



Office Q2 2023

8.1%

Vacancy Rate

YoY
Chg12-Mo.
Forecast

302,000

Take-up sqm 2023

€ 555

Prime rent (sqm/year)

ECONOMIC INDICATORS

H1 2023

0.8%

GDP Growth forecast
2023YoY
Chg12-Mo.
Forecast

3.6%

Unemployment Rate
Forecast 2024

4.60%

Prime yield (GIY,
incl. buyers' costs)

Source: DNB, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

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INVESTMENT MARKET: Investors wait for a more stable financial market

In the second quarter of 2023, the office investment dynamics showed limited activity, with a volume of approximately EUR 778 million, accounting for 21% of the total investment volume. This represents a 22% decrease compared to the same period in 2022 when the office investment volume was EUR 991 million. Around 61% of the office investment volume in 2022 was concentrated in the five largest cities (B5). However, during the second quarter of 2023, this share increased to 65%. This was driven by the acquisition of De Resident in The Hague by Rijksvastgoedbedrijf for EUR 217 million and the purchase of Blaak 31 in Rotterdam by Patrizia for EUR 91 million. The decline in the investment volume for offices is mainly attributed to uncertainty in the financing market and rising interest rates.

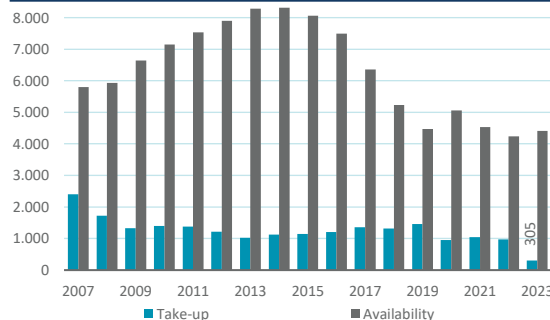
OCCUPIER MARKET: Occupiers focus on high quality office space

The ESG goals, salary- and rental cost increases, higher financing expenses, and the War for Talent are playing a significant role in companies' real estate strategies. Business service providers and/or creative businesses are still struggling with balancing the cost of housing versus the necessity of attracting talent. In the public sector, there is more dynamic as real estate strategies are being formulated, with less reliance on short-term market fluctuations. Companies with a significant amount of external debt, such as those in the Tech sector, face higher risks during refinancing due to rising interest rates, which could have a negative impact on their financial performance. Moreover, the limited availability of high-quality office space in suitable locations is expected to result in restrained occupier market dynamics throughout 2023. Many companies opting to extend existing lease agreements as they struggle to find and make an upgrade in office quality

PRICING: Rent shows further growth on prime locations

Due to the tight market situation in prime office locations, the addition of various high-quality new-build office developments and the indexation with the CPI, rents show an increase in the first half of 2023. The prime rent in Amsterdam is EUR 555 per square meter per year, followed by Utrecht (EUR 305), Rotterdam (EUR 300), The Hague (EUR 240) and Eindhoven (EUR 240).

DUTCH OCCUPIER MARKET | 1,000 sqm. lfa. market



OFFICE YIELD DEVELOPMENT | GIY, incl. buyers' costs

