

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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# Snapshot Residential Investment PRS - BTR

Q12022



**SPAIN DATA 2022**  
y-o-y (latest available data)

GDP  
**+3.8%**  
(FORECAST 2023)

POPULATION INCREASE  
**+0.8%**  
(FORECAST 2024)

GROSS AVAILABLE INCOME (HOUSEHOLDS)  
**+5.9%**  
(DIC 2021)



**SPAIN DATA 2022**  
(latest available data)

AVERAGE RENTAL PRICE  
**10.8 €/sq m**  
(MAR 2022)

INVESTMENT VOLUME PRS  
**€900 M**  
**88% PRS** (Q1 2022) **12% BTR**

GROSS RETURN ON HOUSING RENTAL  
**3.7%**  
(Q4 2021)

Sources: FMI / INE / Bank of Spain / Idealista.

## Situation in Spain

The Spanish economy's GDP closed the year with growth of 4.9%. The International Monetary Fund (IMF) forecasts place Spain among the economies with the best prospects, with growth of 3.8% in 2023.

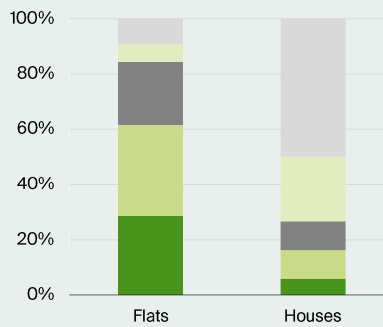
Of the total supply of rental housing in Spain, flats with 1 and 2 bedrooms and detached houses with 5 or more bedrooms are the ones with the largest supply, with nearly 30% in the first case, and almost 50% in the second.

The real estate wealth of Spanish households continues its upward trend. At the same time, net financial wealth continues to grow, standing at more than 1.9 trillion euros.

### Supply by rooms in rental houses in Spain

Q1 2022. %

5 or more rooms 4 rooms  
3 rooms 2 rooms  
1 room

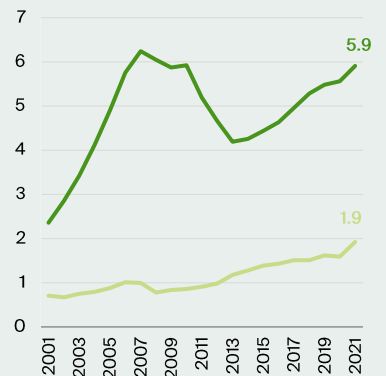


Source: Brainsre

### Household's wealth

Dec 2001 - Dec 2021. Billions €

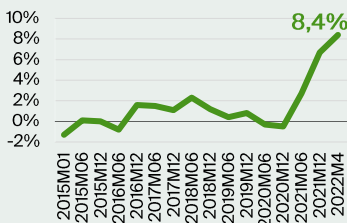
Net financial wealth  
Real estate wealth



Source: Bank of Spain

### Spain CPI

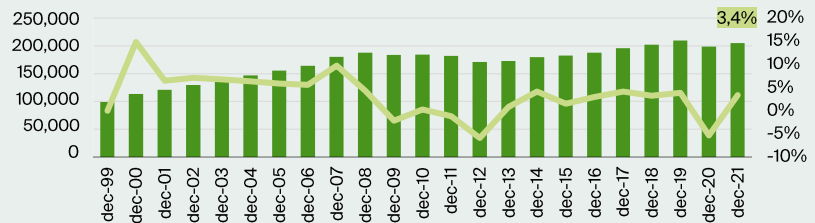
Y-o-y (%). 2015 - April 2022



Source: INE

### Gross available household income\* Spain

December 2001 - December 2021. € Million



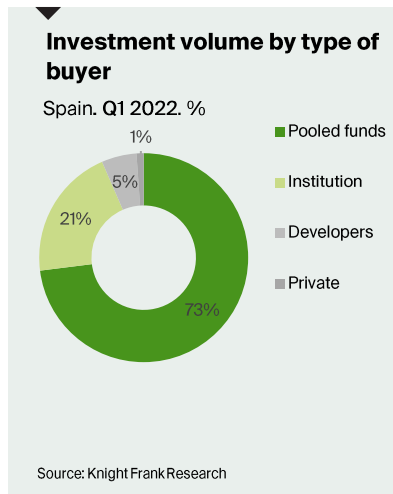
Source: Bank of Spain. Average Income

## Transactions and prices in Spain

The year begins with record figures, having exceeded 900 million euros in investment in the first quarter, 96% higher than the same period last year. These figures show that this sector is at its best and that 2022 will close with very positive figures. By type of buyer, investment funds account for 73% of the total investment volume.

The gross rental housing yield, according to the Bank of Spain, remains at 3.7% for the 4th quarter of 2021.

The average rental price in Spain stands at 10.8 €/sq m.



## TOP 3 DEALS

### BARCELONA

**PRS PORTFOLIO**  
 VENDOR: BECORP  
 PURCHASER: PATRIZIA  
**€600 M** 1,500 houses  
 Source: Ejeprime

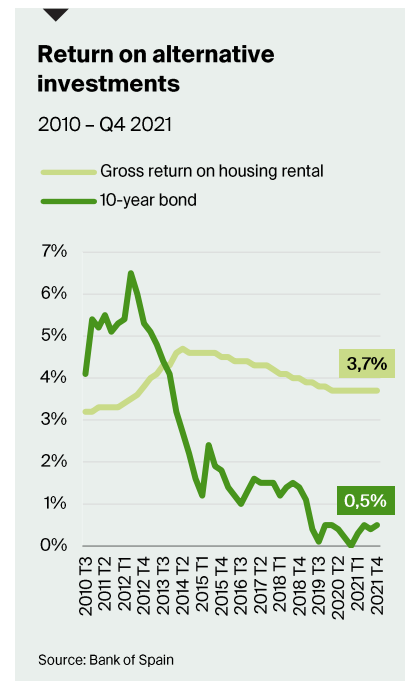
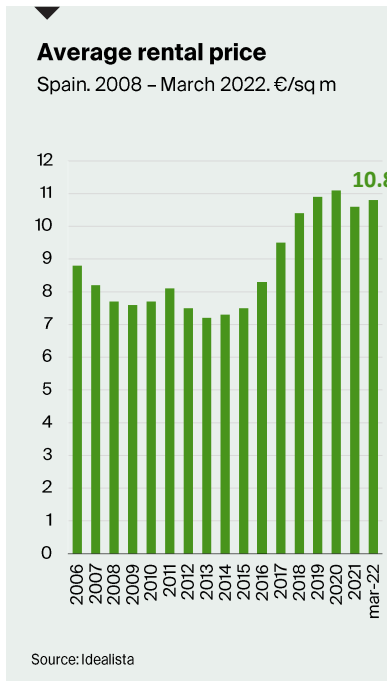
### MADRID

**9 RESIDENTIAL BUILDINGS**  
 VENDOR: TESTA  
 PURCHASER: ALLIANZ REAL ESTATE  
**€185 M** 245 houses  
 Source: ElEconomista

### VALENCIA

**BTR PROJECT**  
 VENDOR: METROVACESA  
 PURCHASER: AIG  
**€21.2 M** 147 houses  
 Source: BrainsRe

During the first quarter of the year, one of the most important investments in BTR in Spain was the sale of a rental portfolio in Barcelona by Patrizia, comprising 1,500 units and a volume of €600m. Another important transaction is the acquisition of 9 properties in Madrid for a value of €185M by Allianz Real Estate. We consider the BTR transaction in Valencia (Quart de Poblet) to be very relevant as it reaffirms, once again, the interest of foreign funds in investing in Spain, as well as being a clear commitment to locations other than Madrid and Barcelona with growing demand.



**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.

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The Suburban BTR H.R. 2021



Global Res. Cities Q2 2021

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