

October 2025 RICS/Ci Portuguese Housing Market Survey

Feedback points towards flatter activity across the sales and lettings market

- **Buyer demand shows significant regional disparities**
- **House prices growth cools slightly**
- **Upward pressure on rents eases sharply**

Summary:

The October 2025 edition of the RICS/Ci PHMS presents a market that remains broadly stable in terms of activity levels, though signals across both sales and lettings point to a slight loss of momentum for demand across some regions. Looking ahead, expectations remain positive overall, though the latest readings suggest momentum is likely to build only gradually rather than accelerate sharply.

Aggregate buyer enquiries were unchanged at a net balance of -20% in October, though regional trends varied: Lisbon saw a marked improvement (from -1% to +17%), Porto held steady (3% to 0%), while the Algarve weakened further (from -38% to -57%). At the same time, new instructions fell from -3% to -13%, indicating a further tightening in supply.

Turning to agreed sales, the latest net balance moved back into positive territory for October after a string of slightly negative readings, rising from a net balance of -4% to +4%. Looking ahead, near-term sales expectations also strengthened with the three-month outlook improving from +6% to +12%.

House price growth lost some momentum in October, with the net balance easing from +34% in September to +19%, though sentiment remains firmly positive overall. Across the regions, house price momentum cooled in both Lisbon (from +40% to +24%) and Porto (from +33% to +22%), while the Algarve shifted into negative territory, with the net balance falling from +10% to -10%. House price expectations over the next three months held broadly steady, posting a net balance of +21% in October (vs +22% in September) and remains consistent with prices moving higher over the near-term.

Moving over to the lettings market, tenant demand remained firm in October, easing only slightly from a net balance of +21% to +19%. Landlord instructions continued to fall, albeit the decline moderated marginally from a net balance of -34% to -27%. Despite the ongoing mismatch between steady demand and still-constrained landlord instructions, rental price growth lost significant momentum, with the net balance sliding from +31% in September to just +5% in October. A similar pattern is evident in rental expectations, which also slipped from +17% to +5%, pointing to a more subdued outlook compared with earlier in the year.

Ricardo Guimarães, Director of Ci: "The Government has announced an important package of measures aimed at boosting affordable housing supply. Among the key initiatives is the application of a reduced 6% VAT rate for new build-to-sell and build-to-rent developments, applicable to properties priced below €648,000 for sale and €2,400 per month for rent. Given the broad scope of the programme, it has generated strong expectations across the market and could have a significant impact on activity. However, as the measures remain subject to ongoing political negotiations and details around the final design are still limited, some market participants are delaying both investment and purchasing decisions while awaiting greater clarity."

Tarrant Parsons, Head of Market Analytics: "Portugal continued to post strong economic growth, supported by resilient domestic demand even as sentiment indicators softened. Cooling inflation, solid income growth and high employment levels underpin a healthy outlook for the coming year. That said, downside risks stemming from global economic uncertainty remain a concern for Portuguese exports, although these pressures have shown signs of easing in recent months."

Chart 1: Sales market indicators

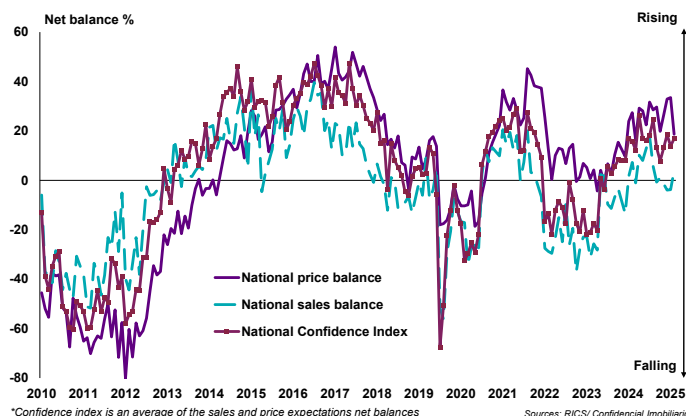
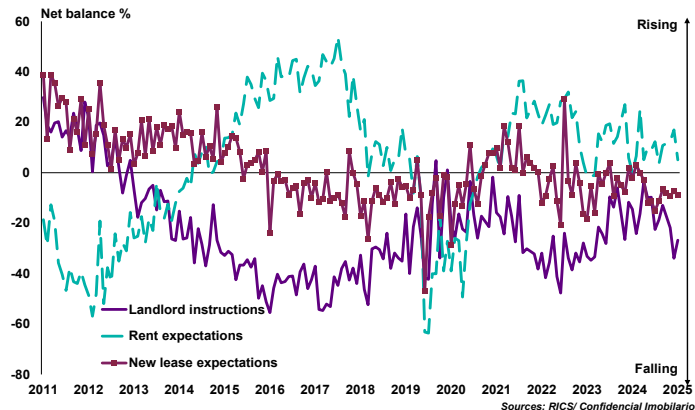


Chart 2: Lettings market indicators



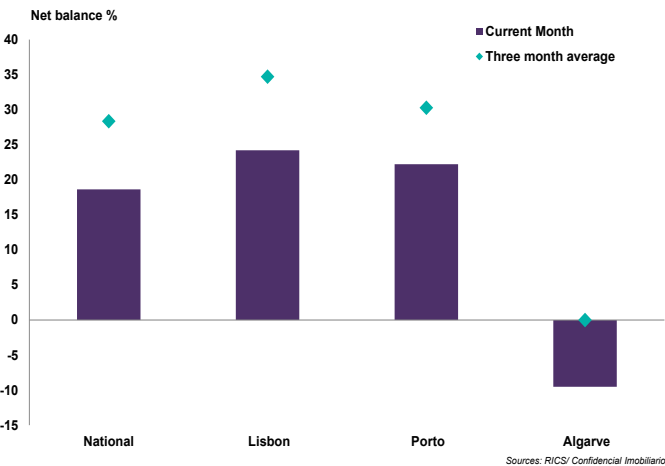
The RICS/Ci Portuguese Housing Market Survey (PHMS) provides a qualitative monthly assessment of the sales and lettings sectors based on around 100 regular responses. The PHMS contains a regional breakdown covering Lisbon, Porto and the Algarve.

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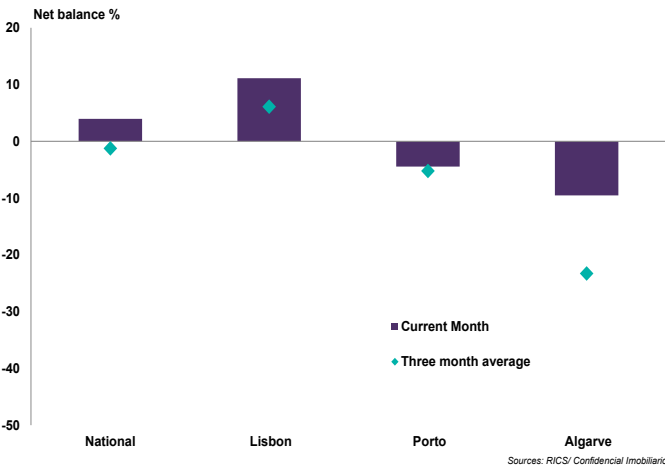
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Sales Market Charts

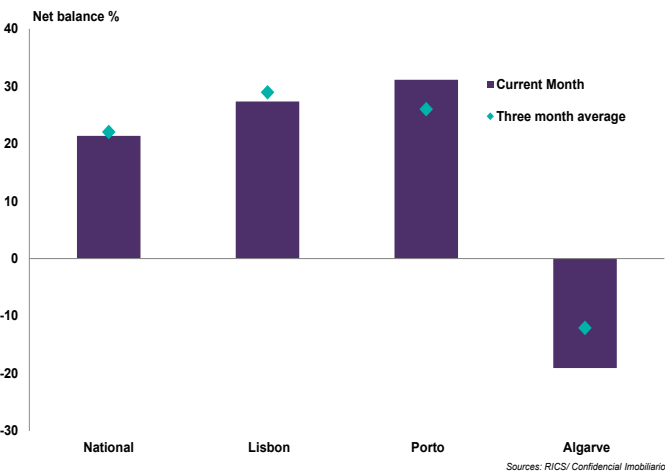
Prices (last three months) by Region



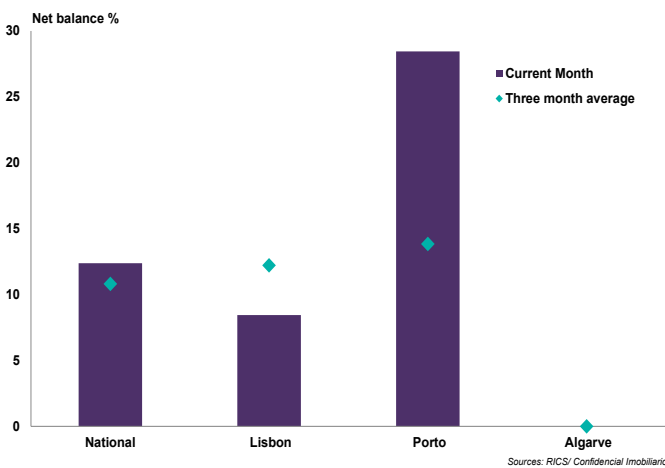
Promised Sales (past month) by Region



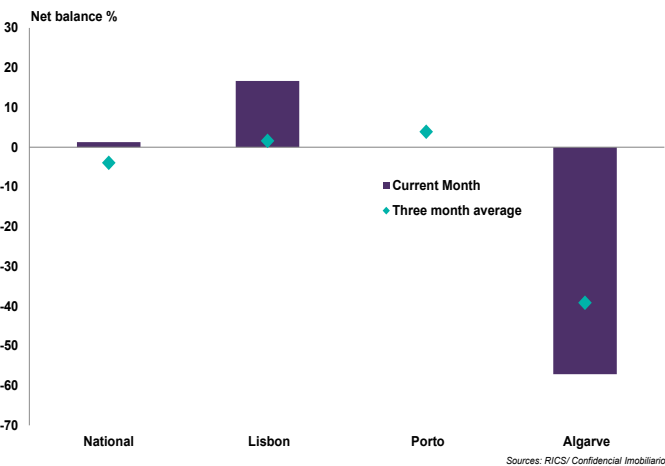
Price Expectations (next three months) by Region



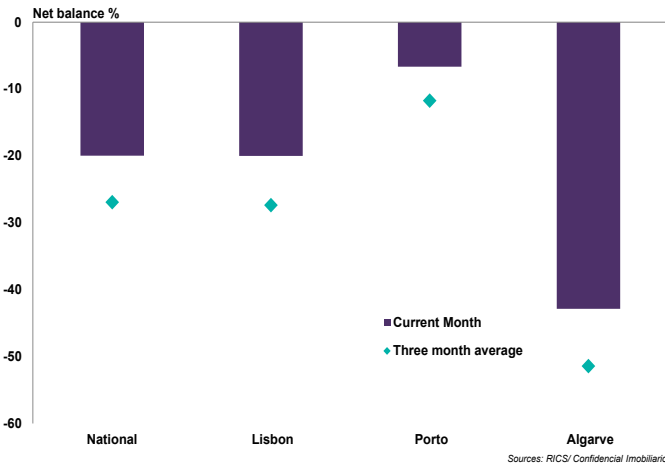
Sales Expectations (next three months) by Region



New Buyer Enquiries (past month) by Region



New Instructions to Sell (past month) by Region



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Survey sponsors

Both RICS and Ci are grateful to BPI, IMPIC and Millennium bcp for supporting the survey.

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RICS is a global professional body. We promote and enforce the highest professional qualification and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve. The work of our professionals creates a safer world: we are proud of our profession's reputation and we guard it fiercely.

About Ci

Ci - Confidencial Imobiliário is an independent company dedicated to supplying real estate market professionals with the statistical information required for their investment and strategic decision making. Ci specializes in producing market intelligence indicators, indices and exclusive databases on the housing market, covering both supply and transactions, typically in high geographical detail. One of its main products is the Index Ci, which is the most referred to house price index in Portugal. Given its credibility and independence, the Index Ci is used by entities like the European Central Bank, the Bank of Portugal and the Portuguese Government.

Notes to editors

About:

- The RICS/Ci Portuguese Housing Market Survey is a monthly sentiment survey of estate agents and developers who operate in the Portuguese residential sales market.

Regions:

- Three regions make up the national (headline) readings: Lisbon Metropolitan Area, Oporto Metropolitan Area and the Algarve. The data is regionally weighted and operator (agent/developer) weighted.

Questions asked:

1. How have house prices have changed over the **last three months**? – Net balance
2. Over the **last month** how did the number of 'promised' sales change? – Net balance
3. Over the **last month** how have the number of new enquiries changed? – Net balance
4. Over the last month how has the number of new instructions changed? – Net balance
5. Over the **next three months** how do you expect house price levels to change? – Net balance
6. Over the **next three months** how do you expect the number of agreed sales to change? – Net balance
7. Over the **next twelve months** how do you expect house price levels to change – Point estimate
8. Over the **next five years** how do you expect house price levels to change (average per year) – Point estimate
9. Over the **last month** how has tenant demand for rented accommodation changed? – Net balance
10. Over the **last month** how have new instructions to let rented accommodation changed? – Net balance
11. Over the **last month** how have residential rents changed? Net balance
12. Over the **next three months** how do you expect residential rents to change? – Net balance
13. Over the **next three months** how do you expect residential rental transactions to change? – Net balance

Net balance data:

- **Net balance = Proportion of surveyors reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the net balance will be 25%).**
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading

implies that no respondents are seeing decreases (or no change).

- In the case of the RICS/Ci price balance, a reading of +10 should not be interpreted as RICS/Ci are saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).
- A change from +30 to +60 does not mean that the variable grew by 30% in one period and by 60% in the next period, but it does indicate that twice as many surveyors reported an increase compared to a decrease than in the previous period.
- Likewise, if we get a reading dropping from +90 to +5, this still means that more respondents are reporting increases than decreases overall, but the breadth of those reporting increases has fallen dramatically; meanwhile, a shift in the reading from -90 to -5 still means that more respondents are reporting decreases than increases overall, but the breadth of those reporting decreases has fallen dramatically.

Seasonal adjustments:

- The RICS/Ci Portuguese Housing Market Survey data is not seasonally adjusted.

RICS/ Ci Confidence Index:

- The RICS/ Ci Confidence Index is an average of the Sales Expectations net balance and Price Expectations net balance.
- This is intended as a summary measure of confidence overall.

Third party distributors:

- The RICS/ Ci PHMS national data set is available to users of Macrobond.

Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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