Dutch Real Estate Market Update

Half year report 2025

by PwC Real Estate Advisory & Valuations

Housing

The Netherlands is facing housing construction challenges due to grid congestion and nitrogen legislation, which have led to decreased construction permits and stalled development projects, jeopardizing the goal of building 100,000 homes annually by 2030. Following the fall of the Schoof Cabinet, the proposed rent freeze for 2025 and 2026 has been terminated, allowing rents to increase by up to 5% from July 1 and revitalizing investment potential in social housing. Concurrently, small investors are increasingly selling their properties, a trend known as 'uitponden,' driven by market uncertainties and higher property taxes under Box 3, making investments and maintenance less viable.

Trends and developments

Residential area development

In 2022 and 2023, the government made agreements in consultation with provinces, municipalities and housing associations to develop an average of 100,000 homes a year until 2030.

This number of homes to be developed on annual basis is not achieved for a long time. The highest number of homes developed per annum in the last decade was around 75,000 according to figures of CBS. Reasons that appear from market participants include ongoing nitrogen problems, regulatory changes, the level of construction costs, network congestion, delays caused by the Council of State procedures and requirements to include a high percentage of affordable housing in development plans. The current housing shortage is around 400,000 residentials.

In 2025 the Dutch housing market has experienced a decline in the issuance of building permits. Between January and May 2025, only 33,000 new housing permits were granted, representing a decrease of 5,000 compared to the same period in 2024. This downward trend is further compounded by an increase in revoked permits.

In an effort to accelerate housing production, the Dutch government has designated 24 so-called “breakthrough locations”. These include 4 recently added locations in Alkmaar, Hengelo/Enschede, Apeldoorn and Helmond.

The sites are intended to facilitate the construction of at least 150,000 new homes. According to the government these locations have been selected based on the ability to develop large areas of at least 2,500 homes and include locations like Rijnenburg in Utrecht and Gnephoek in Alpen aan den Rijn. Many of the intended projects are still in early planning stages or classified as “soft” plans and face to large infrastructural- or surface challenges.

Net congestion

One of the most pressing infrastructure challenges facing the Dutch housing sector is net congestion; the overloading of the electricity grid.

Net congestion manifests in four primary ways: physical limitations in the high-voltage grid, restrictions on installing electric vehicle charging stations, insufficient capacity for essential services such as schools and supermarkets, and delays in cable installation due to prioritization conflicts.

This issue is not isolated to specific projects, but is emerging in several high-growth regions, indicating that grid congestion is a national concern. There is an urgent need for national coordination and investment in grid infrastructure.

Nitrogen emission

In December 2024, the Council of State, the country's highest administrative court, invalidated the practice of "internal offsetting" of nitrogen emissions. This method allowed developers to balance out emissions within a project or activity, thereby avoiding the need for a formal pollution permit. The court ruled that this approach was insufficient to protect Natura 2000 areas, which are designated under EU law for environmental conservation. As a consequence, the nitrogen issue remains a bottleneck for housing development, particularly in regions adjacent to protected natural areas.

In the report of July 2025, the Economic Institute for the Construction Sector (EIB) criticized the Council of State's recent advice on the nitrogen threshold of 1 mol/ha/year, calling it "inconsistent and incomplete on essential points and as a result, a major solution for housing construction risks being blocked, without yielding any benefit for nature."

It is clear that without a coordinated and transparent strategy to reconcile environmental obligations with housing needs, the sector risks continued stagnation.

Senior housing

The Dutch Association of Real Estate Agents (NVM) has identified senior housing as a strategic lever for improving market fluidity. Many elderly residents remain in homes that no longer meet their needs due to a lack of suitable alternatives. By investing in "life-cycle proof" housing, policymakers can encourage older residents to downsize, thereby freeing up larger homes for younger families. This approach also offers broader social benefits, like improved community cohesion.

STOER

An initiative that identifies bottlenecks in housing development is the STOER rapport. The STOER report - short for Schrappen Tegenstrijdige en Overbodige Eisen en Regelgeving - is a comprehensive advisory document delivered to Mona Keijzer, Minister of Housing and Spatial Planning, on 10 July 2025. It contains over 100 proposals aimed at accelerating, simplifying, and making housing construction more affordable in the Netherlands. The report is commissioned in response to the acute housing shortage and the regulatory overload that slowed down residential development.

The report aims to:

- Reduce planning time: Proposes shortening the average plan formation phase through standardization and parallel planning.
- Lower research burdens: Suggests using quick-scans and risk analyses and extending the validity of studies.
- Streamline legal procedures: Recommends faster and simpler objection processes while maintaining legal safeguards.
- Align local and national rules: Encourages municipalities to adhere to national building standards to reduce complexity and enable industrialized construction.

User market

Rents

Rents in the Netherlands have risen significantly in 2024 and the first half of 2025 due to a combination of high demand and low supply. According to Pararius the average rent per square meter for unfurnished rental properties increased close to 10% in the first quarter of 2025 (q-on-q). This is one of the largest increases in many years. There is continued high demand for rental properties, while supply is declining ongoing, partly due to the increasing number of rental properties been sold.

Rent freeze terminated

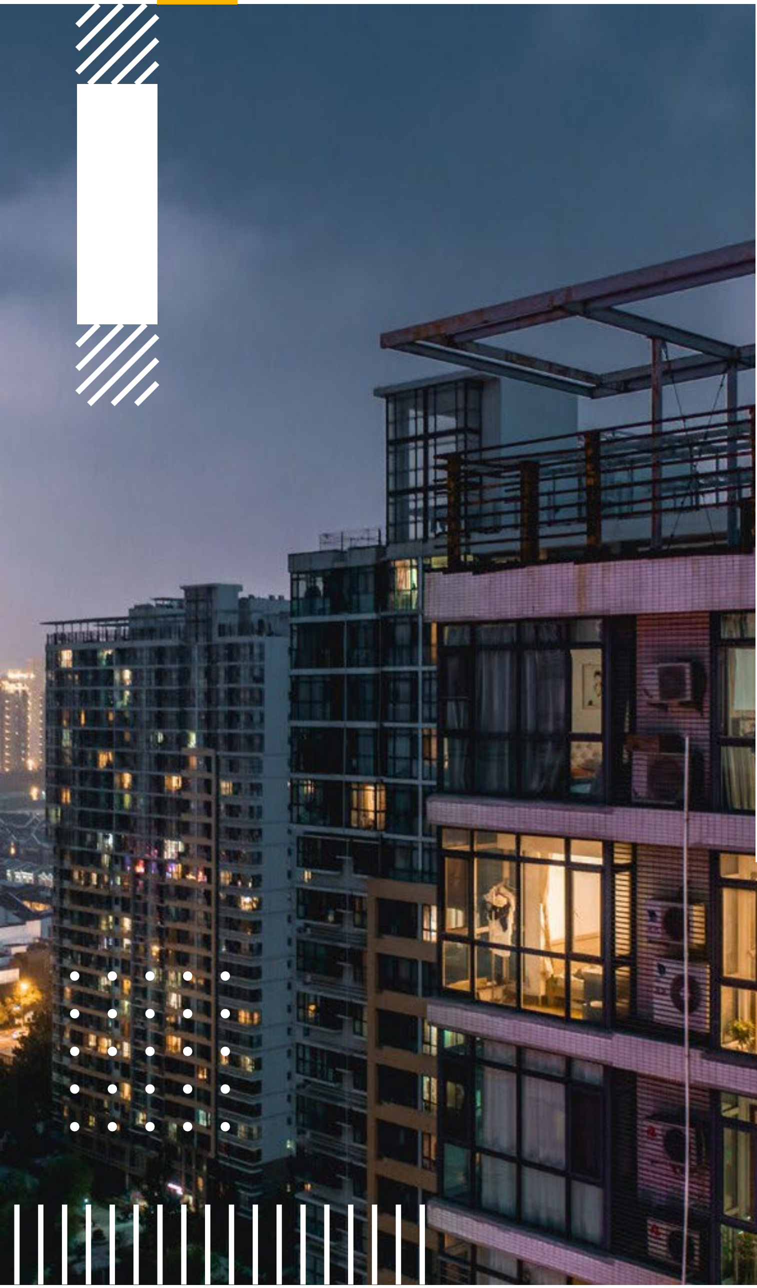
The Schoof Cabinet fell on June 3, 2025, which has implications for the proposal to freeze rents for the years 2025 and 2026. The proposal to freeze rents has been halted, and the chamber will not submit the bill. This means that social housing rents can increase again; as of July 1, they may rise by a maximum of 5%. The rent freeze could have resulted in a large loss in investment capacity and 10,000's of (social) housing units less to be built. The reversal of this proposal creates room for investment, which is good news for housing construction.

Transaction prices for owner-occupied homes

Mortgage rates rose from an average of 1.6% to 4.3% in 2022 and 2023 and have now fallen to around 3.5%. From May 2023, when the average transaction price of an owner-occupied home was approximately € 405,000, transaction prices increase again. The average transaction price as per 1 April 2025 is approximately € 473,000. Year on year this reflects a price increase of 10%.

The main reasons for this are the scarcity in almost all municipalities in the Netherlands and an increased funding margin caused by ongoing strong wage increases and a decreasing interest rate.

Several Dutch research institutes and banks provide predications with respect of the expected development of transactions prices for 2025 and 2026. ABN Amro expects that house prices will rise by 7% in 2025. According to ABN Amro, this is mainly due to higher incomes and falling mortgage interest rates. New homes are also not being built fast enough. Rabobank expects a price increase of 8.6% in 2025. DNB's prediction is a price increase of 7.5% in 2025 and 4% in 2026. Starters suffer from this most. They still have little capital and therefore generally have to borrow everything.



Investor market

The residential investment market recovered in the second half of 2024 and the transaction volume in the first half of 2025 increased to the same period last year. Dutch investors are expected to further lead investments in housing in 2025. Within this group, housing associations occupy a major position of investments, however investment capacity depends on regulatory policies. There is a division in the market between types of residential investments. Affordability and sustainability are two key points in the Dutch housing market. Institutional investors mainly sell older, existing homes to private investors and invest the released funds in sustainable, affordable new-build homes. Housing associations also intent to invest mainly in new construction.

In general yields are stable in the first half of 2025 and compressed in the second half of 2024 with 20-30 basis points compared to the start of 2024.

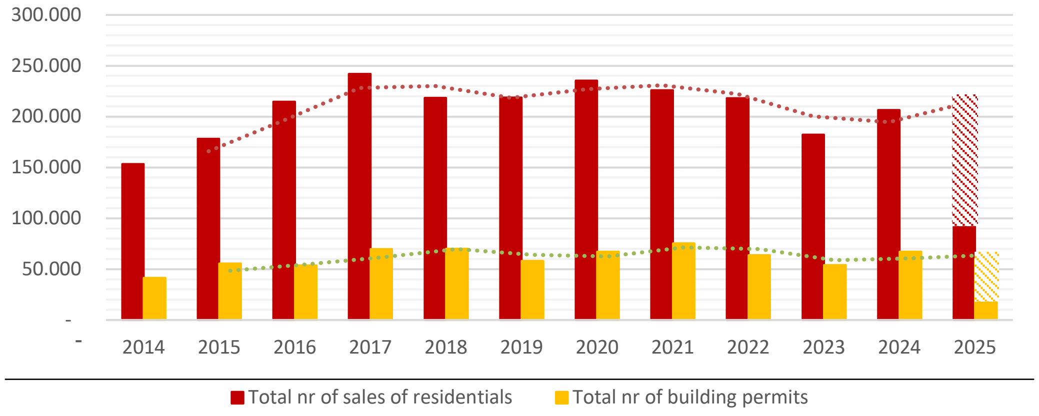
Some of the largest deals in the Dutch residential market in 2025 are the purchase of The Rock in The Hague with almost 300 units by M&G and the purchase of 596 short-stay units by Ardian and Rockfield in Minverahaven in Amsterdam.

Small investors sell

Currently, there is a trend in the investors' market where properties are being sold by smaller investors, a process known as 'uitponden.' These are often investors who own only a few properties. Sales from 'uitpondingen' are increasing due to a combination of measures taken by the Dutch government over the past year

Facts & Figures

Development of sales and permits



Source: CBS Statline

Number of sales residentials and building permits

2024 - Total sales of residentials	206,458
2025 - Total sales of residentials up to May	90,003
Y on y change	+ 16%
2024 - Total building permits	67,219
2025 - Total building permits up to April	18,546
Y on y change	- 18%

Source: CBS Statline / Kadaster

Development of NIY and market rent

		Δ market rent vs Q4 2024	Δ NIY vs Q4 2024
The Randstad urban area	Single-family homes	↗	→
The Randstad urban area	Apartments	↗	→
Outside the Randstad urban area	Single-family homes	↗	→
Outside the Randstad urban area	Apartments	↗	→

Source: PwC analysis

Overview of NIY residentials

	NIY (indicative) Q2 2025
Randstad, single-family homes	3.3% - 4.4%
Randstad, apartments	3.3% - 4.4%
Outside the Randstad, single-family homes	3.6% - 4.7%
Outside the Randstad, apartments	3.6% - 4.7%

Source: PwC analysis

*NIY: Net initial yield (net market rent) including purchaser's costs

Selection of investment transactions

Date	Place	Address / Building	Purchaser	Acquisition price	Construction year	Energy label	GIY
Q2, 2025	Rotterdam	Oorden Staete	Altera	€ 20.98 mln	1969 / 2017	A - A+	4.5% - 5.0%
Q2, 2025	National	Units: 413	Grouwels	€ 114.36 mln	appr. 2000	A	-
Q1, 2025	Rotterdam	Loods Holland 1	Daelmans	€ 12.0 mln	2010	A	3.75% - 4.25%
Q1, 2025	Amsterdam	Osdorper Ban 953	Vivet	€ 18.47 mln	2006	A	3.5% - 4.0%
Q1, 2025	National	Lima 3 properties	IProperty	€ 86.53 mln	1992 - 2008	A	3.75% - 4.25%

Source: PwC analysis / Kadaster

*GIY: Gross initial yield (gross contract rent) including purchaser's costs

Logistics

The Dutch logistics real estate sector is at a crossroads but remains resilient amid challenges. Regulatory and infrastructural challenges are reshaping development strategies. Energy innovation, and regional diversification are key to sustaining growth and meeting future demand.

Gross initial yields for the best premises have increased to 5.0% in summer 2024 from 3.5% at the beginning of 2022. As a result of improved economic conditions, gross initial yields improved to 4.5% at yearend 2024. Compared with the end of 2024, we see a yield stabilization in the first half of 2025. The current indicative gross initial yield (with no additional costs payable by the purchaser) for prime logistics remained stable at 4.5%.

Trends and developments

Development bottlenecks

The Dutch logistics real estate sector is facing a convergence of structural challenges that significantly hinder new developments. These bottlenecks include grid congestion, nitrogen emissions, spatial scarcity and regulatory and political uncertainty. These challenges are not only impacting growth but are also reshaping investment strategies and spatial planning across the country.

The regulatory landscape for logistics real estate in the Netherlands faces to several changes. The Energy Performance of Buildings Directive (EPBD) and the upcoming Dutch Energiewet per 1 January 2026 impose stricter sustainability requirements on new buildings. This is necessary as only a small part of the business parks have a full grid capacity and waiting times for new connections exceed several years (up to 10 years). Further the law provides grid operators more possibilities to tackle grid congestion (overload of the electricity grid). As a result of the current developments, local energy generation such as solar panels, batteries and smart grid solutions (cable pooling) are gaining traction.

The redevelopment of brownfields was increasingly important in the recent years. By the end of 2024 the Council of State determined that companies have to apply for a new nature permit to expand emissions, rather than relying on internal balancing. The advantage of brownfield developments already having nitrogen space available thereby disappears. Also the high transfer tax in the Netherlands makes it less attractive for opportunistic investors to buy obsolete buildings to add value to them and then sell them again after a short period of time.
On the other hand, the available grid connection is an advantage.

Sustainability

Sustainability and ESG are a core strategy in the supply chain of users of logistics centres and investors. New warehouses benefit from solar panels and heat pumps, underfloor heating, LED lighting and provide leisure and sports facilities.

Sustainability of logistics buildings and new-build plans is currently hampered by problems such as electricity congestion, with the power network being overloaded. In addition, the rentability of vacant buildings with too light a grid connection is limited. The real estate sector plays an important role in contributing to less grid congestion. Through smart management and clustering of energy needs, the logistics sector can make an important contribution to net neutrality.

User market

Stabilizing rents

After a period of 3 year, the period of rapid rent increases in the logistics sector is slowing down, with a divergence between emerging areas and established regions. High-quality space at traditional hotspots such as Brabant, Limburg, and the Randstad continues good demand and low vacancy, which supports continued rent growth, albeit at a slower pace. In contrast, newer logistics hubs like Lelystad are experiencing higher vacancy rates due to recent speculative developments and a more cautious user market. This divergence suggests a two-speed market: established regions maintain pricing power, while emerging areas may face downward pressure on rents if absorption lags. In general the user market is shifting more from expansion to optimization and consolidation and are delaying leasing decisions due to uncertainty around trade policies and global supply chains.

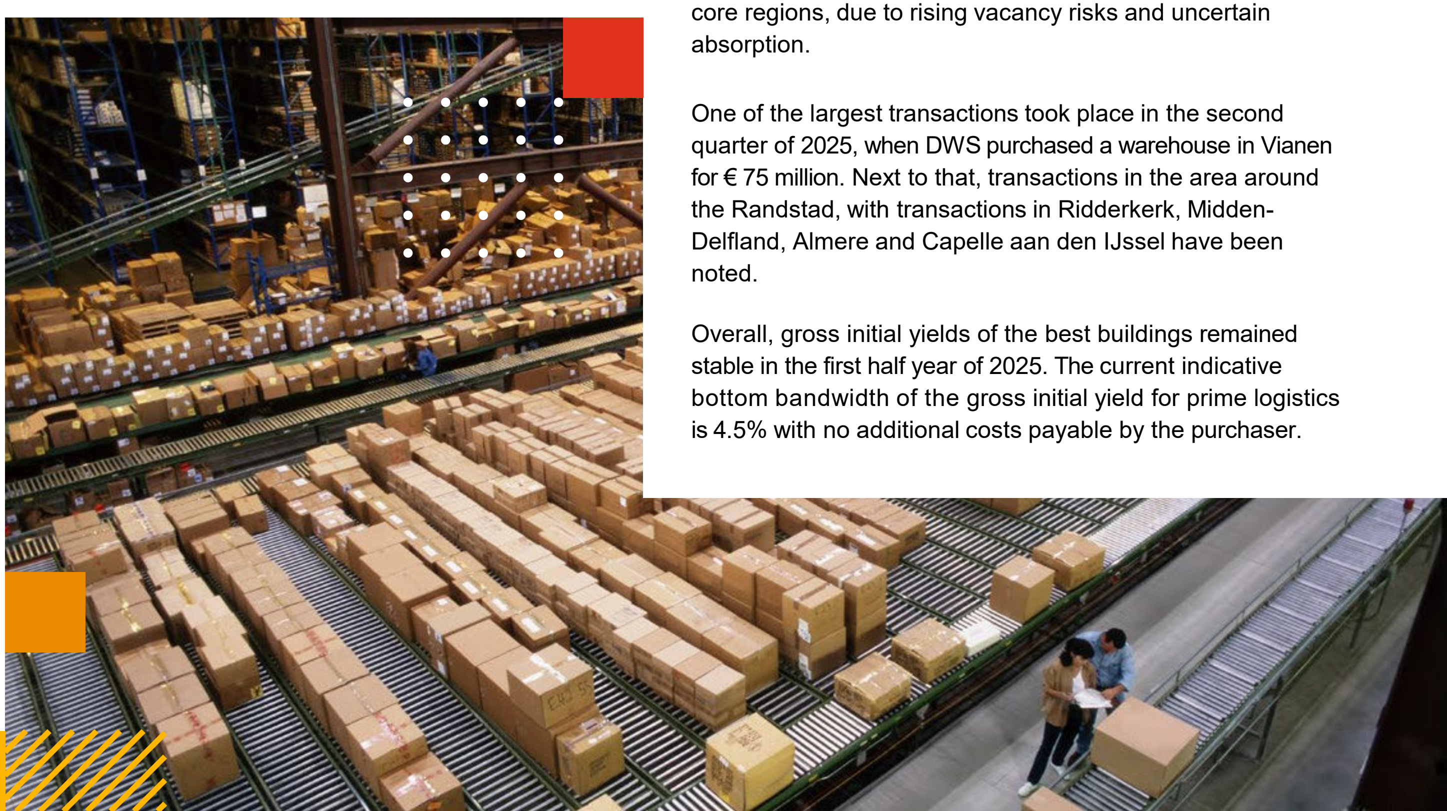
Gross market rental prices in the Rotterdam region amount to € 105 per sqm for modern logistics real estate. In the vicinity of Tilburg/ Oosterhout/Moerdijk/Waalwijk, market rental prices are between € 75 and € 90 per sqm. In the Venlo area, the gross market rental prices of modern warehouses in good locations are between € 70 and € 85 per sqm. Rent incentives are concluded to slightly increase.

Investor market

Declining investment volume

The year 2024 started with positive signs in the logistics investor market. Interest rates remained more or less stable or even decreased slightly. As a result, prices have stabilised and confidence in the market has increased. In addition, the fundamentals of the logistics market remain strong, given the scarcity of land and the political resistance to new XXL distribution centres, combined with the high demand for high-quality space and rising rents.

In the second half of 2024 many large size transactions took place and gross yields compressed to the year end.



In the first half of 2025, the investment volume significantly decreased caused by a lack of suitable investment products and reluctance of investors due to uncertainty in the market. The trade policy of American President Donald Trump, geopolitical tensions and Dutch politics and regulation such as the nitrogen ruling at the end of 2024 delays in obtaining building permits play a role in this.

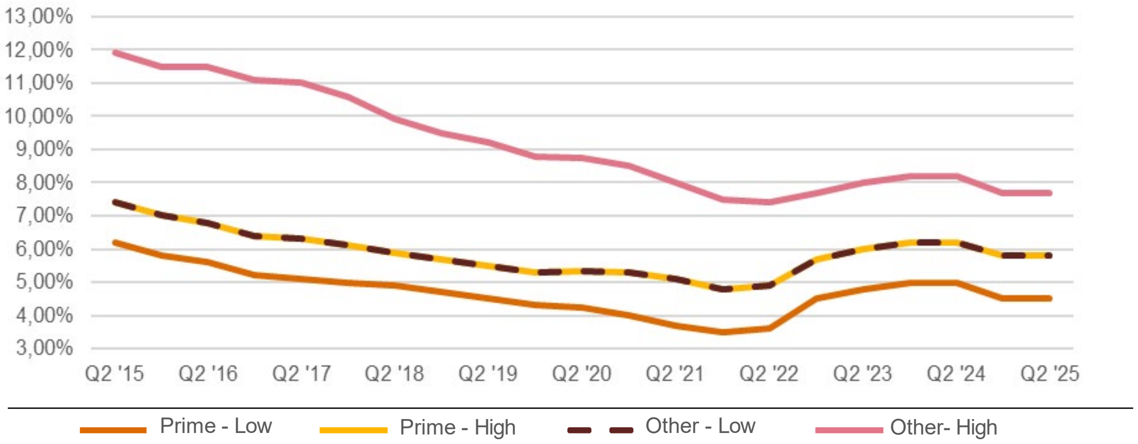
Due to the stagnation in new developments, investors are increasingly focusing on existing warehouses, including the trend to focus on traditional hotspots. Investors are less willing to fund speculative developments, especially in non-core regions, due to rising vacancy risks and uncertain absorption.

One of the largest transactions took place in the second quarter of 2025, when DWS purchased a warehouse in Vianen for € 75 million. Next to that, transactions in the area around the Randstad, with transactions in Ridderkerk, Midden-Delfland, Almere and Capelle aan den IJssel have been noted.

Overall, gross initial yields of the best buildings remained stable in the first half year of 2025. The current indicative bottom bandwidth of the gross initial yield for prime logistics is 4.5% with no additional costs payable by the purchaser.

Facts & Figures

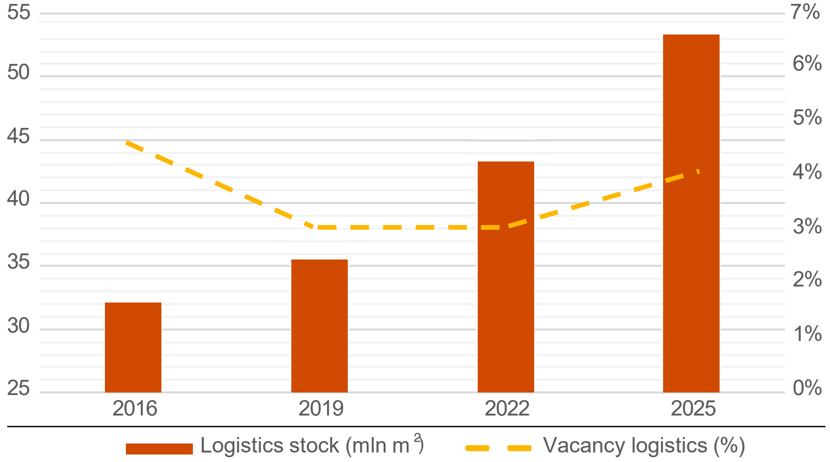
Overview development of gross initial yields



Source: PwC analysis

*GIY: Gross initial yield (gross market rent) including purchaser's costs

Development stock and vacancy



Source: IBIS bedrijventerreinen

Market rent and incentives

	Gross market rent p/m² headline	Δ market rent vs. Q4 2024	Incentive level
Prime	€ 70 – € 125		
Other	€ 35 – € 65		

Source: PwC analysis

Selection of investment transactions

Date	City	Address / Building	Purchaser	Acquisition price	GIY
Q2, 2025	Ridderkerk	Selderijweg 70	WDP	€ 55.0 mln	5.75% - 6.25%
Q2, 2025	Vianen	De Limiet 25	DWS	€ 75.3 mln	4.75% - 5.25%
Q1, 2025	Midden-Delfland	ABC Harnaschpolder	AEW	€ 20.2 mln	4.5% - 5.0%
Q1, 2025	Venlo	Horsterweg 215	Realterm	€ 26.3 mln	Redevelopment
Q1, 2025	Almere	Sterkenburg 6-14	Nestlé	€ 41.3 mln	4.75% - 5.25%

Source: PwC analysis

*GIY: Gross initial yield (gross theoretical rent) including purchaser's costs

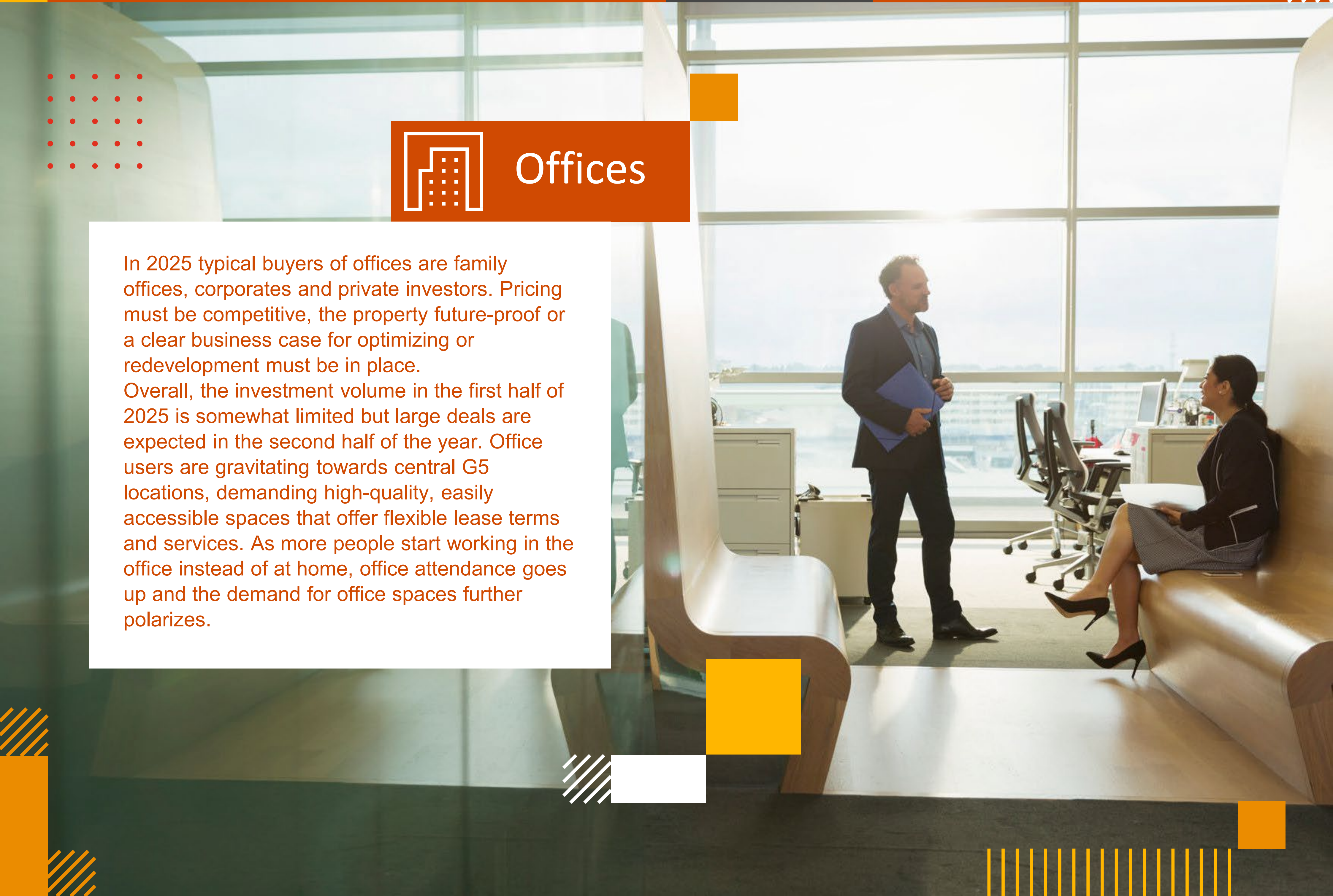
Total stock and vacancy

Total land area business parks (mln sqm)	1100
Total sqm industrial (mln sqm)	260
Total sqm logistics (mln sqm)	53
Vacancy rate industrial	5%
Vacancy rate prime logistics	4%

Source: IBIS bedrijventerreinen and PwC analysis

Offices

In 2025 typical buyers of offices are family offices, corporates and private investors. Pricing must be competitive, the property future-proof or a clear business case for optimizing or redevelopment must be in place.
Overall, the investment volume in the first half of 2025 is somewhat limited but large deals are expected in the second half of the year. Office users are gravitating towards central G5 locations, demanding high-quality, easily accessible spaces that offer flexible lease terms and services. As more people start working in the office instead of at home, office attendance goes up and the demand for office spaces further polarizes.



Trends and developments

Reshaping office space requirements

Sustainability remains a driving force across both the occupier and investor office market in the first half year of 2025. At the same time, there is a recognizable trend of large corporations reconsidering their housing and opting for central locations in or around the G5. Furthermore, flexibility in lease terms and building services is a key differentiator in both new leases and renewals.

In addition, the well-being of employees is central to the accommodation choice of office users, both from an ESG perspective and from the ongoing staff shortages in many sectors. Large, established companies keep optimizing their use of space. For example, accounting and advisory firm PwC closes smaller offices such as its office in Alkmaar and Unilever moves into a smaller office in the city centre of Rotterdam. On the other hand, innovative scale-ups are growing. This is particularly visible in sectors such as fintech and R&D.

The changing, post-covid declining demand for office space and the shift in demand for high-quality, sustainable office buildings located around public transport hubs keep polarizing the office market. Rents of these high-quality office buildings continue to rise and the rest of the market is stabilizing.

The trend of hybrid working changed during the first half of 2025. Research by Shuttel shows that the average presence at the office increased by approximately 11%.

User market

In the first quarter of 2025, the take-up of office space amounted to approximately 0.2 million sqm (source: C&W), close to the q-on-q take up in recent years. The 5 largest cities of The Netherlands together amount for approximately 50% of the total take up. The medium term office take up is around 900,000 sqm per year. This is below the pre-covid level of 1.3 mln sqm per year.

Vacancy rates in the office market have decreased in recent years. The stock has been reduced due to transformation and a limited addition of new office space to the market. In the first quarter of 2025, the vacancy rate of the Dutch office market was 7.9% (source: C&W). This is one-third of the vacancy rate 10 years ago.

Demand within the office market is especially for high-quality office space in locations in city centres and near public transport hubs. Market rents of these offices increased further in the first half of year 2025, especially in Rotterdam, The Hague and Utrecht increases are noted. Market rents in the Amsterdam Zuidas district are at a high level of € 450 - € 525 per square meter and rising to € 600 per square meter for boutique office space. The highest office rents are being achieved for buildings in Amsterdam-Zuid, with rents of up to € 625 per square meter. Utrecht is in second place in terms of the level of rents for offices in prime locations. In the area around the central station, rents of € 275 - € 325 per square meter are being achieved.

Investor market

Market sentiment brightened in the first half of 2025, with an increasing number of participants eager to engage in both buying and selling. Typical buyers of offices are now family offices, corporates and private investors. These investors remain selective and most investments that are noted are medium sized. Pricing must be competitive, the property future-proof or a clear business case for optimizing or redevelopment in place.

Overall, investment activity declined in the first half of 2025 compared with the same period in 2024. A higher deal volume is expected in the second half of 2025 including several large transactions. Investors are in the market for offices that meet high-quality standards and ESG requirements.

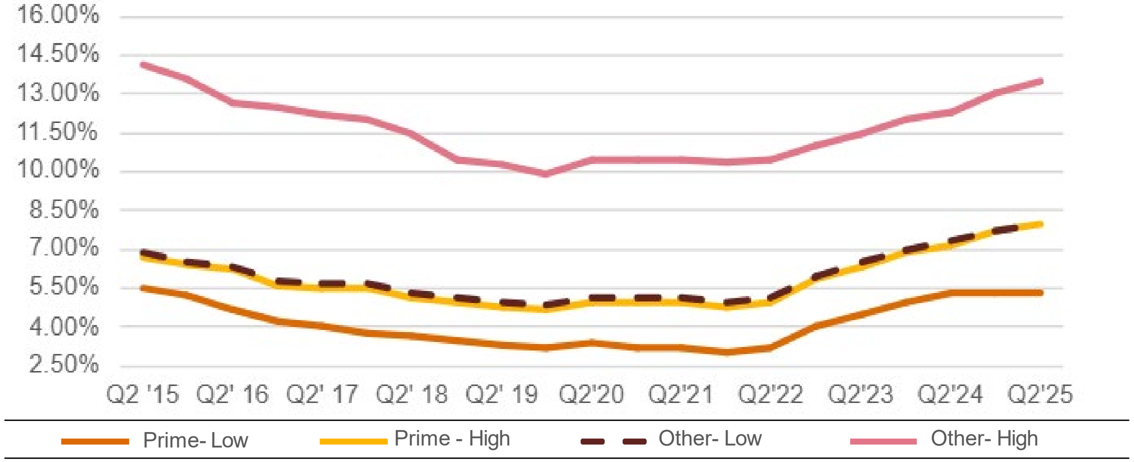
On the other hand investment interest in laboratory space is having pace. In the first half of 2025 the 75,000 sqm Greenbox Campus Hengelo was sold for € 41,323,000 to Sagax (annual landlease payment € 630,000) and ASR bought SL Plaza at Leiden Bio Science Park for € 24,425,000. This investments follow after a strong year end of 2024.

In the first half of 2025 we have seen further polarization between future-proof prime offices and other segments within the office investor market. In addition, high construction and re-financing costs, and sustainability issues make it difficult for developers to create profitable and attractive new development business cases.

After an increase of 30 basis point in 2024, the current indicative gross initial yield for prime offices remained stable in the first half of 2025 at approximately 5.30% with no additional costs payable by the purchaser. Gross initial yields of value add and secondary offices increased in the first half of 2025.

Facts & Figures

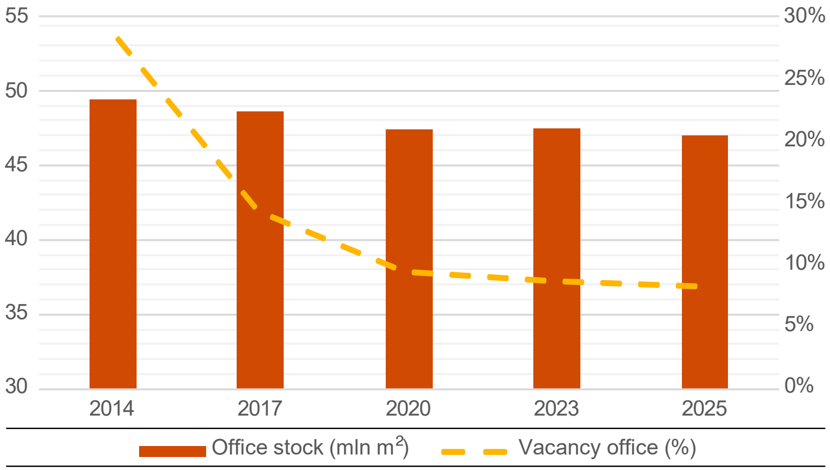
Overview development of gross initial yields



Source: PwC analysis

*GIY: Gross initial yield (gross market rent) including purchaser's costs

Development stock and vacancy



Source: Cushman & Wakefield market research reports, except of vacancy rate 2014: AOS Studley.

Market rent and incentives

	Gross market rent p/m² headline	Δ market rent vs. Q4 2024	Incentive level
Amsterdam	Up to € 625	→	→
Prime	€ 200 – € 325	↗	→
Sub-prime	€ 125 – € 200	→	→
Other	€ 70 – € 125	→	→

Source: PwC analysis

Total stock and vacancy

	2025
Total sqm office stock (mln)	47
Vacancy rate offices	7.9%

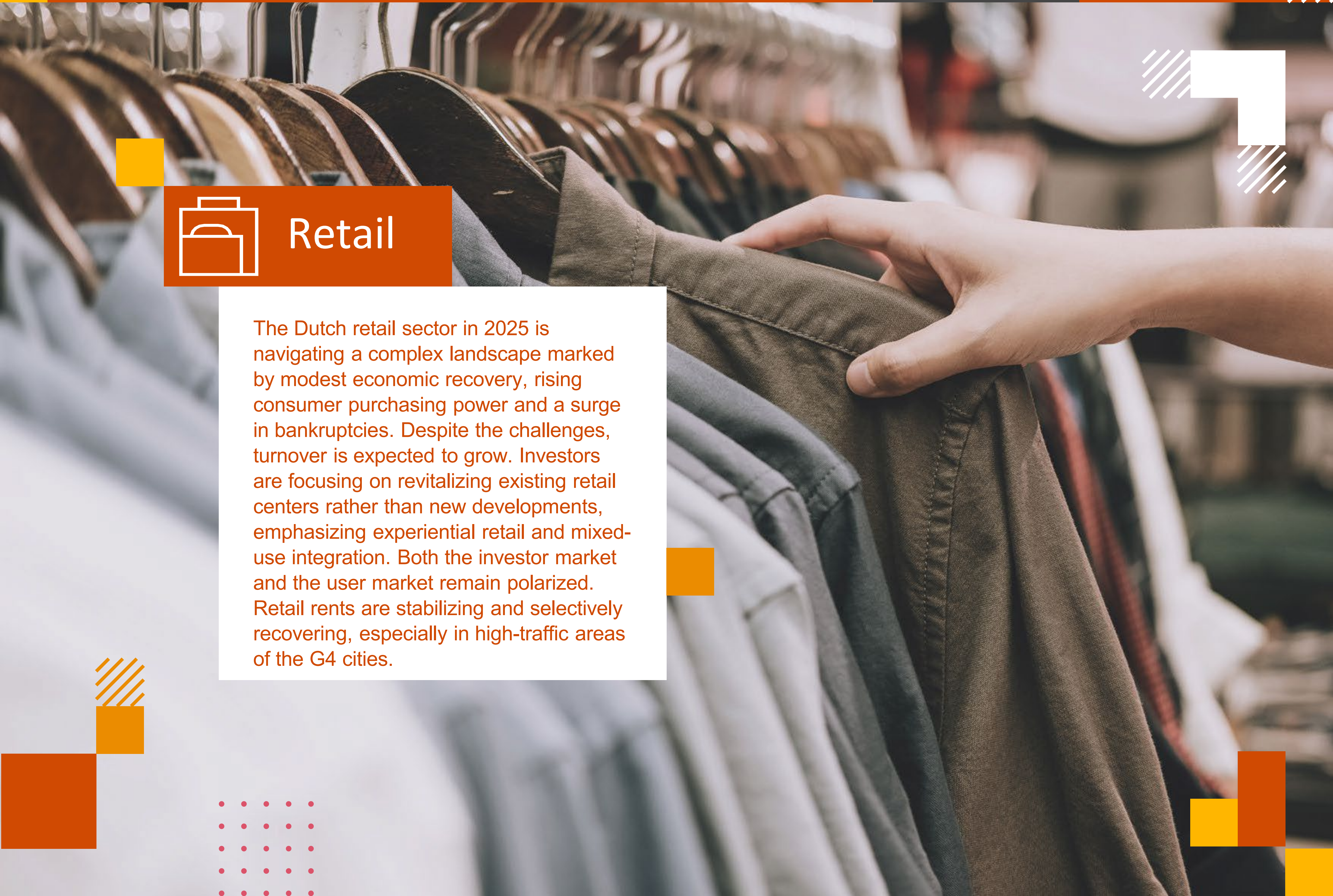
Source: CBS/ C&W

Selection of investment transactions

Date	City	Address / Building	Purchaser	Acquisition price	Per sqm LFA	GIY
Q2, 2025	Rotterdam	Blaak 555	MSC	€ 72.0 mln	€ 2,525	7.75% - 8.25%
Q2, 2025	Almere	WTC	Benkey	€ 37.19 mln	€ 1,100	16.5% - 17.5%
Q1, 2025	Amsterdam	Omval 300	Breevast	€ 14.2 mln	€ 6,600	5.50% - 6.0%
Q1, 2025	Rotterdam	Blaak 20 (redevelop.)	Blakeburg	€ 20.1 mln	€ 1,280	11.0% - 12.0%
Q1, 2025	Leiden	Darwinweg 24	ASR	€ 24.42 mln	€ 4,000	6.5% - 7.0%

Source: PwC analysis

*GIY: Gross initial yield (gross theoretical rent) including purchaser's costs



Retail

The Dutch retail sector in 2025 is navigating a complex landscape marked by modest economic recovery, rising consumer purchasing power and a surge in bankruptcies. Despite the challenges, turnover is expected to grow. Investors are focusing on revitalizing existing retail centers rather than new developments, emphasizing experiential retail and mixed-use integration. Both the investor market and the user market remain polarized. Retail rents are stabilizing and selectively recovering, especially in high-traffic areas of the G4 cities.

Trends and developments

Purchasing power

Following a period of stagnation, the Dutch economy is beginning to recover, exhibiting cautious yet notable growth.

Retail revenue is being bolstered by several factors, including rising wages from collective labor agreements (CAO), a decline in inflation rates and a reduction in the savings ratio among consumers. The DNB highlights that ongoing geopolitical tensions (Ukraine, Gaza) could prompt Dutch citizens to adopt a more conservative financial approach, potentially increasing savings and reducing expenditure in stores.

The strengthening economy and rising purchasing power have impacted various facets of the retail sector, including turnover, sales volume, vacancy rates and the composition of retail offerings. Data from the Central Bureau of Statistics Netherlands indicates that retail sales saw a modest increase of 2.1% in 2024, with a sales volume uptick of 1.4% from the previous year. A contributor to this development was the expansion of online sales, which surged by 9%. However, the food retail segment experienced a decline of 1%. For 2025 experts predict a turnover growth within the retail sector of 3.5%.

Bankruptcies

Despite the overall increase in turnover, the retail sector faces to a surge in bankruptcies. In 2025 stores of Casa, Gerry Weber, Riviera Maison and Van Lier went bankrupt. In 2024 stores of Blokker, Bristol, Scotch & Soda, The Body Shop, Esprit, and Game Mania have gone under.

Together, they operated more than 750 stores. Some are making a fresh start, but many have closed or are at risk of disappearing.

These dynamics illustrate the complex landscape retailers are navigating, balancing the benefits of a recovering economy with the challenges posed by evolving consumer behaviors and unresolved financial obligations.

Revitalizing

Rather than engaging in new construction, substantial investments are being directed towards revitalizing existing centers by investors and developers. This involves a focus on enhancing consumer experiences, expanding the variety of tenants, and integrating complementary services like hospitality, entertainment, healthcare, and residential options. Current statistics underscore that the Dutch retail sector is advancing into a domain where only the most adaptable and dominant locations succeed.

User market

Rents

After nearly a decade of declining retail rents, the Dutch market is showing signs of stabilization and selective recovery in 2025. Comparison retail is experiencing renewed occupier interest and momentum, while convenience retail shows a slight deceleration.

The contrast in location desirability is clear, especially in the high-traffic areas of the G4 cities Amsterdam, Rotterdam, The Hague, and Utrecht, where available retail spaces quickly attract potential tenants. As a result prime retail streets in these major cities can experience modest rent increases due to renewed consumer footfall and retailer expansion. Secondary and tertiary locations continue to face rent stagnation or decline, especially where vacancy remains elevated or footfall is weak. When retailers are investing in larger units that support immersive experiences, such as virtual try-ons or in-store events, this can justify higher rents in select locations.

Supported by tourism and luxury, retail rents at the PC Hooftstraat increased in the last 2.5 years with approximately 15% to € 3,000 per square meter in 2025. At the Kalverstraat the prime retail rent dropped from € 3,000 in 2019 to € 2,250 in 2024 and currently maintained around this level.

Vacancy

Though the retail sector has grappled with the insolvencies of several large brands since the COVID outbreak, it has shown robustness, marked by a decline in vacancy rates in the last years, driven by persistent transformation strategies. These strategies have resulted in a drop in the total count of retail establishments. However, recent findings highlight a moderate increase in vacancy rates during 2024, largely attributed to the bankruptcies that are in place. As reported by Locatus in 2025, the current vacancy rate in the retail sector is about 5.8%.

Investor market

Renewed interest

Investor confidence in the Dutch retail real estate market has been gradually improving. This growth is supported by falling ECB policy rates which are lowering financing costs, a narrowing gap between buyer and seller price expectations and renewed interest in larger transactions, especially from foreign investors and long-term holders with sustainability or redevelopment ambitions. French SCPIs and local family offices making their presence felt. German investors continue to target prime assets, though they grapple with tax-related drawbacks. The return and expansion of foreign investment are expected to sharpen initial yields in 2025.

Investors are factoring in ESG criteria, tenant resilience, and location fundamentals. The retail market is polarized, with capital flowing toward assets that offer either prime location security or value-add potential through sustainability or redevelopment potential.

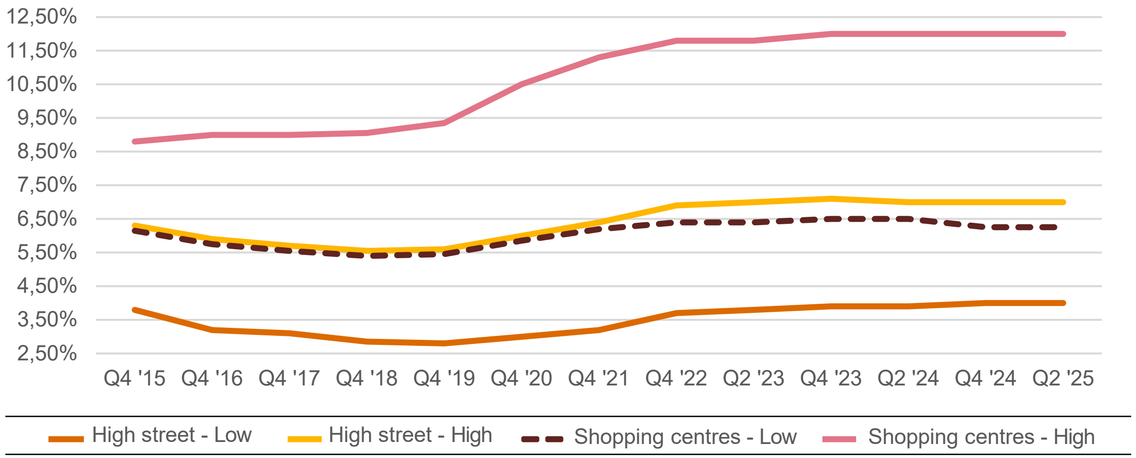
Yields

As mentioned, the Dutch retail segment has been subject to polarization for some time now. The gross initial yields (with no additional costs payable by the purchaser) of regular medium-sized shopping centres with a mixed retail offer and secondary retail locations are at the level of 8.5% - 12.5% in the first half of 2025. The indicative gross initial return (with no additional costs payable by the purchaser) for the traditionally strong investment categories such as supermarkets is between 4.8% and 6.5%.

The indicative gross initial yield (with no additional costs payable by the purchaser) for high-quality shopping centres in the first half of 2025 is estimated between 5.25% - 6.25% and for sub-prime locations up to 8.5%. For high street shopping streets in A locations, the indicative gross initial yield (with no additional costs payable by the purchaser) ranges between 4.0% and 7.0%.

Facts & Figures

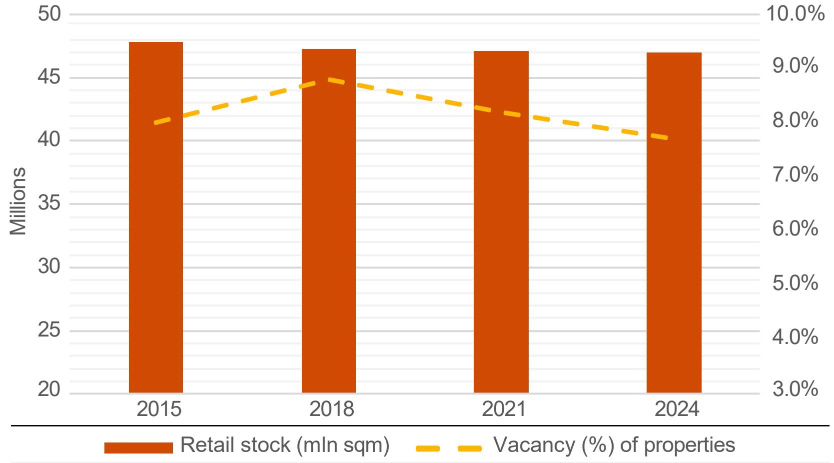
Overview development of gross initial yields



Source: PwC analysis

*GIY: Gross initial yield (gross market rent) including purchaser's costs

Development stock and vacancy



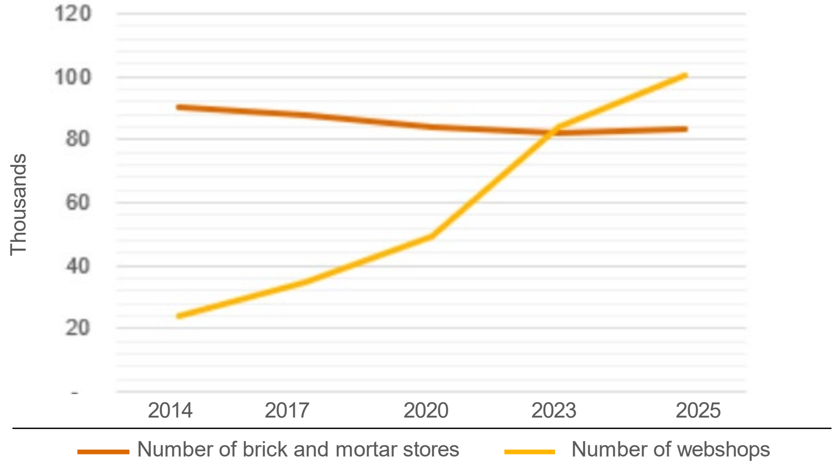
Source: CBS

Markthuurwaarde en incentives

	Gross market rent p/m² headline	Δ market rent vs. Q4 2024	Incentive level
Hoofdwinkelstraat	Up to € 3,000	➡	➡
Winkelcentrum	€ 110 – € 1,550	➡	➡
B/C locaties	€ 50 – € 150	➡	➡

Source: PwC analysis

Development stores and webshops



Source: CBS. Estimate 2025 PwC

Selection of investment transactions

Date	City	Address / Building	Purchaser	Acquisition price	GIY
Q2, 2025	Zoetermeer	Stadshart	Sodify, W'have	€ 150.0 mln	10.5% - 11.5%
Q2, 2025	Almere	Doemere	Iroko ZEN	€ 47.03 mln	9.25% - 9.75%
Q2, 2025	Leiderdorp	Winkelhof	Urban Interest	€ 55.0 mln	8.25% - 8.75%
Q2, 2025	Leidschendam	Liguster 42b-44	Equity Estate	€ 12.99 mln	8.25% - 8.75%
Q1, 2025	Amstelveen	Hooplaan	Achmea	€ 10.6 mln	5.75% - 6.25%

Source: PwC analysis

*GIY: Gross initial yield (gross theoretical rent) including purchaser's costs

Healthcare

As of the first half of 2025, the Dutch healthcare real estate market witnessed considerable activity, reflecting a robust and dynamic sector poised for growth. Transactions surged in response to several factors, including demographic shifts, increased demand for healthcare services, and strategic investments by (mainly) domestic players. The Netherlands, with its aging population, creates a growing need for modern healthcare facilities, influencing transactions across the sector. Key players like investment funds and real estate companies are actively acquiring properties, focusing on senior housing, care homes, and medical centers to meet growing demand.

Trends and developments

The Dutch healthcare real estate market can be roughly divided into two sub-sectors: care and cure. The care sector concerns, among other things, nursing homes, residential homes, but also residential care institutions (private or otherwise). It focuses on providing long-term care to people who need help with daily activities or have specific medical needs. The cure sector focuses on providing medical treatments and services. This sector includes health centres, clinics and specialised medical centres.

Aedifica’s exchange offer on Cofinimmo

An offer from the Belgian company Aedifica on its also Belgian competitor Cofinimmo is the most striking development in the European healthcare real estate sector. Both companies hold Dutch assets.

On 1 May 2025 Aedifica announced its intent to launch a share-for-share offer for Cofinimmo, initiating discussions between the management teams and boards of both companies. They reached an agreement to form the largest healthcare Real Estate Investment Trust (REIT) in Europe. The transaction will be structured as a voluntary exchange offer for 100% of Cofinimmo's shares, requiring a minimum acceptance of over 50% of outstanding shares, with a ratio of 1.185 new Aedifica shares for each Cofinimmo share.

On 30 April 2025 Aedifica proposed a conditional offer for all voting securities of Cofinimmo, followed by a market announcement on 1 May. The boards of directors of both companies agreed on the merger terms, which combine two complementary healthcare real estate portfolios and enhance scalability.

The new entity will become Europe's leading healthcare REIT, with a combined gross asset value of approximately € 12.1 billion, ranking fourth globally. Shareholders will benefit from estimated operational synergies. The merger is expected to improve the credit profile and potentially upgrade the credit rating, reducing financing costs, particularly in the bond market, if S&P upgrades the rating to ‘BBB+’ (currently, both have a ‘BBB’ rating).

Aedifica and Cofinimmo boards unanimously support the merger, considering it a fair reflection of both companies' high-quality assets, with a governance structure designed to ensure operational balance in the combined entity.

ESG and sustainability

In 2025, sustainability in Dutch healthcare real estate is increasingly prioritized, driven by regulatory requirements and the sector's commitment to reducing environmental impact. Key trends include the integration of energy-efficient technologies such as solar panels and geothermal heating systems. Building designs are emphasizing green spaces and natural elements to enhance the well-being of occupants. Additionally, retrofitting older facilities to meet modern sustainability standards is gaining traction. The adoption of sustainable materials and circular economy principles is also prevalent.

User market

Rent development

From perspective of healthcare providers, the pressure to maintain solid operations remains substantial. Staff shortages, hiring of freelancers, pressure on fees from health insurers/government, and the requirements to make real estate more sustainable all contribute to the challenge of affordability of rent for most parties.

In the last 1.5 years, healthcare real estate rent in the Netherlands experienced moderate growth, influenced by rising demand and sustainability investments. The persistent staff shortages and increased hiring of freelancers contributed to operational cost pressures, impacting rent affordability. With healthcare providers investing in energy-efficient upgrades due to regulatory demands, landlords adjusted rents to reflect improved facility standards and reduced energy costs. However, reimbursement pressures from insurers and the government kept rent increases relatively restrained. Overall, the period saw a careful balance between maintaining rental income and ensuring affordability for healthcare operators.

In general, the rents of nursing homes are between € 175 and € 275 per m² of rentable floor surface. Rents for high-end private care apartments may be higher. VAT compensation and/or investment annuities have a further impact on rents. A bandwidth of rentals of primary care centres is generally between € 175 and € 225 per m² of rentable floor surface. Incentive levels generally small for modern buildings with long lease terms.

Investor market

Market conditions

As of the first half of 2025, the Dutch healthcare real estate market witnessed considerable activity, reflecting a robust and dynamic sector ready for growth. The number of transactions increased compared to the first half of 2024.

It is noted that for example Aedifica as well as Cofinimmo is selling several assets. The assets sold are considered some of the non-core and smaller assets within their respective portfolios. Apparently both Belgian players are shifting their focus to the larger assets.

The current indicative lower end of the bandwidth for gross initial yields before p.c. in the top category is 4.9% for the best care home investments, which is a decrease of about 10 bps compared with a half year earlier. The lower end of the bandwidth for health centers and clinics is 6.1%, an decrease of about 10 bps compared with a half year earlier. The investment demand for health care real estate remains high due to the aging population and shortage of suited health care facilities.

Investments

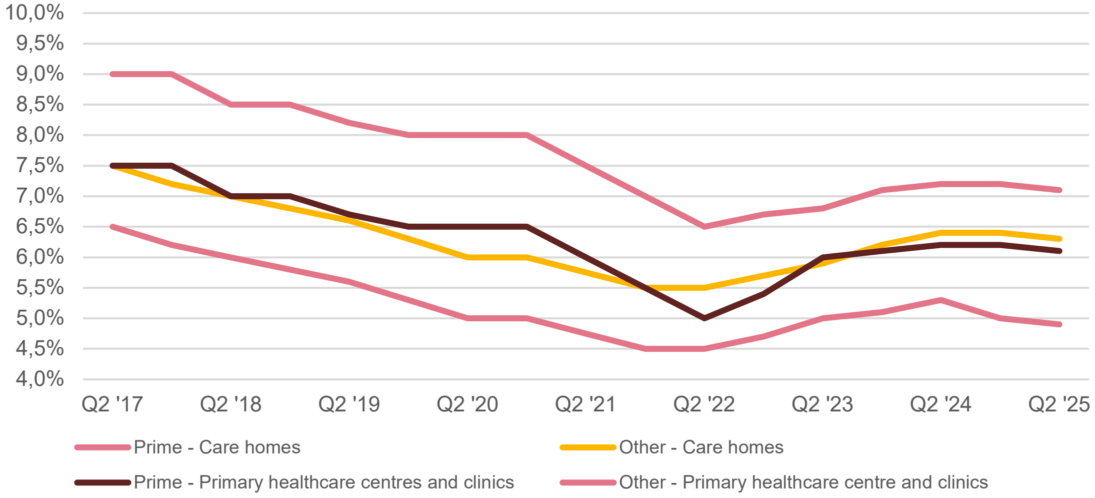
In March 2025 Dutch real estate asset manager NLV and emeis (Dagelijks Leven) announced a strategic partnership. The investment involves a sale-lease-back agreement whereby NLV will purchase the new construction pipeline from the Dutch subsidiary of the emeis Group (Dagelijks Leven), that will then lease back the assets, as operator, on a long-term basis. The initial agreement includes 25 new construction complexes expected to be completed in the 4 coming years.

Holland Immo Group announced their nineth residential care fund (Zorgwoningfonds 9), containing 4 assets with a total market value of appr. € 35 million. Dutch health care real estate players such as Achmea and Bouwinvest also remain active in aquirering real estate in 2025.

On the cure segment side, the number of transactions picked up in the first half of 2025. Several primary health care centers in Rotterdam, Bloemendaal and Enschede were transferred.

Facts & Figures

Overview development of gross initial yields



Source: PwC analysis

*GIY: Gross initial yield (gross market rent) including purchaser's costs

Market rental development

	Rental growth 2025	Rental growth 2026
Care	→	→
Cure	↗	→

Source: PwC analysis

Selection of investment transactions

Date	Place	Address / Buiilding	Purchaser	Acquisition price	GIY
Q2, 2025	Portfolio	4 assets	Holland IMMO Group	€ 35.23 mln	5.0% - 5.5%
Q2, 2025	‘s-Gravenzande	Weidehommel 6	Bouwinvest	€ 29.48 mln	4.5% - 5.0%
Q2, 2025	Eibergen	Willem Sluyterstraat 6	Eagle Eibergen	€ 7.76 mln	5.5% - 6.0%
Q1, 2025	Joure	Ulohôf 2	Achmea	€ 6.15mln	4.5% - 5.0%
Q1, 2025	Beegden	Heerstraat-Zuid 20	Baetland	€ 6.23 mln	5.5% - 6.0%

Source: PwC analysis

PwC Real Estate Advisory & Valuations

The need for transparent and independent valuations

From its independent role, PwC Real Estate Advisory & Valuations provides real estate valuations for various purposes, ensuring transparency, completeness and objectivity.

Social developments and stricter legislation and regulations are increasing the need for transparent and independent real estate valuations day by day. From the perspective of its independent role, PwC Real Estate Advisory & Valuations supports with real estate valuations for a variety of purposes, with transparency, comprehensiveness and objectivity being paramount. PwC's valuation team comprises RICS- and NRVT-registered surveyors, ensuring that the highest professional and ethical standards are adhered to.

About the PwC report 'Developments in the Dutch Real Estate Market'

The PwC REA&V report 'Dutch Real Estate Market Update' covers our analysis and opinion of trends and developments in the Dutch real estate market in the first half of 2025. Our market update is summarized in sector snapshots for each real estate category and is guided by our economic framework.

The PwC report Developments in the Dutch Real Estate Market was founded in 2009 by the PwC Real Estate Advisory & Valuations team in Amsterdam and is reported bi-annually.

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