

29 June 2021

House rental statistics at local level

1st Quarter of 2021 – Provisional data

Lisboa and Porto with a reduction in the house rental value compared to the same quarter in the previous year

In the 1st quarter of 2021 (provisional data), the median house rental value of 19 472 new lease agreements in Portugal scored 5.80 €/m². This value represents a year-on-year growth rate of +5.5% in the country, higher than registered in the previous quarter (+3.8%). There was, however, a reduction in the number of new lease agreements in the country compared to the 1st quarter of 2020 (-6.5%).

The year-on-year growth rate of median house rental value was different within the country, in 10 out of the 24 municipalities with more than 100 thousand inhabitants there was a reduction in median house rental value. In the metropolitan areas stood out municipalities with higher values of new lease agreements and simultaneously with a decrease of a year-on-year growth rate of median house rental values: Lisboa (-9.2%), Porto (-6.7%), Oeiras (-6.2%), Odivelas (-3.1%) and Almada (-1.1%).

With this edition of the House Rental Statistics at local level based on administrative data (see link to the new methodological document at the end of this press release), Statistics Portugal starts to release quarterly results, considering the new lease agreements registered in the last 3 months.

This press release begins a new series of these statistics by reporting **provisional quarterly results** on new lease agreements for NUTS III sub-regions and municipalities with more than 100 thousand inhabitants. For these geographies, the number of observations significantly sufficient to determine house rental market trends. In any case, as this option does not allow the presentation of results for small territorial domains, with the release of results for the 2nd and 4th quarters, the usual semi-annual data (last 12 months) will continue to be published, including results for all municipalities in the country and for parishes in the metropolitan areas of Lisboa and Porto.

In these statistics (see technical note at the end of this press release), published values, unless otherwise indicated, refer to the **median** (the value that separates the ordered set of rents per square meter into two equal parts) of house rental value of **new lease agreements** of dwellings (€/m²).

The new quarterly indicators from the 1st quarter of 2020 are available at www.ine.pt, in the option Products, Statistical Data, Database (links to the indicators at the end of this press release).

Figure 1: Year-on-year growth rates of median house rental value per m² and number of new lease agreements of dwellings, Portugal, 4thQ 2020 and 1stQ 2021 Po

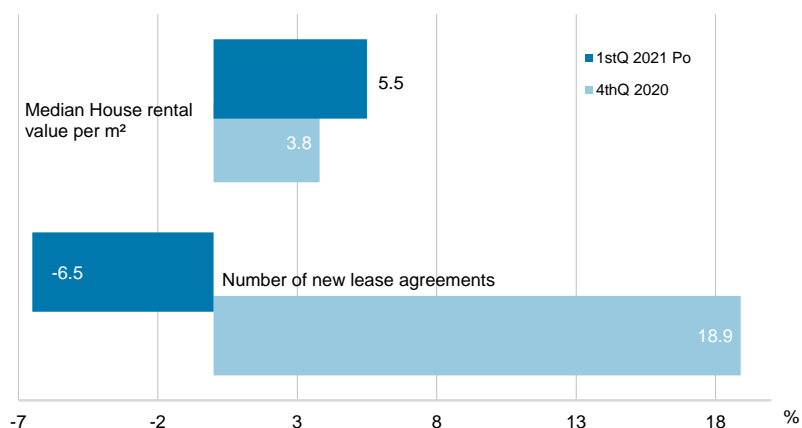


Figure 2: Year-on-year growth rate of median house rental value per m² of new lease agreements of dwellings and of the number of new lease agreements of dwellings, Portugal and NUTS III, 1stQ 2021 Po

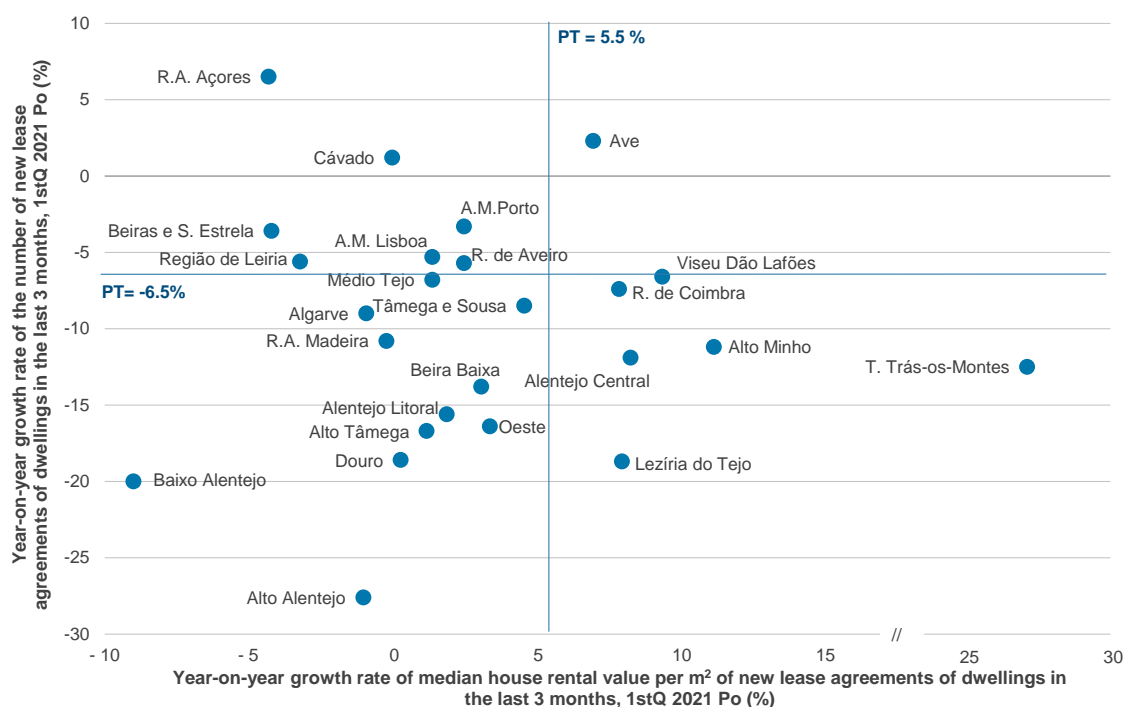


Figure 3: Median value and year-on-year growth rate of median house value per m² of new lease agreements of dwellings, NUTS III and Portugal, 1stQ 2021 Po

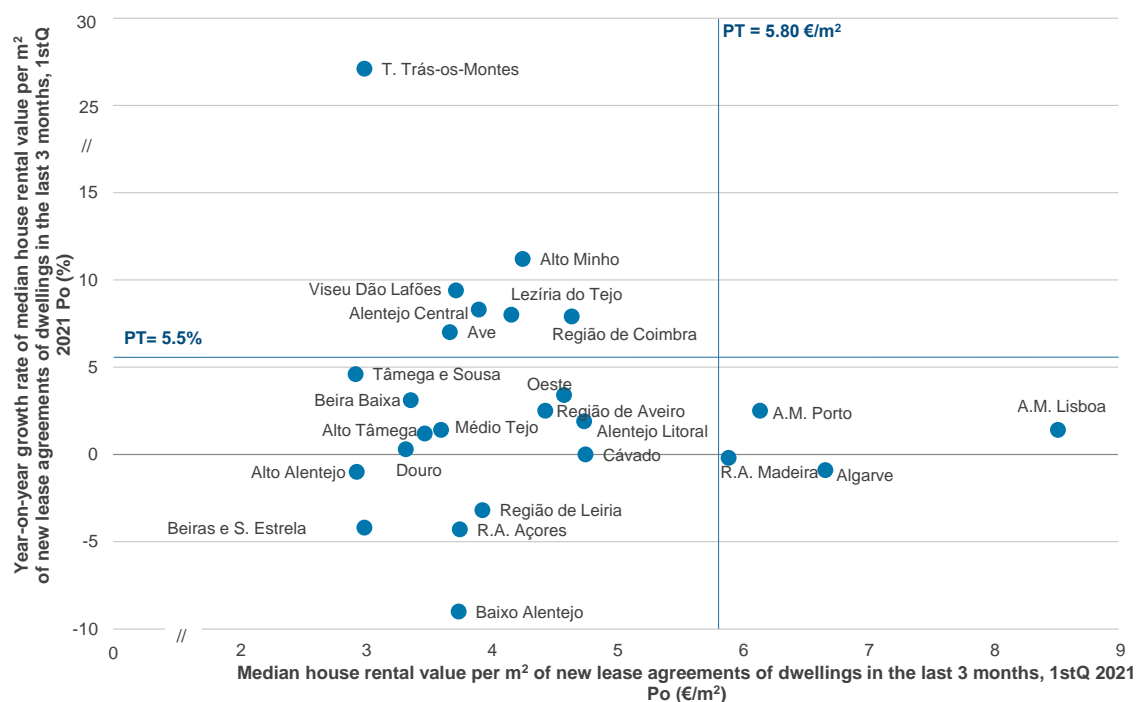


Figure 4: Year-on-year growth rate of median house rental value per m² of new lease agreements of dwellings and of the number of new lease agreements of dwellings, Portugal and municipalities with more than 100 thousand inhabitants, 1stQ 2021 Po

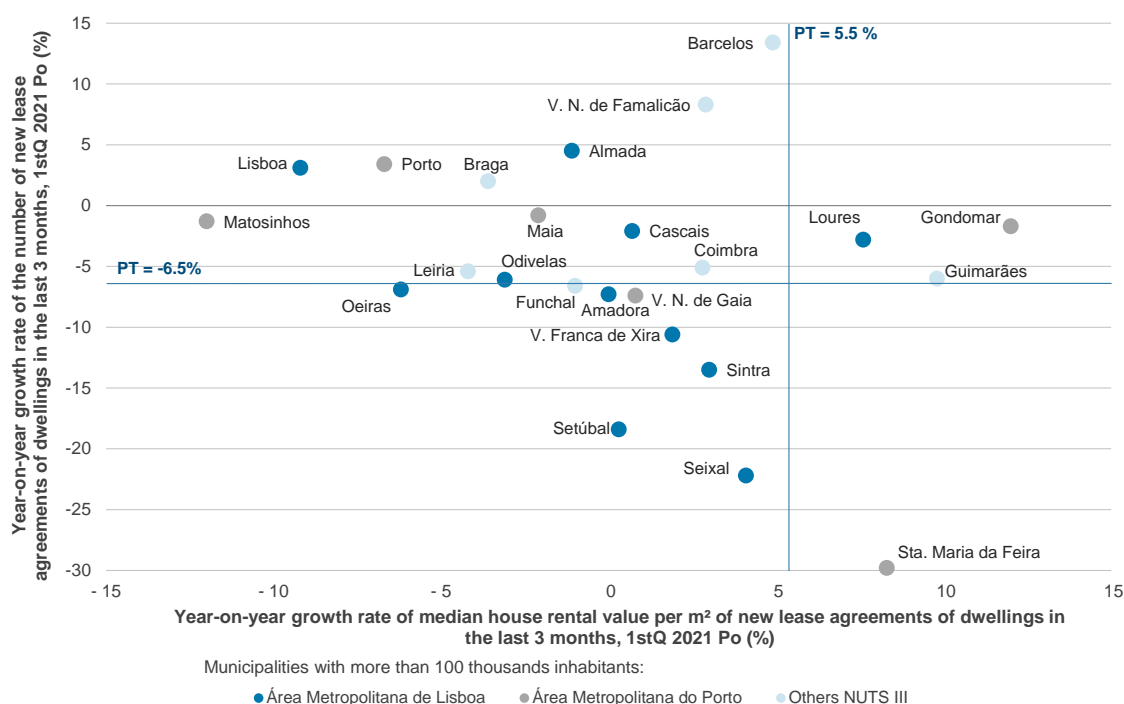


Figure 5: Median value and year-on-year growth rate of median house rental value per m² of new lease agreements of dwellings, Portugal and municipalities with more than 100 thousand inhabitants, 1stQ 2021 Po

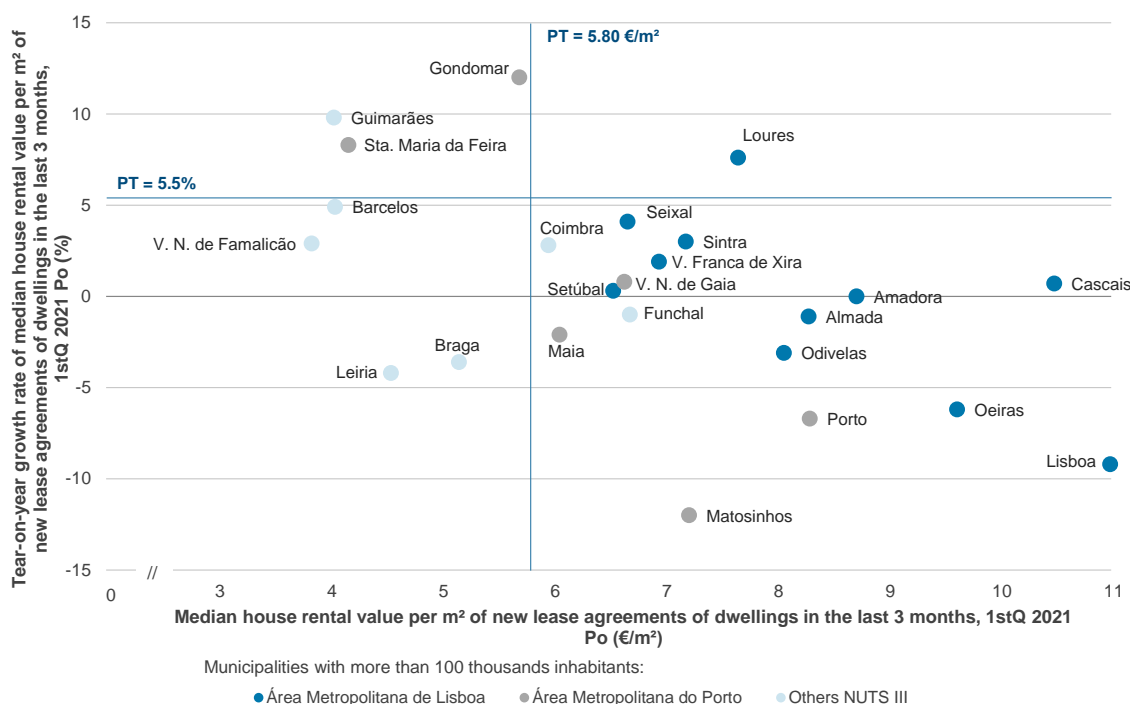
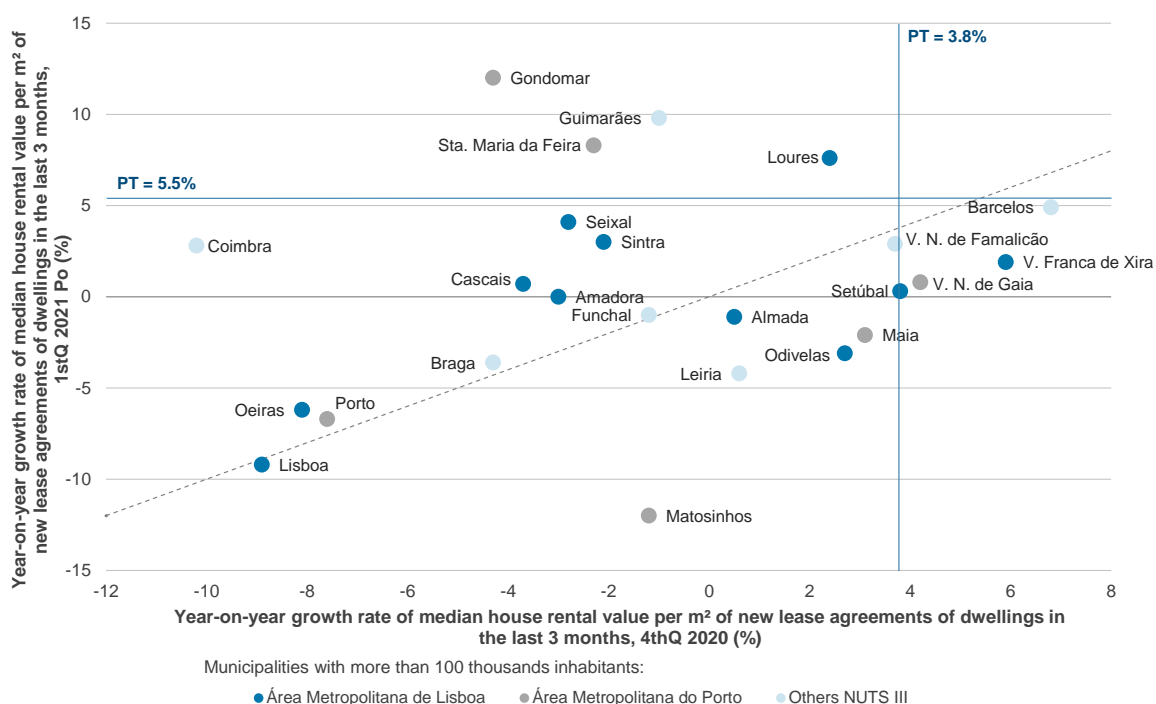


Figure 6: Year-on-year growth rates of median house rental value per m² of new lease agreements of dwellings, Portugal and municipalities with more than 100 thousand inhabitants, 4thQ 2020 and 1stQ 2021 Po



Box – Recent developments of house rental values in the metropolitan areas of Lisboa and Porto

Figure 7: Year-on-year growth rate of median house rental value per m2 of new lease agreements of dwellings, Portugal and metropolitan areas of Lisboa and Porto, 1st Q 2017-1stQ 2021 Po

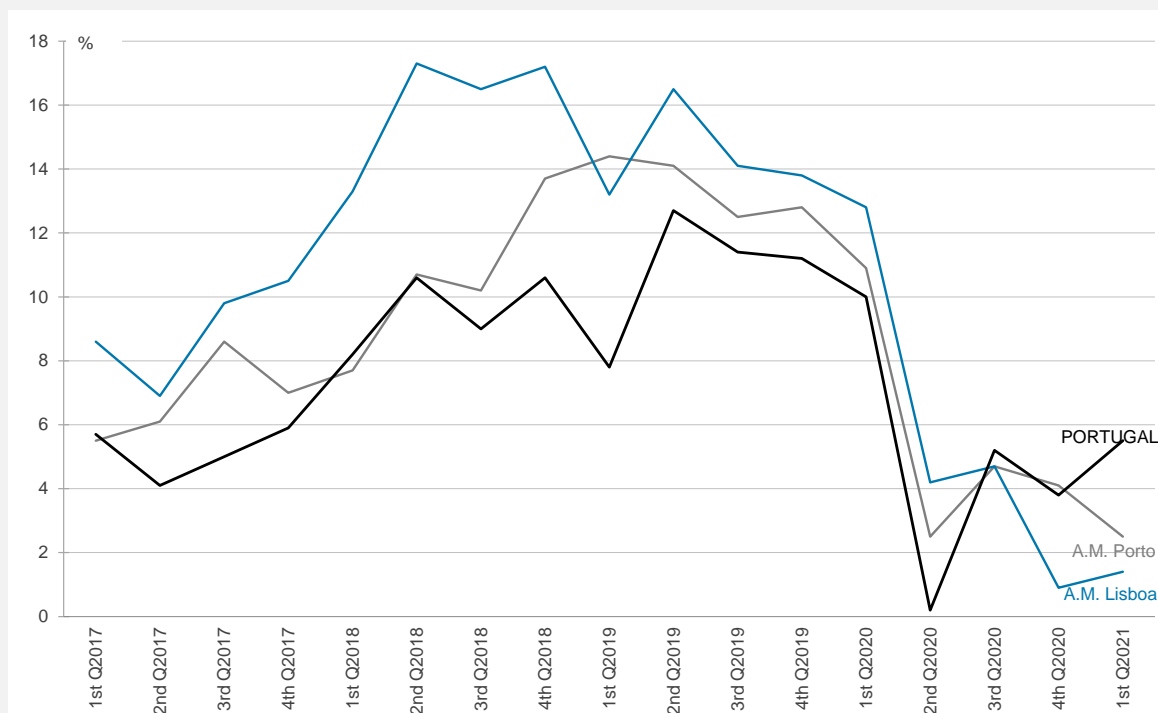
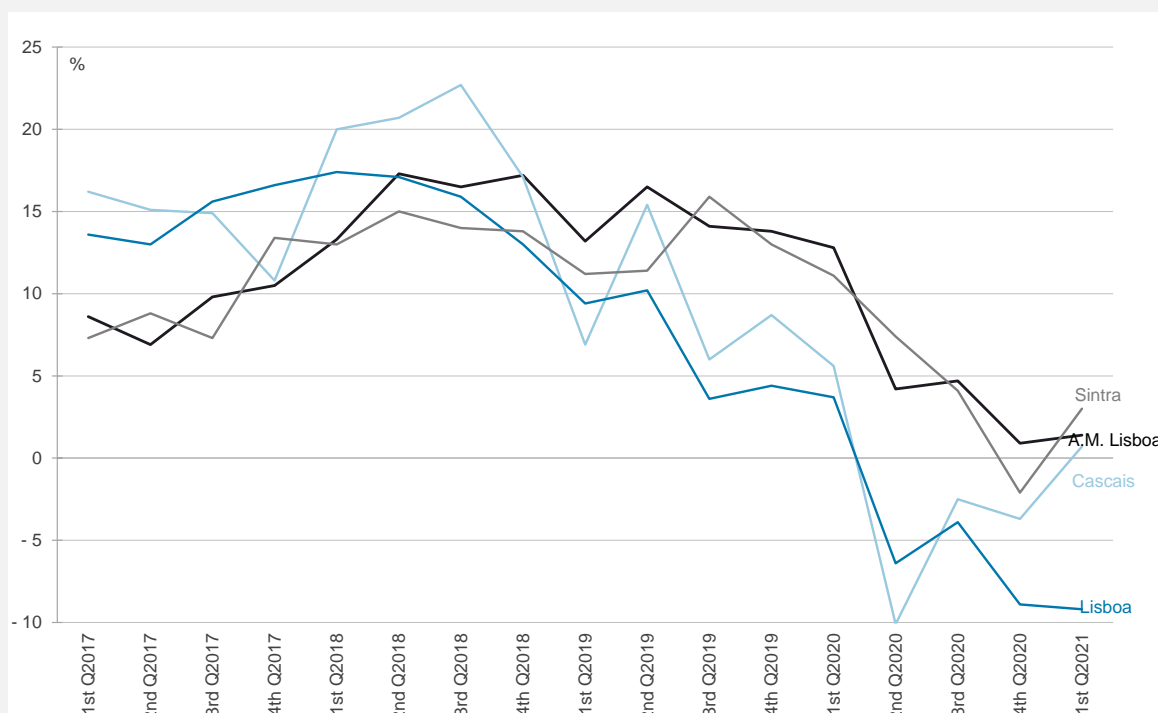


Figure 8: Year-on-year growth rate of median house rental value per m2 of new lease agreements of dwellings, Metropolitan area of Lisboa, Lisboa, Sintra and Cascais, 1st Q 2017-1stQ 2021 Po



Technical note

'House rental statistics at local level' are released quarterly and have national coverage. The observed statistical unit is the family dwelling, and the target population is the family dwelling with new lease agreements for residential purposes.

House rental statistics at local level are based on the use of administrative procedures, namely from anonymised administrative tax data provided by the Portuguese Tax and Customs Authority (AT), under an agreement signed with Statistics Portugal, on the Statement of Stamp Duty Model 2 - Communication of lease agreements (Model 2) and the Municipal Property Tax (IMI). Statistics Portugal is grateful for the Portuguese Tax and Customs Authority collaboration in the implementation of this project.

The calculation of House rental statistics at local level is based on linking Model 2 information (from where the house rental value of new lease agreements of dwellings are obtained) with the Municipal Property Tax information (from where identifying characteristics of the rented dwelling are obtained). The link between these two administrative tax sources is made using the "generated article" variable.

The information on house rental value of new lease agreements of family dwellings includes the Model 2 paid statements regarding the communication of lease agreements. Only the first declarations of new lease agreements of family dwellings for urban buildings, with a monthly rent period, for which the purpose is permanent housing, and the associated information from the Municipal Property Tax defined as "Housing" and building as "urban" are used.

Median house rental value per m² of new lease agreements of family dwellings

Median house rental value per square meter of new lease agreements of dwellings for residential purposes with a gross dwelling area between 20 m² and 600 m² and with a rent value between 100 € and 4 000 €.

New lease agreements (No.) of family dwellings

Number of new lease agreements of dwellings for residential proposes with a gross dwelling area between 20 m² and 600 m² and with a rent value between 100 € and 4 000 €.

The results released for the 1st quarter of 2021 are provisional.

Concepts

Dwelling: A separate and independent place which was built, rebuilt, enlarged or converted to be used as a private accommodation, and that is not totally occupied for other purposes during the reference period.

Family dwelling: Dwelling that is normally intended to accommodate only one family, on the condition that it is not being used for other purposes at the period of reference.

Gross dwelling area: Total surface area measured by the outer perimeter and axes of the walls or other elements separating the building or part, including private enclosed balconies, private cellars and attics with the same use as the building or fraction.

Letting: Type of lease contract. A lease of real estate is referred to as a letting contract, i.e. the contract under which 1 person provides another person the right to temporarily benefit of real estate in exchange for a retribution (the rent). Letting can be rural, urban or mixed, depending on the rural or urban nature of the building and its final use.

Urban lease agreement: Agreement by which one of the parties grants to the other the temporary use of an urban building, in whole or in part, by means of a retribution

Municipal real estate tax: A regular municipal tax corresponding to a percentage of the value of rural and urban estates.

Estate: Any fraction of territory, including waters, plantations, buildings and constructions of any kind based there permanently

Urban building: Building that has the following characteristics: is licensed or is intended for residential, commercial, industrial or service purposes; whether it is land for construction situated inside or outside an urban agglomeration, for which a license or authorization of a subdivision or construction operation has been granted, and also for which has been declared as such in the acquisition title, with the exception of the land for which the competent entities exclude any of those operations, namely that located in green zones, protected areas or that, according to municipal spatial planning, is affected by spaces, infrastructures or public equipments.

Rent: A periodical payment that a tenant (in a lease contract) is obliged to make to a landlord.

Housing rent: Quantitative due monthly to the landlord for the use of dwelling for residential purposes.

Dwelling rent: See HOUSING RENT.

Indicators available at Statistics Portugal Official Website

The quarterly results for the period between the first quarter of 2020 and the first quarter of 2021 are available at www.ine.pt, in Products, Statistical data, Database.

Indicators with quarterly periodicity (1st quarter 2020 to 1st quarter 2021):

[Median house rental value per m2 of new lease agreements of dwellings \(€\) by Geographic localization \(NUTS III\); Quarterly](#)

[New lease agreements of dwellings \(No.\) by Geographic localization \(NUTS III\); Quarterly](#)

[Median house rental value per m2 of new lease agreements of dwellings \(€\) by Geographic localization \(Municipalities with more than 100 000 inhabitants\); Quarterly](#)

[New lease agreements of dwellings \(No.\) by Geographic localization \(Municipalities with more than 100 000 inhabitants\); Quarterly](#)

[Methodological document of House rental statistics at local level](#)