

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

# Private Rented Sector Snapshot

Q42020

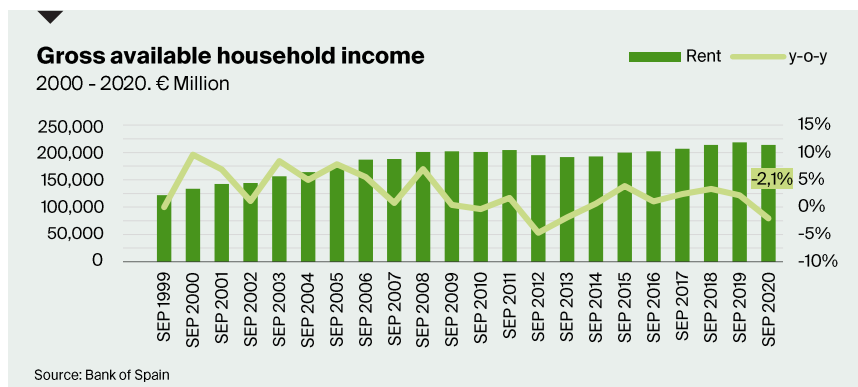
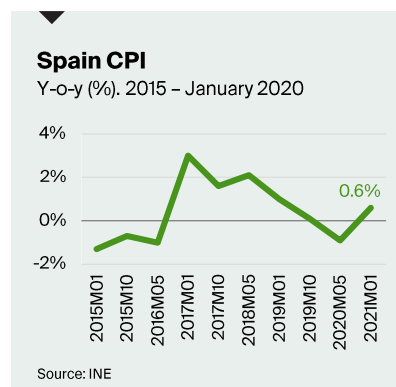
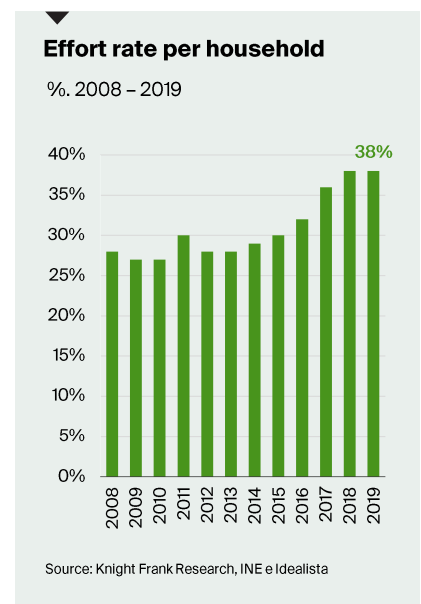
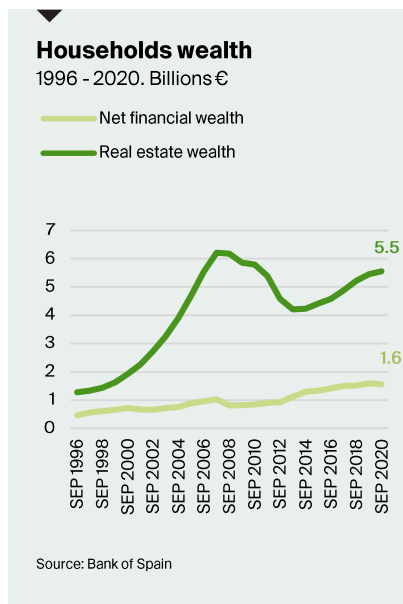
<b>SPAIN DATA 2020</b> y-o-y (latest available data)	<b>GDP</b> <b>-11.1%</b> <small>(IMF 2020)</small>	<b>POPULATION INCREASE</b> <b>-0.06%</b> <small>(INE Forecast 2020)</small>	<b>GROSS AVAILABLE INCOME (HOUSEHOLDS)</b> <b>-2.1%</b> <small>(Q3 2020)</small>
	<b>SPAIN DATA 2020</b> (latest available data)	<b>AVERAGE RENTAL PRICE</b> <b>11.1 €/sq m</b> <small>(2020)</small>	<b>INVESTMENT VOLUME (RCA)</b> <b>€ 1,250 M</b> <small>(2020)</small>

## Situation in Spain

The Spanish GDP closes the year standing at 11.1% less than last year, due to the COVID-19 situation.

Wealth derived from real estate, continues to rise, even with the current health crisis. It is far from the figures recorded in the worse years of 2013 and 2014, at around 30% higher.

Average household spending on rent stayed steady in 2019 compared to 2018, at 38%. It is expected that after the fall in renting and the increase in prices, households may slightly increase their spending on rent.

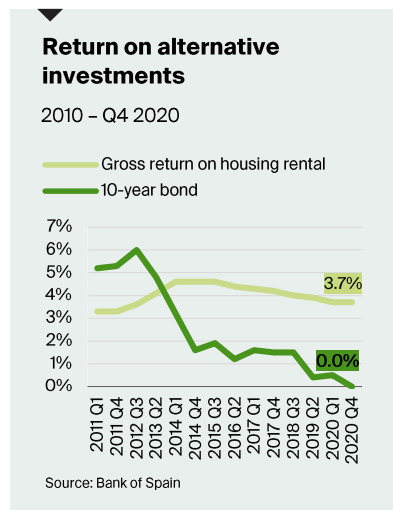


## Prices and transactions in Spain

Rental housing is showing that even with the current situation, it continues to achieve higher values than other alternative investments, standing at 3.7% in the last quarter.

The average rental price closes the year at 11.1€/sqm, slightly more than 1.8% than the previous year.

Outside of the approved rental price limitation law in tense market areas, Barcelona has the highest average rental price, except for houses with 4 or more bedrooms, where Madrid registers the highest. Studio apartment prices stand out which are the highest amongst of all the typologies. .



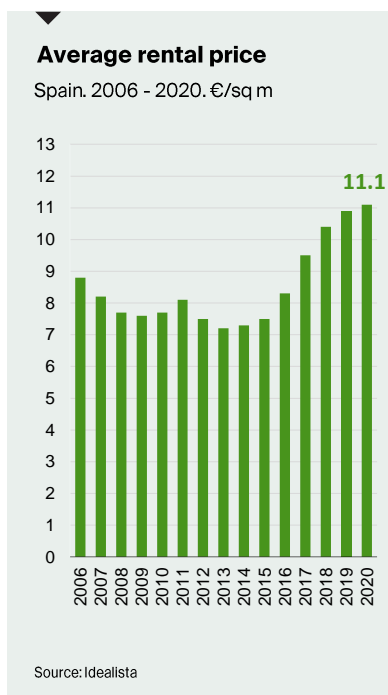
## TOP 3 DEALS

**MADRID**  
**GETAFE AND VALLECAS**  
 VENDOR: GESTILAR  
 PURCHASER: DWS  
**€240 M** 1,100 houses  
 Source: Observatorioinmobiliario

**BARCELONA**  
**5 PLOTS**  
 VENDOR: INCASOL  
 PURCHASER: AQ ACENTOR  
**€80 M** 870 houses  
 Source: Brainse

**MADRID**  
**ARGANZUELA**  
 VENDOR: NATURGY  
 PURCHASER: DAZEO  
**€15 M** n.a houses  
 Source: ElEconomista

During the last quarter of the year there has been the largest build to rent operation carried out in Spain to date. DWS has bought a project of 1,100 rental houses from the developer Gestilar, for an investment volume of 240 million euros. The developer AQ Acentor has also bought five plots of land in Barcelona for € 80 million from the Catalan Land Institute, of which three will be let out which will amount to approximately 30% of the 870 houses in total.



**COVID-19:** Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

## Recent publications



Res. Investment Survey. 2020



Global Res. Cities Q2 2020

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