

## MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<b>7.9%</b> Vacancy rate	▼	▬
<b>930,000</b> 2024 take-up in sqm (year to date)	▲	▬
<b>€600</b> Prime rent (sqm/yr)	▲	▲

Source: Cushman & Wakefield

## ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
<b>1.0%</b> GDP Growth	▲	▲
<b>3.7%</b> Unemployment rate	▲	▲
<b>5.25%</b> Prime yield (GIY, incl buyers costs)	▶	▼

Source: CPB, Cushman & Wakefield

## INVESTMENT MARKET

In the last quarter of 2024, total investment volumes experienced a significant jump compared to earlier quarters, signaling positive momentum across the broader investment market. In Q4, the office investment market grew from EUR 1.1 billion to approximately EUR 1.8 billion, accounting for 39% of the annual total. This demonstrates improving market sentiment as the year progressed, offering a positive outlook for 2025.

Although the total investment volume reached approximately EUR 10.6 billion, the office sector's share remains historically low, accounting for only 16% of the market—markedly below previous years. In the European office investment landscape, the sector represents just over 20% of total market activity, its lowest share on record. This suggests that the relatively low investment volume in the Netherlands is not due to the Dutch office market but rather reflects an international trend. Nevertheless, investors recently show increased interest and are actively making plans for the near future. This improving market sentiment indicates a potential turning point, laying the groundwork for an upward trend.

## OCCUPIER MARKET

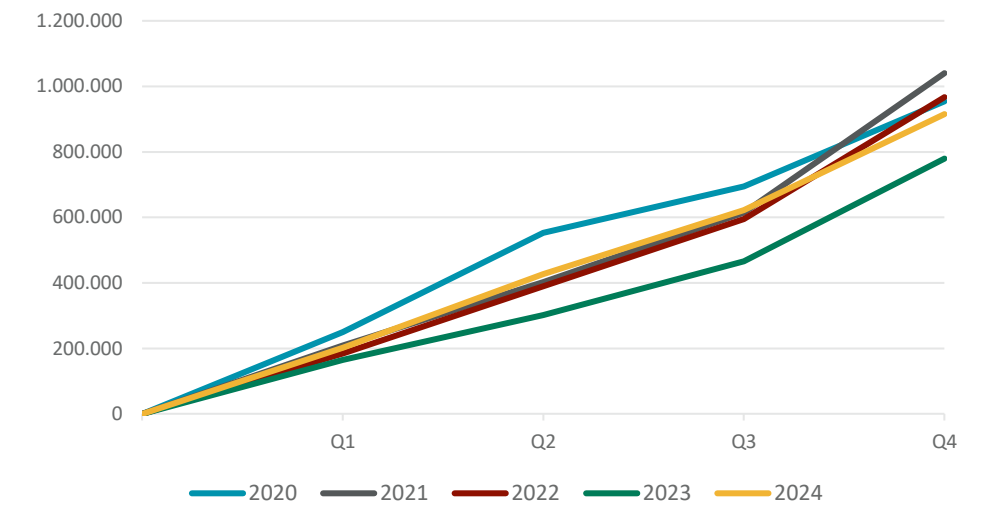
Office take-up in 2024 has been robust, with approximately 930,000 square meters leased, marking a 23% increase compared to the same period in 2023. This improvement reflects a more positive sentiment in the office market. About 58% of the office space leased in 2024 was concentrated in the five largest cities in the Netherlands. While The Hague led transaction activity in the first semester, largely driven by the high level of activity from the Rijksvastgoedbedrijf, Amsterdam took the lead again in the second semester with a national share of 23%. Despite having the biggest share in the transaction volume, the volume in Amsterdam is still significantly lower than in 2023.

One of the primary drivers for office relocations has been the desire to upgrade to higher-quality spaces. Tenants are increasingly prioritizing sustainable office buildings located in central, well-connected urban areas, where amenities are abundant. This trend is driven by the need to support hybrid working and create vibrant live-work environments for employees. Office users are rethinking space utilization and are seeking environments that enhance flexibility and collaboration.

## PRICING

The current demand for high-quality, sustainable buildings in prime locations within major city centers translates in stable supply and vacancy trends, accompanied by rising prime rents. This reflects a growing polarization in the office market, driven by the scarcity of prime office spaces. When considering new office space opportunities, office tenants often pursue similar criteria, leading to selective upward pressure on demand within the prime office segment.

## QUARTERLY TAKE-UP (IN MLN SQM YR)



## SHARE IN TAKE-UP 5 LARGEST CITIES OF TOTAL

