

# PRS-BTR Snapshot

Q4 2024

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 average rental price in Spain continues to rise, reaching an annual increase of 11.5%

- The net financial wealth and gross disposable income of Spanish households remain at high levels during the third quarter, consolidating this increase at the national level.

### SITUATION IN SPAIN

The CPI has accelerated its growth in December, experiencing an increase of 1.3 tenths compared to the September figure. With this increase, the annual variation rate stands at 2.8%, approaching the levels recorded in the first half of 2024.

Net financial wealth continues its upward trend, reaching nearly 2,330 million euros, representing an 11.7% increase compared to the same period of the previous year.

Gross disposable income experiences slight stabilization during the last two quarters, due to a slower increase in property income. However, it still represents an increase compared to the same period in 2023, in this case by 8.2%, consolidating the growth of households' purchasing power.

The rental effort rate in Spain remains at levels similar to previous quarters, recording 35% in the third quarter. Málaga, the Balearic Islands, and Barcelona continue to show the highest rates, exceeding the national average and surpassing 40%. Regarding the home purchase effort rate, the national average stands at 23%.

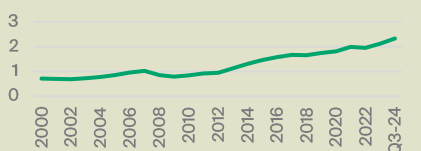
Spain CPI  
Y-o-y (%)



Source: INE

Household's net financial wealth

Billions, September



Source: Banco de España

## Spain

Latest available data

**+6.5 %** y-o-y | GDP (Q3 2024)

**+8.2 %** y-o-y | Gross available household income (Sept 2024 vs Sept 2023)

**35 %** Rent effort rate (Q3 2024)

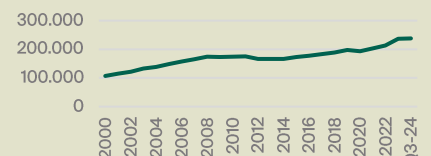
**13.5 €/sq** Average rental Price (Dec 2024)

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

Source: Banco de España / Idealista / INE

Gross available household income

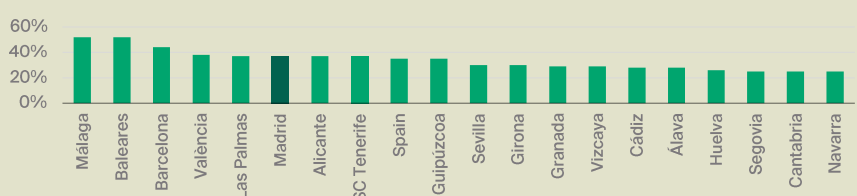
M€, September



Source: Banco de España

Rent effort rate

TOP provinces, Q3 2024



Source: Idealista

## TRANSACTIONS AND PRICES IN SPAIN

The fourth quarter of the year has ended with a transaction volume exceeding €355 million, reaching over €1.3 billion in the total for 2024. Furthermore, investment in the second half of 2024 has increased significantly, by more than 40% compared to the first half.

The average rental price in Spain in December stands at €13.5/sq m, representing an 11.5% increase compared to the same period last year, thus solidifying this upward trend.

In broad terms, annual rental price variations by city continue to show increases of 10-15%. Madrid maintains an annual variation of over 16%.

However, the prominence of secondary cities continues to grow; Segovia ranks first nationwide with an increase of over 20%, while Ávila, Toledo, and Oviedo also record high values, with positive variations close to 15% compared to December 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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# Spain

Investment volumen Q4 2024

**€355.9 M** (€624,1 M Q4 2023)

Top 3 investment deals Q4 2024

**€100 M** | Madrid

Vendor: Aedas Homes | Purchaser: Avalon  
Houses: 944  
Source: El Economista

**€85 M** | Valencia

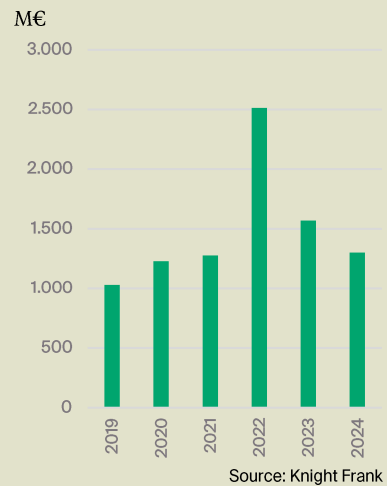
Vendor: Nuveen | Purchaser: M&G  
Houses: 331  
Source: Observatorio Inmobiliario

**€60 M** | Madrid

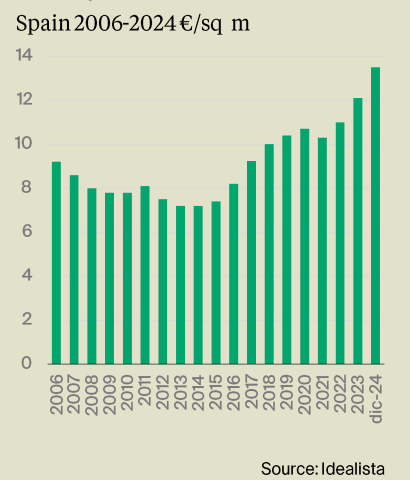
Vendor: DWS | Purchaser: Catella  
Houses: 235  
Source: EjePrime

Among the most notable transactions of the quarter is Avalon's purchase from Aedas of nearly 950 rental homes under the VIVE 3 Plan of the Community of Madrid, for an amount of around €100 million. Additionally, M&G has acquired a residential complex from Nuveen in the PAI del Grau area in Valencia for approximately €85 million. Similarly, DWS has sold a total of 235 homes in the Vallecas neighborhood in Madrid to Catella for an amount close to €60 million.

## PRS-BTR Investment



## Average rental price



## Rental Price (y-o-y)

