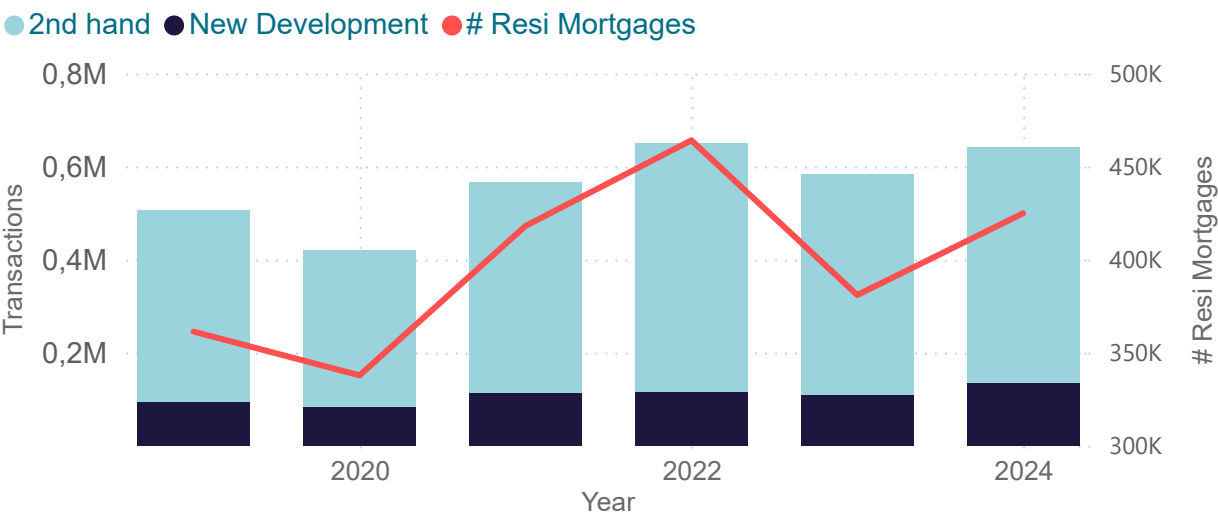


Total Residential Transactions 2024	YoY % Total Residential Transactions	PRS, BTR & FLEX Investment Volume 2024 bn€	YoY % PRS, BTR & FLEX Investment Volume
642K	10,03%	1,7bn	3,01%
Prime City Centre Madrid Market Rent € sqm month	Prime City Centre BCN Market Rent € sqm month	Decentralized Madrid Market Rent € sqm month	Decentralized Barcelona Market Rent € sqm month
25,0	23,3	20,0	18,3
Prime City Centre Yield Madrid	Prime City Centre Yield Barcelona	Decentralized Yield Madrid	Decentralized Yield Barcelona
3,75%	3,95%	4,15%	4,25%

Market Context

- The number of housing transactions in 2024 reached 642k, representing an increase of +10% compared to the previous year. Following a strong recovery in the second half of the year driven by the significant decline in Euribor.
- Total investment volume in PRS, BTR, and Flex Living has remained broadly in line with 2023, although performance has varied across segments. While investment in BTR & PRS in 2024 declined significantly, impacted by rising yields and limited product availability, investment in Flex Living surged.
- BTR unit deliveries have maintained a solid pace, with over 8,000 units completed—broadly in line with 2023—while Flex Living deliveries reached around 6,000 units in 2024, representing a growth of over 200%. This brings the total accumulated stock to approximately 25,500 BTR units and 11,900 Flex Living units (excluding public housing projects, considering only private capital).
- Despite this increase in stock and supply, given the high demand for the product—which is also growing—BTR/PRS/FLEX rental prices continue their upward trend, rising by more than 10% year-on-year.
- In contrast to the sector's strong fundamental indicators, 2024 has seen an increase in housing market regulation. On the one hand, through the declaration of high tension areas in Catalonia, imposing rent control and, on the other hand, with the introduction of a new IRAV index for updating contractual rents, designed to be more stable and consistently lower than CPI, excluding energy costs.

Residential Transactions (New, 2nd Hand) & Mortgages Spain



Trends

- Increasing rental demand over recent years due to:
  - (1) Tough mortgage finance conditions - borrowers requiring a significant deposit to obtain favourable terms;
  - (2) Less housing in development and a constant rise in sale prices for both new and second hand homes;
  - (3) Slowdown in salary increases and disposable household income, combined with relatively persistent inflation.
  - (4) Continuous decline in the number of people per household, especially since Covid.
- Abrupt reduction of rental supply and continuous increase of market rents. The gap between demand and supply is likely to continue over the coming years, continuing to drive market rental growth.
- Continuing strong interest in residential investment opportunities on the part of institutional funds.

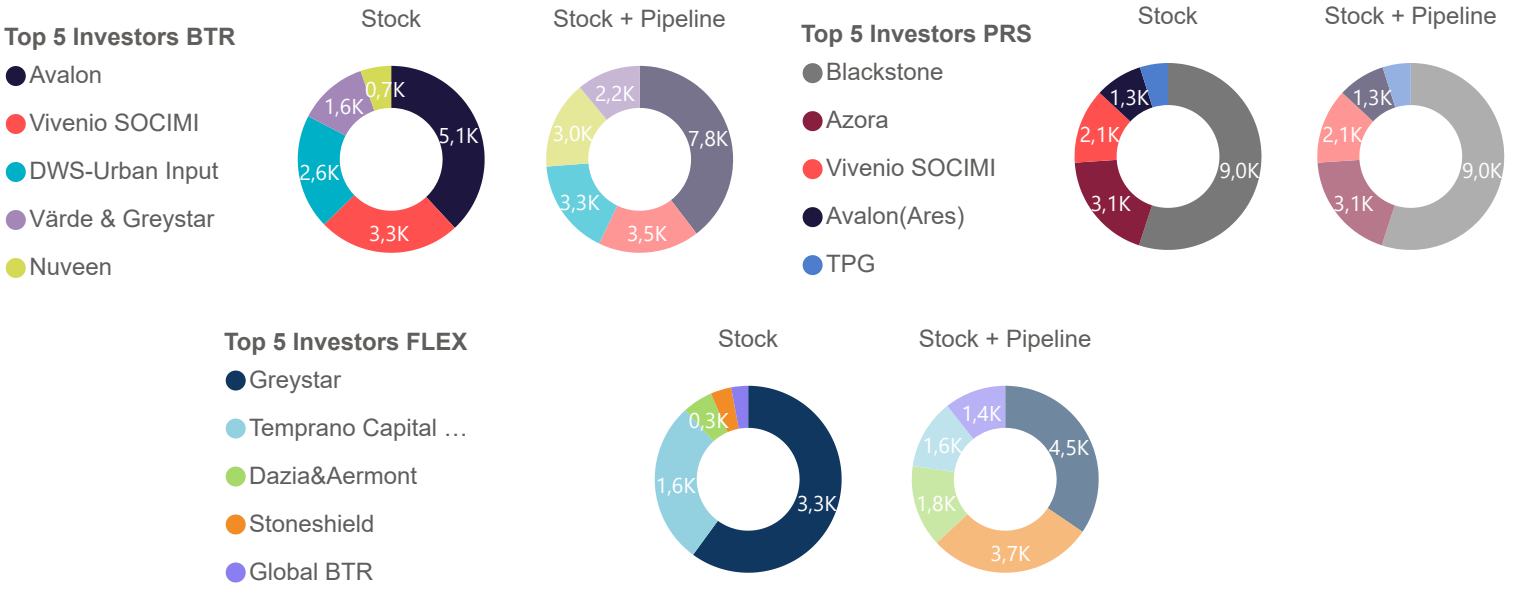
Stock and Pipeline

- Since 2017, institutional investment has driven rapid growth in the **BTR** sector. Stock has risen from 500 units in 2019 to 10,500 in 2022, 17,500 in 2023 and reaching 25,300 by the end of 2024. An active pipeline of 30,300 units brings the sector’s total provision to approximately 55,600 units.
- The current BTR market is fairly distributed among the main investors and developers, with approximately 10 investors accounting for 60% of the total market. Among them, Avalon is the current leader, holding a market share of 18%.
- **PRS** has remained stable, with stock consistently ranging between 20,000 and 20,600 units from 2017 to 2025. This sustained level reflects the sector's established and resilient presence in the rental market.
- The **Flex Living** sector has experienced steady growth, expanding from 2,000 units in 2021 to nearly 11,900 units in 2024. Stock tripled between 2022 and 2024, showing the dramatic asset growth. A robust pipeline of 17,820 units brings total provision in the sector to nearly 30,000 units, signaling strong momentum and increasing investor interest.

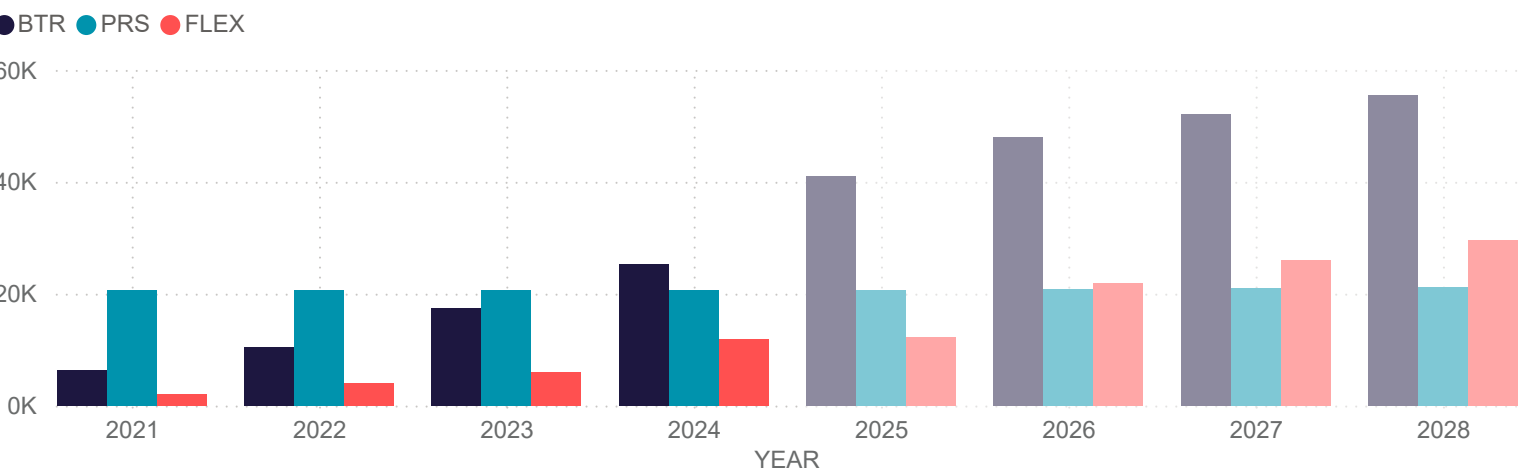
Investment Volume

- In 2024, following the rise in capital costs, and despite a strong push in the last quarter, the **BTR/PRS** transactional market declined to a total volume of €1.16 billion (€882 million for BTR and €278 million for PRS), marking a 22% drop compared to 2023. The affordable housing market is gaining traction, accounting for more than one-third of the total investment volume in 2024.
- In contrast to the BTR/PRS sector, the **Flex Living** market has experienced remarkable growth, increasing from €190 million in 2023 to €550 million in 2024—an uplift of nearly 300%.
- In total, the combined investment volume in 2024 reached €1.7billion, representing a small rise of 3%. Looking ahead to 2025, following interest rate cuts by the ECB we anticipate greater transactional activity in both the BTR/PRS and Flex Living segments.
- Finally, it is worth noting that sharp rental price increases in recent years have pushed affordability ratios to very high levels, especially in central Madrid and Barcelona. This has intensified pressure in these areas, where often only wealthy foreign residents can afford to live. Investment in multifamily (BTR & PRS) and Flex Living through public-private initiatives is undoubtedly the best approach to alleviating market tension. Although there is still a long way to go, this is the right path forward.

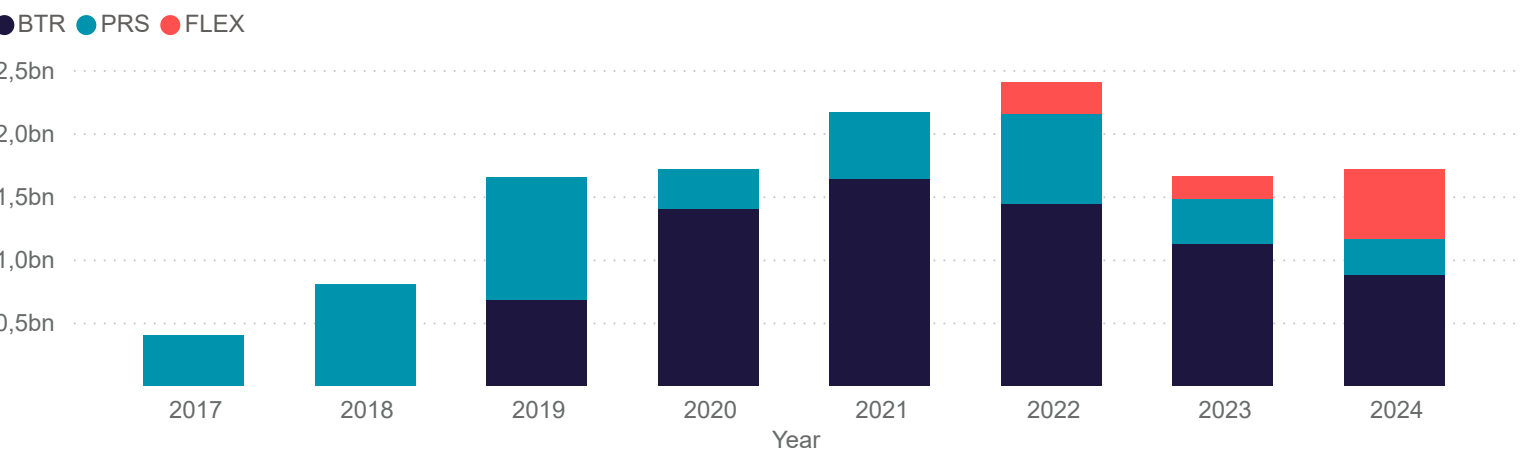
Main Investors Share & Units



Stock Evolution and Forecast



Investment Volume (Bn€)



Prime Yields

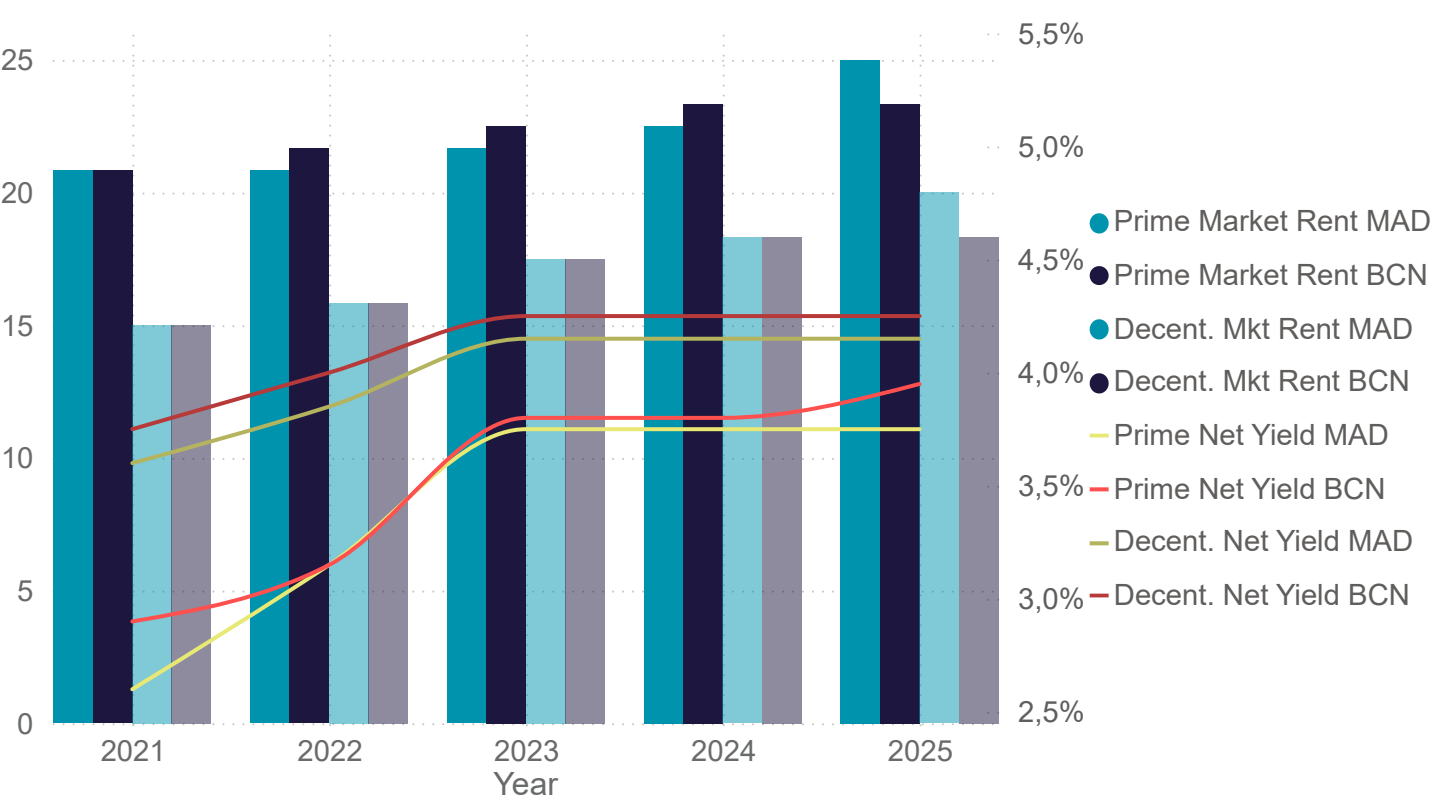
- The current net yield for established prime city center PRS is 3.75% in Madrid and 3.95% in Barcelona. For the best decentralized product the current yield is 4.15% in Madrid and 4.25% in Barcelona.
- An important difference in this cycle compared to previous cycles is the now very evident presence of institutional capital in the segment, more sensitive to interest rate and bond yield movements than the Family Office and Private investors that dominated in previous cycles.
- Hence greater volatility in yield movements may result, as distinct to previous cycles when yields generally remained low and stable.

Transactional Activity

- In the first quarter of 2025, transactional activity has continued along the path initiated at the end of 2024, although with slightly lower volumes. In the coming months of 2025, we expect the pace of transactions to increase both in volume and number, as we anticipate a more favorable macroeconomic outlook and potential further interest rate cuts by the ECB. In addition, several affordable BTR developments (some as part of portfolios) have stabilized in recent months, sparking increased interest from core and institutional investors, while also providing an incentive for developers to sell.
- Among the most significant transactions of the quarter, we highlight: the acquisition of a Flex Living scheme in Valencia by Hines from Atitlan for €65M, comprising 650 units, and the purchase of a BTR asset in Villa de Vallecas (Madrid) with 180 units, acquired by Vivenio from DWS for €50M.

YEAR ▼	LOCATION - CITY	BUYER	SELLER	Nº Units	Price (Mn€)
2025 Q1	Fuente del Berro, Madrid	Conf.	Persépolis	53	30,0
2025 Q1	Valencia	Hines	Atitlan	650	65,0
2025 Q1	Villa de Vallecas, Madrid	Vivenio	DWS	180	50,0
2024 Q4	Madrid region (2 locations)	Zurich	AXA	330	66,5
2024 Q4	Madrid region (several locations)	Avalon	Aedas Homes	944	100,0
2024 Q4	Valencia	M&G	Nuveen	331	80,0
2024 Q4	Vallecas, Madrid	Catella	DWS	235	60,0
2024 Q3	Parla, Madrid	Roundhill	Neinor Homes	147	29,0
2024 Q3	Santa Coloma, Barcelona	Urban Input	Cevasa	150	26,0
2024 Q2	Alovera, Guadalajara	Avalon	Neinor Homes	337	75,0
2024 Q2	Méndez Álvaro, Madrid	Savills IM	Greystar	455	150,0

PRS/BTR Prime Net Yields and Market Rents



**RUPERT LEA**  
International Partner  
Head of Retail &  
Retail Capital Markets Group  
rupert.lea@eur.cushwake.com

**TONY LOUGHRAN**  
V&A Partner Spain  
Head of V&A Spain  
tony.loughran@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

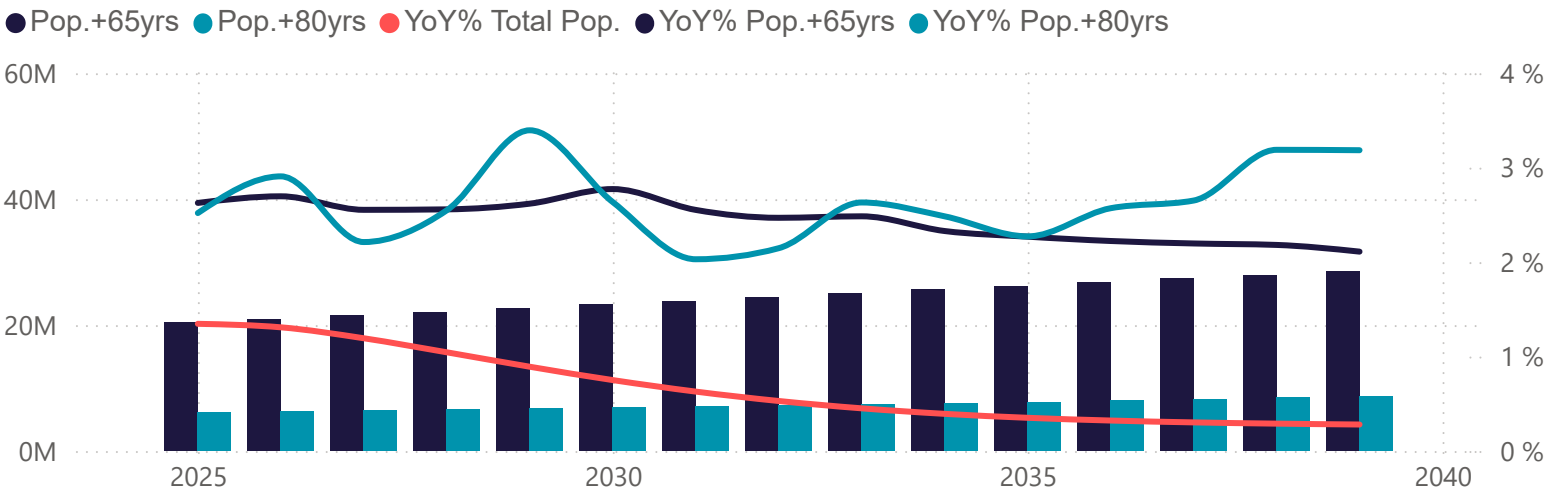
Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital Markets, and Valuation and other. Built around the belief that Better Never Settles, the firm receives numerous industry and business accolades for its award-winning culture. In Spain, where Cushman & Wakefield has over 35 years of experience, the company's business covers the entire Spanish geography. The headquarters are located in Madrid (Beatriz Building, Jose Ortega y Gasset, 29, 6º) and Barcelona (Passeig de Gràcia, 56, 7º), with a multidisciplinary team of 370 professionals. To learn more, visit [www.cushmanwakefield.es](http://www.cushmanwakefield.es) or follow @CushWakeSPAIN on X.

©2025 Cushman & Wakefield. All rights reserved. This report has been prepared using data from Cushman & Wakefield, the National Institute of Statistics (INE) and Atlas Real Estate Analytics. The information may contain errors or omissions and is presented without any warranty or representation as to its accuracy.

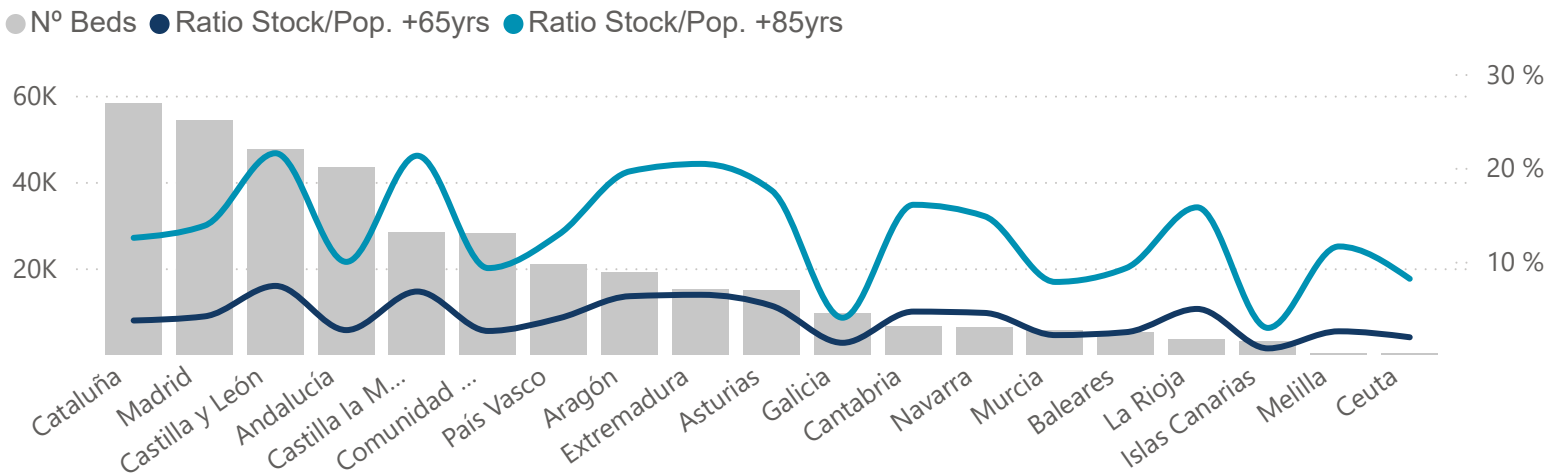


Annual CPI	Spain GDP/Capita	Spanish Population	INE Depend. Ratio
2,30 %	31,0K	49,08M	29,89%
Underlying Ann. CPI	Spanish Pop. +65 Yrs	Spanish Pop. +80 Yrs	Spanish Prime Yield
2,00 %	10,19M	3,03M	5,50%

Spanish Population Projection and Variation %YoY



Spanish Population Projection and Variation %YoY



Market Context

- Strong fundamentals in the nursing home sector: high average life expectancy and an ageing population, forecast to be the oldest in Europe by 2050. The current home ownership ratio in Spain is 75% (as at 2024, down from 78% in 2014) which is above the European average. This provides a financing source for residents to fund their care into old age (often via a Reverse Mortgage);
- Lack of beds (more than 100,000 more beds to maintain an appropriate ratio compared with other European countries), obsolete stock and fragmented market with the potential for consolidation (the top 10 operators hold no more than 25% of total beds);
- Investment activity has been relatively low, with only one large transaction in 2024, the remainder being mostly individual asset deals.
- Increasing operational costs have slowed down; however, salaries are increasing due to upwards revisions to the minimum wage, as well as competition with other sectors (e.g. hospitals).

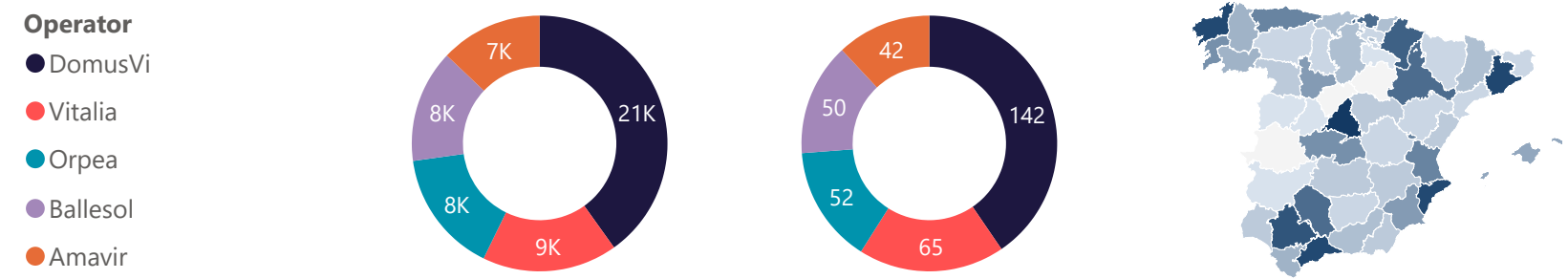
Demographic Evolution

- Spain's demographic landscape reflects a mix of historical trends, migration dynamics, and changing birth rates.
- Spain enjoyed a baby boom during the 60's, in a period referred to as "The Spanish Miracle", during which the Spanish birth rate amounted to more than twice its current rate of 7.9 births per 1000 people. Baby boomers who are currently in their 60/70s today account for 25% of the Spanish population.
- Spain's population doubled during the twentieth century, but the growth pattern was uneven due to significant internal migration from rural areas to industrial cities.
- In 2024, Spain's total population stood at 48,6 Mn representing a slight increase compared to the previous year. The fertility rate has fluctuated over the years; in 2024, the Total Fertility Rate (average number of children per woman) was 1.4 (+7.69% vs 2023)
- By 2050, Spain is projected to have the second-highest old-age dependency ratio among European countries. Additionally, as of 2024, Spain has the second-highest life expectancy in the European Union, at 84.12 years.

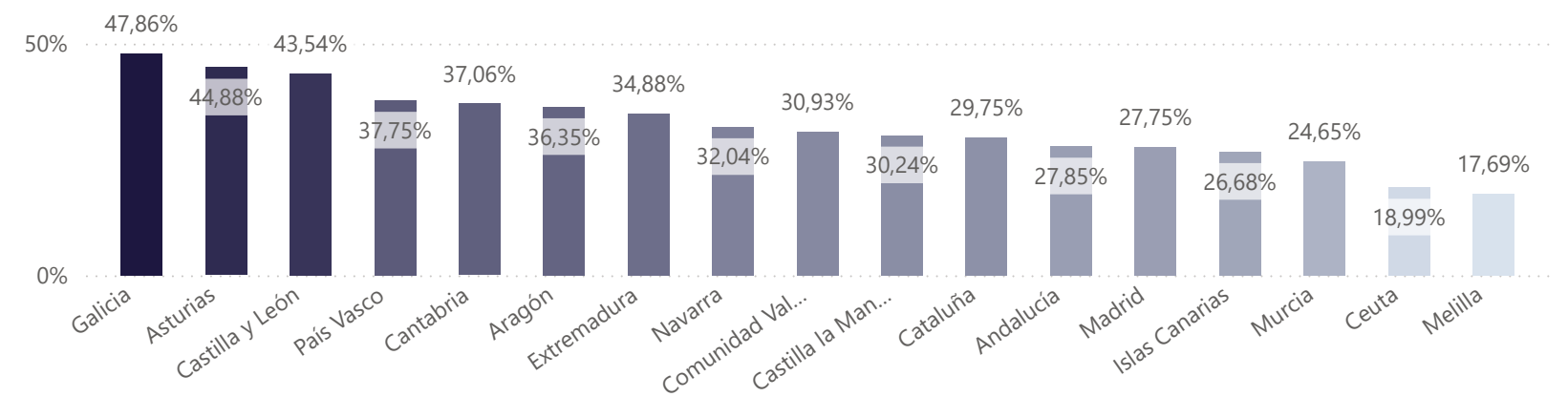
Operator Landscape

- According to the latest available data, Spain has c.5,500 nursing homes offering a total capacity of approximately 410,000 beds.
- There are plenty of operators in this highly competitive market, of which the top-7 operators are: DOMUS VI, ORPEA, VITALIA, AMAVIR, BALLE SOL, CLECE and COLISÉE, which account for almost 25% of for-profit nursing home supply in Spain.
- According to the latest market trends, areas such as the Mediterranean coast added to Madrid and Barcelona metropolitan areas attract the interest of investors, operators and developers.
- Increasingly, operators are leaning towards expanding their operations into new buildings, primarily developed on greenfield sites, with the aim of achieving the highest sustainability standards. These buildings are tailored to optimize operational expenses.
- The top 5 operators have a particularly strong presence in the areas shown with more intense shading in the map below, which are regarded as significant both historically and currently, and are also expected to remain attractive in the short to medium term.

Top-5 Operators



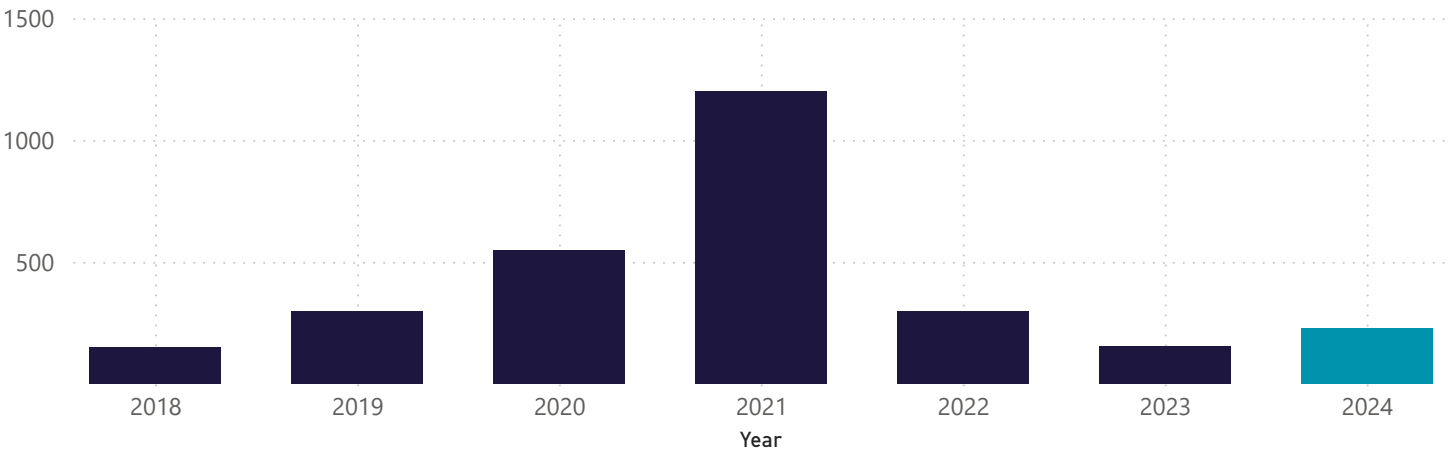
Dependency Ratio - 2025



Investment Volume Evolution

- Despite a slowdown from the record high of 2021 (€1,200Mn), Spain's nursing home investment market continues to show resilience, recording a total investment volume of approximately €228Mn in 2024 — a slight year-on-year decrease of 7% .
- In 2023, the low transaction volume from 2022 persisted, with activity limited to smaller deals. Notably, Adriano Care acquired two residences in Sant Cugat and Santander for €22Mn and €13Mn, respectively. In H2 2023, the market strengthened as DomusVi completed two Sale & Leaseback transactions in northern Spain:
  - 1) Wellder acquired five nursing homes in northern Spain for €36.5mn.
  - 2) Threestones acquired five nursing homes in Q4 for €30mn.
- In 2024, the first half of the year was featured smaller transactions, including Next Point's acquisition of three operating nursing homes in Seville and Soria for €4.3 Mn, and Fortia's purchase of two assets in Burgos and Madrid for €9.7Mn. Activity intensified in H2 with larger portfolio deals, including Romano Senior's acquisition of 11 assets from DomusVi (92€Mn), Caser's acquisitions of two residences operated by Novallar, Wellder's expansion with a newly built 136-bed asset in Badalona and a 696-bed portfolio across Alicante and Pamplona, and Atland Voisin's purchase of four nursing homes from Korian (€25Mn).
- In 2025, the year began with a portfolio transaction by Lantus Group and two individual asset deals in Madrid: the acquisition of Sanitas Mirasierra by a private investor and the acquisition of Los Robles Residence by Thor EU.
- Presently, although financing costs are improving we continue to see the large institutional players sitting on the side-lines while new market entrants like Wellder, Romano Senior and Caser pursue their expansion plans in Spain.

Investment Volume (€Mn)



Prime Yield

- The prime yield for nursing homes is theoretically in the order of 5.50% for top cities/locations, providing high quality accommodation that is energy efficient with predominantly single-rooms, plus good track-record, a long fixed-period lease and with established operators of strong covenant. It is difficult to "tick all the boxes" hence transactions are generally closed at higher yields, often at 6.00% or above. Also we are seeing limited fund/institution activity in the funding of new developments, although some activity in this space on the part of private investors.
- Where there is investment transaction activity is mostly in the form of sale and leasebacks, with buyers predominantly more recent entrants to the Spanish market with appetite to gain a foothold.

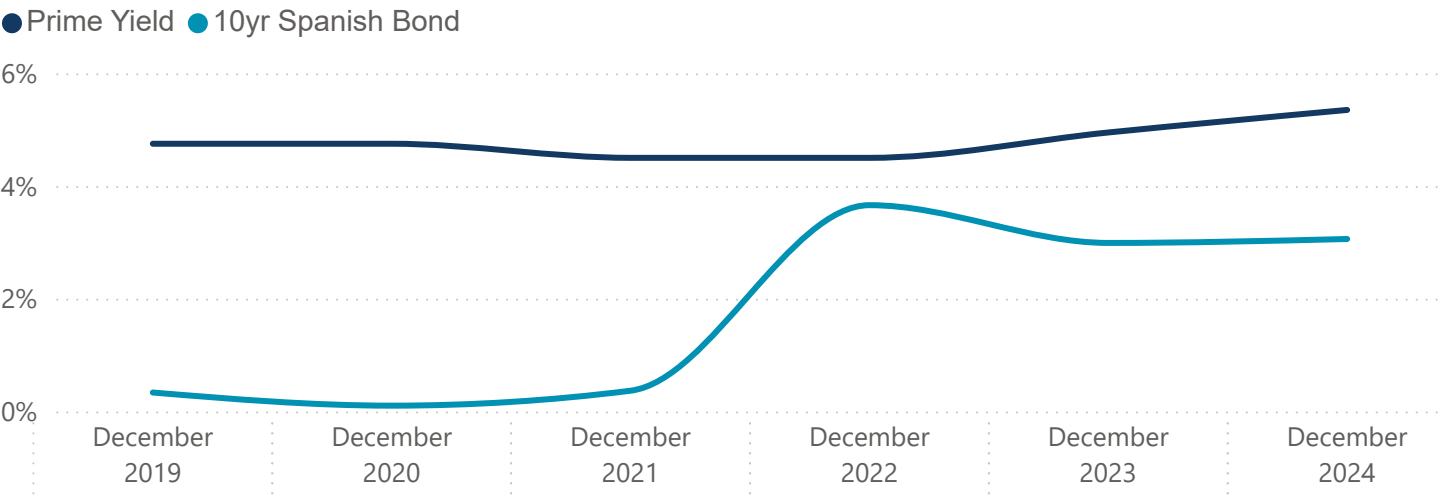
Transactional Trends

- The healthcare market continues to be an attractive sector for private capital, mainly from abroad. However, investment activity has been markedly slower since 2021 due to higher costs of finance which have impacted on the affordability of certain key market players.
- 2024 began with interest rates and inflation high but under control. Activity during H1 focused on small investment volumes, which increased with DomusVi's portfolio sale & leaseback in H2 2024, followed by portfolio acquisitions made by Wellder (€54Mn) and Atland Voisin (€25Mn). These transactions could pave the way for larger portfolio transactions in a progressively improving environment with lower interest rates.
- 2025 has started slowly in terms of investment activity, relating most recently to two single-asset deals with Sanitas as operator. The strategic growth of Sanitas and other groups in strategic locations in Madrid may open new doors to investment on the part of both private and institutional investors.

Transactions

YEAR	LOCATION	ASSET / PORTFOLIO	BUYER	SELLER	PRICE (€Mn)	NUMBER OF BEDS
2025 Q1	Madrid	Los Robles Gerhotel Residence	Thor EU	Previsión Sanitaria Nacional SOCIMI	Conf.	Conf.
2025 Q1	Madrid	Sanitas Mirasierra	Conf.	Sanitas	Conf.	Conf.
2025 Q1	Multiple locations	Portfolio 3 nursing homes	Lantus Group	Orden de las Hnas. de la caridad de Santa Ana	Conf.	Conf.
2024 Q3	Badalona	Casa Badina	Wellder	Thor	Conf.	136
2024 Q3	Multiple locations	Portfolio 11 nursing homes	Romano Senior (Azora)	Domus Vi	92	1400

Prime Yield vs 10yr Spanish Bond



RUPERT LEA

International Partner  
Head of Retail & Living  
Capital Markets Group  
rupert.lea@eur.cushwake.com

TONY LOUGHRAN

Partner Spain  
Head of V&A Spain  
tony.loughran@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. In Spain, where Cushman & Wakefield has over 35 years of experience, the company's business covers the entire Spanish geography. The headquarters are located in Madrid (Beatriz Building, Jose Ortega y Gasset, 29, 6º) and Barcelona (Passeig de Gràcia, 56, 7º) with a multidisciplinary team of 370 professionals. To learn more, visit [www.cushmanwakefield.es](http://www.cushmanwakefield.es) or follow @CushWakeSPAIN on Twitter.

©2025 Cushman & Wakefield. All rights reserved. This report has been prepared using data sourced from Cushman & Wakefield, the National Institute of Statistics (INE) and Alimarket. The information may contain errors or omissions and is presented without any warranty or representation as to its accuracy.



Annual CPI	Spain GDP/Capita	Spanish Population	Students Public Inst.
2,30 %	31,0K	49,08M	1,17M
Underlying Ann. CPI	Annual Variation GDP	Spanish Prime Yield	Students Private Inst.
2,00 %	3,40 %	4,50 %	265,4K

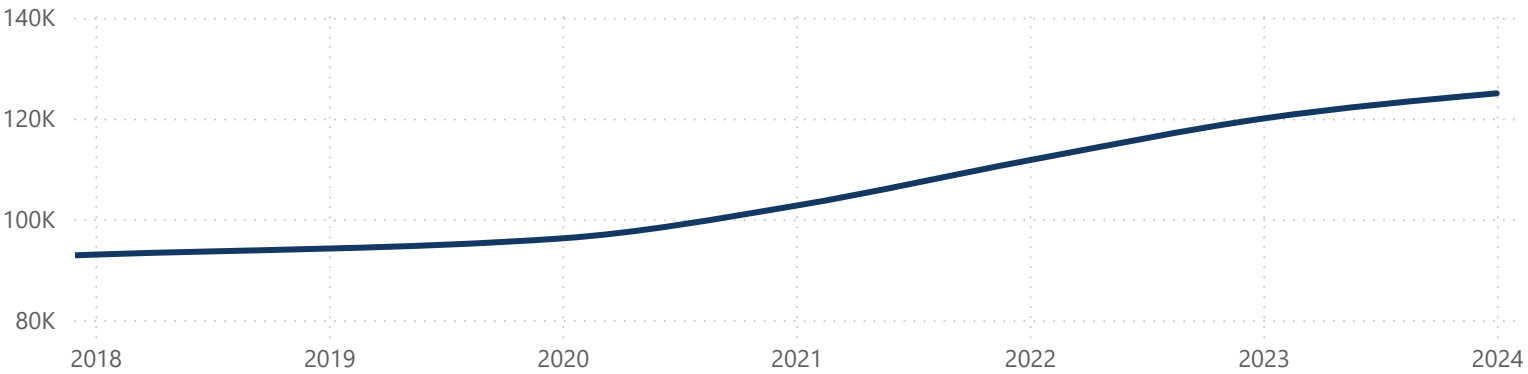
Market Context

- Strong fundamentals in the student accommodation sector which is largely under-developed despite greater institutional presence in recent years, with current product being managed by small local investors, public entities and religious orders while the under development product is being managed by institutional investors.
- General undersupply (provision rate of c.7%) vs other European markets with a significant proportion of stock that is obsolete.
- The market is highly fragmented with the top 10 platforms making up less than 35% of the total supply of student beds.
- Strong investor appetite focused on greenfield/brownfield developments not only in Tier 1 cities but also in Tier 2 and "decentralized" locations, with potential development areas.

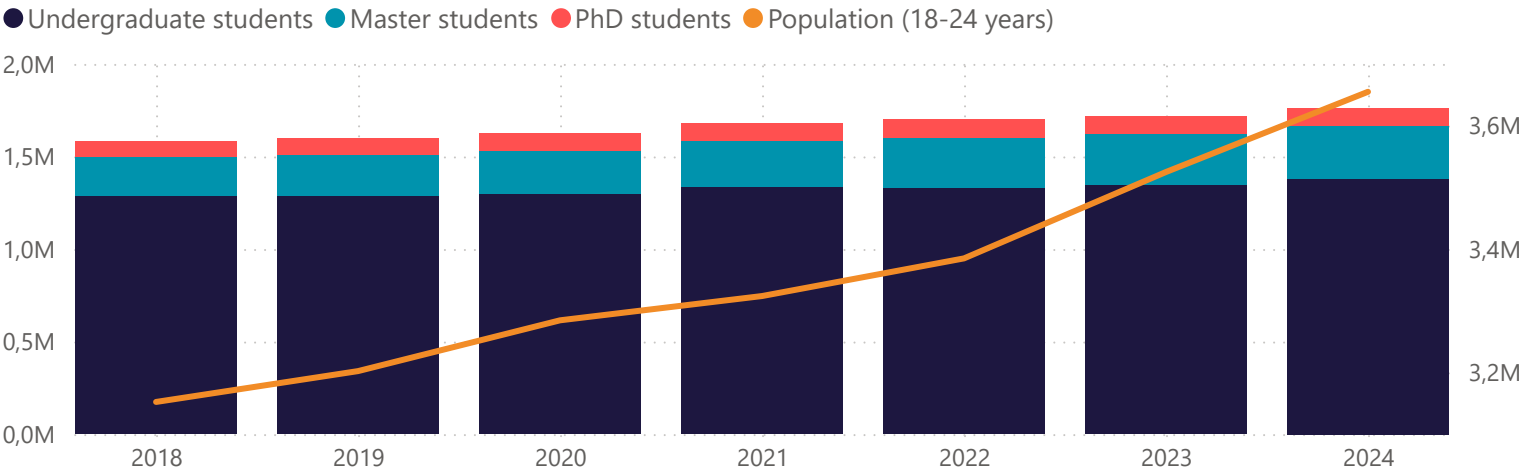
Target Students/Trends

- Significant increase in international students due to:
  - 1) Affordability - the cost of living and education in Spain is still below that of most competing destinations;
  - 2) Lifestyle - The temperate climate together with Spain's cultural offer (food, leisure, beaches, ski resorts, night life, etc.) makes Spain an attractive destination;
  - 3) Education quality - There are 9 Universities within the "QS World's Top 500 World-Leading MBA Programs";
  - 4) Spanish Language - There are historic / cultural links with LATAM.

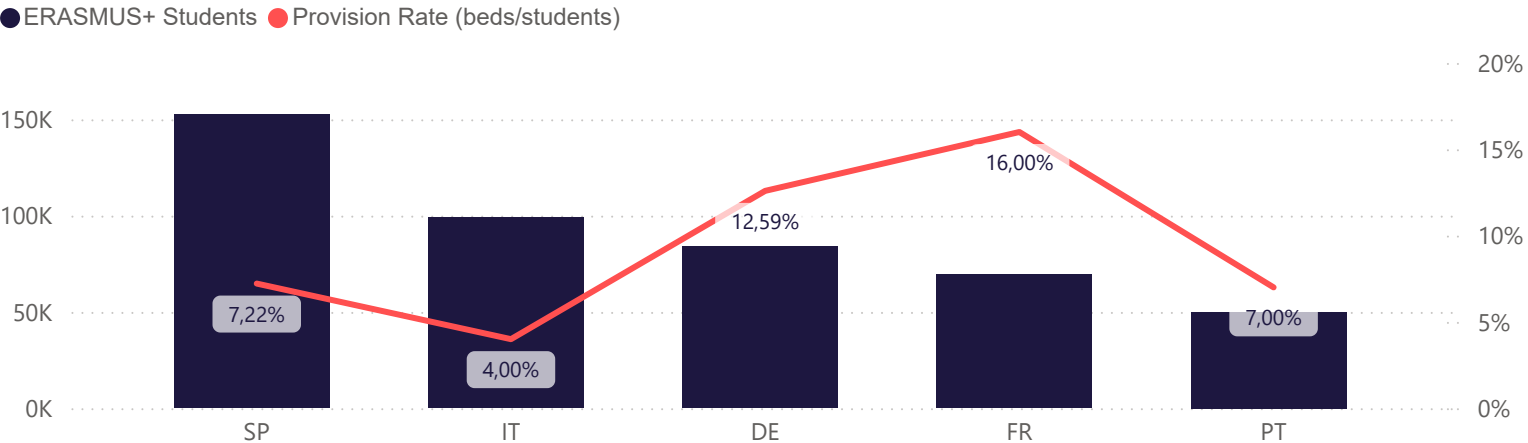
PBSA Stock Evolution



Students & Population Evolution



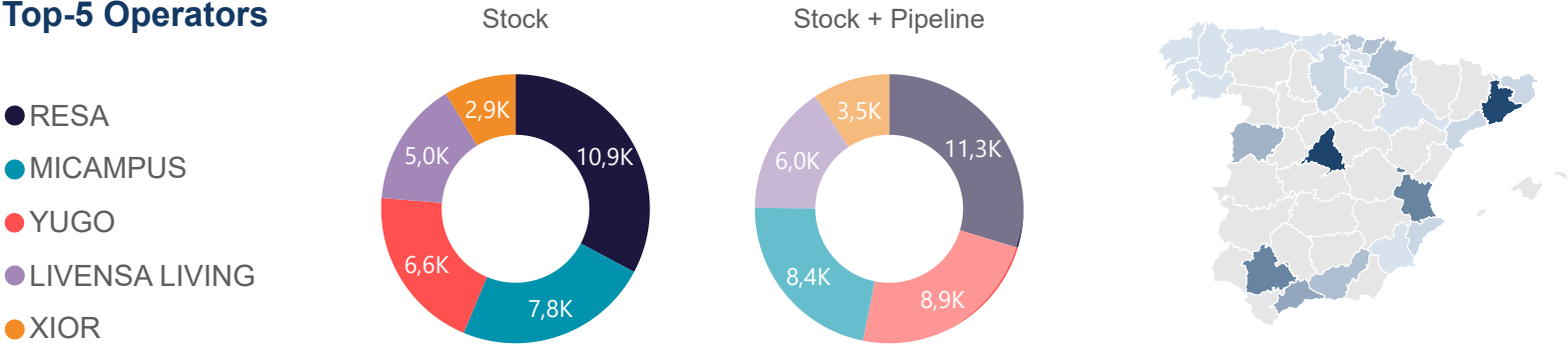
ERASMUS+ Students and Provision Rate



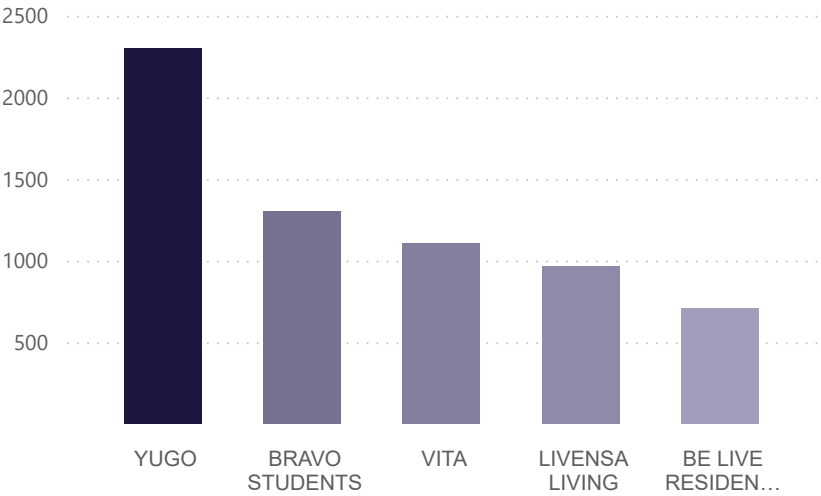
Operator Landscape

- Top 5 operators manage c.38,000 beds, representing c.35% of the total in the market.
- Most operators continue with their expansion plans and they are progressively becoming more active in finding opportunities in new locations as well as changing the use of built assets.
- The increase in certain operating expenses such as electricity, gas, F&B, etc., is currently stabilized following the inflationary period of 2022/23. In consolidated / established residences operators have mostly succeeded in passing on increased costs to residents via tariff increases.
- The top 5 operators have a particularly strong presence in the areas shown with more intense shading in the map below, being focused in Madrid, Barcelona and the Mediterranean coast, mainly in major student cities such as Málaga, Sevilla, Granada and Valencia.

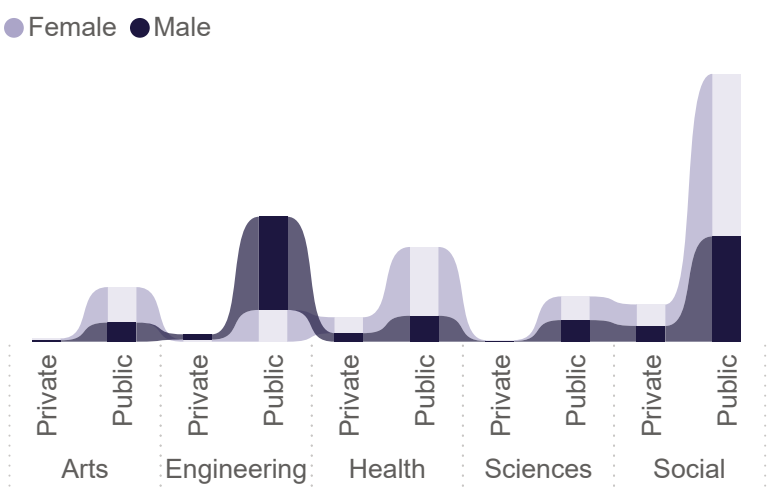
Top-5 Operators



Pipeline Beds Top-5 Operators



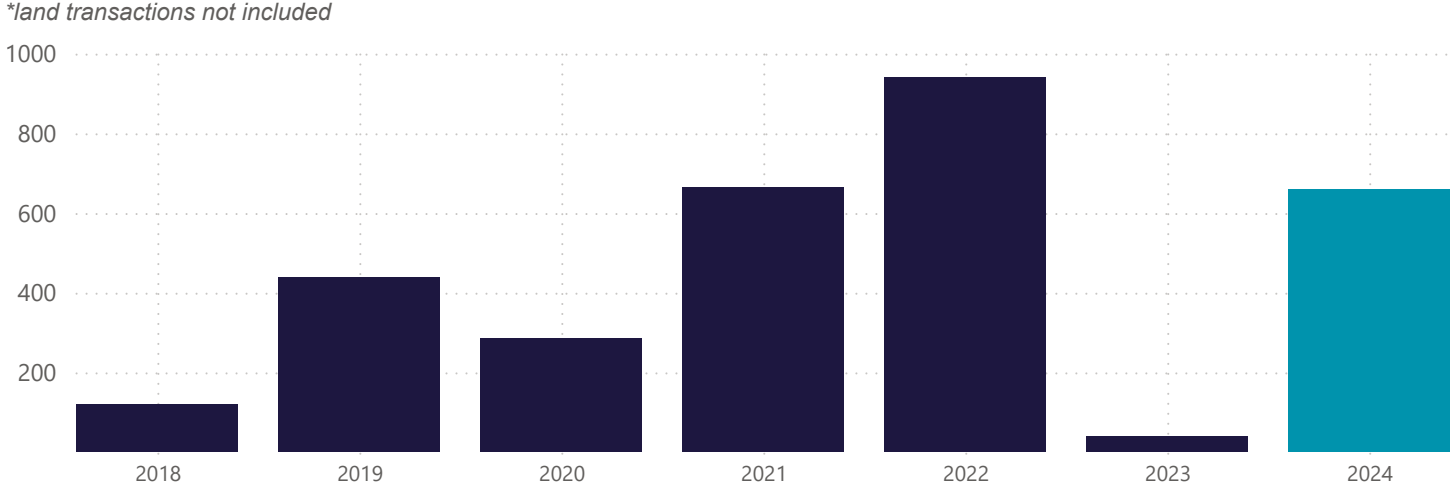
Student Gender per Area of Study



Investment Volume Evolution

- PBSA investment volume in Spain was significant during the period 2017 - 2022. The level of transaction activity reduced considerably mid-2022 to mid-2024, in a climate of increased interest rates.
- In 2021 and 2022, deal volumes were c.€700M and c.€1Bn. Key deals: (1) SPS (HUBR) to XIOR (€85M); (2) Commerz Real in Barcelona (€100M); (3) RESA to PGGM (€800M); and (4) Patrizia bought two Student Hotel residences (€104M).
- In 2023, fewer transactions occurred, notable deals including The Boost Society (€32M for two developments in Cadiz and Valencia), Bankinter (with Valeo and Plenium) purchasing a residence in Zaragoza (€21M) and Stoneshield's acquisition of a residence in Salamanca (€20M).
- In 2024, several transactions took place, including: (1) Morgan Stanley acquiring two residences in Barcelona from VITA Students; (2) The Boost Society acquiring a 265-bed residence in Barcelona (c.€35M); (3) Invesco acquiring "Residencia Les Roches" in Marbella from Dazeo (€25.3M); and (4) Azora acquiring a 12-asset PBSA portfolio operated by Nodis from EQT for €400M.
- During 2025, the notable transaction to-date has been:  
1) Ardian/Rockfield acquired a 347-bed residence in Barcelona from Henderson Park/Hines (advised on the sell side by C&W).
- The PBSA investment volume for Q1 2025 YTD is evolving rapidly, marking a recovery to normalized levels and an upward trend. Full-year prospects appear optimistic, with a major transaction underway, the sale of Brookfield's Livensa Living portfolio.

Investment Volume (€Mn)





Prime Yield

- In early 2022 yields in PBSA peaked at 4.25% in respect of good quality product in Madrid/Barcelona. Since then, they increased to 5% / 5.25% before compressing again to 4.5% as of Q1 2025, which represents the resilience and attractiveness of this segment amongst investors today.
- Although we do not refer to yields in the table of transactions below, we believe that investors targeting prime freehold student housing in Madrid and Barcelona would be prepared to accept an initial return on the best income-producing PBSA assets in the order of 4.50%.

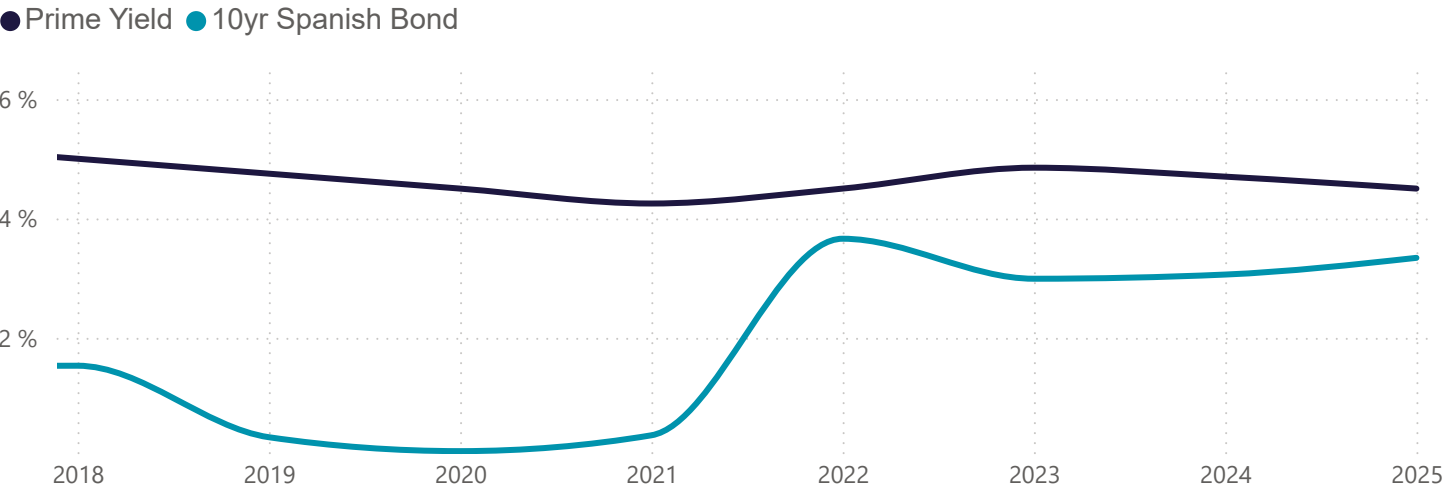
Transactional Activity

- In previous years the high transaction volumes were mainly driven by portfolio deals, including the acquisition by PGGM of the RESA portfolio in 2022, comprising 43 residences. Due to high inflation and interest rates mid-2022 to mid-2024 there was limited portfolio transactional activity. During H2 2024, EQT sold a portfolio of 12 brand-new schemes to Azora for a reported price of €450Mn.
- In 2025, the outlook is for improved deal activity, driven by more stabilized inflation and borrowing costs, along with strong investor demand for this asset class. On the sell-side, Brookfield is advanced in its sale process of the Livensa Living portfolio, which is close to closing, with an asking price of c.€1,200Mn, with specialized press media publishing offer levels of c.€1,300Mn.

Transactions

YEAR	ASSET / PORTFOLIO	BUYER	SELLER	Nº BEDS	PRICE	€/BED
2025 Q1	Aparto Cristóbal de Moura	Ardian/Rockfield	Henderson Park / Hines	347	Conf.	Conf.
2024 Q4	12 assets Nodis Portfolio	Azora	EQT & Moraval	4100	450	109,756
2024 Q3	Residencia Les Roches	Invesco	Dazeo	212	25,3	119,339
2024 Q1	VITA Poblenou and VITA Pedralbes	Morgan Stanley	Vita Group	642	150	233,644
2024 Q1	Youniq Barcleona	The Boost Society	Corestate Capital	265	35	132,075
2023 Q4	Site in Valencia and Pamplona	Atitlan	Corestate Capital	430	Conf.	Conf.
2023 Q4	Site in Madrid (Cantoblanco)	Greystar	Urbania & TPG	435	Conf.	Conf.
2023 Q4	Site in Madrid (Vallecas)	Merkel	Conf.	Conf.	Conf.	Conf.
2023 Q4	Youniq Salamanca	Stoneshield	Corestate Capital	306	20	65,359

Prime Yield vs 10yr Spanish Bond



RUPERT LEA

International Partner  
Head of Retail & Living  
Capital Markets Group  
rupert.lea@eur.cushwake.com

TONY LOUGHRAN

Partner Spain  
Head of V&A Spain  
tony.loughran@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. In Spain, where Cushman & Wakefield has over 35 years of experience, the company's business covers the entire Spanish geography. The headquarters are located in Madrid (Beatriz Building, Jose Ortega y Gasset, 29, 6º) and Barcelona (Passeig de Gràcia, 56, 7º), with a multidisciplinary team of 370 professionals. To learn more, visit [www.cushmanwakefield.es](http://www.cushmanwakefield.es) or follow @CushWakeSPAIN on Twitter.

©2025 Cushman & Wakefield. All rights reserved. This report has been prepared using data sourced from Cushman & Wakefield, the National Institute of Statistics (INE) and Atlas Real Estate Analytics. The information may contain errors or omissions and is presented without any warranty or representation as to its accuracy.