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Company News



The Marbella market's most expensive mansions are mainly in four areas. La Zagaleta and Sierra Blanca feature dramatic mountainside settings, while Los Monteros and the Golden Mile have serene beachfront estates. More centrally located, Sierra Blanca and the Golden Mile offer convenience.

The prices of Marbella's high-end homes—generally defined as starting at €5 million, or about \$5.4 million—dropped about 15% during the economic crisis, after peaking in 2006 and 2007.

Recent sales in La Zagaleta include a 16,194-square-foot home for just under \$9.8 million. The five-bedroom, seven-bathroom villa has 1,722-square-feet of terraces, indoor and outdoor pools, and a home cinema. Marbella's Tobal Arquitectos, which built about half of the development's 230 existing homes, did the design.

Diego Tobal, a principal in the practice, says the market's resurgence reflects a changing demographic in local high-end buyers. "People now live here year-round," says the 36-year-old, who grew up in Marbella.

This new generation of homeowners may commute to Central or Northern Europe during the week and spend long weekends in the sun, he says. He also has clients now based in the area full-time, including-Jesper Buch,-a Danish investor in tech start-ups in the U.K. and Scandinavia.

Mr. Buch, 39 years old, wanted to take advantage of Marbella's good weather and its improved access. He spent years deciding where exactly to live. "I didn't want front-line beach, and I wanted sea views," he says, but he didn't want a remote location.

In 2011, he bought a partially completed house above Puerto Banús, known for its boutiques and yacht-filled harbor. He paid about \$1.6 million, then spent another \$1.1 million on upgrades.

Today, he has a roughly 8,608-square-foot, seven-bedroom, five-bathroom mansion—with sea views—that he shares with his girlfriend and two children. Amenities include a heated outdoor pool and a full array of smart-home features. He estimates the home's current value at \$3.8 million.

Mr. Buch, like many newer Marbella arrivals, works from his mansion. He often hosts entrepreneurs for long weekends—marked by meetings in his home conference room and downtime in a lounge he equipped with sophisticated speakers. "It's basically a nightclub," he says.

The small town of Marbella was reinvented by Spanish nobleman Ricardo Soriano and his nephew, Prince Alfonso von Hohenlohe-Langenburg in the late 1940s and early 1950s. The prince's prime beachfront estate was turned into the Marbella Club Hotel in the mid 1950s, and it soon attracted European high society. By the 1980s, a wider range of sun-seekers had arrived.

Today, homes on Marbella Club Hotel grounds still have special appeal. A furnished, four-bedroom, four-bathroom 3,293-square-foot villa there is listed for \$5.4 million.

Mr. Clover, a Virginia native, says that while Marbella's main allure is the weather, he also notes the expansion of the Málaga-Costa del Sol Airport, a half-hour's drive away. Marbella—once isolated—is now better connected to major European cities. Also, a high-speed train line, inaugurated in 2007, has cut traveling time to Madrid to about three hours.

Marbella property sales surged more than 28% in volume in 2014 over the previous year, says Mr. Clover, who tracks Marbella's market conditions. He and other agents point to the return of Middle Eastern buyers to the market, and consistent demand among Scandinavians, especially Norwegians, who can now get to Marbella in four hours from Oslo.

Marbella's real-estate crisis began even before the 2008 downturn. Starting in the mid-1990s, the region endured years of corruption, leading in 2013 to the conviction of many local officials, including two former mayors, on a variety of charges related to construction kickbacks. In 2006, Spain's national government temporarily dissolved Marbella's city council. Today, the city has a reliable government and sensible planning regulations, Mr. Clover says.

Mr. Tobal, the local architect, sees a silver lining even in Marbella's troubles. He says the slowdown in building in the wake of the scandals spared Marbella from the worst of the overdevelopment in other areas of the coast.

La Zagaleta, a nearly 3.5-square-mile development, was forged in the 1990s by investors who acquired the former estate of Saudi-born businessman Adnan Khashoggi. Its secluded mountain mansions, with sea views taking in the Rock of Gibraltar and the Moroccan coast, are prized. Residents can pay for access to two 18-hole golf courses.

Los Monteros, where actor Antonio Banderas has a home, also is popular. The fastest-growing demand among high-end

buyers, however, is for Sierra Blanca. A 1995 five-bedroom on a half-acre lot is listed for \$6.1 million.

Mr. Tobal says today's year-round residents are more restrained than past visitors. Their mansions may be 16,140 square feet with 23-foot ceilings, but materials like stone and wood temper excess. "We try to be as far away from bling as possible," he says.

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