RESEARCH

MARKET IN MINUTES

Real Estate Investment

Spain - Q3 2026

savills

KEY STATS

16,100
MILL.€
+19% YOY

3RD
PLACE
11% OF TOTAL EUROPE

406
DEALS
+9% YOY

74
PORTFOLIOS
+32% YOY

Record activity and a broader capital base

Real estate investment reached €16.1bn by the end of Q3, up 19% compared with the same period last year. Volumes also stand 63%, 45% and 53% above the three, five and ten year averages, respectively.

This is the highest January-to-September investment volume on record, and current activity suggests that the year will close above €20bn. Within Europe, Spain ranks third, behind only the UK and Germany, accounting for 11% of total investment volume and recording growth well above the European average of 3%.

The increase in activity is not only reflected in higher investment volumes, but also in the number of transactions. A total of 406 deals completed between January and September, up 9% YoY, pointing to greater product availability and a broader base of active buyers. The average ticket size approached €40m, 10% above the September 2025 figure and 17% higher than the full-year 2025 average

41
DEALS ≥€100M SINCE JANUARY VS 34 IN 2025 FULL-YEAR

More large-scale transactions

Part of the increase in investment volumes can be attributed to the strong level of activity in transactions of €100m or more. Since January, 41 megadeals have completed, compared with 34 during the whole of 2025. International institutional investors have been the main players in this segment, reinforcing the confidence of cross-border capital in the strong fundamentals of the Spanish real estate market.

Portfolios lead growth

Activity has increased across both single-asset and portfolio transactions, although growth has been particularly pronounced in the latter. Between January and September, 74 portfolio deals completed, compared with 56 over the same period in 2025, representing a 32% YoY increase. Institutional capital accounted for 73% of investment volumes in portfolio transactions, reinforcing confidence in a real estate market supported by a favourable macroeconomic backdrop and solid fundamentals across all asset classes.

> “Investment momentum and deals currently in the market point to full-year 2026 volumes exceeding €20bn.

Institutional capital leads, while private investors gain ground

Institutional capital continues to lead the market, accounting for 67% of total investment volume. Funds remain the largest buyer group, with a 51% share, although this is one percentage point below the 2025 figure. REITs, including Spanish SOCIMIs and international listed property companies, increased their share to 14%, two percentage points higher than last year. Private capital also continues to gain ground, accounting for 18% of the market in 2026, compared with 16% in 2025. This investor profile benefits from greater agility in decision-making and lower reliance on external financing.

Source: Savills Research

Broadening investor base

Multifamily continues to lead investment activity by asset class, followed by hotels and retail, with offices and logistics completing the top five

Multifamily
Having already reached a record full-year investment volume in H1, multifamily investment exceeded €4.6bn by the end of September. The sector's appeal is underpinned by the structural imbalance between housing supply and demand, together with the predictability of long-term cash flows.

However, regulatory uncertainty and the evolving political landscape have introduced greater caution, prompting some investors to postpone decisions until there is greater clarity.

Madrid accounts for 69% of investment activity. International capital now represents 65% of total volumes, driven by its prominent role in large portfolio transactions: four of the five largest deals of the year involved international investors, with an average deal size of over €500m.

Hotels
Strong tourism demand and solid operating performance continue to position the hotel sector as one of the main destinations for investment. Just over €3.0bn was transacted in the first nine months of the year, broadly in line with the same period in 2025 (-1%).

The main shift compared with recent years has been the increased share of investment in urban hotels, driven by several large-scale transactions. Domestic capital accounts for 63% of total investment, with a balanced mix of funds, operators and private investors. International investment is mainly driven by funds and private capital, which have also been behind some of the largest transactions of the year.

Retail
Retail consolidates its position as the third-largest asset class, with investment exceeding €2.75bn, up 41% YoY. Resilient consumer spending, together with positive footfall and sales performance, continues to drive investor interest in shopping centres, which account for almost half of total retail investment and five of the eight megadeals. As a result, the average ticket size for shopping centre transactions exceeds €100m.

Domestic capital accounts for 52% of investment, largely driven by the strong activity of Castellana Properties, which has invested more than €600m in three shopping centres. Excluding these transactions, the share of domestic capital would fall to just 14%.

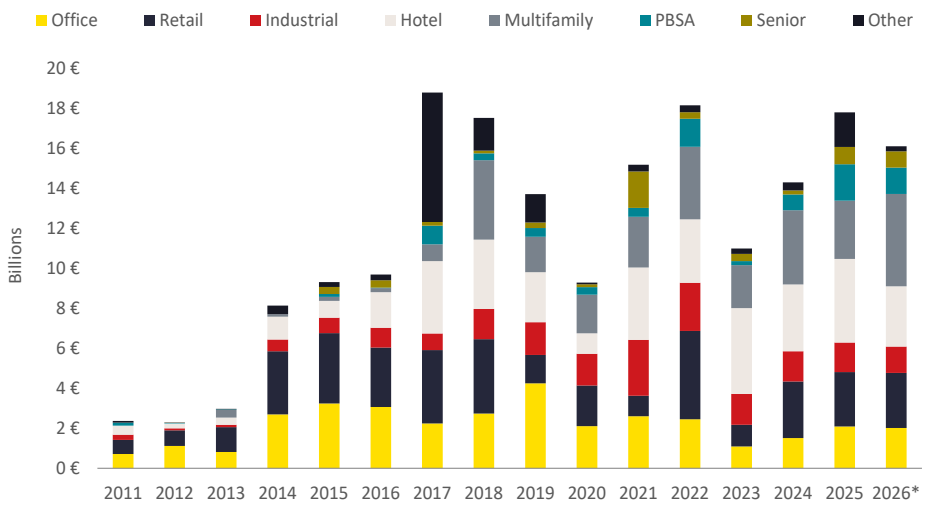
Offices
Office investment exceeded €2.0bn by the end of September, up 26% YoY. Madrid and Barcelona continue to account for the bulk of activity, although investors are increasingly exploring opportunities in secondary markets, particularly domestic private investors, SOCIMIs and SCPIs.
In Madrid and Barcelona, institutional capital accounts for close to two-thirds of investment volume, led by funds and REITs.

Domestic investors continue to lead the market, supported by their involvement in three of the four megadeals completed to date. Meanwhile, international capital is gradually regaining ground, with Portugal and France the leading sources of European investment.

Logistics
Logistics investment exceeded €1.3bn by the end of September, up 15% YoY, across 64 transactions (+68%). Portfolio activity has been particularly strong, with 12 deals completed to date, already exceeding the number recorded in the whole of 2025,



FIG. 1 REAL ESTATE INVESTMENT BY ASSET CLASS



Source: Savills Research / *upto Q3

The Spanish real estate market is entering the final stretch of the year from a position of strength. Record investment is not solely being driven by large-scale transactions: deal numbers and portfolio activity are also increasing, supported by a broader and more diversified investor base. The presence of international institutional capital, alongside the growing weight of private investors, is adding further depth and liquidity to the market



reflecting investors' appetite to gain scale in a market with limited availability of institutional-grade product.

The Central Region accounts for 40% of total investment, although Zaragoza, Navarra, the Basque Country and Andalusia are gaining ground as Catalonia's share declines. International institutional capital dominates the market, accounting for 86% of investment volume, led by European investors and with a notable presence of French SCPIs.

PBSA
Investment in purpose-built student accommodation (PBSA) reached €1.31bn by the end of September, up 1% YoY and accounting for close to 8% of total real estate investment in Spain.

Madrid, Barcelona and Valencia, Spain's Tier 1 markets, account for 62% of investment volume and half of all assets transacted. Investor interest is split between operational assets and development opportunities, particularly in locations where there is a clear imbalance between potential demand and the supply of high-quality student accommodation.

International capital accounts for 75% of investment volume, led by US and European funds, underlining Spain's appeal to specialist PBSA investors.

Senior
Investment in senior living reached €815m by the end of September, up 2.5% YoY and already approaching the €856m recorded for the whole of 2025.

However, investment volume remains highly concentrated: the Aedifica-Cofinimmo corporate transaction accounts for almost half of the total, significantly influencing the sector's headline growth.

The market also retains a strong international profile, with European capital accounting for 82% of investment volume, mainly through French and Belgian funds and REITs. These specialist investors are attracted by the sector's long-term fundamentals, underpinned by demographic trends and the growing need for accommodation and care for an ageing population.

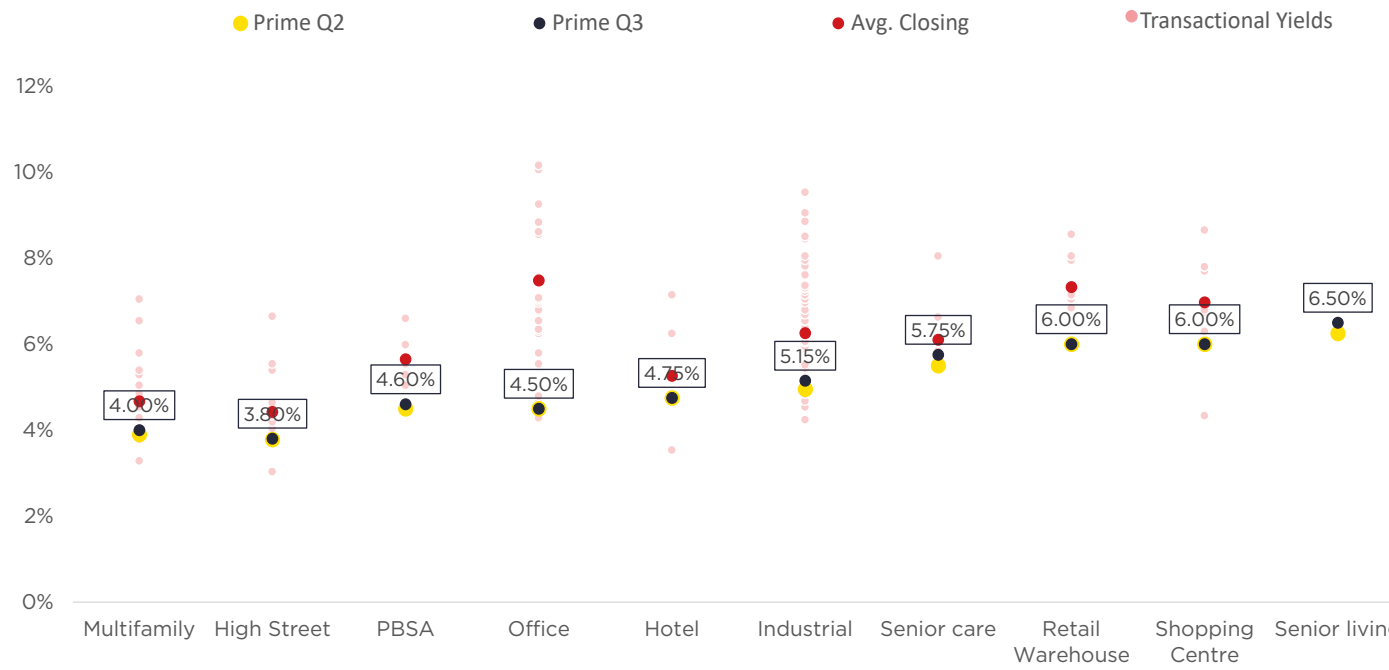
Yields
Prime yields showed mixed performance during Q3. Offices, retail and hotels remained stable, while all other sectors recorded outward movements of between 10 and 25 bps, against a backdrop of rising interest rates.

Higher financing costs have restarted the repricing process, although the impact on real estate pricing is feeding through gradually and with varying intensity across sectors.

In the short term, this pressure is expected to extend to markets where yields have so far remained stable, as the new financing environment is increasingly factored into buyer and seller expectations.

However, rental growth will also be key: stronger rental growth prospects should help limit the extent of yield expansion.

FIG. 2 YIELDS BY ASSET CLASS



Source: Savills Research

FIG. 3 INVESTMENT ACTIVITY SUMMARY - 2026 UP TO Q3

	Investment activity				Geographical distribution		Capital origin	Buyer's profile		
	No. deals	Inv. Vol. (mill. €)		Breakdown (%)	Madrid (%)	Barcelona (%)	International (%)	Institutional (%)	Private (%)	Operator (%)
Office	48	2,015	▲	13%	56%	40%	24%	66%	14%	0%
Retail	60	2,755	▲	17%	45%	7%	48%	73%	21%	0%
Industrial	64	1,315	▲	8%	40%	17%	86%	77%	5%	0%
Hotel	102	3,015	▼	19%	28%	13%	37%	35%	37%	22%
Multifamily	85	4,615	▲	29%	68%	9%	65%	72%	1%	0%
PBSA	17	1,315	▲	8%	35%	15%	75%	89%	0%	0%
Senior	16	815	▲	5%	13%	6%	81%	89%	5%	1%
Alternatives	14	255	▼	2%	17%	25%	75%	19%	23%	53%
Total	406	16,100	▲		47%	15%	55%	67%	13%	5%

Source: Savills Research



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