

Office Q1 2021

8.1%
Vacancy Rate

YoY Chg: ▼ 12-Mo. Forecast: ▶

185,000
Take-up sqm Q4 '21

YoY Chg: ▼ 12-Mo. Forecast: ▶

€ 500
Prime rent (sqm/year)

YoY Chg: ▲ 12-Mo. Forecast: ▶

ECONOMIC INDICATORS Q1 2022

3.6%
GDP Growth
Forecast 2022

YoY Chg: ▲ 12-Mo. Forecast: ▲

3.3%
Unemployment Rate
Q1 2022

YoY Chg: ▼ 12-Mo. Forecast: ▶

3.3%
Prime yield (GIY,
incl. buyers' costs)

YoY Chg: ▲ 12-Mo. Forecast: ▶

Source: CBS, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

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INVESTMENT MARKET: Uncertainty clearly visible

In the first quarter of 2022, the office market was responsible for 11% of the total investment volume, a decrease compared to the end of 2021 with a share of 31% in the total investment volume. In the first quarter, EUR 425 million was invested in the office market, a decrease of 11% compared to the same period in 2021. Last year there was a lot of appetite from investors for high-quality offices at multimodal locations with many amenities. It is expected that these offices remain popular during post-corona times. In the first quarter of 2022, the uncertainty created by the war in Ukraine is clearly visible in the market. Increased energy and construction prices and financing costs are tangible and have an impact on the initial yield. Once the main uncertainty from the situation in Ukraine has been removed, investor demand for offices will focus on Core investments, where initial yields will be achieved at pre-corona levels or even sharper. Also, offices with solvent tenants and long-term leases are of interest to investors.

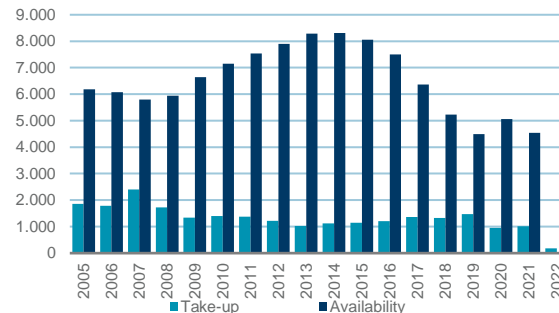
OCCUPIER MARKET: Office occupier market back to the new normal

In the first quarter of 2022, 185,000 square meters of office space was taken into use. Compared to the same period in 2021, this was a decrease of 11%. Since many rehousing processes were put on hold in 2020, the pressure from occupiers in the search for new office space increased further in 2021 and 2022. In the first quarter of 2022, government and non-profit segment showed the largest share in the total take-up volume with 24%, followed by Business services (23%), Industry, trade, and transport (19%). In 2021, the amount of available office space decreased by approximately 11% to 4.6 million square meters. The office vacancy rate has been lower than 2020 and has reached 8.1% of the stock as of 2021, the lowest level since 2002. The decline in the amount of office space is partly due to the take-up of various new developments in 2021.

PRICING: Rents increase once again

With the availability of various new developments, it is expected that the top rents at CBD locations within the five largest cities will rise in 2022 and 2023. In some places, such as the Amsterdam Southaxis, this rent increase is already partially visible. Incentives continue to dry up as there is a lack of high-quality office space in the right locations. The rent increase has therefore been slightly delayed with the outbreak of COVID and the temporary giving away of more incentives.

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



OFFICE YIELD DEVELOPMENT | GIY, incl. buyers' costs

