FIGURES | OFFICE | Q2 2025

Spain - Madrid

Key Performance Indicators

Prime Yield	Prime Rent	Average Rent
4,70%	€ 43,25	€ 20,40
Expected Investment Returns	Monthly, per sq m	Monthly, per sq m
Change YonY: -15 bps	**Change YonY: 2,4%**	**Change YonY: -2,5%**

Office Investment Volume	Take Up	Vacancy Rate
€ 1.09B	149K	10,57%
In Spain during Q2 2025	Square Meter	Percentage of Stock vacant
€ 1.94B (Rolling 12 months)	**254K Year2Date**	**Change YonY: -90 bps**

Completions	Total Stock	(Forecast) Completions
-	12.916K	75K (2025)
Square Meter	Square Meter	Square Meter
48K Year2Date	**11.551K Occupied Stock**	**241K (2026) // 35.975 (2027)**

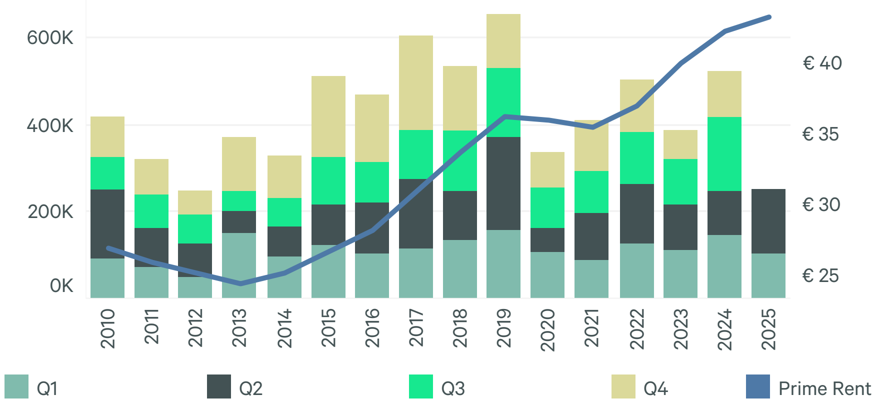
An outstanding Q2, with a 48% increase compared to the same quarter last year, means the figures for the first half of 2025 reach 254,000 sqm of space let. That's a 2% rise compared to the first half of 2024, which was the best year since 2020. The return of big deals in Q2 (over 5,000 sqm), especially in the peripherical markets near the ring road M-30, has meant that the average size of lettings so far this year has gone up by 10% compared to last year. Sector-wise, manufacturing and energy, along with Business services, have been the most active in this first half.

Availability in the city of Madrid is still following the trend of the last quarters and is down, sitting at 10.6% (-0.9pp vs Q2 2024). In the CBD, it's still dropping, down to 2.6% (vs 3.7% in the 1Q 2020), and in the City Center (CC) market, despite recent deliveries, availability is down to 4.7%.

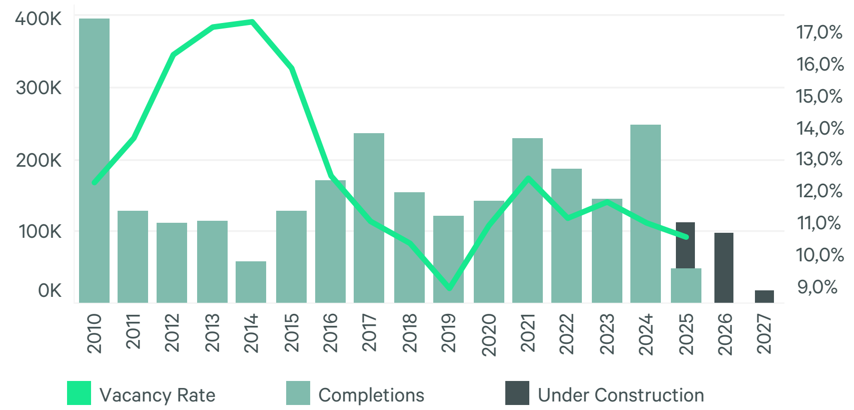
Prime rents in the CBD are picking up pace, reaching €43.25/sqm/month (+€0.75/sqm/month vs Q1 2025). The lack of availability, high demand, the outlook of limited future supply, plus the destruction of stock due to changes of use, are the main drivers of this increase. Rents are also up in the CC and on the A-1, by +€0.5/sqm/month compared to the previous quarter, to reach €26.50/sqm/month and €17.50/sqm/month respectively. Finally, Periphery is up €0.25/sqm/month, reaching €7.75/sqm/month.Gradually the tension in rents in central areas is beginning to shift to those buildings on the first ring in the markets outside the M-30.

The first half of 2025 finishes with a dynamic demand, with big movements from companies and with the CBD getting tighter on availability and rents.

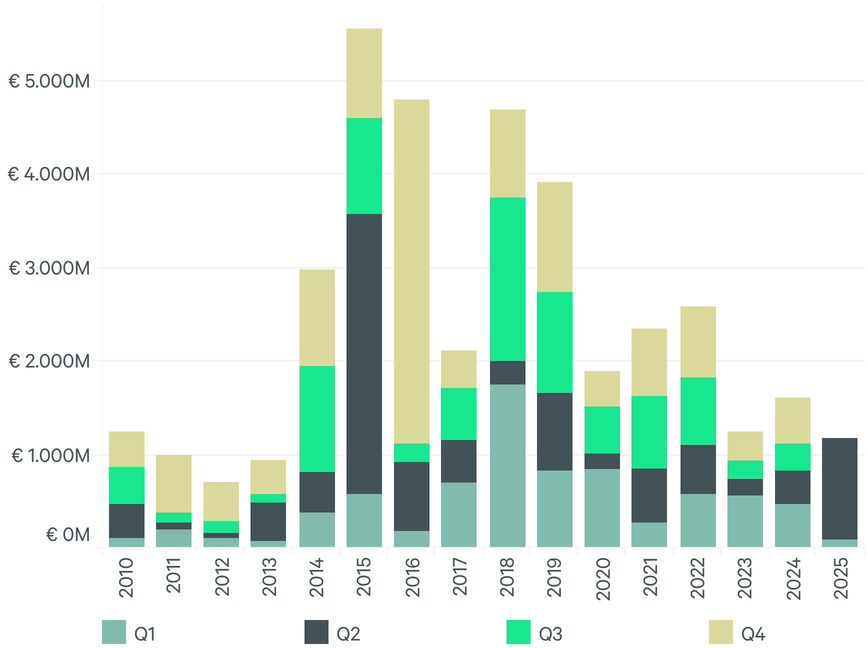
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Spain Office Investment Volumes



Note: 2025 annual numbers till 30/06/2025

Spain's office investment market showed strong signs of recovery in Q2 2025, surpassing €1 billion in total volume. Three landmark transactions: the Prado asset in Madrid, the DGarden (Planeta) building in Barcelona, and the LifeScience DeepLabs portfolio spanning both cities, accounted for more than 75% of the quarter's activity. This marks a pivotal shift following a subdued start to the year.

Cumulative investment for H1 2025 reached €1.175 billion, the highest first-half figure since 2019. Madrid led with over €600 million (more than double the volume recorded in H1 2024) while Barcelona exceeded €550 million, more than tripling its year-over-year performance.

Investor appetite for office assets with conversion potential remains robust. Over €160 million was allocated to acquisitions for change of use (primarily residential) most of which were concentrated in Madrid. Additionally, corporate acquisitions for owner-occupation contributed another €100 million, though these are not reflected in traditional investment metrics.

Renewed confidence is also evident in prime yield compression: now at 4.70% in Madrid and 4.80% in Barcelona. While some market polarization persists, the reactivation of the core segment is clear. Ongoing processes suggest further yield adjustments may follow in H2. Spain has now exited the group of countries where prime yields remain above 2024 levels, yet it continues to rank among the European markets with the least accumulated adjustment.

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Spain - Barcelona

Key Performance Indicators

Prime Yield
4,80%
Expected Investment Returns
Change YonY: -20 bps

Prime Rent
€ 30,00
Monthly, per sq m
Change YonY: 3,4%

Average Rent
€ 18,48
Monthly, per sq m
Change YonY: 2,6%

Office Investment Volume
€ 1.09B
In Spain during Q2 2025
€ 1.94B (Rolling 12 months)

Take Up
97K
Square Meter
157K Year2Date

Vacancy Rate
14,68%
Percentage of Stock vacant
Change YonY: 26 bps

Completions
23K
Square Meter
88K Year2Date

Total Stock
6.707K
Square Meter
5.723K Occupied Stock

(Forecast) Completions
124K (2025)
Square Meter
52K (2026) // 55.106 (2027)

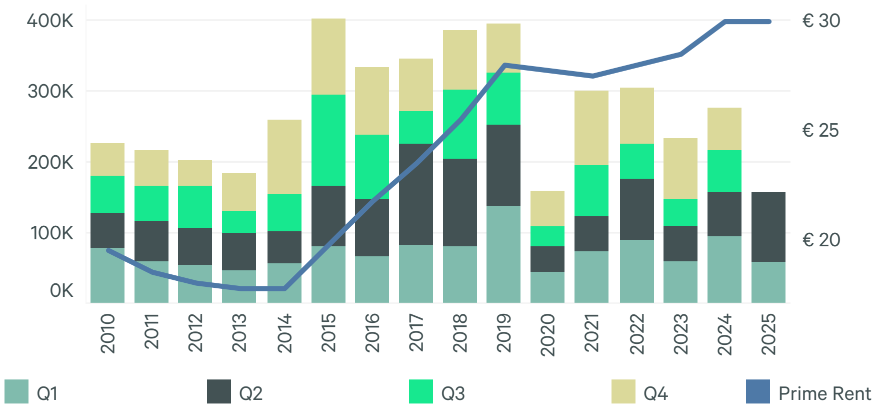
Barcelona's office market closed H1 2025 with over 157,000 sq m of take-up, slightly above the volume recorded in the same period last year. Q2 stood out with more than 97,000 sq m transacted, up 60% from Q1. In any case, this figure was notably influenced by large deals from the education sector (over 26,000 sq m) and the Public Administration (over 12,000 sq m), which together represented nearly 25% of total activity.

According to CBRE's Mid-Year Outlook, annual take-up could exceed 300,000 sq m. The 22@ district led activity with 35% of total take-up, followed by the City Centre (33%). The CBD accounted for nearly 20%, driven by Deloitte's lease at the Aura building (14,000 sq m), already doubling its full-year 2024 absorption.

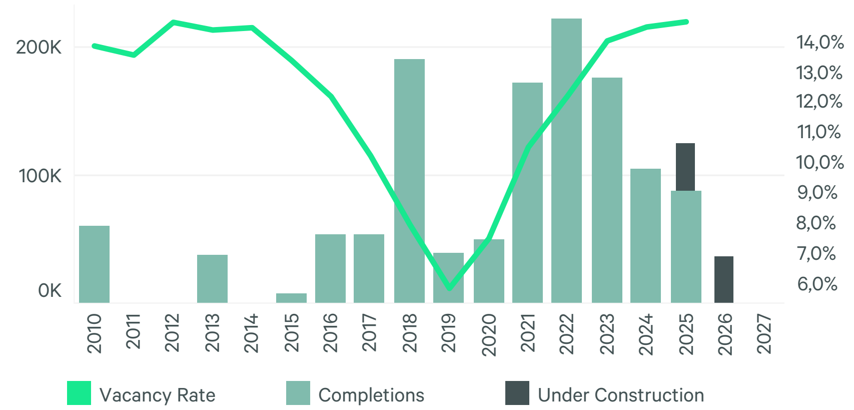
This momentum contributed to a slight decline in the vacancy rate, from 15.0% to 14.7%. Availability in the CBD dropped to 4.4%, its lowest since 2020. In contrast, 22@ saw an increase in vacancy due to new deliveries and second-hand space, though a correction is expected in the coming months given the strong absorption pace and a shrinking development pipeline.

Prime rents remained stable at €30.00/sq m/month. Further growth is anticipated due to limited availability in the CBD.

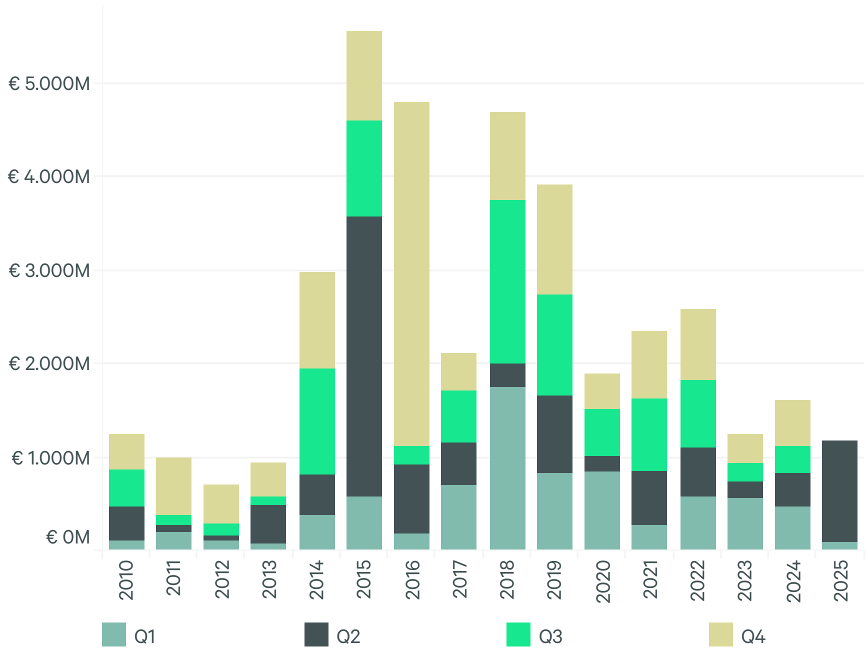
Market Trend (Take-Up | Prime Rent)



Development Activity (Completions | Vacancy Rate)



Spain Office Investment Volumes



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