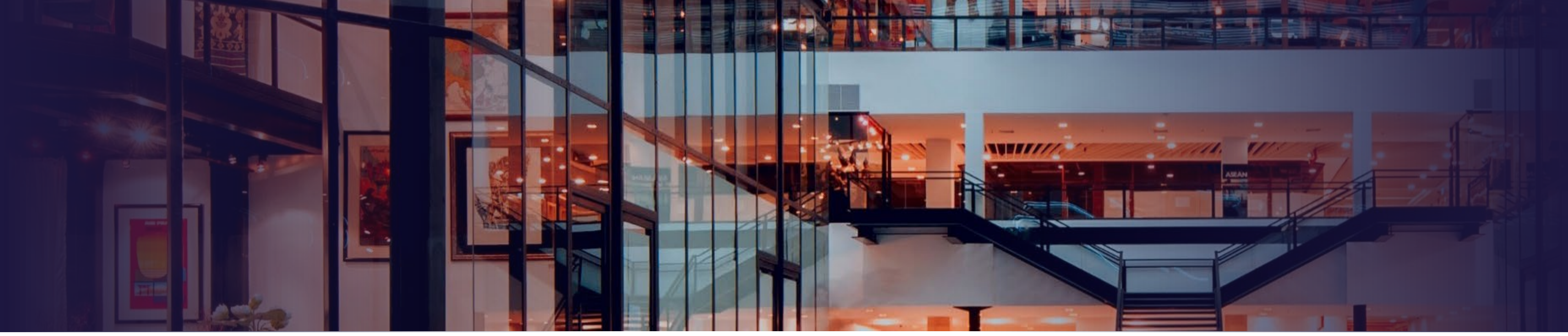


MARKETBEAT
NETHERLANDS
RETAIL Q3 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
€50,900 Median HH Income	▲	▲
1.08% Population Growth	▲	▲
3.8% Unemployment Rate	▲	▲

Source: CBS, CPB

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
1.6% GDP Growth	▲	▼
0.7% Purchase power Forecast	▼	▲
4.0% Retail Sales Growth Non-food	▲	▲

Source: ING, CPB, CBS

INVESTMENT MARKET: SLOWING GROWTH IN GROWING UNCERTAINTY

In the third quarter of 2025, investment volume in the retail market reached €877 million - more than 56% higher compared to the same period last year and already exceeding the total volume recorded at the end of 2024. However, growth slowed during the summer months, with only €107 million added in Q3.

Despite a strong investment pipeline, the number of closed deals remains limited. Uncertainty about whether these transactions will be finalized before year-end has increased, leading to a slight downward adjustment in the forecast for total 2025 investment volume. The persistently wide bid-ask spread continues to be a major hurdle: while capital is available, investors are unwilling to raise current bids, and sellers maintain unrealistic price expectations.

Many of the larger transactions in the pipeline depend on foreign capital, yet the current fiscal investment climate in the Netherlands poses significant challenges. Foreign investors are struggling to meet local pricing expectations due to tax constraints, further delaying deal closures.

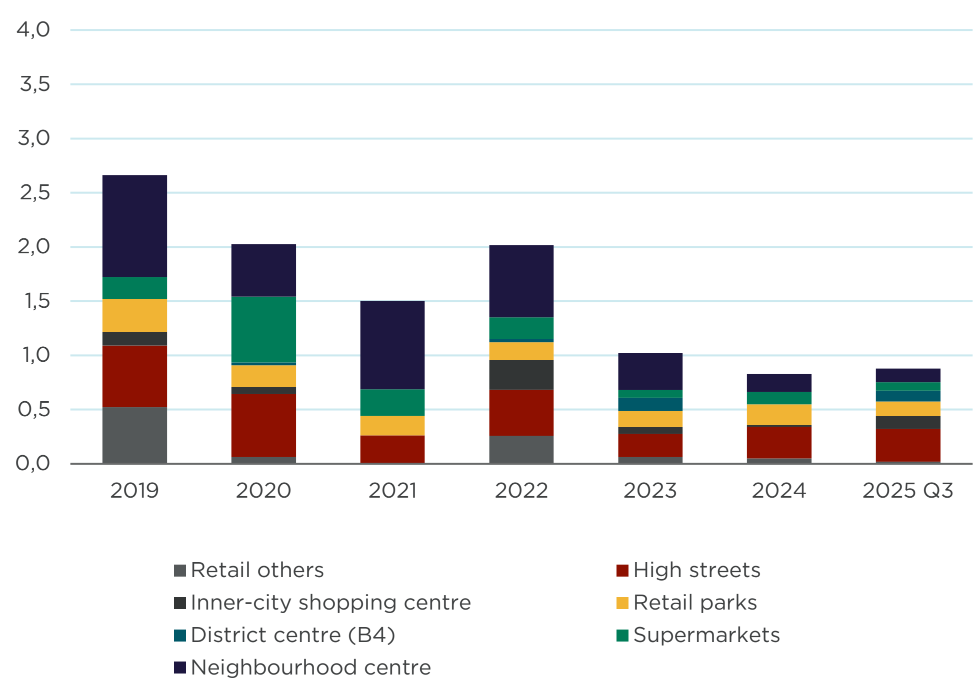
Convenience retail remains a favoured segment. However, the shortage of big-ticket and high-quality supply is beginning to constrain transaction activity. In contrast, out-of-town retail assets are more readily available and could play a decisive role in Q4. It is crucial, especially for foreign investors, to understand how Dutch retail parks differ from those in other European markets. Thanks to the solid risk profile, retail parks combined with convenience stores are in high demand, though such opportunities remain scarce.

OCCUPIER MARKET: BALANCING COSTS AND CHANGING DEMAND

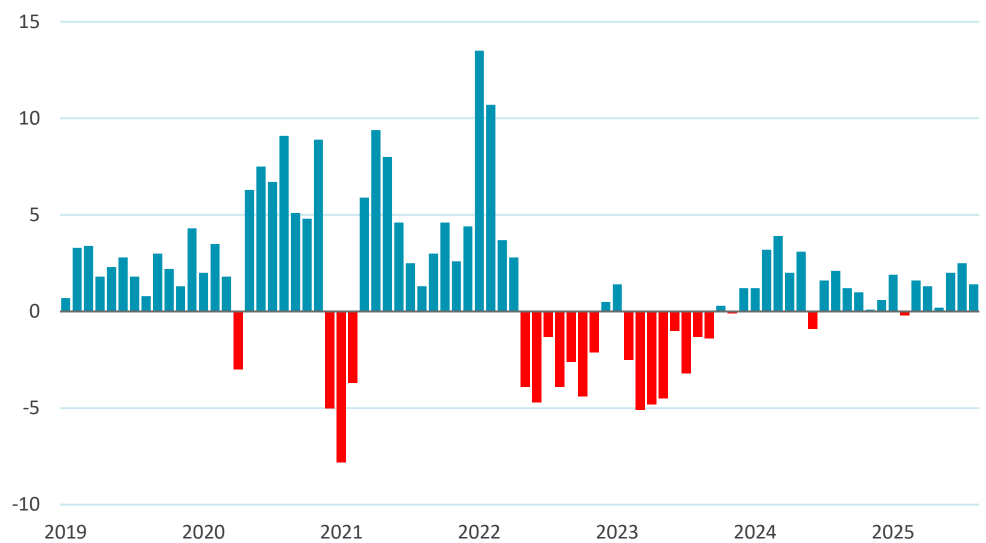
Sales volumes on the high street are showing renewed growth, with revenues remaining high. Retailers are still navigating elevated costs, but expectations have stabilized, and pricing strategies are increasingly aligned with consumers' willingness to pay. With rents having levelled off, profitability remains modest but positive, despite cost pressures over the past year.

The gradual disappearance of the mid-price segment continues to create opportunities for discounters, both in terms of location and pricing. Vacancy has slightly declined to 6.3%, with notable activity in the A1-A2 segment, where new entrants and relocations are driving vacancy rates down. Retailers are actively searching for specific compatible locations, though availability remains limited. Settling for alternatives outside their original criteria, and the success of these choices could shape future occupier market dynamics.

RETAIL INVESTMENT VOLUME (IN € BLN.)



RETAIL TURNOVER VOLUME (% CHANGE)



Source: Cushman & Wakefield, CBS