

8.0%
Vacancy Rate

YoY Chg: ▲
12-Mo. Forecast: ▲

351,000
Take-up 2024, in sqm

YoY Chg: ▲
12-Mo. Forecast: ▲

€ 600
Prime rent (sqm/year)

YoY Chg: ▲
12-Mo. Forecast: ▲

ECONOMIC INDICATORS Q1 2024

1.1%
GDP Growth forecast 2024

YoY Chg: ▲
12-Mo. Forecast: ▲

3.7%
Unemployment Rate Forecast 2024

YoY Chg: ▲
12-Mo. Forecast: ▲

5.25%
Prime yield (GIY, incl. buyers' costs)

YoY Chg: ▲
12-Mo. Forecast: ▲

Source: CPB, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

Jos Hesselink
+31 (0) 6 29 738 608
jos.hesselink@cushwake.com

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INVESTMENT MARKET: Decline in investment volume as office sector share decreases

In the first half of 2024, the office market faced a decrease in investment volume, with an investment volume of EUR 634 million, representing approximately 19% less investments than previous first semester. Notably, the total investment volume increased compared to 2023, amounting to around EUR 3.85 billion, indicating a significant decline in the share of the office sector. Its market share of 15% is historically low as previous years' share were significantly higher. Limited investor appetite is witnessed by small-scale funds (EUR 2 million - EUR 20 million), whereas private equity and institutional investors have still not returned to the market.

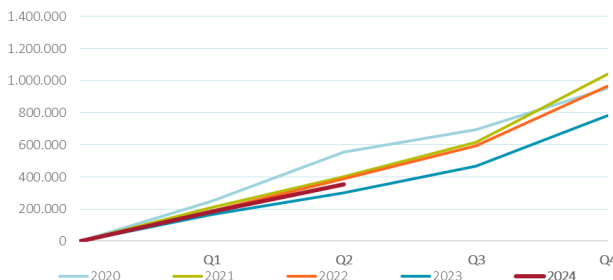
Several factors are restraining investment dynamics in the office sector. One factor is the high yield investors seek ensuing the bid-ask spread to be significant. Transactions that do take place require higher yields shifting towards 8.5% – 9% GYI, meaning transactions with less yield are failing to reach an agreement on pricing. Other restraining factors include interest rate developments, high transfer taxes, and the future sustainability requirements of office buildings.

OCCUPIER MARKET: Improved office space take-up driven by RVB

In the first half of 2024, the take-up of office space showed an improved outlook compared to last year, with a half-yearly take-up of 351,000 square meters indicating an increase of 16% compared to 2023. The increased take-up appears, at first glance, to be driven by improved sentiment in the office market, but the reality is more nuanced. Occupiers are anticipating on an alternative, more hybrid use of office space leading to a specific demand for high-quality, sustainable offices in locations that are easily accessible and where all possible facilities are within reach. Simultaneously, companies are adopting a wait-and-see approach due to increased costs, disappointing margins, and an uncertain economic outlook for the coming year.

Approximately 64% of the office space leased in the Netherlands was in the five largest cities, further increasing its share in the national office transaction dynamics. This increase is largely credited to the high transaction activity of 'Rijksvastgoedbedrijf' in The Hague, which is currently executing its sustainability ambitions, thereby taking up a lot of office space.

DUTCH OCCUPIER MARKET | Q2 Office take-up



5 LARGEST CITIES | Q2 Office take-up share

