

8.2%
Vacancy Rate

YoY Chg: ▼ 12-Mo. Forecast: ►

595,000
Take-up sqm Q3 '22

YoY Chg: ▼ 12-Mo. Forecast: ►

€ 535
Prime rent (sqm/year)

YoY Chg: ▲ 12-Mo. Forecast: ►

ECONOMIC INDICATORS Q2 2022

4,6%
GDP Growth Forecast 2022

YoY Chg: ▼ 12-Mo. Forecast: ▼

3.4%
Unemployment Rate Forecast 2022

YoY Chg: ▼ 12-Mo. Forecast: ▲

3.4%
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: Volatility grows in investments

In the third quarter of 2022, the office market was responsible for an investment volume of EUR 2.5 billion, which is approximately 24% of the total investment volume. This is a decrease compared to the end of 2021, when the share was 31%. The investment volume in 2022 is approximately 31% below that of the previous year. The market is anticipating on the increases in policy rates, due to a further growth of the swap rates. The increase in swap rates, against which property investors secure their external credit facility, is making the financing climate more difficult. This results in higher return requirements among real estate investors, as risk increases, and volatility grows. The urgency to sell decreases further, while the bid-ask-spread becomes too large to achieve a successful transaction because the asking price and bids diverge too far. If there is a refinancing, the costs for the seller rise sharply, which can result in a potential sale.

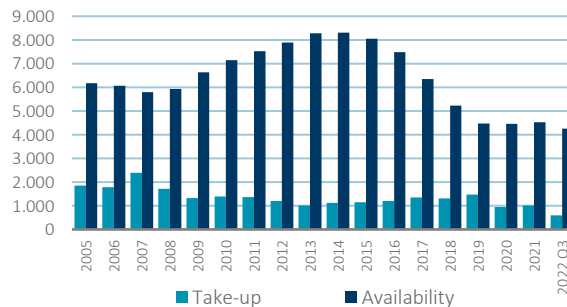
OCCUPIER MARKET: Occupiers determine office strategy

In the third quarter of 2022, 595,000 square meters of office space was taken into use. Compared to the same period in 2021, this was a slight decrease of 3,1%. Although a strong fourth quarter ended 2021, this is not in line with expectations for the last quarter of 2022, which is dominated by uncertainties. The consequence for the third quarter is tempered transaction dynamics in the Dutch office market. The last quarter of 2022 will be dominated by increased uncertainties: due to a real fear of a recession associated with persistent inflation, rising interest rates, historic decline in purchasing power and war on the European continent. It is still unclear to many organizations what the impact of corona has been on the balance between current and future office use and working from home.

PRICING: Rental growth on prime locations

The limited amount of available office space in prime locations, the stagnation of new office space and rising inflation are putting further upward pressure on rents. In 2022, prime rents rose in Amsterdam to EUR 535 per square meter per year. Rotterdam and Utrecht also showed increases to EUR 265 and EUR 305 per square meter per year. It is expected to grow further in 2023.

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



OFFICE YIELD DEVELOPMENT | GIY, incl. buyers' costs

