



Apartool

Corporate housing, simplified

The Corporate Housing Landscape in Portugal.

Insights from Industry Leaders

Table of contents

Key Insights:

- *10 - Points Summary:* 02

Corporate Housing in Portugal: A Survey-Based State of the Art Analysis

- *Executive Summary* 03
- *Introduction* 04
- *Portfolio Sizes and Market Diversity* 05
- *Geographic Distribution and Regional Markets* 06
- *Current Demand Trends* 07
- *Corporate Stay Durations* 08
- *Client Sourcing and Relationships* 09
- *Service Expectations from Corporate Clients* 10
- *Strategic Investments and Changes for 2025* 11
- *Expectations for Corporate Housing in 2025* 12
- *Key Market Trends and Influencing Factors* 13
- *Conclusion* 14



Key Insights: 10-Point Summary

1. Portfolio Sizes Reflect Market Diversity

The corporate housing market in Portugal is highly fragmented, with a wide range of portfolio sizes. The smallest operators manage just a single unit, while the largest manage up to 200 units. This variation indicates that both large-scale operators and small, niche providers coexist in the market, catering to a broad range of corporate clients.

2. Geographic Distribution Shows Expanding Demand

While Lisbon and Porto remain dominant as key markets for corporate housing, providers are increasingly expanding into less traditional regions such as Algarve, Alentejo, and even smaller areas like Montalegre and Valada. This suggests that demand for corporate housing is not limited to major urban centers, but is also growing in less populated regions, driven by factors such as remote work, regional projects, and corporate retreats.

3. Demand for Corporate Housing is Mixed

The survey indicates that corporate housing demand in Portugal remains varied. While 50% of respondents report stable demand compared to the previous year, 28% saw a decline, and 22% experienced growth. This mixed picture suggests that while some providers are benefiting from recovery and growth in corporate travel, others continue to face challenges, likely due to reduced business travel or shifting corporate relocation policies post-pandemic.

4. Corporate Stays Vary in Length

The survey shows a broad range in the length of corporate stays. However, short-term stays (less than one week) make up 42% of the market, indicating that business travelers who require temporary housing for brief periods form a substantial part of the market. At the same time, medium-term stays (1-3 months) being 24%, and long-term stays (more than 3 months) representing 10%. Medium and long term stays account for 36%.

5. Direct Corporate Bookings are Key, but Other Channels guarantee high occupation rates

Direct relationships with businesses are the primary source of bookings for most corporate housing providers. However, partnerships with Online Travel Agencies (OTAs) and relocation companies are also important, allowing providers to reach a broader audience and maintain high occupancy rates during periods of lower direct demand.

6. Service Quality is a Competitive Differentiator

Corporate clients expect more than just accommodation, they demand high quality services such as WiFi, regular cleaning, and tailored support. The ability to provide these services is a key differentiator for corporate housing

providers and helps them compete with hotels, which offer similar amenities. Providers that invest in improving their service offerings are likely to attract and retain more clients.

7. Moderate Growth Expected in the Corporate Housing Market

Looking ahead to 2025, most respondents (60%) expect moderate growth in corporate housing demand, reflecting a cautiously optimistic outlook for the future. However, 26% expect stability or even a decline, suggesting some uncertainty about the future, especially in light of ongoing changes in corporate travel policies and remote work trends.

8. Providers are Preparing for Growth and Enhancing Services

A significant portion of providers (30%) plan to improve their services in the coming years, while 26% plan to expand their portfolio by increasing the number of properties they manage. This shows that many providers are positioning themselves for future growth by enhancing their offerings and increasing capacity to meet the anticipated demand.

9. Economic Conditions Will Shape the Future

The rise of remote work and broader economic conditions were identified as key factors influencing the corporate housing market. As more companies adopt flexible work policies and corporate travel keeps gaining importance, the demand for temporary housing in both urban and rural areas is likely to increase. Economic growth in key sectors could drive further demand for corporate housing, while economic downturns could lead to a decrease in demand.

10. Sustainability is Becoming a Priority

Sustainability is becoming an important consideration for corporate clients, as more companies adopt environmentally friendly policies. Corporate housing providers that can offer eco-friendly accommodations and sustainable practices are likely to be more attractive to clients who prioritize sustainability.

Conclusion

The corporate housing market in Portugal is in a state of transition. While there is optimism about future growth, the market remains fragmented, with varying demand across regions and providers. Corporate housing providers that focus on expanding their portfolios, enhancing services, and adapting to new trends like remote work and sustainability are well-positioned to succeed in the evolving market. The insights from this survey suggest that flexibility, service quality, and the ability to meet changing corporate needs will be critical factors in determining future success in the corporate housing sector.



Executive Summary

Corporate housing in Portugal is experiencing a dynamic shift driven by changing demand patterns, emerging regional markets, and evolving client expectations.

This white paper presents a comprehensive analysis of the current state of corporate housing in Portugal, based on a detailed survey conducted among the country's leading property managers. With insights from a range of key players, this white paper examines portfolio sizes, regional operations, current and projected demand, client sourcing, average length of stays, service expectations, and strategic

investments, providing a state-of-the-art view of the corporate housing sector in Portugal.

The following analysis is based on data collected from 53 property managers who represent a broad spectrum of the corporate housing market in Portugal.

The results of this survey shed light on the current market conditions, offering valuable insights for businesses, investors, and stakeholders interested in understanding the evolution and future prospects of corporate housing in the country.

Introduction

Corporate housing refers to fully furnished, serviced apartments designed for short- to long-term stays, typically used by business travelers, project teams, or relocating employees.

These accommodations are an attractive alternative to hotels for business travelers, relocation professionals, and project-based employees. Corporate housing offers the convenience of home-like amenities combined with the flexibility needed for short or medium-term stays.

In recent years, corporate housing in Portugal has grown significantly, especially in major urban centers like Lisbon, Porto, and Algarve. The influx of multinational corporations, the rise of remote

work, and the increasing number of international professionals relocating to Portugal have created a growing demand for high-quality, flexible accommodation solutions.

However, the market has faced challenges, particularly in the wake of the COVID-19 pandemic, which severely impacted business travel and corporate relocation. As the global economy recovers and travel resumes, corporate housing providers are adapting to new trends and client preferences. This white paper provides a snapshot of the corporate housing landscape in Portugal, identifying key trends, challenges, and opportunities based on the feedback from leading property managers in the country.

Serviced apartments offer several advantages over hotels for corporate travel, particularly for medium- to long-term stays. Firstly, they provide more space, comfort, and privacy. With separate living areas, full kitchens, and workspaces, business travelers can enjoy a homely environment, essential for maintaining work-life balance, especially during extended trips.

One of the main benefits is cost savings. Compared to hotels, serviced apartments can reduce company travel expenses by up to 40%, not only in accommodation but also as they allow employees to cook meals, reducing the need for dining out. They also often include utilities, cleaning services, and additional amenities like laundry and gym access at no extra charge. For businesses, this all-inclusive pricing model simplifies expense management, offering a predictable budget.

From a productivity perspective, serviced apartments offer flexibility for employees to work remotely, with dedicated areas for working that are more spacious and practical than in a typical hotel room. The added privacy also enhances focus, as there are fewer disturbances compared to a hotel environment.

Portfolio Sizes and Market Diversity

The corporate housing sector in Portugal is highly diverse in terms of the scale of operations, as evidenced by the portfolio sizes reported by survey respondents. Portfolio size, in this context, refers to the number of housing units managed by each property manager, and it serves as an indicator of the scale and capacity of each provider to meet corporate housing demand.

The variation in portfolio sizes illustrates the fragmented nature of the corporate housing market in Portugal. While some operators are large enough to handle the needs of multinational corporations, others are more agile and focus on specific markets, often catering to specialized client demands in smaller regions or niche sectors.

This diversity in portfolio sizes also points to the adaptability of the corporate housing sector in Portugal, where providers of different sizes coexist and cater to a wide range of corporate needs. The ability to manage small or large portfolios may also reflect the regional differences in demand for corporate housing, with larger portfolios often concentrated in major business hubs like Lisbon and Porto, and smaller portfolios scattered across less densely populated regions.

1

The smallest portfolio reported was 1 unit, indicating that some providers operate on a very small scale, possibly focusing on niche markets or highly specialized clients.

200

At the other end of the spectrum, the largest portfolio managed was 200 units, reflecting the presence of large-scale operators with significant market reach and the ability to accommodate a large volume of corporate clients.

25% of respondents manage between 10 and 200 units

75% own between 1 and 9 units.



Geographic Distribution and Regional Markets

Portugal's corporate housing market is not confined to its largest cities. The survey revealed that corporate housing providers operate across 15 unique regions in the country. The geographic spread of corporate housing offerings highlights the increasing demand for corporate accommodations beyond traditional business hubs.

The expansion of corporate housing into smaller regions suggests that companies are increasingly looking for flexible accommodation solutions outside of major cities.

This could be driven by a range of factors, including the rise of remote work, regional business projects, and the need for temporary housing in rural areas or smaller towns where corporate offices or projects may be located.

Overall, the geographic spread of corporate housing in Portugal reflects the evolving needs of the corporate world, where businesses seek accommodations that go beyond the confines of traditional urban centers. It also underscores the growing importance of flexibility and adaptability in the corporate housing market.

Lisbon and Porto, as Portugal's economic and business centers, are unsurprisingly the top cities for corporate housing demand.

Lisbon, the capital, hosts numerous multinational corporations and headquarters of Portuguese companies, making it a primary destination for business travelers

Porto, on the other hand, is the country's industrial powerhouse, with many of Portugal's best industries located around its metropolitan area.

Both cities, given their strong commercial presence and international connections, attract a significant number of business travelers, reinforcing their status as prime locations for corporate housing.

The Algarve region, traditionally known for tourism, has seen a rise in corporate housing demand, particularly for short-term stays by professionals working remotely or attending corporate retreats. Additionally, areas near the main industrial areas, like the Alentejo or Valada have been highlighted by respondents, indicating growing interest in corporate accommodations in these lesser-known areas.



Current Demand Trends

One of the key questions explored in the survey was *how corporate housing demand in Portugal compares to the previous year*. The responses highlight a mixed picture, with varying degrees of growth, stability, and decline reported by property managers.

- **50% of respondents reported that demand for corporate housing has remained stable compared to the previous year.** This suggests that for a significant portion of the market, demand has not been greatly affected by external factors such as the pandemic or economic downturns.
- **28% of respondents noted that demand has diminished compared to the previous year.** This decline may be attributed to factors such as reduced business travel, corporate downsizing, or shifting priorities within companies that no longer require as much corporate housing.
- **22% of respondents observed an increase in demand.** This growth could be driven by a resurgence in business travel, or companies relocating employees as part of new projects or expansions.

These mixed results suggest that while the corporate housing market in Portugal is recovering, it remains uneven across different regions and providers. For some, demand has returned to pre-pandemic levels or even grown, while others continue to face challenges as businesses adjust their travel and relocation policies.

The 22% of respondents reporting increased demand is particularly noteworthy, as it indicates that despite the challenges faced by the industry, there are pockets of opportunity for growth. These providers may have adapted their offerings to better meet the needs of corporate clients, such as providing more flexible lease terms, enhanced services, or accommodation in regions experiencing economic growth.

= 70%

reported that demand for corporate housing has remained stable compared to the previous year

↘ 28%

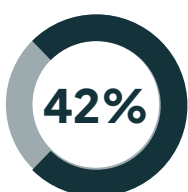
noted that demand has diminished compared to the previous year

↗ 22%

observed an increase in demand

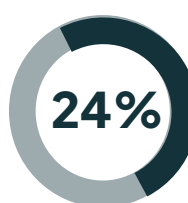
Corporate Stay Durations

The average length of corporate stays is a crucial factor in determining the types of services and pricing models offered by corporate housing providers. The survey asked respondents to indicate the typical duration of corporate stays in their properties, and the results highlight the diversity of corporate housing needs.



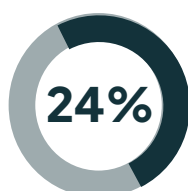
of respondents indicated that the average length of corporate stays in their properties is less than one week, highlighting the importance of short-term stays within the corporate housing market.

These stays are often associated with business travelers attending conferences, meetings, or working on short-term projects. Notably, many of these property managers are not exclusively dedicated to corporate guests, as they also cater to tourists. ***This combination of corporate and touristic stays allows them to maximize occupancy, especially in cities with high demand for both types of travelers.***



Another 24% of respondents reported stays ranging from 1–4 weeks, highlighting the diversity of stay durations corporate housing providers must accommodate.

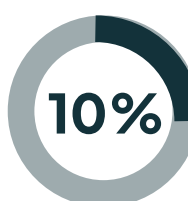
This period aligns with the typical length of business trips, where employees travel for project work, client meetings, or training programs that require extended stays but are not long-term. Corporate housing providers need to be flexible in addressing these varying needs, as this duration of stay is a key component for businesses looking for comfortable, cost-effective solutions that balance work requirements and temporary living arrangements.



of respondents reported that stays typically last between 1–3 months, indicating that medium-term stays are also a major component of corporate housing demand.

These stays are often associated with employees on temporary assignments, relocations, or extended projects. ***In many cases, such stays serve as a temporary housing solution for relocation companies, who place their clients in serviced apartments while searching for more permanent accommodation.***

This flexible arrangement provides convenience and stability for employees during the transition period, ensuring a comfortable and efficient relocation process.



of respondents indicated that stays in their properties last more than 3 months, reflecting a niche market for long-term corporate housing solutions.

The diversity in stay durations underscores the need for flexibility in the corporate housing market. ***Providers must be able to cater to both short-term business travelers and long-term corporate clients, offering a range of services and pricing models that reflect the varying needs of their clientele.*** The high percentage of short-term stays (42%) suggests that many corporate housing providers are competing with hotels, offering an alternative that combines the convenience of a hotel stay with the comfort and amenities of a fully furnished apartment. Meanwhile, the presence of longer-term stays (1–3 months) indicates that corporate housing is also an attractive option for companies looking to house employees for extended periods without the long-term commitment of a traditional lease.

Client Sourcing and Relationships

Understanding the origins of corporate housing bookings is key to understanding how property managers build relationships with their clients and maintain occupancy.

The survey explored the primary sources of corporate housing bookings, revealing several key trends:

- **Direct bookings from businesses were the most common source of corporate housing reservations, reflecting the strong relationships that property managers maintain with corporate clients.** This direct approach allows companies to tailor their housing solutions to specific business needs, such as relocation assignments, project-based stays, or temporary accommodations for visiting employees.
- **Many respondents also indicated that a portion of their bookings comes from Online Travel Agencies (OTAs) and relocation companies, which act as intermediaries in sourcing corporate clients.** These platforms allow property managers to reach a broader audience, including international clients, and fill vacancies during periods of lower direct demand.
- **A smaller proportion of respondents mentioned working with corporate housing platforms that specialize in providing accommodation for business travelers and relocating employees.**

This diversity in client sourcing methods underscores the importance of maintaining multiple channels to attract corporate clients.

While direct relationships with businesses are crucial for many property managers, **partnering with OTAs and relocation companies provides additional avenues to ensure consistent bookings and occupancy rates.** The presence of OTAs and relocation companies in the client-sourcing process also highlights the globalization of corporate housing.

As companies expand their operations across borders, they increasingly rely on trusted intermediaries to help secure housing solutions for employees in new or unfamiliar locations.

Partnering with a corporate housing company offers significant benefits for property managers.

One key advantage is the **"all-in-one"** solution they provide, handling everything from booking to payment, which simplifies operations.

They also **standardize and streamline** billing and payment processes, reducing administrative complexity.

Additionally, working with a corporate housing company gives access to a better caliber of clients, including corporate and long-term business travelers.

This partnership often opens new international business opportunities, broadening the reach of property managers to a global clientele.

Service Expectations from Corporate Clients

Corporate clients often have high expectations for the services provided by corporate housing managers. In addition to basic accommodation, clients expect a range of services that enhance their comfort and make their stay as seamless as possible. The survey revealed key insights into the types of services most in demand from corporate clients.



Wifi

WiFi access emerged as one of the most critical services, cited by nearly all respondents. This aligns with the increasing reliance on remote work and digital communication in the corporate world. Having reliable internet is essential for business travelers and remote workers alike.



Cleaning

Cleaning services were also identified as highly sought after, with many respondents noting that corporate clients expect regular cleaning, similar to hotel standards. This is especially important for clients staying for shorter periods.



Extra services

Other important services include laundry facilities, gym access, and parking. Corporate clients are often looking for accommodations that provide all the conveniences they would find in a hotel but with the added comfort and space of an apartment or house.



Tailored client support

Tailored client support was another key expectation. Corporate housing providers that offer personalized services, such as flexible check-in/check-out times, concierge services, and dedicated points of contact, are better positioned to meet the needs of demanding corporate clients.

These service expectations point to a growing trend in the corporate housing market where providers are competing not just with other housing options but also with hotels. *The more corporate housing providers can offer services that mirror or surpass those of hotels, the more likely they are to attract and retain business clients.*

Strategic Investments and Changes for 2025

Looking to the future, the survey asked corporate housing providers whether they plan to make any strategic investments or *changes in their offerings to prepare for 2025*. *The results show a market that is cautiously optimistic about future demand, with many providers looking to expand or enhance their services.*

42%

of respondents indicated that they **do not plan to make any major changes**, suggesting that these providers are confident in their current business model and expect stable demand in the coming years.

26%

of respondents plan to **increase the number of properties they manage**, reflecting confidence in future growth. These providers are likely looking to capitalize on expected increases in corporate travel and the growing demand for temporary accommodations as companies continue to expand their global reach.

30%

However, 30% of respondents are **planning to improve services, with a focus on enhancing the client experience**. This could include upgrading amenities, offering more personalized services, or investing in technology to streamline the booking and management process.



A small percentage of respondents expressed interest in **expanding their regional coverage**, moving into new areas where they see untapped demand for corporate housing.

The overall trend indicates a market that is preparing for moderate growth, with many providers actively looking for ways to stay competitive by improving their service offerings or expanding their portfolios.

This focus on strategic investments shows that corporate housing providers are aware of the evolving needs of their clients and are positioning themselves to meet those needs in a post-pandemic world.

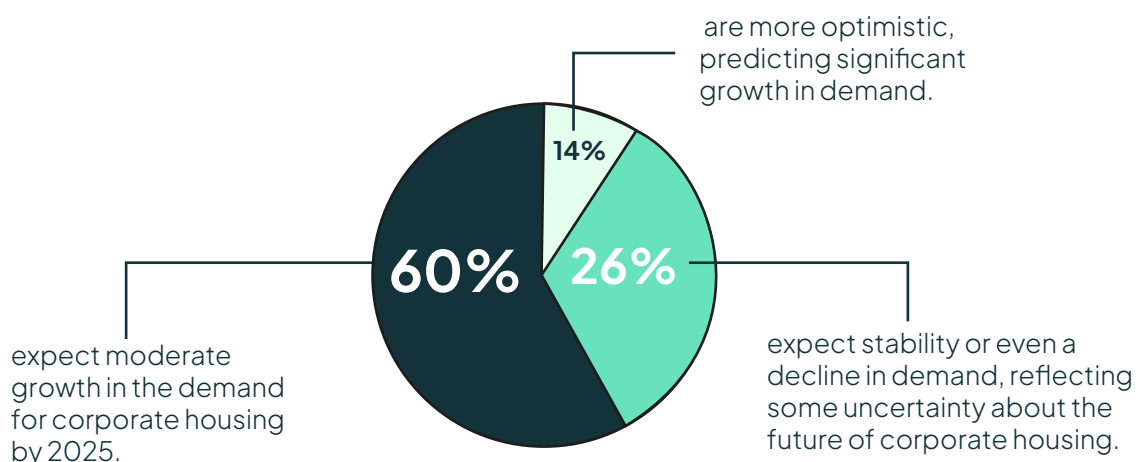
Expectations for Corporate Housing in 2025

The corporate housing providers surveyed expressed a range of expectations for the future of the market, *with most predicting moderate growth over the next few years.*

- 60% of respondents expect moderate growth in the demand for corporate housing by 2025.** This suggests that while the market may not experience explosive growth, there is a general belief that demand will continue to increase at a steady pace as business travel resumes and companies expand their operations.
- 26% of respondents expect stability or even a decline in demand, reflecting some uncertainty about the future of corporate housing.** Factors such as continued remote work policies, economic downturns, or changes in corporate travel behavior could contribute to this more conservative outlook.
- 14% of respondents are more optimistic, predicting significant growth in demand.** These providers may be banking on the return of international travel, the expansion of multinational corporations in Portugal, or new opportunities arising from changing work patterns.

The mixed responses reflect the current uncertainty in the corporate housing market, which has been affected by global trends such as the pandemic, remote work, and economic fluctuations. However, the overall sentiment is one of cautious optimism, with most providers expecting some level of growth in the coming years.

For 2025



Key Market Trends and Influencing Factors

In addition to questions about current demand and future expectations, the survey also asked respondents to share any trends or external factors they believe will influence the corporate housing market in the near future. Several key trends emerged from the responses:



Remote work

The rise of remote work was identified as a major factor influencing the demand for corporate housing. With more companies adopting flexible work policies, corporate housing providers are seeing an increased demand for temporary accommodations in areas outside traditional business hubs. Remote workers are looking for longer-term stays in more residential areas, creating new opportunities for providers.



Economic conditions

Economic conditions were also highlighted as a key factor. *Respondents noted that economic downturns or uncertainties could negatively affect demand for corporate housing, as companies cut back on travel and relocation expenses.* Conversely, economic growth, particularly in sectors such as technology and finance, could lead to increased demand.



Shift in corporate travel

The shift in corporate travel was another trend mentioned by respondents. While traditional business travel has not returned to pre-pandemic levels, *there is a growing demand for longer-term stays as companies reduce the frequency of short business trips* and instead send employees on longer assignments or relocations.



Sustainability

Respondents also pointed to the increasing importance of sustainability in the corporate housing market. *As more companies adopt environmentally friendly policies, there is a growing demand for accommodations that align with these values, such as energy-efficient buildings, sustainable amenities, and eco-friendly practices.*

These trends highlight the evolving nature of the corporate housing market in Portugal. Providers must remain adaptable to changing client needs, particularly as remote work and sustainability become increasingly important factors in the decision-making process for corporate clients.

Conclusion

The corporate housing market in Portugal is in a state of transformation, driven by changing client expectations, the rise of remote work, and shifting economic conditions.

Based on the results of the survey, it is clear that the market remains diverse, with providers of varying sizes and regional reach.

While many providers have seen stable demand, there is a growing recognition that flexibility and service enhancements will be key to future success. ***With most corporate housing providers preparing for moderate growth, the focus is on expanding services, improving the client experience, and adapting to new trends such as sustainability and longer-term stays.*** As Portugal continues to attract international businesses and professionals, the corporate housing sector will play an increasingly important role in meeting the accommodation needs of the global workforce.

This survey provides valuable insights into the current state of corporate housing in Portugal and offers a roadmap for future growth.

By understanding the key trends and challenges facing the market, providers can position themselves to meet the evolving needs of corporate clients and capitalize on new opportunities as the world of work continues to change.

At Apartool, we understand the unique needs and challenges faced by property managers in Portugal. By empowering direct owners and real estate managers, we position ourselves as a dedicated technological ally.

Our platform not only connects any property with quality clients but also enhances your operational efficiency, enabling you to focus on what truly matters—delivering exceptional service. With our solutions, it is possible to effortlessly navigate the complexities of the market, gaining access to a broader audience while maintaining strong relationships with existing corporate clients.

Thanks to Apartool's partner portal, managing a business has never been easier. A property manager will gain total control over its portfolio with centralized payment and billing processes, allowing for streamlined financial management.

Our efficient group management tools further simplify operations, ensuring anyone can respond swiftly to client needs and market demands. ***With Apartool, you can transform the way you manage your properties, seize new opportunities, and achieve sustainable growth in an increasingly competitive landscape.***



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