Offices Snapshot

Q3 2025

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.

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Accumulated investment through September exceeds the figures recorded in the same period of 2024.

- During the first three quarters of the year, take-up in Madrid reached 380,000 m². National investment accumulated from January to September is concentrated in Madrid, representing over 60% of the total volume.

MADRID OCCUPIER MARKET. MADRID

In the third quarter, take-up reached 98,000 m², with a year-to-date total of nearly 380,000 sq m as of the end of September. It is expected that by the end of the year, take-up will close at a level similar to that of 2024, around 530,000 sq m.

Regarding prime rent, it increased slightly this quarter to €42.50/sq m / month, with expectations that it will reach €43/sq m /month by year-end.

On the other hand, the data are beginning to reflect the trend of seeking office space outside the M-30 ring road.

While in 2022, 2023, and 2024 the annual take-up outside the M-30 was around 50%, in the first three quarters of 2025 this percentage has increased to 60%. This trend is expected to strengthen over the coming quarters.

Madrid

Take up Q3 2025

98,000 sq m
(169,800 sq m Q3 2024)

Top 3 occupancy deals Q3 2025

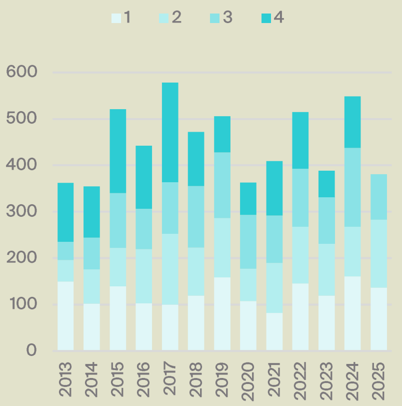
19,580 sq m
Naturgy | Josefa Valcárcel, 48
Letting

13,400 sq m
Ericsson | Méndez Alvaro, 61, Madnum Austral Building
Letting

3,520 sq m
INMHO | José Echegaray, 6A, Las Rozas Business Campus
Letting

Madrid quarterly take-up

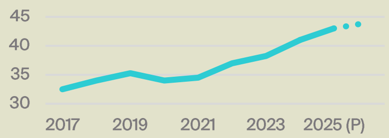
Thousands sq m



Source: Knight Frank Research

Prime Rent Madrid

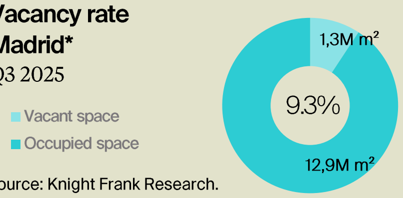
€/ sq m/month



Source: Knight Frank Research

Vacancy rate Madrid*

Q3 2025



Source: Knight Frank Research.
**The historical series has been adjusted to reflect a more consolidated stock, in line with the sector

% Take-up by surface area and máximum rent by macro zones. Q3 2025

IN ORDER OF TAKE-UP	PRIME RENT(€)
CBD 14% of the take-up	42.5
Secondary Centre 33% of the take-up	22.5
Descentralised 15% of the take-up	18.5
Out of Town 38% of the take-up	13.15

INVESTMENT MARKET MADRID AND BARCELONA

The third quarter of 2025 shows a national office investment volume of €550 million. In cumulative terms, from January to September 2025, this volume rises to over €1.38 billion. Madrid stands out, accounting for more than 60% of this amount.

Within Madrid's office market, no clear correlation is yet observed between office take-up dynamics and investment activity across different areas. For example, 65% of the space leased in 2025 was located outside the M30 ring road, compared to 50% the previous year. In contrast, 85% of the transaction volume during the first three quarters of 2025 took place within the M-30 ring road. In the coming months, an increase in investment transactions in the outskirts is expected, bringing the trend of the investment market in line with that of the rental market.

Additionally, if assets subject to a change of use are included, the cumulative annual national total rises to over €1.8 billion.

Prime yields remain stable this quarter: 4.50% in Madrid and 4.75% in Barcelona.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

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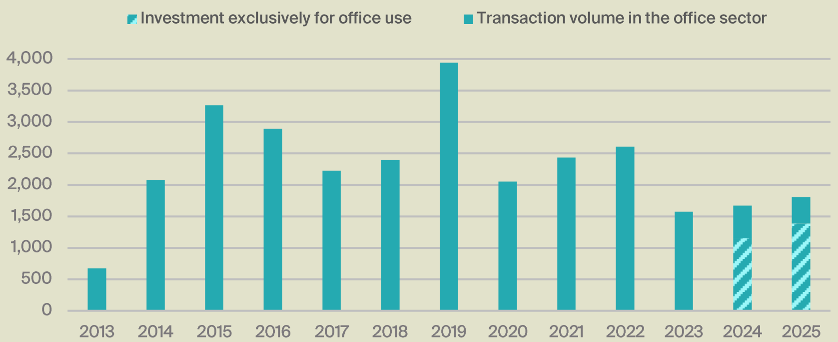
Office investment in Spain*

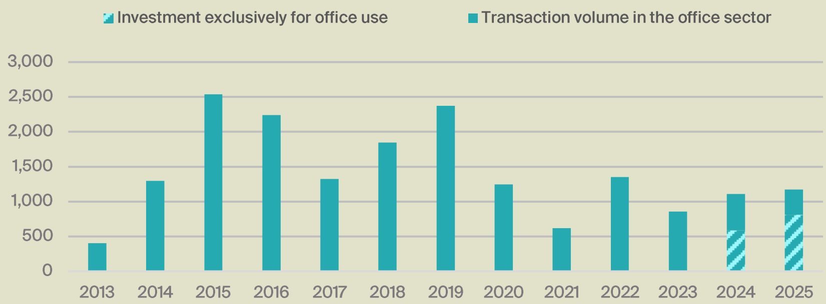
€ M



Source: Knight Frank Research
*Since 2024, the methodology will be changed to include office assets with use changes

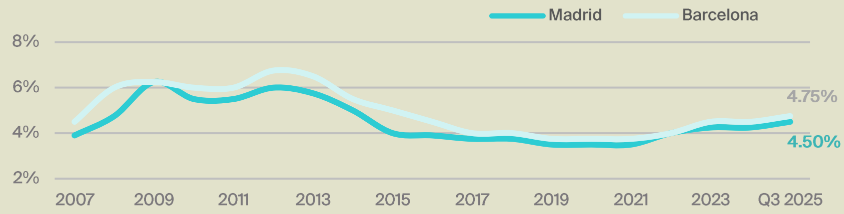
Office investment in Madrid*

€ M



Source: Knight Frank Research
*Since 2024, the methodology will be changed to include office assets with use changes

Variation in prime yields



Source: Knight Frank Research

Europe prime yields. Q3 2025

London (City)	5.25 %	=
Prague	5.00%	↓
Dublin	5.00%	=
Brussels	5.25%	=
Berlin	4.70 %	=
Munich	4.30 %	=

Source: Knight Frank Research

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