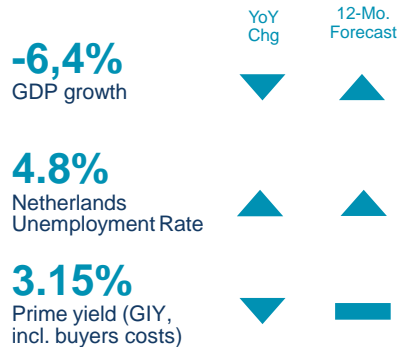


ECONOMIC INDICATORS Q2 2020



Source: CBS, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

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

©2020 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.

INVESTMENT MARKET: volume under pressure

The office market accounted for approximately 23% of the total investment volume in the first two quarters of 2020. This brings the investment volume to EUR 1.5 billion, a decrease of 19% compared to the first half of 2019. Since 2016, the investment volume in the office market has been above EUR 5.9 billion annually, with a record-high in 2018 of EUR 6.8 billion invested in office property. Due to a lack of available investment opportunities in 2019, the office investment volume decreased to EUR 6.2 billion. It is expected that with the continuous uncertain sentiment the investment volume in office property will fall in 2020 to around EUR 4 to 5 billion

OCCUPIER MARKET: Take-up volume down, occupiers renegotiate

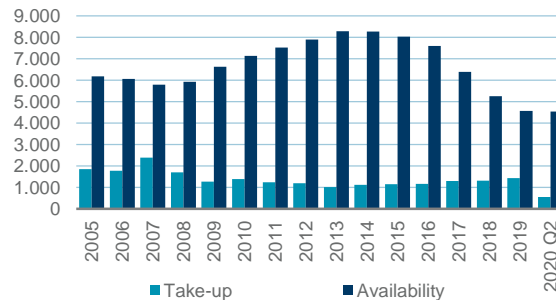
The 1.4 million square meters of office space taken up by relocating organizations in 2019 represented an increase of no less than 13% compared to 2018. The national vacancy rate is with 8.3% at the lowest level since 2002. In the most popular office locations, vacancy has almost dried up. The COVID-19 outbreak is putting a temporary halt to this trend with a decline in the office take-up volume of 12% in the first half of this year compared to the same period last year. A total of 553,000 meters of office space has been taken up during the first two quarters of 2020. This does not include lease extensions and therefore reflects the market dynamics of moving or starting office-based organizations.

The decline in market dynamics in the first quarter of 2020 can be partly explained by the scarcity of available high-quality office space at the most popular locations. This made it difficult for occupiers to establish themselves. In the second quarter of 2020, the impact of the Corona crisis became evident, with less activity on the occupier market and a decline of approximately 10% in the search demand for office space among occupiers.

PRICING: Rents stabilize

Due to the persistent uncertainty, occupiers are more likely to restructure and extend their current lease agreements. Rental levels are under pressure and incentives are expected to rise. Landlords who had included rental growth are at risk. Due to the current developments around Corona rents on prime locations are expected to stabilize, while secondary locations will face more pressure.

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



OFFICE YIELD DEVELOPMENT | GIY, incl. buyers costs

