

# PRS-BTR Snapshot

Q1 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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## The first quarter of the year closed with a 3.7% increase in rental prices compared to the end of 2024.

- Household wealth continues to rise and is at its highest level in the historical series. Gross disposable income is in a similar situation, accompanied by a 13% annual drop in the CPI in the last quarter.

### SITUATION IN SPAIN

After several months of growth, the CPI recorded a decrease of 0.5 tenths in March compared to December. With this decrease, the annual rate stands at 2.3%, thus approaching the level recorded at the end of 2024.

Net financial wealth continues its upward trend, with a monthly average close to €2,300 million in 2024, representing a 9% increase compared to the previous year's average.

In 2024, average gross disposable income has increased by 8.7% compared to the previous year's average, consolidating the growth in households' purchasing power.

The rental effort rate in Spain in the first quarter of 2025 remains at levels similar to previous quarters, registering a value of 36%.

The provinces of Malaga, the Balearic Islands, and Barcelona record the highest rates, exceeding the national average and surpassing 40%. Regarding the home purchase effort rate, the national average stands at 23%.

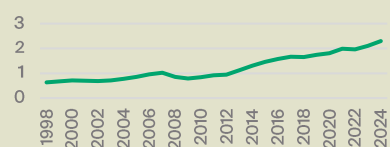
Spain CPI  
Y-o-y (%)



Source: INE

Household's net financial wealth

Billions



Source: Banco de España

## Spain

Latest available data

**+2.8 %** y-o-y | GDP (Q1 2025)

**+8.7 %** y-o-y | Gross available household income (2024 vs 2023)

**36 %** Rent effort rate (Q1 2025)

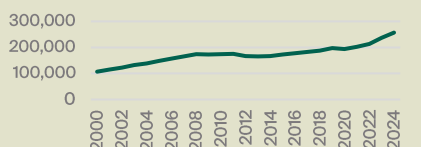
**14 €/sq m** Average rental Price (Mar 2025)

**3.3 %** Gross return on housing rental (Q4 2024)

Sources: Banco de España / Idealista / INE

Gross available household income

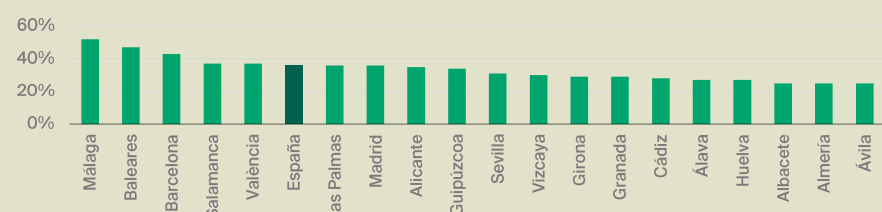
€ M



Source: Banco de España

Rent effort rate

Top provinces. Q1 2025



Source: Idealista

TRANSACTIONS  
AND PRICES IN SPAIN

The first quarter of the year ended with a transaction volume of around €200 million, representing a slight decrease compared to the same period in the previous year.

In terms of rental prices, the national average in Spain for the month of March stood at €14 per square meter. This figure marks a 10.2% increase compared to March of the previous year, reinforcing the sustained upward trend that has been gaining momentum in recent years. This confirms the upward trend that has been intensifying in recent years.

Overall, annual rental price variations by city continue to show increases of 10–15%. Madrid recorded an annual variation of over 12%.

Nevertheless, secondary cities continue to gain relevance. Teruel ranks first nationwide with an increase of over 18%, while Ávila, Castellón, and Santa Cruz de Tenerife also posted high growth rates, close to a 15% year-on-year increase compared to March of the previous year.

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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España

Investment volumen in Q1 2025

€200 M (€237 M Q1 2024)

Top 3 investment deals Q1 2025

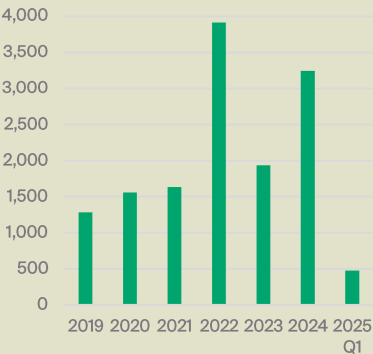
Madrid (confidential price)  
Vendor: N.d. | Purchaser: Ferrocarril Group  
Houses: 124  
Source: Capital Markets Knight Frank

€30 M | Madrid  
Vendor: Persépolis | Purchaser: Family office  
Houses: 53  
Source: Idealista

€19.1 M | Madrid  
Vendor: Confidencial | Purchaser: Fogesa Group & Arpada Group  
Houses: 39  
Source: Brainsre

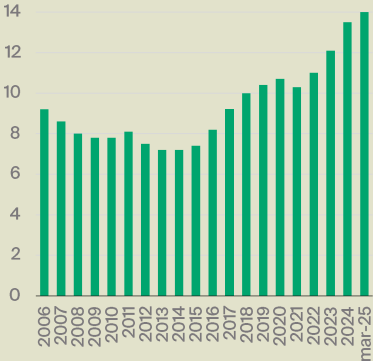
Among the most significant transactions is Zurich's purchase of two residential buildings with 330 units in Móstoles and Arroyomolinos, southwest of Madrid. A family office also acquired a building in Source del Berro, again in the capital, from Persépolis for €30 million, with a total of 53 rental units. Finally, the Fogesa Group invested €13 million in collaboration with Grupo Arpada in a project in Cobeña (Madrid) for 65 VPPL units.

PRS-BTR  
€ M



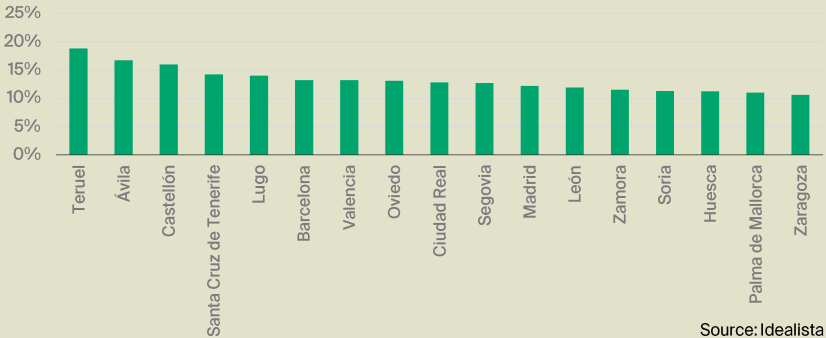
Source: Knight Frank

Average rental price  
Spain €/sq m



Source: Idealista

Rental Price (y-o-y)  
Top cities. Mar 2025



Source: Idealista