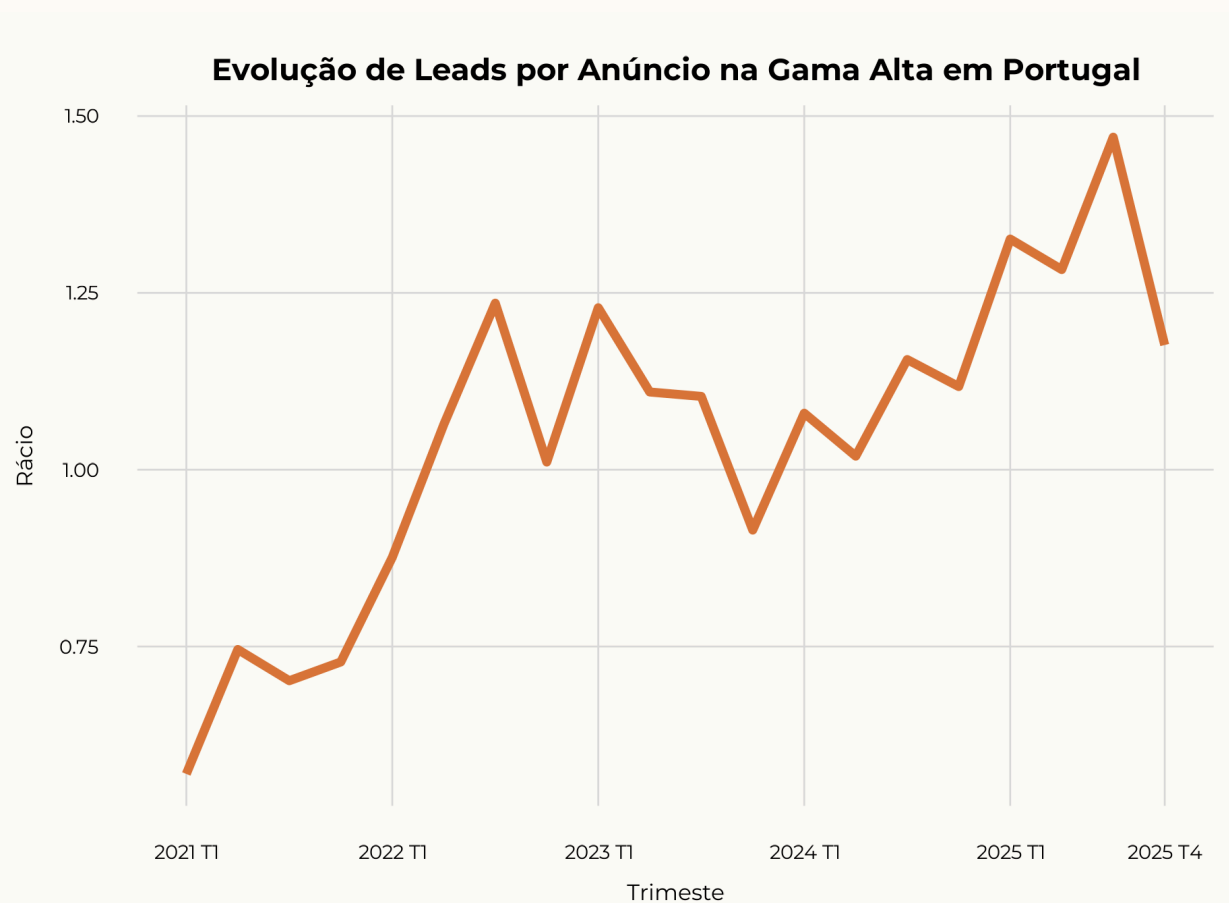
## 2-3X

Luxury growth (2021-2025)  
**vs overall market**

Total transaction volume surpassed **EUR 41 billion** for the first time, reflecting both price increases and accelerating demand in the premium segment.

## I. MARKET OVERVIEW · DEMAND

# Demand pressure has more than doubled since 2021

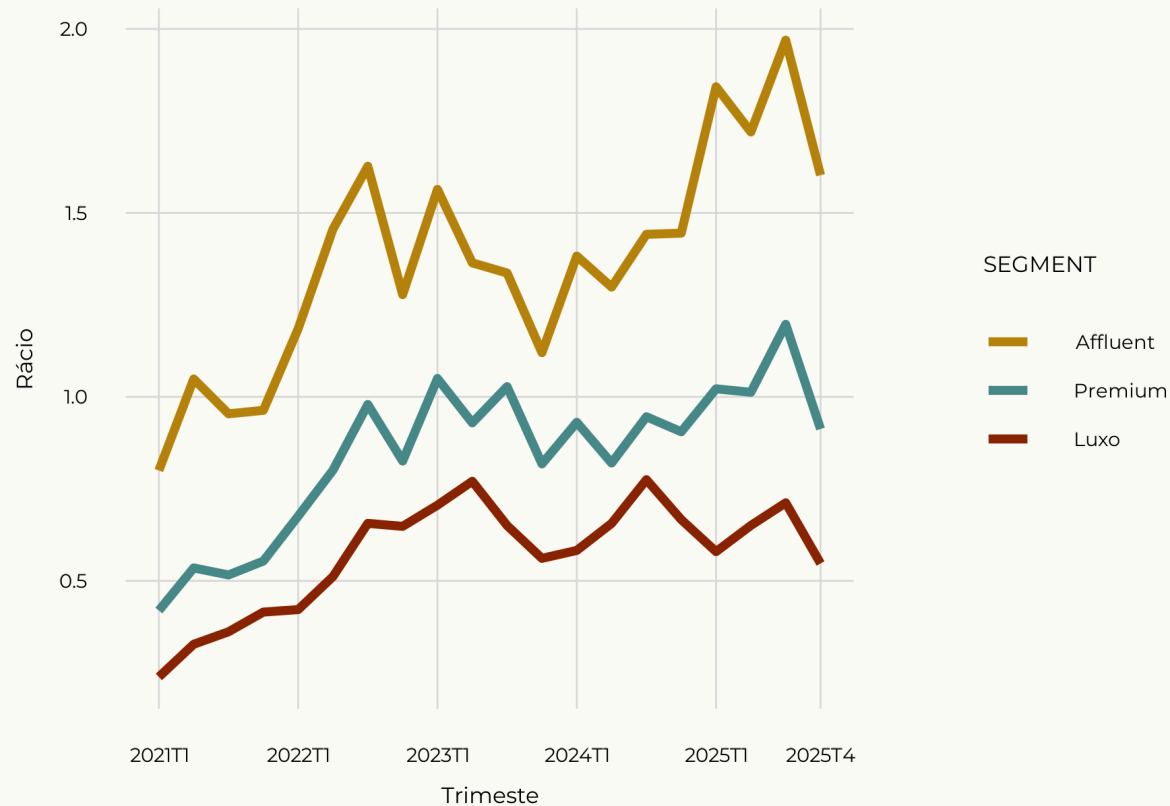


Pressure index **+55.3%** cumulative since 2021.

## I. MARKET OVERVIEW · DEMAND

# The Affluent segment shows the highest demand pressure

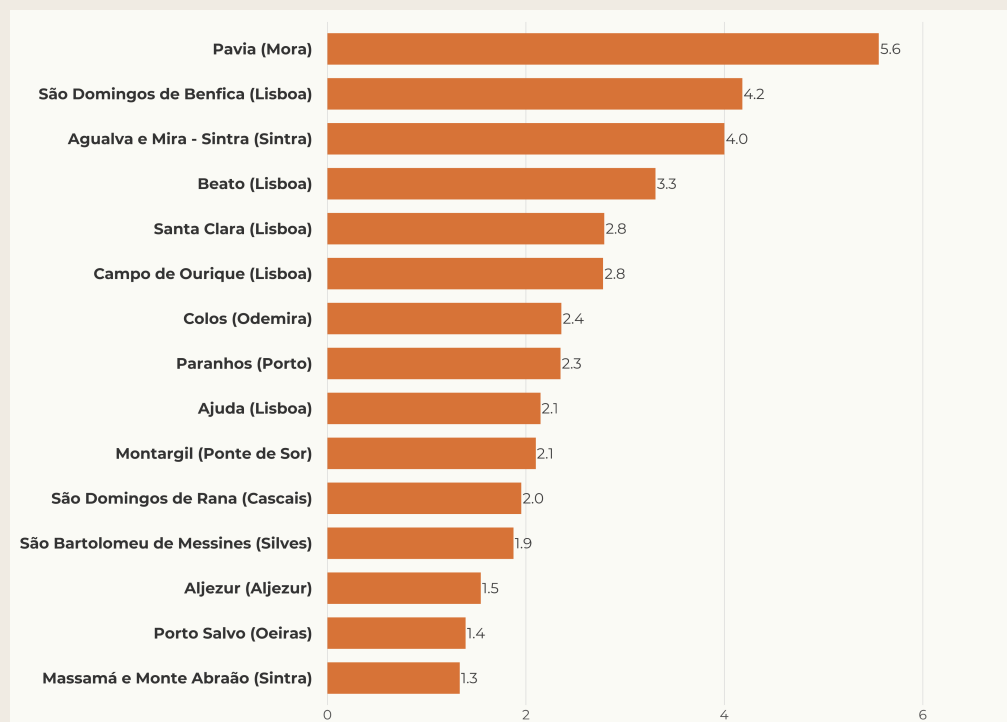
### Evolução de Leads por Anúncio na Gama Alta em Portugal



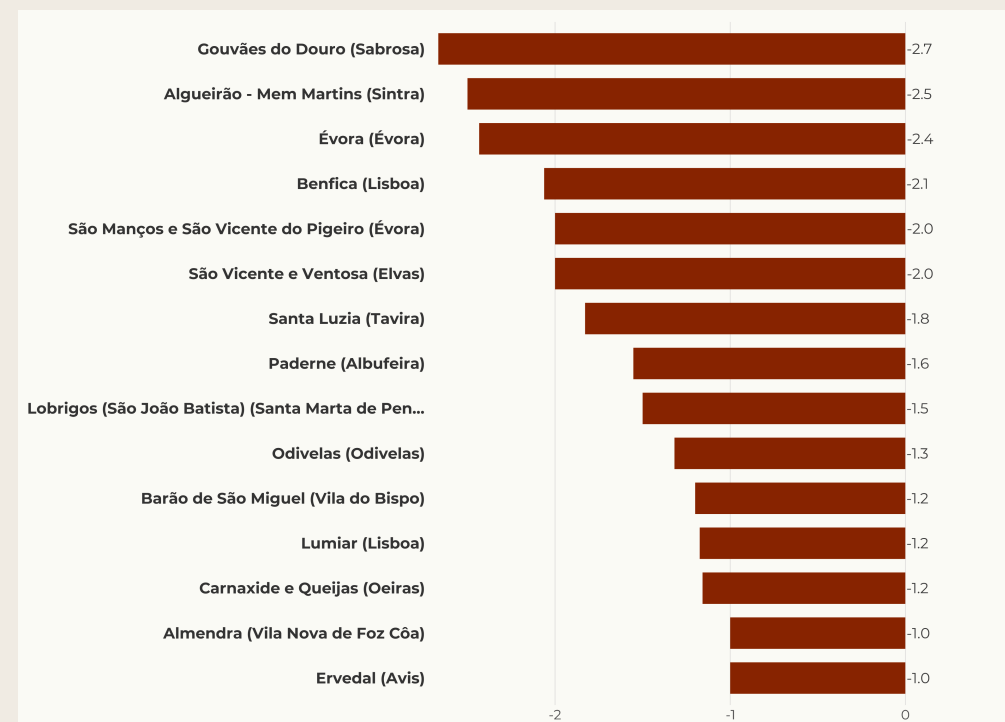
## I. MARKET OVERVIEW · DEMAND

## Demand pressure intensified particularly in emerging areas

## Largest pressure increase



## Largest pressure decline



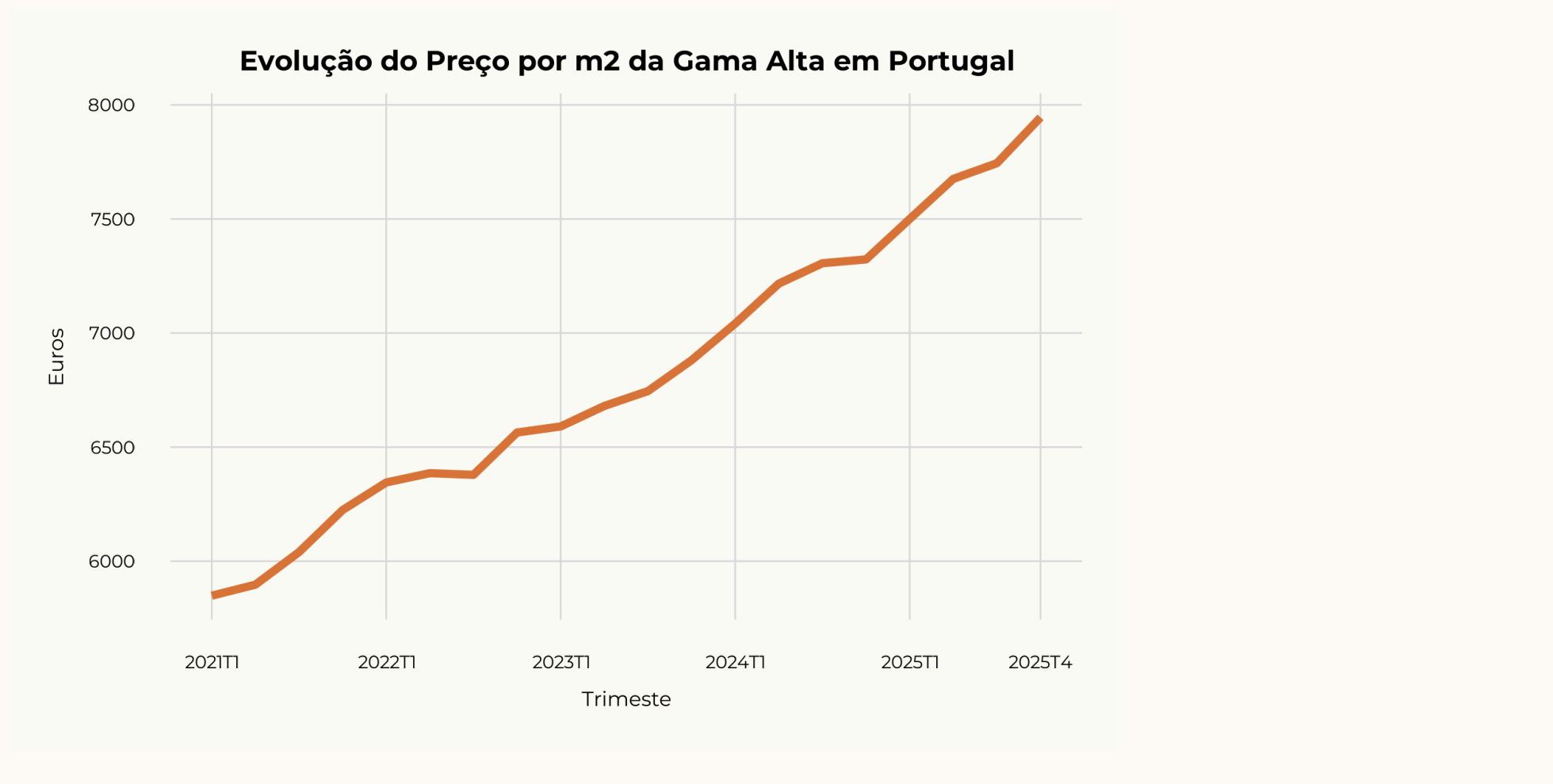


# I Market Overview — Prices

Price levels and trends in the high-end segment

## I. MARKET OVERVIEW · PRICES

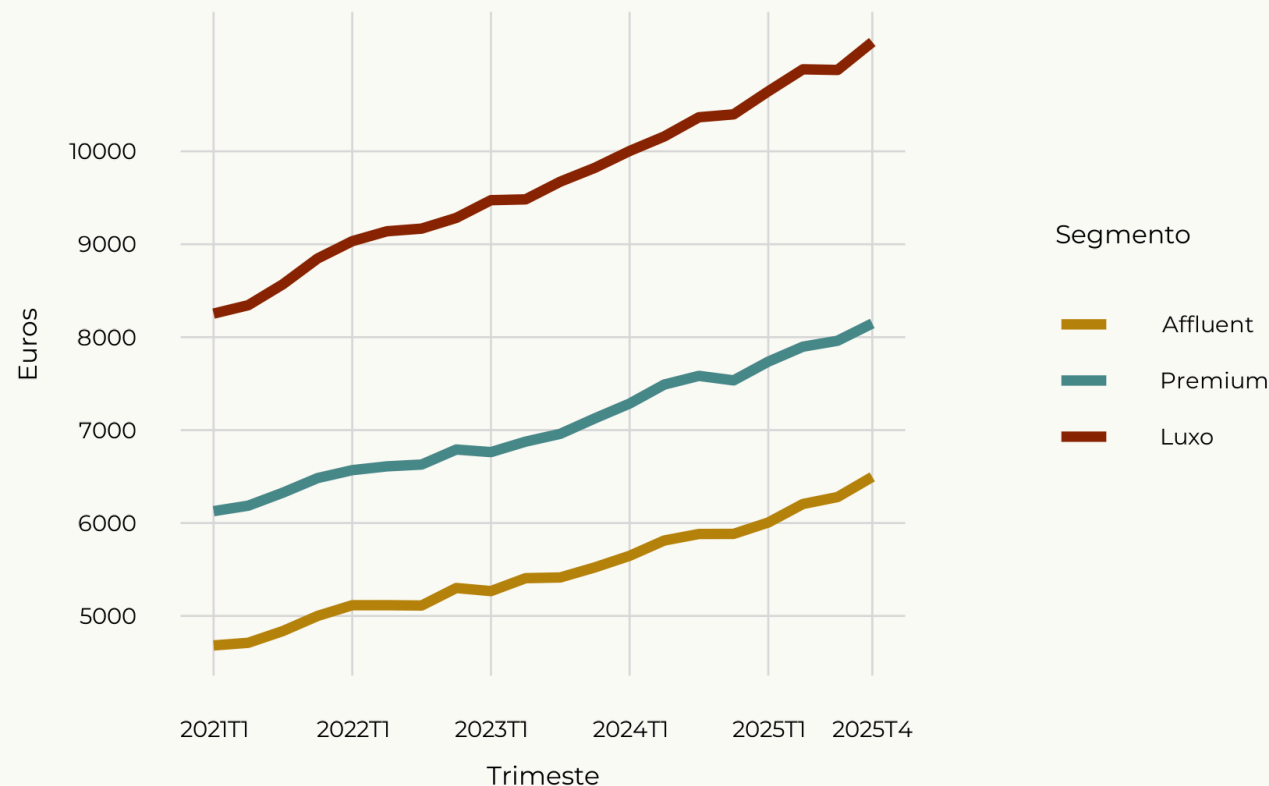
# The average high-end price rose 35.8% since 2021 to 7,945 EUR/sqm



## I. MARKET OVERVIEW · PRICES

# Price appreciation is broad-based, with Affluent recording the strongest growth

## Evolução do Preço por m2 da Gama Alta em Portugal



Luxury **11,176 EUR/sqm** | Premium **8,148 EUR/sqm** | Affluent **6,496 EUR/sqm** (+38.7% since 2021, strongest relative growth).

## I. MARKET OVERVIEW · PRICES

## Entry-level high-end prices have accelerated faster than the top — the gap is closing

6,496

EUR/sqm **Affluent** (Q4 2025)  
Entry price for the high-end segment  
**+10.4% YoY**

8,148

EUR/sqm **Premium** (Q4 2025)  
**+8.1% YoY**

11,176

EUR/sqm **Luxury** (Q4 2025)  
**+7.5% YoY**

## Luxury / Affluent Ratio

1.72X was 1.80x in 2023

The gap is closing — a sign of market maturation.

## Absolute Spread

4,680 EUR/sqm

Was 3,572 in 2021 (+31%), but the ratio is converging.

## Premium vs National Average

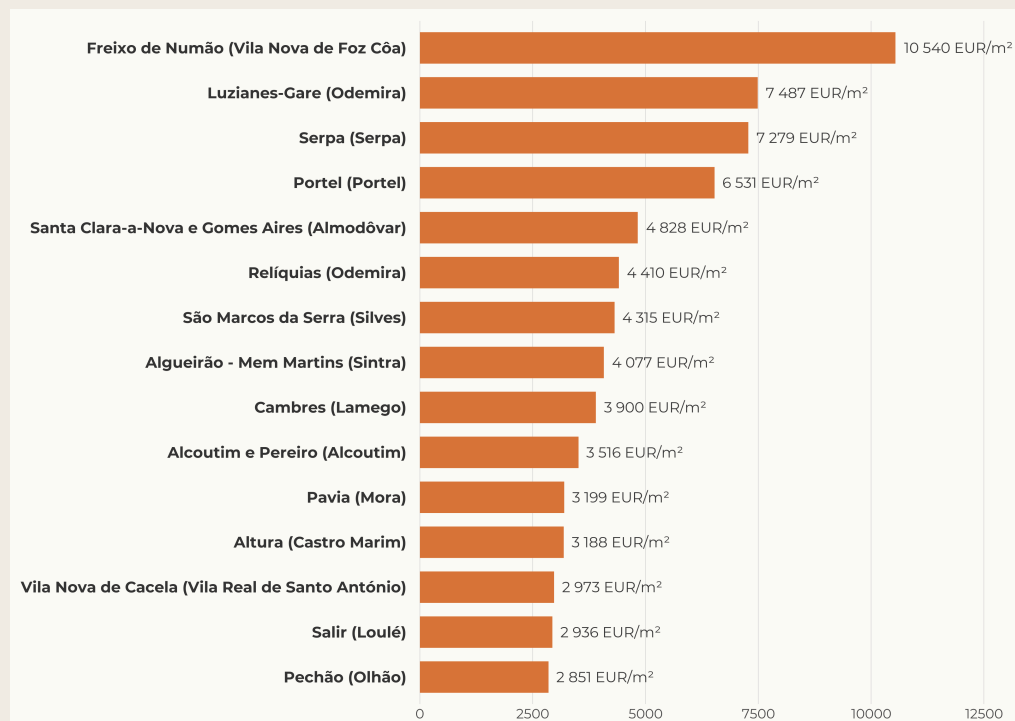
2.8X high-end vs average

National average: 2,874 EUR/sqm (CI). Affluent 2.3x | Premium 2.8x | Luxury 3.9x.

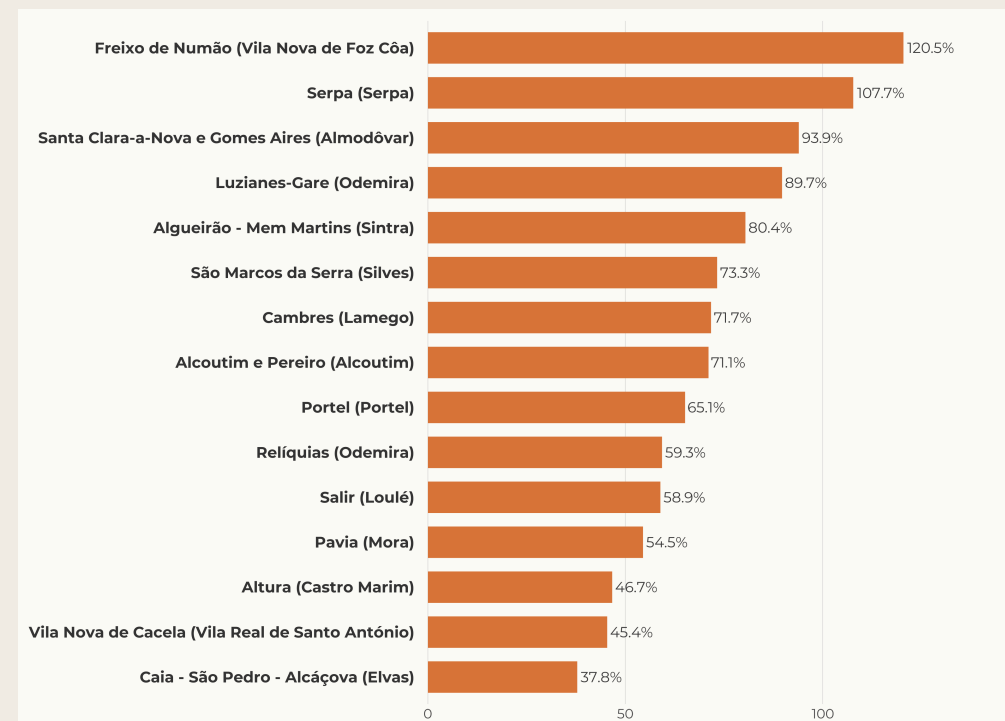
## I. MARKET OVERVIEW · PRICES

## The largest price increases per sqm occurred outside traditional centres

## Largest absolute increase



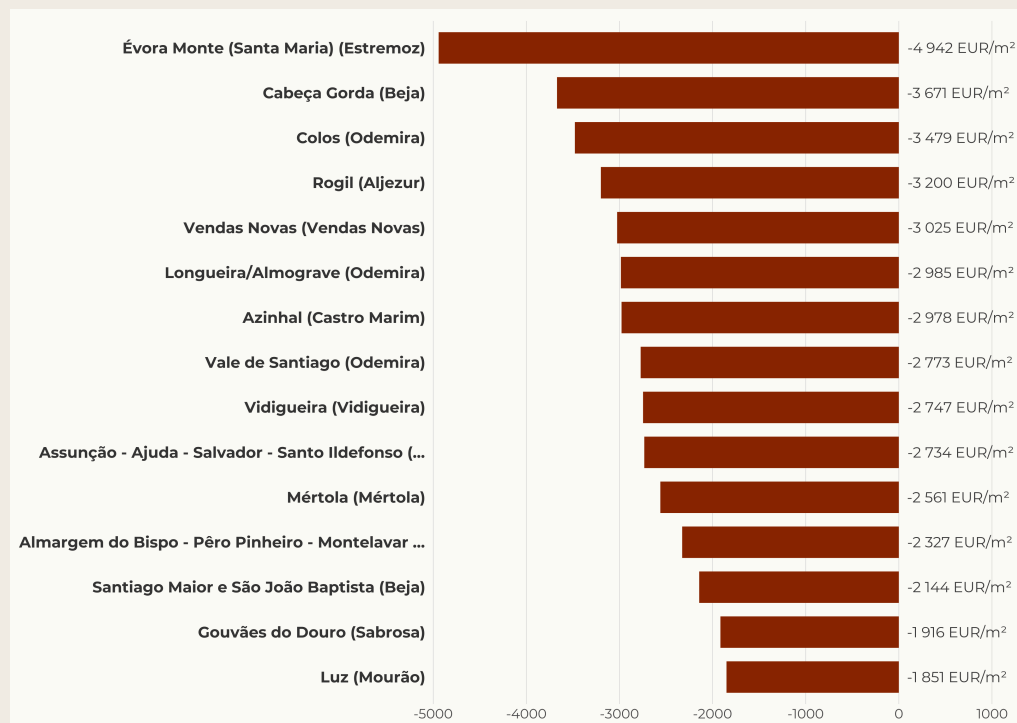
## Largest percentage increase



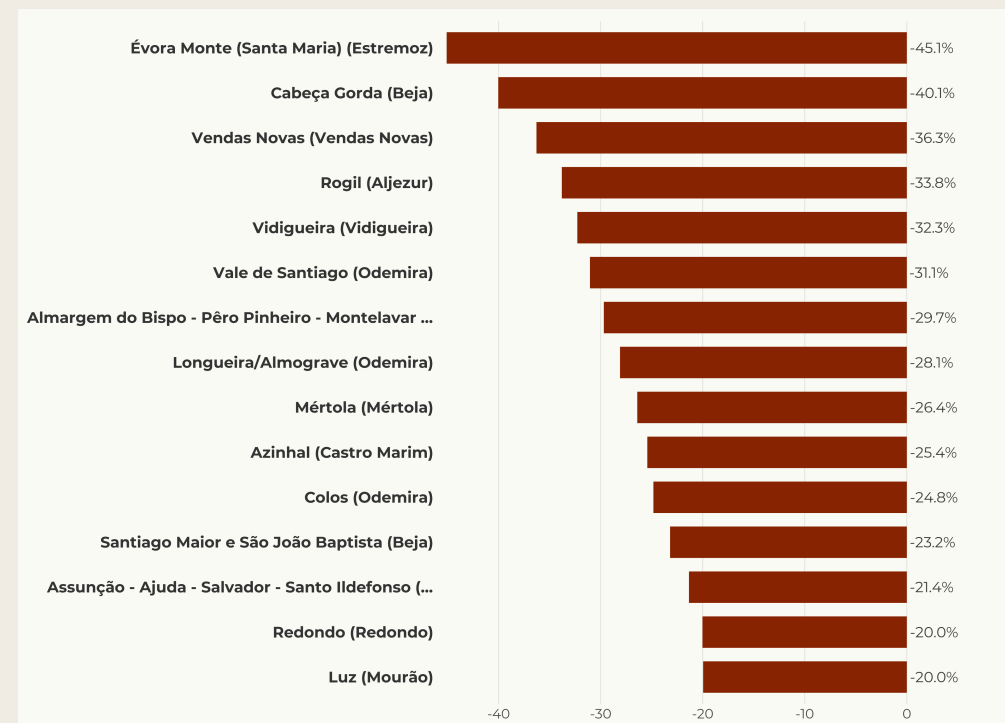
## I. MARKET OVERVIEW · PRICES

## Only a few parishes recorded price corrections

## Largest absolute decline



## Largest percentage decline



## I. MARKET OVERVIEW · PRICES

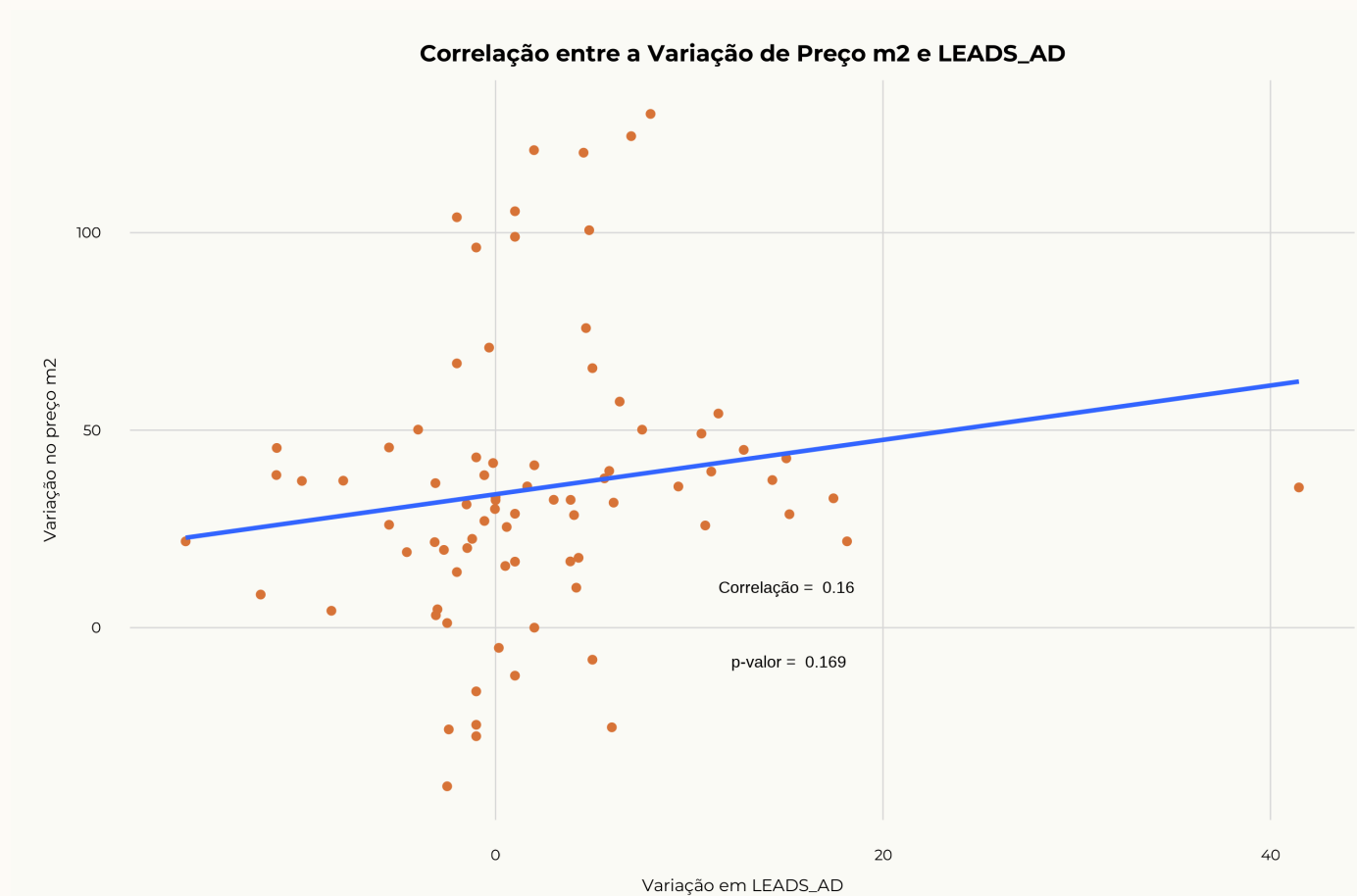
# High-end prices range from 6,800 to 35,000 EUR/sqm at reference locations



Cascais/Estoril reaches values comparable to European luxury locations, reflecting Portugal's consolidation as a luxury residential destination.

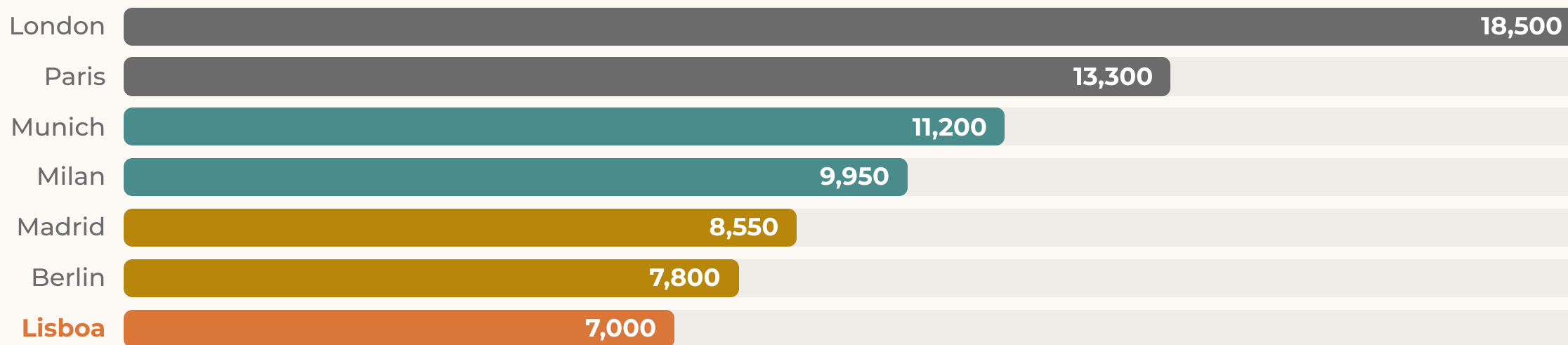
## I. MARKET OVERVIEW · PRICES

# There is a positive correlation between demand pressure and price growth



## I. MARKET OVERVIEW · PRICES

# Lisboa maintains a 47–62% discount relative to major European capitals



Lisboa at **€7,000/sqm** offers a discount of **62%** vs London and **47%** vs Paris — real value opportunity for the international buyer. UBS (2025) does not flag Lisboa as a real estate bubble risk.

The background image shows a traditional courtyard with blue-washed walls. A central arched doorway is covered with a patterned curtain. The courtyard is filled with various potted plants and hanging baskets. In the foreground, there is a small table with a teapot and some stacks of stone or brick. The overall atmosphere is peaceful and traditional.

# III

## Economic Impact

The high-end segment's contribution to the Portuguese economy

## II. ECONOMIC IMPACT

# High-end real estate accounts for nearly 2% of national GVA and over 100,000 jobs

**8,174**EUR M output (2022)  
total effect (IO)**4,036**EUR M GVA (2022)  
gross value added**1,703**EUR M compensation (2022)  
wages generated**106,381**FTE jobs  
2022 peak

Share of the national economy (2022, peak): output **1.73%**, GVA **1.91%**, compensation **1.50%**, employment **2.11%**. In 2025, the sector recovered: output **5,992M EUR** (+469M vs 2024), employment **77,108 FTE** (+5,669). A sector of significant economic scale for the Portuguese economy.

## II. ECONOMIC IMPACT

# The economic impact recovered in 2025 after the 2023-24 contraction

Indicator	2021	2022 (peak)	2023	2024	2025	Δ 25/24
<b>Output (EUR M)</b>	5,885	<b>8,174</b>	7,232	5,523	<b>5,992</b>	<b>+469</b>
<b>GVA (EUR M)</b>	2,954	<b>4,036</b>	3,565	2,742	<b>2,988</b>	<b>+247</b>
<b>Compensation (EUR M)</b>	1,206	<b>1,703</b>	1,510	1,144	<b>1,236</b>	<b>+91</b>
<b>Employment (FTE)</b>	75,181	<b>106,381</b>	94,314	71,439	<b>77,108</b>	<b>+5,669</b>

After the 2022 peak and the 2023-24 contraction, the sector recovered in 2025: +469M EUR in output, +247M EUR in GVA and +5,669 jobs vs 2024.

## II. ECONOMIC IMPACT

# The sector's weight declined since 2022, but in 2025 it is regaining relevance

Indicator	2021	2022 (peak)	2023	2024	2025 (est.)
<b>% of total GVA (IO)</b>	1.58%	<b>1.91%</b>	1.51%	1.09%	n.a.
<b>% of GDP (INE)</b>	1.36%	<b>1.65%</b>	1.32%	0.95%	<b>~0.99%</b>
<b>Employment (% of total)</b>	1.52%	<b>2.11%</b>	1.86%	1.40%	n.a.
<i>Nominal GDP (bn €, INE)</i>	216.5	244.0	270.4	289.4	~301.6

The decline in weight reflects both the sector's contraction and strong GDP growth in other sectors. In 2025 the trend reverses: the sector grew +9.0% in GVA vs ~4.2% for the economy — its share is rising again.

## II. ECONOMIC IMPACT

# Construction is the primary driver of the sector's economic impact

Construction	2021	2022 (peak)	2023	2024	2025	Δ 25/24
<b>Output (EUR M)</b>	5,078	<b>7,262</b>	6,444	4,859	<b>5,229</b>	<b>+370</b>
<b>GVA (EUR M)</b>	2,325	<b>3,325</b>	2,950	2,224	<b>2,394</b>	<b>+170</b>
<b>Compensation (EUR M)</b>	1,138	<b>1,628</b>	1,445	1,089	<b>1,172</b>	<b>+83</b>
<b>Employment (FTE)</b>	71,403	<b>102,112</b>	90,624	68,334	<b>73,541</b>	<b>+5,207</b>

Construction accounts for ~87% of output and ~95% of employment generated by the sector. The 2025 recovery (+370M EUR in output, +5,207 FTE) reflects the increase in permits (+20.1%) and the resumption of new projects.

## II. ECONOMIC IMPACT

## Real estate brokerage accounts for ~5% of total impact but operates on a broader base

Brokerage	2021	2022 (peak)	2023	2024	2025	Δ 25/24
<b>Output (EUR M)</b>	807	912	788	663	762	+99
<b>GVA (EUR M)</b>	629	711	615	517	594	+77
<b>Compensation (EUR M)</b>	67	76	66	55	63	+8
<b>Employment (FTE)</b>	3,778	4,269	3,690	3,105	3,568	+463

Brokerage accounts for ~5% of total impact, but operates on a broader base (new and existing properties). Recovery in 2025: +99M EUR in output and +463 jobs vs 2024.

An aerial photograph of a city at sunset. The sun is low on the horizon, casting a warm, golden glow over the scene. A large river flows through the city, and a prominent bridge with a large arch spans across it. The city buildings are silhouetted against the bright sky. The overall atmosphere is serene and picturesque.

# III

## Future Outlook

Macroeconomic context and projections for the high-end segment

## III. FUTURE OUTLOOK

# The macroeconomic backdrop is the most favourable since the pre-pandemic era

**2.0%**ECB rate (Mar. 2026)  
deposit facility**1.8%**GDP Portugal  
2026 projection (BdP, Mar.)**23.3**EUR bn new mortgage  
lending in 2025**2.8%**Inflation (2026 projection, BdP)  
CPI Mar. 2026: 2.7%

- 12-month Euribor at **~2.7%** (Apr. 2026) after a ~40 bp uptick since Mar. 2026; average rate on new mortgage contracts **2.83%** (Feb. 2026, BdP)
- Real wages **+3.2% YoY** (2025) — the strongest purchasing power growth in over a decade

## III. FUTURE OUTLOOK

# Five forces support a positive outlook; six risks require monitoring

## Opportunities

- **Structural supply deficit** — supports prices and margins
- **Portugal as a global hub** — safety, climate, quality of life
- **Branded residences** — 30-50% premium and international visibility
- **Nearshoring and tech** — new flows of high-income professionals
- **New Lisbon airport** — catalyst for premium connectivity

## Risks

- **Monetary policy reversal** — tariffs and energy shocks could halt or reverse ECB rate cuts
- **Regulation** — 7.5% IMT for non-residents, short-term rental restrictions, foreign buyer taxation
- **Geopolitics** — Portugal as a safe haven, but conflicts reduce external appetite
- **Cascade effect** — lack of supply pushes buyers into Affluent, pressuring prices across the entire chain
- **Affordability** — median mortgage payments have doubled in Lisboa since 2019 (BdP)
- **Entry-level leverage** — public guarantee for young buyers (LTV up to 100%) accounted for **~26%** of home purchases in 2024, and new loans with elevated risk profile rose from **3% to 21%** in 2025; *does not affect the luxury segment* (BdP warning)

## III. FUTURE OUTLOOK

# The 2026 fiscal package restricts foreign demand but stimulates construction

## Restrictive measures (demand)

- **7.5% flat IMT for non-residents** (Mar. 2026) — previously: progressive scale 0-7.5%; now: 7.5% from the first euro, with no exceptions
- **IFICI replaced NHR** (Jan. 2025) — 20% flat income tax maintained but restricted to qualified professions in science/technology. Excludes retirees and passive investors
- **Golden Visa without real estate** (Oct. 2023) — continues via funds ( $\geq$ €500K). Citizenship now requires 10 years (previously 5)

## Pro-supply measures (construction)

- **VAT 23% → 6% on construction** (Sep. 2025) — dwellings up to €660,982 sale price or rents up to €2,300/month. Projects until Dec. 2029. *High-end above this threshold does not benefit*
- **Simplex Urbanístico** (Mar. 2024) — permits replaced by prior notifications. Result: **+20.1% dwellings licensed in 2025**
- **Short-term rentals: restrictions lifted** (Nov. 2024) — regulation returned to municipalities; ~40,000 inactive registrations removed

**Assessment:** The most significant package in recent years. Demand restrictions (7.5% IMT, IFICI) take effect in 2026; the starting point is record foreign investment of €3.9 bn in 2025 — absorption of these measures will be tested this year.

## III. FUTURE OUTLOOK

# The Affluent segment is the new entry point — and the main growth frontier

## 5,806

EUR/sqm average Affluent price  
+5.3% YoY (2024→2025)

## +10.4%

Highest Q4 YoY appreciation  
among all 3 segments

## 5-7.5K

EUR/sqm threshold range  
varies by parish

### Why Affluent?

- At scale, Affluent remains the most attractive segment for new construction
- Premium and Luxury locations are predominantly **refurbishment** in controlled areas
- The 6% VAT on construction applies up to ~€648K (luxury segment NOT eligible — caps out below) — directly benefits this segment

### Emerging areas

- **Lumiar** — +132% supply (+327 dwellings), new Top 20 entry
- **Marvila** — +136% supply (+225 dwellings), new urban frontier
- **Paranhos (Porto)** — +89% supply, expansion northward
- Common factor: **accessibility and transport** as catalysts

**Important context:** Affluent growth is partly driven by generalised supply shortage, which pushes buyers into this segment. The scarcity of transport links and construction in more affordable segments contributes to high-end housing often being blamed for housing problems — when in reality it reflects insufficient supply across the entire chain.

## III. FUTURE OUTLOOK

# The literature suggests a 7-12% price premium for metro proximity — planned expansions could open new growth areas

## +7-12%

Estimated premium in the literature  
metro proximity in Lisboa

## 405 M€

Red Line (Alcântara)  
4 stations, 11M passengers/year

## 678 M€

Violet Line (Loures-Odivelas)  
17 stations, light metro

### Academic evidence

- **Martinez & Viegas (2009)**, *Transp. Research Record*: 1 metro line +6.5-8.8%; 2 lines +9.2-12.5% (Lisboa)
- **Debrezion et al. (2007)**, meta-analysis: average residential premium +4.2% for station proximity
- **Agostini & Palmucci (2008)**, *Fiscal Studies*: capitalisation of +4-8% begins after announcement, before construction

### Potential implications

- **Red Line** (Alcântara): Campo de Ourique, Infante Santo — areas with appreciation potential
- **Violet Line** (Loures-Odivelas): potential market expansion northward
- Areas already accelerating: **Lumiar (+132%), Marvila (+136%)** — accessibility as a catalyst

## III. FUTURE OUTLOOK

# Portugal is the European leader in branded residences with ~1,200 units

# ~1,200

Branded units in pipeline or delivered in Portugal (2025)

**Four Seasons**

Ritz, Lisboa  
Luxury residences

**One&Only**

Algarve  
Exclusive villas

**Aman**

Comporta  
Residential resort

**Six Senses**

Porto Covo  
Eco-resort

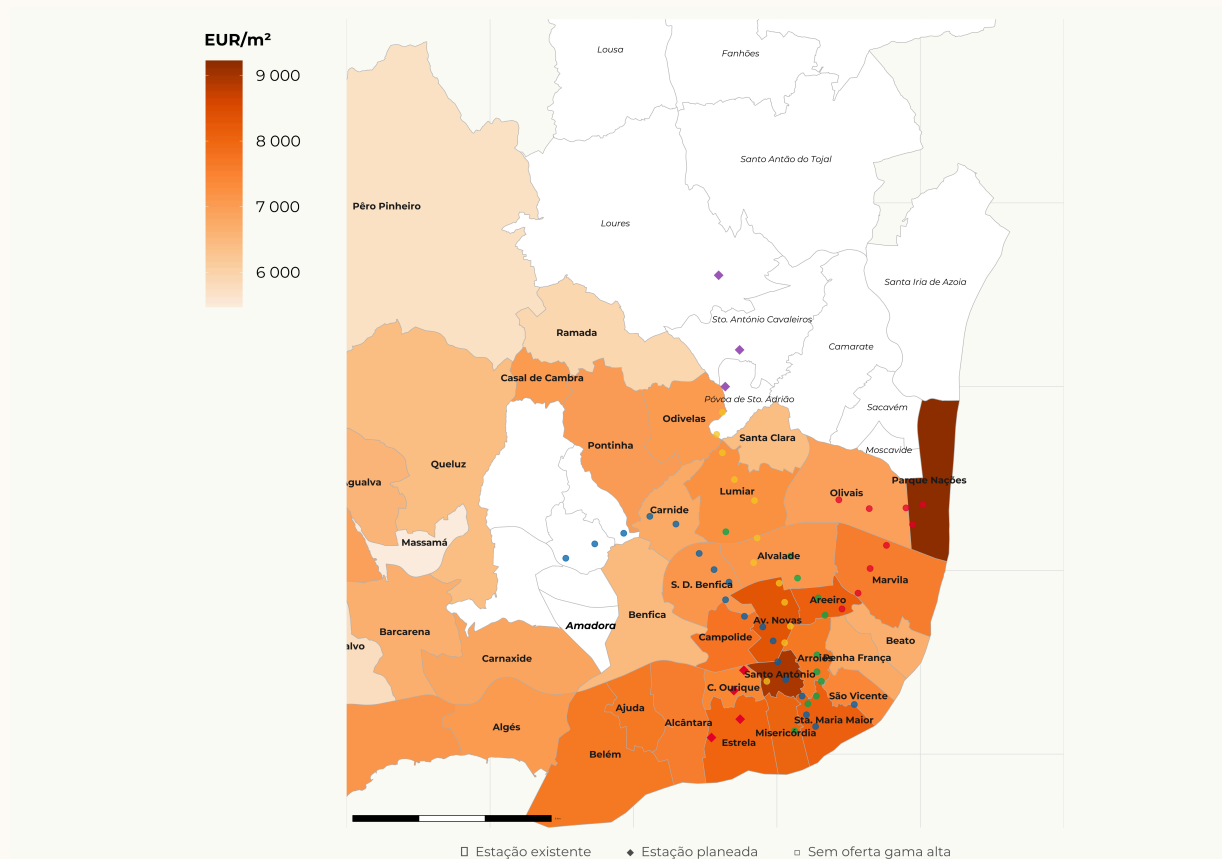
**Vanguard**

Lisboa  
Lifestyle residences

Branded residences command a premium of **30-50%** over the local market and attract international buyers and reinforce Portugal's global positioning.

## III. FUTURE OUTLOOK

## Price per sqm and metro network in the Lisbon Metropolitan Area



**Note:** The visual correlation between accessibility and price does not imply causation. The absence of high-end supply in peripheral areas has multiple causes. The academic literature documents premia associated with metro proximity: Martinez & Viegas (2009) estimate +6.5-12.5% in Lisboa; Debrezion et al. (2007) report +4.2% in an international meta-analysis; Agostini & Palmucci (2008) show capitalisation of +4-8% following new station announcements.

# Key takeaways for investors and developers

- 1 Structural growth — no short-term disruption factors identified.** No short-term factors have been identified that could derail the high-end appreciation trajectory. The structural supply deficit, demand pressure and favourable macro backdrop sustain the trend.
- 2 Affluent is the *sweet spot* — scale that Luxury cannot offer.** It provides scale that is hard to replicate in central Lisboa and Porto. It led growth in 2025 with **+38.7%** cumulative appreciation since 2021.
- 3 Transport as a growth lever for Affluent.** Transport networks (metro, Fertagus) extend the Affluent segment to areas further from the centre — critical for scaling supply. The literature suggests an estimated premium of **7–12%** for metro proximity.
- 4 Luxury and Premium remain solid — regulatory risk in the international segment.** The **7.5%** IMT and IFICI impact foreign buyers. Middle Eastern investors may replace European and North American flows. The **47–62%** discount vs London and Paris structurally anchors international demand.
- 5 Differentiation is imperative in Premium and Luxury.** Location, integrated services and top-tier finishes are decisive factors. Portugal is the **European leader in branded residences** (~1,200 units in pipeline), the qualitative frontier of the market.

# The High-End Residential Real Estate Market in Portugal

Realty Premium Market 2026 | April 2026

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