

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

Private Rented Sector Snapshot

Q42019

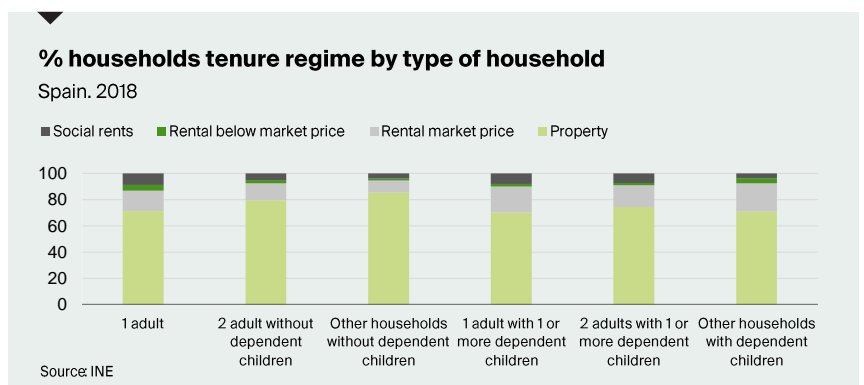
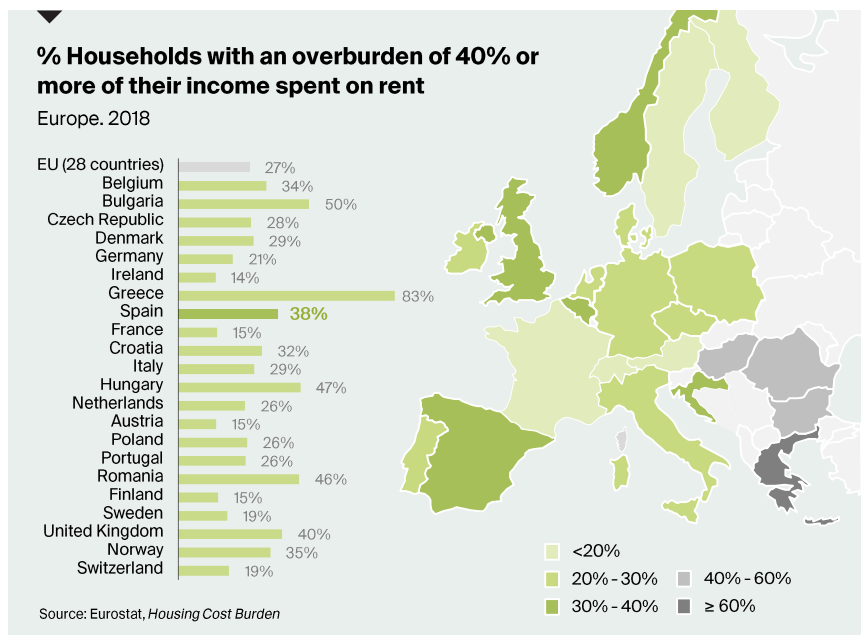
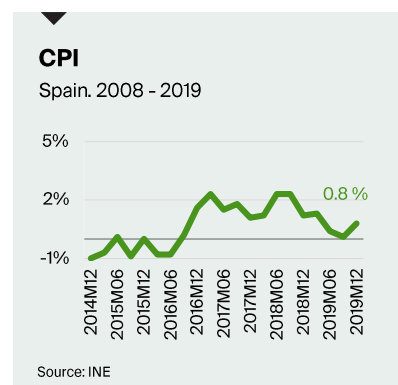
SPAIN DATA 2018	AVERAGE INCOME / HOUSEHOLD	RENTAL HOUSEHOLD TENURE REGIME	RENTAL EFFORT RATE
	32,929 €/annum	24 %	38%
SPAIN DATA 2019	AVERAGE RENTAL PRICE	INVESTMENT VOLUME (RCA)	RETURN ON ALTERNATIVE INVESTMENT
	10.9 €/sq m	€ 2.7bn	3.8%

Situation in Spain

The annual inflation variation of residential CPI rental this year closed at 0,8%, an increase of 70 percentage points compare to the previous quarter.

According to the latest data, 38% of the Spanish population (lower figure since 2014) spend more than 40% of their income spent on rent. This is well below the figure in Greece, the country which spends the highest portion of its income on rent in Europe.

The largest rental tenure regime by type of household are single-parent families with 1 or more dependent children as well as households with more than 2 adults with 1 or more dependent children.

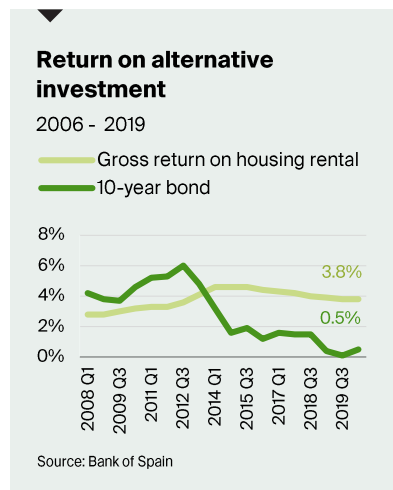


Prices and transactions in Spain

2019 closed with a return on housing rental of 3,8%. This was well above other alternative investment, even with the recovery in the last quarter of the 10-year state bond, which has risen to 0,50%.

The average rental price in Spain this year closed at 10.9€/sq m, 4.8% higher than during the same period in 2018.

The largest annual variation in the rental price of housing was registered in Lérida while areas such as Teruel and Orense registered negative variations. The province of Madrid had an annual increase of 3.5%.



TOP 3 DEALS

MURCIA

PLAZA SANTO DOMINGO
VENDOR: GRUPO BARAKA
PURCHASER: EL CIRUELO

€20m 24 houses

Source: Idealista

MADRID

2 BD. (C/FOMENTO-AVE MARÍA)
VENDOR: FAMILY OFFICE PRIVADO
PURCHASER: ELIX VINTAGE

€8.4m 43 houses

Source: Idealista

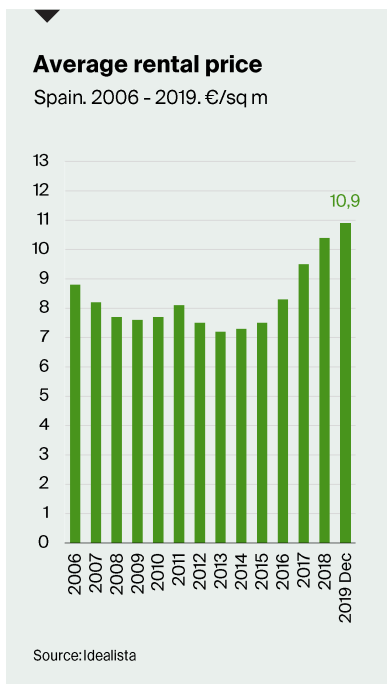
MADRID

CALLE SAN ANDRÉS
VENDOR: N.D
PURCHASER: VBARE

€6.6m 10 houses

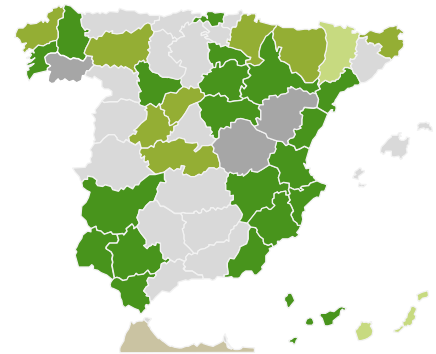
Source: Ejeprime

One of the biggest deals of the quarter was the sale of the historic Casa Cerdá located in the Plaza Santo Domingo in Murcia by Grupo Baraka for €20m to the family that owns the company El Ciruelo. The property will be renovated to install the new Burger King in the city centre and existing homes will also be converted into luxury apartments for rent.



SPAIN. VARIATION OF RENT PRICES Y-O-Y Q4 2018 VS Q4 2019

● X ≤ 0% ● 0% < X ≤ 5% ● 5% < X ≤ 10%
● 10% < X ≤ 15% ● > 15%



Source: Knight Frank Research and Idealista

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

Recent Publications

Residencial

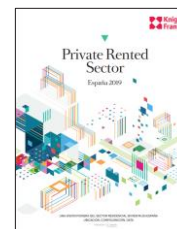
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Capital Markets

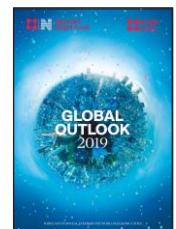
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