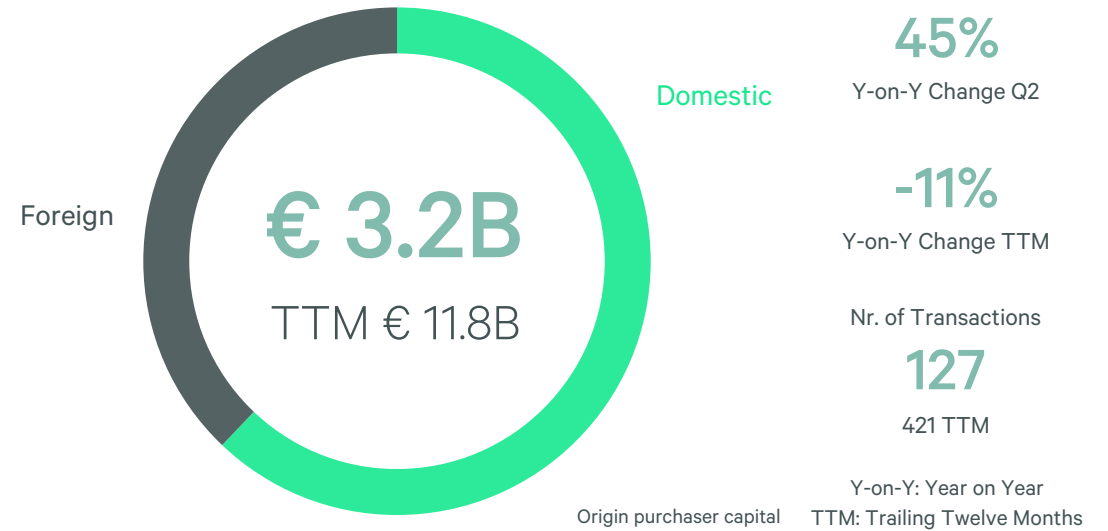


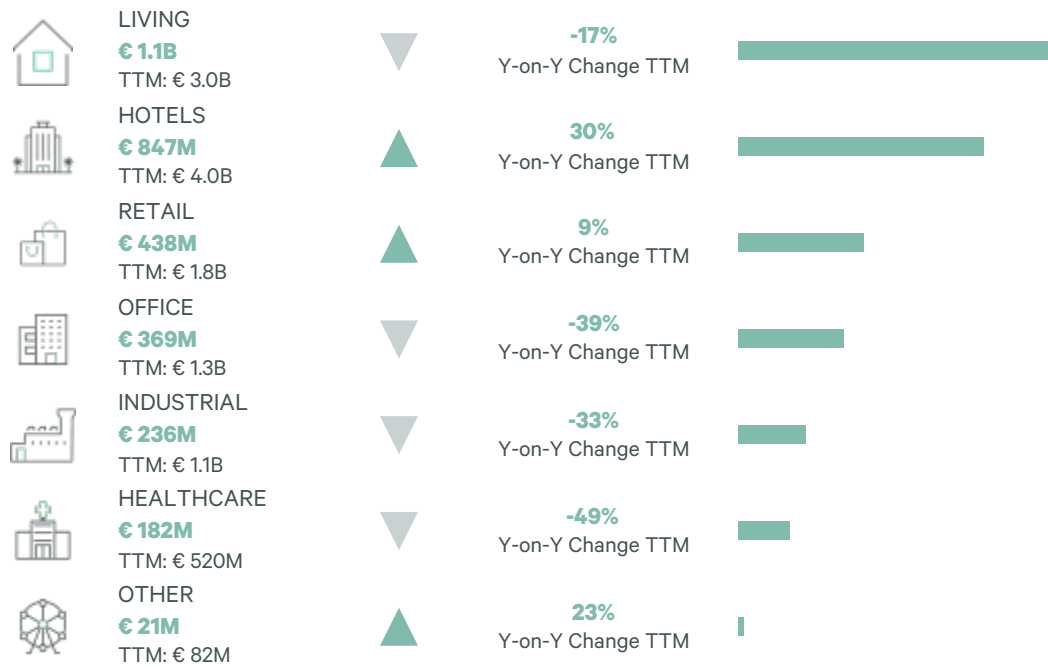
Spain Real Estate Investment Volumes Q2 2024

In the first half of the year, still marked by economic factors such as core and wage inflation, geopolitical instability, and the call to the polls in different parts of the world, investment activity surprised on the upside. An additional acceleration of economic activity is also anticipated in the second half of the year, as a consequence of the recent decrease in interest rates carried out by the ECB and the growing investor interest.

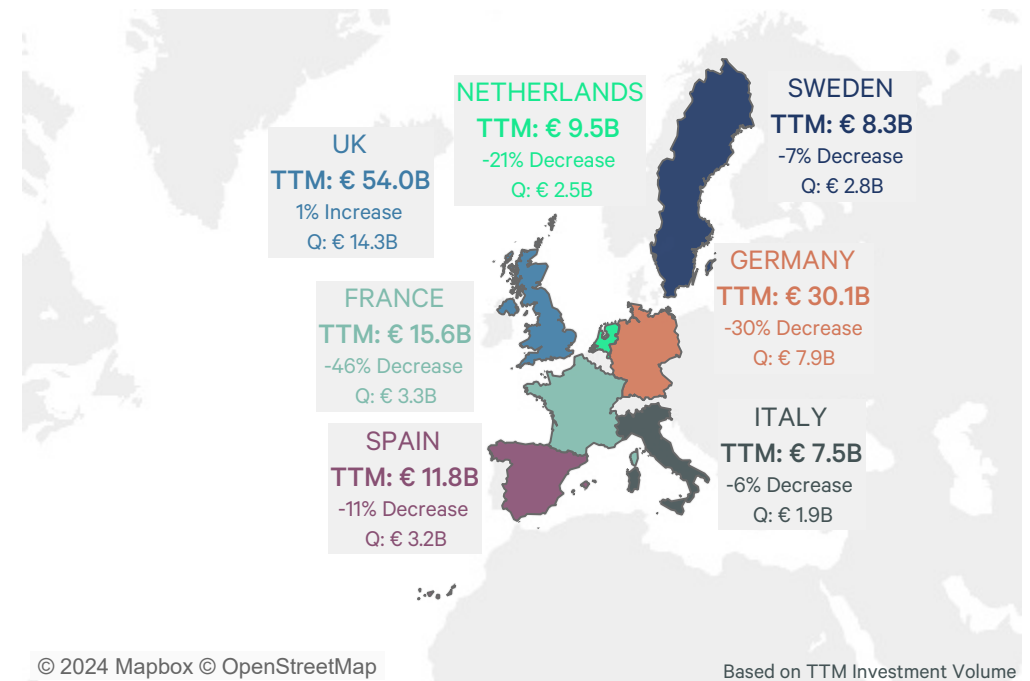
Real estate investment in Spain during the first half of the year exceeded €5.500 M, an increase of almost 4% compared to the same period of the previous year. As for the predominant profile, private investors continue to be the most active, reaching 18%, the same weight as the first semester of last year. On the other hand, we can highlight REITs, which increase their weight from 4% to 12% of the total, compared with the first half of 2023. Regarding the origin of the investment, 57% of the capital invested comes from national investors, an increase of 24p.p compared to the total of 2023. This is followed by the English capital (6%) and the American one (6%). When evaluating the locations, we observe that Madrid and Barcelona are experiencing a recovery, concentrating almost 50% of the total investment and showing an increase of 6p.p compared to the total of the previous year.



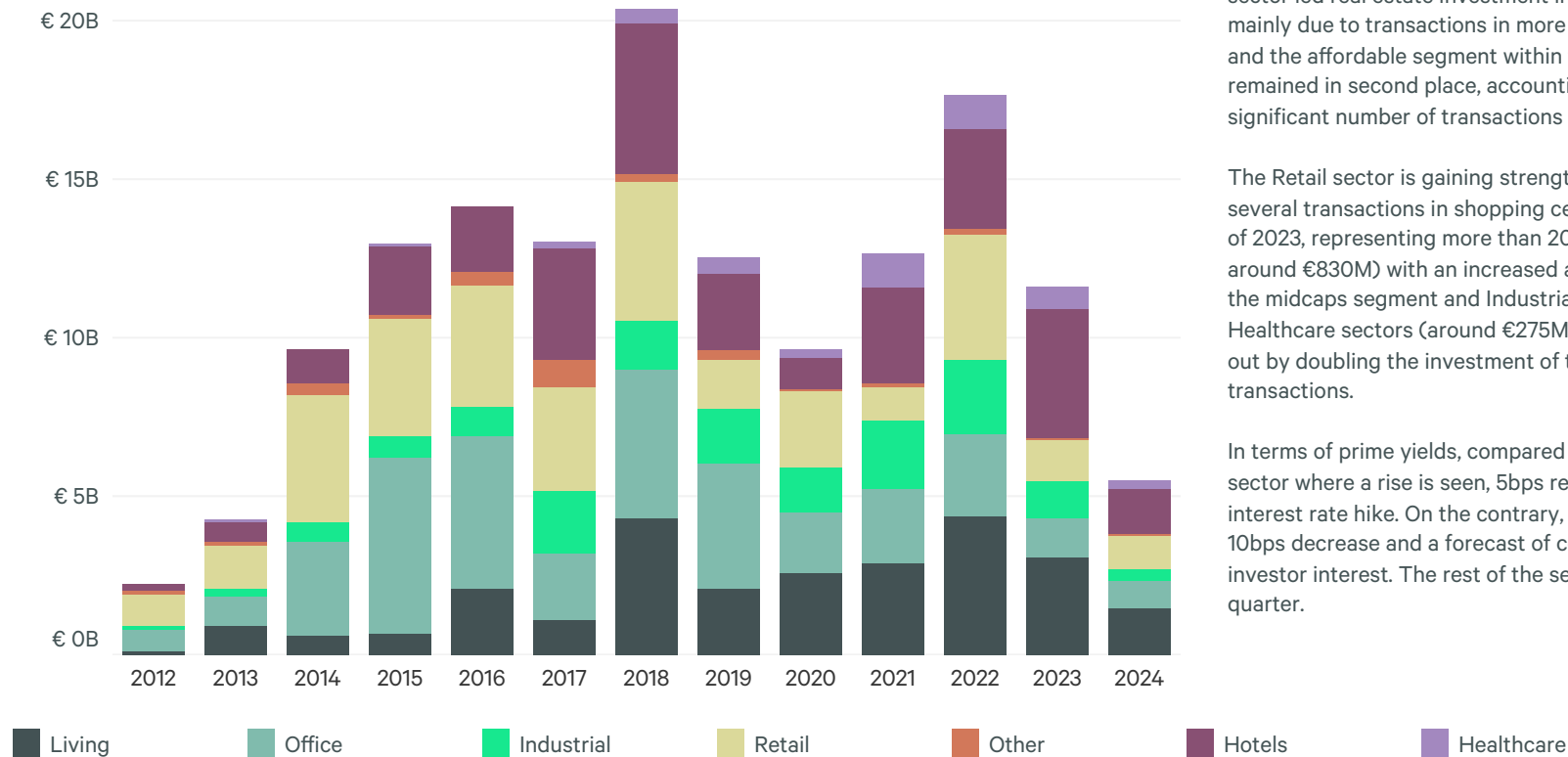
Investment by Sector (Spain)



Investment in Top 7 European Countries



Investment Volumes Annual by Sector (Spain)



Note: 2024 annual numbers till 30/06/2024

The Living and Hotels segments combined for 52% of the total investment. The Living sector led real estate investment in Spain (approximately €1500M and 27% of the total), mainly due to transactions in more alternative sectors (flex living and student housing) and the affordable segment within the rental residential market. The hotel sector remained in second place, accounting for 25% (approximately €1400M) with a significant number of transactions in the islands.

The Retail sector is gaining strength, attracting a high volume (around €1000M) with several transactions in shopping centers, an increase of 89% compared to the first half of 2023, representing more than 20% of the total. Next are the Office sectors (15% and around €830M) with an increased appetite for owner-occupation and the leadership of the midcaps segment and Industrial (7% and around €400M). Finally, we find the Healthcare sectors (around €275M) and Alternatives (around €31M), the latter standing out by doubling the investment of the first half of 2023 due to education and sports transactions.

In terms of prime yields, compared to the first quarter of the year, Offices is the only sector where a rise is seen, 5bps reaching 4.85%, a maximum since the beginning of the interest rate hike. On the contrary, the student housing segment stands out with a 10bps decrease and a forecast of compression in the coming months due to strong investor interest. The rest of the sectors show stability compared to the previous quarter.

Contacts

Paloma Relinque
 Managing Director & Head of Capital Markets
 paloma.relinque@cbre.com

Miriam Goicoechea
 Research Nacional Director
 miriam.goicoechea@cbre.com

Marta Tarrío
 Research Associate Director
 marta.tarrío@cbre.com

Laura Peláez
 Research Associate Director
 laura.pelaez@cbre.com

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