

How to invest in the Real Estate market in Iberia: opportunities, key points, benefits and risks to consider

Andersen in Spain and Andersen in Portugal organized a seminar where professionals from both firms discuss the most profitable and interesting investment options in Real Estate in Spain and Portugal for companies and funds

The Real Estate sector has been one of those affected by the Covid-19 crisis, something that has forced the different players within the sector to develop alternatives that allow them to remain competitive and stay in the market: new uses for hotels, more innovative housing developments in new areas or coliving are just some examples of these practices.

In this context, Andersen in Spain and Andersen in Portugal collaborated in the seminar "Real Estate investment trends and opportunities in Iberia: Spain & Portugal" to offer, through professionals from both firms, the main investment keys in the new context of Real Estate, from the latest trends in the field, to the risks to be assessed, the best opportunities and the benefits of investing in this area.

The event was conducted by [Ignacio Aparicio](#), who introduced the topic and the Real Estate team, who he defined as a "group of professionals from both countries that offer a comprehensive view of the best opportunities and the most tax efficient proposals for investment diversification". The speakers for the session were Carlos Peña and María Olleros from Andersen in Spain, and Manuel Henriques and Carla Malhao from Andersen in Portugal.

In the real estate sector there are currently four outstanding areas, especially in terms of trends and opportunities for all those interested in making an investment in both Spain and Portugal: residential, logistics, hotel and retail sectors.

Within the residential sector, coliving is positioned as one of the key areas on which to focus attention, together with the building created for rent or the new developments. According to [Carlos Peña](#), partner of Andersen's Real Estate practice in Spain, in the case of coliving "there are many typologies, depending on the orientation: work, tech, cost, senior and student housing". The main problem, in this case, is related to regulation: "coliving in Spain and Portugal is still not subject to clear regulation", stated Carlos Peña.

Other main fields are the logistics sector, due to its broad resilience and the possibility of urban conversion. "Transformations in the economy these days reinforce the development in this area", explained [Manuel Henriques](#), Senior Lawyer at Andersen in Portugal. The hotel sector becomes relevant due to its openness to new projects, such as conversion into residential buildings, highlighting cases of lack of liquidity, where the funds have ample room for manoeuvre; and, finally, the retail sector, that may be interesting in order to develop an investment because of the high quality of the assets in Iberia.



In the tax area, there are different options available for investors, both in Spain and Portugal. “There is a very interesting way of how things are done in Spain, with three main investment vehicles for the Real Estate sector” explained [María Olleros](#), Partner in the Tax Department at Andersen in Spain. Investors may choose the option for a Special Tax Regime for Rental Housing, specifically developed for Spanish CIT taxpayers whose main business activity consists of the rental of dwellings. The other two vehicles are, on one hand, a vehicle for great investors through the Real Estate Investment Trusts (SOCIMIs), and, on the other hand, the option of Real Estate Collective Investment Vehicles (RECIVs), for both small and great investors. In order to offer the most complete picture of the tax options and opportunities in Spain, Maria Olleros also included other applicable taxes to real estate properties in Spain.

As for Portugal, there are also different options available related to property matters. “There are different main taxes in Portugal related to the Real Estate Investment, as well as vehicles”, pointed out [Carla Malhao](#), Partner in the Tax Department at Andersen in Portugal. For all those investors interested in developing transactions in the Real Estate sector in Portugal, the four main taxes to take into account are the Municipal Property Transfer Tax (IMT), the Municipal Property Tax (IMI), the Value Added Tax and the Stamp Tax. In addition, the investment vehicles for the country are Real Estate Companies, Real Estate Investment Funds, Real Estate Investment Companies (SIIMO) and Real Estate Investment and Management Companies (SIGI). As Carla Malhao explained, there are different taxation ways depending on the vehicles and the investors.

