

## **Reduce Prices, Spanish Housing Minister Tells Real Estate Agents**

*As the world teeters on economic recession, the Spanish housing minister has called on the Spanish real estate sector to be “logical” and cut down on their prices to encourage buyers and save the market from a virtual standoff.*

January 25, 2009 (FPRC) -- As the world teeters on economic recession, the Spanish housing minister has called on the Spanish real estate sector to be “logical” and cut down on their prices to encourage buyers and save the market from a virtual standoff.

Beatriz Corredor, Minister of Housing, also assailed the private sector’s continued appeal to the government for assistance during the property crisis, and instead asked them to take concrete steps to salvage their untouched portfolio.

Guy Marrison of Marrison Properties, a Marbella Real Estate Agent, for his part, agrees.

“The minister was rightly stating that average incomes in Spain at present do not correlate to average house prices,” he says. “Property prices in Spain are approximately 7 times the average annual earnings; historically this number has always been around 4 times average earnings.”

Marrison further explains that property prices need to fall considerably in Spain to make real estate more affordable again and subsequently stimulate the demand that will in turn stabilise property prices. He cites that price reduction should benefit both the buyers and the sellers, as buyers can expect properties at reasonable prices, while sellers will also be able to re-acquire at lower prices.

“The picture in Marbella real estate is somewhat different though,” Marrison says, as “home owners in Marbella are among the wealthiest in Europe, if not the world. Therefore, property prices are not expected to fall as much as in the rest of Spain.”

Marbella, of course, is well-known for being a favorite destination of wealthy tourists from Northern Europe, along with those from the UK, Ireland, and Germany. Both Antonio Banderas and Simon Cowell are notable current residents alongside many European blue bloods.

A Marbella town hall corruption scandal in April of 2006 suspended many developments and reduced the supply of new properties, according to Marrison and “Spanish banks are now effectively the largest developers in Spain due to a huge number of loan defaults by developers large and small ... Developers are not offering the best prices, banks and distressed sellers are.”

Marrison Properties makes use of its vast knowledge and experience in the Marbella real estate market to help parties who either need to buy, sell, rent, or manage a property in Marbella and around the Costa del Sol area. It strives to remain up-to-date with the dynamic and volatile property market to provide the best advice and assistance to its clients. Be it villas, apartments, townhouses, flats, penthouses, visit Marrison Properties online at <http://www.marrisonproperties.com> to find out more.

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