

MARKET REPORT

Global Residential Real Estate

Q1
2025

House Price Change (Nominal)

	Y-O-Y (%)		Q-O-Q (%)	
	Q1 2024		Q1 2025	Q1 2025
Australia	10.91	▼	6.15	0.47
Austria	-4.90	▲	1.21	1.18
Belgium	0.13	▲	-0.04	-1.11
Bosnia and Herzegovina	17.19	▼	10.74	0.23
Brazil	4.77	▲	6.54	1.02
Bulgaria	16.01	▲	15.08	4.19
Cambodia	3.64	▼	-2.07	-1.23
Canada	5.58	▼	0.90	-2.39
Chile	4.30	▲	7.99	7.06
China	-7.16	▼	-14.78	-3.16
Colombia	7.29	▼	3.42	0.49
Costa Rica	5.84	▲	5.61	0.26
Croatia	9.13	▲	13.08	4.47
Cyprus	7.79	▼	4.83	1.86
Czech Republic	1.18	▲	9.94	2.35
Denmark	5.40	▲	10.17	3.50
Dominican Republic	0.05	▲	10.17	3.35
Egypt	39.29	▼	19.68	6.25
Estonia	7.81	▼	4.62	2.99
Finland	-3.63	▲	0.27	-0.20
France	-5.16	▲	0.39	1.03
Georgia	12.97	▼	11.53	2.15
Germany	-4.08	▲	3.77	1.41
Greece	11.21	▼	6.19	2.51
Hong Kong	-12.55	▲	-7.53	-1.49
Hungary	34.66	▼	-0.03	-5.94
Iceland	6.97	▼	7.00	0.40
India	4.09	▲	3.13	0.92
Indonesia	1.89	▲	1.07	0.10
Ireland	7.28	▼	7.57	0.37
Israel	2.10	▲	4.92	0.30
Italy	1.59	▲	4.42	-0.26

House Price Change (Inflation-Adjusted)

	Y-O-Y (%)		Q-O-Q (%)	
	Q1 2024		Q1 2025	Q1 2025
Australia	6.99	▼	3.66	-0.46
Austria	-8.82	▲	-1.87	-0.79
Belgium	-2.51	▲	-3.42	-2.87
Bosnia and Herzegovina	14.93	▼	7.28	-1.85
Brazil	0.81	▼	1.01	-1.00
Bulgaria	12.60	▼	10.65	1.37
Cambodia	3.64	▼	-2.07	-0.47
Canada	2.61	▼	-1.39	-3.77
Chile	0.57	▲	2.95	4.98
China	-7.25	▼	-14.70	-3.35
Colombia	-0.06	▼	-1.59	-2.08
Costa Rica	7.11	▼	4.35	0.24
Croatia	4.88	▲	9.57	4.08
Cyprus	6.50	▼	3.19	2.78
Czech Republic	-0.88	▲	7.02	1.02
Denmark	4.39	▲	8.34	2.67
Dominican Republic	-3.22	▲	6.36	2.32
Egypt	4.46	▼	5.33	1.56
Estonia	3.41	▼	0.09	0.85
Finland	-6.26	▲	-0.28	-0.46
France	-7.74	▲	-0.67	0.71
Georgia	12.39	▼	7.76	0.25
Germany	-6.44	▲	1.48	0.93
Greece	7.88	▼	3.53	2.83
Hong Kong	-14.26	▲	-8.81	-1.85
Hungary	29.86	▼	-5.02	-8.29
Iceland	0.15	▲	3.10	-0.62
India	-0.45	▼	0.24	1.79
Indonesia	-0.67	▲	0.51	0.24
Ireland	4.29	▲	5.46	-0.42
Israel	-0.59	▲	1.53	-0.78
Italy	0.66	▲	2.71	-1.08

▲ More than one percentage point increase in house price change

▼ Less than 1 percentage point increase in house price change

▼ More than one percentage point decrease in house price change

▲ Less than 1 percentage point decrease in house price change

House Price Change (Nominal)

	Y-O-Y (%)		Q-O-Q (%)	
	Q1 2024		Q1 2025	Q1 2025
Japan	8.66	▼	4.12	1.23
Kazakhstan	1.33	▲	5.89	3.01
Latvia	-6.49	▲	0.47	0.35
Lithuania	2.37	▲	4.34	1.50
Luxembourg	-8.67	▲	3.68	-1.20
Macau	-9.04	▼	-10.64	-2.13
Malaysia	3.52	▼	0.85	-2.47
Malta	6.23	▼	2.22	1.37
Mauritius	19.62	▲	23.82	5.06
Mexico	9.64	▼	8.16	2.30
Moldova	9.38	▲	35.44	18.40
Mongolia	11.75	▲	21.02	5.15
Montenegro	30.95	▼	22.89	11.47
Morocco	0.70	▲	0.10	-0.97
Netherlands	9.62	▲	9.47	-2.27
New Zealand	2.60	▼	-1.82	-0.03
North Macedonia	5.28	▲	22.63	9.91
Norway	1.21	▲	6.49	5.52
Pakistan	19.27	▼	17.99	10.89
Peru	1.48	▲	0.74	0.57
Philippines	7.41	▼	7.56	2.61
Poland	20.47	▼	4.44	-0.57
Portugal	10.91	▲	13.78	5.17
Puerto Rico	3.11	▲	21.55	5.42
Qatar	0.93	▲	3.73	1.23
Romania	9.72	▲	15.06	6.32
Russia	31.72	▼	20.51	10.83
Saudi Arabia	1.38	▲	4.31	0.72
Serbia	5.52	▲	5.31	1.30
Singapore	4.88	▼	3.33	0.81
Slovak Republic	-5.20	▲	11.43	4.01
Slovenia	6.33	▼	4.23	-2.75

House Price Change (Inflation-Adjusted)

	Y-O-Y (%)		Q-O-Q (%)	
	Q1 2024		Q1 2025	Q1 2025
Japan	5.83	▼	0.47	0.87
Kazakhstan	-7.12	▲	-3.70	-0.85
Latvia	-7.34	▲	-2.78	-1.86
Lithuania	2.34	▼	0.25	-1.23
Luxembourg	-11.54	▲	1.99	-2.24
Macau	-10.11	▲	-10.77	-2.27
Malaysia	1.72	▼	-0.58	-2.98
Malta	3.51	▼	0.05	0.28
Mauritius	13.98	▲	21.62	1.82
Mexico	4.86	▲	7.70	4.33
Moldova	5.23	▲	24.54	14.20
Mongolia	4.71	▲	11.10	2.27
Montenegro	24.09	▼	19.77	9.34
Morocco	-0.24	▼	-1.49	-1.71
Netherlands	6.40	▲	5.66	-2.78
New Zealand	-1.37	▼	-4.24	-0.96
North Macedonia	0.77	▲	18.14	10.20
Norway	-3.02	▲	3.54	4.49
Pakistan	-1.18	▲	17.17	10.03
Peru	-1.52	▼	-0.53	-0.33
Philippines	3.56	▲	5.71	2.53
Poland	16.91	▼	-0.86	-1.98
Portugal	8.50	▲	11.27	5.20
Puerto Rico	0.56	▲	20.41	4.97
Qatar	-0.13	▲	3.59	4.49
Romania	2.84	▲	9.51	4.26
Russia	22.28	▼	9.64	12.96
Saudi Arabia	-0.29	▲	2.18	0.10
Serbia	0.51	▼	0.93	0.12
Singapore	1.59	▼	2.31	0.81
Slovak Republic	-8.15	▲	7.26	2.12
Slovenia	2.79	▲	2.31	-2.75

▲ More than one percentage point increase in house price change

▼ Less than 1 percentage point increase in house price change

▼ More than one percentage point decrease in house price change

▲ Less than 1 percentage point decrease in house price change

House Price Change (Nominal)

House Price Change (Inflation-Adjusted)

	Y-O-Y (%)				Q-O-Q (%)			
	Q1 2024		Q1 2025	Q1 2025	Q1 2024		Q1 2025	Q1 2025
South Africa	0.90	▲	2.00	0.88	South Africa	-4.20	▲	-0.71
South Korea	-0.52	▼	0.42	-0.10	South Korea	-3.51	▲	-1.65
Spain	4.33	▲	8.98	3.11	Spain	1.16	▲	6.09
Sri Lanka	7.17	▼	1.76	0.62	Sri Lanka	6.21	▼	4.47
Sweden	-2.67	▲	2.74	-0.10	Sweden	-7.01	▲	1.83
Switzerland	3.57	▼	4.43	1.35	Switzerland	2.38	▲	4.05
Taiwan	10.48	▼	5.99	-0.61	Taiwan	8.16	▼	3.57
Thailand	0.26	▲	3.38	-0.19	Thailand	0.73	▲	2.52
Turkey	55.28	▼	32.24	9.73	Turkey	-7.84	▲	-4.25
Ukraine	1.87	▲	1.75	0.61	Ukraine	-1.31	▼	-11.18
United Arab Emirates	20.71	▼	16.51	4.75	United Arab Emirates	16.81	▼	13.35
United Kingdom	-0.31	▲	6.95	2.75	United Kingdom	-3.94	▲	3.42
United States	6.53	▼	2.88	1.33	United States	2.95	▼	0.47
Uruguay	-4.68	▲	8.57	4.08	Uruguay	-8.17	▲	2.73
Vietnam	1.15	▲	18.37	18.48	Vietnam	-2.72	▲	14.78

▲ More than one percentage point increase in house price change

▼ Less than 1 percentage point increase in house price change

▼ More than one percentage point decrease in house price change

▲ Less than 1 percentage point decrease in house price change



Contents

Europe	8
Asia	11
Pacific	13
Middle East	14
North America	16
Latin America	18
Caribbean	19
Africa	19

Global housing markets are on the upswing. Europe leads the surge, while Asia, the Middle East, Latin America, the Caribbean, and Africa also record marked improvements. The Pacific, however, is cooling, the U.S. is losing steam, and Canada is back in decline.

When adjusted for inflation, house prices have risen in 57, and declined in 22 markets which have so far published housing statistics in Q1 2025.

Nominal figures, which is more familiar to the public, present a much more optimistic picture. During the year to Q1 2025, nominal house prices rose in as many as 72 countries out of the 79 world's housing markets, and declined in just 7 countries. In fact, several countries continued to exhibit a huge gap between the nominal and real figures, mainly due to extraordinarily high inflation. For instance, in Turkey, nominal house prices surged by 32.24% year-on-year in Q1 2025 but in real terms, prices have actually declined by 4.25%. This is also the case in Egypt, with nominal house prices rising strongly by 19.68% but real figures increased by a more modest 5.33%.

In terms of momentum, majority of the world's property markets continue to grow stronger. In Q1 2025, 48 out of 79 housing markets performed better than the previous year, while only 31 showed signs of slowing down. Momentum is a measure of the "change in the change"; simply put, momentum has increased if a property market has risen faster this year than last (or fallen less).



During the year to Q1 2025:

- United States, always a key market, is cooling again as economic uncertainty prompts greater caution among buyers and investors. House price growth is decelerating rapidly, amidst weakening demand and declining homebuilder sentiment. Similarly, Canada is once again faltering, as house prices decline against the backdrop of slowing demand and a sluggish economy.
- Most of Europe's housing markets are booming, with house prices rising in 31 out of the 40 European countries included in our global survey in Q1 2025. Also, 24 countries showed stronger momentum in Q1 2025 as compared to the prior year. Strong performers in Europe included Moldova, Montenegro, North Macedonia, Portugal, and Bulgaria. In fact, three of the five strongest housing markets in our global survey are in Europe. Though Ukraine and several other European housing markets remain depressed.
- Asian housing markets are improving. House prices rose in 11 of the 18 Asian housing markets included in our global house price survey. Also, 11 countries performed better in Q1 2025 compared to a year earlier. House price growth were strong in Pakistan, Vietnam, and Mongolia while China, Macau, and Hong Kong continue to struggle.
- Pacific housing markets are cooling. House price growth in Australia is now slowing, amidst weakening demand and a sluggish economy. On the other hand, New Zealand is seeing deeper house price falls, weighed down by a fragile economy.
- The Middle East is gaining momentum. The United Arab Emirates remains a standout, delivering exceptional price growth. Most other countries in the region have seen minimal to moderate gains, with only a few experiencing outright declines in house prices. Of the six Middle East housing markets included in our global house price survey, five have seen house price growth. Also, four countries performed better in Q1 2025 compared to a year earlier.
- Latin America is gathering pace. Five of the eight Latin American countries analyzed in our global house price survey showed stronger performance in Q1 2025 as compared to a year earlier. House prices rose in five countries, with Mexico recording particularly strong growth.
- Caribbean housing markets continue to show solid improvement due to a surge in tourism, rising demand from remote workers and lifestyle migrants and attractive tax incentives.

- Africa's housing market outlook is improving, with Mauritius posting impressive double-digit house price growth, ranking as the second-best performer in our global house price survey. Meanwhile, South Africa's price declines are showing signs of slowing.

The strongest house price increases in our global survey during the year to Q1 2025 were seen in: Moldova (+24.54%), Mauritius (+21.62%), Puerto Rico (+20.41%), Montenegro (+19.77%) and North Macedonia (+18.14%), using inflation-adjusted figures.

The biggest y-o-y house price decline was registered in China (-14.70%), followed by Ukraine (-11.18%), Macau (-10.77%), Hong Kong (-8.81%), and Hungary (-5.02%), again using inflation-adjusted figures.

In its July 2025 World Economic Outlook Update, the International Monetary Fund (IMF) revised its global economic growth forecast this year to 3%, up from its growth projection of 2.8% in April. Yet it remains below last year's 3.3% expansion. The recent upward revision reflects front-loaded activity ahead of tariffs, lower effective tariff rates, improved financial conditions, and fiscal expansion in key economies.

"Global growth is expected to decelerate, with apparent resilience due to trade-related distortions waning. At 3.0 percent in 2025 and 3.1 percent in 2026, the forecasts are below the 2024 outcome of 3.3 percent and the pre-pandemic historical average of 3.7 percent, even though they are higher than the April reference forecast," said the IMF. "The upward revision for 2025 is quite broad based, because it owes in large part to strong front-loading in international trade as well as to a lower worldwide effective tariff rate than assumed in the April reference forecast and to an improvement in global financial conditions."

Economic growth in advanced economies is projected to be 1.5% in 2025. More specifically, growth in the United States and the euro area this year is expected to remain subdued to 1.9% and 1.0%, respectively, amidst greater policy uncertainty, trade tensions, and slowing demand. Likewise, in emerging market and developing economies, economic growth is projected to decelerate to 4.1% this year, with notable downgrades for countries hardest hit by recent trade measures, such as China, Russia, Brazil, and Mexico.

Inflationary pressures will continue to ease. Global headline inflation is expected to fall to 4.2% this year and to 3.6% in 2026, down from 5.8% last year and 6.7% two years ago. The aggregate outlook conceals significant cross-country differences, with inflation projected to stay above target in the United States while remaining more subdued in other major economies.

"Global inflation is expected to fall, but US inflation is predicted to stay above target. Downside risks from potentially higher tariffs, elevated uncertainty, and geopolitical tensions persist," noted the IMF.

THE WORLD'S REGIONS:

Housing boom continues in most of Europe

House prices have risen in 31 of the 40 European housing markets for which figures were available in Q1 2025. Also, 24 countries had stronger momentum in Q1 2025 compared to a year earlier. A rapid acceleration in house price growth was seen in Moldova, North Macedonia, Croatia, Romania and Denmark while a positive turnaround was registered many European countries, including Slovak Republic, Czech Republic, Norway, the United Kingdom, Luxembourg, Sweden, and Germany.



Moldova is now the top performer in our global house price survey, fueled by rising demand driven by improved credit conditions and an influx of refugees in the country, coupled with limited supply. During the year to Q1 2025, nationwide house prices were up by a whopping 24.54%, a sharp acceleration from a modest increase of 5.23% in the same period last year. Quarter-on-quarter, house prices increased by 14.2% in Q1 2025.

Yet Moldova's broader economy remains weak, registering a meager growth of just 0.5% in 2024, following an annual expansion of 1.2% in 2023 and a contraction of 4.6% in 2022. Economic growth is projected to remain subdued this year at 0.6%.

Montenegro's house price growth continues to accelerate, buoyed by strong demand, especially from foreign homebuyers. The price of dwellings in new residential buildings soared by 19.77% in Q1 2025 from a year earlier, following year-on-year increases of 5.91% in Q4 2024, 11.76% in Q3, 16.61% in Q2, and 24.09% in Q1. Quarter-on-quarter, prices were up by 9.34% during the latest quarter.

In fact in nominal terms, dwelling prices surged by 22.89% during the year to Q1 2025, its seventeenth consecutive quarter of y-o-y growth. After expanding by an average of 8.5% annually in 2021-23, Montenegro's economic growth slowed to 3% in 2024. The economy is projected to grow by a modest 3.2% annually in the next two years.

North Macedonia's housing market is growing rapidly amidst robust demand and healthy residential construction activity, coupled with improving overall economic conditions. In Q1 2025, the nationwide house price index surged by 18.14% from a year earlier, a sharp improvement from the prior year's miniscule growth of 0.77%. In fact, it was the country's strongest house price growth since Q4 2008. Quarterly, prices were up by 10.2% in Q1 2025.

During 2024, the total number of dwellings for which building permits were issued in North Macedonia increased by 6.4% y-o-y to 8,367 units. This followed an annual growth of 12.3% in 2023 and a huge contraction of 41.4% in 2022. Though in the first half of 2025, dwelling permits declined slightly by 0.2% y-o-y to 4,105 units. The overall economy is projected to expand by a moderate 3.2% this year, an improvement from 2.8% in 2024, 2.1% in 2023, and 2.8% in 2022.

Portugal's housing market remains fundamentally strong, supported by robust demand and a housing shortage. Nationwide property prices rose by 11.27% in Q1 2025 from a year earlier, higher than the year-on-year growth of 8.5% in Q1 2024 and the biggest expansion since Q2 2020. Quarterly, real house prices were up by 5.2% in Q1 2025.

Demand continues to grow, with the total number of dwellings sold increasing by a huge 25% y-o-y to 41,358 units in Q1 2025, following an annual growth of 14.5% in the whole year of 2024. The total value of transactions also rose by a whopping 42.9% y-o-y to EUR9.6 billion in Q1 2025. Residential construction activity remains strong. In Q1 2025, there were 6,686 dwellings completed in Portugal, up strongly by 18.4% compared to a year earlier. This followed annual growth of 4.2% in 2024 and 12.8% in 2023. The overall economy is projected to expand by 1.8% this year and by another 2.2% in 2026, after growing by 1.9% in 2024, 2.6% in 2023, 7% in 2022 and 5.6% in 2021.

Strong house price increases were also seen in Bulgaria (10.65%), Russia (9.64%), Croatia (9.57%), Romania (9.51%), Denmark (8.34%), Georgia (7.76%), Bosnia and Herzegovina (7.28%), Slovak Republic (7.26%), Czech Republic (7.02%), and Spain (6.09%). All, except Bosnia and Herzegovina, saw quarter-on-quarter price increases during the latest quarter. All, except Bulgaria, Russia, Georgia, and Bosnia and Herzegovina, experienced stronger performances in Q1 2025 as compared to the same period last year.

European housing markets which registered more moderate house price growth during the year to Q1 2025 included Netherlands (5.66%), Ireland (5.46%), Switzerland (4.05%), Norway (3.54%), Greece (3.53%), Cyprus (3.19%), and Iceland (3.1%). All, except Netherlands, Greece and Cyprus, performed stronger in Q1 2025 compared to the prior year. In addition, all except Netherlands, Ireland and Iceland, saw quarter-on-quarter price increases in Q1 2025.

While the UK's housing market is still fragile, it continues to show remarkable improvement. Inflation-adjusted house prices rose by a modest 3.42% in Q1 2025 from a year earlier, a turnaround from the year-on-year decline of 3.94% recorded in the same period last year. It was the country's best showing since Q3 2021. In nominal terms, UK house prices actually increased by a stronger 6.95% over the same period. Quarter-on-quarter, inflation-adjusted house prices were up by 2% in Q1 2025.

Demand continues to recover, with residential property transactions (seasonally-adjusted) in the UK increasing by 7% y-o-y to 1,094,780 units in 2024, after falling by a huge 19.1% in 2023 and by 14.7% in 2022. Then in the first half of 2025, transactions surged further by 18.2% y-o-y to 623,500 units. Yet residential construction activity remains weak. In 2024, dwelling starts in the UK plummeted by 25.7% y-o-y to 132,460 units while completions declined by 5.3% to 184,390 units. The UK economy is expected to remain sluggish, with a projected real GDP growth rate of 1.1% this year, following annual expansions of 1.1% in 2024 and 0.4% in 2023.

Following a decade-long house price boom, Germany's housing market has faced challenges over the past two years due to economic uncertainty, elevated mortgage interest rates, and rising construction material costs, all of which have compounded affordability constraints. Fortunately, house prices have started to increase again. In Q1 2025, the average price of apartments rose by 1.48% (inflation-adjusted) from a year earlier, in stark contrast with the 6.44% decline in the same period last year. It was the second consecutive quarter of y-o-y increase and the best showing since Q2 2022. Quarter-on-quarter, real house prices were up slightly by 0.93% in Q1 2025.

With recovering demand, residential construction activity in Germany is now showing some improvements. In the first half of 2025, dwelling permits rose by 2.9% y-o-y to 109,760 units, following annual declines of 17% in 2024, 26.6% in 2023 and 7% in 2022. Europe's biggest economy continues to face headwinds, with its real GDP contracting by 0.2% last year, following a 0.3% decline in 2023 and a meager growth of 1.4% in 2022, as private consumption suffered from a loss in purchasing power. The European Commission forecasts that Germany's economy will see no growth this year, before slightly improving to a growth of 1.1% in 2026.

Minimal house price growth was also recorded in Italy (2.71%), Slovenia (2.31%), Luxembourg (1.99%), Sweden (1.83%), Serbia (0.93%), Lithuania (0.25%), Estonia (0.09%), and Malta (0.05%). All, except Slovenia, Lithuania, Estonia and Malta, showed stronger performance in Q1 2025 compared to the previous year. Though only Estonia, Malta and Serbia saw miniscule quarter-on-quarter price increases in Q1 2025.

Europe's worst performing housing markets

Ukraine's housing market woes persist, with the price index of second-hand dwellings in Metropolitan France falling by a huge 11.18% during the year to Q1 2025, far worse than the prior year's 1.31% decline. It was its eighteenth consecutive quarter of year-on-year inflation-adjusted house price declines and its worst showing since Q1 2023. Quarterly, house prices were down by 2.83% in Q1.

Recently, the European Commission has downgraded Ukraine's growth forecast for 2025 to 2% from the initial projection of 2.8%, and for 2026 to 4.7% from 5.9%, as exports are expected to weaken sharply. The economy grew by 5.5% in 2023 and 2.9% in 2024, after suffering a huge contraction of 28.8% in 2022.

Hungary's housing market is deteriorating rapidly, with nationwide residential property prices dropping by 5.02% year-on-year in Q1 2025, a sharp reversal from the remarkable 29.86% growth posted during the same period last year. It was the first decline after five consecutive quarters of double-digit year-on-year growth. Quarterly, prices were down by 8.29% in Q1 2025.

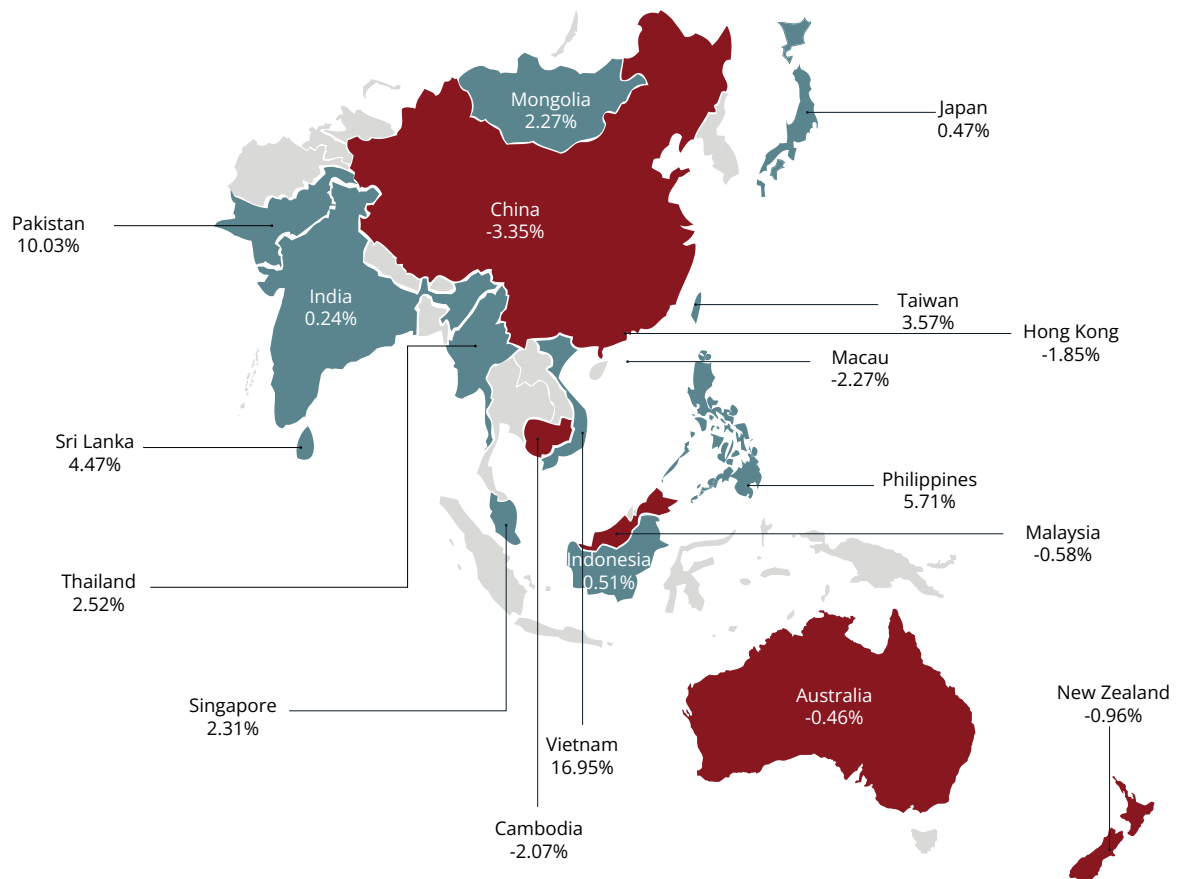
Hungary's wider economy remains weak, amidst declining investment and sluggish exports. During 2024, the economy expanded by a miniscule 0.5%, following a contraction of 0.8% in the prior year. Growth is expected to remain subdued at 0.8% this year, before picking up to 2.5% next year.

Other European housing markets which are also struggling included Turkey, with residential property prices falling by 4.25% year-on-year in Q1 2025, Belgium (-3.42%), and Latvia (-2.78%). All registered quarterly price falls during the quarter. Though it is interesting to note that all, except Belgium, performed better in Q1 2025 as compared to the same period last year.

Minimal house price falls were registered in Austria (-1.87%), Poland (-0.86%), France (-0.67%), and Finland (-0.28%). All, except France, recorded quarter-on-quarter house price falls in Q1 2025. Despite this, all, except Poland, showed better performance in Q1 2025 as compared to the same period last year.

Asian housing markets improving

House prices rose in 11 of the 18 Asian housing markets included in our global house price survey. Also, 11 countries performed better in Q1 2025 compared to a year earlier. House price growth were strong in Pakistan, Vietnam, and Mongolia while China, Macau, and Hong Kong continue to struggle.



Pakistan's housing market has defied expectations and made a surprise comeback, supported by strong demand from increasing population and rapid urbanization. In Q1 2025, the inflation-adjusted residential property price index in Karachi increased by a huge 17.17% from a year earlier, in stark contrast to the year-on-year fall of 1.18% in Q1 2024. It was the biggest price increase recorded in the past decade. Quarterly, residential property prices in Karachi were up by 10.03% in Q1 2025.

The Pakistani economy grew by 2.5% in 2024 from a year earlier, following a contraction of 0.2% in 2023 and expansions of 6.2% in 2022 and 5.8% in 2021. The economy is projected to continue growing modestly at 2.6% this year and 3.6% next year.

Vietnam's housing market posted a solid rebound, marked by rising property prices and increasing buyer interest. In Q1 2025, the average price of new apartments in Ho Chi Minh City surged by 14.78% from a year earlier, a sharp turnaround from the year-on-year decline of 2.72% recorded in Q1 2024. It was its strongest growth since Q3 2022. Quarter-on-quarter, apartment prices were up by 16.95% in Q1 2025.

Residential property demand in Vietnam remains healthy, amidst declining interest rates, strong foreign investments, and robust overall economic growth. Accordingly, the market saw more than 47,000 property transactions in 2024, achieving an absorption rate of 72%. The overall economy grew strongly by 7.1% in 2024, following expansions of 5.1% in 2023 and 8.5% in 2022. Economic growth is projected at 5.2% this year.

Mongolia's housing market continues to strengthen, with the inflation-adjusted average price of old apartments in Ulaanbaatar increasing strongly by 11.1% during the year to Q1 2025. This was a sharp acceleration from the 4.71% growth in the same period in the prior year. In fact in nominal terms, prices of old apartments skyrocketed by 21.02% y-o-y in Q1 2025. Quarterly, inflation-adjusted house prices were up by 2.27% in the first quarter of 2025.

During 2024, the Mongolian economy grew by 4.9%, mainly driven by strong growth in the mining sector, as well as robust household consumption and government spending. This followed annual expansions of 7.4% in 2023, 5% in 2022 and 1.6% in 2021. The IMF expects the economy to remain strong in the medium term, with a projected real GDP growth rate of 6% this year and 5.9% in 2026.

Other Asian housing markets which registered moderate house price growth during the year to Q1 2025 included the Philippines (5.71%), Sri Lanka (4.47%), Taiwan (3.57%), Thailand (2.52%), and Singapore (2.31%). All, except Taiwan and Sri Lanka, showed stronger performance in Q1 2025 as compared to the same period last year. On the other hand, all, except Thailand and Taiwan, saw a quarterly price increase during the latest quarter.

Minimal house price increases were recorded in Indonesia (0.51%), Japan (0.47%), and India (0.24%). All of the three Asian countries recorded quarterly price increases in Q1 2025. Both Indonesia and India performed better in Q1 2025 as compared to a year earlier.

Asia's weakest housing markets

China's housing market continues to struggle, weighed down by structural challenges such as high unsold inventory, low housing affordability, and employment uncertainty heightened by ongoing trade tensions with the United States. In Beijing, the inflation-adjusted price index of second-hand residential buildings fell by 14.7% year-on-year in Q1 2025, far worse than the previous year's 7.25% decline. Quarterly, prices dropped 3.35% during the latest quarter.

China's property crisis stems from real estate's dominant role in the economy, where it accounted for roughly 20% of activity. In the decade leading up to the pandemic, housing prices surged far faster than household incomes, as consumers, faced with limited savings options, channeled more investment into property. This, in turn, fueled excessive borrowing by developers and left local governments increasingly reliant on land sales for revenue. The Chinese economy grew by 5% during 2024, following annual expansions of 5.4% in 2023, 3.1% in 2022, 8.6% in 2021, and 2.3% in 2020. The economy is projected to expand by an annual average of 4% in the next two years.

Macau's housing market remains depressed, amidst slowing economic growth. The average transaction price of residential units fell by a huge 10.77% (inflation-adjusted) in Q1 2025 from a year earlier, following year-on-year declines of 11.84% in Q4 2024, 13.78% in Q3, 13.74% in Q2 and 10.11% in Q1. It was the fifteenth consecutive quarter of house price falls. On a quarterly basis, prices fell by 2.27% in Q1 2025.

The overall economy is slowing again. Macau's economy grew by 8.8% in 2024 from a year earlier, a sharp slowdown from the prior year's expansion of 75.1%. The city's overall economic output is now at 86.4% of its 2019 level. The IMF expects the economy to slow further in the medium term, with a projected real GDP growth rate of 3.6% this year and 3.5% in 2026, as gross gaming revenue grows more slowly.

Hong Kong's residential property prices remain on a downward path even as demand rebounds and construction activity strengthens, amid falling interest rates and the lifting of government cooling measures. The inflation-adjusted residential property prices were down by 8.81% in Q1 2025 from a year earlier, following year-on-year declines of 8.39% in Q4 2024, 14.38% in Q3, 14.12% in Q2, and 14.26% in Q1. It was the thirteenth consecutive quarter of year-on-year price falls. Quarterly, real house prices dropped 1.85% during the quarter under review. Hong Kong continues to suffer a chronic housing shortage – a problem that has dragged on for over two decades. To partially address this, completions soared by more than 75% to 24,261 units in 2024 – the highest level in two decades. In the first half of 2025, a total of 10,063 housing completions were recorded.

On a positive note, demand is showing some improvements, buoyed by falling interest rates and the removal of housing market restrictions. During 2024, the total number of property transactions – including primary and secondary sales – rose strongly by 23.5% y-o-y to 53,099 units, in contrast to annual declines of 4.5% in 2023 and 39.4% in 2022. Likewise, total sales volume increased by 16.7% y-o-y to HK\$454.36 billion (US\$58.04 billion) last year, a sharp turnaround from annual contractions of 4.5% in 2023 and 44.4% in 2022. However, indicators were mixed in the first half of 2025, as the number of property transactions rose by 4.2% year-on-year while sales volume fell by 5% over the same period.

Hong Kong's service-oriented economy is projected to grow by 2% to 3% this year, after expansions of 2.5% in 2024 and 3.2% in 2023 and a contraction of 3.7% in 2022.

Other weak Asian housing markets included Kazakhstan, with house prices falling by 3.7% during the year to Q1 2025, Cambodia (-2.07%), South Korea (-1.65%), and Malaysia (-0.58%). All registered quarterly price falls in Q1 2025. On the other hand, both Malaysia and Cambodia continued to show weaker performance in Q1 2025 compared to a year earlier.

Pacific housing markets showed renewed strain

Signs of renewed weakness are emerging in the Pacific housing market, with slower house price growth in Australia and steeper declines in New Zealand.

Australia's property market is cooling again, amidst weakening demand and a sluggish economy. Inflation-adjusted house prices in the country's eight major cities rose by a modest 3.66% in Q1 2025 from a year earlier, a slowdown from a robust growth of 6.99% in the preceding year. Despite this, it is now its sixth straight quarter of year-on-year growth. Quarter-on-quarter, real house prices declined slightly by 0.46% in Q1 2025.

Housing demand is cooling, but residential construction activity remains on an upward trend. In the first quarter of 2025, the total number of dwelling transfers fell by 16% to 106,767 units from a year earlier, following an annual growth of 12.1% in 2024, and declines of 3.5% in 2023 and 20.4% in 2022. Dwelling approvals were up by 17.8% to 96,198 units in the first half of 2025 as compared to the prior year, following an annual increase of 5.5% in 2024 and decreases of 14.4% in 2023 and 16.4% in 2022.

Australia's overall economic growth slowed to 1% in 2024, from 2.1% in 2023, 4.1% in 2022 and 5.4% in 2021. The IMF expects the Australian economy to expand by 1.6% this year and 2.1% in 2026.

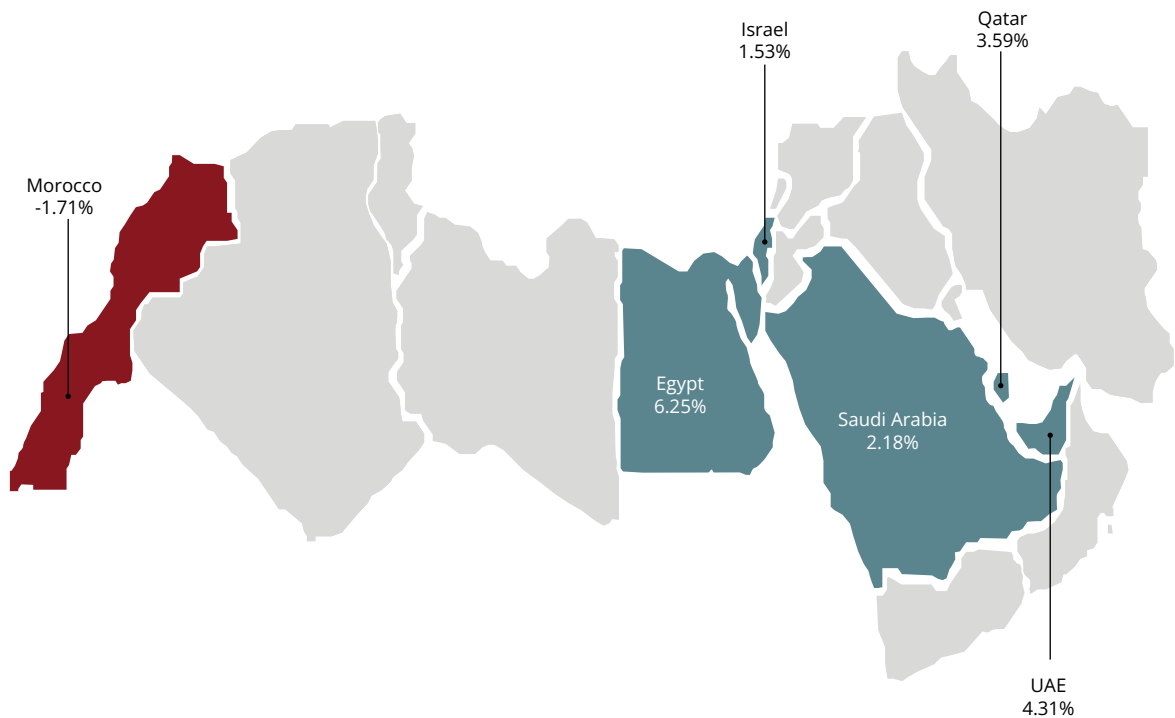
New Zealand is facing worsening house price falls, despite improving property demand. Inflation-adjusted median house prices dropped by 4.24% in Q1 2025 from a year earlier, worse than the year-on-year declines of 3.76% in Q4 2024, 2.95% in Q3, 1.81% in Q2 and 1.37% in Q1. It is now the twelfth consecutive quarter of year-on-year price falls. Quarterly, real house prices were down by 0.96% in Q1 2025.

In Q1 2025, the total number of house sales in the country reached 21,108 units, down by 8.6% from the previous quarter but up by 3% from a year earlier, according to RBNZ. This followed an annual growth of 12.3% in 2024 and 5.8% in 2023. A recent report released by REINZ showed that nationwide property sales rose by 4% in July 2025 from a year earlier, to reach 6,319 units. Yet only 8 out of the 16 regions recorded year-on-year increases in sales count. Supply remains weak. In the first five months of 2025, the total number of new dwelling consents in New Zealand fell slightly by 0.5% y-o-y to 13,748 units, following declines of 9.8% in the full year of 2024 and 22.9% in 2023.

NZ's economy contracted by 0.5% in 2024, after expanding by 1.8% in 2023, 2.9% in 2022 and 5.7% in 2021, as rising interest rates and high inflation weigh on private consumption. The IMF expects NZ's economic conditions to improve in the medium term, projecting real GDP growth rates of 1.4% this year and 2.7% in 2026..

The Middle East is gathering pace

The Middle East is gaining momentum. The United Arab Emirates remains a standout, delivering exceptional price growth. Most other countries in the region have seen minimal to moderate gains, with only a few experiencing outright declines in house prices. Of the six Middle East housing markets included in our global house price survey, five have seen house price growth. Also, four countries performed better in Q1 2025 compared to a year earlier.



The UAE's housing market continues to show outstanding performance, underpinned by strong demand. In Dubai, inflation-adjusted residential property prices rose by a whopping 13.35% in Q1 2025 from a year earlier, following annual increases of 14.72% in Q4 2024, 16.51% in Q3, 16.75% in Q2 and 16.81% in Q1. It was its eight consecutive quarter of double-digit year-on-year price growth. Quarterly, real house prices in Dubai were up by 4.31% in Q1 2025.

Demand continues to surge. In Dubai, the total number of real estate transactions reached 94,000 deals in the first half of 2025, up by 23% from the same period last year. Likewise, transaction value totaled AED262.7 billion (US\$71.5 billion), marking a whopping 37.68% from the prior year. The overall UAE economy is projected to grow by 4% this year and another 5% in 2026, following annual expansions of 3.8% in 2024, 3.6% in 2023, 7.5% in 2022 and 4.4% in 2021, buoyed by the expected rise in oil production.

Egypt's housing market remains robust, with the nationwide inflation-adjusted real estate index rising by 5.33% in Q1 2025 from a year earlier, following a year-on-year growth of 4.46% in the preceding year. Quarter-on-quarter, real house prices were up by 1.56% in Q1 2025. In nominal terms, house prices surged by 19.68% in Q1 2025 from a year earlier and by 6.25% from the previous quarter.

President Abdel Fattah el-Sisi recently removed the last restrictions on foreign ownership of land and property in Egypt, in an effort to buoy the housing market. He also allowed the government, the biggest landowner in Egypt, to use its land for public-private partnership schemes. These improvements, together with the fundamentally strong local demand, is now boosting housing market growth. After expanding by 2.4% in 2024, the overall economy is projected to expand by 3.8% this year and by another 4.3% in 2026.

Modest to minimal year-on-year house price increases were registered in Qatar (3.59%), Saudi Arabia (2.18%) and Israel (1.53%). All of the three Middle Eastern countries had stronger showing in Q1 2025 as compared to the previous year. This improvement in Q1 2025 represents a sharp contrast to last year's declines. Both Qatar and Saudi Arabia experienced quarter-on-quarter house price growth during the latest quarter.

On the other hand, other housing markets in the Middle East remain weak. One of which is Morocco, with its nationwide residential property price index falling by 1.49% in Q1 2025 from a year earlier. This followed a miniscule year-on-year growth of 0.42% in Q4 2024 and contractions of 1.33% in Q3, 2.35% in Q2 and 0.24% in Q1. Quarterly, residential property prices declined by 1.71% in Q1 2025.



North America: U.S. housing market loses momentum as Canada contracts again

The U.S. housing market is showing clear signs of cooling, as households grapple with growing economic uncertainty. Similarly, Canada's housing sector has entered another phase of decline.



The U.S. housing market is cooling again as economic uncertainty prompts greater caution among buyers and investors. The S&P/Case-Shiller seasonally-adjusted national home price index rose by a meager 0.45% in Q1 2025 from a year earlier (inflation-adjusted), a sharp slowdown from a year-on-year growth of 2.95% in the preceding year. Quarter-on-quarter, house prices were steady during the latest quarter.

Demand is weakening. In July 2025, existing home sales – completed transactions that include single-family homes, townhomes, condominiums and coops – increased slightly by 0.8% to a seasonally-adjusted annual rate of 4,010,000 units as compared to a year earlier, according to the National Association of Realtors (NAR). On the other hand, sales of new single-family houses fell by 6.6% y-o-y to a seasonally-adjusted annual rate of 627,000 units in June 2025, according to the U.S. Census Bureau.

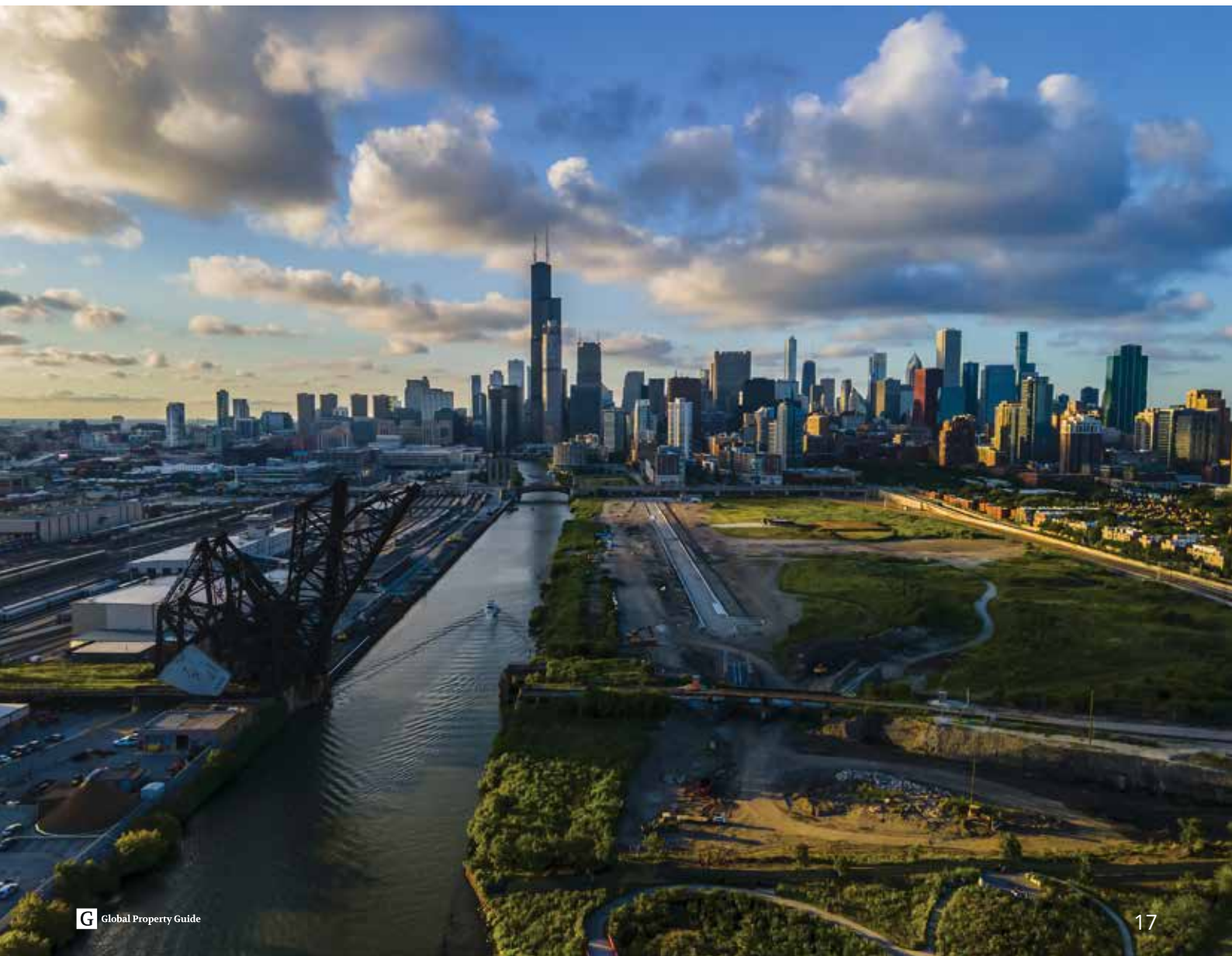
Residential construction indicators showed mixed results. In July 2025, housing starts increased by 12.9% y-o-y to a seasonally-adjusted annual rate of 1,428,000 units. In contrast, the number of housing units authorized by building permits dropped 5.7% y-o-y to 1,354,000 and housing completions fell by 13.5% to 1,415,000 units over the same period. The U.S. homebuilder sentiment fell one point from the previous month and seven points from a year earlier to 32 in August 2022, the lowest level seen since December 2022, as confidence among developers took a significant hit as elevated mortgage rates, weak buyer traffic and ongoing supply-side challenges continue to dampen sentiment in the housing market, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI). A reading of 50 is the midpoint between positive and negative sentiment.

The U.S. economy expanded by a modest 2.8% last year, following annual growth of 2.9% in 2023, 2.5% in 2022, and 6.1% in 2021, according to the U.S. Bureau of Economic Analysis. The world's biggest economy is projected to grow by just 1.8% this year and 1.7% in 2026, based on IMF forecast.

Following a fleeting recovery in 2024, Canada's housing market has begun to weaken again. In Q1 2025, inflation-adjusted house prices in the country's eleven major cities declined by 1.39% from a year earlier, in contrast to the year-on-year price growth of 2.61% recorded a year ago. Quarter-on-quarter, real house prices were down by 3.77% during the latest quarter.

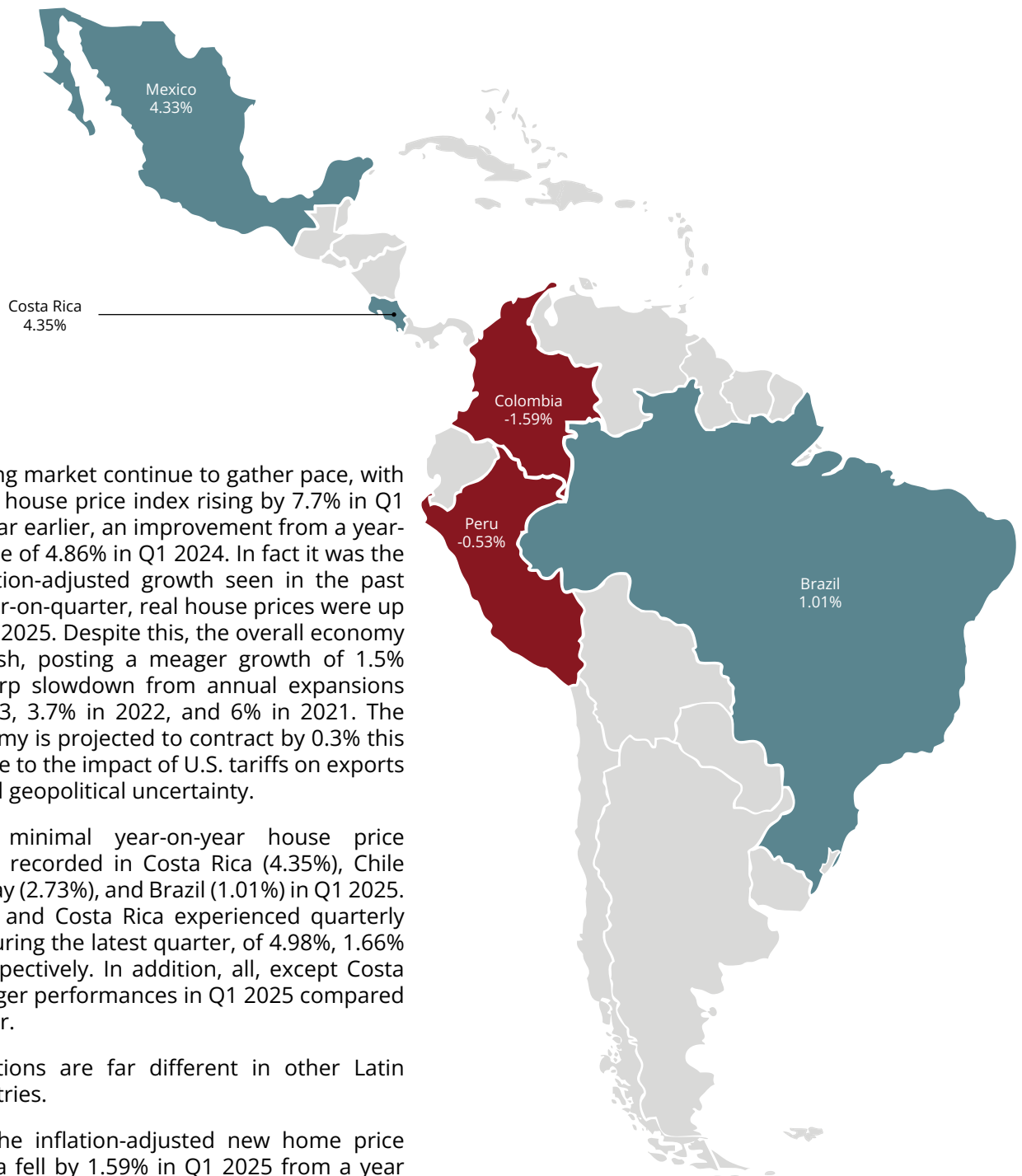
During 2024, the total number of sales transactions increased by 7.3% y-o-y to 490,376 units, according to the Canadian Real Estate Association (CREA). However due to the ongoing tariff uncertainty and the expected economic repercussions that it brings, CREA has recently downgraded its sales forecast for this year to 469,503 units, down by 3% from the prior year. This represents a large downward revision from its initial projection of an 8.6% sales growth this year. Despite this, residential construction continues to grow. In the first half of 2025, housing starts rose by 2.8% y-o-y to 121,966 units, following annual growth of 2% in 2024 and declines of 8.2% in 2023 and 3.4% in 2022, according to the Canada Mortgage and Housing Corporation (CMHC).

Canada's overall economy remains sluggish, with a real GDP growth rate of 1.5% during 2024, following expansions of 1.5% in 2023, 4.2% in 2022, and 6% in 2021. The economy will continue its lackluster performance this year, with the IMF projecting a miniscule real GDP growth rate of 1.4%, as major policy shifts pose potential risks to the economic outlook.



Latin America's housing markets are picking up pace

Five of the eight Latin American countries analyzed in our global house price survey showed stronger performance in Q1 2025 as compared to a year earlier. House prices rose in five countries, with Mexico recording particularly strong growth.



Mexico's housing market continue to gather pace, with the nationwide house price index rising by 7.7% in Q1 2025 from a year earlier, an improvement from a year-on-year increase of 4.86% in Q1 2024. In fact it was the strongest inflation-adjusted growth seen in the past decade. Quarter-on-quarter, real house prices were up by 4.33% in Q1 2025. Despite this, the overall economy remains sluggish, posting a meager growth of 1.5% in 2024, a sharp slowdown from annual expansions of 3.3% in 2023, 3.7% in 2022, and 6% in 2021. The Mexican economy is projected to contract by 0.3% this year, largely due to the impact of U.S. tariffs on exports and heightened geopolitical uncertainty.

Moderate to minimal year-on-year house price increases were recorded in Costa Rica (4.35%), Chile (2.95%), Uruguay (2.73%), and Brazil (1.01%) in Q1 2025. Chile, Uruguay and Costa Rica experienced quarterly price growth during the latest quarter, of 4.98%, 1.66% and 0.24%, respectively. In addition, all, except Costa Rica, had stronger performances in Q1 2025 compared to the prior year.

Though, conditions are far different in other Latin American countries.

In Colombia, the inflation-adjusted new home price index in Bogota fell by 1.59% in Q1 2025 from a year earlier, following zero growth in Q4 2024 and year-on-year declines of 0.78% in Q3, 0.74% in Q2 and 0.06% in Q1. Quarterly, house prices dropped 2.08% during the latest quarter.

In Peru, residential property prices declined slightly by 0.53% in Q1 2025 from a year earlier, following a year-on-year fall of 1.52% in the prior year. It is now the seventeenth consecutive quarter of house price falls. Quarter-on-quarter, prices were down by 2.08% in Q1 2025.

Caribbean housing markets regaining strength

Caribbean housing markets are showing solid improvement due to a surge in tourism, rising demand from remote workers and lifestyle migrants and attractive tax incentives.

Puerto Rico is the third-best performer in our global house price survey, with its seasonally-adjusted purchase-only house price index soaring by 20.41% in Q1 2025 from a year earlier, a sharp acceleration from a year-on-year growth of 0.56% in Q1 2024, using inflation-adjusted figures. In fact, it is now the fourth consecutive quarter of double-digit year-on-year price growth and its best showing in four years. Quarter-on-quarter, real house prices increased by 4.97% during the latest quarter.

The Puerto Rican housing market has suffered tremendously for most of the decade. The island has experienced a prolonged economic crisis, massive debt, high unemployment and continuing population loss. With US\$70 billion in debt and US\$50 billion in pension liabilities, Puerto Rico's bankruptcy filing in May 2017 was the biggest in the history of the United States. Puerto Rico's economy expanded slightly by 1% during 2024, following annual growth of 0.6% in 2023, 3.6% in

2022, and 0.4% in 2021. Overall economic conditions are expected to worsen in the medium term, with the IMF projecting real GDP contractions of 0.8% this year and another 0.1% in 2026.

The Dominican Republic's housing market continues to recover, with the inflation-adjusted average price of apartments rising by 6.36% in Q1 2025 from a year earlier, a sharp turnaround from the year-on-year fall of 3.22% in the prior year. Quarter-on-quarter, apartment prices were up by 2.32% in Q1 2025. The overall economy grew by a robust 5% in 2024, after expanding by 2.2% in 2023 and 5.2% in 2022. The economy is projected to grow by further by 4% this year and by another 4.8% in 2026.

Africa's housing markets show remarkable improvements

Africa's housing market outlook is improving, with Mauritius posting impressive double-digit house price growth, ranking as the second-best performer in our global house price survey. Meanwhile, South Africa's price declines are showing signs of slowing.

Mauritius' housing market continues to strengthen, buoyed by robust demand and strong economy. During the year to Q1 2025, the inflation-adjusted residential property price index skyrocketed by 21.62%, following year-on-year increases of 20.13% in Q4 2024, 19.14% in Q3, 14.25% in Q2 and 13.98% in Q1. It was its tenth consecutive quarter of double-digit house price growth. Quarterly, house prices were up by 1.82% during the latest quarter.\

In addition to strong local demand, foreign investor participation in Mauritius is steadily increasing. To further attract investment in high-end residential properties, the government has introduced several real estate schemes, many of which grant eligibility for a residence permit. The overall economy expanded by 4.7% during 2024 and is projected to grow further by 3% annually in the next two years.

South Africa's housing market is now showing some improvements, after having been depressed for most of the past eight years. The price index for medium-sized apartments fell slightly by 0.71% in Q1 2025 from a year earlier, a deceleration from a year-on-year decline of 4.2% in Q1 2024. In fact it was the lowest house price fall recorded since Q4 2021. Quarterly, house prices were also down slightly by 0.71% during the latest quarter.

Yet overall economic activity in SA remains subdued. During 2024, the economy grew by a miniscule 0.6%, following annual expansions of 0.7% in 2023, 1.9% in 2022, and 5% in 2021, amidst election-related uncertainty and severe droughts. The economy will likely post another meager growth of 1% this year and 1.3% in 2026.



Global Property Guide

The Global Property Guide (www.globalpropertyguide.com) provides research to help buyers of residential property abroad.

Our collation of statistics on national house-price changes sells to the World Bank, IMF, and similar institutions (educational institutions should apply for special consideration).

Our in-house research is widely quoted by leading media such as The Economist, Forbes, the Wall Street Journal, the BBC, as well as by industry publications.

Our ratings of landlord-friendly landlord and tenant law have since been emulated by OECD policy papers.

+372 5656 1119

office@globalpropertyguide.com

globalpropertyguide.com