STUDENT HOUSING AND INTERNATIONAL RECRUITMENT

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SPAIN EDUCATION PROGRAMS

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ICEX

Plan de Recuperación, Transformación y Resiliencia

Movilidad estudiantil y mercado inmobiliario internacional

La movilidad estudiantil se ha consolidado como uno de los fenómenos más influyentes en la configuración del mercado inmobiliario internacional. Cada año, millones de jóvenes se desplazan fuera de su país de origen para cursar estudios universitarios, programas de intercambio o especializaciones.

España es uno de los destinos preferidos de los estudiantes internacionales. La calidad de vida, la amplia oferta cultural y de ocio, el alto nivel de nuestras universidades y escuelas de negocio son, entre otros muchos, factores decisivos por los que cientos de miles de estudiantes internacionales eligen nuestro país cada año, con el impacto positivo que eso tiene en nuestro posicionamiento como país en el ámbito internacional. Somos un destino abierto, que acoge y que ofrece grandes posibilidades de desarrollo al talento.

Este flujo global de estudiantes genera una demanda constante y relativamente predecible de vivienda en ciudades académicas, lo que no sólo impacta en la vida cultural y social de las regiones receptoras, sino que también juega un papel decisivo en la dinámica de precios, la oferta de alojamientos y las políticas de desarrollo urbano.

Así, en muchas ciudades universitarias, la llegada continua de estudiantes extranjeros ha impulsado la construcción de residencias estudiantiles, complejos de student housing y modelos de alojamiento flexible orientados a estadías semestrales o anuales. A su vez, inversores internacionales han identificado este segmento como un mercado seguro y de alta rentabilidad, lo que ha intensificado la competencia por propiedades cercanas a campus, centros de investigación y zonas con buena conectividad. Esta tendencia ha contribuido tanto a la renovación urbana como al encarecimiento de ciertas áreas, generando debates sobre gentrificación y accesibilidad.

Sin embargo, la influencia de la movilidad estudiantil no es uniforme. En ciudades con políticas activas de vivienda asequible y planificación territorial, la demanda estudiantil se ha integrado sin distorsiones significativas. En otras, especialmente donde la oferta inmobiliaria es limitada, la llegada masiva de estudiantes internacionales puede presionar al alza los precios del alquiler y desplazar a residentes locales.

De este modo, las universidades, los gobiernos locales y el sector inmobiliario se ven obligados a articular soluciones conjuntas, como incentivos para la construcción de vivienda asequible, regulación de alquileres temporales o promoción de residencias públicas. En este sentido, las diferentes administraciones públicas españolas están actuando en todas las dimensiones del actual reto del acceso a la vivienda, que es común a un gran número de países europeos, para que haya una mayor oferta y sea más asequible.

A medida que la educación superior se globaliza y la competencia entre universidades aumenta, la relación entre movilidad estudiantil y mercado inmobiliario seguirá intensificándose. Contar con estrategias de planificación adecuadas será clave para aprovechar los beneficios económicos y culturales de este fenómeno sin comprometer la sostenibilidad urbana ni el acceso equitativo a la vivienda.

El presente estudio nos ofrece respuesta a todos estos asuntos de vital importancia para mantener el flujo de estudiantes internacionales en nuestro país.

Elisa Carbonell

Consejera delegada ICEX

EXECUTIVE SUMMARY

This study aims to evaluate how a sustained increase in **housing costs** affects the growth of **international student enrollment** at Spanish universities, considering these as interconnected factors. Our analysis will cover: the international student landscape, current and projected housing needs and expectations, key real estate actors and factors, and responses from major global student destinations. Our recommendations attempt to serve as economic intelligence tools that will strengthen Spain's position as a leading educational destination.

Spain, one of the world's leading destinations for many decades, has experienced a continued increase in the number of internationals enrolling in quality educational programs of various types and lengths. In the academic year 2022-2023, the country-wide economic impact of this sector exceeded 6.3 billion euros, an amount which has been increasing consistently. In 2022-2023 the 161,384 internationals enrolled at Spanish universities for a full degree had a range of housing options, including: family stays; shared apartments; university-owned residences; and private professionally managed lodging offered by providers.

Global growth of mobility in higher education continues, and around 9 million students are likely to study abroad in 2030. In this scenario, Spain should remain among the favored quality destinations, but housing challenges could hinder future growth. Housing is a critical factor for students studying abroad. Accommodation affects their comfort, safety, and the extent of cultural immersion and learning. While it's difficult to assign a precise weight to housing when choosing a destination, students are unlikely to select a location where finding suitable accommodation is challenging.

A 2024 CBRE report highlights that Europe's strong educational institutions and quality of life have attracted growing numbers of students, who face a severe housing shortage and unaffordable rents. Spain, once considered budget-friendly, has seen sharp cost increases: between 2018–19 and 2022–23, average monthly student living expenses rose by 76%; Diario de Madrid reports that rental prices have surged 74.6% over the past decade; and recent data from leading real estate platforms shows further hikes—Fotocasa recorded a 14% increase in 2024, while Idealista reported 10.9% in 2025.

To strengthen their internationalization efforts, Spanish universities must address the housing challenge. Institutions should take an active role by investing in housing services, dedicating resources, offering creative solutions, and forming private-public partnerships. Lodging options available should be communicated to admitted students during their decision-making process—well before their arrival in Spain. Universities that succeed in guaranteeing adequate housing will gain a competitive edge over those that do not, both within Spain and against other destination countries.

In a globally competitive environment, losing our position as a preferred destination would be a costly setback. Stakeholders must collaborate to procure adequate housing and minimize access challenges to prevent a decline in international recruitment. Decreasing numbers of international students will hinder the positive economic impact of this sector, bring a loss of jobs and eliminate the opportunity for Internationalization at Home of Spain's citizens who cannot afford to study and or work abroad.

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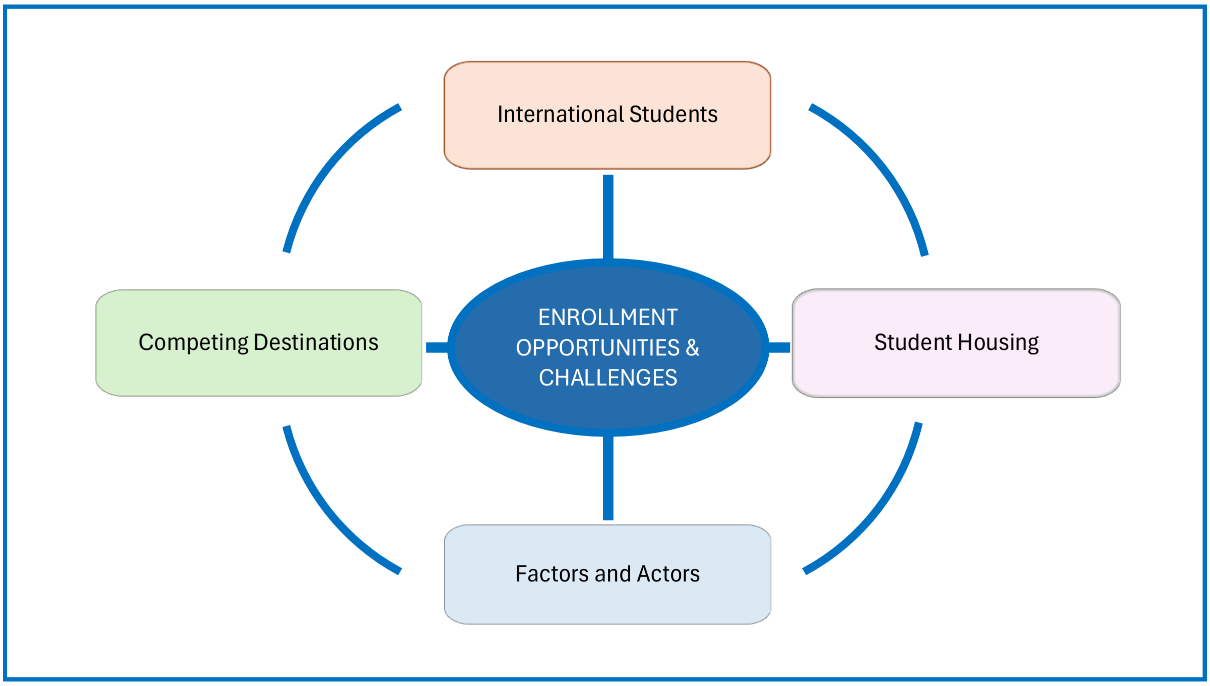
SPAIN EDUCATION PROGRAMS

CONTEXT AND SCOPE OF THE STUDY

This study aims to evaluate how a sustained increase in housing costs affects the growth of international student enrollment at Spanish universities, considering these as interconnected factors. Our analysis will cover: the international student landscape, current and projected housing needs and expectations, key real estate actors and drivers, and responses from major global student destinations (see Chart 1). The goal is to develop economic intelligence tools that strengthen Spain's position as a leading educational destination.

Chart 1: flowchart of the study



INTERNATIONAL STUDENTS IN SPAIN

Spain, one of the world's leading destinations for many decades, has experienced a continued increase in the number of internationals enrolling in quality educational programs of various types and lengths[1]. Some of the factors that make this country appealing are competitive tuition and fees, diversity of studies, academic quality, quality of life and safety, English-taught programs, attractive climate, culture, and the opportunity to gain command of the Spanish language[2].

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[1] Grasset, C. & García Menéndez, B. (2024). *The economic impact of international students in Spain*. Retrieved on October 2, 2025, from: https://assets.zyrosite.com/dWxbxkgbzLHxDEqr/the-econ.-impact-of-internat.-students-in-spain-2024-ALp771wZ6Lhk3LL6.pdf

[2] García Menéndez, B. & Karst, D. (2 October 2025). Times to compete globally, as part of the Workshop *Cómo maximizar la captación internacional en las universidades españolas*.

In the academic year 2022-2023, the country-wide economic impact of this sector exceeded 6.3 billion euros, an amount which has been increasing since 2012-2013[3]. Of the 602,662 international students who attended educational programs in Spain, 38% stayed for the academic year. Within the other 62%, the majority remained in Spain for terms from 4 weeks to 5.5 months.

The 161,384 internationals enrolled at Spanish universities for a full degree[4] had a range of housing options, including: family stays; shared apartments; university-owned residences; and private professionally managed lodging offered by providers such as (e.g.) RESA, Yugo, NIDO, and Xior Student Homes. They used popular platforms like Idealista, Spotahome, and Uhomes, as well as student-focused websites (e.g., Students.com).

US study abroad and language and culture programs ranged between 4 and 13 weeks[3], with the host organizations typically providing housing. Erasmus+ participants, in Spain for an average of 5.5 months, had some support from the host universities and from EU associations making recommendations based on the experiences and reviews of peers. They often resort to the same providers as students in academic year programs.

Global growth of mobility in higher education continues, and around 9 million students are likely to study abroad in 2030[5]. In this scenario, Spain should remain among the favored quality destinations, but housing challenges could hinder future growth.

STUDENT HOUSING

Housing is a critical factor for students studying abroad. Accommodation affects comfort, safety, and the extent of cultural immersion and learning. While it's difficult to assign a precise weight to housing when choosing a destination, students are unlikely to select a location where finding suitable accommodation is challenging.

In 2024 Keystone Education Group analyzed data collected from 27,400 students globally asked about the most influential factors to study at a university[6]: "accommodation was a critical concern by 30% of those planning to study abroad. This percentage reflects the increasing emphasis placed on securing convenient, affordable, and reliable housing options for studying overseas" (See Chart 2).

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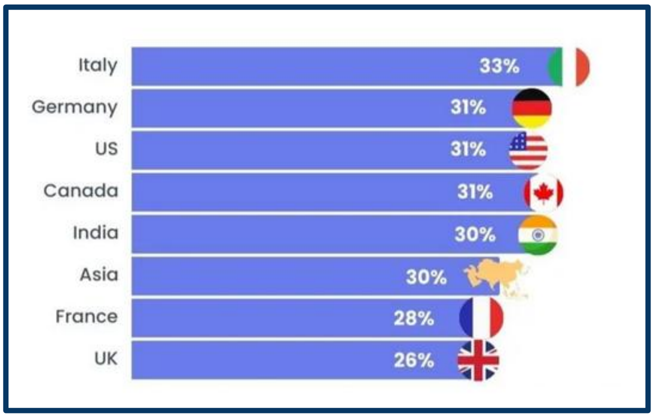
[3] Grasset, C and García Menéndez, B. (2024). *The economic impact of international students in Spain 2024*. Retrieved August 20, from: https://assets.zyrosite.com/dWxbxkgbzLHxDEqr/the-econ.-impact-of-internat.-students-in-spain-2024-ALp771wZ6Lhk3LL6.pdf

[4] Número de estudiantes extranjeros matriculados en el Sistema Universitario Español (SUE) por tipo y modalidad de la universidad, zona de nacionalidad, nivel académico y sexo. Retrieved 26 Dec. 2025, from: https://tinyurl.com/UNIVBASE

[5] See UNESCO Net flow of internationally mobile students, at: https://tinyurl.com/internationalsin2030 . See ICEF Monitor *New analysis forecasts international student mobility through 2030,* at: https://monitor.icef.com/2025/07/new-analysis-forecasts-international-student-mobility-through-2030/ ; See Mu, G.M., Soong, H. *Scapegoating international students for the rental crisis? Insights from large-scale evidence (2017–2024) in Australia*. High Educ (2025). https://doi.org/10.1007/s10734-025-01397-0

[6] Keystone Education Group. *Accommodation: A Key Concern for International Students*. Retrieved October 10, 2025, from: https://www.keg.com/news/acommodation-a-key-concern-for-international-students

Chart 2: percentage of international students who ranked housing as their top priority



Adapted from *Accommodation: A Key Concern for International Students,* Keystone Education Group (2025)

Mu and Soong[7] provide a robust insight on the importance of the housing factor in an international higher education experience: "Housing is both a space and a symbol of shelter and security, providing a sense of home. For international students, this sense of home has a 'spillover effect' on their educational and overall experience in the host society". (p. 4).

They list research findings and sources that support their statement, including the following,

- Quantitative research in Belgium found a significant correlation between international students' satisfaction with housing and their satisfaction with learning and life overseas (Huisman et al., 2022).
- Conversely, qualitative interviews with international students in the Netherlands revealed their emotional labour during the process of finding and worrying about accommodation, which eroded their academic performance and wellbeing (Fang & van Liempt, 2021)
- Findings from Australian research are largely consistent with those from European studies.
- Quantitative research in Australia revealed the impact of housing quality, affordability, and security on the academic anxiety and performance of international students, particularly those suffering from financial distress and living in over-crowded accommodations with inferior physical conditions and poor neighbourhood amenities (Hastings et al., 2023).
- In contrast, a quantitative survey (also in Australia), identified that living in preferred accommodation, safe and affordable accommodation in particular, was one of the strongest predictors of international student wellbeing (Corney et al., 2024).
- International students often cite accommodation as one of their major concerns. In Europe, the cost of accommodation and the difficulty in finding accommodation were respectively ranked by international students as the third least and the least satisfactory domains (Tribal i-graduate, 2023).

[7] Mu, G.M., Soong, H. Scapegoating international students for the rental crisis? Insights from large-scale evidence (2017–2024) in Australia. *High Educ.* (2025). https://doi.org/10.1007/s10734-025-01397-0

Student housing issues are widespread in traditional destination countries facing a rental crisis, where international populations both influence and are influenced by local markets shaping the socioeconomic and cultural dynamics of host communities[8]. In 2023, Rayon and Vespa examined the challenges and proposed new initiatives after "numerous reports from students across Europe expressing concerns about acute housing conditions"[9].

A 2024 CBRE report highlights that Europe's strong educational institutions and quality of life have attracted growing numbers of students, who face a severe housing shortage and unaffordable rents[10]. Spain, once considered budget-friendly, has seen sharp cost increases: between 2018–19 and 2022–23, average monthly student living expenses rose by 76%[11], Diario de Madrid reports that rental prices have surged 74.6% over the past decade[12]; and recent data from leading real estate platforms shows further hikes—Fotocasa recorded a 14% increase in 2024[13], while Idealista reported 10.9% in 2025[14].

In a September 6, 2025, article, Susana Carrizosa highlighted housing challenges not only for international students but also for Spaniards studying in other Autonomous Communities. Echoing other findings, she noted limited rental availability, insufficient student residence spaces, and growing interest from global investment funds in Purpose-Built Student Accommodation (PBSA) within an already strained market[15].

A number of trends have contributed to the challenging housing conditions currently faced by international students. A Bank of Spain report, by Angel Gavilan, states that between 2004 and 2022, Spain saw a **significant rise in the share of homes occupied by renters**[16], particularly among younger tenants aged 16 to 29 (see Graph 1).

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[8] Mu, G.M., & Soong, H. Scapegoating international students for the rental crisis? Insights from large-scale evidence (2017–2024) in Australia. *High Educ.* (2025). https://doi.org/10.1007/s10734-025-01397-0

[9] Rayon, J. & Vespa, M. (July 11, 2023), *Research Snapshot: European student housing.* Retrieved July 20, 2025, from: https://www.eaie.org/resource/research-snapshot-european-student-housing.html

[10] European student housing: The growing demand for PBSA in a constrained market (CBRE, Nov. 2024). Retrieved July 2025, from: https://www.cbre.com/insights/reports/european-student-housing-the-growing-demand-for-pbsa-in-a-constrained-market

[11] Grasset, C. & García Menéndez, B. (2024). *The economic impact of international students in Spain*. Retrieved on October 2, 2025, from: https://assets.zyrosite.com/dWxbxkgbzLHxDEqr/the-econ.-impact-of-internat.-students-in-spain-2024-ALp771wZ6Lhk3LL6.pdf

[12] Malagon, P. (Feb. 5, 2024). El Diario de Madrid*: Las razones de por qué el precio del alquiler ha subido un 74,6% en diez años.* Retrieved August 10, 2025, from: https://www.eldiariodemadrid.es/articulo/economia/razones-que-precio-alquiler-ha-subido-746-diez-anos/20240205103937071062.html

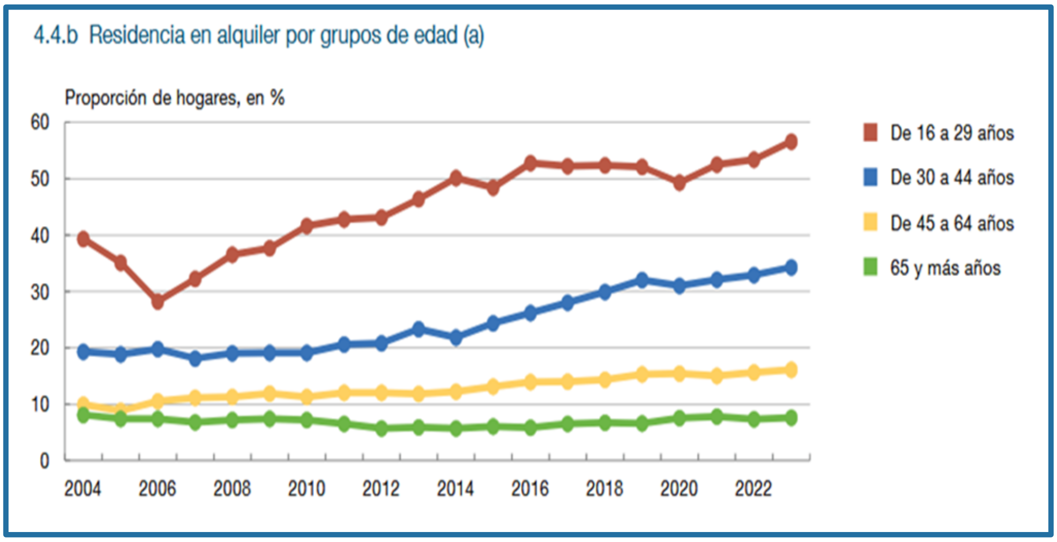
[13] Lopez, A. (January 15, 2025). *El alquiler sube un 14% en 2024, la subida más alta desde 2018 en España*. Retrieved August 10, 2025, from: https://blogprofesional.fotocasa.es/el-alquiler-sube-un-14-en-2024-la-subida-mas-alta-desde-2018-en-espana/

[14] Marrero, D. (October 1, 2025). *El alquiler termina el verano con una subida del 10,9% anual.* Retrieved October 12, 2025, from: https://www.idealista.com/news/inmobiliario/vivienda/2025/10/01/862047-el-alquiler-termina-el-verano-con-una-subida-del-10-9-anual-asi-esta-en-tu-ciudad

[15] Carrizosa, S. (6 September 2025). *La odisea de los estudiantes para encontrar un alojamiento en septiembre*. Retrieved, October 14, 2025, from: https://elpais.com/economia/negocios/2025-09-06/la-odisea-de-buscar-alojamiento-en-septiembre.html

[16] Gavilán, A. (April 27, 2024), *El mercado de la vivienda en España: evolución reciente, riesgos y problemas de accesibilidad* (p. 239). Retrieved on July 30, from: https://www.bde.es/f/webbe/SES/Secciones/Publicaciones/PublicacionesAnuales/InformesAnuales/23/Fich/InfAnual_2023_Cap4.pdf

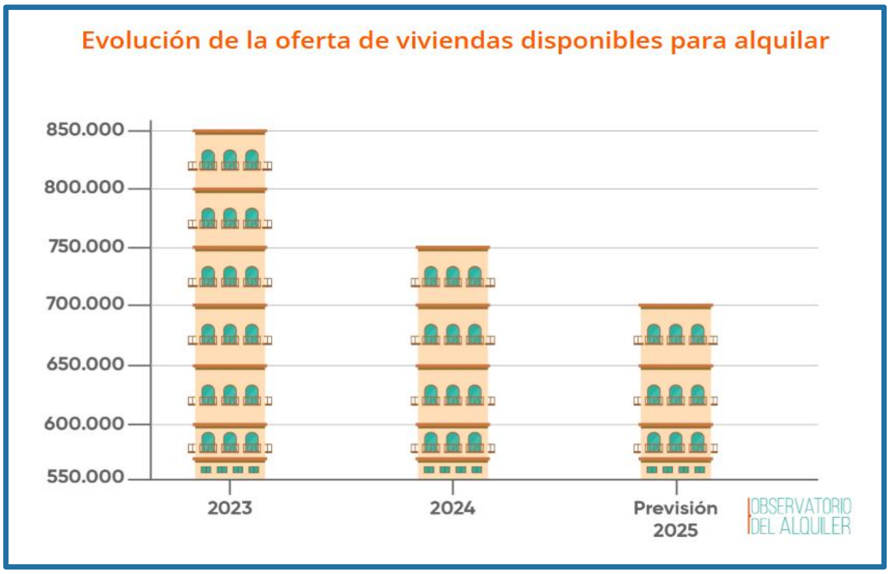
Graph 1: rental homes by age group (2004 to 2022)



Adapted from *El mercado de la vivienda en España: evolución reciente, riesgos y problemas de accesibilidad*, Banco de España (2024)

A report by Observatorio del Alquiler, an entity that collects and analyzes rental market data, concludes that a **continued drop in the supply of rental properties** has led to a shortage of inventory which "pushes prices up and increases competition among renters for access to a home"[17] (see Graph 2).

Graph 2: evolution of homes available for rent in Spain (2023 to 2025)

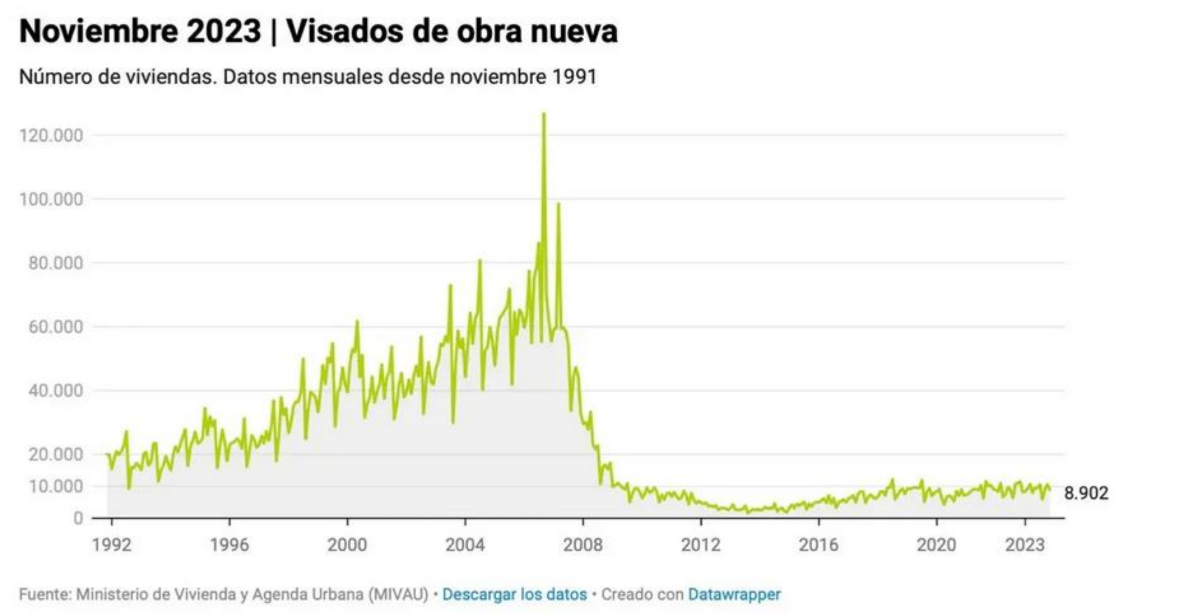


Adapted from *Observatorio del Alquiler. Un año de zonas tensionadas: sus efectos en el mercado del alquiler*

[17] Observatorio del Alquiler. *Un año de zonas tensionadas: sus efectos en el mercado del alquiler*. Retrieved September 2, 2025, from https://observatoriodelalquiler.org/un-ano-de-zonas-tensionadas-sus-efectos-en-el-mercado-del-alquiler/

The process of **obtaining a construction license has become very complex**, with developers having to comply with EU, national, state, and local norms and dealing simultaneously with various public agencies that are often slow in their response. In her 2024 article[18] Patricia Malagon shared data from the Ministry of *Vivienda y Agenda Urbana* on the number of licenses awarded to build new homes (see Graph 3), showing minimal increases in permits awarded from 2016 through 2023 (see Graph 3).

Graph 3: number of residential building licenses awarded



Visados de obre nueva. Datos mensuales de noviembre de 1991 a noviembre 2023 – Fuente Ministerio de Vivienda y Agenda Urbana (MIVAU)

Adapted from Malagon, P. (5 February 2024), *Las razones de por qué el precio del alquiler ha subido un 74,6% en diez años*

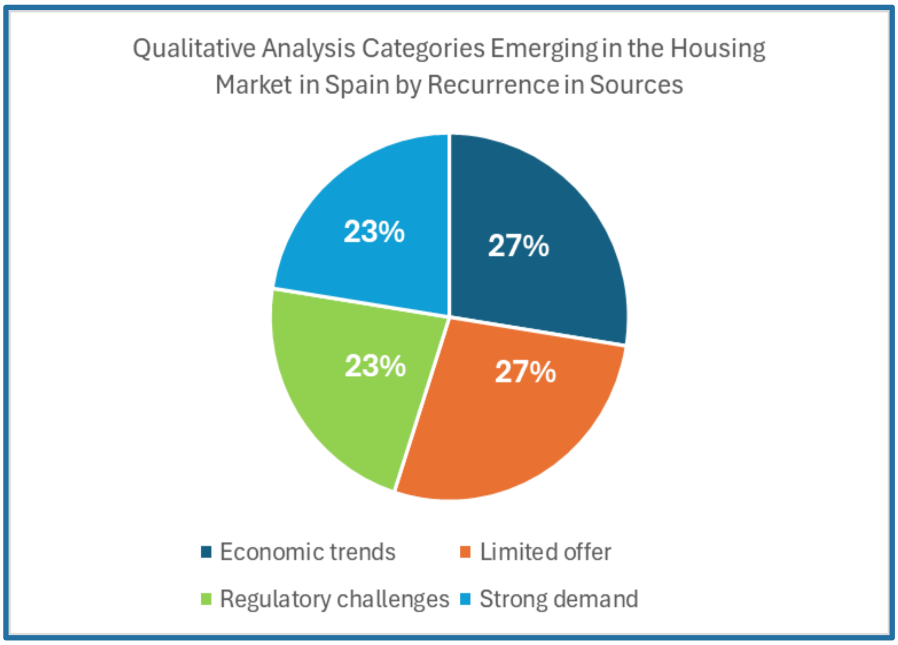
CBRE is a global RE company committed to realizing "the potential of our clients, professionals and partners by building the real estate solutions of the future"[19]. Their Research branch has published reports on student housing in the EU, describing a scenario where **landlords prefer renting to professionals**, who have a smaller turnover and larger budgets, leaving international students outside of the private rentals sector.

[18] Malagon, Patricia (Feb. 5, 20. 4). El Diario de Madrid*: Las razones de por qué el precio del alquiler ha subido un 74,6% en diez años*. Retrieved August 10, 2025, from: https://www.eldiariodemadrid.es/articulo/economia/razones-que-precio-alquiler-ha-subido-746-diez-anos/20240205103937071062.html
[19] Retrieved September 3, 2025, from: https://www.cbre.es/en-gb/about-us

REAL ESTATE FACTORS AND ACTORS IN SPAIN

Upon our qualitative review of documents from Spain-based public and private institutions, four key factors emerged as shaping the current housing landscape: **Economic Trends, Limited Supply, Regulatory Challenges, and Strong Demand** (see Chart 3). Although analyzing the root causes of rising residential prices is beyond this study's scope, these categories provide context to better understand the housing conditions affecting international students.

Chart 3: factors emerging from a qualitative review of documents



Factors

The following paragraphs describe the four emerging factors, ranked and defined by the number of recurring terms in each category.

Economic Trends

Spain's economy is growing faster than that of most EU countries, driven by strong tourism, foreign investment—particularly in the Community of Madrid, which has attracted over 50% of national inflows in recent years—robust EU funding, and an improving labor market.

However, challenges remain: unemployment is still above the EU average: housing costs are rising faster than incomes, widening the affordability gap; and productivity lags behind other European nations. Additionally, Spain faces broader social and economic pressures, including geopolitical uncertainty, persistent core inflation, and an aging population[20].

[20] Roldan, T. (2025). Informe económico y financiero #36. *Vivienda: un reto central para los próximos años*. Retrieved November 22, 2025, from: https://www.esade.edu/en/news/political-fragmentation-sluggish-productivity-and-housing-the-main-challenges-facing-

Limited Offer

Recurring terms related to the limited housing supply point to several causes: lengthy and complex urban development processes, a shortage of construction workers, a shift toward short-term tourism rentals—particularly in major cities and coastal areas—and rising material costs. Together, these factors result in lower per capita construction compared to the rest of the EU.

Regulatory Challenges

Recent legislative changes have led to a decline in construction activity and made property owners hesitant to list rental units. Obtaining a construction license has become highly complex (see Graph 3), as projects must comply with EU, national, regional, and local regulations dealing, simultaneously, with several administrations. Public incentives are lacking, and frequent regulatory modifications have created legal uncertainty. Additionally, rent controls in high-demand areas have further reduced available inventory.

Strong Demand

Over the past four years, Spain has seen a sharp rise in residential purchase and rental prices, driven largely by demographic growth fueled by an influx of foreign workers[21]. According to an Instituto Elcano report, these workers are employed primarily in the hospitality, construction, agriculture, and social care sectors[22]. As Spain's economy continues to strengthen, the current share of foreign-born residents—19%—is expected to grow further. Without urgent measures to address the housing shortage, this trend will place even greater pressure on the housing market.

Actors

The number of global forces shaping the so-called "living" market, as well as the diversity of their areas of influence, is considerable (see Chart 4). In this section, we concentrate on those actors that, according to our document analysis, are most likely to exert a significant impact on the Spanish context. Our focus is not merely on their presence but on the strategic priorities and mechanisms through which they influence market dynamics, regulatory frameworks, and consumer behavior. By identifying these key players and their areas of emphasis, we aim to provide a clearer understanding of the forces that could redefine the living market in Spain over the coming years.

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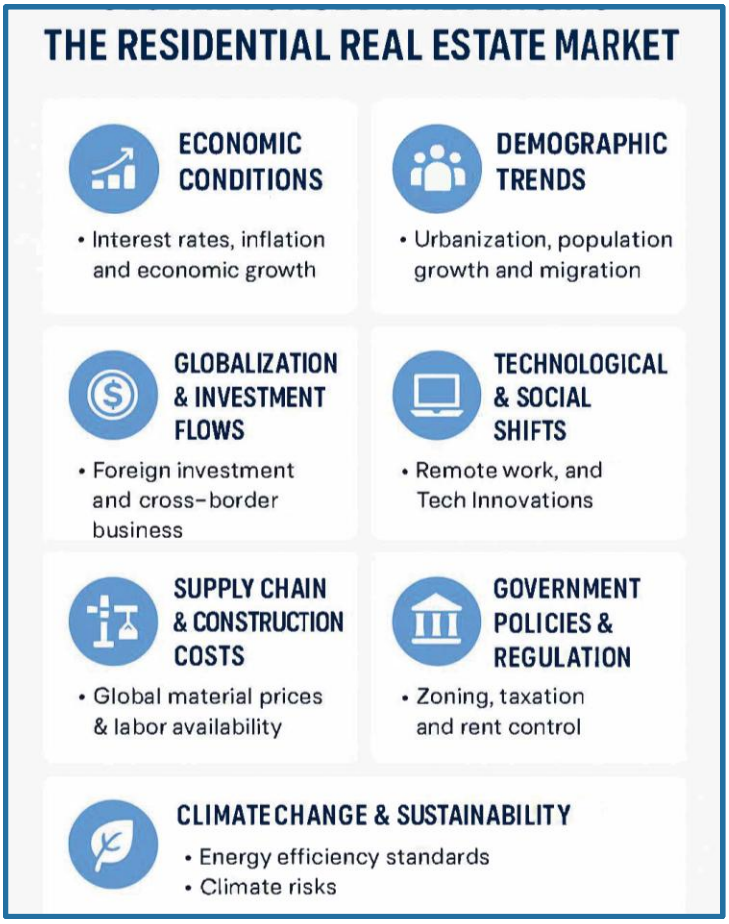
spains#:~:text=According%20to%20the%20Esade%20Economic%20and%20Financial,Government's%20ability%20to%20implement%20counter%2Dcyclical%20fiscal%20measures

[21] Alvarez Ondina, P. (2 July 2025), *El desajuste entre oferta y demanda determina el comportamiento del mercado inmobiliario español*; Gavilán, Ángel (27 April 2024), *El mercado de la vivienda en España: evolución reciente, riesgos y problemas de accesibilidad* (p. 239); Instituto Nacional de Estadística (INE) (11 November 2025). *Estadística Continua de Población (ECP). Datos provisionales*

[22] Chislett, W. (16 September, 2025). *Foreign workers power economic growth*. Retrieved November 15, from: https://www.realinstitutoelcano.org/en/commentaries/foreign-workers-power-economic-growth/

Chart 4: global forces and their areas of influence



Institutional Investors

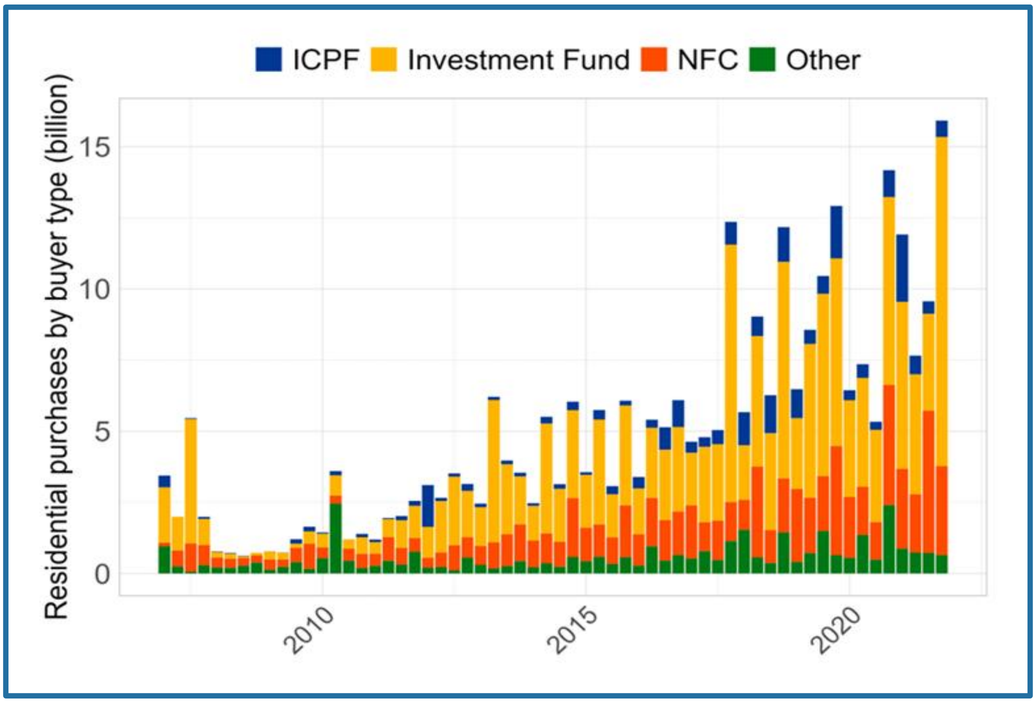
In a 2025 European Central Bank (ECB) Paper, Bandoni et al report on the increasingly important role that institutional investors play in the residential RE European markets[23]. How this supra-national trend will influence the market is still unknown but, according to the source, institutional investors are actors that can have a substantial impact on the Spanish economy and the pricing of RE assets.

> This raises the possibility that their actions might drive aggregate market outcomes and may change how and which macro-financial shocks transmit to house prices. The presence of institutional investors in this market has steadily increased over the past decade (see Graph 5) and our understanding of whether and how they influence market dynamics remains limited (p. 5)[24].

[23] Bandoni, E.; De Nora, G.; Giuzio, M.; Ryan, E.; Storz, M. (2025) : *Institutional investors and house prices*, ECB Working Paper, No. 3026, ISBN 978-92-899-7111-9
Retrieved August 8, 2025, from: https://www.ecb.europa.eu/pub/pdf/scpwps/ecb.wp3026~8b2199688d.en.pdf

[24] Bandoni et al (2025)

Graph 5: Growth in purchases of residential real estate assets by buyers such as investment funds and firms



Adapted from Bandoni et al (2025), ECB Working Paper Series No 3026 (p. 5): *Total euro amount of residential real estate purchases by institutional investors from 2007 to 2022 in the euro area, broken down by type of buyer*. In the Graph, ICPF stands for insurance companies and pension funds and NFC stands for non-financial corporations.

Carlos Lospitao describes a market where real estate developers were, traditionally, small to mid-size family companies, that have now been surpassed by larger, often multinational, corporations such as Neinor, Aedas o Metrovacesa[25]. The publicly traded firms have vast building capacity, are led by financial experts, and have been raising a much smaller number of properties. Homes constructed in Spain decreased from 600,000 in 2006, to 90,000 in 2024[26].

In the same Idealista article, the author states that “International funds have become key actors in the revitalization of the Spanish real estate market”, through their acquisition of foreclosed properties from banks. While criticized for their purchases of assets at low prices, the strategies of institutional investors such as Blackstone, Cerberus and Lone Star have activated the sector and proved profitable[27].

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[25] Lospitao, C. (October 24, 2024). *Fondos de inversión y capital extranjero, los nuevos líderes del sector inmobiliario en España*. Retrieved, July 24, 2025, from: https://www.idealista.com/news/inmobiliario/empresas/2024/10/22/820697-fondos-de-inversion-y-capital-extranjero-los-nuevos-lideres-del-sector-inmobiliario

[26] Ibid

[27] Ibid

> The influence of institutional investors extends beyond sales and on to the rental market, where they have collaborated with local companies in built-to-rent (BTR) projects. Examples of relevant partnerships include GIC (Singapore) and Azora, and Nuveen (USA) and Kronos. The so-called *servicers*, who manage properties of banks and investment funds, have also gained prominence in recent years. Companies such as Aliseda, Servihabitat and DoValue manage large portfolios of properties and play a key role in RE rentals (¶ 8)[28].

Government regulations and incentives

Government legislation and regulations significantly influence real estate supply and demand in any country[29]. Governments play a key role in addressing social and economic challenges. Their responsibilities include implementing economic measures, streamlining complex urban development processes, reducing legal uncertainty, and managing rent control policies that may discourage property rentals. Additionally, they must allocate resources to ensure housing access for a growing population. These tasks fall to individuals in political positions.

EU public funding awarded to private financial intermediaries

On July 7, 2025, the ECB announced the allocation of 410 million euros to two private financial intermediaries in Spain, Buenavista Infrastructures and Arcano Partners, toward a *New boost for Regional Resilience Fund rollout, financing affordable housing, urban development and sustainable tourism*[30].

> The agreements were made possible by a contribution from the Regional Resilience Fund, part of Spain's Recovery, Transformation and Resilience Plan and financed by Next Generation EU. More specifically, this was facilitated by the launch of a new EIB-managed instrument to channel financing via financial intermediaries to back urban development and sustainable tourism[31] (¶2).

Approximately 3 weeks later, on July 30, 2025, the ECB announced the award of 230 million to another two private firms, A & G and Urbania Partners[32]. According to the ECB, "These agreements mark a further step forward in rolling out the Regional Resilience Fund – specifically the instrument designed to promote urban development and sustainable tourism"[33].

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[28] Lospitao, C. (October 24, 2024). *Fondos de inversión y capital extranjero, los nuevos líderes del sector inmobiliario en España*. Retrieved, July 24, 2025, from: https://www.idealista.com/news/inmobiliario/empresas/2024/10/22/820697-fondos-de-inversion-y-capital-extranjero-los-nuevos-lideres-del-sector-inmobiliario

[29] Dykusova, Anastasia and Golovina, Elena (2019). *How will changes in legislation affect the real estate market?*. Retrieved August 2, 2025, from: https://iopscience.iop.org/article/10.1088/1757-899X/667/1/012022/meta

[30] *New boost for Regional Resilience Fund rollout, financing affordable housing, urban development and sustainable tourism.* Retrieved August 20, from: https://www.eib.org/en/press/all/2025-273-new-boost-for-regional-resilience-fund-rollout-financing-affordable-housing-urban-development-and-sustainable-tourism

[31] Ibid

[32] *Spain: Regional Resilience Fund provides €230 million to finance agreement signed by EIB with A&G and Urbania Alpha to promote affordable housing, urban development and sustainable tourism.* Retrieved August 20, from: https://www.eib.org/en/press/all/2025-307-spain-regional-resilience-fund-provides-eur230-million-to-finance-agreement-signed-by-eib-with-ag-and-urbania-alpha-to-promote-affordable-housing-urban-development-and-sustainable-tourism

[33] Ibid

The €640 million granted by the ECB to private financial intermediaries, should have an impact on Spain's residential real estate market within the next five years. This ECB policy seems to further "the predominance of investment funds" in the RE market, and "could have wider implications for euro area real estate markets"[34]. The public deserves to know how taxpayer funds are being used and to hold both the funders and recipients accountable for making the housing market more accessible, including for international students.

COMPETING DESTINATIONS

Comparing scenarios across countries that are traditional destinations for international students helps identify common challenges and effective actions to address them (see Table 1).

Table 1: Common challenges across destinations

Issue	USA	UK	Canada	Australia	France	Germany	Netherlands	Spain
High Rental Costs	Severe in major cities (NYC, SF)	Very high in London	Rising sharply	Significant increase	High in Paris, moderate via CROUS	Moderate but rising	High and Rising	High in Madrid & Barcelona
Housing Shortages	Urban areas affected	Severe in university towns	Severe due to PBSA shortage	Severe in metro areas	Increasing demand in cities	Chronic shortage	Shortage of 400,000 homes	Severe undersupply
Legal/Contract Complexities	Varies by state	Guarantor often required	Lease rules vary	Strict tenancy laws	High for non-EU, help via Campus France	Complex documentation	High	Frequent disputes (deposits, noise)
Cultural/Language Barriers	Moderate	Moderate	Moderate	Moderate	Moderate	High for non-German speakers	High	High for non-Spanish speakers
Safety & Fraud Risks	High in off-campus rentals	High in private listings	High in private listings	High in private listings	Moderate through Campus France	Moderate	High, scam listings	Moderate (risk of scams)

How are competing destinations addressing housing challenges?

A comparative analysis of how actors are addressing housing challenges produced the following results (See Chart 3).

1. Government Intervention
   This is the most dominant theme, appearing in multiple countries, with national governments attempting to solve the housing shortage either by increasing the inventory and approving incentives (Germany and France), by restricting the intake of internationals (The Netherlands and Canada), or using a combination of both –in Australia the national government requires that universities guarantee safe housing prior to enrollment, while state governments are providing funding and support resources. In the UK, the government has committed to building 1.5 million homes in 5 years and will charge a special fee to internationals starting in 2028.

[34] ECB Paper Working Series Number 3026, p. 4. Retrieved August 25, 2025, from: https://www.ecb.europa.eu/pub/pdf/scpwps/ecb.wp3026~8b2199688d.en.pdf

- Germany: Subsidies, construction law revisions, youth housing programs, private investment incentives
- France: APL housing assistance, CROUS housing, Campus France initiatives
- Netherlands: Reducing intake, limiting English programs, sanctions, budget cuts
- Australia: Universities must guarantee housing; state grants and info services
- Canada: Visa restrictions; local grants and support agencies
- UK gov. pledge to build 1.5M homes in 5 years; and new fee for international students in 2028.

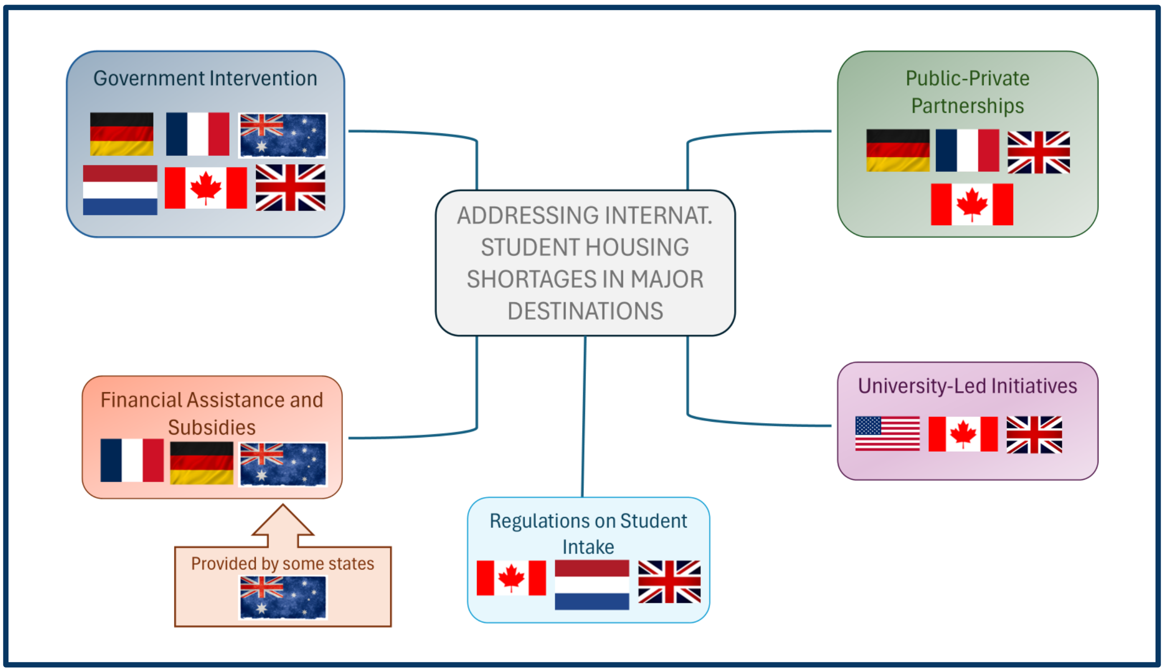
2. Partnerships & Collaboration: In the countries listed below, we found attempts to develop additional options through collaboration between universities, government, and the private sector.
   - Germany: Private investment incentives
   - France: Campus France + CROUS + Lokaviz platform
   - Canada: Partnerships with landlords/property managers
   - UK: Conversations toward collaboration between government, local authorities, universities

3. Financial assistance and subsidies.
   - France: via APL and CROUS
   - Germany: Construction subsidies, youth housing programs
   - Australia: State-based grants (e.g., Study NT)

4. University-Led initiatives
   - USA: Investments in housing, and increase in international student office support
   - Canada: Advocacy for more housing, affordability, construction incentives
   - UK: conversations with stakeholders

5. Regulations on student intake: Some governments are managing demand by controlling student numbers, using different methods, such as,
   - Netherlands: Caps on international students, and limits on English-taught programs
   - Canada: Limiting the number of student visas
   - UK: Establishing an entry fee for international students (2028)

Chart 3: Comparative approaches to student housing challenges



International Student Recruitment and Housing in Spain

The following paragraphs describe the Spanish scenario in the same areas where other major destination countries are taking action to address housing challenges.

Between 2022 and 2025, **Government Intervention** in Spain has made visa and admission processes more complex for non-EU students. On June 20, 2025, the Ministry of Inclusion, Social Security, and Migrations announced the *EduBridge to Spain*[35] program, aimed at attracting international students “blocked” (Sic) by restrictive U.S. policies. Yet, as of December 2025, no data is available regarding its impact—such as student enrollment numbers, funding, staffing, or operational details. When initiatives like *EduBridge to Spain* remain undocumented, they risk being perceived as symbolic gestures focused on publicity rather than delivering tangible results.

Autonomous Communities also play a crucial role in international students' access to housing through their competencies in urban planning and housing policy. They can either facilitate access through financial aid, rent regulation, and the creation of public housing supply, or hinder it through restrictive regulations, lack of market oversight, or failure to adapt to specific demand. Examples of financial aid for student housing include Madrid’s *Bono Alquiler Joven*[36] and Andalusia’s *Inturjoven program*[37]. Conversely, Barcelona's rent price regulation illustrates a policy with negative impacts on student housing, having reduced supply without lowering prices[38].

Partnerships and collaborations, throughout the field of higher education, have greatly contributed to steering new requirements toward more realistic regulations to minimize the loss of international candidates. In January of 2023 Universidad Carlos III, a prestigious public university in Madrid, and SEPIE, the public agency for the internationalization of education, organized a meeting of stakeholders to gain support for restrictive legislation to be put on hold. With over a hundred attendees, representing all types of actors in Spain and other EU countries, after many months of advocacy both public and private, stakeholders achieved their goal.

Financial assistance and subsidies

There is no country-wide financial assistance for international undergraduate degree candidates who plan to attend a university in Spain. There are only a limited number of MAEC-AECID grants for full-time public employees to complete certain types of graduate degrees[39]. Several universities do have merit-based

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[35] *El Gobierno ofrecerá una vía rápida a los estudiantes extranjeros bloqueados por las políticas de EEUU para continuar sus estudios en España* (June 20, 2025). Retrieved June 30, from https://www.inclusion.gob.es/w/el-gobierno-ofrecera-una-via-rapida-a-los-estudiantes-extranjeros-bloqueados-por-las-politicas-de-eeuu-para-continuar-sus-estudios-en-espana

[36] Retrieved December 10, 2025, from: https://sede.comunidad.madrid/ayudas-becas-subvenciones/ayudas-alquiler-jovenes-0

[37] Retrieved December 10, 2025, from: https://www.inturjoven.com/intranet/servicios/s124/quienessomos.asp&sa=D&source=docs&ust=1765459794241204&usg=AOvVaw0hmrZGaK8osAfgVLr_V6Y-

[38] Observatorio del Alquiler. Un alquiler a dos velocidades: Barcelona lidera la caída de oferta y no logra bajar los precios. Retrieved December 10, 2025, from: https://observatoriodelalquiler.org/un-alquiler-a-dos-velocidades-barcelona-lidera-la-caida-de-oferta-y-no-logra-bajar-los-precios/#:~:text=09/07/2025-,Un%20alquiler%20a%20dos%20velocidades:%20Barcelona%20lidera%20la%20ca%C3%ADda%20de,no%20logra%20bajar%20los%20precios

[39] Retrieved November 18, 2025, from: https://www.exteriores.gob.es/Embajadas/tegucigalpa/es/Comunicacion/Noticias/Paginas/Articulos/Convocatoria-de-Becas-de-la-Cooperaci%C3%B3n-Espa%C3%B1ola-MAEC-AECID-2024-2025.aspx

scholarships for internationals, but these are not easy to locate as candidates need to browse the institutions' web sites to find them. No provision has been made in Spain to offset the rise in housing costs for international students.

University-Led initiatives

Some universities are building additional on-campus residences; others offer a variety of non-traditional options, and a few are seeking agreements with companies investing and or servicing PBSA. Institutions are reluctant to share their strategic planning and, if they do so, they want to remain anonymous. Our analysis is based on data shared by partner universities and on public data posted in their web sites.

The scope of our study does not allow for a full revision of the websites of all universities in Spain but, among the public universities that have identified housing as a priority for internationals is Universidad de Oviedo, where there is a mix of residence halls, family stays, rooms in shared flats, co-living with elderly locals, financial aid for renting a home, and assistance through the Municipal Housing office of the city of Gijon[40]. While there might be other public and private institutions with a similar range of options, Universidad de Oviedo sets an example in its leadership's awareness of the relevance of this service.

Regulations on Student Intake

While there are no limitations on student intake policies stated by the current Spanish government, the regulations that have further complicated access (admission requirements) and visa processes are an indication that there is no interest in facilitating the enrollment of internationals in Spanish universities. This is a contradiction with the country-wide *EduBridge* to Spain[41] program announced by La Moncloa in June 2025, with an unreleased number of participants, requirements, procedures, etc.

RECOMMENDATIONS

Housing is a cornerstone of the international higher education experience as it directly influences academic success, cultural integration, and overall well-being. For current and future generations, accommodation is not just a place to sleep, it has become the foundation for building social networks, adapting to a new culture, and maintaining mental health. An adequate housing option should foster a sense of belonging, reduce stress, and provide access to resources that support learning and personal growth. Conversely, inadequate housing can lead to isolation, financial strain, and academic challenges, thus hindering not only recruitment but also the retention of international students.

Qualified candidates will not enroll in academic programs in Spain unless they have access to housing meeting their needs and expectations. Educational institutions must become aware of the imperative need to provide quality lodging options that are price-competitive and professionally managed. Their offer for

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[40] Housing for International Students, Universidad de Oviedo. Retrieved November 18, 2025 from: https://www.uniovi.es/en/estudia/movilidad/extranjeros/alojamiento

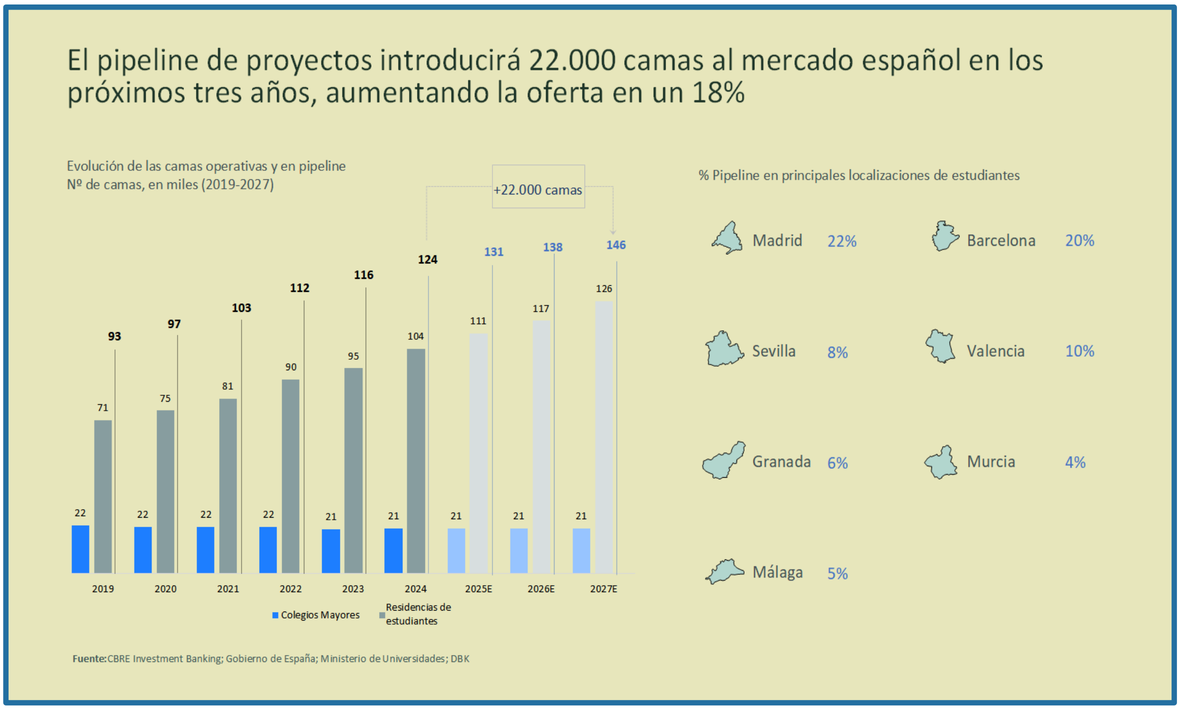
[41] *The Government of Spain will offer a fast track for foreign students blocked by US policies to continue their studies in Spain.* Retrieved on June 22, 2025, from: https://www.lamoncloa.gob.es/lang/en/gobierno/news/paginas/2025/20250620-us-students-blocked.aspx#:~:text=The%20proposal%2C%20called%20EduBridge%20to%20Spain%2C%20is,activities%20with%20high%20added%20value%2C%22%20said%20Saiz.

Living that is convenient, flexible, and affordable, while providing opportunities for cultural immersion and peer interaction **must be at the forefront of their recruitment initiatives**.

To strengthen their internationalization efforts, Spanish universities must address the housing challenge. Institutions should take an active role by investing in housing services, dedicating resources, offering creative solutions, and forming private-public partnerships. Lodging options available should be communicated to admitted students during their decision-making process—well before their arrival in Spain. Universities that succeed in guaranteeing adequate housing will gain a competitive edge over those that do not, both within Spain and against other destination countries.

In November 2024, CBRE published *European student housing: The growing demand for PBSA in a constrained market*[42], where authors document that a shortage of housing in cities and high prices have driven the interest of investors toward PBSA[43] (see Graph 6). International students need flexibility, amenities, and services that can only be made available in structured managed housing, such as "a purpose-built solution that caters to the specific needs and preferences of students"[44]. They describe a sub-sector, within residential living, where there are a wider range of investors becoming active, or seeking to do so.

Graph 6: roadmap of all active and potential deals to increase PBSA for international students



Adapted from CBRE: *European student housing: The growing demand for PBSA in a constrained market*

[42] European student housing: The growing demand for PBSA in a constrained market (CBRE, Nov. 2024). Retrieved July 2025, from: https://www.cbre.com/insights/reports/european-student-housing-the-growing-demand-for-pbsa-in-a-constrained-market
[43] Ibid
[44] Ibid

BONARD is a research and strategic advisory firm with global coverage, providing access to accurate, transparent, and systematic mapping of the rented real estate market with a specific focus on student housing, as well as expertise in producing highly detailed commercial due diligence and other types of assessments for all rented residential asset classes[45]. Through their platform and reports, they "deliver reliable data and insight to back up the strategic decision-making of governments, investors, funds, developers and operators". Results of their recent survey of investors reveal that they "see potential in the student housing market across a wide geographical area. Southern European and Iberian destinations, including Italy, Spain, and Portugal, continue to rank among the most attractive markets for investors"[46].

According to Laura Perez-Corredor, of CBRE, "The limited availability of student beds across Europe is creating a severe demand-supply imbalance, displayed by the high occupancy rates and extensive waiting lists for many PBSA assets"[47]. Against this backdrop, pending the close of the fourth quarter, 2025 is already positioned as the strongest year on record in terms of investment in Spain, driven by both the sale of entire operating platforms and individual assets supported by institutional capital focused on prime, low-risk strategies[48]. Living's main challenge will continue to be supply, which remains insufficient to meet the structural demand driven by household formation, straining access to housing. This imbalance is reinforcing the sector's position as the preferred destination for investment in Europe[49].

Universities must continuously update recruitment data to develop strategic plans that will succeed in attracting increasing numbers of internationals. Data-based decision making and the ability to predict the evolution of the global recruitment market will constitute the basis for success. As an example, according to Studyportals –a platform serving as a search engine for students, for international study programs, scholarships, etc., and analytics that can be used as a recruitment tool for universities–, there is a growing interest from candidates seeking to complete online and hybrid, business graduate programs in Spain (see Graph 7). This could be a reaction to the complexities of securing adequate affordable housing and obtaining visas.

Spain, as a country, **must define its stance—welcoming or restrictive**—toward international students. Current uncertainty, driven by pending legislation, frequent regulatory changes, complex admission processes, and conflicting public messages, undermines universities' recruitment efforts. Meanwhile, the governments of countries like Germany and France actively implement measures to boost international enrollment.

Although this study focuses on the impact on universities recruiting full-degree international candidates, accommodation and access challenges also affect Erasmus+ participants, U.S. Study Abroad students and other cohorts considering educational programs, discouraging many from choosing Spain as a destination.

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[45] David Navarro, Personal Communication, 22 December 2025

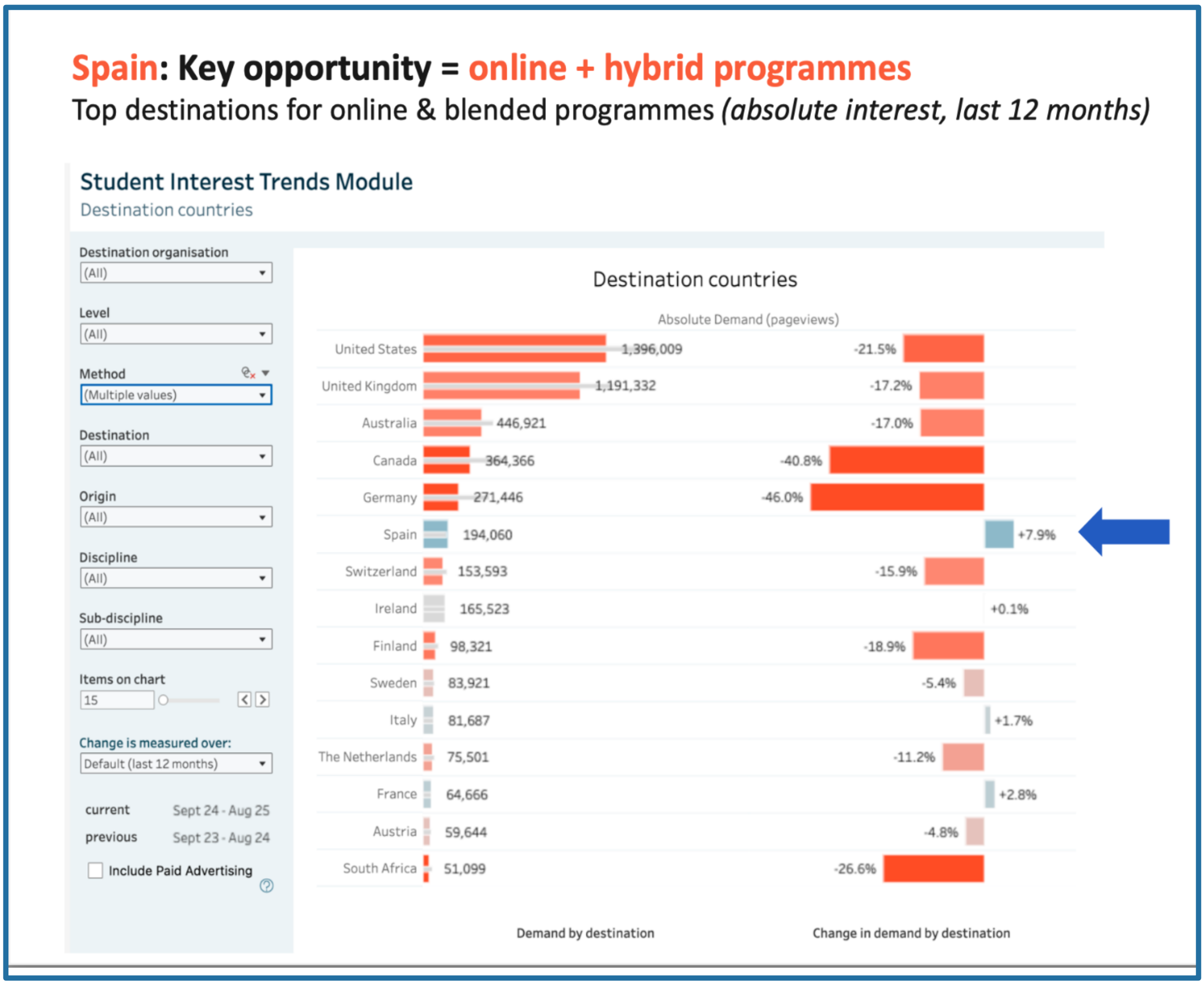
[46] BONARD, *Student Housing Investor Intentions Survey 2025* (March 19, 2025). Retrieved August 30, 2025, from: https://www.bonard.com/insights/student-housing-investor-survey-2025

[47] European student housing: The growing demand for PBSA in a constrained market (CBRE, Nov. 2024) (p. 2). Retrieved July 2024, from: https://www.cbre.com/insights/reports/european-student-housing-the-growing-demand-for-pbsa-in-a-constrained-market

[48] Perez Corredor, L. Personal communication 15 December 2025

[49] Ibid

Graph 7: Studyportals top destinations data, ranked by student interest



Adapted from Studyportals: opportunity scenario for hybrid Business Master's in Spain (August 2025)

In a globally competitive environment, losing our position as a preferred destination would be a costly setback. Stakeholders must collaborate to provide adequate housing and minimize access challenges to prevent a decline in international recruitment. Decreasing numbers of international students will hinder the positive economic impact of this sector, which contributed at least 6.3 billion euros to the GDP in 2022-2023. It will bring a loss of jobs and eliminate the opportunity for Internationalization at Home of Spain's citizens who cannot afford to study and or work abroad.

As of December 30, 2025 / CG & BGM