



THE NETHERLANDS OUTLOOK 2026



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ECONOMIC OUTLOOK

RECOVERY BROADENS, BUT REMAINS SELECTIVE

THE PAST YEAR PROVED TURBULENT FROM BOTH A GEOPOLITICAL AND ECONOMIC PERSPECTIVE.

Military conflict in the Middle East and the ongoing war in Ukraine continued to dominate the global agenda, alongside repeated diplomatic attempts to halt the violence. Economic tensions escalated further as US President Trump unilaterally altered global trade dynamics by imposing high to very high import tariffs on all US trading partners.

Despite expectations of a new period of economic uncertainty in 2026, Europe is gradually becoming more adept at navigating volatility.

The persistent geopolitical instability has produced a paradoxical effect: markets are becoming increasingly immune to shocks. The European economy initially benefited from U.S. companies accelerating orders ahead of import tariffs, and positive momentum has persisted even after the tariffs came into effect. Growth came in at 1.4%, above expectations, inflation remains under control, and European producers seem to be benefiting from the relatively low U.S. import tariffs on EU goods compared to competing countries. Meanwhile, the European Union is increasingly looking inward for solutions: the single market still does not function optimally, but the ambition to strengthen it is clearly growing.

Initiatives such as the European Innovation Act underpin a desire to embed innovation, capital flows and talent more firmly within Europe itself.

At the same time, there is a growing call to 'systematically review' EU regulations, and the European Parliament recently approved the Omnibus I package, designed to reduce the administrative burden for European companies (CSRD and CSDDD).

As a result, structural fundamentals: productivity, energy security, spatial quality and human capital, are once again taking centre stage and will guide the trajectory for 2026. At the same time, macroeconomic indicators are stabilising: import tariffs are largely fixed, inflation is declining – except for the Netherlands, where inflationary pressures remain more persistent – and interest rates are steady. This creates a more predictable environment in which investors and occupiers in the commercial real estate sector feel confident reassessing their strategies.



ECONOMIC FORECAST INDICATORS THE NETHERLANDS

	2022	2023	2024	2025*	2026*
Growth GDP	5,0%	0,1%	0,9%	1,6%	1,4%
Unemployment	3,5%	3,6%	3,7%	3,8%	4,0%
Inflation (HICP)	11,6%	4,1%	3,2%	3,0%	2,4%
EMU (% GDP)	-0,1%	-0,4%	-0,6%	-1,8%	-2,4%
Purchasing Power	-2,5%	-0,7%	2,9%	0,6%	1,1%

Source: CPB, CEP 2025 *: forecast

The Dutch economy recorded moderate growth of 1.6% in 2025, with a further 1.4% expansion forecast for 2026. Although stronger than expected, this growth presents a dual picture. The services sector continues to perform well, whereas manufacturing remains under pressure due to structurally elevated energy and labour costs amid increased international competition. The removal of uncertainty, particularly around import tariffs, appears to support the recovery of Dutch goods exports from Q3 2025 onward (+2.5% year-over-year), despite weak growth among key trading partners. Producer sentiment is also improving, supported by expectations of higher production levels.

Real household incomes have risen in recent years due to strong wage growth and will be further supported in 2026 as inflation continues to fall. This increases consumer purchasing power and contributes 0.1% to next year's gdp. Although households support growth, consumer confidence remains negative, prompting elevated savings. This caution is understandable: the historically tight Dutch labour market is beginning to cool.

ALTHOUGH UNEMPLOYMENT, AT 3.9%, IS STILL HISTORICALLY LOW, BY LATE 2025, FOR THE FIRST TIME IN FOUR YEARS, THE NUMBER OF UNEMPLOYED PEOPLE EXCEEDED THE NUMBER OF JOB VACANCIES (399,000 VERSUS 387,000).

This shift appears less cyclical and more related to a decline in self-employment following the introduction of new regulations aimed at preventing misclassified independent contracting. While government spending on healthcare and defence has risen, labour shortages make it difficult to execute budgets fully.

Dutch industry continues to face structural challenges, including persistently high energy prices and labour costs, grid congestion and nitrogen-related restrictions. Energy-intensive sectors and parts of the automotive industry are particularly affected. Although not all industries experience the impact to the same degree, concerns regarding long-term competitiveness are rising. Productivity remains the weak link; digitalisation and labour market innovation are essential for sustainable growth.



ECONOMIC OUTLOOK

The outcome of the recent elections suggests the possibility of a stable centrist coalition government from 2026 onward. This prospect increases confidence that policy will be more consistent and strategic in the coming years, creating space for long-term decisions related to the investment climate, economic transition and the physical environment.

THE NETHERLANDS STILL BENEFITS FROM STRONG INSTITUTIONS, A TRANSPARENT AND COOPERATIVE GOVERNMENT, A RELIABLE LEGAL SYSTEM AND A CULTURE OF OPEN DATA AND KNOWLEDGE SHARING; ALL OF WHICH UNDERPIN CONFIDENCE AMONG DOMESTIC AND INTERNATIONAL INVESTORS AND OCCUPIERS.

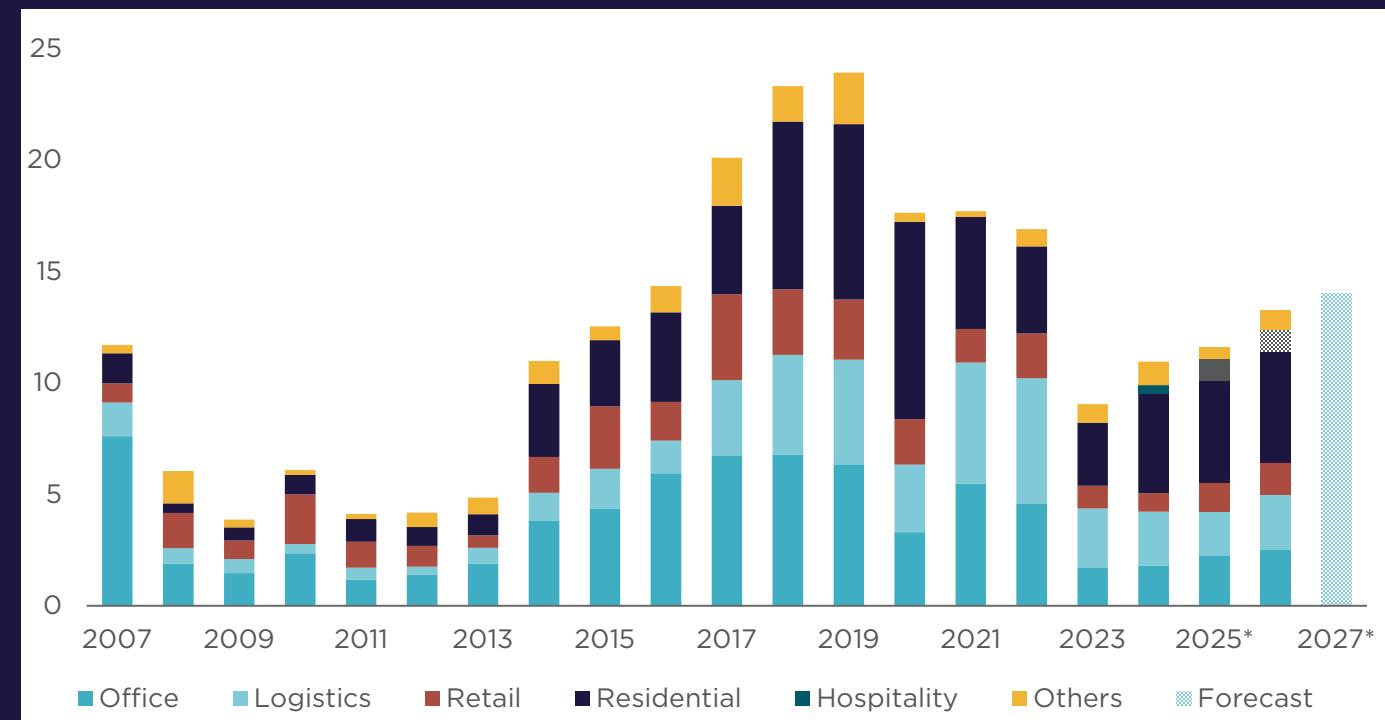


COMMERCIAL REAL ESTATE INVESTMENT MARKET

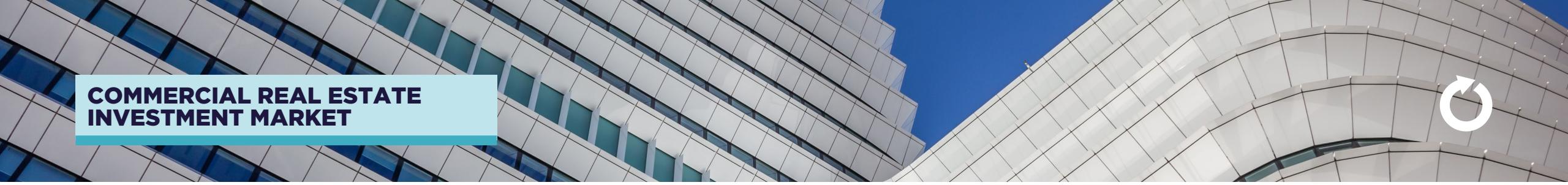
INVESTMENT VOLUME FOR 2025 IS EXPECTED TO REACH €11.3 BILLION, APPROXIMATELY 8% HIGHER THAN LAST YEAR.

During the first half of 2025, investors anticipated a delayed year-end rally that ultimately did not materialise, as market participants remained cautious. This was largely due to continued macroeconomic uncertainty, which led to postponed decision-making. As a result, new pricing levels have not been thoroughly tested, leaving the market in a holding pattern. After a period of interest rate volatility and value corrections, the European and Dutch investment markets appear to be regaining equilibrium. In 2026, investors are expected to reposition proactively in anticipation of growth. Baseline forecasts suggest investment volume could reach €13-14 billion.

DUTCH PROPERTY INVESTMENT MARKET Investment volume by property type (in €bln.)



Source: Cushman & Wakefield, 2025



COMMERCIAL REAL ESTATE INVESTMENT MARKET



Capital allocation toward real estate is normalising, and Core investors are returning, albeit selectively. The same applies to international capital: only assets offering clear returns and long-term resilience are being considered. Whereas uncertainty around pricing dominated the market in 2023 and 2024, today's environment reflects renewed discipline. The phase of pricing discovery, when market participants cautiously tested new valuation levels, is gradually giving way to pricing discipline, with sharper underwriting, a focus on cash flow and structural value creation.

Core real estate is once again the strategic anchor. Investors are prioritising quality, location and sustainability as key performance drivers.

Prime assets with stable tenants, strong ESG profiles and favourable financing conditions remain in high demand. This will likely result in stabilising, and in some cases slightly compressing, prime yields in 2026. However, recovery remains selective; not every city or sector will benefit equally.

The capital entering the market is also more diverse. Alongside traditional institutional investors, family offices, debt funds and private buyers with flexible credit structures and longer investment horizons are becoming increasingly active. This broadening of the capital base enhances market liquidity and introduces new financing options, particularly in niche and redevelopment segments.

Banks and debt funds are once again willing to lend, though selectively: prime assets at the best locations with strong tenants benefit, while capital for riskier redevelopment strategies remains costly.

Sustainability is evolving from an obligation into a source of value. ESG performance is being structurally priced into assets and is increasingly decisive for financing. Buildings that meet emissions standards, are energy-efficient, and are designed for adaptive use retain or increase their value. Sustainability has effectively become a driver of competitiveness.

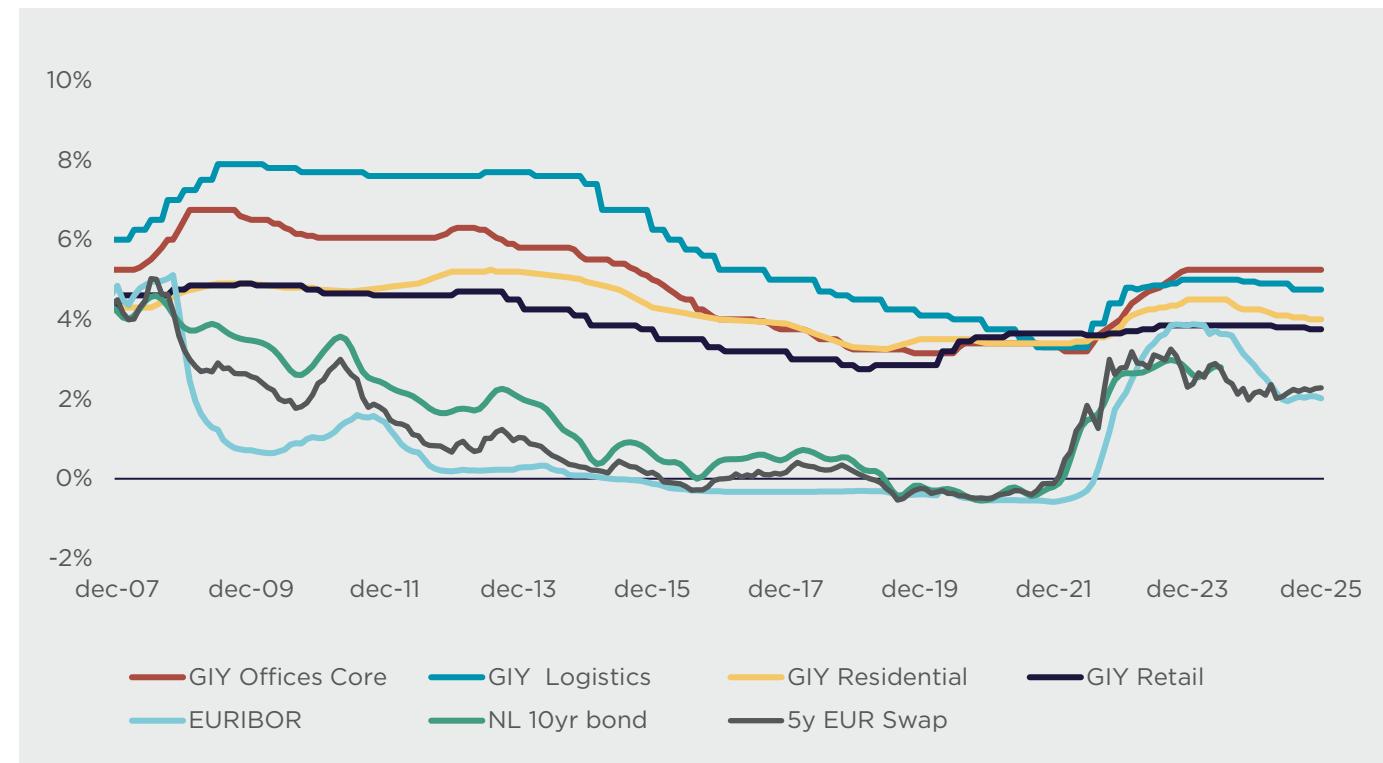
COMMERCIAL REAL ESTATE INVESTMENT MARKET



Although all asset classes are on an upward trajectory, growth paths diverge in terms of risk profile, volume and timing. While the return of the Core segment was evident across sectors in 2025, market depth remained limited, except in residential, and largely dependent on supply driven by redemptions, refinancing needs or the natural end of business plans. Private capital is expected to remain dominant in the Value-add segment in 2026, while institutional investors take a more gradual approach. For the Core+ segment, re-leasing risk remains difficult to assess, complicating decision-making and suppressing transaction levels.

The anticipated value recovery in 2026-2027 will not be driven primarily by yield compression, but by improving income streams: rising rents, higher occupancy and enhanced operational efficiency. The focus is shifting from financial momentum to fundamental performance. The new real estate cycle is increasingly defined by structural value creation: buildings that truly work for occupiers, investors and cities alike.

DEVELOPMENT MARKET RATES VS. GROSS INITIAL YIELDS EURIBOR, IRS, prime GYI's, in %



Source: Cushman & Wakefield, 2025

OFFICES



INVESTMENT MARKET



FOR MANY YEARS, THE OFFICE MARKET WAS SHAPED PRIMARILY BY PRIVATE CAPITAL, PARTICULARLY DUTCH FAMILY OFFICES AND FRENCH PRIVATE REAL-ESTATE INVESTMENT FUNDS (SCPIs).

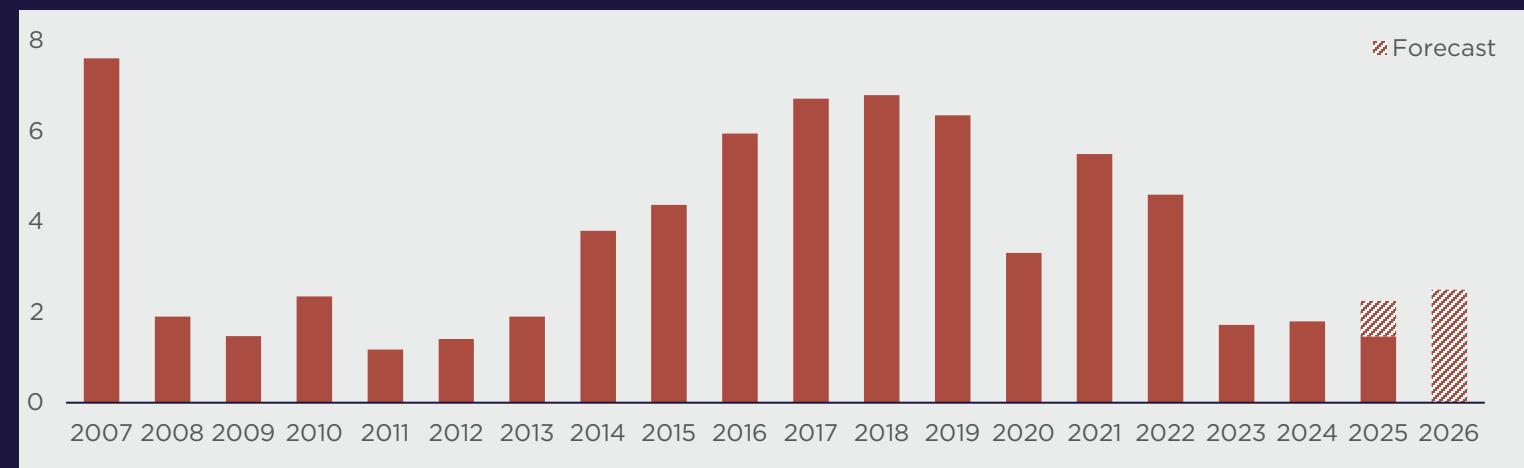
With the gradual return of institutional investors in 2025, the buyer base in the office market has become more diverse once again.

TOTAL OFFICE INVESTMENT VOLUME IS HEADING TOWARDS €2.25 BILLION IN 2025, AROUND 25% HIGHER THAN THE PREVIOUS YEAR. AFTER AN EXTENDED PERIOD OF LIMITED CORE TRANSACTIONS, SIGNS OF RECOVERY HAVE ALSO RETURNED TO THIS SEGMENT.

Several sizeable deals closed in the second half of the year across multiple cities, including Weesperstaete, First, New Amsterdam, Centre Court, Monarch Tower and Central Plaza, significantly strengthening market confidence.

The financing market is also highly dynamic. Lenders are competing for first-class, prime investment propositions, resulting in downward pressure on margins. As a consequence, the bid-ask spread is narrowing, and from a real estate market-perspective, all signals are turning positive.

DUTCH PROPERTY INVESTMENT MARKET Office investment volume in € bln.)



Source: Cushman & Wakefield, 2025

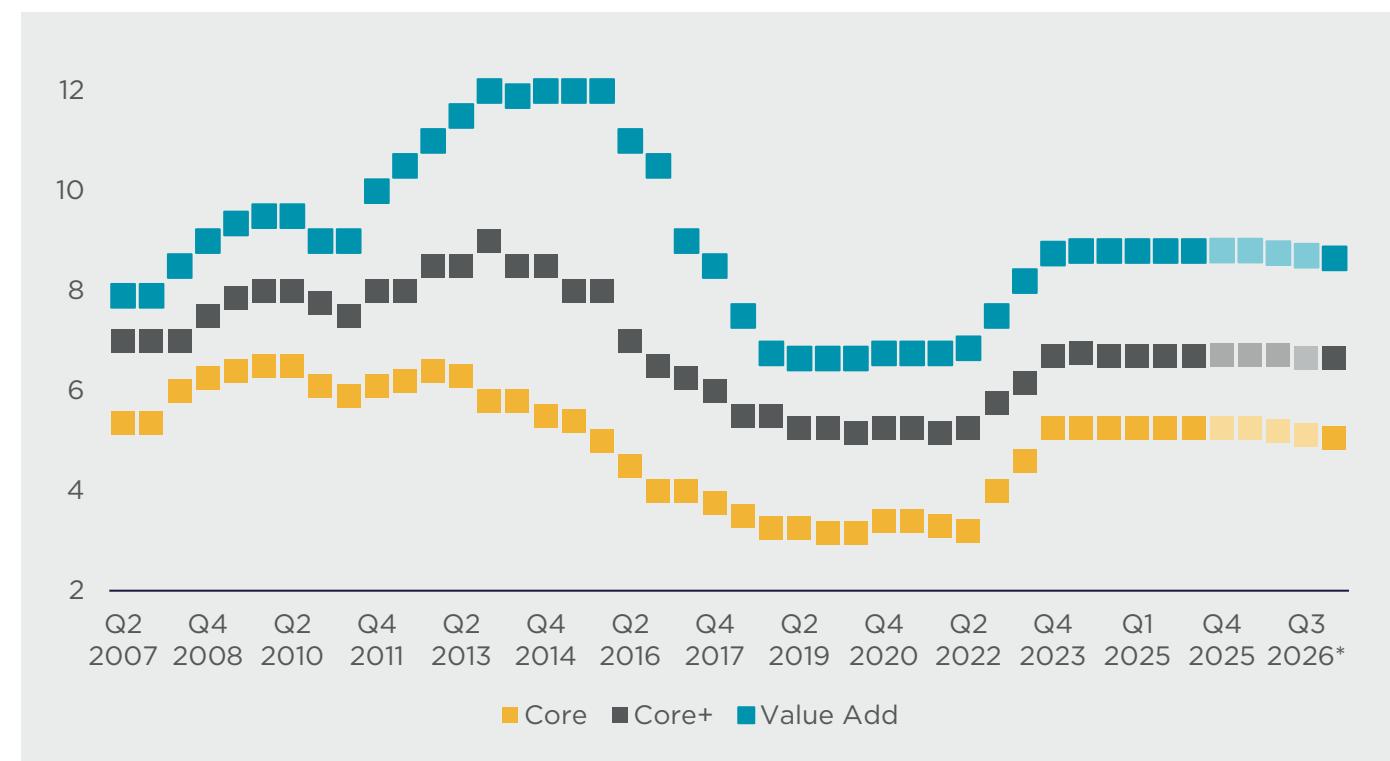
INVESTMENT MARKET

Despite renewed demand for the top segment, the Core office market, with gross initial yields between 5% and 7%, remains relatively thin. Buyers have returned, but many sellers are still waiting for further price discovery based on transactions currently in the pipeline. The office market is nearing price consensus, which is likely to accelerate disposal decisions where further value appreciation is not expected.

On the supply side, conditions remain constrained. Disappointing pricing results in limited willingness to sell. Many assets are still not valued at their assumed long-term worth, making owners reluctant to bring them to market. As a result, despite a clear increase in buyer interest, relatively little new product is being offered.

FOR CORE+ OFFICES, WITH GROSS INITIAL YIELDS BETWEEN 7% AND 8.5%, LONG-TERM VALUATION REMAINS DIFFICULT TO ASSESS.

DEVELOPMENT GROSS INITIAL YIELDS - OFFICES GIY excl. RETT payable by purchaser (%) Core, Core+, and Value add



Source: Cushman & Wakefield, 2025



INVESTMENT MARKET

This complicates strategic decision-making: to what extent can offices in good, but not prime, locations be re-let, and how certain is future rental value, knowing that capital expenditure will be required in the short or long term to meet ESG standards? Relatively high financing costs, combined with rising construction and redevelopment costs and stricter ESG regulation, mean that business cases do not always hold. The risk of stranded assets remains very real in this segment. Due to limited activity, a significant gap has now emerged between the Core segment and existing Value-add buyers.

Looking ahead to 2026, private capital, especially family offices and local investors, is expected to continue dominating the market.

Institutional investors are gradually returning, partly because the anticipated “bloodbath” from widespread homeworking has not materialised and the occupier market remains stable.

Whether yield compression will occur in 2026 is uncertain. It may still emerge later, once the current cycle enters its final phase and more transactions close. The previously absent pricing consensus now appears to be forming. Yet what one party may perceive as compression, another may interpret simply as confirmation of a valuation level that was already implicitly applied.

TOWARDS 2026, THIS TRANSLATES INTO STABLE PRICING DEVELOPMENTS: GROSS INITIAL YIELDS FOR CORE ASSETS ARE RECORDED AROUND 5.25% (GROSS), CORE+ ASSETS AROUND 6.7%, AND VALUE-ADD INVESTMENTS TYPICALLY STARTING FROM APPROXIMATELY 8.8%.

The spread in yields underlines the distinction between prime, liquid assets and properties with a higher risk profile, for example, due to required sustainability investments or less attractive locations. Should occupier demand for high-quality offices in strong locations further increase the polarisation between “the best and the rest”, this is expected to be reflected in prime office market yields.



OCCUPIER MARKET



THE DUTCH OFFICE MARKET HAS SPENT SEVERAL YEARS SEARCHING FOR EQUILIBRIUM.

Employers are trying to strike the right balance between office attendance and homeworking, between creating an inspiring workplace and managing costs. The modern workplace is expected to support talent attraction and retention, collaboration and ESG objectives, while avoiding unsustainably high rental or fit-out costs. Capex aversion remains a defining feature: organisations are cautious about investing in fit-outs or relocations unless a new building meets all essential requirements. The search for the “five-legged sheep” – an office in the ideal location, accessible by both car and public transport, sustainable, representative and flexible – has resulted in a highly polarised occupier market.

Organisations reviewing their accommodation strategies increasingly choose either high-quality, future-proof spaces or simply extend their existing lease. The era in which occupiers settled for “second best” appears to be over. Most relocations are quality-driven rather than expansion-driven. Where companies do lease new space in prime locations, they typically reduce their footprint elsewhere in the country to keep portfolio-level accommodation costs stable.

To offset higher rental and investment costs, many organisations continue to reduce their square metres. The office is being redefined as a meeting place for clients and colleagues; a setting where knowledge is shared, innovation occurs, and social cohesion is strengthened.



The traditional nine-to-five workplace has been replaced by a more dynamic hub focused on connection and culture. In 2025, employers called more loudly for a return to the office. While previously reluctant, given the War for Talent, employers now increasingly request physical presence. Large corporates once again apply a norm of two to three office days per week. This renewed appreciation for in-person collaboration is driven partly by the need for knowledge transfer between senior staff and younger talent, and partly by the desire to preserve organisational DNA. Innovation, commercial strength and tacit knowledge are simply difficult to transfer through digital means alone.

OCCUPIER MARKET

AS A RESULT, THE OFFICE HAS BECOME, MORE THAN EVER, THE ORGANISATION'S CALLING CARD: A STRATEGIC DRIVER OF CULTURE, BRAND EXPERIENCE AND PRODUCTIVITY.

The Dutch office market has seen few truly new entrants for some time, and it is primarily the Amsterdam market, with its national gateway role, that is experiencing this most strongly. As a result, relocating occupiers are starting their accommodation strategies earlier to secure the desired step-up in quality.

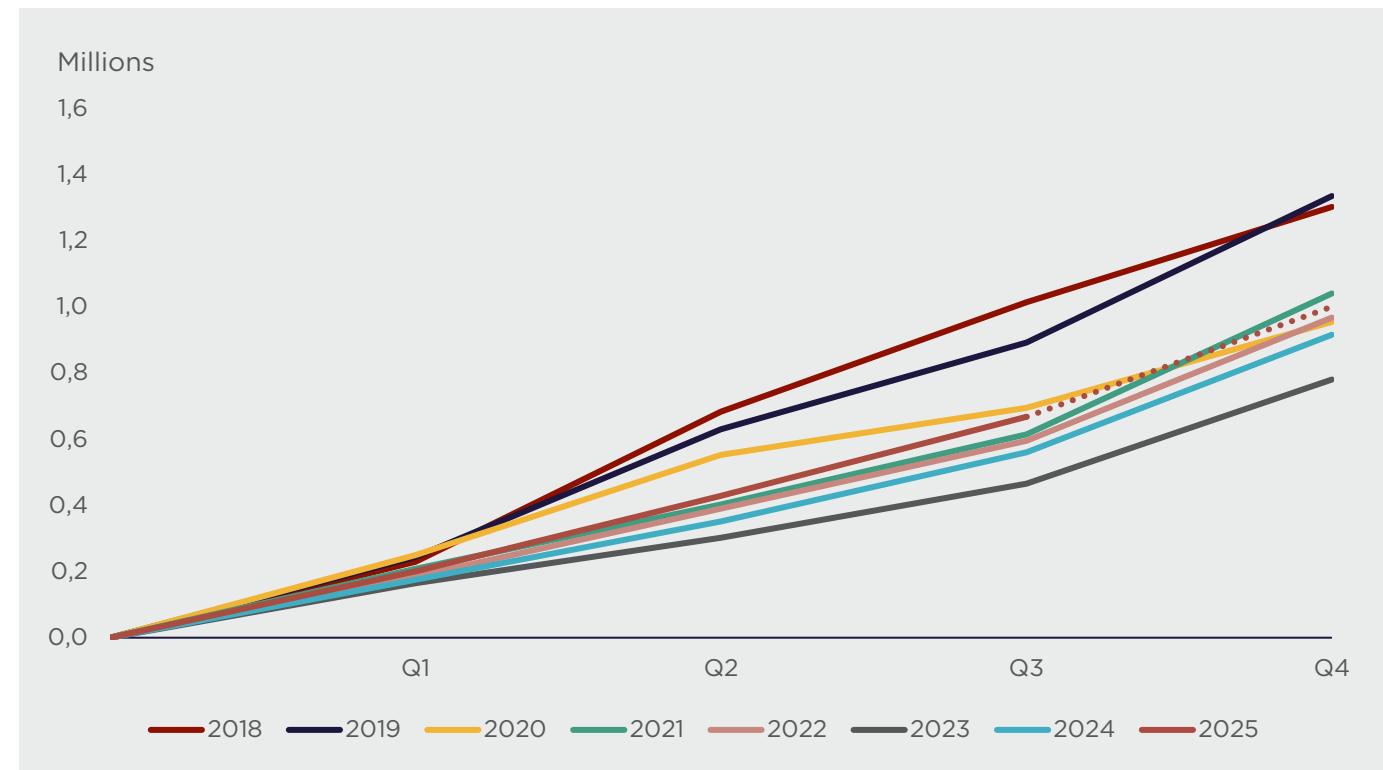


OCCUPIER MARKET

Capex aversion plays a key role in this process. Where suitable supply is not immediately available, many organisations opt to extend their existing leases, often for five years. At the same time, demand is rising for ready-to-use office space: turnkey solutions, fully fitted units and flexible concepts that can be occupied without lengthy refurbishment. Landlords and operators are responding by subdividing floors, creating smaller units and partnering with co-working providers. The emphasis on flexibility has become structural. Occupiers request break options and shorter lease terms more frequently; a direct consequence of experiences with COVID-19, inflation, rising interest rates and geopolitical uncertainty. Preference is shifting towards off-the-shelf solutions, where speed and scalability are key.



OFFICE TAKE-UP 2018 - 2025 Q3 in sqm Ifa, per quarter end, 2025 Q4: forecast



Source: Cushman & Wakefield, 2025



OFFICE TAKE-UP STABILISED AROUND 1 MILLION SQ M IN 2025, ROUGHLY 10% HIGHER THAN THE PREVIOUS YEAR. THIS ALSO PLACES TAKE-UP SLIGHTLY ABOVE THE LONG-TERM POST-PANDEMIC AVERAGE (+7.5%).

A similar volume is expected for 2026, in a market still seeking equilibrium: future-proof accommodation solutions amid a structural shortage of high-quality offices in prime locations. This is also translating into upward pressure on rents.

The five largest cities accounted for nearly half of total take-up, with Amsterdam clearly leading (c. 200,000 sq m, +15% y-o-y).

Notable transactions included Databricks leasing 12,000 sq m in the rock on the Zuidas; the Central Government Real Estate Agency (for IND) with 12,000 sq m in Utrecht; Ayvens with 9,900 sq m in The Joan in Amsterdam; Bergman Clinics with 8,400 sq m in Capelle aan den IJssel; and Busch Vacuum Solutions with 7,500 sq m in Woerden.

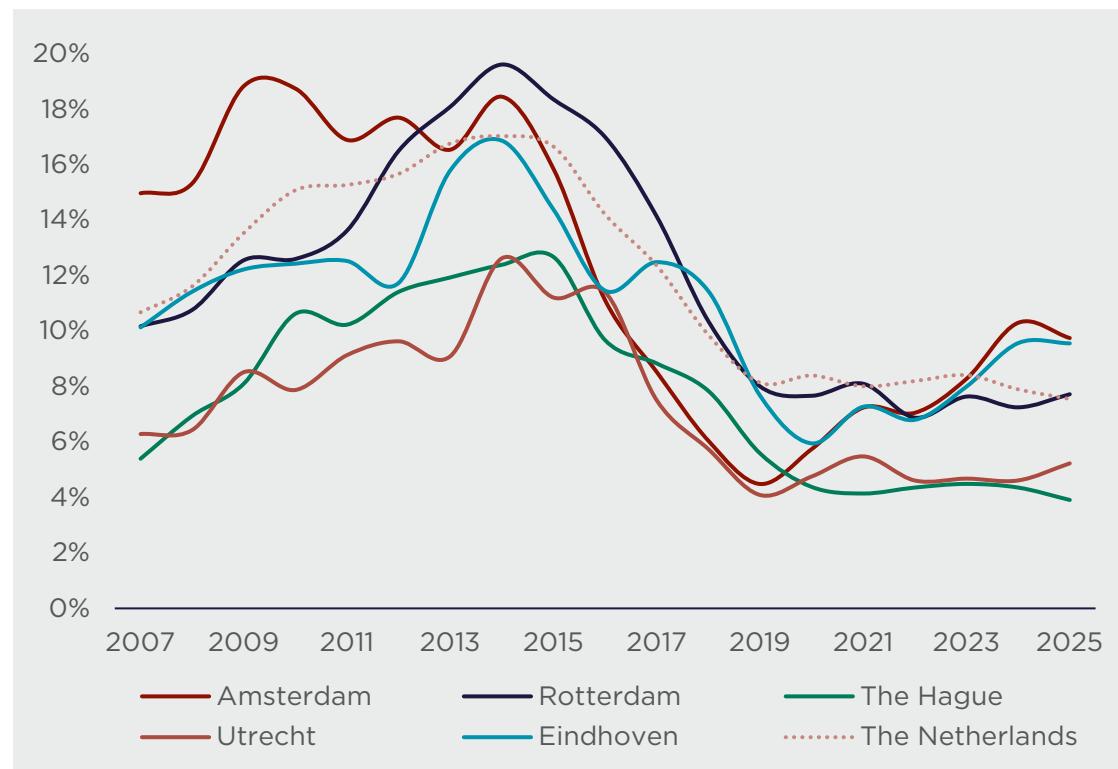
Office availability in the Netherlands continued its mild long-term downward trend and appears set to reach approximately 3.8 million sq m by January 2026. Vacancy continued to fall and currently stands at 7.6%, the lowest level in 25 years.

Regional differences remain substantial: vacancy in The Hague is just 3.8%, Utrecht 5.2%, Rotterdam 7.8%, and Eindhoven 9.5%. Amsterdam sits at 9.8%, creating a relatively spacious market, but with a distinctive explanation. Unlike other cities, which long required substantial pre-letting before development could begin, Amsterdam allowed more speculative development, often driven by redevelopment strategies. As new offices gradually entered the market, a relocation carousel emerged and is still ongoing.



DEVELOPMENT OFFICE VACANCY

Vacancy in % (≥ 500 sq.m l.f.a.)



Source: Cushman & Wakefield, 2025

A striking feature of the current dynamics is the predominantly relocation-driven nature of take-up and the continued absence of large new entrants into the Amsterdam office market. Initial explanations centred on cyclical factors, such as rapid interest-rate increases. Increasingly, however, attention is shifting to the broader national debate about the attractiveness of the Dutch investment and business climate.

(Tech) entrepreneurs report growing constraints caused by Dutch labour and tax regulations, which limit their ability to hire and reward staff competitively. On top of this, the expat housing market is now experiencing the same acute and chronic shortages as the wider residential sector, including limited access to international schools, effectively pricing Amsterdam out of the market for international talent. The footloose nature of tech work enables companies to operate easily from other cities. In an ageing continent, the War for Talent is global, and Amsterdam is increasingly competing with cities such as Barcelona, Lisbon, Dublin and Riga rather than Rotterdam, The Hague or Utrecht.

LIVING



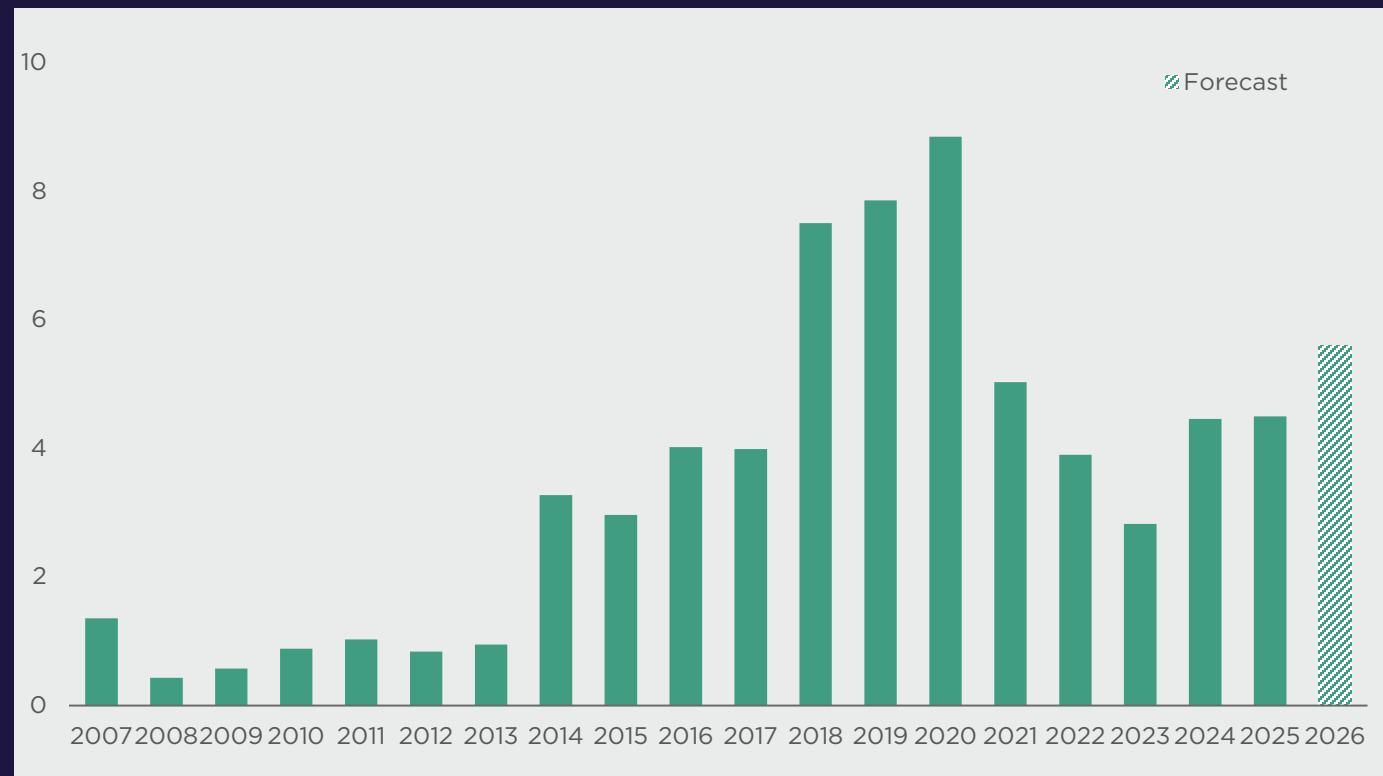
INVESTMENT MARKET

THE DUTCH RESIDENTIAL INVESTMENT MARKET IS PREPARING FOR A STRONG RESURGENCE IN 2026.

Whereas 2025 was characterised by gradually rebuilding confidence and the cautious re-entry of both domestic and international capital, clear signs of a delayed year-end rally are emerging; one that is expected to extend into 2026. A key catalyst is the reduction of transfer tax for investors, from 10.4% to 8% as of 1 January 2026. Many parties are intentionally postponing transactions in existing stock to benefit from this lower rate. A wave of acquisition requests, largely triggered by redemptions, is entering the market in the final quarter of 2025. This is expected to fuel elevated transaction momentum at the start of 2026, particularly among buyers pursuing a sell-down strategy. Despite some hesitation toward year-end from investors anticipating additional supply, the 2025 investment volume will likely stabilise around €4.5 billion, similar to 2024.

NETHERLANDS PROPERTY INVESTMENT VOLUME

Residential investment volume, in EUR bln.



Source: Cushman & Wakefield, 2025



INVESTMENT MARKET

Owners have already begun selling units to sitting tenants. Because these transactions typically involve owner-occupiers, transfer tax is immediately reduced: instead of the investor rate, buyers pay 2.2% or may even qualify for exemption under the first-time buyer scheme. The fact that even lower-quality rental stock is being sold illustrates the severity of the national housing shortage.

In 2026, momentum in the new-build segment is expected to strengthen significantly. Early signs of supply scarcity are emerging again, especially in the segment traditionally dominated by institutional capital.

DUTCH INSTITUTIONAL INVESTORS ARE EXPECTED TO CONTINUE PLAYING A LEADING ROLE NEXT YEAR.

Large international institutions are also active: well-capitalised and armed with substantial mandates, they are increasingly re-engaging with the Dutch housing market. They are attracted by renewed opportunities, despite the distorted level playing field created by the abolition of the REIT regime. Foreign institutions, now taxed where Dutch institutions may be exempt under specific conditions, still operate with higher return requirements.

Compared to last year, considerably more Core capital is circulating in the market. This leads to higher investment pressure and corresponding upward pressure on pricing. Urban development projects benefit from this shift, with several large-scale schemes advancing or regaining traction.

Due to the scarcity of ground-based supply in regional areas, investors increasingly focus on metropolitan development zones where they can deploy capital at scale while contributing to national housing objectives. The financing market mirrors this trend: lenders are competing for prime propositions, reflected in narrowing margins and a shrinking bid-ask spread. Market conditions therefore appear favourable for elevated activity and growing stability.



INVESTMENT MARKET

A notable development is the shift from traditional competitive bidding to early-stage collaboration between developers and long-term investors. In several major projects, the end investor has been involved from the earliest planning phases. This improves predictability, reduces development risk and lowers the likelihood of competitive bidding; historically a driver of price escalation. The market is evolving toward a more integrated development-and-investment chain, where certainty and partnership increasingly replace short processes and broad tenders.

The renewed momentum in the residential investment market is unfolding within a new policy and economic context.

The Affordable Rent Act and other regulatory measures have reshaped the playing field, prompting a stronger focus on quality. The market has adjusted to a reality in which rental growth is limited, vacant possession values are high, and returns are driven largely by operational performance and long-term value. Rents in the free-market segment are rising, partly due to the regulation of mid-market rental homes.

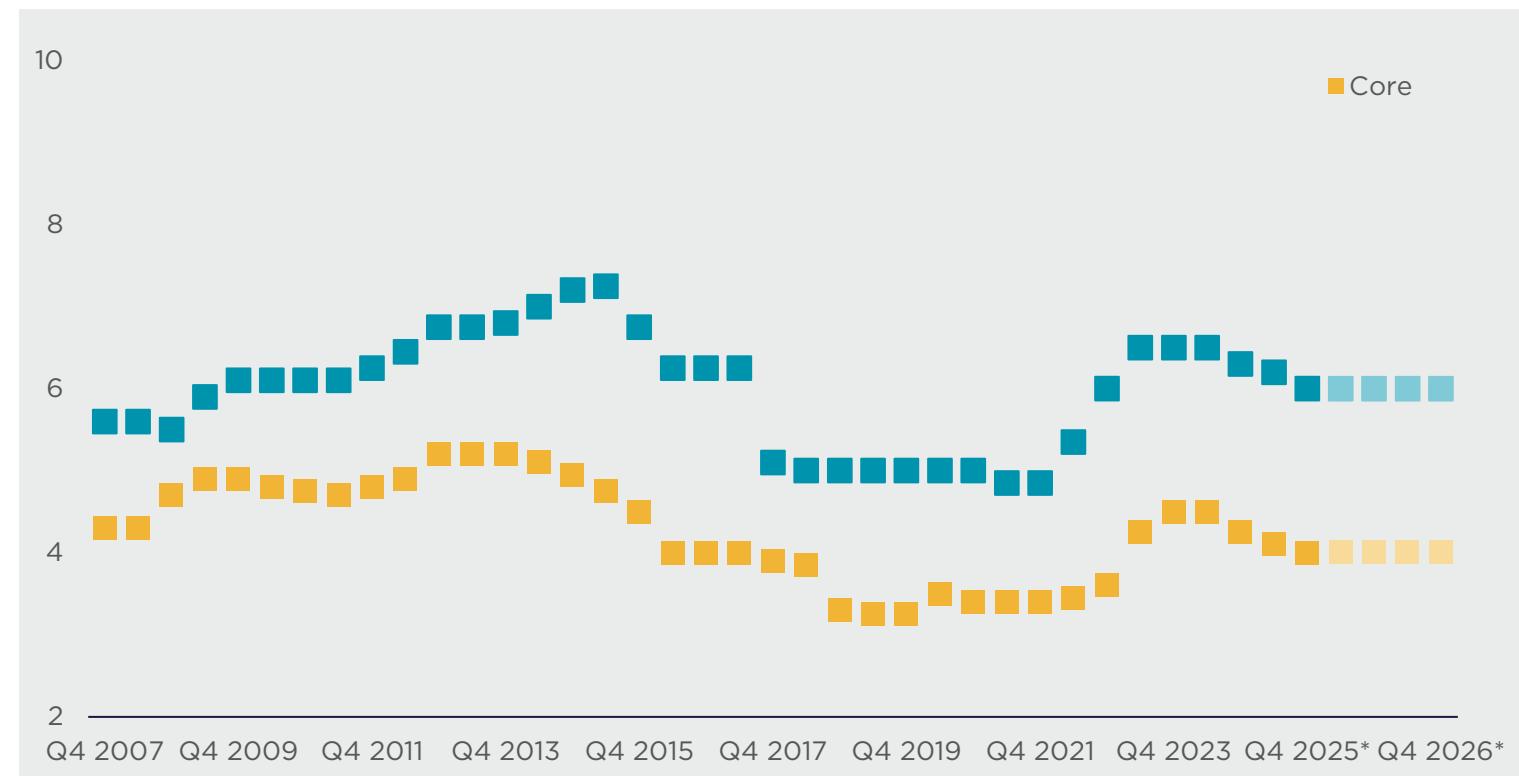
CORE YIELDS ARE STABILISING AROUND 4%. SOME SELLERS, HOWEVER, CONTINUE TO BASE THEIR EXPECTATIONS ON OUTDATED EXIT-DRIVEN VALUATIONS, CREATING FRICTION.

Where early 2025 expectations suggested investors would prioritise new-build, given stricter regulation of existing stock, the distinction between segments has since become less pronounced. In addition to strong demand for Core new-build, value-driven strategies are regaining prominence. Both domestic and international private equity parties have launched numerous funds with clear Value-add profiles, often targeting sell-down strategies. This segment remains highly active. Large portfolios increasingly flow toward these buyers, while single-asset deals are predominantly absorbed by Dutch family offices and private real estate firms.

INVESTMENT MARKET

Most available stock currently sits in the Core+ and Value-add segments. These assets often fall outside institutional mandates due to insufficient sustainability performance and required capex to comply with regulatory standards such as the WWS norm. These additional investments weigh on returns due to capped rent levels, prompting investors to require higher initial yields. Portfolios failing to meet sustainability criteria are therefore less attractive to institutional capital. Private equity remains active, particularly where sell-down is viable, but the balance of power is shifting: the market is increasingly driven by quality, future resilience and strategic value, rather than short-term return optimisation.

DEVELOPMENT GROSS INITIAL YIELDS - LIVING GIY excl. RETT payable by purchaser (%) Core and Value-add



Source: Cushman & Wakefield (2025)

OCCUPIER MARKET

THE DUTCH HOUSING MARKET ENTERS 2026 WITH A PERSISTENT SHORTAGE OF BOTH OWNER-OCCUPIED AND RENTAL HOUSING, A SITUATION UNLIKELY TO CHANGE SOON.

Despite various policy initiatives and an ambitious national construction agenda, the structural mismatch between supply and demand remains acute. The country faces a shortage of approximately 395,000 homes, with the greatest impact on vulnerable groups: first-time buyers, students, newcomers and status holders. Regulatory tightening in recent years has not improved their position. In fact, fiscal and policy changes have triggered a broad retreat of private landlords from the mid-market and free-market segments, resulting in a significant wave of sell-downs.

The abolition of temporary leases reinforces this trend and is expected to continue until mid-2026, when the last such contracts expire and the sell-down wave begins to ease. ABN AMRO expects only a 1% increase in owner-occupied transactions in 2026, signalling normalisation after elevated activity.

The sell-down wave fuels the owner-occupied market in ways that disproportionately benefit wealthier first-time buyers. It is mainly smaller urban apartments, acquired en masse by investors over the past decade, that are returning to the market.

THIS HAS PRODUCED STRIKINGLY HIGH TRANSACTION ACTIVITY: IN Q3 2025, NEARLY 42,000 HOMES CHANGED HANDS, MORE THAN 20% ABOVE THE PREVIOUS YEAR.

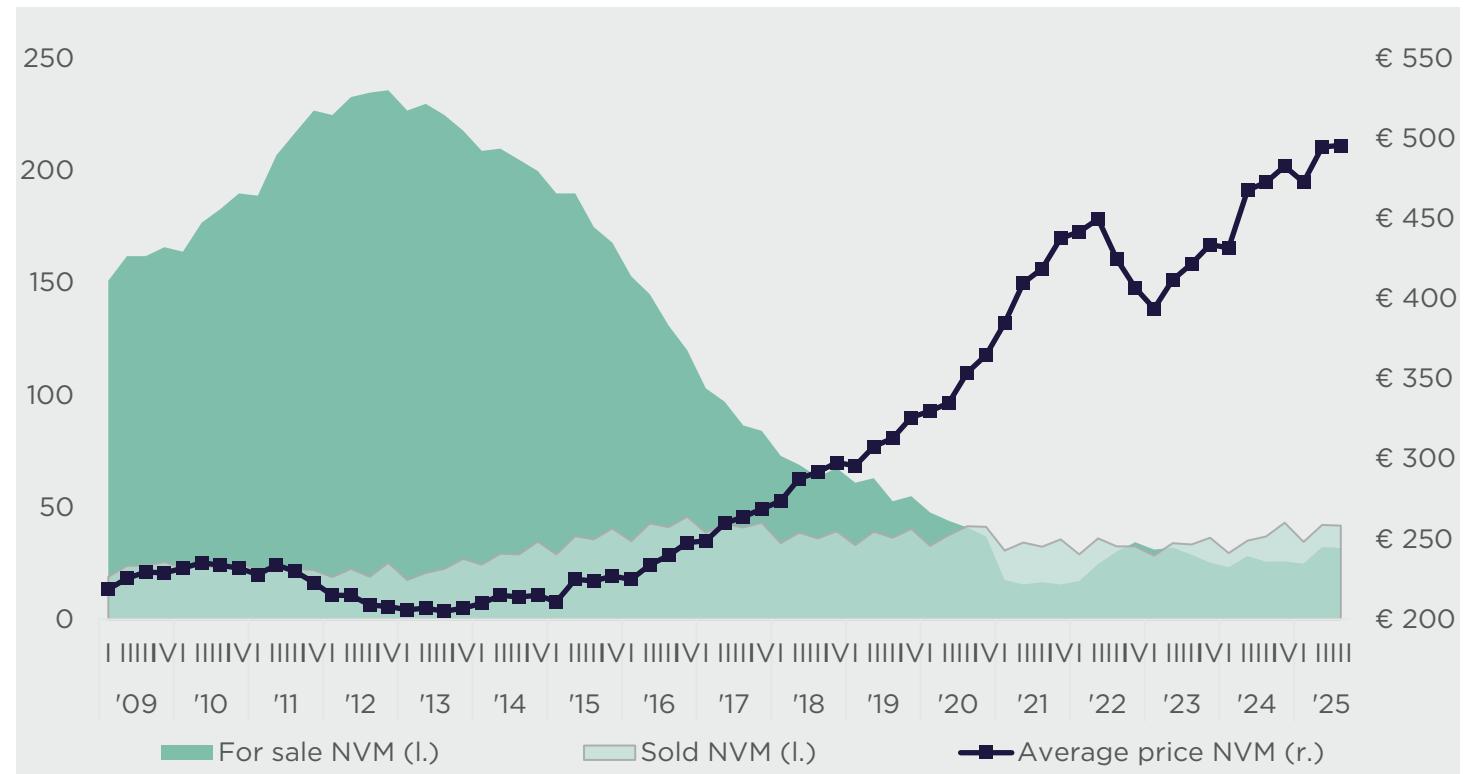
In one out of five transactions, a landlord sold to a private buyer; two-thirds of these homes were apartments.

The prevalence of smaller units caused a slight moderation in the average sales price: down 0.9% quarter-over-quarter but up 4.8% year-over-year, reaching €496,000. Average time-on-market rose marginally to 29 days; still historically low. Although the Dutch association of real estate brokers (NVM) notes fewer viewings and bids per home, forecasts point to continued but moderated price growth in 2026 of 3%-6%. The key drivers: structural scarcity, rising incomes, longer periods of saving and slight downward pressure on medium-term interest rates.

OCCUPIER MARKET



SUPPLY AND DEMAND IN THE MARKET FOR OWNER-OCCUPIED PROPERTIES
in # (left, x 1.000) and average transaction price (right, EUR x 1.000)



Source: NVM, 2025, edited by Cushman & Wakefield

IN THE NEW-BUILD SEGMENT, CONDITIONS REMAIN MIXED. DEMAND IS STRONG, BUT SUPPLY IS CONSTRAINED DESPITE ACCELERATED DELIVERY OF SOCIAL AND MID-MARKET UNITS BY HOUSING ASSOCIATIONS.

Permit issuance continues to lag due to repeated project delays, particularly affecting ground-based housing. This mismatch between household preferences and new-build output persists. Over half of new-build sales now consist of apartments, primarily in major cities, but this only partially aligns with national demand. Apartments must also compete with sell-down units available immediately, as many buyers are reluctant to wait years for completion. At the same time, shrinking apartment sizes reduce the value proposition for seniors, historically a key buyer segment. As a result, absorption periods for new-build are lengthening.

OCCUPIER MARKET

The retreat of investors from the rental market has direct consequences for rent levels. With high demand and reduced supply, starting rents continue to rise.

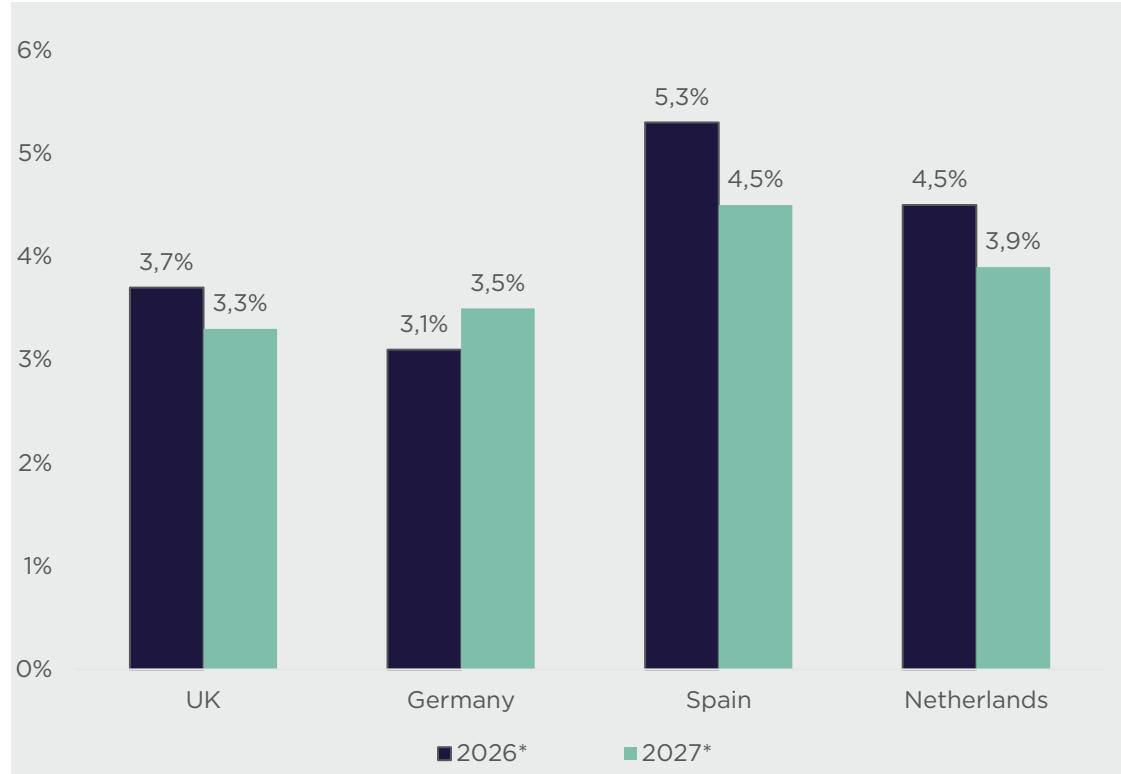
In 2025, average rents reached €19.32 per sq m. Based on our own research, a continuation of this upward trend is expected in 2026 and 2027, albeit more moderate, at 4.5% and 3.9% respectively. As a result, rental growth is expected to exceed projected increases in the United Kingdom (3.7% and 3.3%) and Germany (3.1% and 3.5%).

Regional variation remains significant: in the Randstad, upward pressure persists. Regulatory caps on annual rent increases, based on three-year average inflation for social housing and wage growth +1% for the mid-market and free-market segments, offer limited relief to renters.



OCCUPIER MARKET

PRS RENT PRICE FORECAST in % of previous year



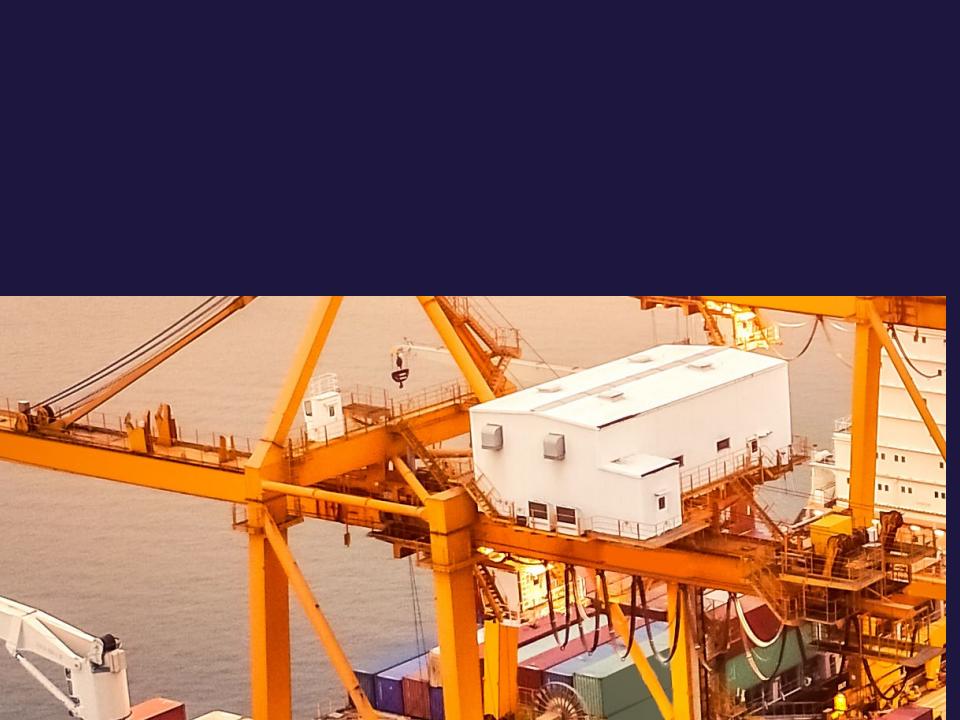
Source: NVM, 2025, edited by Cushman & Wakefield

Against this backdrop, 2025 nevertheless marked a policy inflection point with the publication of the preliminary draft of the new National Spatial Strategy (Nota Ruimte). The document, one of the most influential long-term policy frameworks, aims to provide direction and predictability in a market that has been under sustained pressure for several years.

The Minister positions the Strategy as an instrument to restore confidence, not only among households but also explicitly among domestic and international investors. Confidence is urgently needed, as the broader Dutch investment climate faces structural constraints: nitrogen restrictions, grid congestion, rising energy costs and tax burdens have already led to closures among energy-intensive industries. Reduced international business expansion is also visible across services and office employment.

The housing market plays a strategic role in this wider economic context: high living costs and limited housing supply hinder businesses' ability to attract and retain staff. Political parties across the spectrum increasingly acknowledge that a healthy housing market is not only a social priority but also a cornerstone of the national investment climate. In 2026, this factor will demand full political and economic attention more than ever, regardless of the composition of the new cabinet that will set the course from that year onward.

INDUSTRIAL & LOGISTICS





INVESTMENT MARKET

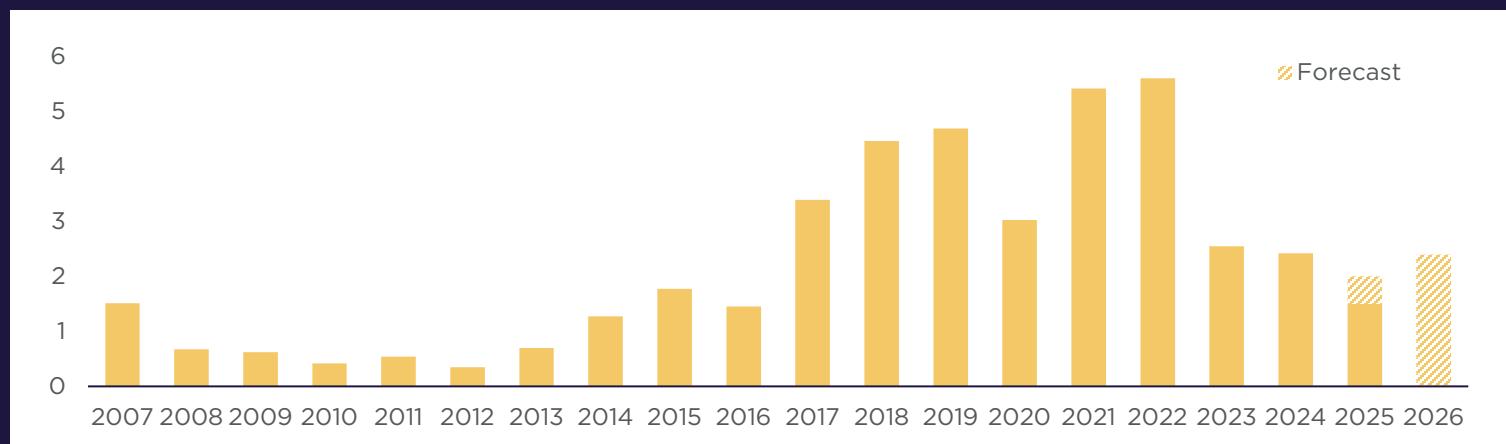
DEMAND FOR LOGISTICS REAL ESTATE REMAINED STRONG THROUGHOUT 2025, WITH ACTIVITY CONCENTRATED IN TRADITIONAL HOTSPOTS SUCH AS ROTTERDAM, VENLO, TILBURG AND MOERDIJK.

In the first three quarters of the year, approximately €1.5 billion was invested in the industrial and logistics market, of which around 80% targeted logistics assets and 20% industrial assets. This distribution underscores the persistent investor preference for logistics and reflects an ongoing structural trend: capital continues to flow predominantly into this segment. Combined, the industrial and logistics market accounted for roughly 20% of total commercial real estate investment in the Netherlands in 2025. Total investment volume is expected to reach €2 billion by year-end.

Although investors were cautious in 2025 due to geopolitical tensions and macroeconomic uncertainty, underlying demand remained robust. This strong underlying demand is expected to support further market stability in 2026. Investment volume is forecast to increase slightly to around €2.4 billion, with logistics again absorbing approximately 80%.

DUTCH PROPERTY INVESTMENT MARKET Logistics & Industrial investment volume (in mln. euro)

Source: Cushman & Wakefield, 2025





INVESTMENT MARKET

The strong demand for logistics real estate not only highlights the importance of this specific segment but also provides insight into the broader dynamics of the Dutch industrial property market. While the Netherlands is relatively expensive compared to other European logistics markets, where higher initial yields may be available, these markets often carry greater risks: increased volatility, weaker supply chain positioning, less mature institutional structures and more pronounced vacancy fluctuations. The Dutch market is distinguished by strong fundamentals: high-quality infrastructure, transparent regulation, a stable labour market and a well-developed logistics ecosystem. This combination continues to attract both domestic and international capital.

Against this backdrop, the supply of high-quality logistics real estate remains limited.

THIS IS NOT A NEW DEVELOPMENT, BUT THE CUMULATIVE EFFECT OF MULTIPLE YEARS OF PRESSURE: PANDEMIC-RELATED DISRUPTIONS, ELEVATED CONSTRUCTION COSTS, HIGHER INTEREST RATES, GRID CONGESTION AND LONGER DEVELOPMENT TIMELINES.

Together, these factors have led to structurally lower construction completions. The resulting mismatch between supply and demand continues to place upward pressure on pricing.

Even with lower initial yields, high transfer tax and scarcity of prime assets, the Dutch logistics market remains one of the most compelling investment environments in Europe.

The Netherlands has traditionally played a key role as a gateway to Europe. This position is further strengthened by several structural pillars: the quality of its real estate, a strong emphasis on sustainability and consistent occupier demand. This strong competitive position is clearly reflected in the concentration of logistics activity around Rotterdam, Amsterdam Airport Schiphol, Venlo, Tilburg and Moerdijk.



INVESTMENT MARKET

Sustainability requirements, including stricter ESG criteria and energy performance standards, are increasingly central to underwriting. Energy-efficient, low-emission buildings retain value more effectively and attract tenants who prioritise compliance and operational efficiency. These developments are making sustainable buildings an increasingly important component of investment strategies, with both financial performance and societal responsibility playing a role. The focus on energy efficiency and ESG compliance will continue to intensify in 2026, giving such assets a clear advantage within the Dutch industrial property market.

In the first three quarters of 2025, multiple solid mid-sized transactions were completed. These deals not only serve as pricing and yield benchmarks but also strengthen investor confidence heading into 2026.

Most activity is concentrated in the €20–€70 million segment, where both supply and capital availability remain relatively strong.

THE CORE SEGMENT IS SHOWING EARLY SIGNS OF RECOVERY, WITH RECENT TRANSACTIONS AT NET INITIAL YIELDS BETWEEN 4.75% AND 5%.

However, true Core product remains scarce. Activity in the Core+ and Value-add segments is also steady, particularly where potential exists for rental reversion, operational efficiency gains or sustainability upgrades. This approach aligns with the current return requirements of investors, which are higher than in previous years. Despite the reduced transaction activity, the focus remains on segments that offer the greatest long-term stability and growth potential.

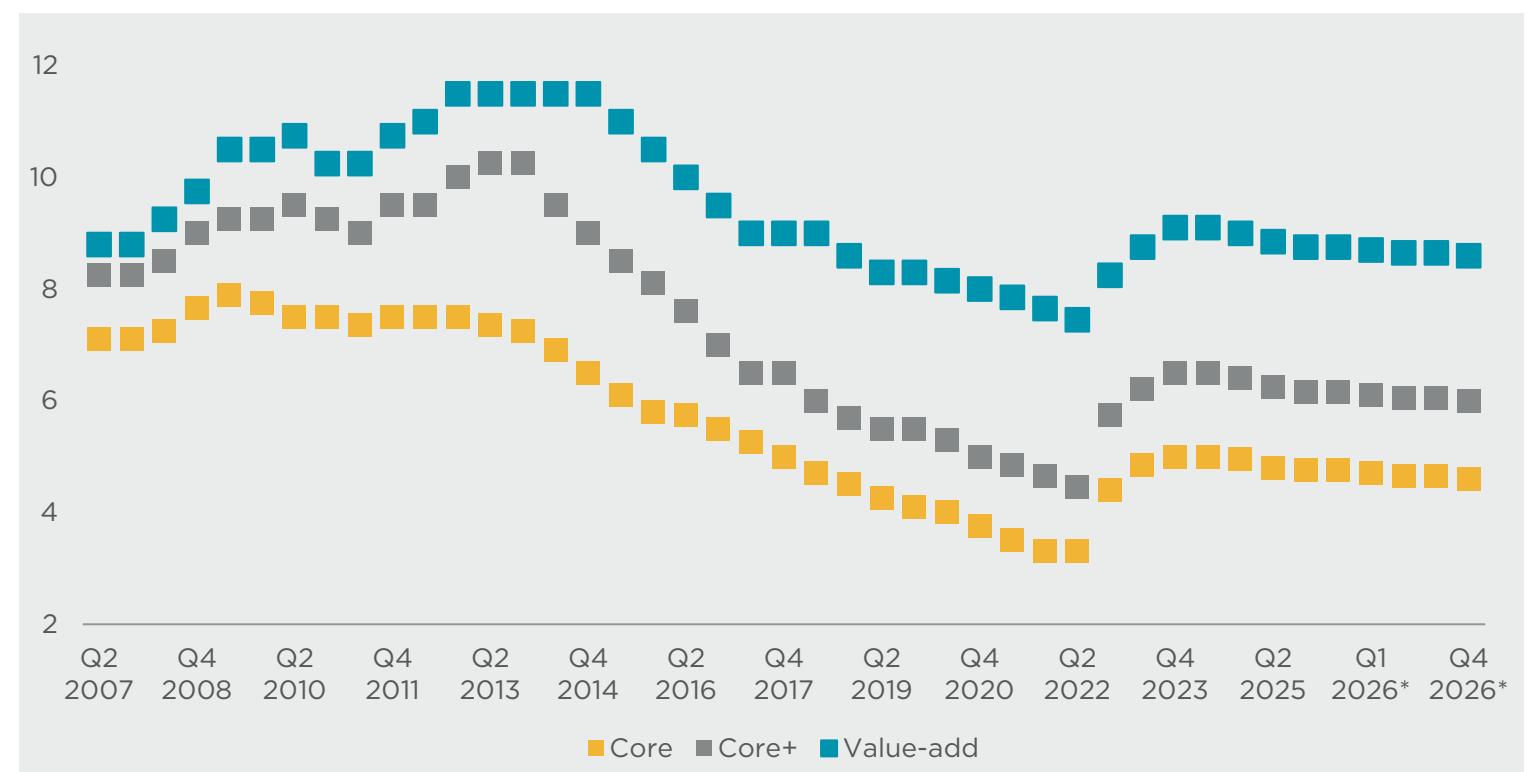


INVESTMENT MARKET

The improvement of the industrial property investment market in 2026 will largely depend on interest rate developments, policy clarity and macroeconomic stability. Additional influencing factors include progress on nitrogen policy, solutions to grid congestion, strengthening occupier demand and political appetite for reducing transfer tax.

WITH AN EXPECTED INVESTMENT VOLUME OF AROUND €2.4 BILLION, INVESTOR CONFIDENCE APPEARS SOLID, SUPPORTED BY STRONG 2025 TRANSACTIONS AND THE ENDURING APPEAL OF THE DUTCH LOGISTICS MARKET.

DEVELOPMENT GROSS INITIAL YIELDS - LOGISTICS GIY incl. RETT (%) Core, Core+, and Value-add



Source: Cushman & Wakefield, 2025

OCCUPIER MARKET

THE INDUSTRIAL AND LOGISTICS OCCUPIER MARKET REMAINED RELATIVELY STABLE DURING THE FIRST THREE QUARTERS OF 2025, WITH A SLIGHT DECLINE IN TAKE-UP COMPARED TO 2024.

No significant year-end surge is expected. Demand remains high, with more active requirements than in previous years, but decision-making is complicated by geopolitical uncertainty and limited availability of high-quality newly delivered space in core regions. Compared with peak years from 2017 to 2022, when take-up volumes were significantly higher, the levels in 2024-2025 indicate a more consolidated market characterised by selective expansion rather than broad acceleration, with occupiers continuing to favour high-quality and strategically located space.



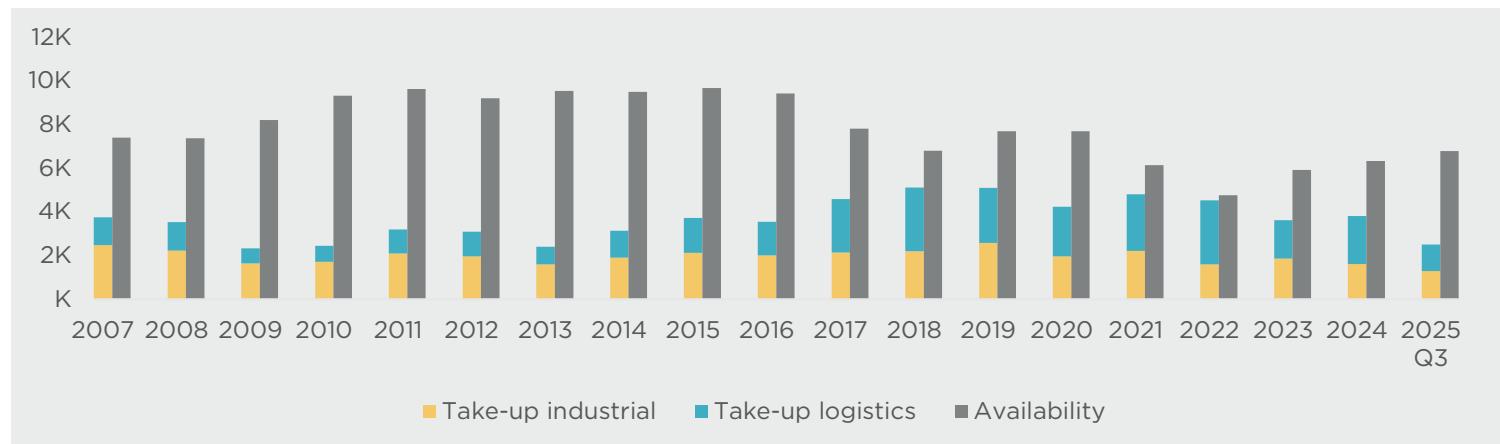
In the first three quarters of 2025, approximately 2,504,000 sq m was taken up, split almost evenly between industrial (51%) and logistics (49%) assets. This represents a 6% decline compared to the same period in 2024 (2,650,000 sq m). Several large transactions defined the period. Karl Rapp leased 41,000 sq m from Citylink in Rotterdam; Brouwers Logistics leased 36,500 sq m in Drunen; and Cornelissen Transport leased 30,000 sq m in Beuningen.

Noteworthy renewals included Dorel Juvenile, which extended its 20,000 sq m lease and added 10,000 sq m. The largest owner-occupier transaction was Nestlé's acquisition of a 24,000 sq m distribution centre in Almere.

Furthermore, Danish fashion company Bestseller began construction on a 155,000 sq m distribution centre in Lelystad; one of the largest ongoing developments. An increasing share of the year's largest transactions now comes from occupiers purchasing land and developing their own warehouses.

OCCUPIER MARKET

DUTCH OCCUPIER MARKET INDUSTRIAL AND LOGISTICS Take-up by category and availability (x1.000 sq.m l.f.a.)



Source: Cushman & Wakefield, 2025

The 2026 occupier market is expected to reflect the same polarised dynamics seen in 2025: scarcity and high rents in core locations, versus increasing vacancy and rising incentives in secondary areas. Although supply increased by 8% to 6,790,000 sq m in the first half of 2025, the overall picture remains fragmented.

ALTHOUGH SUPPLY INCREASED BY 8% TO 6,790,000 SQ M IN THE FIRST HALF OF 2025, THE OVERALL PICTURE REMAINS FRAGMENTED.

Core markets face continued upward rental pressure, largely in line with inflation, while secondary markets experience longer downtime and more generous incentives in the form of rental discounts.

As affordability challenges intensify in major logistics corridors, some occupiers may increasingly consider relocation to secondary markets, particularly if sustainability upgrades improve the quality of available stock and pricing becomes more attractive. For several companies, high rents in hotspots are becoming prohibitive, prompting exploration of alternative locations. This shift may, over time, create additional room in core locations, gradually easing pressure in the most constrained submarkets and allowing the market to develop in a more balanced way.

ANOTHER TREND LIKELY TO ACCELERATE IN 2026 IS CONSOLIDATION AMONG LARGE LOGISTICS OPERATORS.

Companies increasingly seek to centralise distribution activities into single, larger facilities to improve efficiency and reduce costs. At the same time, the question arises whether suitable industrial space is available at all and whether it meets the full requirements of the occupier. Moreover, the facilities these companies leave behind are often outdated, and their size frequently falls between categories: too large for SMEs yet too small or insufficiently equipped for larger operators to use efficiently. Significant repositioning capex may be required to bring these assets back to market more quickly.

Although the Netherlands traditionally offer strong fundamentals: location, infrastructure, labour availability and sustainability, several structural constraints are becoming more prominent. Restrictions on utilities connections, nitrogen policy constraints and grid congestion are influencing location strategies for both occupiers and investors who must take account of the risks and uncertainties present in the market. These constraints, combined with high interest rates and rising energy and labour costs, particularly place pressure on energy-intensive and automotive companies. Investment is becoming more difficult, even as costs increase and competitive strength weakens. Not every sector is affected to the same extent but concerns about growth and international competitiveness are rising.

Market activity remains strongest along the primary logistics corridor stretching from Rotterdam through Brabant and Limburg toward Venlo. In these regions, demand is particularly robust in the 20,000–30,000 sq m segment. Larger requirements are less common, while smaller-scale movements, primarily from SMEs, remain healthy. The major logistics searches along the national logistics corridor are largely international in nature, while locations along the A12 and within the Utrecht region tend to focus more on domestic distribution. In the Amsterdam region, Schiphol remains the traditional hotspot and is the only area still seeing significant large-scale activity. Other search requirements in the wider Amsterdam region are generally smaller in scale.



OCCUPIER MARKET

RECENT INCREASES IN U.S. IMPORT TARIFFS ARE PLACING PRESSURE ON GLOBAL TRADE FLOWS. COMPANIES IN THE NETHERLANDS ARE EXPECTED TO REASSESS THEIR SUPPLY CHAINS AND MAY HOLD LARGER INVENTORIES TO SPREAD RISK MORE EFFECTIVELY.

This could drive growing demand for strategically located storage and distribution space, particularly near key logistics hubs. While this impact may not fully materialise in 2026, it is expected to strengthen in subsequent years unless tariffs are eased. Major occupiers in core locations are exploring expansion opportunities, but only when conditions are right, such as the availability of a suitable site close to their existing operations. Where this is not the case, many are choosing to wait, given the continued economic uncertainty in the market.

There are also (new) entrants, including Asian companies, looking to expand their footprint in Europe, although this has not yet translated into significant activity.

For 2026, trends observed in 2025 across the logistics and industrial real estate market are expected to continue. Strong demand and high rents in top locations will persist, while secondary markets are likely to see rising vacancy and increased incentive levels. Consolidation among larger companies may create additional space in core locations, helping to ease some of the pressure on these markets. The availability of high-quality, ESG-compliant stock will be a decisive factor in how quickly companies can make this shift.

At the same time, geopolitical uncertainty and rising energy and labour costs will continue to influence both investment and occupier decision-making. Overall, 2026 is expected to be a year of selective growth and continued market consolidation, with strategically located sites once again attracting the strongest interest from occupiers and investors alike.

RETAIL



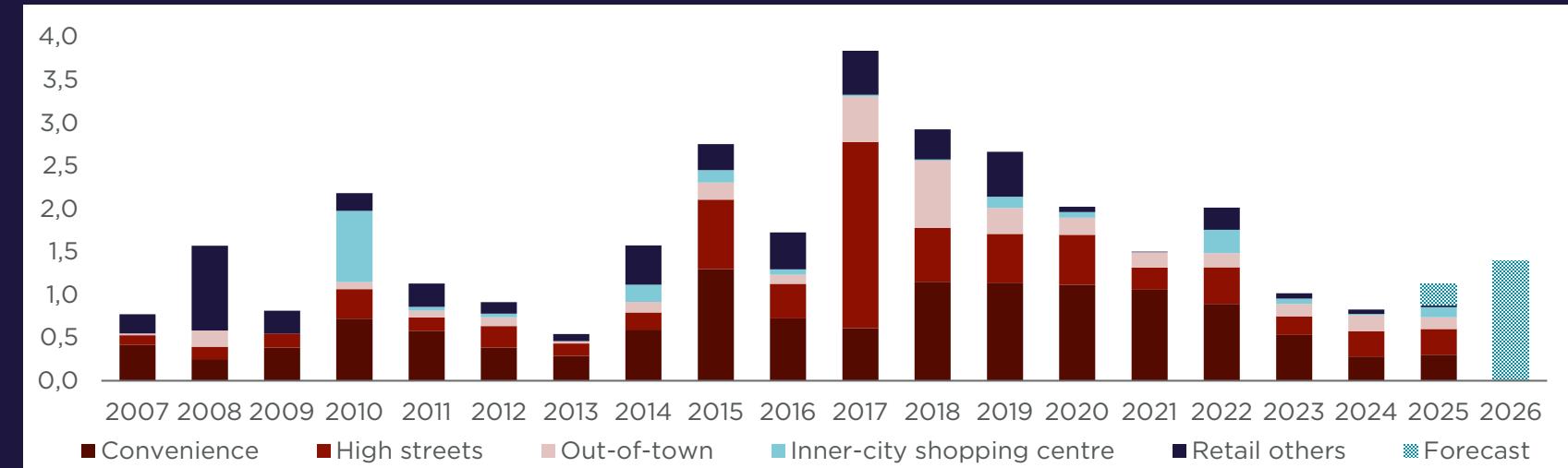
INVESTMENT MARKET

IN 2026, THE RECOVERY IN THE RETAIL INVESTMENT MARKET CONTINUES, SUPPORTED BY GREATER CAPITAL AVAILABILITY AND A GROWING INFLOW OF NEW BUYERS, INCLUDING FOREIGN INVESTOR GROUPS.

The past year already demonstrated resilience, as evidenced by a 32% increase in investment volume, which is on track to reach approximately €1.1 billion for 2025. Underlying fundamentals such as the low risk profile, the stabilisation of online sales, and the recovery of footfall in shopping areas have long driven increased investor interest.

DUTCH PROPERTY INVESTMENT MARKET Retail investment volume to segment (in bln. euro)

Source: Cushman & Wakefield, 2025



These positive factors will continue to support growth across all segments of the investment market in 2026. However, investors remain demanding regarding location and tenant quality in relation to the risk-return profile.

As a result, market momentum is being tempered, partly due to growing frictions in the negotiation process, where diverging price expectations and fiscal challenges play an increasingly important role.



INVESTMENT MARKET

TRANSACTION ACTIVITY AT THE START OF 2026 IS LARGELY DRIVEN BY THE CARRY-OVER OF SEVERAL MID-SIZED AND LARGE DEALS.

The postponed transactions from 2025 are partly the result of the longer decision-making process for deals of this size. In addition, required capital sometimes needs to be sourced from the investors' own sales transactions, which can create a self-reinforcing pattern of delays. Although investors faced sustained investment pressure in 2025, they took ample time to carefully finalise their positioning and market orientation in the Netherlands. As a result, more than €700 million in retail assets is expected to change hands in the first half of 2026 alone. For the full year, the investment market is projected to strengthen further, with an anticipated investment volume of around €1.4 billion.

One of the biggest challenges for the year ahead is closely linked to the fact that most large transactions are dependent on foreign capital. Across the European investment market, substantial capital is available for real estate in 2026, supported by increasing allocations to the sector.

Across the European investment market, significant capital is available for real estate in 2026, partly because the allocation of financing to property is normalising. The return of foreign Core investors took longer than initially expected, as international parties first needed to re-assess the local market structure, with particular attention to the position of GDV/PDV assets within the Dutch retail landscape. They are specifically seeking secure Core investments to mitigate risks and limit the impact of a volatile global market.

Where they initially operated with a tightly defined search profile and a rigid investment strategy, there is now more room for tailored approaches and creative solutions.

Their arrival will make the buyer landscape in 2026 more diverse, complementing existing private real estate firms, Dutch institutional investors, and specific investment vehicles from France (SCPI's).

With greater capital availability for retail investments and increased diversity in risk profiles and corresponding return requirements, upward price movement is expected in 2026. Although high transfer taxes will have a dampening effect on this and the overall impact on the retail investment market will ultimately remain limited.

INVESTMENT MARKET

Convenience is and remains a popular segment within the retail market. Despite continued interest in this segment, sustaining strong growth in investment volume is challenging due to a lack of quality supply in the market.

The mismatch between available quality assets and demanding fund requirements is most evident in subdued investment activity among larger funds and institutional investors.

The GDV/PDV segment is evolving into a more attractive investment category, supported by a diverse occupier base and rapid absorption of vacancies.

As foreign investors gain a clearer understanding of the distinction between Dutch GDV/PDV assets and standard European retail parks, investment appetite is increasing. The presence of convenience and diversity among underlying occupiers is viewed as a key advantage for sales popularity.

Within the High Street segment, institutional investors remain cautious for now, but there are opportunities for renewed momentum driven by expected rental increases in the coming years. Dutch parties continue to hold a dominant position in this segment. Larger transactions are expected to materialise mainly in the first half of 2026, as a result of deals carried over from 2025.





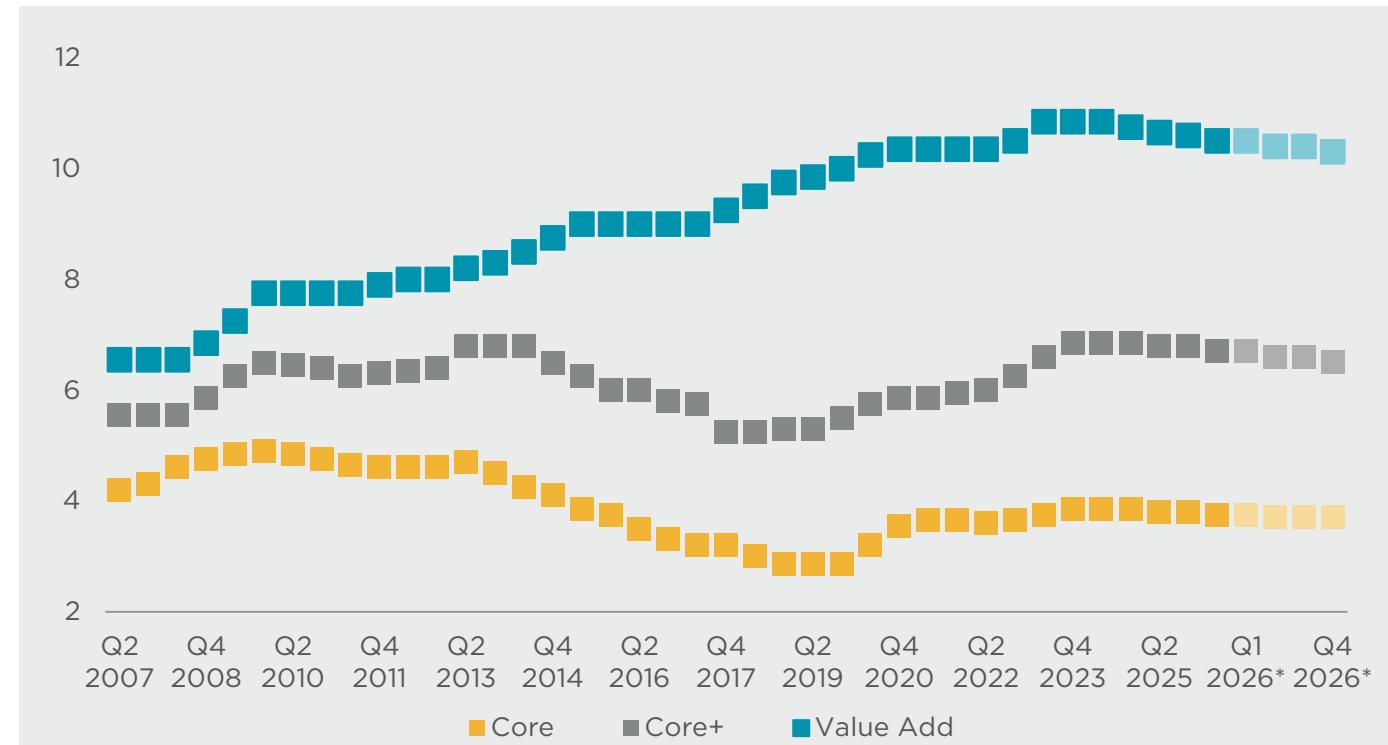
INVESTMENT MARKET

In 2026, prime yields are expected to remain under downward pressure. Interest rates continue to be an uncertain factor, but several transactions in the pipeline suggest higher pricing compared to recent years.

IN ADDITION TO THE LARGER BUYER GROUP, VALUE-ADD OPPORTUNITIES ARE BECOMING SCARCE, LEADING TO A CAUTIOUS SHIFT IN THE MARKET TOWARDS THE CORE+ SEGMENT.

In this context, several Anglo-Saxon investors have returned to the market and are likely to pose strong competition in 2026 for parties with higher return requirements, such as SCPI's

DEVELOPMENT GROSS INITIAL YIELDS - RETAIL GIY excl. RETT payable by purchaser (%) Core, Core+, and Value add



Source: Cushman & Wakefield, 2025



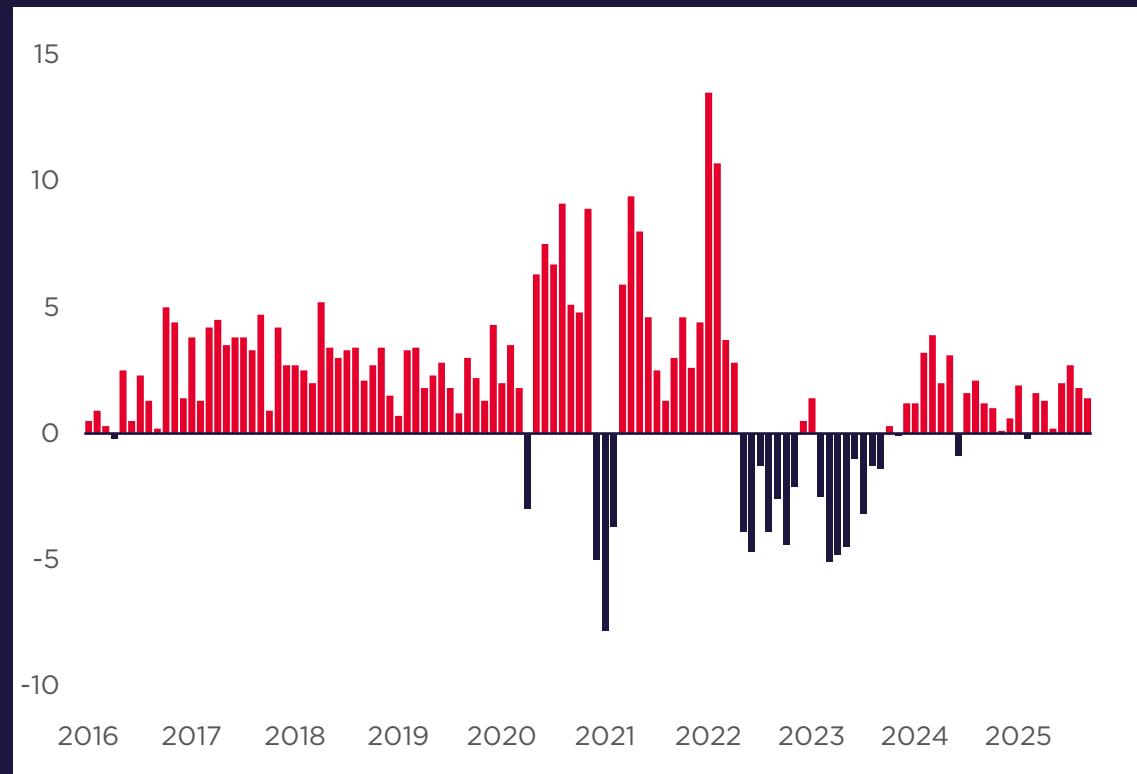
OCCUPIER MARKET

RETAILER SENTIMENT REMAINS POSITIVE, AND THERE IS CONTINUED ACTIVITY ON THE HIGH STREETS, WHERE OPPORTUNITIES ARE EMERGING AS RENTAL LEVELS HAVE NORMALISED.

Expansion is taking place across all segments among established retailers, while new entrants are appearing on the Dutch market from both abroad and online. Turnover on the high street has remained strong throughout the year, supported by persistently high inflation and a modest increase in purchasing power.

Despite low consumer confidence and higher prices, essential day-to-day spending continues. More importantly, after hovering around zero year-on-year growth for an extended period, turnover has shown a mild uptick in recent months. Dutch retailers continue to face elevated costs, but with expectations stabilising and pricing strategies better aligned with consumer willingness to pay, the outlook for the occupier market is improving. Profit margins remain low, but they are still positive despite the cost pressures.

RETAIL TURNOVER VOLUME
Percentage change versus previous year



Source: CBS, 2025

OCCUPIER MARKET

The discount segment has seen notable growth in both popularity and expansion. These stores are characterised by a limited assortment, low prices and an efficient, basic shopping experience focused on quick and affordable purchases. This trend is driven by consumers who still prefer to shop in physical stores but have become increasingly price-conscious. The high inflation of recent years has played a significant role in this shift.

In 2026, retail market is expected to move towards a polarisation between discount and premium: two seemingly opposite retail formats that are both popular with shoppers. This trend has been made possible by the new balance achieved in recent years between rental levels and available supply.

As a result, brand positioning will become more important than ever in 2026. The right positioning determines not only the product range and price level, but also the in-store experience, marketing strategy and ultimately the ability to build customer loyalty in an increasingly competitive environment.

Sustainability is becoming an increasingly important point of differentiation. New regulations aimed at promoting sustainability and curbing ultra fast fashion, such as the measures recently adopted in France, may mark the beginning of significant developments in both the discount segment and online retail. In the Netherlands, a similar motion targeting ultra fast fashion has also been adopted. If retailers successfully respond to these new regulations and competition from online platforms such as SHEIN and Temu is reduced, new opportunities may emerge for established retailers.

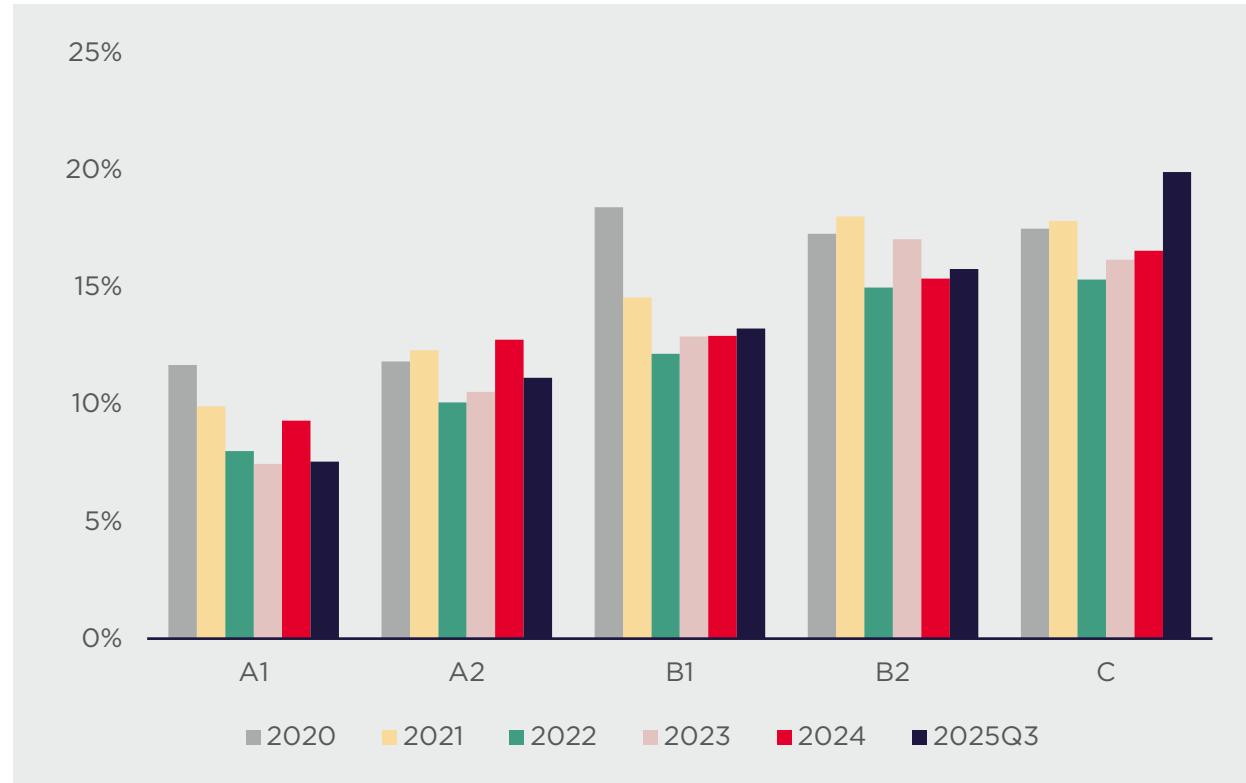




OCCUPIER MARKET

RETAIL VACANCY PER FOOTFALL SEGMENT

Vacancy in % r.f.a.



Source: Locatus, 2025 edited by C&W

Vacancy across the Dutch retail market has declined slightly since the end of 2024. While this may sound positive at first glance, it is crucial to recognise the differences between cities and within individual retail areas—and to understand their implications. A decrease in vacancy is visible in A1 and A2 shopping areas. In contrast, vacancy has increased in surrounding zones, where footfall often lags behind, creating structural challenges for retailers. The previously mentioned cost increases weigh more heavily here, as turnover growth stagnates. This is driving a growing polarisation within the retail landscape. However, this development also has a positive side: the market split is prompting strategic reorientation among retailers. As the market stabilises and vacancy remains concentrated in less busy retail areas, opportunities are emerging for strategic decision-making and location dynamics in the occupier market.



OCCUPIER MARKET



The influence of social media on the emergence of new retail chains remains significant. Online platforms such as Instagram and TikTok play a central role in the rapid spread of trends and the building of brand awareness. Retailers are constantly searching for locations that best match their requirements, while supply in these sought-after areas is often limited. As a result, they increasingly deviate from their original criteria and opt for alternative locations. The success of these choices could further influence future relocation dynamics and rental pricing within the market. The influence of social media on the emergence of new retail chains remains significant. Online platforms such as Instagram and TikTok play a central role in rapidly spreading trends and building brand awareness.

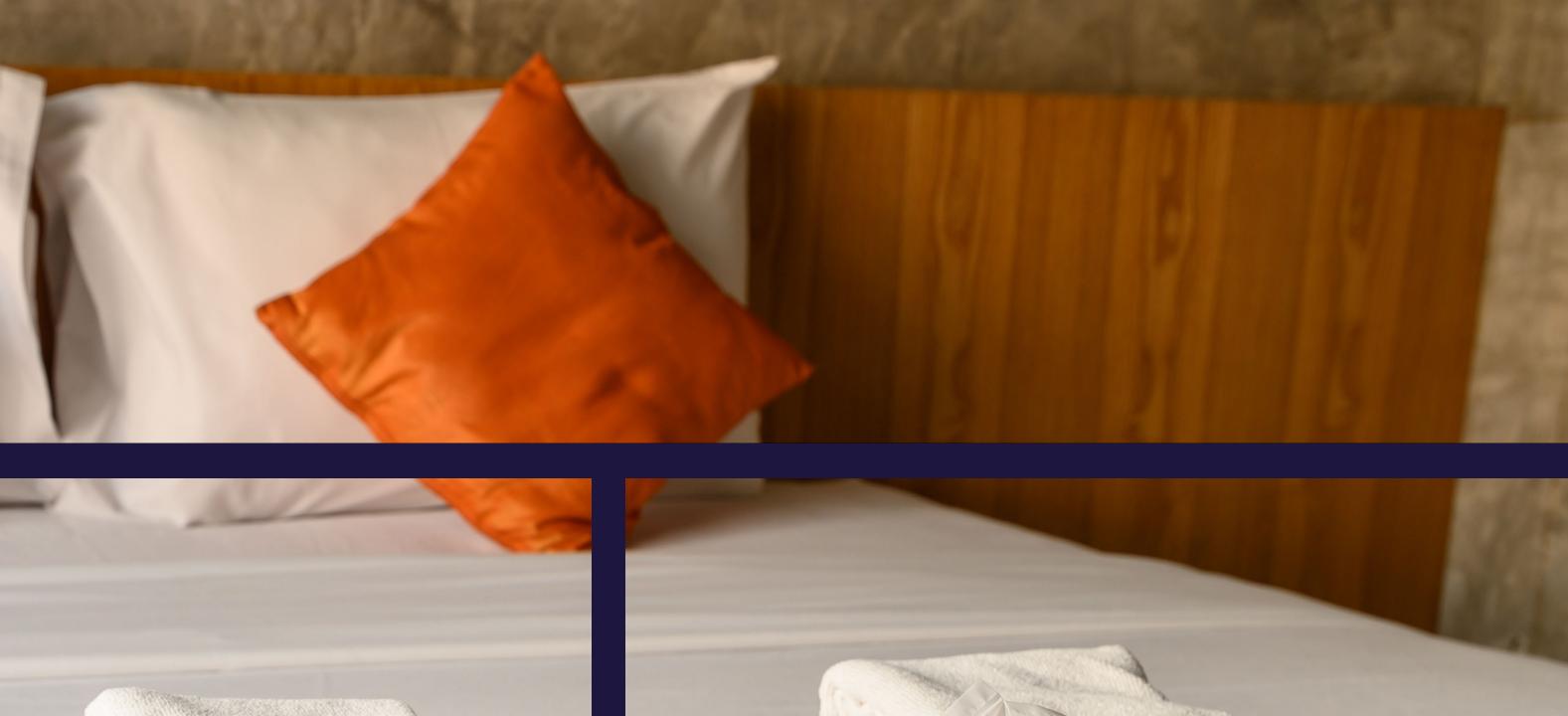
AS A RESULT, 'SOCIAL-BORN BRANDS' ARE APPEARING MORE FREQUENTLY; BRANDS THAT FIRST GAIN POPULARITY ONLINE BEFORE OPENING PHYSICAL STORES TO SERVE THEIR COMMUNITY OFFLINE AS WELL.

Alongside these newcomers, traditional brands are also investing more in digital visibility and store innovation to remain relevant. They are responding to changing consumer behaviour, where authenticity, visual appeal, and a strong brand narrative are becoming increasingly important. However, this reliance on social media also carries risks. Many of these new retail chains establish themselves in prominent locations with high rents, hoping to quickly capitalise on their online popularity.

This makes the business model vulnerable: once the hype fades, these brands must be able to fall back on a strong long-term strategy. Building a sustainable brand story and consistent customer engagement is crucial in this regard.

Persistently high turnover and recovering sales volumes are creating a positive sentiment in the retail market, despite high costs. In addition, expectations have stabilised, which benefits entrepreneurs. This stability is essential for sound business operations, even though profit margins remain low. Relocation dynamics persist due to significant differences in vacancy across retail areas and the ongoing search for spaces that align with brand identity.

HOSPITALITY



INVESTMENT MARKET

IN Q3 2025, INVESTMENT VOLUME IN THE DUTCH HOTEL MARKET REACHED €625 MILLION.

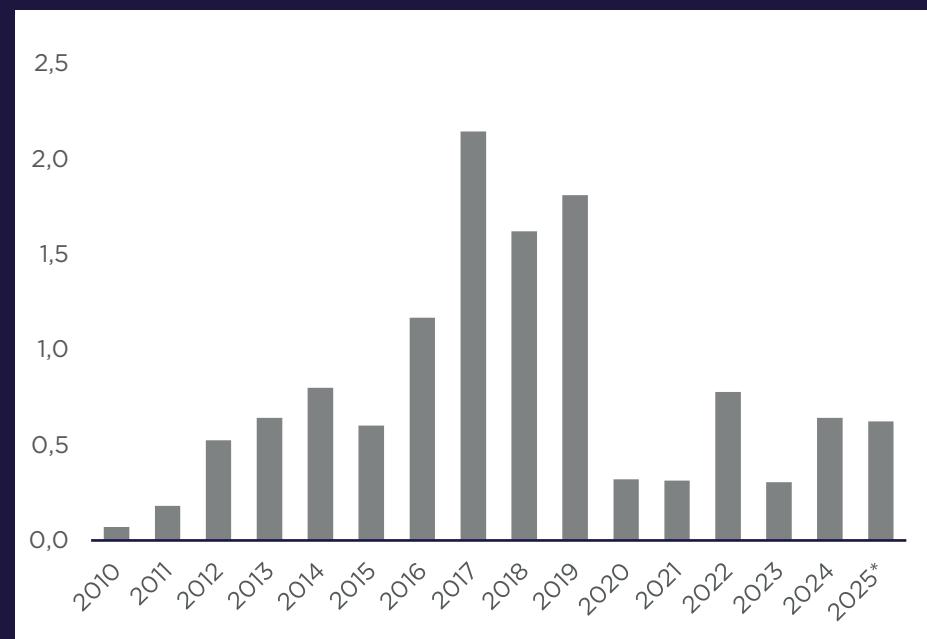
This represents an increase of approximately 8% compared with the same period last year and is already approaching the full-year total for 2024. The total volume reflects a balanced mix of transactions, including single trophy assets and portfolio deals, acquired by both smaller private investors and institutional buyers.

An important trend, in the second and third quarters of 2025 and for 2026, is a notable rise in large single-asset hotel transactions as well as mixed-use deals with significant hotel components. A key example is the sale of the Avani Museum Quarter Amsterdam Hotel in July for €85 million.

The acquisition by Spanish investor Pontegadea marks a strong signal of the return of international capital to the Dutch hotel market. The increase in transaction volume and the renewed activity among international investors reflect a more positive and improving sentiment among buyers. This indicates that confidence in the sector's long-term fundamentals is gradually recovering.

DUTCH PROPERTY INVESTMENT MARKET

Transaction volume Hotel real estate



Source: Cushman & Wakefield, 2025

INVESTMENT MARKET

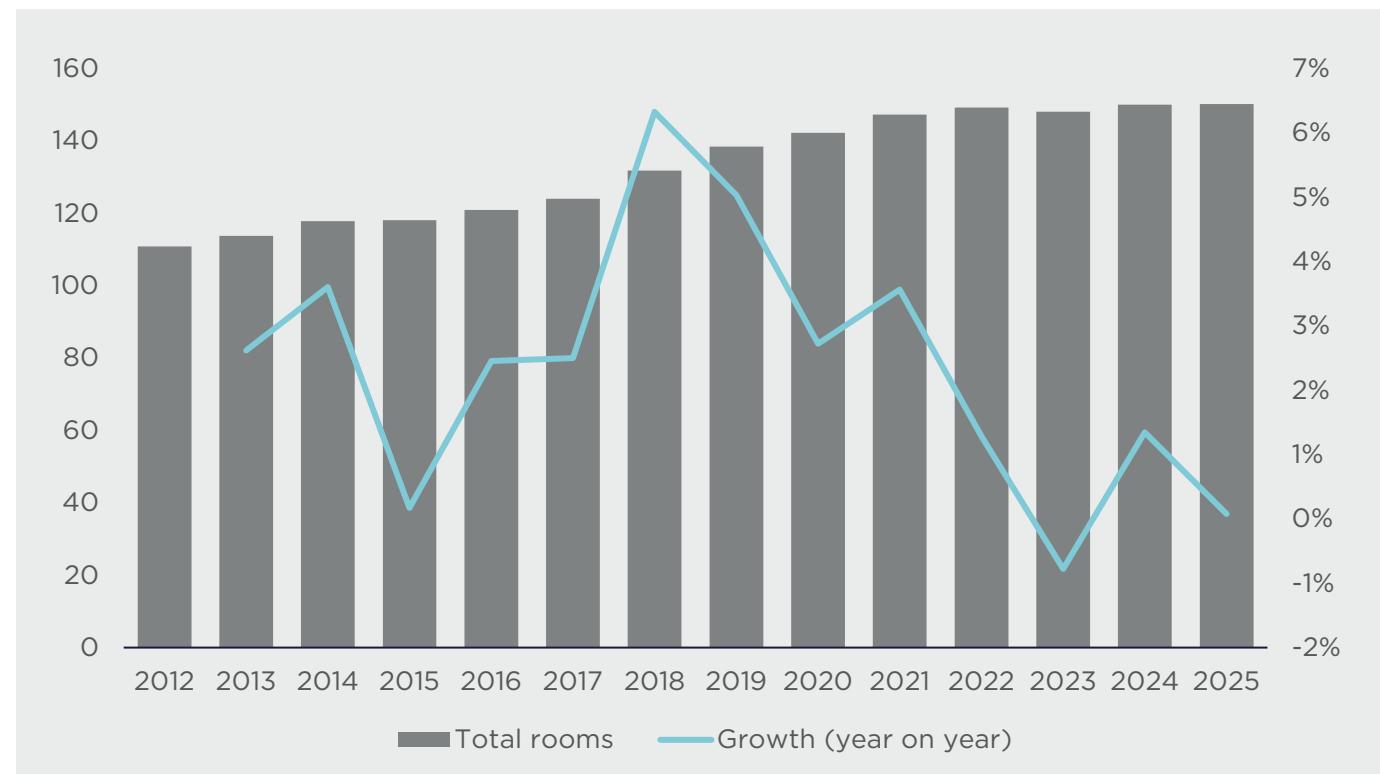


The strong fundamentals and positive outlook for the hotel investment market are partly driven by the underlying tourism industry, which continues to show stable growth. Both international tourism to major cities and domestic tourism have steady growth expectations for the coming years. Although growth in visitor numbers has levelled off somewhat, spending per visitor is increasing, and the shift towards quality tourism, a focus already reflected in the City of Amsterdam's marketing campaigns, is becoming more visible.

With the continued expansion of the tourism industry, demand for hotel rooms will remain structurally higher than the supply available. New supply is expected to remain limited in the coming years, largely due to increasingly restrictive municipal policies regarding the addition of new hotel rooms. This scarcity benefits existing investors, as the strong long-term fundamentals ensure sufficient demand and ongoing market dynamism.

ROOM SUPPLY THE NETHERLANDS

Total number of hotel rooms in The Netherlands (x 1.000)



Source: CBS, 2025, edited by C&W



INVESTMENT MARKET

In recent years, several vendors have brought assets to the market without success. This was partly due to a mismatch between supply and demand, with buyers remaining cautious because of economic uncertainty, rising interest rates and pressure on operational performance within the sector. As a result, much of the available product remained unsold and was temporarily withdrawn from the market.

Looking ahead to 2026, supply is expected to increase. This is not only due to renewed investor interest in hospitality real estate, but also because previously withdrawn assets are likely to be brought back to the market. Owners who were unable to sell in earlier rounds now see stronger justification to

proceed with a disposal. More aligned pricing expectations and a stabilising interest-rate environment are contributing to a more positive sentiment.

In addition, some owners are facing pressure to sell, for example due to refinancing needs or strategic portfolio repositioning.

The deal pipeline for the final two months of 2025 includes several larger transactions above €50 million.

IF THESE DEALS CLOSE BEFORE YEAR-END AND MOMENTUM IN THE MID-SIZED SEGMENT CONTINUES, TOTAL INVESTMENT VOLUME COULD MOVE TOWARDS THE €1 BILLION MARK; A LEVEL NOT APPROACHED SINCE 2019.

Regardless of the final outcome, the deals currently in the pipeline are supporting positive market sentiment heading into 2026.

THE PONTEGADEA TRANSACTION ACHIEVED A NOTABLY SHARP YIELD, SIGNALLING TO BOTH SELLERS AND INVESTORS THAT OPPORTUNITIES ARE INDEED PRESENT AND THAT VIABLE BUSINESS CASES CAN STILL BE MADE.

On the other hand, this deal may raise price expectations among sellers in the coming year, which could widen the bid-ask spread once again.

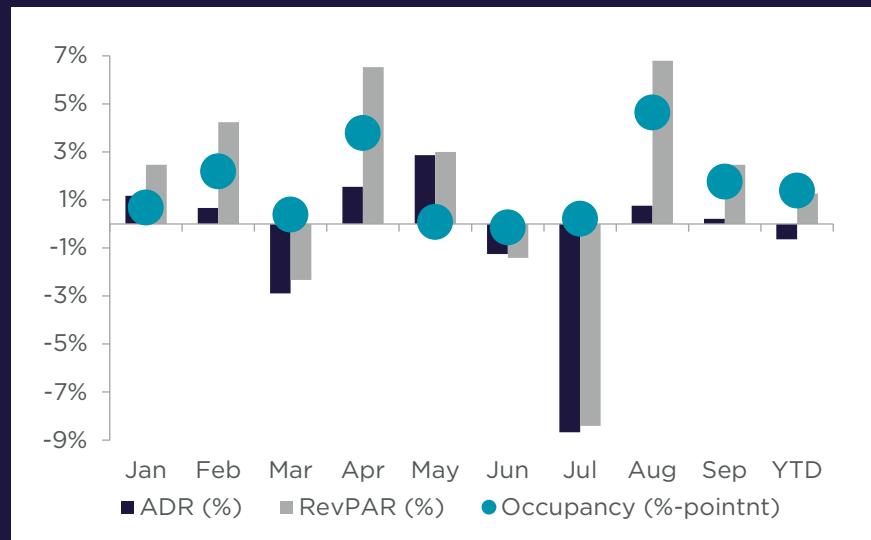


OCCUPIER MARKET

IN THE FIRST THREE QUARTERS OF 2025, THE HOTEL SECTOR SHOWED CONSIDERABLE MONTH-TO-MONTH FLUCTUATIONS, WITH NOTABLE DIFFERENCES BENEATH THE SURFACE.

DEVELOPMENT HOTEL PERFORMANCE THE NETHERLANDS

Performance indicators (2025 compared to same period last year)



Source: Hosta, STR.

Despite negative results in the Amsterdam market (RevPAR: -1% y-o-y), overall performance across the Netherlands was slightly positive (RevPAR: +1% y-o-y).

This is remarkable, given that Amsterdam typically accounts for a significant share of national performance and often serves as a proxy for the wider market. Amsterdam represents 28% of the total room supply and has a higher average daily rate than the rest of the country. The performance gap between other Dutch cities and regions cannot yet be interpreted with full certainty, but it does indicate a positive trend emerging in secondary markets.

The slightly positive performance in 2025 can be interpreted as a transitional year for the Dutch hotel market, influenced by the increase in Amsterdam's tourist tax in 2024 and the upcoming nationwide VAT increase on accommodation in 2026. The effects of these measures will become increasingly visible in the coming months. Expectations of additional VAT costs on recent bookings for 2026 are also playing a significant role.



OCCUPIER MARKET

HOTELS THAT RECEIVED BOOKINGS IN 2025 FOR STAYS IN 2026 WILL BE REQUIRED TO APPLY THE 21% VAT RATE. IF THESE COSTS WERE NOT FACTORED INTO PRICING AT THE TIME OF BOOKING, SIGNIFICANT PRESSURE ON OPERATING PROFITS WILL BE THE IMMEDIATE CONSEQUENCE, MAKING AN OVERCORRECTION OF ROOM RATES NECESSARY TO RESTORE BALANCE.

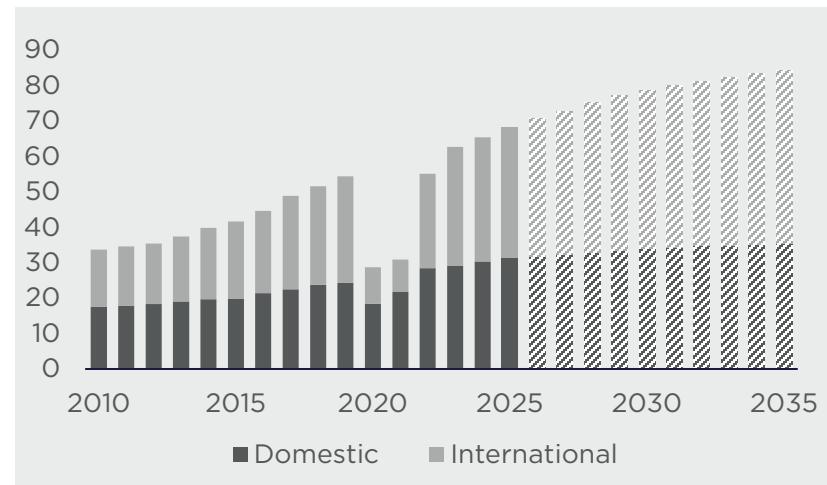
The general expectation is that next year the cost impact of the tax increase will be absorbed gradually by both hotels and guests, although this will vary considerably depending on price segment and the hotel's competitive position within its pricing strategy.

In the short term, the VAT increase is expected to reduce RevPAR performance in 2026 by 3% to 5%. Once repricing has settled and supported by a growing tourism market with solid fundamentals, the occupier market is expected to return to annual growth from 2027 onwards.

In border regions, the negative effect of the VAT increase is likely to last longer. Due to direct competition from hotels just across the border operating under more favourable tax conditions, it is more difficult for Dutch operators to pass the new costs on to guests. For hotels and holiday parks that compete primarily on price, establishing a new differentiation strategy and building long-term guest loyalty will be essential.

HOTEL OVERNIGHT STAYS NETHERLANDS 2010-2035

Split to origin: domestic, international (x 1000)



Source: Oxford Economics

OCCUPIER MARKET

HOTELS THAT PREDOMINANTLY SERVE BUSINESS TRAVELLERS, WHO CAN RECLAIM VAT, MAY EXPERIENCE FEWER NEGATIVE EFFECTS. HOWEVER, ADVERTISED RATES MUST STILL BE SHOWN INCLUSIVE OF VAT, MEANING GUESTS CONTINUE TO COMPARE PRICES WITH A LOWER RATE.

Critical counterarguments did not persuade the outgoing cabinet to revise the VAT increase. Exceptions for border regions are not legally permissible, despite the expected revenue losses, and the government considers that the sector no longer requires a fiscal advantage. In responses to parliamentary questions, the Ministry of Finance stated that the projected decline in turnover is likely overstated and not significant enough to reconsider the measure.



THE NETHERLANDS OUTLOOK 2026

ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, Valuation and other. Built around the belief that *Better never settles*, the firm receives numerous industry and business accolades for its award-winning culture.

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Better never settles

