

Living - Spain



Key Performance Indicators (Q4 2025)

Housing for sale market¹ Investment market

House transactions 551,000 Sold houses Q1-Q3 2025 Change YoY: +7%	Housing Price index (General) 12.8% House price variation (Q3 25) vs. 8.1% Q3 24	New-build permits 100,000 Units Q1-Q3 2025 Change YoY: +6%
Effort rate 34.9% To buy a house Change YoY: - 0.4 p.p	Rental households 26.5% CBRE FORECAST: 29.0% rental households in 2030	Change YoY Average rent² 10% Average rental Price €/sqm/month
Prime Yield Multifamily (PRS)* 3.80% Change vs Q3 25: +0 p.p	Prime Yield Student Housing 4.50% Change vs Q3 25: +0 p.p	Prime Yield Flex Living** 5.00% Change vs Q3 25: +0 p.p

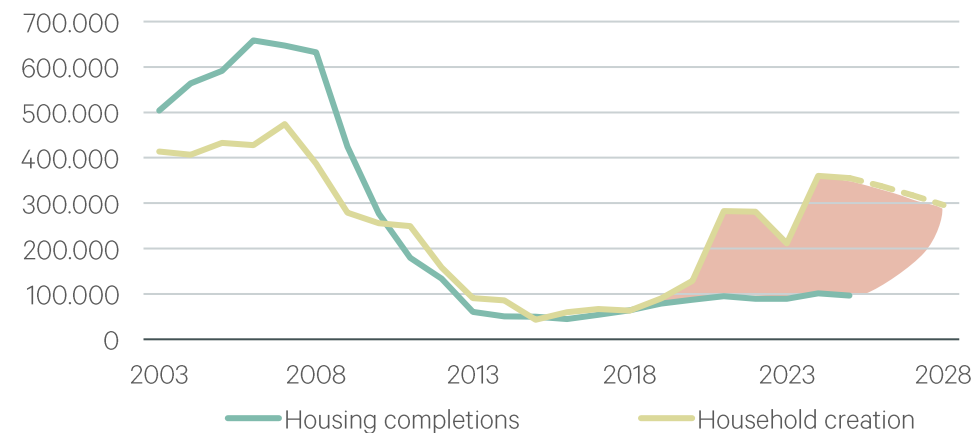
Housing development remains well below current needs, maintaining a structural deficit that drives up prices and reduces **affordability**, especially in large cities. Growing demand, limited supply and more demanding financial conditions continue to shift part of the market towards renting. At the same time, the mortgage market continued to expand in the third quarter, reaching 367,000 (+22% year-on-year, with a value of €59.3 billion), setting a new record since 2010, while the high effort ratio (34.9% nationally) confirms the financial pressure faced by households in accessing credit, which is driving the shift in demand towards renting.

The **housing market (BTS)** remained buoyant, although growth slowed slightly in the third quarter of 2025. Demand rose by 7% to September (551,000 homes sold, 14% to foreign buyers). The favourable macroeconomic scenario, supported by a strong labour market and improved consumer and business confidence, continued to sustain the sector's strength. Meanwhile, house prices rose by 12.8% year-on-year, the highest figure since March 2007. This expansion was marked by higher growth in the second-hand market (13.4%) compared to new-builds (9.7%). Similarly, development activity continued to rise: after a particularly dynamic start to the year, new-build permits accumulated a year-on-year increase of 6% (100,000 units) through September. Even so, supply levels remain insufficient and are still far from meeting the demand for new homes.

Prime residential yields* remained stable at the end of Q4 at 3.8% in Madrid and 4.0% in Barcelona. Flex Living maintains a 50 bp difference with respect to Multifamily for co-living assets (residential land) and 100-125 bp for those on tertiary land. Student residences stabilised at 4.5% in Madrid and Barcelona after a compression of 25 basis points in the first half of the year.

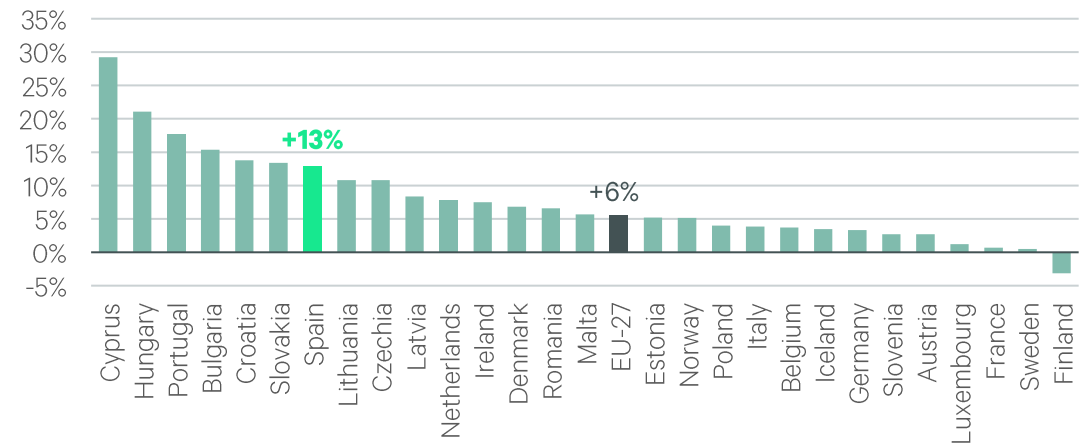
Net household creation vs completed dwellings (2003-2028E)

Source: CBRE Research based on Ministry of Transport, Mobility and Urban Agenda and INE



Year-on-year growth (%) in house prices by country in the third quarter of 2025.

Source: CBRE Research based on Eurostat



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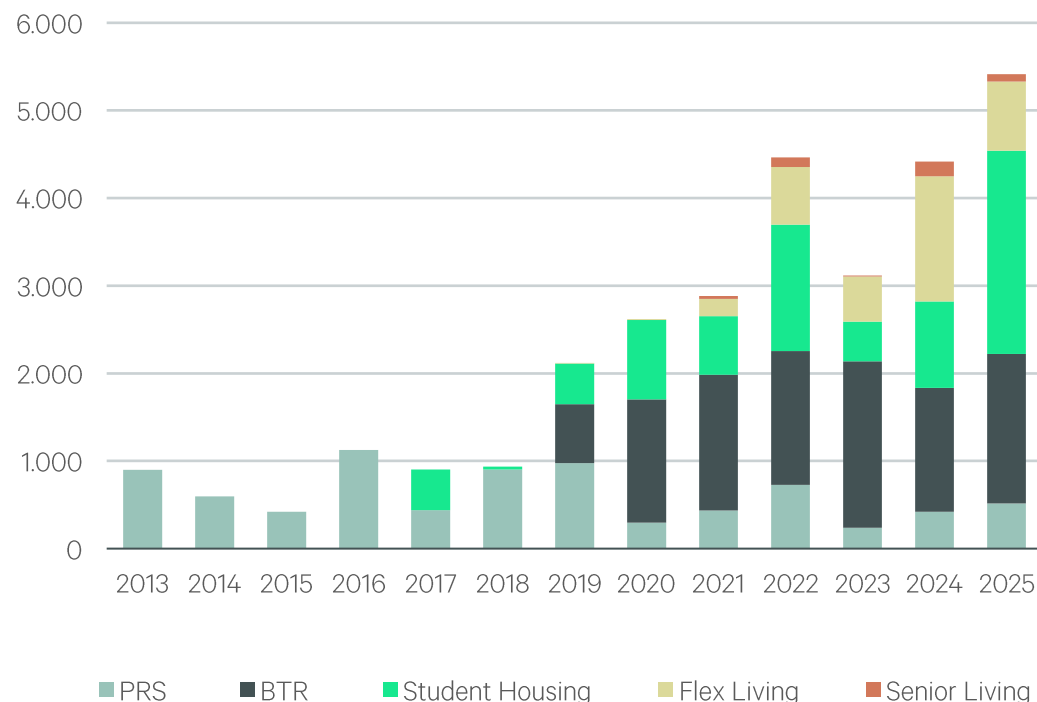
*Yield refers to stabilized assets (operational and leased); while BTR (forward purchase or forward funding structure) has an average upward spread of between 25-50 bps due to development and operational risk.

**Yield refers to flex living assets in tertiary land.

¹Housing for sale indicators are updated with the latest available public data (Q3 2025)

²Change in average rent-asking Price web portals (Q4 2025 vs. Q4 2024)

Living investment volumes (€ Million). Source: CBRE Research



The **Living sector** led investment in the Spanish real estate market in 2025, recording a historic volume of €5.4 billion and accounting for 29% of total capital. This figure represents a 23% increase over last year. By location, Madrid remained the main destination, with 40% of the total, followed by Barcelona (15%) and Valencia (8%).

The **Multifamily segment** positioned itself as one of the drivers of the Living sector, with more than €2.2 billion (€1.7 billion BTR and €516 million PRS), representing 41% of the total. Activity was once again driven by institutional investors' strong commitment to affordable products, which accounted for 55% of the capital allocated to Multifamily and 23% of the Living sector as a whole. In addition, the public sector continued to play a leading role as a seller through tenders and bidding processes, channelling nearly 40% of the volume. Madrid remained the main destination for investment in rental housing (56% of the total).

Student housing closed a record year, with more than €2.3 bn transacted (43% of investment in Living). The dynamism of the segment was underpinned by large-scale transactions and investor interest in consolidated platforms, reflected in transactions such as Livensa. Core and Core+ capital remained active in the acquisition of individual assets, while value-add investors maintained a strong appetite for prime locations —Madrid, Barcelona, Valencia, Bilbao and Malaga— although they faced difficulties in identifying opportunities in these markets. Investment in **Flex Living** reached a new milestone this year with transactions involving operating assets such as Bext Vallecas and Bext Valdebebas, and reached €790 million transacted, also combining acquisitions of new developments on suburban tertiary land and conversions of office assets.

Senior Living closed the year with a volume of less than €100 million, concentrated in two land purchase transactions for the development of two projects on the Mediterranean coast (Valencia and Alicante).

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