



€ 2,450

Prime rent Kalverstraat

YoY
Chg12-Mo.
Forecast

10.6%

Population Growth 2050



6.2%

Vacancy Rate



Source: CBS, Locatus, Cushman & Wakefield

ECONOMIC INDICATORS
Q4 2023

0.3%

GDP Growth forecast
2024YoY
Chg12-Mo.
Forecast

2.4%

Consumer Spending
Growth forecast 2024
vs 2023

5,6% / -2,4%

Resp. turnover and
volume growth 2023 vs
2022

Source: DNB, ING, Cushman & Wakefield

LOCAL MARKET RESEARCH LEAD

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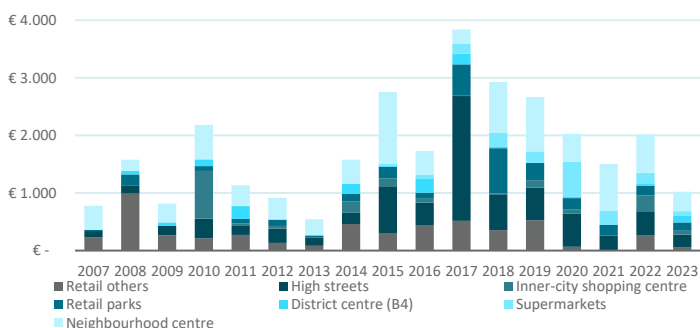
INVESTMENT MARKET: first signs of returning investors as yields turn increasingly favorable

In 2023, the investment volume in the retail market reached EUR 950 million, which is approximately 11% of the total investment volume. Compared to the same period in 2022 – when the investment volume in the retail market was EUR 2.0 billion – this represents a 50% decrease. Approximately 29% of the retail investment volume in 2023 was invested in neighborhood district centers, followed by high streets with 21% and out of town retail with 14%. The most significant transactions were the sale of shopping center Polderplein for EUR 74 million from Dela/OCF to Wereldhave, Woonmall Alexandrium for EUR 72 million from CBRE IM to Retail Estates, and Winkelcentrum Plein '40-'45 for EUR 40 million from CBRE IM to Demir/Duijndam. Taking in account the transactions in pipeline, the investment volume in the retail market for 2024 is expected to be around EUR 1.0 - 1.1 billion.

OCCUPIER MARKET: Purchasing power dwindling and subsequently retail turnover

Despite the uncertain economic outlook, retailers are still looking for new physical retail space in the popular shopping streets, but lease extensions and relocations are the latest trend. Retailers have used the past period to optimize by combining multiple branches into a larger location and moving to places with more footfall. An increase in footfall was observed in this part of the shopping street in 2023. Partly because of this, both existing retailers and any new international retailers are opting for equivalent retail properties with the same floor areas. This selective demand results in a stabilization of the retail rental levels in 2024, especially in these larger shopping cities. For other parts of the retail market, a decline of rental levels is currently expected in 2024 due to an increase in the available supply. After the decline in the national retail vacancy rate in 2022 to 6.1%, 2023 showed an increase in the vacancy rate to 6.3%. Within the largest five cities of The Netherlands, only The Hague and Rotterdam showed a decline in retail vacancy in 2023. Retailers' focus on the best part of the shopping street with the highest footfall results in a further decline in national retail vacancy for A-grade space to 7.5% in 2023. In 2022 this was still 8%. Due to the concentration of the retail market, other areas besides the best part are experiencing an increase in vacancy rates. Except for supermarkets, online sales declined across the board in 2023. In contrast to the trend towards online in the supermarket branch, other successful online retailers - including Mr. Marvis, My Jewellery, Coolblue, Fietsenwinkel, and Zalando - are expanding into physical stores.

RETAIL INVESTMENT MARKET to segment | EUR bln.



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

