MARKETBEAT
NETHERLANDS
HOSPITALITY Q3 2025

MARKET FUNDAMENTALS

	YOY Chg	Outlook
€625M Investment Volume	▲	▲
1.1% YoY RevPAR Growth	▲	▼
0.6% YoY Supply Growth	▲	▲

Source: CBS, STR

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.6% GDP Growth	▲	▼
2.9% Inflation (HICP)	▼	▼

Source: ING, CPB, CBS

INVESTMENT MARKET: INCREASED VOLUMES SIGNAL IMPROVING INVESTOR SENTIMENT

In the third quarter of 2025, investment volume in the hotel market reached €625 million - an 8% increase compared to the same period last year, already nearing the total full-year volume recorded in 2024. More importantly, the second and third quarters of 2025 saw a notable rise in large-scale single-asset hotel and mixed-use transactions that include significant hotel components, signalling growing market confidence.

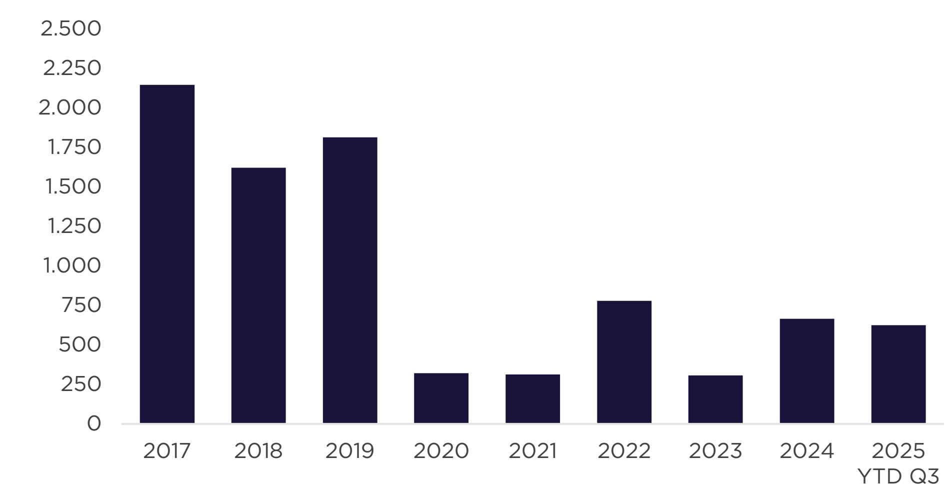
A key example of a single-asset hotel deal includes the sale of the Avani Museum Quarter Amsterdam Hotel in July for € 85 million. The acquisition by Spanish investor Pontegadea marks a strong indication of international capital retuning to the Dutch hotel market. The increase in transaction volume and the resurgence of cross-border investment reflect a more positive and improving investor sentiment, suggesting that confidence in the sector's long-term fundamentals is gradually being restored.

OCCUPIER MARKET: SOLID PERFORMANCE AHEAD OF VAT-HEADWINDS

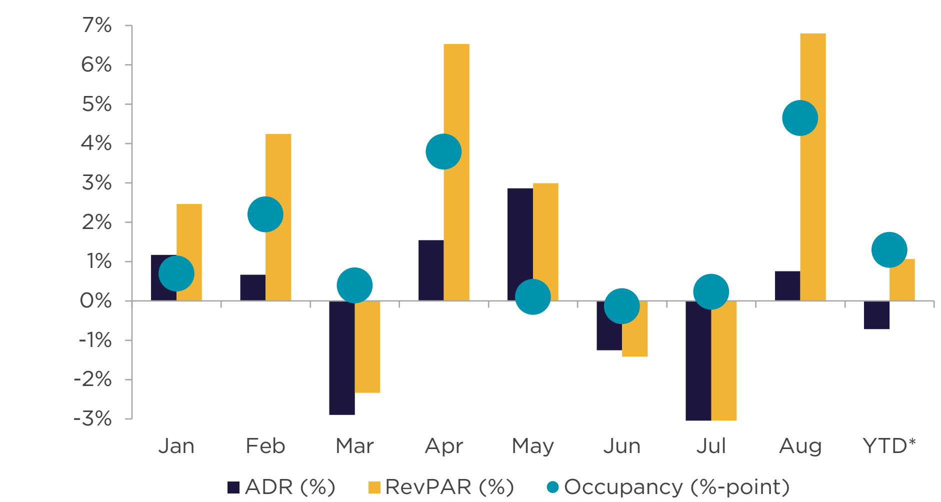
The hotel sector demonstrated fluctuating performance in the months leading up to August. Up to that point, the national Revenue per Available Room (RevPAR) averaged €148, reflecting a modest year-on-year increase of approx. 1%. This growth was driven by an occupancy rate of 74%, reflecting sustained market demand despite broader economic uncertainties and persistent cost pressures. Although overall growth appears modest, it's notable given the underperformance of key markets such as Amsterdam, which recorded a 1% year-on-year RevPAR decline - extending the downward trend from 2024. This divergence highlights the relative resilience of secondary and tertiary Dutch hotel markets, which collectively managed to offset the capital's weaker results and maintain a positive national performance trend.

As the 1 January 2026 VAT increase on overnight stays approaches, its impact is becoming increasingly evident. With more post-implementation bookings being made, market trends indicate rising price sensitivity - particularly in leisure destinations near border regions, where foreign competitors offer more competitive pricing. Conversely, business-oriented hotels are likely to be less affected, given their ability to reclaim VAT. Operators broadly anticipate sharing the additional cost burden with guests on a roughly 50-50 basis. Amid the expected downturn in 2026, hotels with planned refurbishments are expected to use this period to temporarily close and complete upgrades, positioning themselves for recovery in 2027.

HOTEL INVESTMENT VOLUME (IN € MLN.)



HOTEL PERFORMANCE NETHERLANDS (% CHG)



Source: STR, 2025. Edited by Cushman & Wakefield