

Press Release

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Urban Input consolidates over 1,500 residential rental apartments under management in Spain



Figure 1: Renders of some assets under management in Vallecas and Badalona

- With multiple purchases over the last year, in Madrid and Barcelona, the strategic alliance between DWS and Urban Input has managed to secure 11 buildings with 1,555 units expected to be handed over between the end of 2021 and 2024. Through this partnership, Urban Input sources and structures Build-to-Rent (“BtR”) development projects to DWS.
- To manage these assets, Urban Input will soon, independently, launch its own specialised rental management platform that will strengthen its leading position in a nascent rental market in Spain aiming to be recognised as a best-in-class PRS manager, focused on the well-being of its tenants.

In 2018, Urban Input started looking at the residential rental market, noticing a significant undersupply of purpose-built stock in the Spanish market adapted to present day trends and demands of its tenants. At present, 95.8%¹ of the rental market is owned by individual homeowners and lacks, in relation to its European peers, the required professional management. The current macro-economic trends including the higher transient workforce, the lack of ability to purchase due to lack of equity funding and debt, as well as the increase in house prices, are changing the life of millions of people and suggests that going forward there may be more demand in the rental market.

¹ Source: [Atlas RE Analytics research](#)

In 2017, only 24%² of the Spanish housing stock was rented, with only 4.2%³ owned by professional landlords. This undersupply has led to the mismanagement of apartments and inflation on rental prices.

Prior to COVID-19, with Build-to-Sell prices rising and transactions slowing down, Spanish developers had already started to consider converting some of their Build-to-Sell product into Build-to-Rent product, but it is not that simple. Well-designed purpose-built rental apartments must be conceived as such from the beginning, with focus on common areas, future maintenance, sustainability, and technology intended for the wellbeing of the community. In this aspect, Urban Input puts great effort into the initial design of all of its projects.

The strategic alliance between DWS and Urban Input is focused on identifying opportunities and building relationships with developers to address the shortage of Build-to-Rent stock within Spain. They recognize that to attract and retain desired tenants it is important to create a sense of community and wellbeing in its projects. These projects offer amenities including communal workspaces for tenants who have adaptable working arrangements, as well as the exclusive services for the community such as gyms, swimming pools, and green areas, which are part of the enhancing lifestyle offering.

In 2019, DWS and Urban Input began conversations on a possible collaboration, which was formalised in 2020, with the first transactions being a purchase of 140 units in Badalona, Greater Barcelona and an acquisition of 180 units in Vallecas, Madrid. These transactions were followed by the largest ever Build-to-Rent transaction in Spain that was closed in December with 1,025 units in Getafe and Vallecas in Madrid and most recently the purchase of 210 units in La Marina del Prat Vermell, in Barcelona. The combination of these purchases has created a best-in-class, high-quality but affordable PRS portfolio in urban areas within Spain.

In line with their proprietary asset selection strategy, the strategic alliance has focused on identifying the best available projects in the market, and through quality selection, it has been able to circumvent the constant issues of large inefficient portfolio investments that are composed of a mix of high-quality assets with low quality-ones. Through this partnership, Urban Input sources and structures Build-to-Rent (“BtR”) development projects to DWS.

To consolidate its position in the sector, Urban Input has been growing its team to create a specialised rental platform for the asset management of the rental portfolio, with its own dedicated brand it intends to launch in the coming months that aims to oversee the value chain each step of the way, from land acquisition, to construction, to asset and rental management.

² Source: [Eurostat](#)

³ Source: [Atlas RE Analytics research](#)

Mario Chisholm, Partner at Urban Input indicated “We saw an opportunity to provide well-designed, sustainable and professionally managed rental assets to a market in dire need of affordable but quality product. We are extremely excited to have embarked on this journey with DWS who bring a wealth of experience in the sector.”

Howard Pierce, Partner at Urban Input added “We attempt to provide valuable insight to our investors, to help them build a vision and ethical values for their projects, whilst also creating buildings and portfolios that are of the highest quality. Rental housing, which used to be seen as a temporary solution, is increasingly becoming more mainstream and attractive in many locations and demographics, since it is considered as a new way of living that builds a sense of community and provides solutions to modern living. Across Spain there is still a significant shortage of well designed, purpose-built rental housing.

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About Urban Input

Urban Input is an independent Spanish real estate multi-strategy asset manager focused on active and special situations investing. With over €1.5bn⁴ GDV under management in Spain and proven track record in investment management, deal sourcing and development, Urban Input holds a diversified portfolio across PRS, office, residential, land, and hospitality assets. The group is committed to ESG investing and development, creating sustainable, innovative and attractive spaces, and works with a diverse group of institutional and family office investors providing solutions and offering above market risk-adjusted returns.

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⁴ Note: Values updated as of 31st December 2020 and based in GDV (Gross Development Value).