

# NETHERLANDS

## Retail Q1 2024

€ 2,450

Prime rent Kalverstraat

YoY Chg



12-Mo. Forecast



10.6%

Population Growth 2050



6.2%

Vacancy Rate



Source: CBS, Locatus, Cushman & Wakefield

### ECONOMIC INDICATORS Q1 2024

1.1%

GDP Growth forecast 2024



2.7%

Purchasing Power Forecast 2024 vs 2023



3.0%

Non food turnover 2024 vs 2023



Source: CPB, ING, Cushman & Wakefield

#### LOCAL MARKET RESEARCH LEAD

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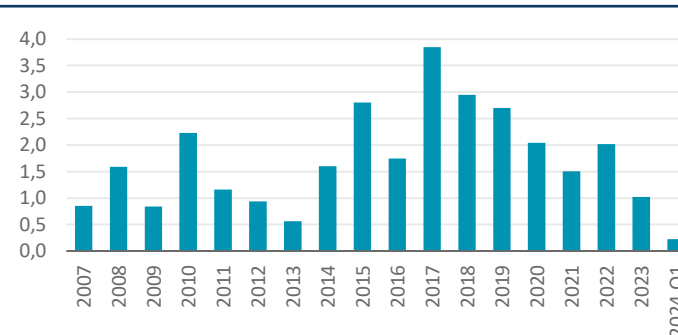
### INVESTMENT MARKET: Improving sentiment as investors return Returning investors as yields turn increasingly favorable

In the first quarter of 2024, the investment volume in the retail market reached EUR 225 million, which is 220% higher than the same quarter last year when the market reached a virtual standstill. The retail investment market has witnessed the return of private equity which in turn has led to the believe that more external financing will be issued subsequently resulting in again more investors stepping in. Investment activity mainly visible in the convenience segment of the market. High Street investment activity have been influenced for some time by wealthy individuals and family offices investing counter-cyclically through equity. 'Trophy Assets' remain consistently popular due to their lower risk profile and potential emotional attachment among individuals. There is also significant interest in properties with potential for value creation, although this component is currently limited in many cases by high transformation and construction costs. Taking in account the transactions in pipeline, the investment volume in the retail market for 2024 is expected to be around EUR 1.2 - 1.5 billion.

### OCCUPIER MARKET: Purchasing power recovers and consumers increasingly spend

Despite the uncertain economic outlook, retailers are still looking for new physical retail space in the popular shopping streets, but lease extensions and relocations are the latest trend. An increase in footfall was observed in this part of the shopping streets in 2023 and this is to continue in 2024 where most street will see the return of pre-covid footfall levels. Partly because of this, both existing retailers and any new international retailers are opting for equivalent retail properties with the same floor areas. This selective demand results in a stabilization of the retail rental levels in 2024, especially in these larger shopping cities. For other parts of the retail market, a decline of rental levels is currently expected in 2024 due to an increase in the available supply. Due to the concentration of the retail market, other areas besides the best part are experiencing an increase in vacancy rates. Except for supermarkets, online sales declined across the board in 2023. In contrast to the trend towards online in the supermarket branch, other successful online retailers - including Mr. Marvis, My Jewellery, Coolblue, Fietswinkel, and Zalando - are expanding into physical stores.

#### RETAIL INVESTMENT MARKET to segment | EUR bln.



#### RETAIL TURNOVER | change to same month last year (%)

