

The Savills logo, consisting of the word "savills" in a lowercase, sans-serif font, is positioned within a solid yellow rectangular box. The background of the entire page is a photograph of a university campus. On the left is a tall, multi-story building with a facade of light-colored, rectangular stone tiles and numerous windows. In the foreground, there is a paved walkway where several students are walking. To the right, there are trees with green and yellowing leaves, suggesting an autumn setting. A large, arched stone gateway is visible in the middle ground, leading to another part of the campus.

savills

STUDENT HOUSING MARKET

SPAIN - 2026

RESEARCH



TABLE OF CONTENTS



GEMA DE LA FUENTE
RESEARCH NATIONAL DIRECTOR

Spain has firmly established itself as one of Europe's most dynamic student housing markets. Sustained growth in the international student population, the expansion of private universities and the country's leading position within academic mobility flows are driving increasingly broad and sophisticated demand. At the same time, limited bed provision and the obsolescence of part of the existing stock continue to create significant growth opportunities for operators and investors.

In this report, we examine the key factors reshaping the sector, including the evolution of supply and demand, operational performance, investment activity and the trends set to define the future of PBSA in Spain. The market is becoming increasingly institutionalised, professionalised and strategically relevant within the wider living sector

CONTENT

04 STOCK

06 ROOM TYPES

07 SEASONALITY

09 OCCUPANCY PERFORMANCE

10 RENTAL PERFORMANCE

12 FUTURE SUPPLY

14 KEY OPERATORS

16 OPERATIONAL BEDS AND PIPELINE

17 UNIVERSITY STUDENTS

18 STUDENT ORIGIN

20 ERASMUS+ PROGRAM

23 POTENTIAL DEMAND

24 PROVISION RATE

26 INVESTMENT

28 YIELD EVOLUTION

31 THE FUTURE OF PBSA IN SPAIN

STUDENT HOUSING STOCK

The Spanish student housing market, commonly referred to as Purpose-Built Student Accommodation (PBSA), has undergone a significant structural transformation in recent years, evolving from a highly fragmented and traditional landscape into a more institutionalised and professionalised sector.

Robust market fundamentals, primarily driven by sustained demand growth, a persistent supply-demand imbalance and the obsolescence of a considerable proportion of existing stock, have attracted increasing attention from investors and operators. As a result, a sector historically dominated by public institutions, local private investors and religious organisations has become a key target for both domestic and international capital.

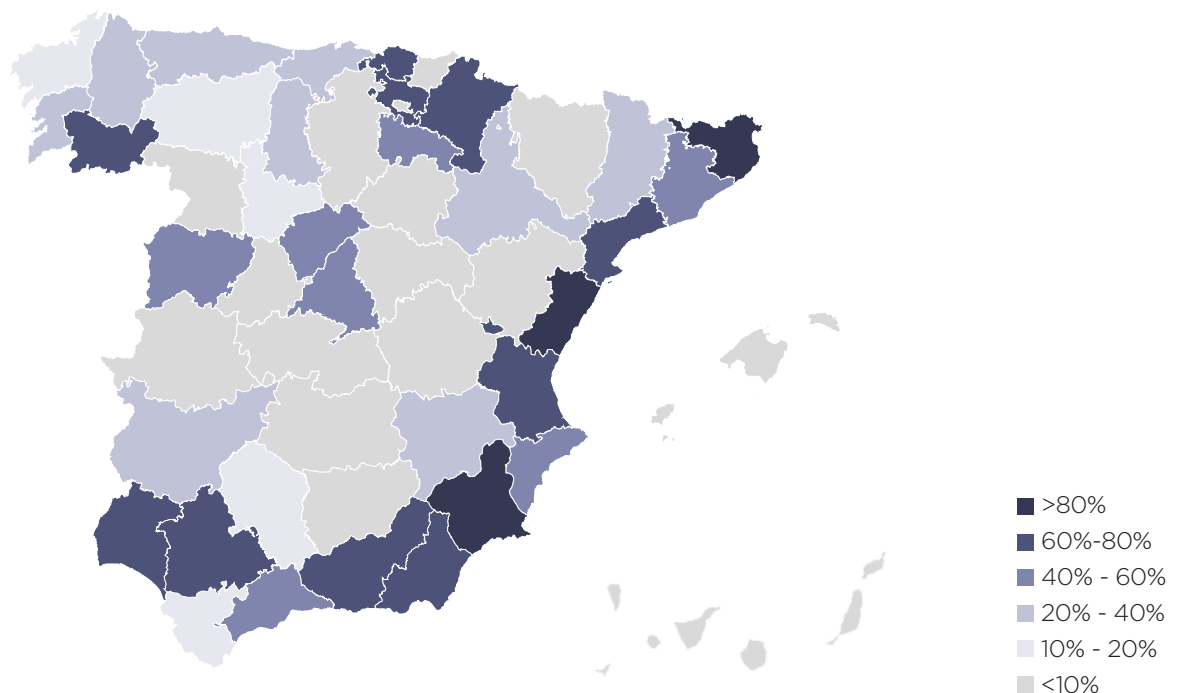
The arrival of specialist student housing platforms with extensive

experience across more mature markets has played a pivotal role in modernising Spain's student accommodation offer. Beyond upgrading an ageing stock base, these operators have also helped attract international demand, particularly from students already familiar with the accommodation standards, amenities and operational models offered by these brands in their home countries.

By the end of 2025, Spain's student housing market comprised 118,762 beds across 901 assets, of which 55% qualified

as Modern Standard stock, defined as next-generation accommodation designed to meet current student expectations in terms of design, amenities and services. The share of Modern Standard beds continues to increase, rising from just 45% in 2023. The market has grown by 24% since 2023, entirely driven by new developments, all of which fall within the Modern Standard category. In 2025, this segment exceeded 65,000 beds, representing an average annual growth rate of 21% and cumulative growth of 46% over the period.

FIG 1. MODERN STANDARD PRODUCT PENETRATION



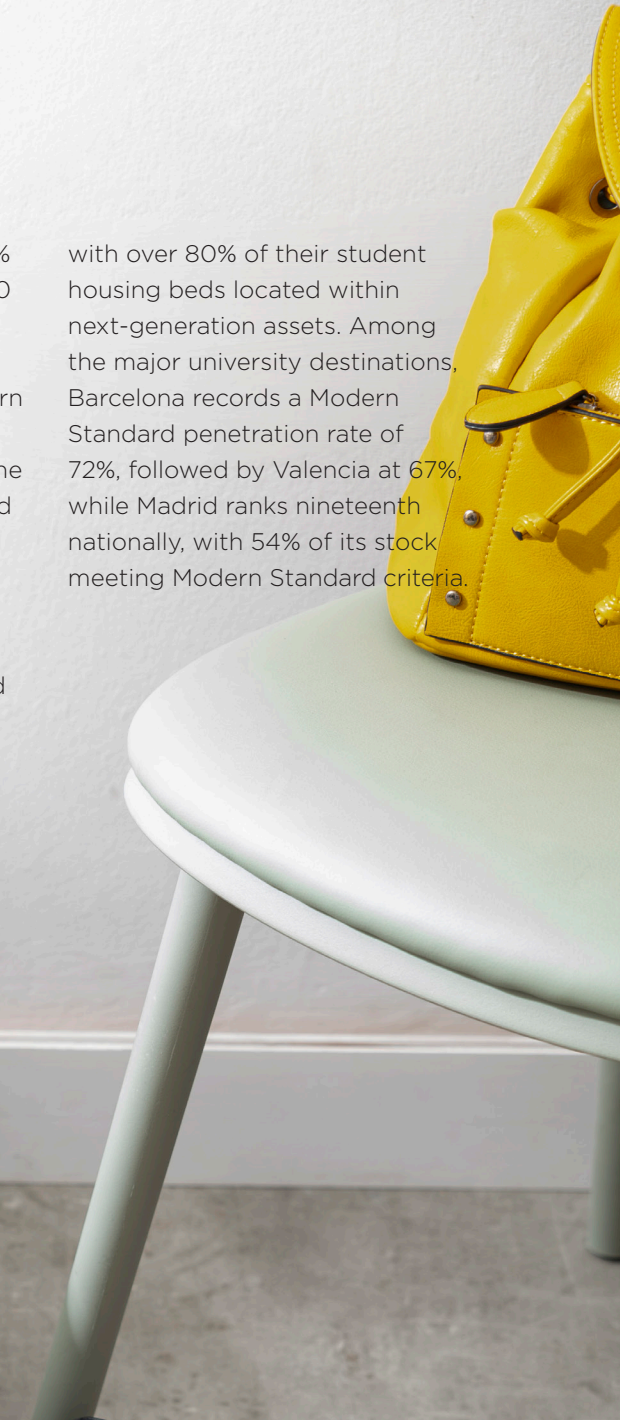
Despite the significant increase in high-quality accommodation supply, considerable opportunities remain for developers, operators and investors. Demand for student accommodation, particularly from international students, increasingly favours modern, service-led assets that deliver a high-quality living environment, leaving substantial scope for both development-led and refurbishment strategies.

At provincial level, Madrid, Barcelona and Valencia (all Tier 1

markets) account for nearly 50% of total stock, with 27,166, 18,080 and 5,692 beds, respectively. However, the ranking differs slightly when considering Modern Standard accommodation only, with Seville (Tier 2) becoming the third-largest market after Madrid (14,866 beds) and Barcelona (12,579 beds), with 7,178 beds.

When analysing the penetration of Modern Standard stock (Fig. 1), Girona, Castellón and Murcia lead the ranking,

with over 80% of their student housing beds located within next-generation assets. Among the major university destinations, Barcelona records a Modern Standard penetration rate of 72%, followed by Valencia at 67%, while Madrid ranks nineteenth nationally, with 54% of its stock meeting Modern Standard criteria.



TYPE OF ROOM

An analysis of a sample comprising 28,010 Modern Standard beds, representing 43% of the total Modern Standard stock, highlights a clear shift towards single-occupancy solutions, where quality, privacy and resident experience take precedence over density. This trend mirrors the evolution observed across Europe's most mature PBSA markets and reflects the increasing institutionalisation of the sector

79%
**OF MODERN
STANDARD BEDS ARE
SINGLE ROOMS**

Source: Savills Research

Single rooms account for 79% of beds within the Modern Standard segment, underlining the dominance of individual accommodation formats in Spain's next-generation student housing stock.

This category encompasses a range of room typologies, including:

- Standard and premium en-suite single rooms
- Standard and premium studios with a private kitchenette
- Single rooms within clusters or shared apartments, where residents share communal facilities such as kitchens
- Self-contained one-bedroom apartments

In recent years, the sector has shifted towards accommodation formats that prioritise privacy,

independence and the individual student experience, with studios and en-suite single rooms becoming the dominant product type (Fig. 2).

This trend reflects both changing student preferences (increasingly focused on private spaces that combine study, wellbeing and day-to-day living) and the growing international student population, which typically places greater emphasis on quality, comfort and amenities.

Against this backdrop, the relatively limited presence of shared accommodation within Modern Standard stock (20% twin rooms and 1.5% triple rooms) does not indicate a lack of demand, but rather a repositioning of the product towards segments willing to pay a premium for greater independence, particularly within next-generation assets.

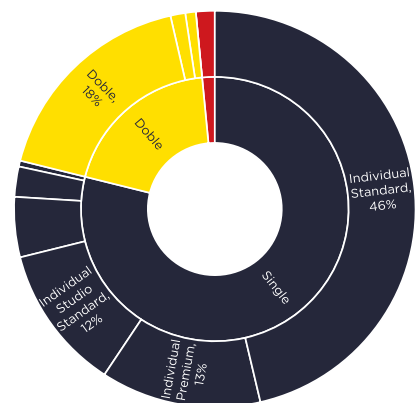
At the same time, cluster formats continue to play an important role as an intermediate solution, combining private rooms with shared spaces that encourage social interaction and community building.

New developments in Spain, particularly those promoted

by international operators, are increasingly weighted towards studios, where private rooms incorporate a kitchenette. Meanwhile, twodio and threedio formats (clusters of two or three single rooms sharing a compact kitchen) have emerged as an alternative that combines space efficiency with a higher degree of privacy, gradually replacing traditional twin-room configurations.

This product evolution is also driven by institutional investor requirements, as assets with a higher proportion of studios tend to benefit from lower resident turnover and greater flexibility in attracting demand during the summer period.

FIG. 2 BEDS BY TYPE OF ROOM AND CATEGORY



Source: Savills Research

STUDENT HOUSING SEASONALITY

Seasonality, traditionally regarded as an intrinsic limitation of the student accommodation market due to its strong association with the academic calendar, has increasingly evolved into a competitive advantage, effectively creating a dual-income model for PBSA assets

Unlike other residential asset classes, the structural demand generated by the academic year is increasingly complemented by a second layer of income generation during the summer months, allowing operators to optimise annual asset performance.

In this context, the ability to capture additional revenue streams depends not only on location and product quality, but also on planning and zoning considerations, making land-use designation an increasingly important factor in investment strategies and long-term value creation.

Throughout the academic year, occupancy levels remain exceptionally high, supported by the structural supply-demand imbalance and sustained growth in both domestic and international student demand.

“

Seasonality is no longer a limiting factor but a competitive advantage, enabling assets to benefit from two distinct and complementary income cycles, while bringing the student housing product closer to the operational dynamics of the hospitality sector and other short-stay living models”

The summer period has emerged as a second revenue-generating cycle. Many operators keep their assets operational during the off-academic season, targeting alternative demand segments such as urban tourism, summer schools and short-term stays.

Although occupancy levels are generally lower, higher achievable rates help offset the decline, resulting in an operating model

that increasingly resembles hospitality-driven asset classes. This strategy is particularly effective in cities with strong tourism fundamentals and international appeal, such as Madrid, Barcelona and Valencia, where pricing flexibility allows operators to command premium summer rates.

From an investment perspective, this hybrid model enhances the attractiveness of the sector by combining the stability of academic income with additional value creation through active summer management.

As the PBSA market continues to mature and professionalise, operators are increasingly adopting more flexible strategies, where year-round utilisation becomes a key driver of asset performance and long-term value creation.



OPERATIONAL PERFORMANCE

OCCUPANCY

Average occupancy levels approached full capacity during the winter season, reaching 95.6% across the Modern Standard sample analysed, with only marginal differences between provinces.

Average occupancy levels approached full capacity during the winter season, reaching 95.6% across the Modern Standard sample analysed, with only marginal differences between provinces.

Summer performance, however, varies considerably by location. The strongest results are recorded in Spain's main university markets (Madrid, Barcelona and Valencia) as well as in established university cities such as Granada, Málaga and Bilbao, and in regional capitals or destinations hosting multiple universities and prestigious academic institutions (Fig. 3).

Smaller locations, typically characterised by a more limited student population and lower international visibility, display a stronger seasonal pattern. During the summer months, occupancy averages 34%, nine percentage points below the national average of 43%.

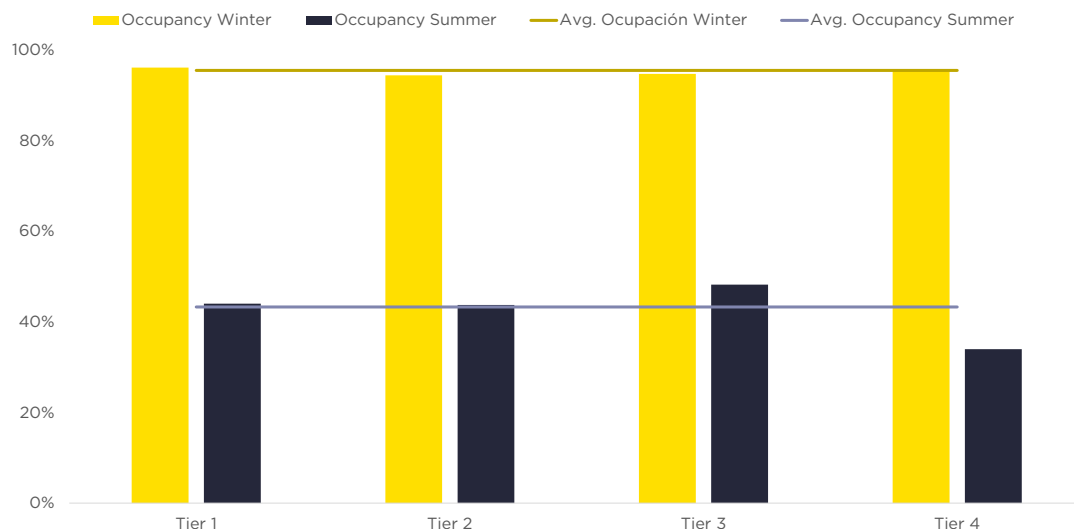
The profile of summer residents also differs from that of the academic year. Demand is primarily generated by students attending intensive summer programmes, interns undertaking professional placements, academic staff and researchers participating in

summer courses, and international students enrolled in Spanish language programmes.

As operators adopt increasingly flexible management models, the ability to attract these alternative demand segments has become a key driver of summer performance.

From an operational perspective, the combination of near-full occupancy during the academic year and the capacity to capture seasonal demand reinforces the resilience of the PBSA model and supports stable income generation.

FIG. 3 AVERAGE OCCUPANCY LEVEL BY LOCATION AND SEASON



Source: Savills Research

OPERATIONAL PERFORMANCE

RENTS

The average PBSA rent in Spain stands at €1,110 per bed per month, considering all room categories and both operating periods throughout the year.

Pricing within the PBSA sector has become an increasingly sophisticated and multidimensional exercise, shaped by a broad range of variables that extend far beyond the traditional distinction between single, double or triple rooms.

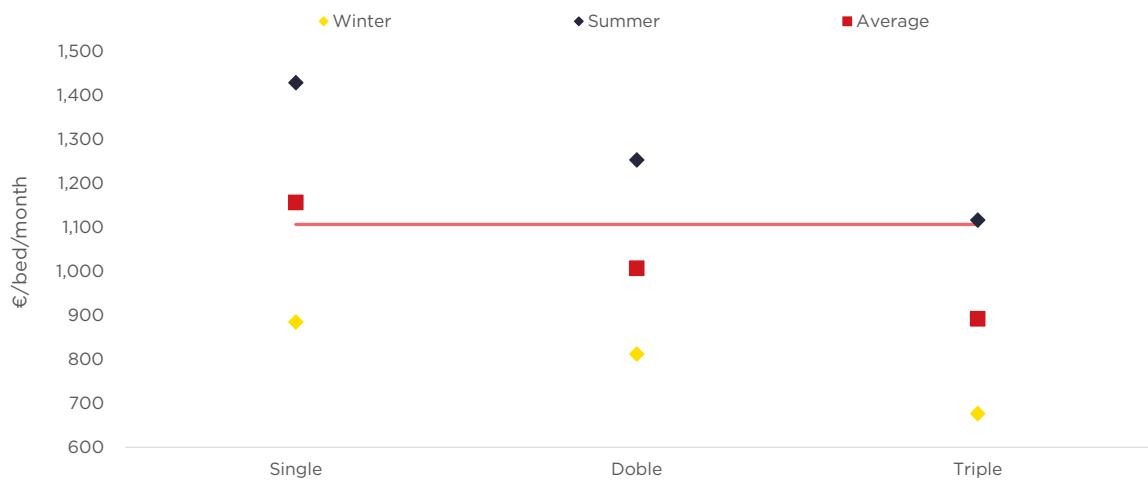
The first layer of differentiation relates to the accommodation type itself, ranging from standard rooms to premium rooms, studios and self-contained apartments. This is further complemented by a growing level of granularity

associated with product-specific features such as room size, floor level, orientation, access to outdoor space and private terraces. In addition, the scope and composition of included services (such as catering, housekeeping, utilities, linen changes and other value-added amenities) play a decisive role in determining final pricing. This increasingly segmented approach enables operators to target distinct customer profiles and capture different willingness-to-pay levels

within the same asset.

The analysis of average rents by room type and seasonality highlights the degree of sophistication achieved by Spain's PBSA market. Pricing is no longer driven solely by cost considerations or standardisation; instead, it has become a strategic tool for demand segmentation and revenue optimisation. On average, summer rents differ from winter rates by approximately 60% (Fig. 4).

FIG 4 AVERAGE RENT COMPARISON BY TYPE OF ROOM AND SEASON



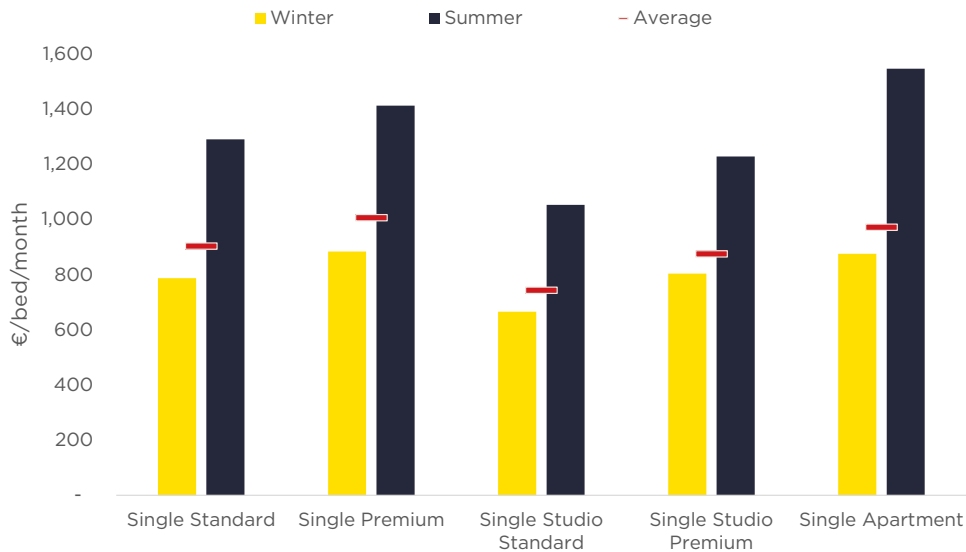
Source: Savills Research

Within the pricing structure, the single room remains the cornerstone of the sector's economic model. As the most widely demanded accommodation format, it also offers operators the greatest scope for product differentiation and value creation.

The wide pricing spread between a standard single room and a studio or self-contained apartment illustrates the growing premium placed on privacy, autonomy and quality of living space. Students are increasingly willing to pay significantly

higher rates for accommodation that more closely resembles a residential living product than traditional student housing. This trend points towards a gradual convergence between PBSA and other living sectors, particularly in supply-constrained urban markets

FIG 5 AVERAGE RENT COMPARISON BY SINGLE ROOM'S CATEGORY AND SEASON



Source: Savills Research

where flexibility and quality command a premium (Fig. 5).

Seasonality, historically perceived as an operational risk factor, increasingly emerges as an additional lever for value creation.

The differential between winter and summer rents does not behave uniformly across accommodation types. While more basic room categories generally experience

relatively moderate pricing adjustments, premium products show a significantly greater uplift. This pattern suggests that higher-quality accommodation is not only more resilient to seasonality but is also better positioned to capitalise on it.

The ability of premium assets to capture higher summer rents is supported by a more diversified demand profile, including short-

stay residents, international students, participants in academic programmes and other temporary users. Where planning regulations and asset specifications permit operation under a tertiary-use framework, these products can increasingly benefit from operating dynamics that resemble those of the hospitality sector, further enhancing revenue potential and operational flexibility

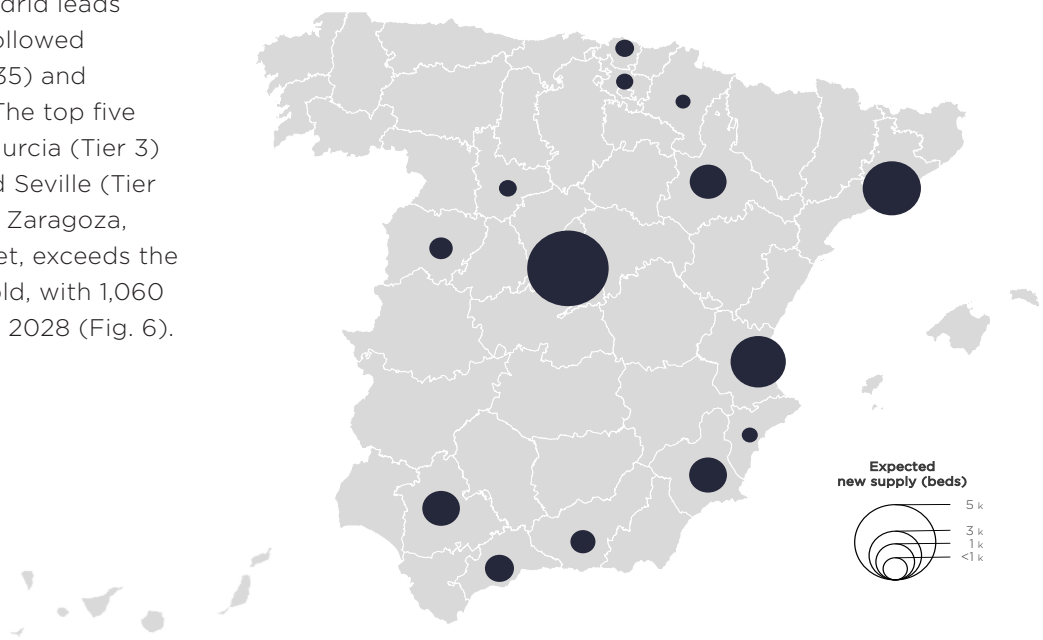


FUTURE SUPPLY

Approximately 5,550 new beds are expected to enter the market in 2026 across 16 assets, bringing Spain's total student housing stock to more than 132,000 beds by year-end. A further 10,500 beds are scheduled for delivery between 2027 and 2028.

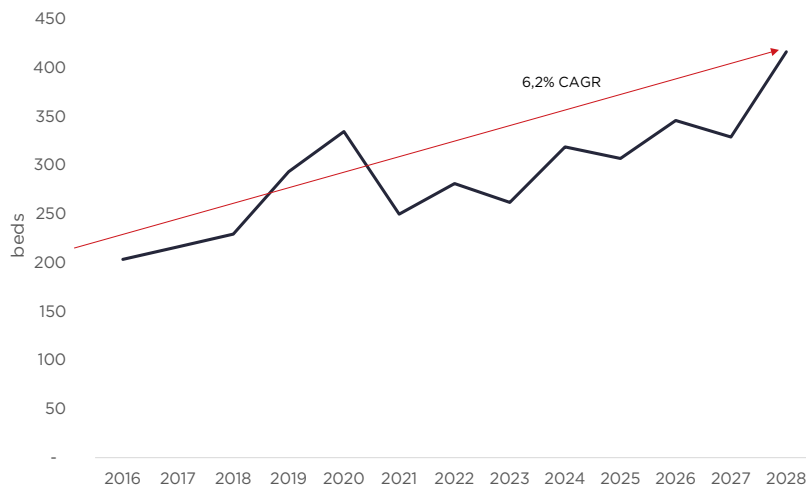
Of the 16,140 beds currently in the pipeline, Madrid leads with 5,144 beds, followed by Barcelona (2,635) and Valencia (2,388). The top five is completed by Murcia (Tier 3) with 1,114 beds and Seville (Tier 2) with 1,102 beds. Zaragoza, also a Tier 3 market, exceeds the 1,000-bed threshold, with 1,060 beds projected by 2028 (Fig. 6).

FIG 6 EXPECTED PIPELINE BY PROVINCE (2026-2028)



Fuente: Savills Research

FIG. 7 NEW SCHEMES AVERAGE SIZE



Fuente: Savills Research

The average size of pipeline schemes has more than doubled since 2016, rising from 203 beds to 416 beds, equivalent to annual growth of approximately 6% (Fig. 7). This increase reflects the growing presence of international institutional capital, which typically seeks assets of sufficient scale to support operational efficiencies and economies of scale. As a result, the Spanish market continues to evolve towards the Anglo-Saxon model of larger, professionally managed PBSA assets with extensive service provision.



KEY OPERATORS

The Spanish student housing market has undergone a significant transformation over the last decade, evolving from a fragmented sector dominated by local players into an increasingly institutionalised market. The arrival of international platforms and specialist operators has accelerated the modernisation of the product and introduced operating standards aligned with more mature European PBSA markets.

The top ten operators account for approximately 40% of operational beds nationwide and more than 70% of Modern Standard stock, illustrating the growing concentration of ownership within the professionally managed segment (Fig. 8).

On one side, operators backed by international institutional capital tend to pursue selective growth strategies, focusing on highly liquid markets with strong domestic and international demand and the capacity to absorb premium products.

At the same time, domestic operators have developed business models that are more closely tailored to local market dynamics, achieving greater penetration in secondary and tertiary cities where

institutional competition remains limited but demand

continues to be supported by established university clusters.

FIG 8 TOP 10 OPERATORS

Operator	No. of Beds	No. of Schemes	Capital Origin
RESA	11,639	43	Netherlands
MiCampus	8,568	41	Spain
Livensa Living	6,085	16	Canada
Yugo	6,080	18	USA
Stephouse	3,402	9	Spain
Canvas	3,194	5	USA
Xior	2,901	10	Belgium
Nido Student	2,075	5	Canada
Kadora	1,901	4	Spain
Bravo!	1,817	4	Spain

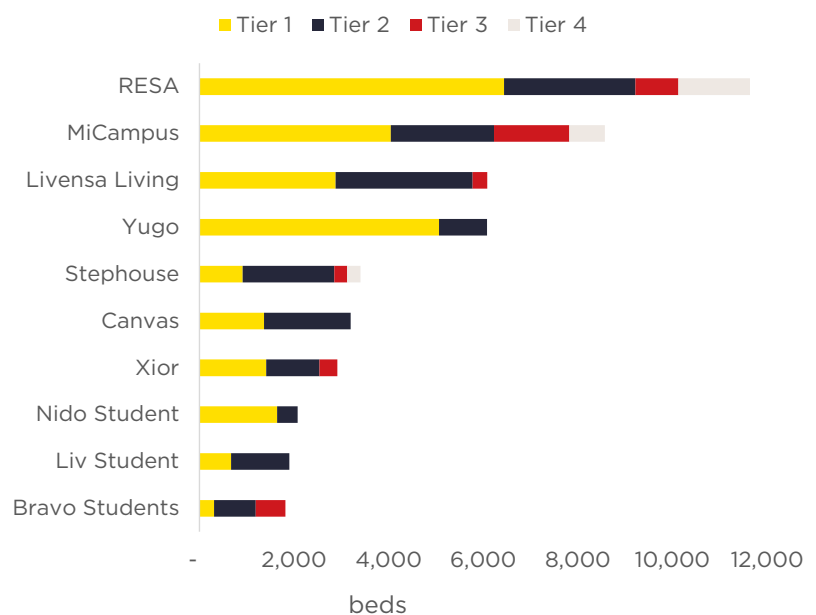
Source: Savills Research / Fragua



By location, all major operators maintain significant exposure to Tier 1 and Tier 2 markets, confirming their position as the core targets for investment activity due to their stronger liquidity, larger international student populations and lower operational risk.

By contrast, Tier 3 and Tier 4 markets display a more limited presence of institutional operators. Nonetheless, the market is gradually becoming more geographically diversified, with future growth increasingly dependent on operational efficiency and product positioning in locations with less established university traditions. (Fig. 9)

FIG 9 TOP 10 OPERATORS BY NO. OF BEDS AND TIER LOCATION



Source: Savills Research / Fragua

OPERATIONAL BEDS AND PIPELINE

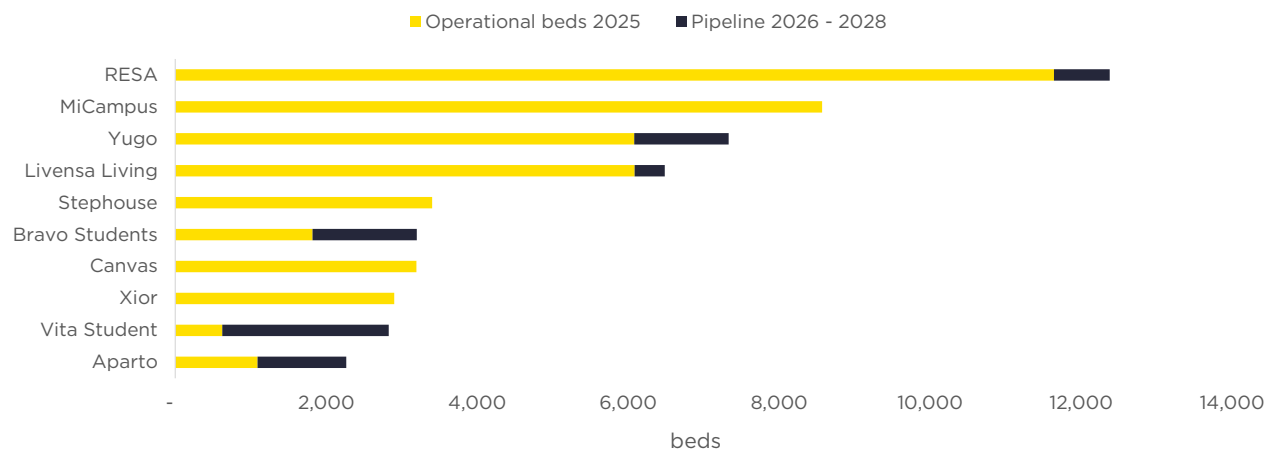
Taking pipeline schemes into account, the top two positions will remain unchanged, with Resa and Mi Campus maintaining their market leadership. However, only Resa is expected to add new beds to its portfolio.

Livensa Living and Yugo, currently ranked third and fourth respectively, are set to swap positions. While Livensa Living has only one scheme in the pipeline, located in Barcelona, Yugo is scheduled to deliver new assets across four different markets.

With a pipeline of nearly 1,200 beds, Bravo! is expected to climb from tenth to sixth position. Meanwhile, two operators with a limited presence in the market to date are projected to enter the top ten rankings.

Vita Student has the largest development pipeline, with more than 2,000 beds scheduled for delivery, positioning the operator as one of the fastest-growing platforms in the market. It is followed by Aparto, which is expected to double the size of its portfolio over the next three years.

FIG 10 TOP 10 OPERATDORS WITH THEIR EXPECTED PIPELINE



Source: Savills Research



UNIVERSITY STUDENTS

GROWTH AND COMPOSITION

The university student population in Spain has continued to expand steadily in recent years. During the 2024-25 academic year, the Spanish University System (SUS) recorded more than 1.8 million enrolled students, of which 81% (around 1.5 million) attended one of the country's 83 on-site universities, located across almost every province.

Madrid, home to 19 universities (six public and 13 private), accounts for 24% of total enrolments nationwide, with just over 350,000 students. It is followed by Barcelona and Valencia, which represent 13% and 8% of national enrolments, respectively. Barcelona's eight universities (four public and four private) host close to 190,000 students, while Valencia's five universities (three public and two private) accommodate approximately 115,000 students.

Since the 2015-16 academic year, the student population has grown at an average annual rate of 1.4%. However, growth patterns differ significantly by type of institution. While public universities have expanded at an average rate of 0.4% per annum, private universities have recorded annual growth of approximately 7%.

Public institutions continue to account for the vast majority of on-site students, representing 80% of total enrolments, or nearly 1.2 million students. Private universities host more than 290,000 students, although their growth trajectory is notably stronger. Compared with the previous academic year, private institutions increased enrolments by 26,762 students (+10% year-on-year), surpassing the 20,649 additional students recorded by public universities (+2% year-on-year).

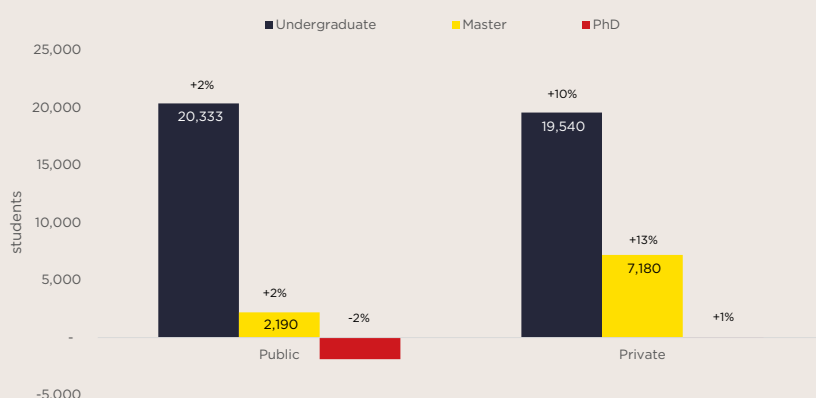
Undergraduate studies remain the largest segment of the university population, representing 81% of students at public universities and 76% at private institutions. The most significant difference lies in enrolment trends: while undergraduate numbers at public universities have declined

slightly over time, recording an average annual variation of -0.3%, private universities have expanded at an average rate of 6.5% per year. Compared with the previous academic year, both sectors attracted around 20,000 additional undergraduate students, although growth rates reached 10% in private institutions, compared with 2% in the public sector (Fig. 11).

Master's programmes continue to show even stronger momentum. Average annual growth reaches 3% in public universities and 8% in private institutions. During the latest academic year, private universities added almost 7,200 master's students (+13% year-on-year), more than three times the increase recorded by public institutions, which gained approximately 2,200 students (+2% year-on-year).

In an increasingly competitive labour market, flexibility and adaptability have become critical factors when selecting both a postgraduate programme and a higher education institution. The greater responsiveness of private universities to changing market requirements, combined with a stronger focus on employability and industry alignment, continues to support their ability to attract a growing share of student demand.

FIG. 11 ANNUAL GROWTH OF STUDENTS BY STUDY LEVEL AND TYPE OF UNIVERSITY



Source: Savills Research / SIU

ORIGIN OF STUDENTS

Growth in enrolments across the Spanish University System (SUS) continues to be driven by international students, whose numbers have increased at an average annual rate of 7.3% since 2015/16. In public universities, international students have been the main growth driver, recording annual growth of 5.4%, compared with virtually flat growth among domestic students (-0.02%). In private institutions, both domestic and international enrolments remain in expansion mode, growing at average annual rates of 5.9% and 12.5%, respectively

The share of international students within the SUS has risen from 7% in 2015-16 to 11% in 2024-25. The increase has been even more pronounced among private universities, where international students now account for 20% of enrolments, up from 13% ten years ago.

Several factors explain the sustained growth in international enrolments

- Academic appeal: Spain has developed an increasingly competitive higher education offering. The combination of internationally recognised universities, a growing number of programmes taught in English and greater alignment with global academic standards has significantly reduced barriers to entry for overseas students
- Affordability: The overall cost of studying in Spain remains competitive compared with other major European destinations. Tuition fees and living expenses (even after recent increases in accommodation costs) generally remain lower than in markets such as the UK, the Netherlands and Ireland. As a result, Spain continues to offer a compelling value-for-money proposition.
- Lifestyle factors: Climate, safety, transport infrastructure and quality of life have become increasingly important decision drivers, particularly for international students seeking a broader educational experience beyond the classroom.
- A natural bridge between Europe and Latin America: Linguistic and cultural ties with Latin America continue to generate a steady flow of students, particularly at postgraduate level, while Spain's integration within the European Higher Education Area facilitates intra-European mobility.

48

**SPANISH UNIVERSITIES
IN THE WORLD
RANKING OF
TOP UNIVERSITY**

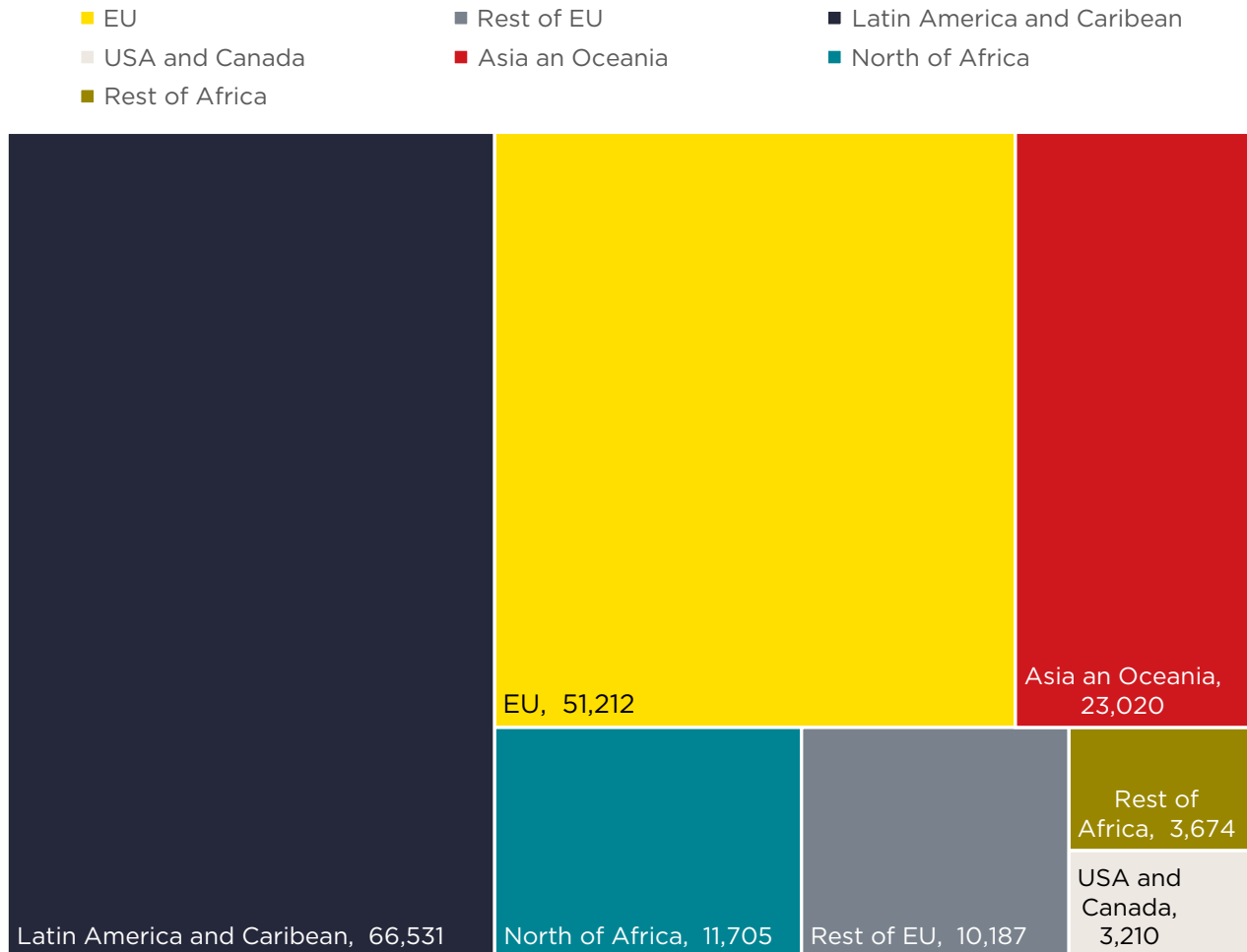
Fuente: QS rankings 2027

STUDENT ORIGIN

The geographical composition of international enrolments reflects this dual axis between Latin America and Europe, allowing Spain

to diversify its international student base and reduce dependence on any single source market (Fig. 12).

FIG 12 BREAKDOWN OF INTERNATIONAL STUDENTS ENROLLED IN THE SUS BY ORIGIN (2024-25)



Source: Savills Research / SIU

TOP

**100 WORLD
UNIVERSITY CITIES
QS 2027**

**MADRID, BARCELONA
AND VALENCIA
ARE IN**

Fuente: QS rankings 2027

STUDENT ORIGIN

While the distribution of international students by origin is broadly similar across public and private institutions, growth patterns have diverged significantly (Fig. 13). Public universities have recorded cumulative growth of approximately 90% since 2015/16, reaching almost 170,000 international students in 2024-

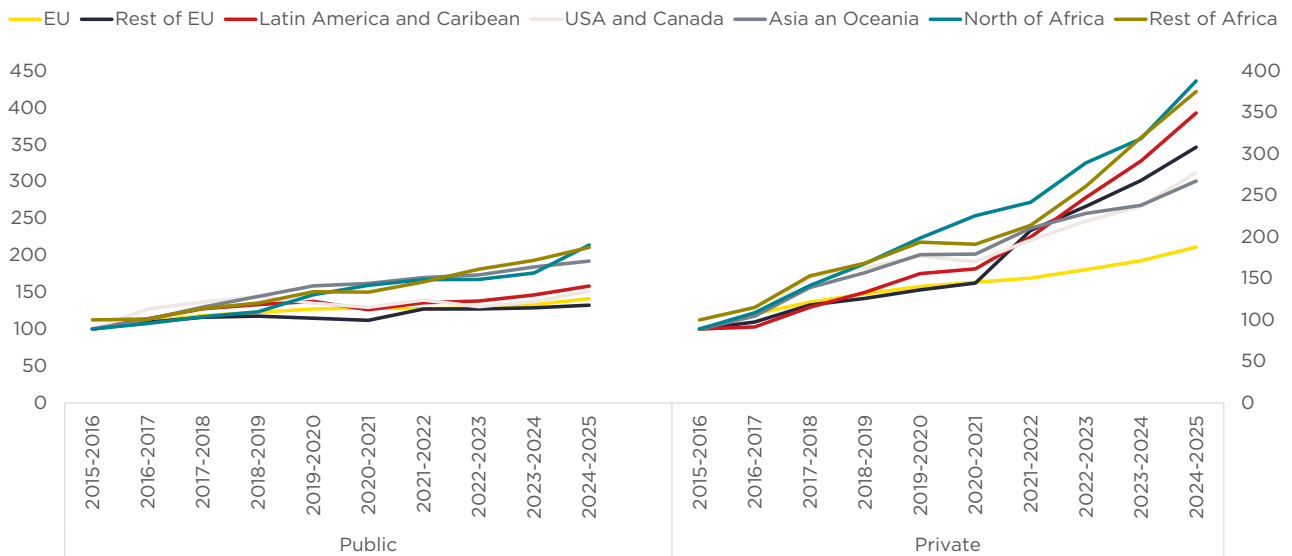
25. Private universities have expanded even faster, tripling their international student population to nearly 60,000 students over the same period.

This stronger growth trajectory is also reflected in their share of total international enrolments within the SUS, which increased from

22.5% in 2015-16 to 34% in 2024/25.

Private institutions have generally been more agile in adapting programmes, formats and academic calendars to the needs of a global student audience, supporting their ability to attract an increasing number of international students.

FIG 13: EVOLUTION OF INTERNATIONAL STUDENTS BY ORIGIN AND TYPE OF UNIVERSITY (100: 2015-16)



Source: Savills Research / SIU



University enrolments have expanded uninterruptedly over the last decade, driven primarily by private universities, postgraduate programmes and international students”

ERASMUS+

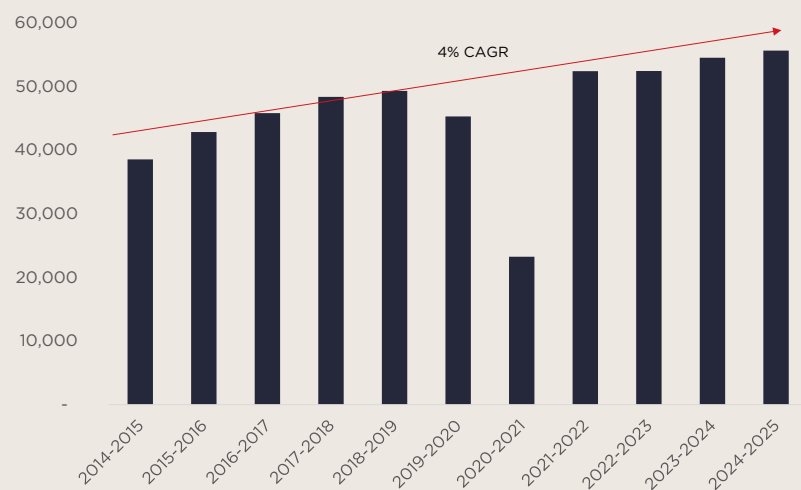
Spain has consolidated its position as the leading host country within the Erasmus+ programme, consistently ranking as the most attractive destination for international mobility students in Europe. According to internal estimates based on the latest data published by the European Commission (2023–24 academic year), Spain welcomed more than 55,600 Erasmus university students during the 2024–25 academic year. This figure excludes participants in staff mobility, school education, adult education and vocational training programmes.

The long-term trend shows sustained growth, interrupted only during the academic years affected by the Covid-19 pandemic. Recovery has been both rapid and consistent, with average annual growth of approximately 4% and cumulative growth close to 44%, reinforcing Spain's structural role as a key destination within the European higher education mobility ecosystem (Fig. 14).

The distribution of Erasmus+ students by province highlights a strong concentration in a small number of university destinations. Madrid, Barcelona and Valencia remain the leading hubs, together attracting almost 50% of all incoming Erasmus students.

Their appeal is driven not only by the size and international reputation of their universities, but also by structural advantages such as excellent connectivity, a broad academic offering, the availability of programmes taught in English and their strong international urban appeal (Fig. 15).

FIG 14: ERASMUS+ STUDENTS IN SPAIN



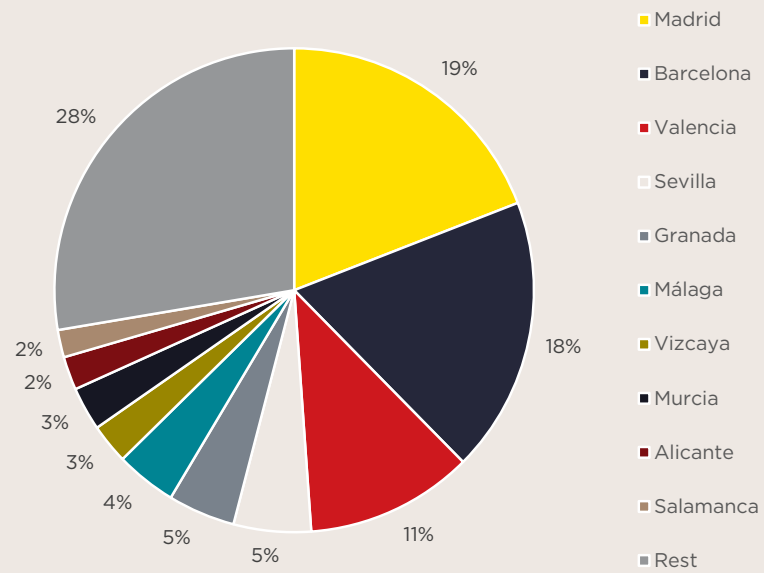
Source: Savills Research / European Commission

The remainder of the top 10 is composed of a number of Tier 2 and Tier 3 locations which, despite their smaller share of total Erasmus arrivals, play an important role within the mobility ecosystem. These destinations typically benefit from the presence of multiple universities, significant satellite campuses belonging to institutions headquartered elsewhere, and/or a well-established academic

tradition that provides visibility and recognition both nationally and internationally.

Many of these cities combine a critical mass of university students with a more accessible urban environment, enhancing their attractiveness for specific international student profiles and supporting their position within Spain's broader higher education landscape.

FIG 15: BREAKDOWN OF ERASMUS+ STUDENTS BY PROVINCE (2023-24)



Source: Savills Research / European Comision



POTENTIAL DEMAND

For the purposes of this analysis, potential demand refers to students with an effective accommodation requirement during the academic year. This group comprises three main demand segments, differentiated by origin and mobility patterns

The first group consists of international students enrolled in the Spanish University System (SUS), which reached almost 170,000 students in the 2024/25 academic year. This is a structurally growing segment

with a strong propensity to seek professionally managed accommodation solutions.

The second group comprises Erasmus+ students, who generate additional temporary accommodation demand despite remaining enrolled at their home universities. Based on the latest available data, this segment accounts for more than 55,600 higher education students, typically requiring accommodation for around four months.

The third and largest group is formed by domestic mobile students, defined as those studying away from their family

home. According to mobility estimates published in Datos y Cifras del Sistema Universitario Español 2025-2026, this group represents approximately 32% of all domestic students, equivalent to around 421,600 students.

Taken together, the university population with accommodation needs approaches 650,000 students, highlighting a significant structural imbalance when compared with the current supply of approximately 118,800 PBSA beds.

This translates into a shortfall of more than 528,000 beds, underlining the limited capacity of the existing stock to accommodate current demand (Fig. 16).

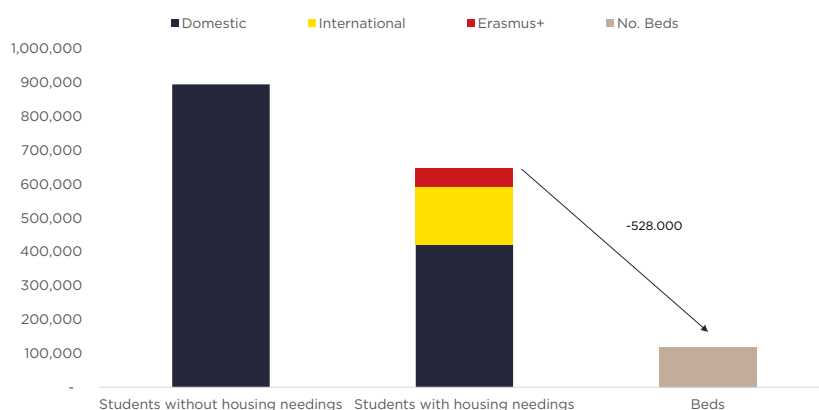
This supply-demand mismatch not only illustrates the sector's growth potential but also reinforces its investment appeal, particularly against a backdrop of increasing internationalisation and the ongoing professionalisation of the student housing market.



Potential demand exceeds existing supply by more than five times: for every PBSA bed available in Spain, there are approximately five students with an objective accommodation need”

Gema de la Fuente

FIG. 16 UNIVERSITY POPULATION BY NEEDING OF HOUSING AND CURRENT SUPPLY OF BEDS



Source: Savills Research / SIU / European Comision / Fragua

PROVISION RATE

Spain's student housing stock has expanded significantly over the last decade, outpacing growth in the university population. The number of beds has increased at an average annual rate of 5.5%, compared with 1.4% for student enrolments, resulting in a steady improvement in the national provision rate. Based on the current stock of 118,762 beds and almost 1.5 million students enrolled at on-site universities, bed provision stands at approximately 8%, up from 5.6% in 2016.

This trend reflects the sector's strong growth momentum and increasing investor interest, which have supported the delivery of new schemes, particularly in the country's main university markets. Despite this progress, however, Spain remains less mature than many of its European peers.

Within the European context, Spain sits towards the lower end of the provision spectrum, ahead only of

Portugal (6%) and Italy (4%). This contrasts with more mature markets such as the UK, where the provision rate reaches 31%, almost four times higher than Spain's current level (Fig. 17).

This comparison highlights not only the existing supply-demand imbalance, but also the significant growth potential that remains. The combination of expanding demand, driven by internationalisation, domestic mobility and the

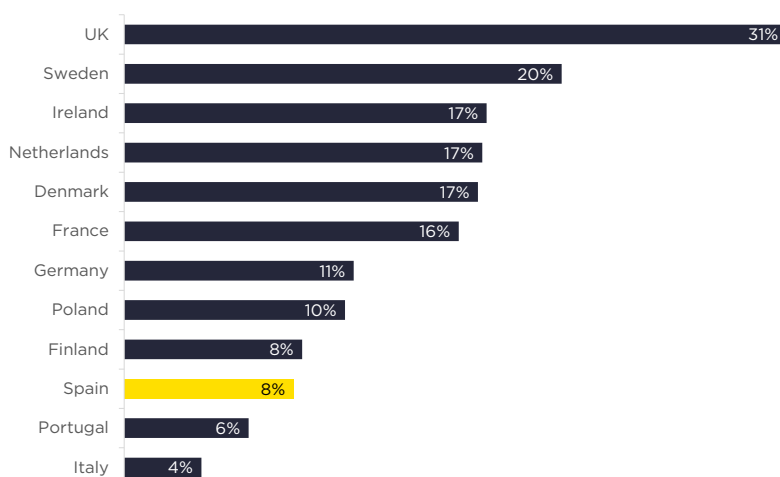
increasing professionalisation of student accommodation, alongside still-limited supply, suggests substantial room for convergence towards European benchmarks.

In this context, bed provision serves not only as a measure of market maturity, but also as an indicator of the sector's capacity to absorb additional supply, reinforcing the long-term attractiveness of PBSA in Spain.

When bed provision is calculated against effective accommodation demand rather than total student numbers, the picture becomes even more meaningful. Based on an estimated 650,000 students with an objective accommodation need, Spain's provision rate rises to approximately 18% (Fig. 18).

This ratio has grown more consistently over time, reflecting the stronger performance of the core demand segments that underpin the PBSA market. International students enrolled

FIG 17. PROVISION RATE IN EUROPE (%)



Source: Savills Research

PROVISION RATE

in the Spanish University System have increased by around 7% annually, while Erasmus+ students and domestic mobile students have grown at approximately 3% and 2% per year, respectively. All three groups have consistently outperformed overall university enrolment growth.

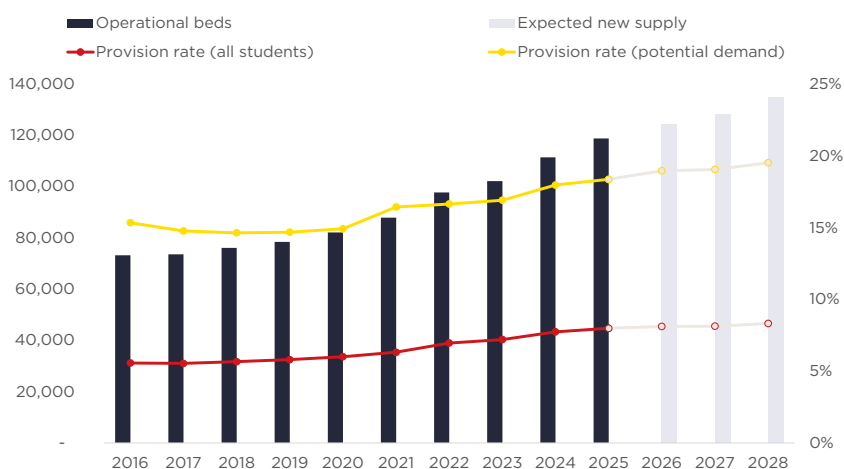
This measure is particularly relevant because it focuses on students most likely to

require accommodation away from the family home and therefore represents the true addressable market for PBSA operators. Consequently, a provision rate of 18% should not be interpreted as evidence of market saturation, but rather as a more accurate indicator of current coverage relative to effective demand.

The analysis reinforces a clear conclusion: the

Spanish student housing market continues to operate within a context of structural undersupply, even when considering only students with a genuine accommodation requirement. This dynamic supports a favourable long-term outlook, particularly in markets characterised by high levels of academic mobility and internationalisation.

FIG 18: NO. OF BEDS AND PROVISION RATE



Source: Savills Research



STUDENT HOUSING INVESTMENT

Over the last decade, the Spanish student housing market has evolved into a fully institutional asset class, moving well beyond its traditional classification as an alternative sector. This maturation is clearly reflected in Spain's position within Europe, where it has established itself as the second-largest PBSA investment market, behind only the UK.

Investment volume exceeded €1.8 billion in 2025, accounting for approximately 18% of total European PBSA transactions.

This result was significantly supported by CPPIB's acquisition of the Livensa Living portfolio, one of the most notable transactions completed during the year both in Spain and across Europe. Valued at more than €900 million for the Spanish assets alone, the deal represented a major milestone for the sector (Fig. 19).

However, even excluding this exceptional transaction, recent market activity confirms the strength of Spain's underlying fundamentals. Over the last five years, Spain has consistently accounted for around 12% of total European PBSA investment volumes, maintaining its position as the continent's second most active market.

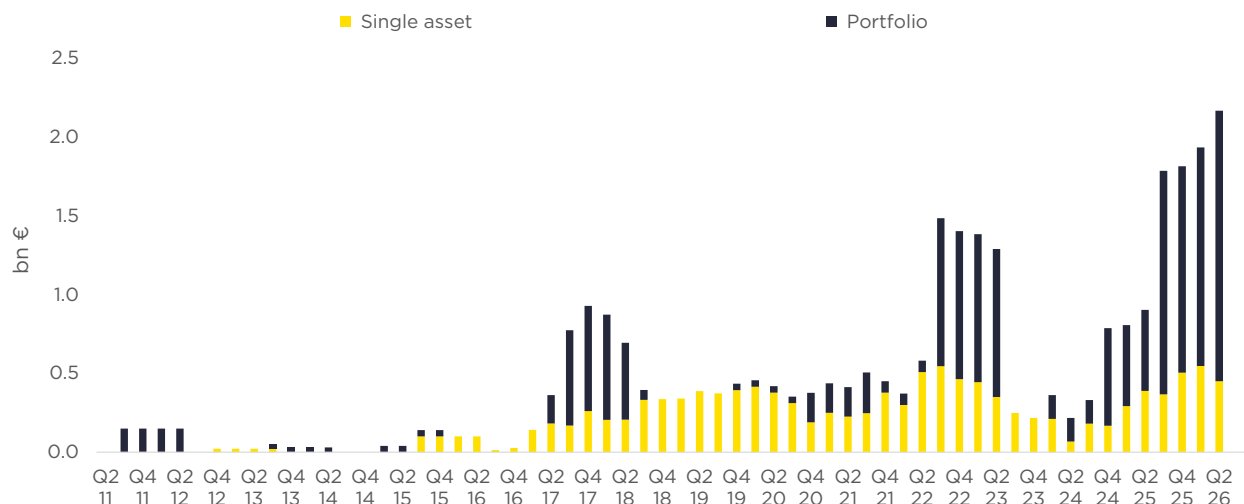
This performance demonstrates that investor interest is not solely driven by landmark portfolio transactions,

but by an increasingly deep and recurring pool of capital targeting the sector.

Investment activity has remained strong in H1 2026, with approximately €660 million transacted, more than double the volume recorded during the same period of the previous year.

From a deal structure perspective, portfolio transactions have continued to dominate activity, facilitating both the entry of new investors

FIG 19: INVESTMENT VOLUME*



Source: Savills Research / * 12 months rolling basis

INVESTMENT

into the Spanish market and the rapid expansion of established operators. This approach enables investors to achieve scale efficiently, optimise operating platforms and gain exposure to multiple university markets simultaneously.

The existence of several portfolios currently being marketed, together with a growing pipeline of stabilised and development assets, suggests that this trend is likely to continue over the short and medium term, supported by the strong fundamentals of the Spanish market.

The sector remains largely driven by international institutional capital, attracted by the combination of recurring income streams and relatively controlled risk. Moreover, the sector's historically low correlation with economic cycles (with university enrolments often

increasing during periods of weaker economic growth) creates a particularly attractive risk-return profile in uncertain market conditions.

Geographically, investment activity continues to focus primarily on Tier 1 and Tier 2 markets, which concentrate the largest share of potential demand thanks to the strength of their academic institutions, broader educational offer, superior connectivity and stronger economic fundamentals.

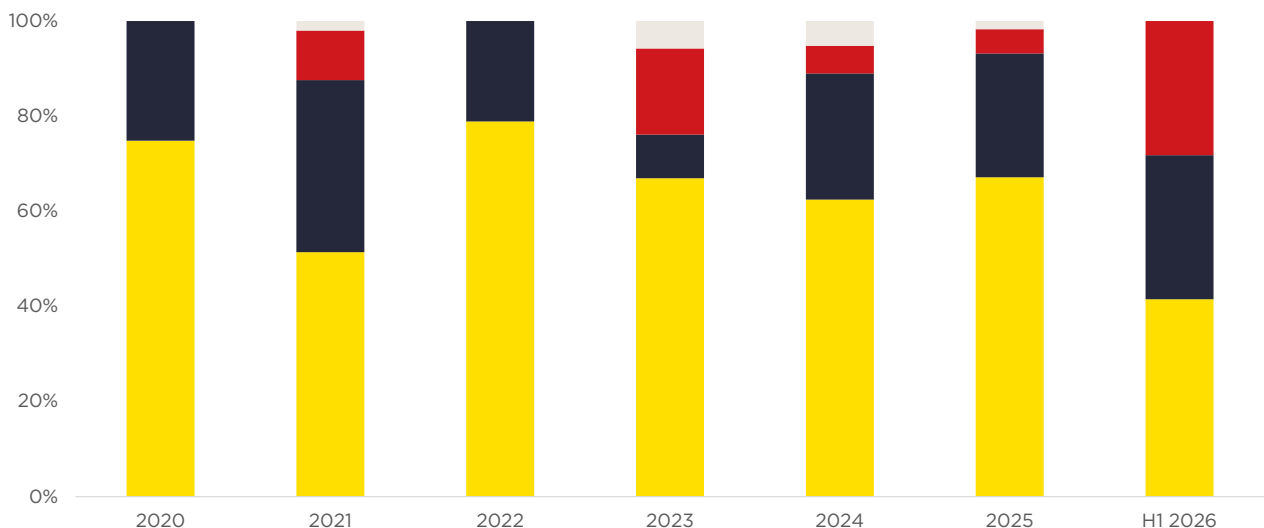
These characteristics not only attract domestic and international students but also create a more predictable and liquid investment environment (Fig. 20).

At the same time, Tier 3 and Tier 4 locations are increasingly appearing on investors' radar. While these markets are more selective in

nature, they continue to offer attractive opportunities. In many cases, existing supply remains limited or of lower quality, creating potential competitive advantages for new developments and repositioning strategies.

Furthermore, the lower penetration of institutional operators allows investors to identify development and value-add opportunities in markets where demand, although smaller in scale, is supported by established universities and stable long-term fundamentals.

FIG 20 INVESTMENT VOLUME EVOLUTION BY TIER LOCATIONLOCALIZACIÓN



Source: Savills Research

YIELDS

Over recent years, PBSA has become a firmly established real estate asset class, reflected in the narrowing spread between prime yields and Spanish sovereign bond yields. In practical terms, investors no longer require the risk premium that traditionally characterised the sector, increasingly viewing student housing as a core-like asset supported by resilient demand and strong long-term income visibility.

The growing maturity of the market is evidenced both by yield compression and the increasing presence of institutional capital.

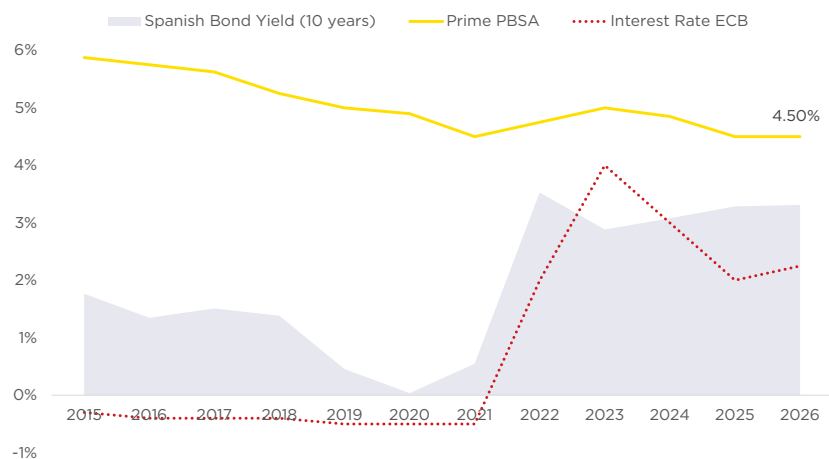
Prime yields currently remain stable at 4.5%, suggesting that the market has reached a new equilibrium following the repricing cycle triggered by the interest rate increases that began in the third quarter of 2022 (Fig. 21).

This compression reflects Spain's strengthening position as one of Europe's leading student housing investment markets.

The European Central Bank (ECB) has recently brought its rate-cutting cycle to an end and has started to increase interest rates in response to renewed inflationary pressures linked to energy markets and geopolitical uncertainty.

Current market expectations point to a prolonged pause, supporting the outlook for short-term stability in prime PBSA yields.

FIG 21: PRIME YIELDS VS SPANISH BONDS AND INTERST RATE



Source: Savills Research / BdE / ECB

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The significant compression in yields reflects both strong institutional demand for the asset class and the stability of the cash flows it generates “

NICOLÁS LLARI DE SANGENIS





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THE FUTURE OF PBSA

Beyond current market metrics, the Spanish PBSA sector is being shaped by a number of structural trends that are expected to define its medium-term evolution.

Internationalisation of Demand

The share of international students within the Spanish University System has increased from 6.8% to 11.4% over the last decade and continues to grow. Latin America and the Caribbean (41.4% of international students) and the European Union (37%) remain the main sources. Well-positioned PBSA assets, offering international-quality standards, strong branding and service-led environments, are best placed to capture this expanding demand.

Growth of Master's Programmes and Lifelong Learning

Master's enrolments are growing at an annual rate of 4.3%, significantly above the 0.7% recorded for undergraduate programmes. This segment exhibits distinct demand characteristics, including greater purchasing power, lower price sensitivity and a stronger focus on amenities such as connectivity, coworking spaces and networking opportunities. Modern PBSA assets, particularly studio-led schemes with enhanced service offerings, are well positioned to benefit from this trend.

Residential Rental Regulation as a PBSA Catalyst

The Housing Law and rent-control measures implemented in certain cities are reducing the availability of traditional rental accommodation for students. As a result, PBSA is becoming increasingly attractive relative to conventional housing options. The pricing gap between PBSA and the private rental market has narrowed considerably across Spain's main university cities over the last two years.

ESG and Sustainability Credentials

ESG considerations are becoming a key market requirement. Institutional investors increasingly prioritise assets with recognised sustainability certifications such as BREEAM or LEED, while Gen Z students actively favour accommodation providers with credible environmental commitments. As a result, sustainability credentials are becoming an important factor influencing both asset values and investment yields.

Markets

Tier 3 and Tier 4 university markets with low provision rates and limited Modern Standard stock present attractive growth opportunities. Lower levels of competition, structurally undersupplied demand and more affordable land values can offer stronger risk-adjusted returns than some of the more mature prime markets.

Challenge: Land Availability and Planning Constraints

The main constraint to future supply growth is no longer access to capital, but rather the availability of suitable development sites in university locations and the length of planning and permitting processes in major municipalities. Against this backdrop, the conversion of existing commercial assets (including offices, hotels and other tertiary-use properties) is becoming an increasingly common route to deliver new PBSA accommodation.

Opportunities in Secondary



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