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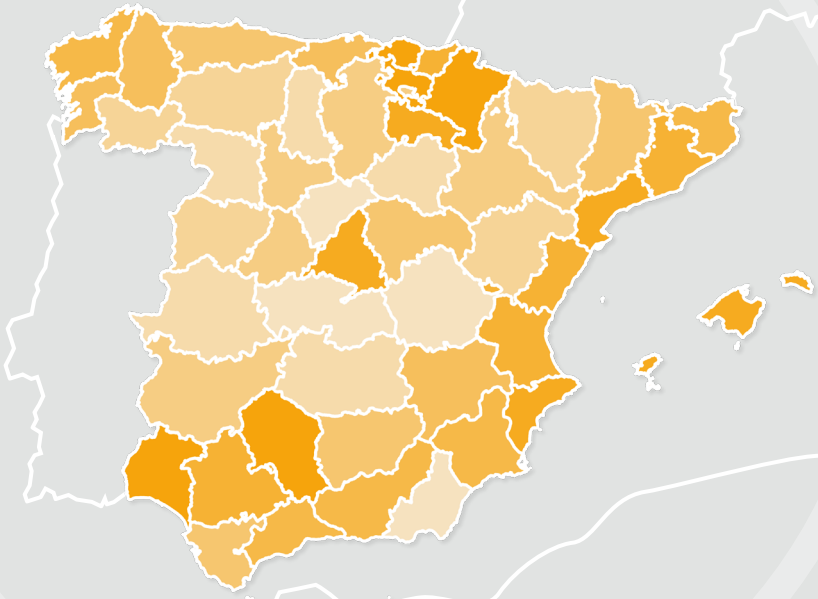
Demographics, pricing, and occupancy

Spain's elderly care home market



Aishling Barrett | Associate

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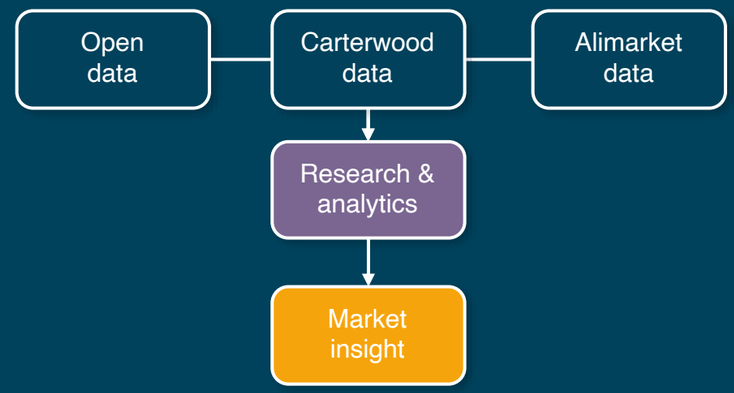
Introduction

Carterwood brings data to life for the elderly care sector. For over fifteen years, we've specialised in turning complex markets into clear insight, helping operators, investors and developers in the UK see where opportunity really lies.

Our move into Spain builds on that experience, combining open national data, Alimarket's database of geriatric and hospital establishments, new first-hand research, and Carterwood's proprietary dataset of private-pay care home pricing. Together, these sources start to reveal how population, provision and pricing intersect in a fast-evolving market.

Spain's care-home market is entering a period of change: demand is rising, provision is uneven, and reliable pricing data is still hard to come by. This first-edition piece brings those threads together - a data-led snapshot designed to spark conversation, deepen understanding and help shape what comes next.



Carterwood is a Certified B-Corp, which means our commitment goes beyond analytics. We believe robust, responsibly handled data can drive fairer, more transparent and sustainable decisions across the care sector. Our approach combines accuracy with integrity and focuses on turning evidence into insight that supports balanced growth. Above all, we aim to make data a shared resource for better understanding and better outcomes, not just better numbers.

The dataset – scope, coverage, and methodology

This analysis draws on Carterwood's first proprietary pricing dataset for Spain, compiled through direct enquiries with care homes between October and November 2025.

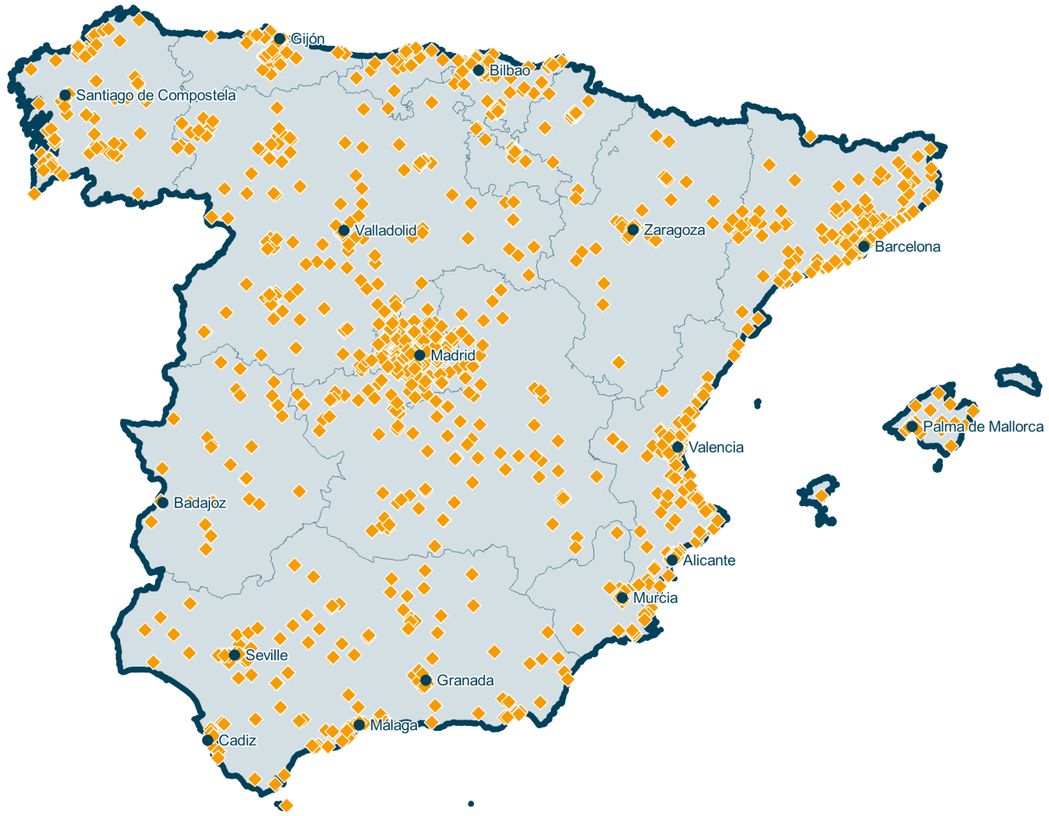
A total of around 1.500 private care homes were identified and contacted across Spain, focusing on operators and settings most relevant to the upper end of the private market.

The sample prioritises:

- Care homes belonging to major private groups (generally those operating five or more services)
- Newer assets (opened within the last 20 years)
- Larger care homes with 60 or more places.

Each care home was contacted individually to collect minimum and maximum monthly private rates, alongside contextual information such as the breakdown of single/double bedrooms and occupancy levels. Care homes confirmed as publicly funded or third sector only were excluded from the analysis.

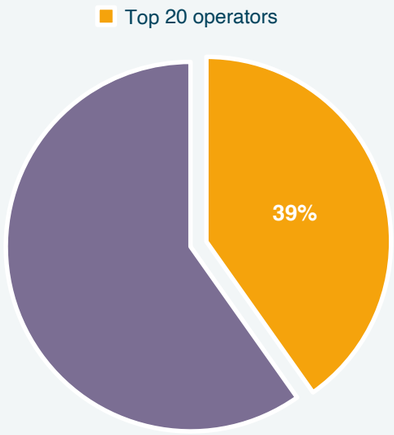
This dataset forms the foundation for the pricing insights presented in this report. While comprehensive, it represents primarily the private-pay segment of the Spanish care home market and should be interpreted in that context.



39% Around 39% of the homes in our sample belong to Spain's 20 largest private operators, reflecting the concentration of capacity within major groups.

61% The remaining 61% are smaller regional or independent providers, offering a balanced view of both national and local pricing dynamics across the private market.

Operator sample



In Spain, the VAT (or *IVA - Impuesto sobre el Valor Añadido*) applied to residential care rates depends on how each place is funded rather than the type of care provided.

- **10% (Reduced rate)** - applies to fully private places paid directly by residents without publicly funded support.
- **4% (Super-reduced rate)** - applies when private operators deliver care under public funding, such as a concerted place or through a resident's Prestación Económica Vinculada (PEV) subsidy.
- **0% (Exempt)** - applies to services run directly by public bodies or by private non-profit entities that hold recognised carácter social status.

For consistency, all rates in our dataset are presented VAT-inclusive, reflecting the full price paid by residents or their families. This ensures a like-for-like view of market pricing, regardless of the underlying tax treatment.

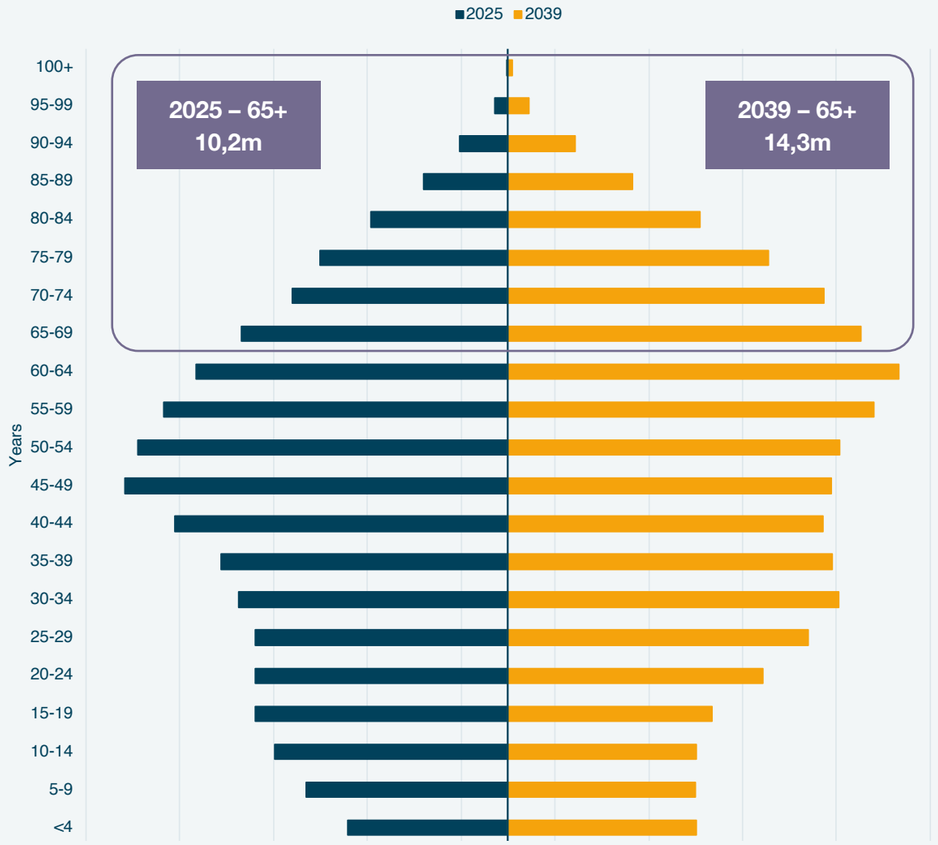
Market context snapshot

Spain's population is ageing rapidly. Around 10,2 million people are aged 65 or over today, rising to 14,3 million by 2039. The shift is particularly marked in the 75+ and 85+ groups, highlighting the expectation for both growing demand and increasing care needs.

This demographic change will reshape the balance between older and working-age residents: Spain's old-age dependency ratio, already close to one older person for every three working-age adults, will continue to climb.

For the care sector, this means a larger addressable population, higher dependency needs, and mounting workforce and funding pressure. Understanding where these cohorts are concentrated and how fast they are expanding is becoming central to market strategy.

Population pyramid - 2025 to 2039



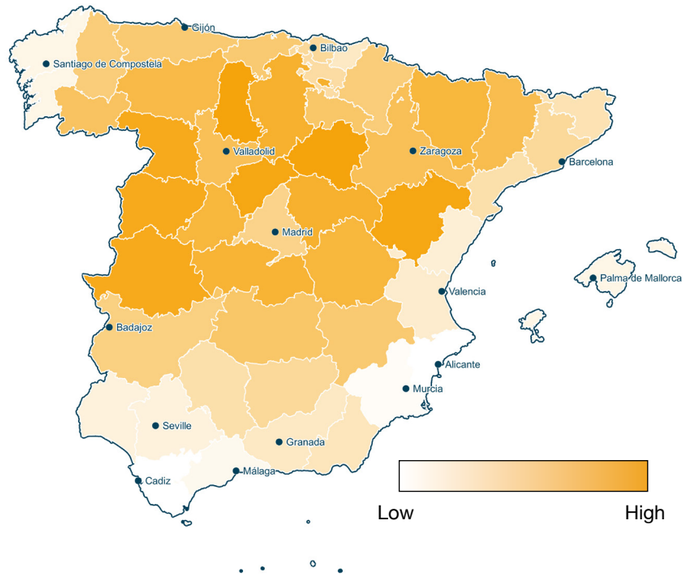
The coverage rate measures how well the supply of care home beds meets the size of the local elderly population. It expresses the number of care home places per 100 people aged 65 and over, giving a simple gauge of capacity relative to need.

A higher coverage rate suggests stronger existing provision and potentially greater choice for residents, while a lower rate may indicate areas where demand exceeds available places.

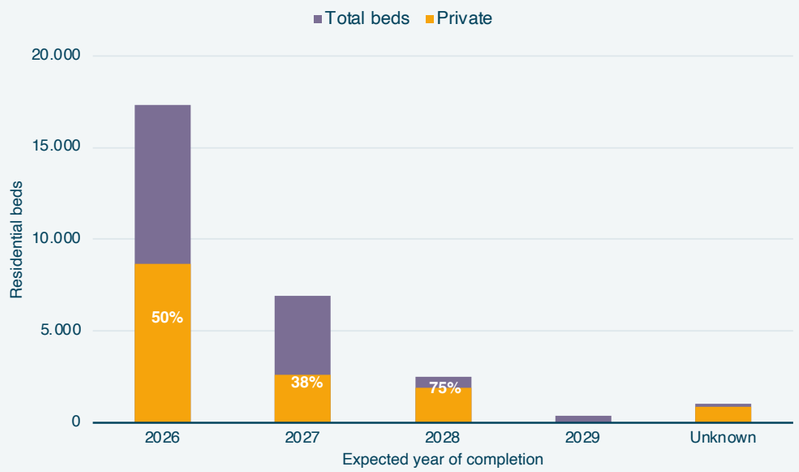
There is clear regional variation across Spain. Northern and central provinces tend to record the highest coverage levels, reflecting historic investment and a greater presence of public and non-profit operators. Southern and coastal regions generally show lower coverage, highlighting faster elderly population growth and more limited existing provision.

Overall, the pattern underlines how unevenly capacity is distributed - a factor shaping both market opportunity and policy debate as the elderly population continues to expand.

Coverage rates



Development pipeline



The development pipeline shows steady but selective growth in Spain's care home sector. Most projects are due to complete in 2026, adding around 17.000 new beds to national capacity.

Private operators account for roughly half of all planned developments in the near term, underscoring their continued central role in expansion. Overall activity drops sharply beyond 2027, suggesting a limited longer-term pipeline and highlighting the time lag between demand growth and new supply entering the market.

Overall, the data points to gradual modernisation rather than rapid expansion - a sector investing to keep pace, but still short of the growth implied by Spain's ageing population.

Where private care home pricing sits today

This analysis establishes a clear benchmark for private care pricing in Spain - the average private monthly rates across our sample of top-end care homes is 2.545 €.

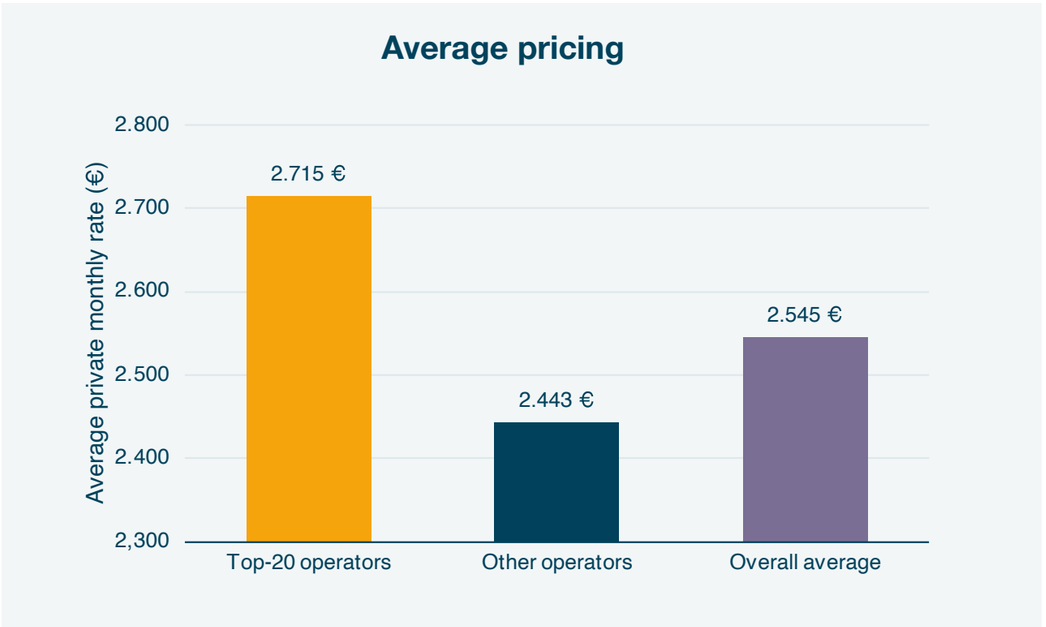
While historic comparisons are limited, this figure provides a first structured view of where private-pay pricing currently sits at the upper end of the market. What sits behind this average is where the insight lies. The sections that follow unpack some of what differentiates these outcomes. We explore how scale influences pricing power, why the newest homes are testing higher fee points, and how design choices and local supply dynamics shape both price and occupancy.

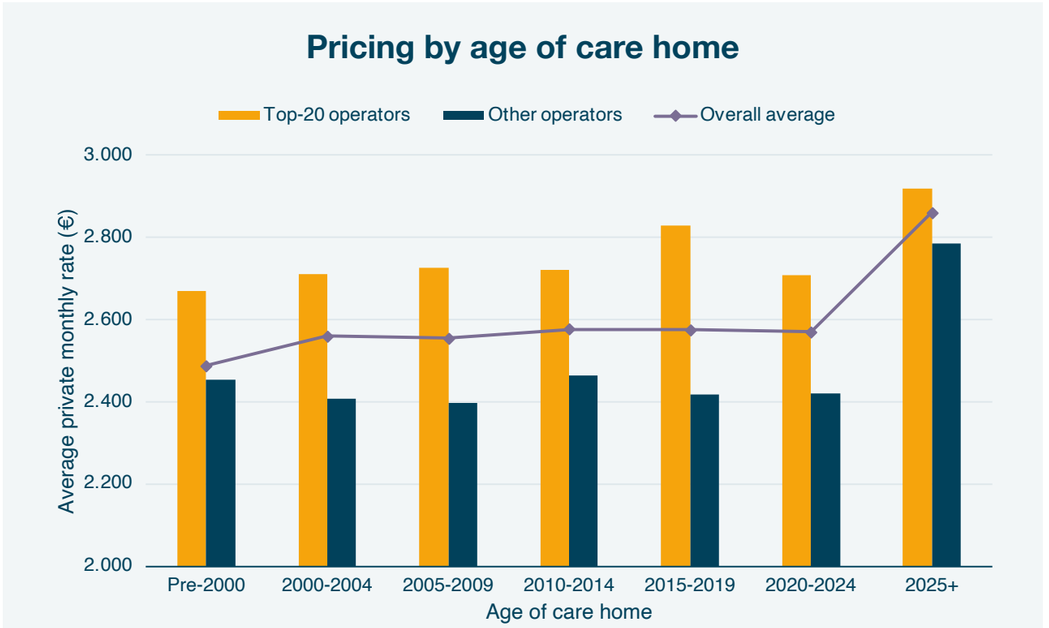
Pricing strength in the Spanish care home market is firmly concentrated among the largest operators.

The five biggest providers in Spain sit at the top, outperforming not only smaller peers but much of the wider top-20 group, with very few exceptions. Taken together, top-20 operators quote average private rates almost 300 € higher than non-top-20 providers.

Larger portfolios benefit from stronger brand visibility, broader geographic reach and, in many cases, a more consistent underlying asset base. These advantages allow them to hold higher private pricing levels with greater confidence than smaller, local or regional operators.

That said, scale on its own does not tell the full story. As the analysis that follows shows, pricing power is reinforced by the characteristics of the stock itself. Larger operators are more likely to control newer assets and more modern bedroom configurations, and it is this combination that ultimately supports higher rates.





For most of the assessed market, private rates have moved within a relatively narrow band for years.

Across care homes built before 2025, average private rates remain broadly stable, regardless of age. There is no steady upward slope over time. Instead, pricing holds flat until the very newest cohort enters the market.

Care homes opened in 2025 mark a clear break from this pattern.

What is striking is that this step change is not confined to the largest operators. While top-20 providers continue to command a premium across all age bands, the sharpest uplift in the 2025 cohort is visible among non-top-20 operators. Smaller and regional providers with brand-new stock are pricing materially above their historical norms.

This suggests that the Spanish private care market is not only being pulled upward by scale, but is increasingly being pushed by product. New care homes, even outside the largest portfolios, are entering the market with greater pricing confidence and a clearer view of what private-pay demand will support. Top-20 operators still set the upper benchmark, but the gap narrows meaningfully in the newest stock. The result is a market where high-quality new supply is redefining price expectations more broadly, rather than reinforcing a two-tier structure.

Understanding occupancy levels

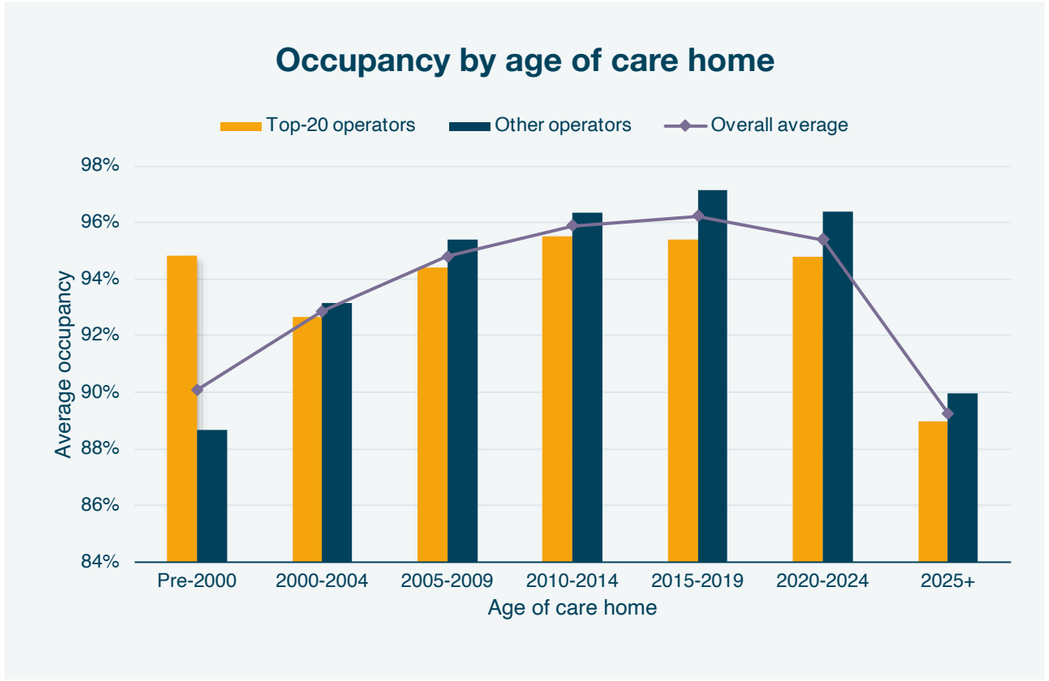
Occupancy levels across Spain's private care home market are strong, with average occupancy of 93,6% across our sample, reflecting a market that is filling beds effectively and is supported by underlying demand.

That strength is most evident in relatively modern stock. Care homes opened between 2010 and 2024 show the highest occupancy levels, reflecting a good alignment between design, care, and demand. Notably, occupancy levels are broadly consistent between top-20 and non-top- 20 operators, suggesting that demand fundamentals are strong across different operating models.

New care homes are also filling very quickly. Care homes opened in 2025 report an average occupancy of 89,3% during our Q4 2025 data collection period. Given how recently these assets have opened, this points to rapid lease-up and reinforces confidence in the market's demand for new, well-positioned supply.

Where occupancy does soften, it appears to reflect local competitive pressure rather than pricing. Homes in areas with higher concentrations of care other top-end provision typically show slightly lower occupancy rates. Madrid is the clearest example. Despite being one of the most established and active care markets, average occupancy for our sample in Madrid sits at 79%. By contrast, Barcelona, which has the highest care home coverage in our sample, records an average occupancy of 93,9%, highlighting that supply density alone does not determine outcomes. Local demand dynamics, asset quality and competitive positioning all play a role and it's important to assess each local market on its own merit.

The takeaway is clear. Spain's private care market is not struggling to fill places. Where vacancies emerge, they are more often a function of where and what is being delivered, rather than a lack of underlying demand.

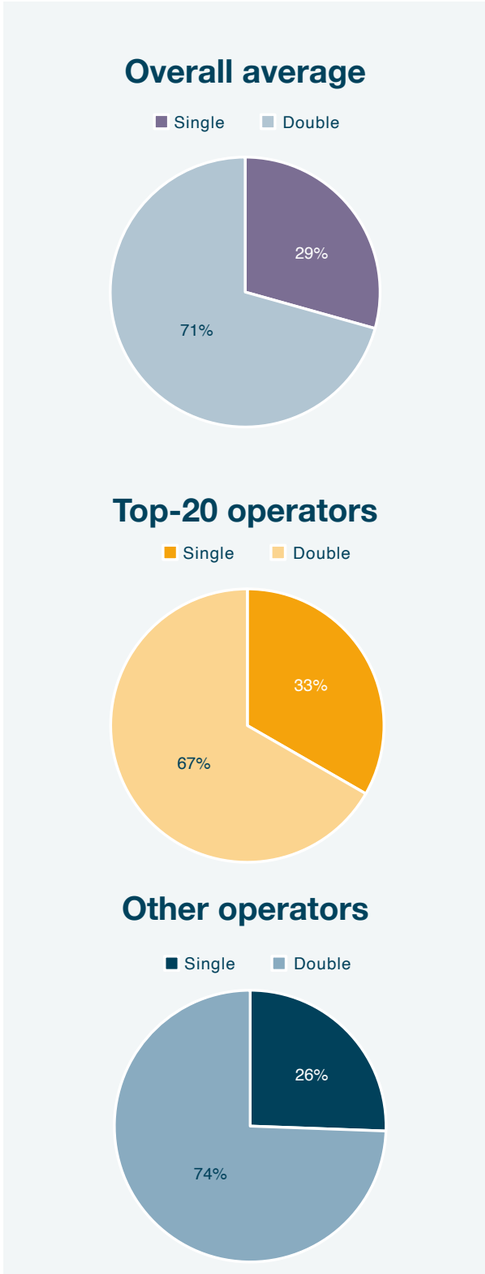


Room configuration trends

Bedroom configuration varies meaningfully by operator scale. Across the sample, single-occupancy bedrooms account for around 29% of total provision where bedroom type can be classified. Among top-20 operators, that share rises to 33%, compared with 26% for smaller providers. While a proportion of bedrooms remain unclassified, the pattern is clear. Larger platforms are operating estates with a higher incidence of single bedrooms.

More importantly, this reflects an active shift over time rather than a static difference. Within top-20 operators, single bedrooms accounted for 19% of classified bedrooms in care homes opened before 2000, rising to 44% in care homes opened in 2025. This marks a material change in how new care homes are being designed and positioned at the top end of the market.

The implication is not that single bedrooms alone drive pricing or occupancy, but that they are increasingly treated as a baseline expectation in modern, premium care home environments. Among larger operators in particular, legacy layouts are gradually giving way to models built around privacy, flexibility and future regulatory alignment.



What next?

This first-edition analysis hopes to do two things. To establish a clear benchmark for private-pay pricing in Spain's care home market, and to signal a more structured, transparent approach to market insight going forward.

Alongside this publication, we are launching Carterwood Analytics Spain. Building on the established Carterwood Analytics platform in the UK, it brings together open national data, first-hand research and proprietary pricing insight into a single, evolving evidence base for the Spanish market. The aim is simple: to move beyond anecdote and partial views, and towards a more consistent understanding of how population, provision, and pricing interact.

This initial release offers a snapshot of where the market stands today. As coverage expands, future analysis hopes to look more closely at pricing uplifts, the impact of room-type strategy on performance, and how new development activity is reshaping the private-pay landscape over time. With each iteration, the picture will become sharper and more comparable.

Our approach is deliberately transparent. We are clear about what the data shows, where it is still incomplete, and how insight improves as datasets grow. We see this work as collaborative by design, and we welcome dialogue with operators, investors and developers who are navigating the sector today and into the future.

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Carterwood Limited
Future Space
UWE North Gate
Filton Road
Stoke Gifford
BS34 8RB

T: +44 (0)1454 838038
E: info@carterwood.es
www.carterwood.es

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