

28 September 2021

House rental statistics at local level

2<sup>nd</sup> Quarter of 2021

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### The median house rental value of new lease agreements increased 11.5%

In the 2<sup>nd</sup> quarter of 2021, the median house rental value of 20 568 new lease agreements in Portugal scored 6.03 €/m<sup>2</sup>. This value represents a year-on-year growth rate of +11.5% in the country, higher than the one registered in the previous quarter (+5.3%). The number of new lease agreements in the country also registered a sharp increase compared to the 2<sup>nd</sup> quarter of 2020 (+49.3%), a period particularly affected by the pandemic. It is also worth noting that the rate of change of the number of new lease agreements compared to the 1<sup>st</sup> quarter 2021, a period also marked by mobility restrictions as a result of the pandemic, was +3.0% (-9.3% in the previous quarter).

The median house rental value increased in 20 out of the 25 NUTS 3 sub-regions, with Oeste (+12.3%), Região de Aveiro (+11.9%), Região Autónoma da Madeira (+11.3%) and Área Metropolitana do Porto (+10.2%), standing out with higher year-on-year growth rates. The highest house rental values were registered in Área Metropolitana de Lisboa (8.82 €/m<sup>2</sup>), Algarve (6.96 €/m<sup>2</sup>), Área Metropolitana do Porto (6.40 €/m<sup>2</sup>) and Região Autónoma da Madeira (6.32 €/m<sup>2</sup>).

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Statistics Portugal releases a new edition of the House Rental Statistics at the local level based on administrative data.

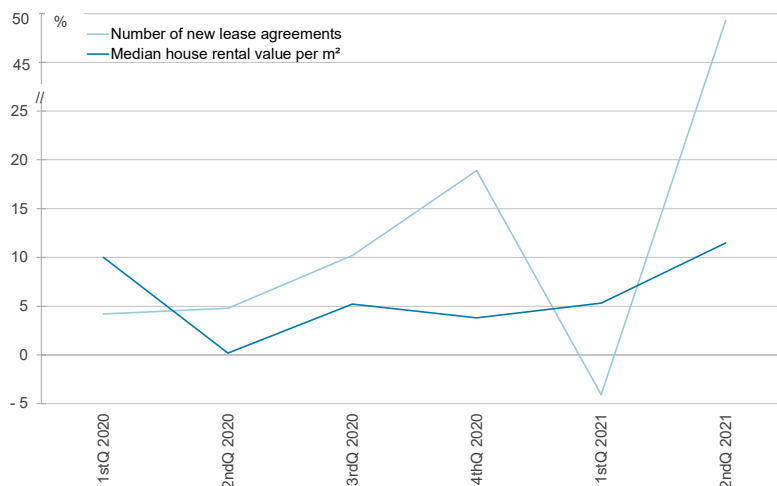
This press release presents **quarterly results** of the median house rental values of new lease agreements and the number of new lease agreements for NUTS 3 sub-regions and municipalities with more than 100 thousand inhabitants, given the significant volume of available observations. This option allows for an analysis of the most recent dynamics of the house rental market but limits the presentation of results for small territorial areas. Additionally, semi-annual results (last 12 months) are presented in a box, including results for all municipalities in the country and for parishes in the metropolitan areas of Lisboa and Porto, which are **not** directly comparable with the quarterly results. In these statistics (see technical note at the end of this press release), the 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 (€/m<sup>2</sup>).

The quarterly indicators from the 1<sup>st</sup> quarter of 2020 are available at [www.ine.pt](http://www.ine.pt), in the option Products, Statistical Data, Database (links to the indicators at the end of this press release).

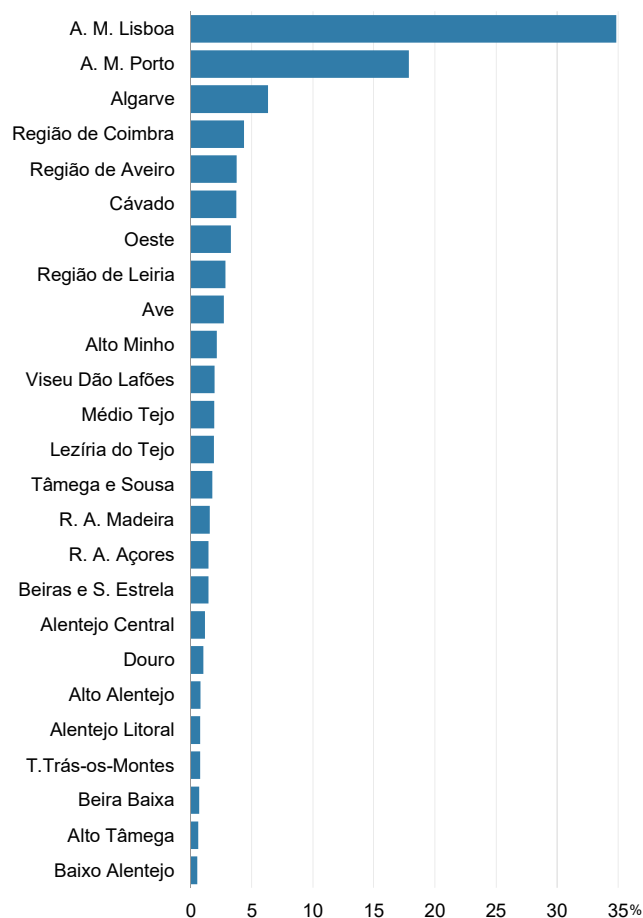
Taking into consideration the administrative nature of this project's data and the limitations to proceed with the administrative acts that generated results for the 2<sup>nd</sup> quarter of 2020, in the context of the COVID-19 pandemic, it is expected that the increase in real estate market activity reflects not only the agents' economic options, but also limitations of the public administration arising from the pandemic context.

Number of new lease agreements registered a year-on-year growth rate of 49% and an increase of 3% compared to 1<sup>st</sup> quarter of 2021

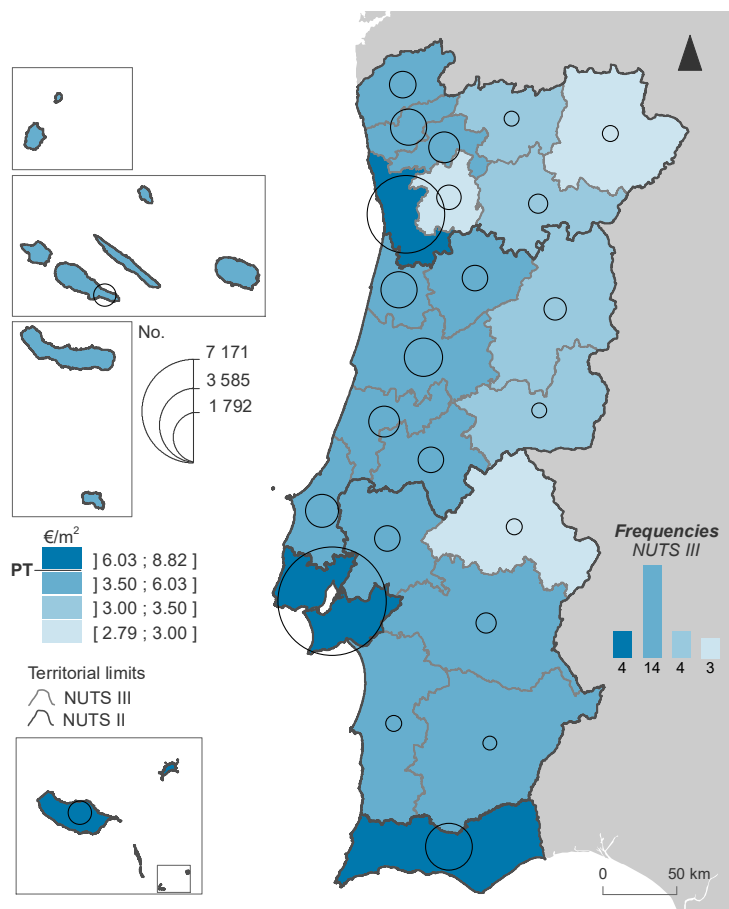
**Figure 1: Year-on-year growth rates of median house rental value per m<sup>2</sup> and number of new lease agreements of dwellings, Portugal, 1<sup>st</sup>Q 2020 to 2<sup>nd</sup>Q 2021**



**Figure 2: Regional contribution of new lease agreements of dwellings in the total new lease agreements of the country, NUTS 3, 2<sup>nd</sup>Q 2021**

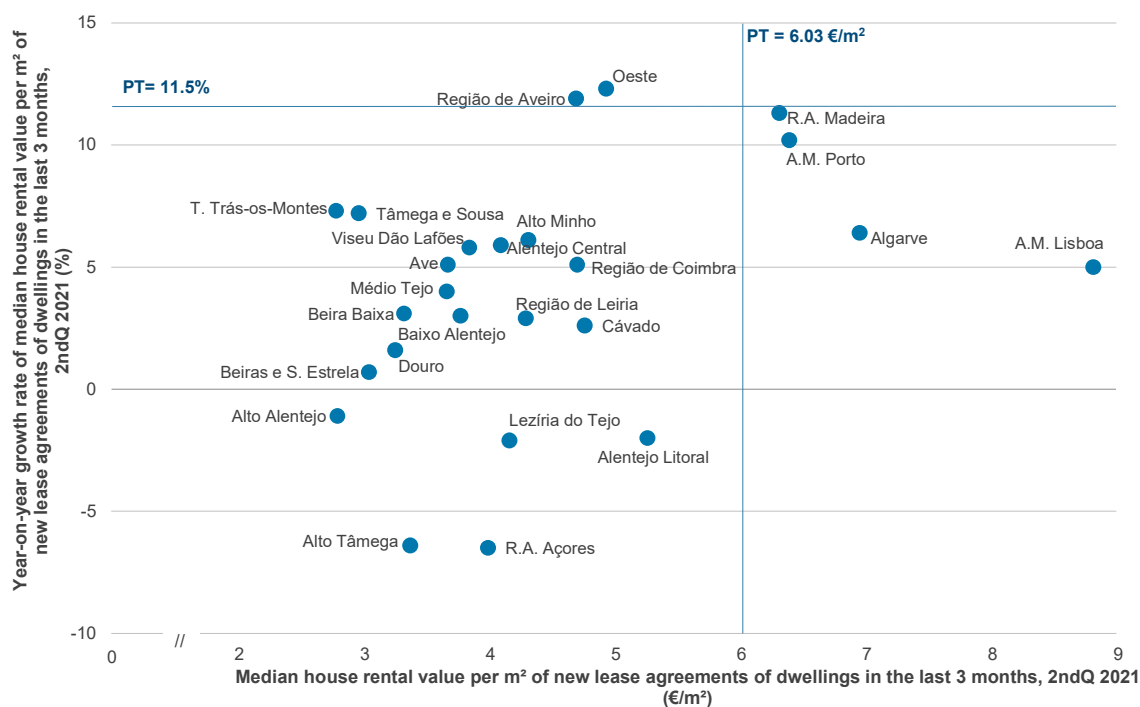


**Figure 3: Median house rental value per m<sup>2</sup> and number of new lease agreements of dwellings, Portugal, NUTS 3, 2<sup>nd</sup>Q 2021**



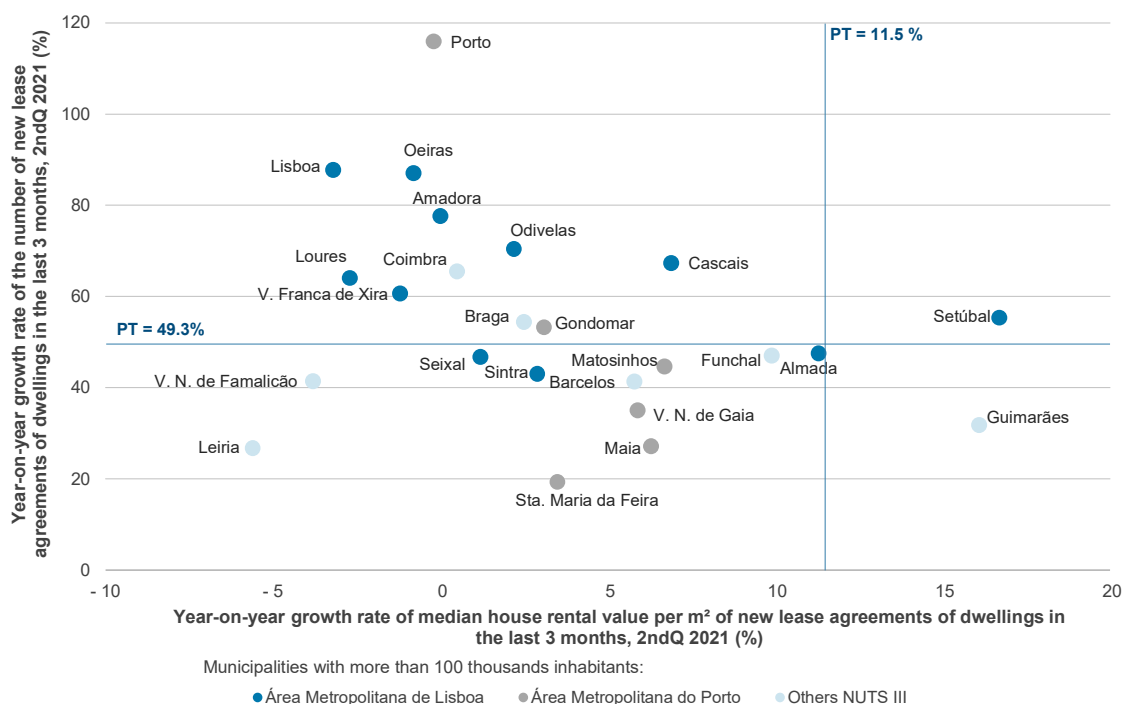
Twenty out of the 25 NUTS III sub-regions registered an increase of house rental values compared to the same period in the previous year

Figure 4: Median value and year-on-year growth rate of median house value per m<sup>2</sup> of new lease agreements of dwellings, NUTS III and Portugal, 2<sup>nd</sup>Q 2021

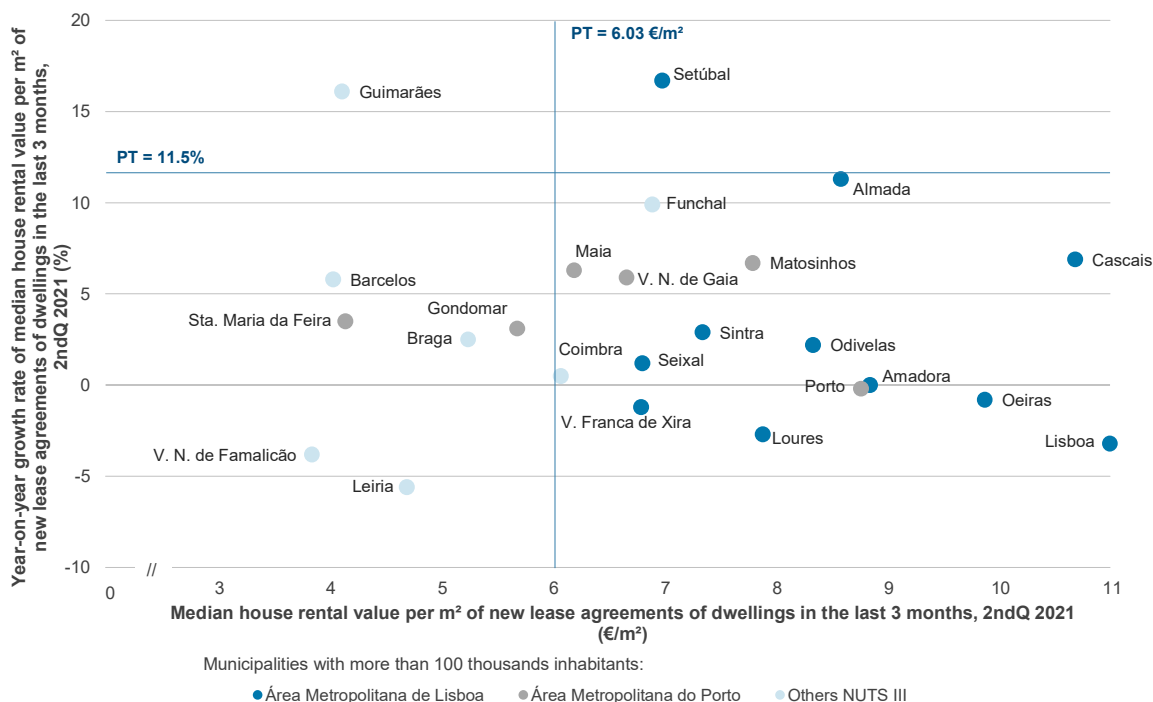


*Setúbal and Guimarães registered positive year-on-year growth rates of median house rental value and above the national annual growth rate*

**Figure 5: Year-on-year growth rate of median house rental value per m<sup>2</sup> 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, 2<sup>nd</sup>Q 2021**

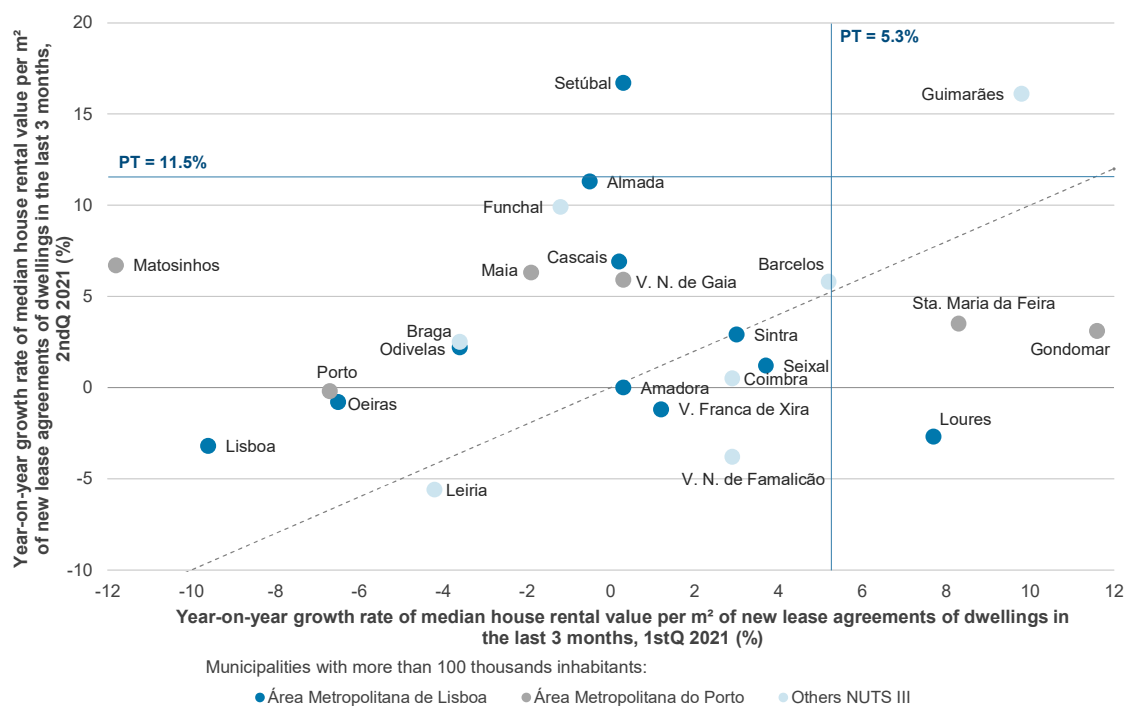


**Figure 6: Median value and year-on-year growth rate of median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Portugal and municipalities with more than 100 thousand inhabitants, 2<sup>nd</sup>Q 2021**



## Sharp acceleration of median house rental value in Matosinhos and Setúbal

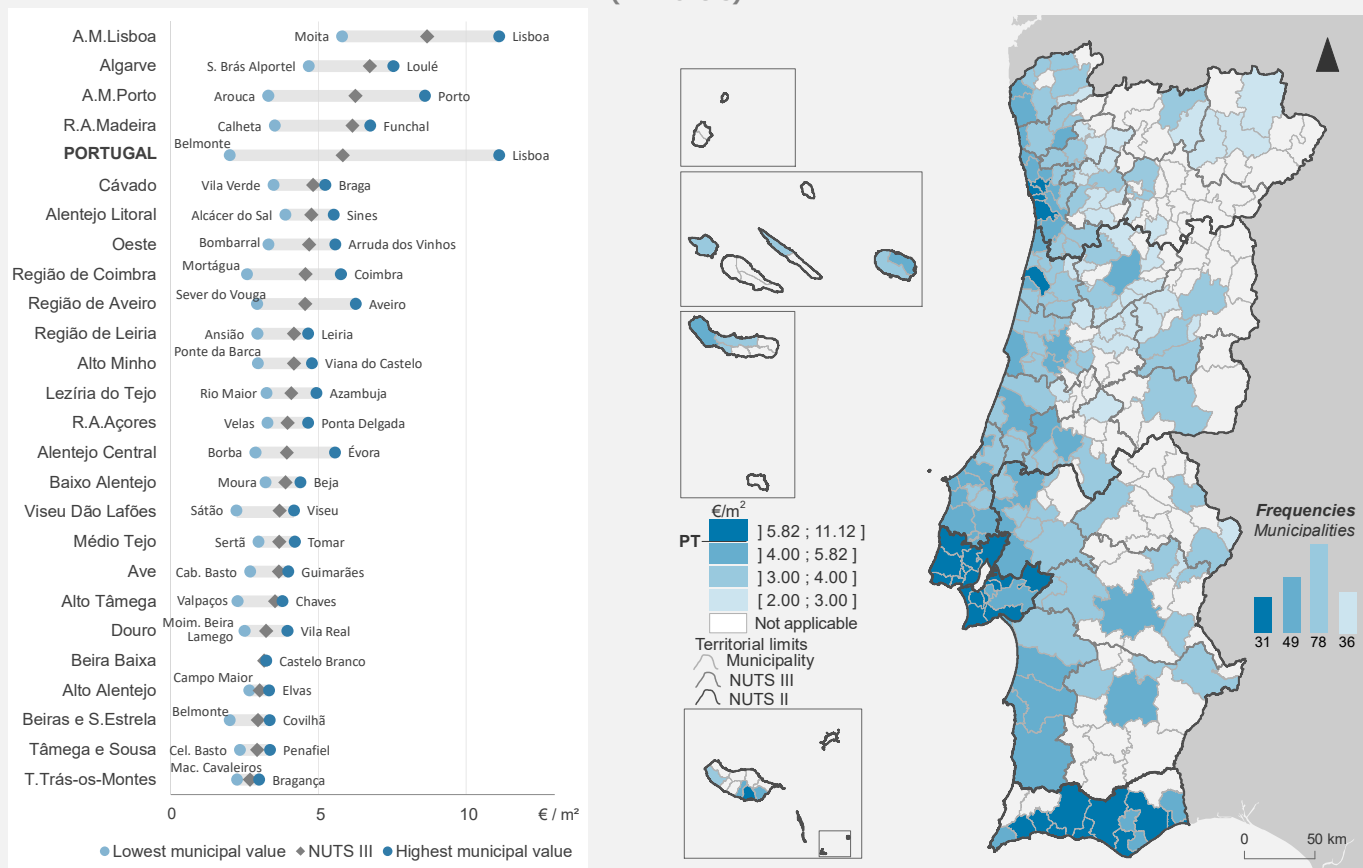
Figure 7: Year-on-year growth rates of median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Portugal and municipalities with more than 100 thousand inhabitants, 1<sup>st</sup>Q 2021 and 2<sup>nd</sup>Q 2021



## Results for the last 12 months ending in the 1<sup>st</sup> semester of 2021

Thirty-one municipalities registered house rental values in new lease agreements above national value 5.82 €/m<sup>2</sup>

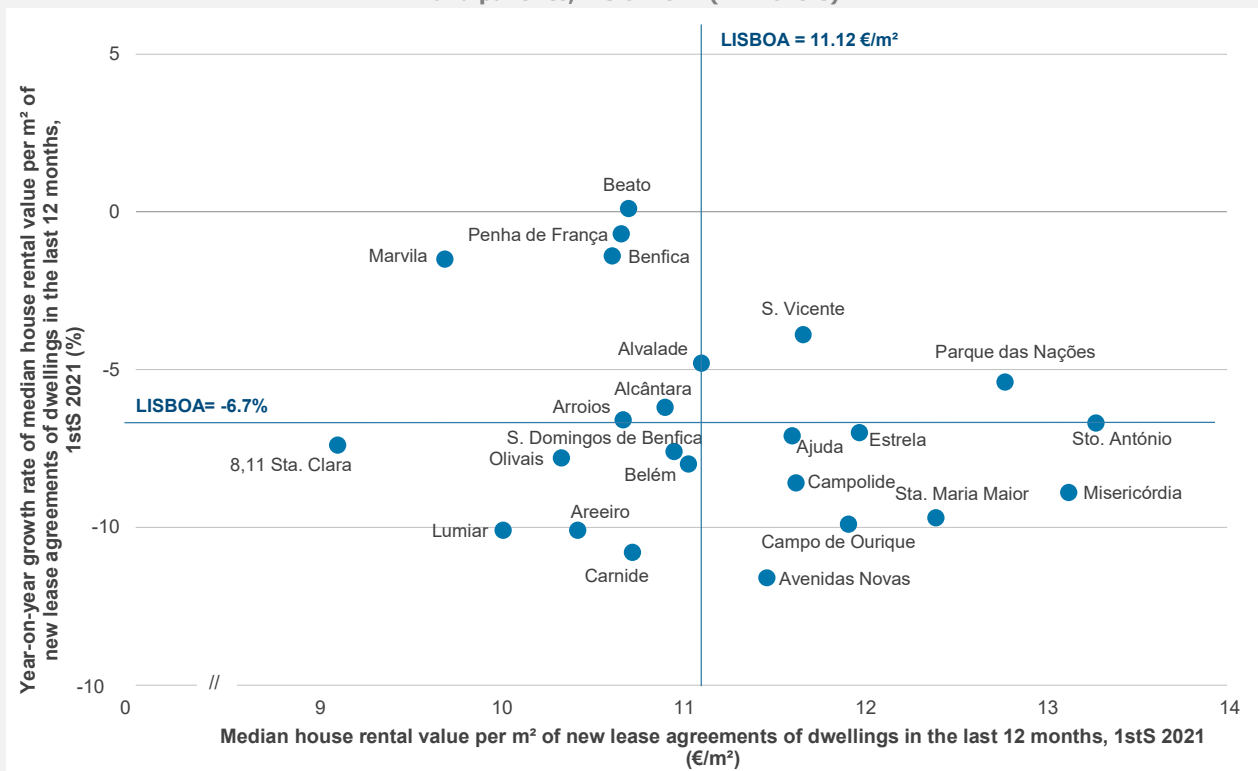
**Figure 8: Median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Portugal, NUTS 3 and municipality, 1<sup>st</sup>S of 2021 (12 months)**



Note: The lowest and the highest municipal values in the NUTS 3 sub-regions refer to municipalities with 30 or more observations.

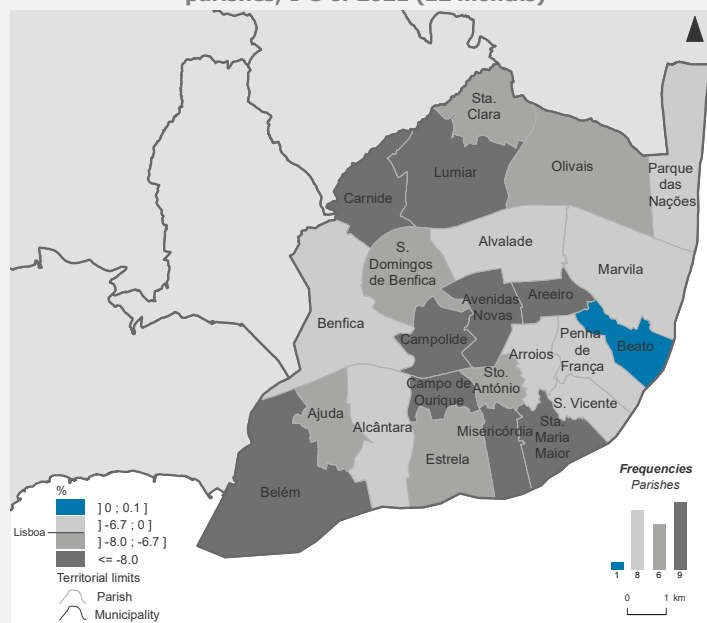
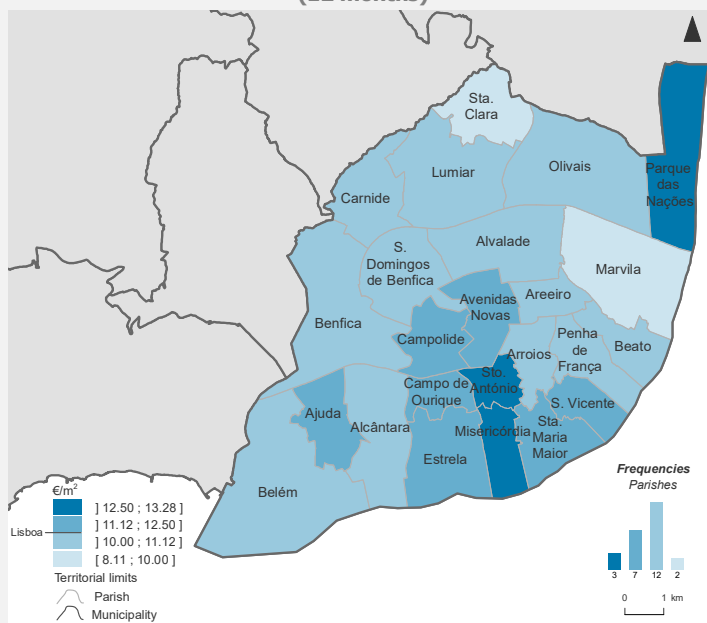
*In Lisboa, the parish of Beato was the only one with a positive year-on-year growth rate in the house rental value*

**Figure 9: Median value and year-on-year growth rate of median house value per m<sup>2</sup> of new lease agreements of dwellings, Lisboa and parishes, 1<sup>st</sup>S of 2021 (12 months)**



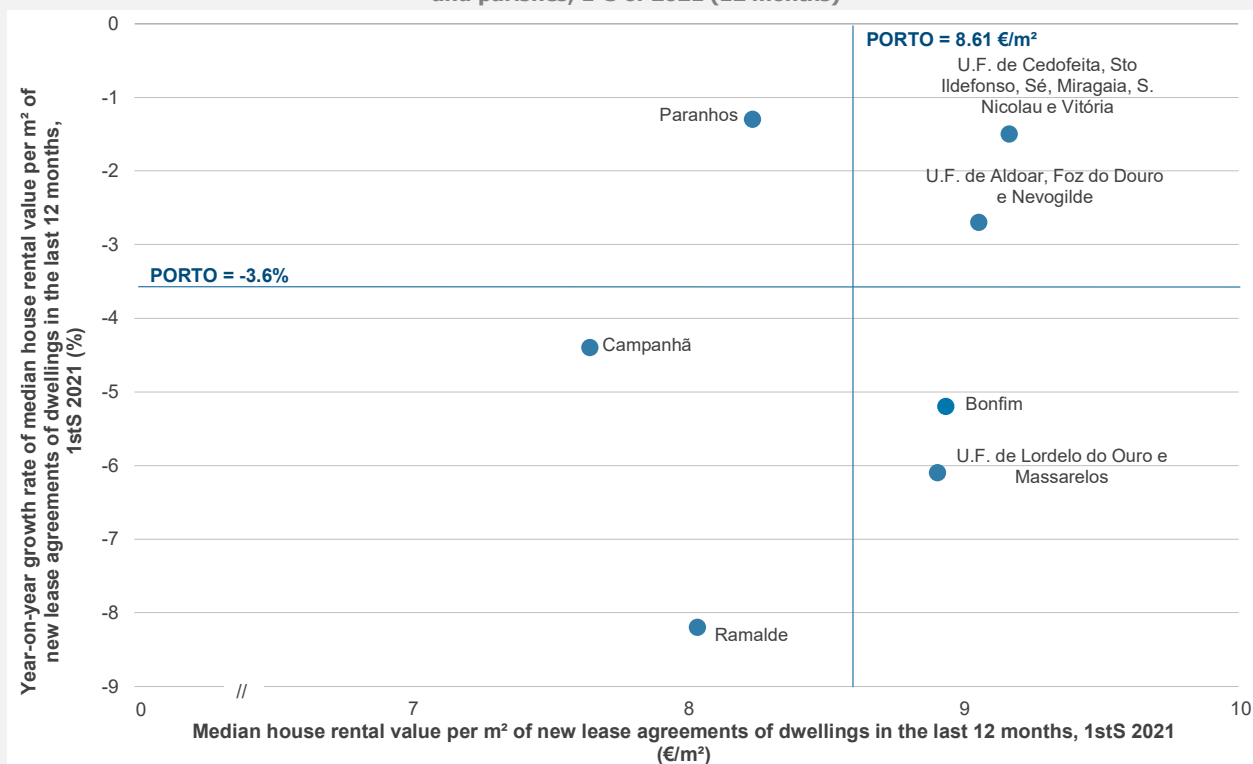
**Figure 10: Median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Lisboa and parishes, 1<sup>st</sup>S of 2021 (12 months)**

**Figure 11: Year-on-year growth rate of median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Lisboa and parishes, 1<sup>st</sup>S of 2021 (12 months)**



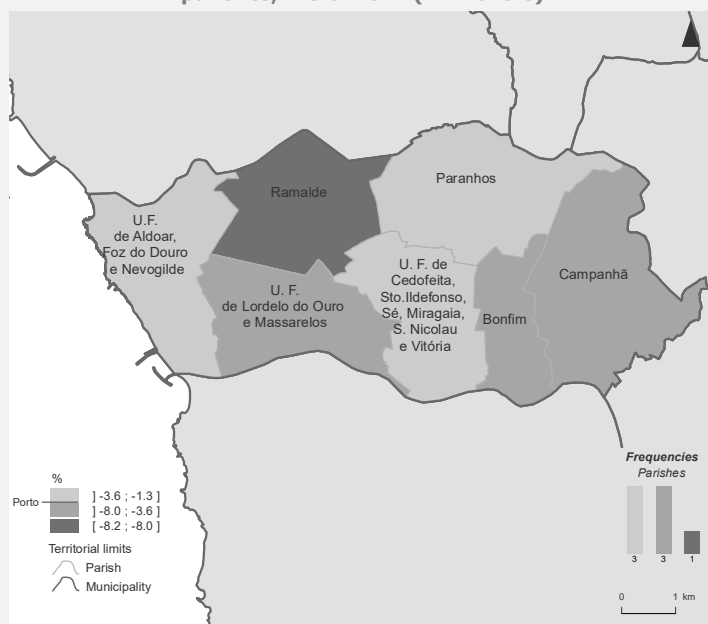
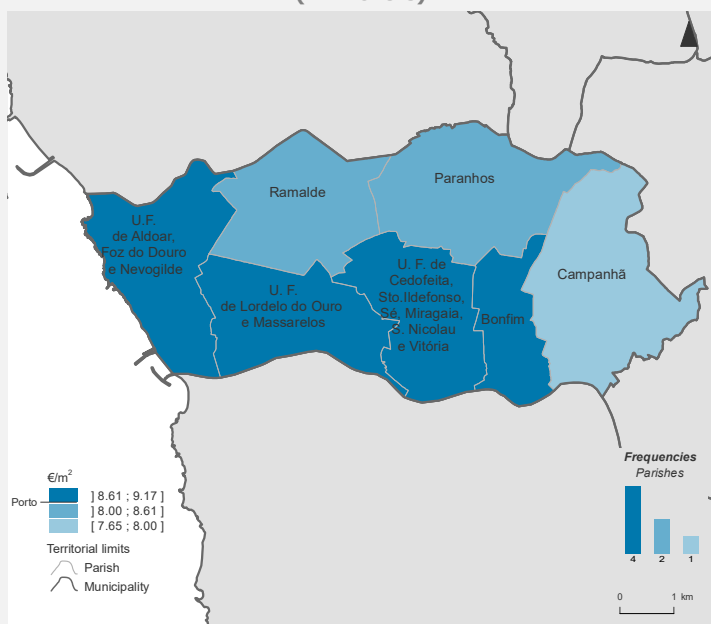
*In Porto, the parish União de freguesias de Cedofeita, Santo Ildefonso, Sé, Miragaia, São Nicolau e Vitória registered the highest value of median house rental (9.17 €/m<sup>2</sup>)*

**Figure 12: Median value and year-on-year growth rate of median house value per m<sup>2</sup> of new lease agreements of dwellings, Porto and parishes, 1<sup>st</sup>S of 2021 (12 months)**



**Figure 13: Median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Porto and parishes, 1<sup>st</sup>S of 2021 (12 months)**

**Figure 14: Year-on-year growth rate of median house rental value per m<sup>2</sup> of new lease agreements of dwellings, Porto and parishes, 1<sup>st</sup>S of 2021 (12 months)**





## 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 m<sup>2</sup> 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 m<sup>2</sup> and 600 m<sup>2</sup> 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 m<sup>2</sup> and 600 m<sup>2</sup> and with a rent value between 100 € and 4 000 €.

The results released in each semester correspond to the information observed for the reference semester and the previous semester. Although the results are released semi-annually, they reflect the rents and the number of new lease agreements with the 12 months period, allowing to reduce the impact of the irregularities associated with the heterogeneity of the leased properties while reflecting the trend of evolution of the value and number of new lease agreements, as well as eliminating the effect of potential seasonal fluctuations.

*For the purpose of dissemination a minimum number of 33 transactions is considered for each stratum.*

## 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 second quarter of 2021 are available at [www.ine.pt](http://www.ine.pt), in Products, Statistical data, Database.

#### Indicators with quarterly periodicity (1<sup>st</sup> quarter 2020 to 2<sup>nd</sup> 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](#)

The semi-annual results for the period between the second semester of 2017 and first semester of 2021 are available at [www.ine.pt](http://www.ine.pt), in Products, Statistical data, Database.

#### Indicators with semestral periodicity, last 12 months (2<sup>nd</sup> semester 2017 to 1<sup>st</sup> semester 2021):

[Median house rental value per m<sup>2</sup> of new lease agreements of dwellings in the last 12 months \(€\) by Geographic localization; Semi-annual](#)

[New lease agreements of dwellings in the last 12 months by Geographic localization; Semi-annual](#)

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