

Living - Spain

Key Performance Indicators (Q3 2025)

Housing for sale market¹ Investment market

House transactions 380,000 Sold houses Q1 2025 Change YoY: +8%	Housing Price index (General) 12.7% House price variation (Q2 25) vs. 7.8% Q2 24	New-build permits 70,000 Units Q1 2025 Change YoY: +11%
Effort rate 34.6% To buy a house Change YoY: - 0.7 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 Q2 25: +0 p.p	Prime Yield Student Housing 4.50% Change vs Q2 25: -0.25 p.p	Prime Yield Flex Living** 4.30% Change vs Q2 25: +0 p.p

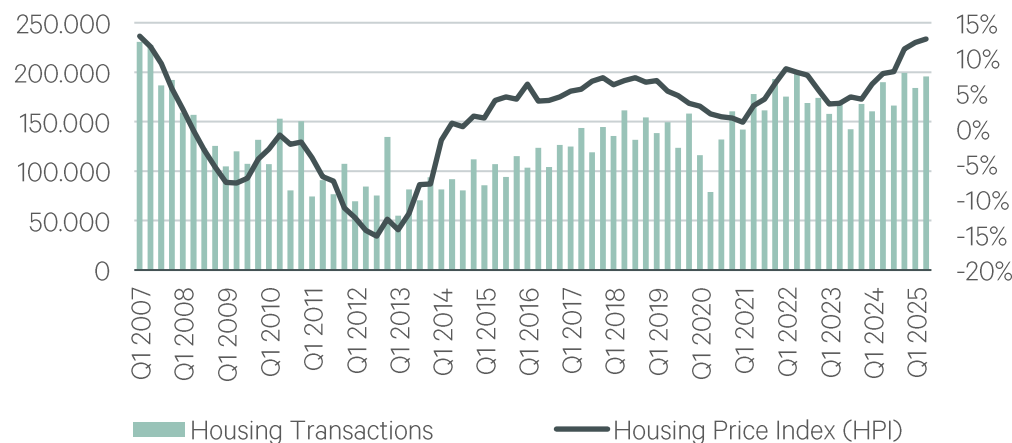
The housing supply deficit in major metropolitan areas remains the main concern in the residential market, intensifying **affordability** problems in Spain. The performance of the mortgage market in the first half of the year was in line with recent months, exceeding 240,000 mortgages (+25% vs. 2024, with a value of €38.5 billion), which establishes a new record since 2011. Simultaneously, the high effort rate (34.6% nationally) evidences the intense financial pressure faced by numerous households to access credit, which drives the shift in demand towards the rental market.

The **housing market (BTS)** remained in an expansionary phase, although it registered a slight slowdown in growth in the second quarter of 2025. Demand in the first half of the year grew by 8% (380,000 homes sold, 14% to foreign buyers). The good forecasts for the national economy, with an expected GDP growth of 2.9% by the end of the year and record employment figures, support the dynamism of the sector. In addition to the good performance of demand, housing prices increased by 12.7% year-on-year, exceeding the level reached in the second quarter of 2007. This expansion was marked by a greater appreciation of the second-hand market (12.8%) compared to new construction (12.1%), which represents a change from the traditional pattern. Moreover, developer activity continued to increase, with a year-on-year increase in the first half of 11% in new construction permits (70,000 units), although it remains insufficient and far from covering the creation of new households.

Prime residential yields* remained at the end of Q3 at 3.8% in Madrid and 4.0% in Barcelona, with stability expected for the coming months. Flex Living maintains a 50 bps difference compared to Multifamily for coliving assets (residential land) and 100-125 bps for those on tertiary land. Student housing, for their part, are at 4.5% in Madrid and Barcelona after a compression of 25 basis points in the last quarter.

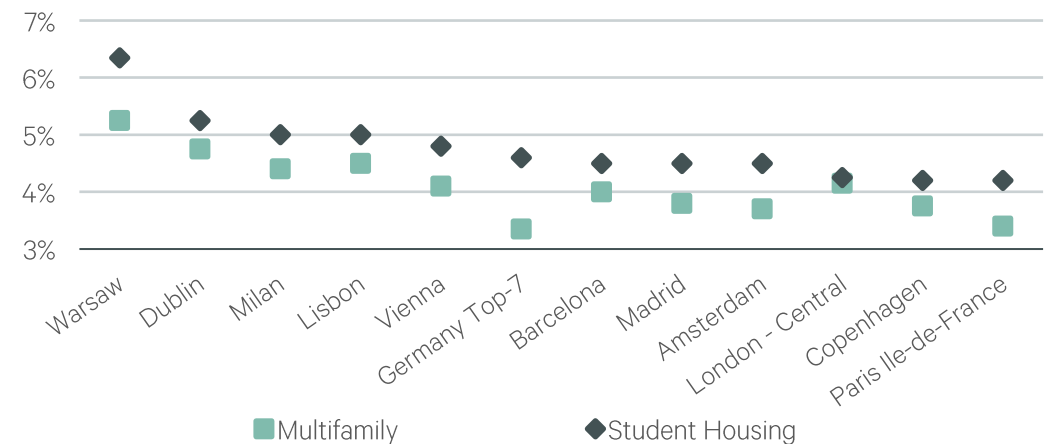
Housing transactions in Spain vs. Housing Price Index (HPI).

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



Prime yields of Multifamily and Student Housing in major European cities (Q3 2025).

Source: CBRE Research



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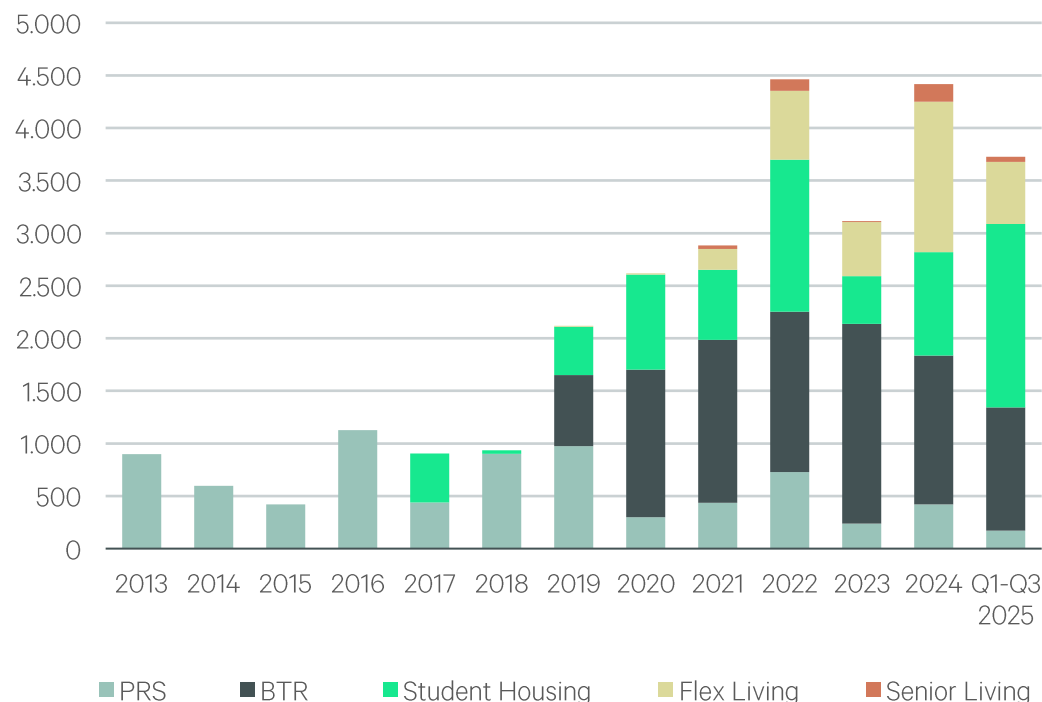
*Yield refers to stabilized assets (operational and leased); while BTR (forward purchase or forward funding structure) has an average upward spread of between 25-50 bps due to development and operational risk.

**Yield refers to coliving assets (residential land), adding around 50-75 bps more for those of tertiary land.

¹Housing for sale indicators are updated with the latest available public data (Q2 2025)

²Change in average rent-asking Price web portals (Q3 2025 vs. Q3 2024)

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



The **Living sector** continued to position itself as the main investment destination in the Spanish real estate market during the first nine months of the year, with a transaction volume of close to €3.73 billion, representing 29% of the total investment in the country. This figure represents an increase of 51% compared to the same period last year. By location, Madrid was the first investment destination (42%), followed by Barcelona (15%) and Valencia (8%).

The **Multifamily** segment reached €1.342 billion until September (€1,170 million in BTR and €172 million in PRS) accounted for 31% of the total transacted in Living. Institutional investors continue to focus their strategy on affordable housing products, which concentrated 65% of the investment in the Multifamily and 23% of the total in the Living sector. The public sector, tender processes, is the main seller, representing 40% of the segment. Madrid remained the leading destination for investment in rental housing, although relevant operations continued to be recorded in other regions such as Valencia and Seville.

Student housing recorded a record quarter and accounted for 47% of the total investment in Living from January to September, exceeding €1.74 billion transacted. It is worth mentioning that, pending the closing of the fourth quarter, this is already the best year of the entire series, mainly driven by the acquisition of Livensa's 17 residences by Nido.

Investment in **Flex Living** totalled €590 million (16% of the total in Living), mostly in Madrid. The segment maintains dynamism through a triple trend: growing interest in the development of new projects on tertiary land in suburban areas, the start of acquisitions of already operational and stabilized assets, and the reconversion of office buildings for flex living.

Senior Living registered its first operation of the year in the third quarter, with a project of approximately 300 units in Alicante, a province with the largest number of foreign seniors in Spain.

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