

December 2025 RICS/Ci Portuguese Housing Market Survey

Sales market activity remains subdued, though expectations still point to a stronger outlook

- Sales market conditions remain broadly flat
- House price growth cools but remains solid
- Rental growth eases slightly amid softer demand growth and less constrained supply

Summary:

The December 2025 edition of the RICS/Ci PHMS points to a broadly stable housing market, with demand, sales and prices all indicating little change in underlying conditions. Although house price and rental growth have cooled slightly, near-term expectations remain positive, suggesting that activity is likely to strengthen gradually rather than accelerate sharply.

New buyer enquiries turned positive towards the end of the year, with the net balance rising from -4% in November 2025 to +3% in December 2025, although this still points to broadly flat demand conditions overall. At the regional level, conditions improved modestly across all areas. In Lisbon, the net balance rose from 0% to +5%, while Porto moved back to neutral territory, increasing from -4% to 0%. The Algarve also saw a notable recovery, with the net balance rising from -19% to 0%, signalling a stabilisation in demand across the region.

Moving over to agreed sales, activity softened slightly, with the net balance slipping from +1% to -6%. Although now negative, this is more indicative of a moderation in growth rather than an outright decline. Looking ahead, sales expectations over the next three months strengthened, with the net balance rising from +17% to +29%, pointing to a more optimistic near-term outlook.

House price growth eased in December, with the net balance slipping from +30% to +22%, indicating some cooling in price growth sentiment, though remaining firmly in positive territory overall. Across regions, price growth softened in Lisbon, with the net balance easing from +38% to +26%, while Porto bucked the trend, recording a modest acceleration from a net balance of +24% to +30%. In contrast, the Algarve saw a notable reversal, with the net balance falling from +10% to -7%, moving back into negative territory. Turning to the near-term outlook, three-month price expectations were little changed, with the net balance ticking up marginally from +22% to +23%, remaining consistent with prices remaining on an upward trajectory.

In the lettings market, tenant demand continues to edge higher, albeit the pace of increase appears to have softened, with the net balance slipping from +21% to +18%. The indicator on landlord instructions turned less negative, rising from -25% to -13%, signalling the downturn in supply coming onto the rental market is easing somewhat. Against this backdrop, rental price growth moderated, with the net balance for past rents falling from +17% to +8%, while near-term rental expectations also softening slightly, edging down from +8% to +6%, suggesting a gradual cooling in rental market growth.

Ricardo Guimarães, Director of Ci: "The market ended the year with a slight decline in transaction volumes. Paradoxically, uncertainty surrounding government stimulus measures aimed at encouraging new housing development has led to the postponement of projects, ultimately leading to a decline in supply. The lack of supply, especially in affordable housing, is likely one of the key factors behind the drop in sales. At the same time, demand pressures remain evident, with prices rising by 23.5% by year-end. As such, rising prices may also be inducing a fall in demand."

Tarrant Parsons, Head of Market Analytics: "Despite easing tourism activity, Portugal's economy is forecast to record strong growth through 2026, supported by firm income growth, continued funding from the EU's Recovery and Resilience Facility, and a healthy labour market. These favourable macroeconomic conditions continue to sustain positive expectations in the housing market. However, a rising population alongside increased government-backed credit for younger buyers may further exacerbate the existing imbalance between housing supply and demand."

Chart 1: Sales market indicators

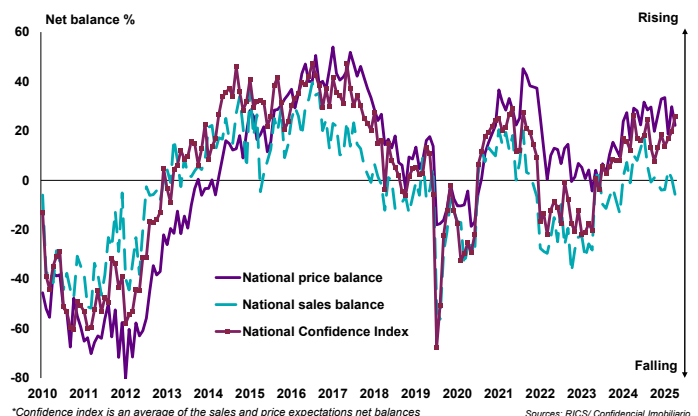
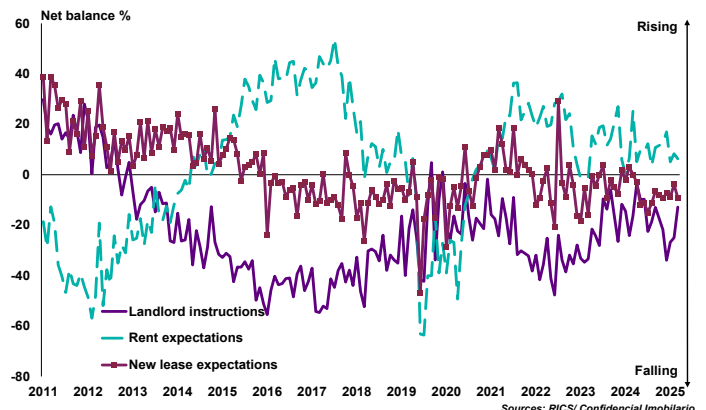


Chart 2: Lettings market indicators



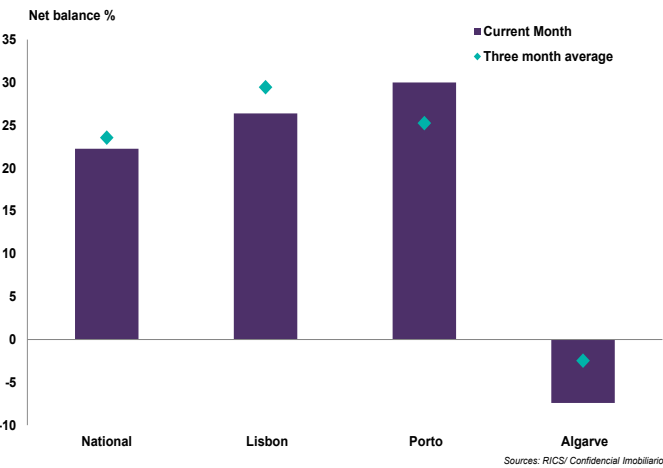
The RICS/Ci Portuguese Housing Market Survey (PHMS) provides a qualitative monthly assessment of the sales and lettings sectors based on around 100 regular responses. The PHMS contains a regional breakdown covering Lisbon, Porto and the Algarve.

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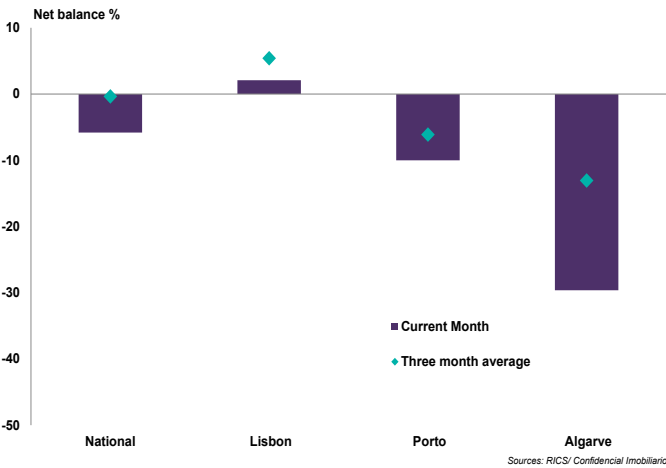
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Sales Market Charts

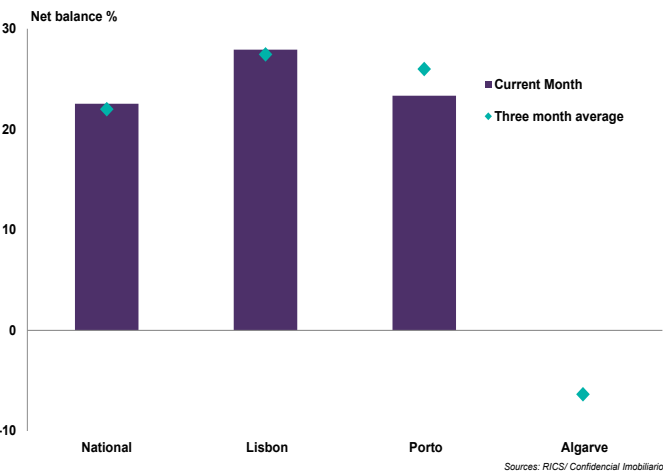
Prices (last three months) by Region



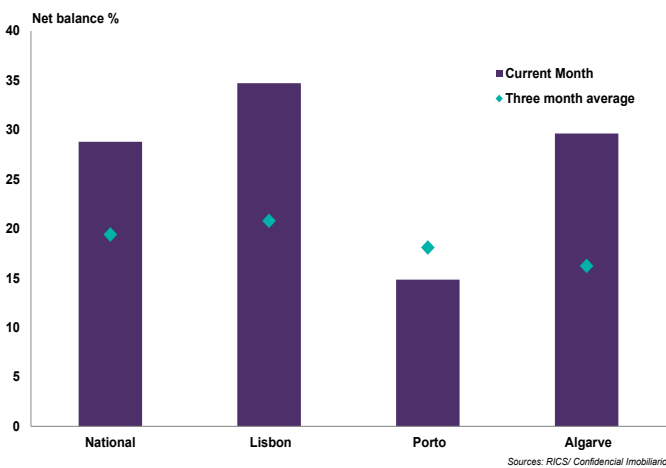
Promised Sales (past month) by Region



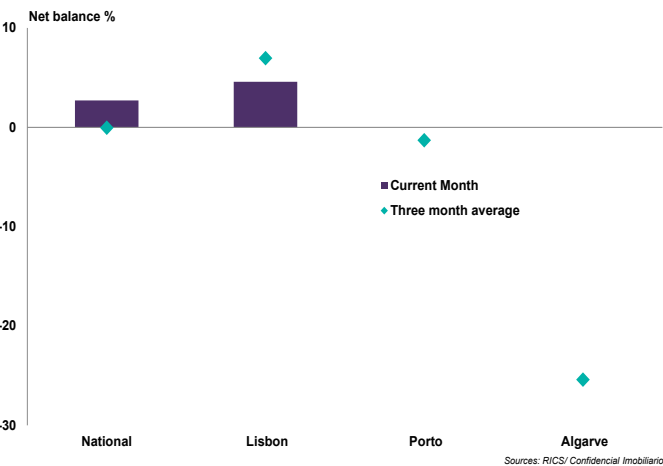
Price Expectations (next three months) by Region



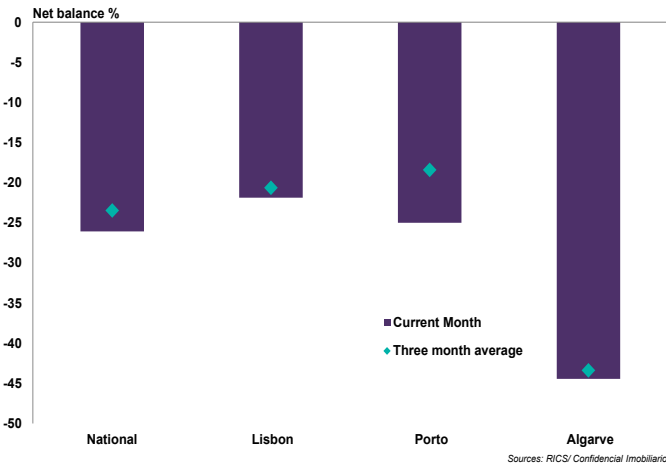
Sales Expectations (next three months) by Region



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.

About RICS

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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