

NETHERLANDS

Retail Q4 2021

€ 2,400

Prime rent

YoY Chg



12-Mo. Forecast



7.8%

Population Growth 2050



6.8%

Vacancy Rate



Source: CBS, Locatus, Cushman & Wakefield

ECONOMIC INDICATORS Q4 2021

3.5%

GDP Growth forecast 2022

YoY Chg



12-Mo. Forecast



5.8%

Consumer Spending Growth forecast 2022 vs 2021



1.8%

Turnover Growth 2021 vs 2020



Source: CBS, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

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INVESTMENT MARKET: bumpy ride, appetite for convenience

With a share of 8% of the total investment volume, retail real estate contributed modestly to the total in 2021 with approximately EUR 1.4 billion. The relatively small volume can first of all be explained by the rather harsh corona measures taken by government including the closure of non-essential shops in the first quarter of 2021 and secondly, by the increase in the transfer tax as of January first 2021. Consequently, buying and selling programs intended for 2021 were launched in the fourth quarter of 2020, resulting in a higher investment volume for the last quarter of 2020 and relatively little transaction dynamics in the first half of 2021. In the second half of last year, the retail investment market picked up driven by strongly improved sentiment among both investors and users of retail property.

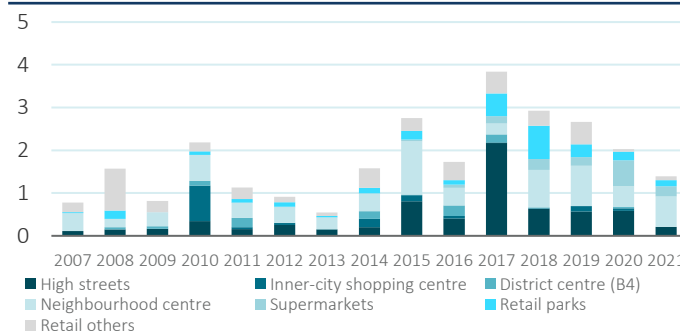
OCCUPIER MARKET: polarization between the branches

While several major retailers are currently accelerating their online strategy, they are increasingly looking for new physical retail space. Despite the major consequences of the omicron variant and the aftermath of current restrictive measures, there is currently less stress because retailers are more resilient than a year ago due to previous experience on how to deal with lock-downs. In fact, because large parts of the world are simply 'open', the large international retailers in particular have gained more confidence in a good outcome and with regard to leasing activities have not completely disappeared on hold.

Awareness among retailers is rising that systemic changes are currently taking place in the retail market, which makes it the right time to anticipate now. In many shopping cities, the cards are being reshuffled. Competition from alternative uses is increasing strongly and the nature of shopping areas is changing. In this game there are several improvement options for retailers. Such as the possibility to move to an area with more traffic for an equal or even lower rent.

The remarkable situation now arises that both new international retailers and local retailers are opting for similar retail properties that are characterized by a persistently high footfall, taking into account a future mixed-use use of the core shopping area. This selective pressure in demand results in a relatively stable retail rent level especially in the larger shopping cities

RETAIL INVESTMENT MARKET to segment | EUR bln.



RETAIL TURNOVER | change to same month last year (%)

