

Retail 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.

knightfrank.com/research

Spain as a European powerhouse in GDP growth: the IMF raises its forecast from 2.5% to 2.9% annually.

- Tourist arrivals in Spain continue to increase over the first eight months of the year, with a 4% rise compared to 2024 and a 15% increase over pre-Covid levels in 2019. This strengthens the country's leadership as a benchmark tourist destination all year round

SITUATION IN SPAIN

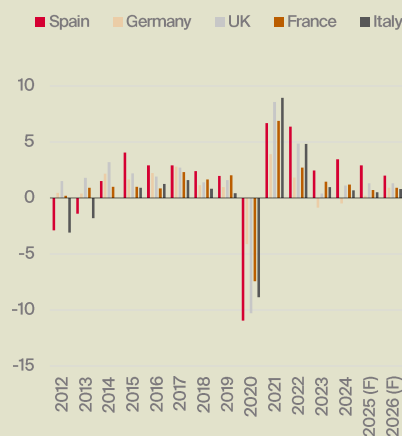
According to the International Monetary Fund, for the end of 2025, the annual growth forecast stands at 2.9% for 2025, which is higher than the expected dynamics in the Eurozone (an increase of 1.2%).

This positive differential reflects the dynamism of the Spanish economy, driven by domestic consumption, job creation, and the strong performance of tourism.

Turnover doubled from August 2024 to the same month in 2025. Accumulated up to that month, the average increase was 4.2%, representing the highest variation recorded in the last five years, according to INE data.

Following the improvement in consumer confidence observed in 2023 and 2024, it remained stable in September 2025, at a level of 81.5 points, reflecting the continuation of the positive tone seen in the previous two years.

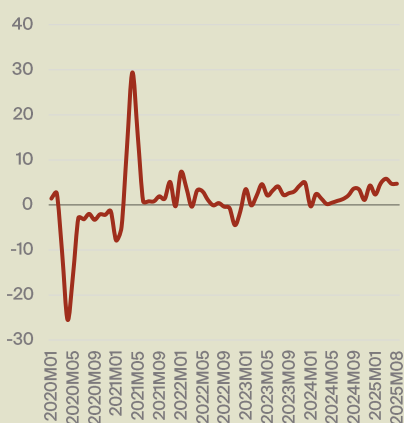
European comparative GDP



Source: IMF

Retail Trade

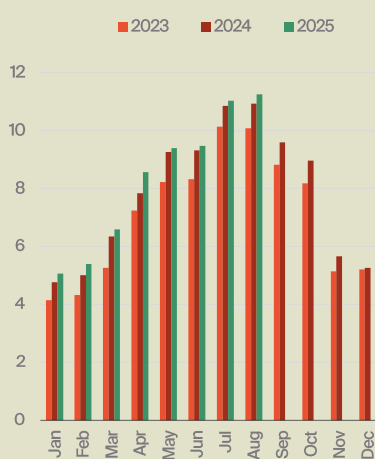
y-o-y%



Source: INE, Seasonally and calendar-adjusted series and excluding service stations.

International tourists

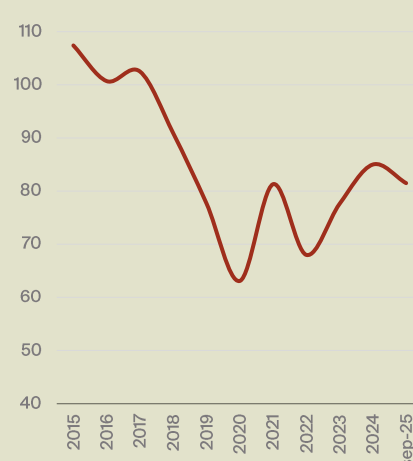
Millions of people



Source: INE

Consumer Confidence Index

Points



Source: CIS

RETAIL INVESTMENT
IN SPAIN

The retail sector advanced in this third quarter, with an investment of around €200 millions. The year-to-date total for the first three quarters amounts to over €1.6 billion, a figure in line with that recorded last year.

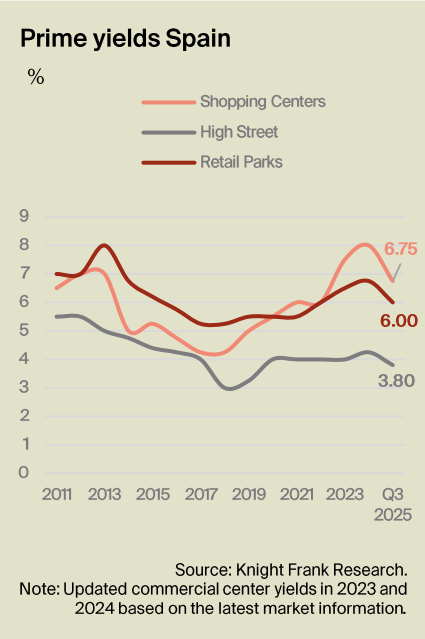
In the first nine months of 2025, the sector's investment has been almost entirely focused on the Shopping Centers subsector (65% of total investment), with significant transactions during the third quarter in secondary cities in Spain.

Likewise, although investment in High Street has slowed this quarter compared to previous quarters, it remains a prominent subsector, already accounting for 25% of total investment in the first three quarters.

On the other hand, retail parks and supermarkets have accounted for 6% and 3%, respectively, of total investment.

Prime yields for both shopping centers and mid-sized retail parks fell slightly again this third quarter, standing at 6.75% and 6%, respectively.

The yield on High Street decreased moderately this quarter, reaching 3.80%.



Spain

Investment volume Q3 2025

€193 M (€374 M Q3 2024)

Top 3 investment deals Q3 2025

€ 49 M | CC Gran Vía Alicante, Alicante (Valencian Community)
Vendor: Europa Capital | Purchaser: Mavdi Investments
Capital value: 2,209 €/sq m
Source: Eje Prime

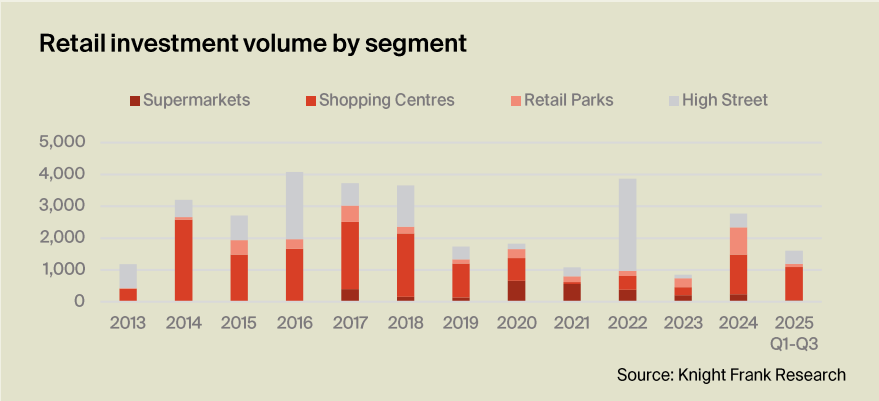
€ 40.5 M | Portfolio SC Irún y Palencia, Various
Vendor: Socimi Helios RE | Purchaser: N.d.
Capital value: 2,386 €/sq m
Source: Brainsre

€ 26 M | Retail Park Guadaíra, Seville
Vendor: Principal | Purchaser: Iroko Zen
Capital value: 813€/sq m
Source: Observatorio Inmobiliario

► The most significant transaction of the quarter is the purchase of the Gran Vía Shopping Center in Alicante by Mavdi Investments, for an amount close to €50 million.

On the other hand, there is a portfolio deal exceeding €40 million, involving two shopping centres — one located in Irún (Basque Country) and the other in Palencia.

The quarter also features Iroko Zen's €26 million acquisition of the Guadaíra Retail Park in Seville.



European prime yields. Latest available data. Q2 2025*.

	SHOPPING CENTER	RETAIL PARKS	HIGH STREET
París	6.00% =	6.50% =	4.25% =
Dublín	7.50% ↑	6.50% =	5.25% =
Praga	6.00% ↓	5.75% ↓	4.50% =

Source: Knight Frank Research. * Last data available.

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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