Portuguese PBSA Overview

Executive Summary

24th of July 2026

Portugal's PBSA market has grown consistently over the past decade, but supply remains well short of demand. With the development pipeline gaining momentum and key markets consolidating their position, the sector has entered a new phase, more mature, more institutional, and underpinned by fundamentals that few real estate asset classes can match.

Portugal has quietly but steadily built one of Europe's most competitive value propositions for international students. World-class universities, a quality of life that few European cities can replicate, and costs, from tuition to accommodation, from groceries to day-to-day living, that make Portugal a rational choice for both degree-seeking and exchange students. The enrolment numbers reflect it, an international student base expanding at pace.

Executive Summary

Fundamentals

- Lisbon has established itself as the deepest and most internationalised market. Demand is diversified, the pipeline is active, and pressure on the traditional rental market shows no sign of easing. The students are here. What the city lacks is beds.
- Porto tells a different but equally compelling story: accelerating growth in international enrolment, a strong academic base, and a PBSA market with significant room to grow, in both volume and product quality.
- In both cities, the structural undersupply of dedicated student beds keeps occupancy high and sustains rental growth at levels few sectors can maintain. The full report examines what sets each market apart and what they share.

Investment Overview

- Since 2019, more than €1.2 billion has flowed into Portugal's PBSA market, predominantly international capital, with Canada, Belgium, and the United States leading the way. Forward funding and forward purchase structures dominated the early years, giving investors early-stage access while supporting the delivery of new supply.
- The market is now entering a different chapter. Core capital has arrived, targeting stabilized assets in prime locations. That shift says something, the sector has earned institutional credibility, and the investor profile is broadening fast.

About the report

The full report covers:

- Aggregate stock evolution, student population dynamics, rental segmentation by product tier, displacement rates by district;
- A comparative benchmarking analysis against 14 European markets;
- A zoom-in analysis of the key Portuguese markets: Lisbon and Porto.

Business Contacts

Igor Borrego
Head of Capital Markets
igor.borrego@cbre.com

Lourenço Sousa Coutinho
Associate Director Investment Banking
lourenço.sousacoutinho@cbre.com

Research Team

José Maria Moutinho
Head of Research Portugal
jose.moutinho@cbre.com

Diana Silva
Research Portugal
diana.silva@cbre.com