

An aerial photograph of a city, likely Amsterdam, showing a canal in the middle ground and a large, multi-story brick building with a prominent pediment in the foreground. The background features a dense urban landscape with various buildings and a skyline with taller skyscrapers under a cloudy sky.

# Dutch Commercial Outlook 2026-2028

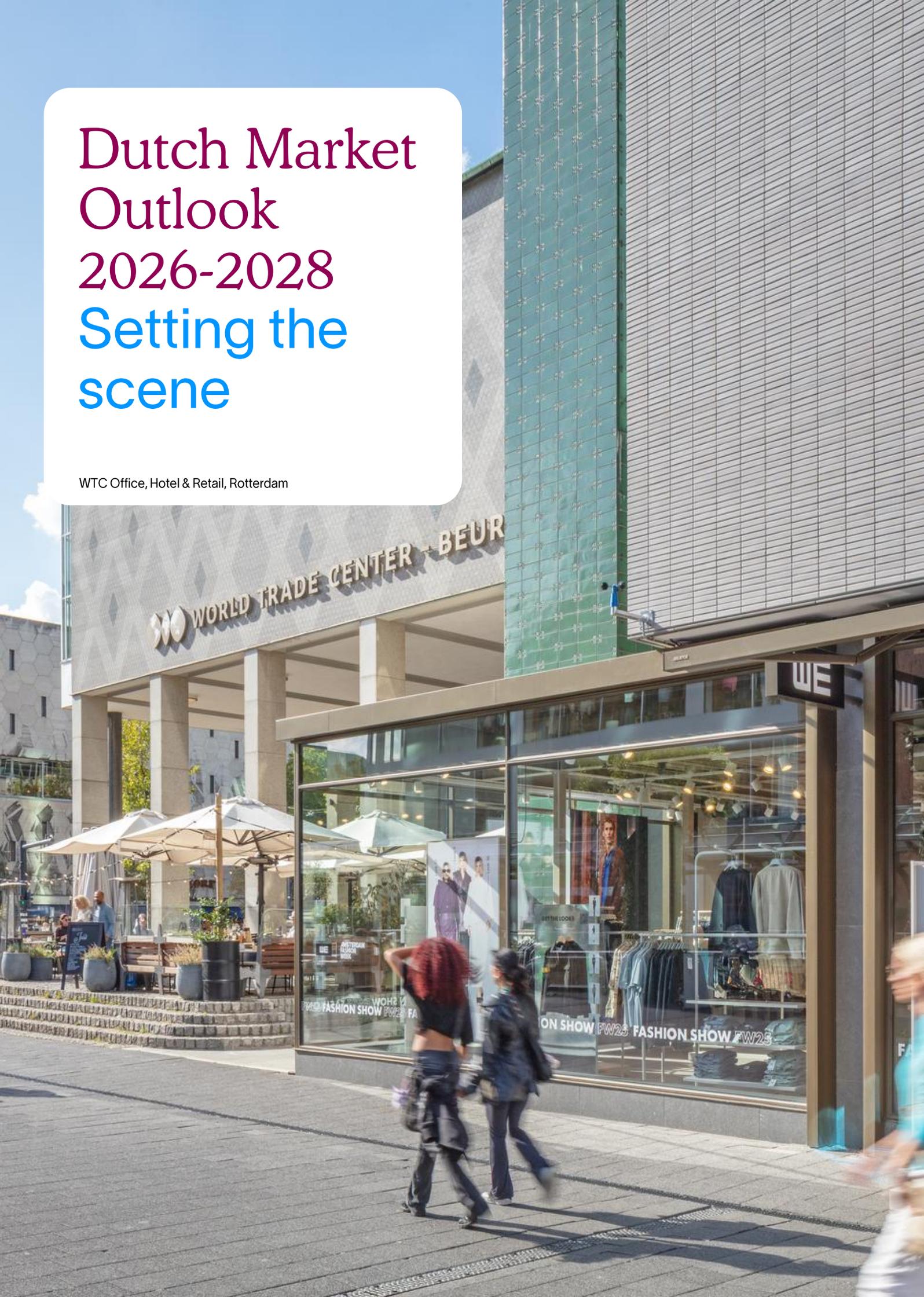
Bouwinvest Real Estate Investors

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# Dutch Market Outlook 2026-2028 Setting the scene

WTC Office, Hotel & Retail, Rotterdam



## Commercial markets | Setting the scene

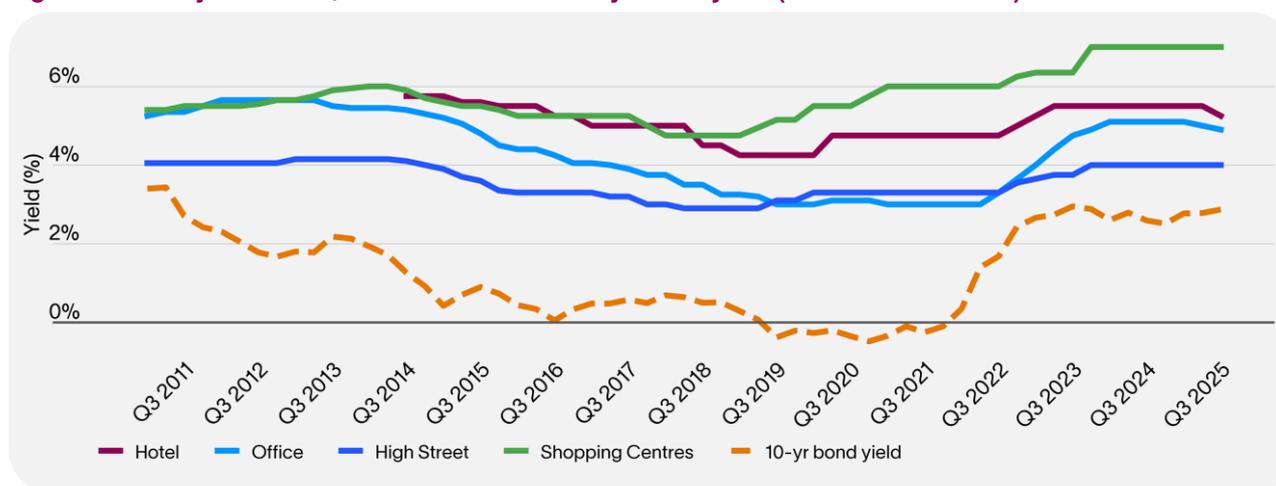
Every November, Bouwinvest publishes its new Market Outlook focused on the coming three years. This year, we have revised the format slightly and created one version for all Living sectors and one version for the Commercial sectors, which is the one you are currently reading. Within the commercial sectors, we look at the three subsectors in which Bouwinvest invests: the office market, the retail market, and the hotel market. These are sectors with their own dynamics, opportunities, and challenges. We have summarised these for you concisely, without losing sight of nuance. On this page, we start with 'Setting the scene', focusing on the trends that run across the entire commercial market and highlight the interconnections between the sectors. We then cover the office market (page 9), the retail market (page 13), and the hotel market (page 17).

We hope you enjoy reading this publication, and if you would like to know more, please do not hesitate to contact us!

Although each of the three sectors analysed in this commercial outlook has its own dynamics, we use this page to highlight the similarities in opportunities and challenges across these markets.

On the economic side, interest rates<sup>1</sup> are expected to remain at current levels for an extended period. This leaves little room for lower initial yields in the core segments in the Netherlands for now. However, the yield gap – the difference between property yields and the 10-year interest rate – tends to be smaller during periods of higher interest rates than during periods of very low rates, as clearly shown in the graph below. So, yields are not entirely locked in.

**Figure 1: Prime yield office, retail and hotel vs 10-yr bond yield (Q1 2011 - Q3 2025)**



Source: CBRE (2025)

The focus on the "E" in ESG remains important in the Netherlands, although it varies by segment. In all segments, tenants generally prefer sustainable buildings – partly to comply with CSRD guidelines, which now also applies to smaller companies, and partly to reduce utility costs. Specifically for the office sector, sustainability also helps to attract talent more easily.

Another continuing trend, especially in the office and retail markets, is polarisation. In markets that are no longer growing, tenant demand is mainly focused on optimising locations. This could mean an office that must be sustainable and located in an area with good accessibility and many amenities, or a retail unit that must be situated in the best part of the main shopping street with a well-designed layout. Investors are following this trend, making asset selection an essential part of our work.

At the same time, this trend opens up opportunities for developers and value-add investors to acquire properties or locations that are just below top-tier, at significantly higher yields, and improve them. We see this happening in both the office and retail markets – for example, with the acquisition of several large shopping centres this year. This is less relevant for the hotel market, where each location has its own qualities and target audience.

For the hotel and retail markets (particularly high streets), it appears that many households are trying to save on essential spending (including daily groceries) so they can save more and still afford discretionary spending – such as weekend getaways, dining out, and buying clothes.

A final, frequently mentioned development, concerns the growth of AI. It is clear this trend will initially impact the data centre market and – possibly – the office market. Therefore, a dedicated page on this topic has been included in the office chapter.

The overall takeaway from these developments – and from the rest of this document – is that the fundamentals of the Dutch commercial markets are strong in many cases, and rental growth and value appreciation is expected in most segments. The exception in the short term is the hotel market, which Bouwinvest believes will be affected in 2026 (and partly in 2027) by the upcoming VAT increase.

<sup>1</sup> Bouwinvest uses economic forecast data from Oxford Economics.

# Dutch Market Outlook 2026-2028 Economy, capital markets

Van Heekplein 52, Enschede



# Cautious recovery and solid foundations for Dutch real estate

## Global economy faces challenges yet maintains steady growth

The world economy shows resilience, while it remains under strain from geopolitical tensions. Over the past year, an escalation in trade protectionism, notably new US import tariffs and retaliatory measures, has begun to drag on global trade volumes and investment. Business confidence has been dented by these policies, as well as the devastating conflicts in the Ukraine and the Middle East, pushing global uncertainty to its highest level in decades.

As a result, global growth is slowing, but importantly a broad recession still appears unlikely. In the United States and other major markets, domestic demand has held up better than expected. Meanwhile, inflation pressures, that spiked worldwide last year, are gradually easing, allowing central banks to step back from aggressive tightening. In Europe, for example, the ECB has begun cutting interest rates, now that Eurozone inflation is back near 2-3%. This gentler monetary backdrop is improving sentiment in equity and bond markets. Overall, despite myriad risks in 2025 the global economy is managing a slower but positive growth path, and policymakers are cautiously shifting from fighting inflation to supporting growth.

## Dutch economy: resilient fundamentals with strings attached

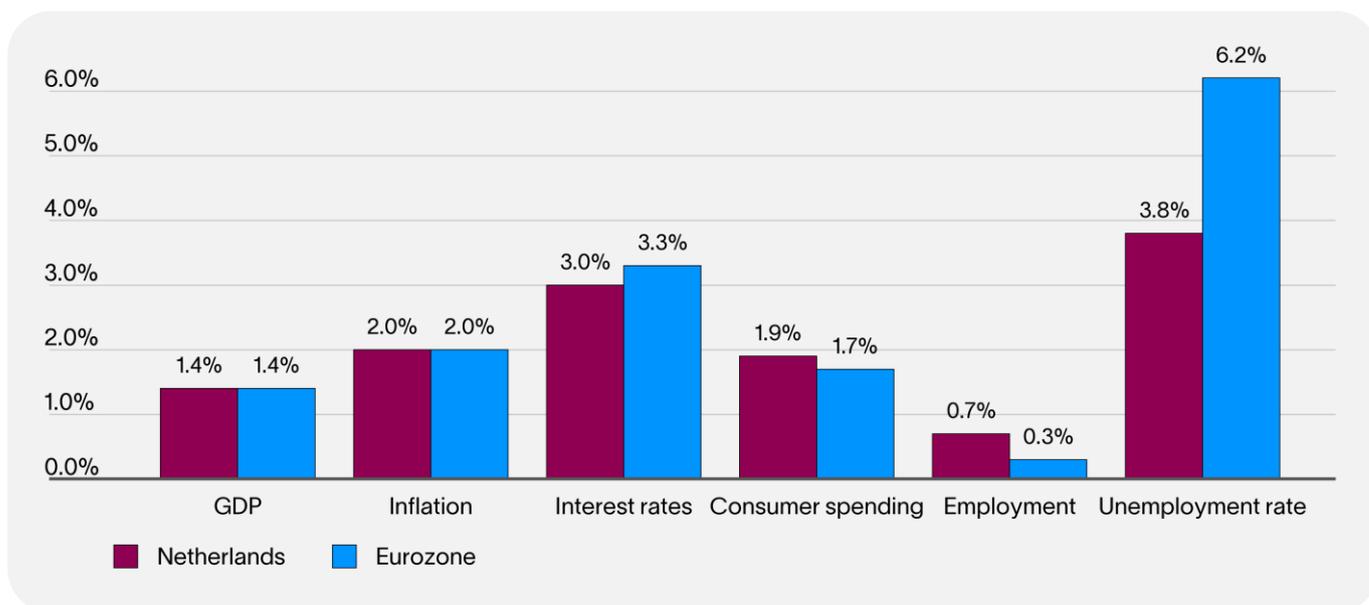
The Dutch economy enters the second half of the decade with a cautiously optimistic outlook, shaped by a mix of global headwinds and domestic stabilisation. After a subdued performance in 2025, marked by weak external demand and trade-related uncertainty, growth is expected to gradually pick up over the 2026-2028 horizon. GDP is forecast to grow by 0.7% in 2026, with a modest acceleration to around 1.5% by 2028, supported by easing monetary conditions and recovering real incomes.

One of the key drivers of this recovery will be the normalisation of inflation. Following a sharp decline from double-digit levels in 2022-2023, Dutch inflation is projected to average 2.0% in 2026 and stabilise near the European Central Bank's target thereafter. This disinflationary trend is underpinned by falling energy prices, cooling wage growth, and the dampening effect of global trade frictions on demand. As inflation pressures ease, the ECB has already begun trimming interest rates, and further cuts are expected through 2026. This shift will gradually reduce financing costs for businesses and households, improving conditions for investment and consumption.

Rising structural spending pressures, particularly on defence and healthcare, are expected to push public debt levels higher across Europe, including in the Netherlands. Although the Dutch fiscal position remains relatively strong, markets are increasingly pricing in long-term expenditure commitments that may limit future budgetary flexibility. This contributes to a higher neutral interest rate, as governments compete for capital in an environment of sustained borrowing needs. As a result, Dutch long-term interest rates are likely to remain above previous forecasts, even as inflation moderates.

Private investment, previously hampered by trade uncertainty and geopolitical volatility, is poised to recover as confidence improves. The anticipated formation of a centrist coalition government after the October 2025 elections should bring greater policy clarity and prudent fiscal management, supporting key sectors. This stability is expected to encourage firms to revive delayed capital projects, notably in infrastructure, energy transition, and digitalisation. Nevertheless, the fragmented Dutch political landscape may prolong any cabinet formation, potentially delaying the anticipated rebound.

**Figure 2: Average annual growth rates\* (2026-2028) for key economic indicators**



Source: Oxford Economics, edited by Bouwinvest Research (2025)

\*Note: interest rate and unemployment rate are no growth figures

Labour market dynamics will also play a central role in shaping the medium-term outlook. While wage growth has cooled from its post-pandemic highs, it remains elevated enough to support household purchasing power. Unemployment is expected to remain low, hovering around 4.0% through 2026–2028, reflecting the resilience of the Dutch labour market and demographic pressures. However, structural challenges, such as an ageing workforce and skills mismatches, will require targeted policy responses to sustain productivity and participation rates.

Externally, the Netherlands remains exposed to global trade tensions and the evolving geopolitical landscape. The country's open economy is particularly sensitive to shifts in tariff regimes and supply chain realignments. While the worst of the trade disruptions may be behind us, the medium-term outlook assumes continued volatility in global trade flows. Dutch exporters will need to adapt to a more fragmented global trading system, with increased emphasis on regionalisation and strategic partnerships.

**‘The Dutch economy is poised for a gradual recovery supported by easing inflation, accommodative monetary policy, and a more stable political environment. The underlying fundamentals suggest a return to moderate, sustainable growth.’**

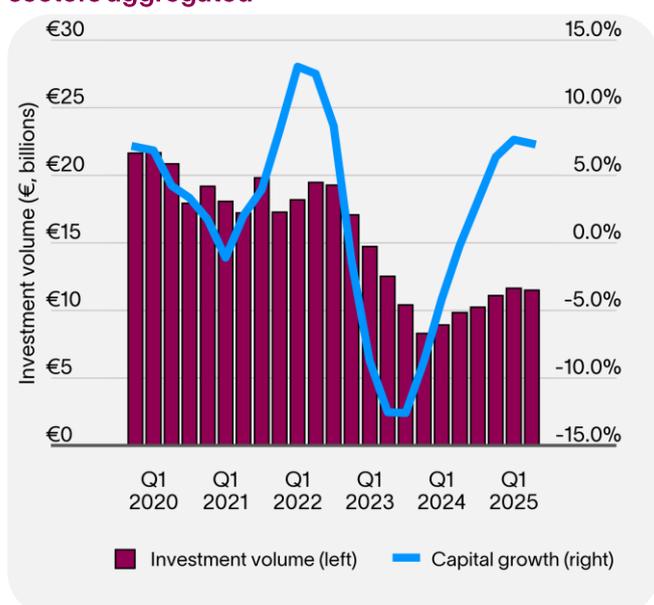
### Cautious optimism and a subdued recovery in the real estate investment market

After a sharp downturn in 2024, when global real estate fundraising fell to the lowest level in a decade, investor sentiment remains cautious in 2025. High interest rates and geopolitical turbulence have kept transaction volumes subdued. Investor strategy has turned defensive: investors are prioritising secure income over speculative yield compression. This means increased demand for debt funds and credit strategies, which offer attractive risk-adjusted yields in an environment with high interest rates. Capital raising by real estate debt funds has accelerated markedly this year. In contrast, equity flows into traditional real estate funds remain weak.

Regional preferences are also shifting: North America is seeing reduced appetite, as major institutional investors (e.g. Canadian pension funds) have ‘put the brakes’ on U.S. real estate investments, citing rising construction costs, labour shortages (worsened by immigration curbs), and policy uncertainties like tariffs and tax changes. Some are reallocating capital to Europe and Asia, which are seen as more stable. Also, cross-border investment within Europe is picking up to fill the gap left by waning U.S. activity.

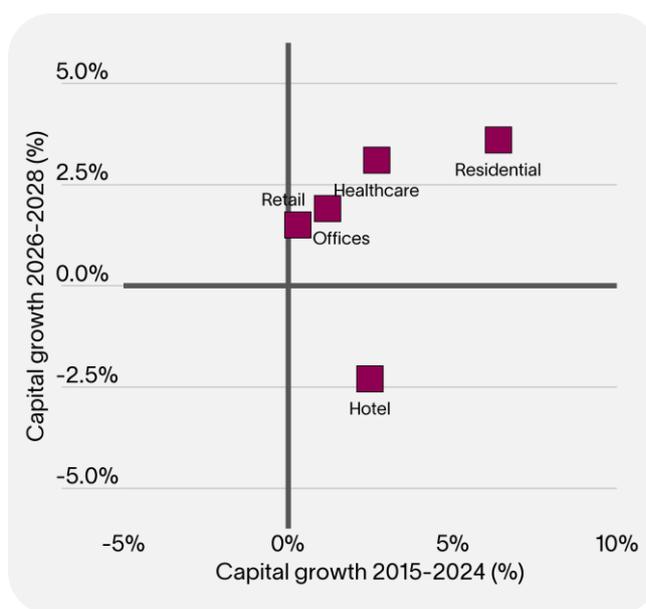
Dutch investment volumes saw a moderate rebound in 2024 after a very slow 2023 (e.g. Dutch transactions totalled nearly €2.6 billion in H1 2025, up 8% compared with H1 2024). Data for the 2025 year-to-date show a mixed picture: some sectors are recovering strongly while others are lagging. Notably, retail investments have more than doubled in the first half of 2025 compared with 2024, thanks to several mid-sized shopping centre deals and strong demand for grocery-anchored assets. In addition, residential, healthcare and hotels are in favour, but logistics investments remain subdued. Investments in the office sector remained stable compared with last year.

**Figure 3: Investment volume (€ billion, 12-month rolling) and capital growth (% , y-o-y) for all Dutch sectors aggregated**



Source: CBRE, MSCI, edited by Bouwinvest Research (2025)

**Figure 4: Realised vs expected capital growth per sector (annualised, base scenario)**



Source: MSCI, Bouwinvest Research (2025)

Overall market sentiment in the Netherlands has improved – more buyers and sellers are coming to terms, and full-year 2025 investment volumes are expected to be slightly higher than in 2024. However, investors are maintaining a cautious stance, focusing on high-quality, well-leased properties in prime locations. In uncertain times, investors value stable rental income streams, which has made sectors like rental housing, grocery retail, and healthcare real estate relatively popular thanks to their resilience. The market is highly polarised: core assets (e.g. modern prime residential, convenience retail and sustainable offices in city centres) are attracting more interest, giving them more pricing stability than secondary assets.

Both globally and in the Netherlands, the road to recovery is proving longer than last year’s outlook anticipated. In late 2024, consensus was that real estate values would start picking up by mid-2025, but persistent macro headwinds, geopolitical risks and pension fund’s full allocations to real estate have delayed that rebound. We have reduced our three-year forecast for capital growth slightly, anticipating a slower and longer recovery. This is primarily due to higher interest rates than anticipated, but also an unsupportive fiscal environment in the Netherlands. In general, we remain positive-but-prudent: the Netherlands is still seen as a safe haven with solid fundamentals. Patience is required and 2026 can be seen as an attractive entry point for Dutch real estate investments.

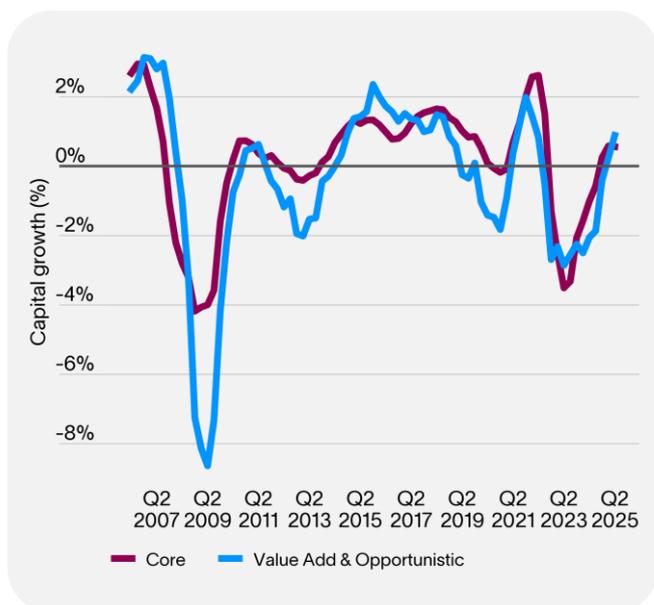
### Balancing risk and return: why core strategies lead the way

In the current economic climate, core real estate strategies present a compelling proposition for investors seeking stability, reliable income, and long-term resilience. Recent performance data from European non-listed real estate vehicles indicate that core portfolios consistently deliver mid-single-digit returns with relatively low volatility. This is supported by high occupancy rates, long lease terms, and robust tenant covenants, which together generate predictable cash flows and help to preserve capital.

Analysis of capital growth data demonstrates that real estate in core strategies has outperformed that of value-add\* strategies. Over the past decade, core assets have achieved average quarterly capital growth of approximately 0.5%. In contrast, value-add assets have shown a flat average growth of 0.0% over the same period. Not only are average returns notably higher, but the range between the upper and lower quartile is much narrower for core strategies than for value-add and opportunistic approaches. This wider dispersion in value-add returns underscores a significantly higher risk profile. To emphasise this, value-add funds frequently employ leverage at the fund level, which serves to amplify both potential gains and inherent risks. Given the current uncertain macroeconomic backdrop, the more stable risk-return characteristics of core strategies stand out as an especially attractive alternative.

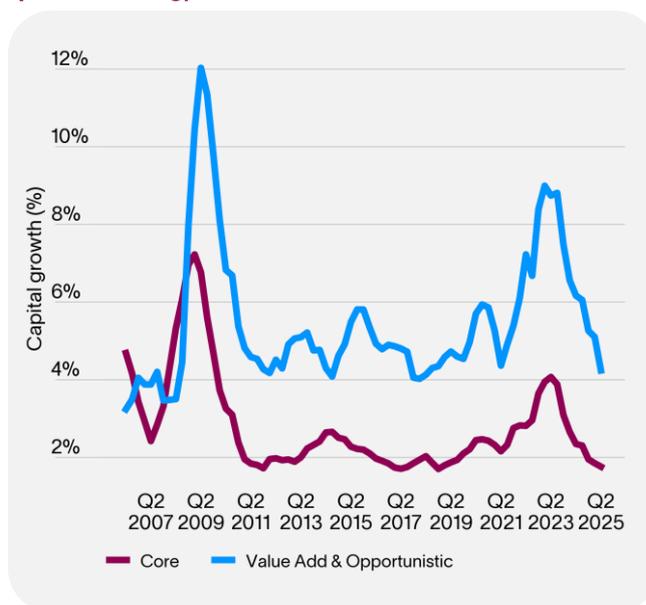
Investor preference data further illustrates a broader shift in sentiment, as market participants respond to higher interest rates, still tight credit conditions, and a slower-than-anticipated economic recovery. In these circumstances, the risk-adjusted returns provided by core strategies become ever more appealing. Additionally, the wider macroeconomic context—marked by high global national debt levels, elevated borrowing costs, and constrained supply pipelines—favors income-generating assets with strong fundamentals. Core real estate fits this profile exceptionally well, offering diversification, inflation hedging, and a defensive stance within multi-asset portfolios.

**Figure 5: Capital growth at asset level per strategy (four-quarter rolling)**



Source: INREV, edited by Bouwinvest Research (2025)

**Figure 6: Spread between upper and lower quartile capital growth at asset level per strategy (four-quarter rolling)**

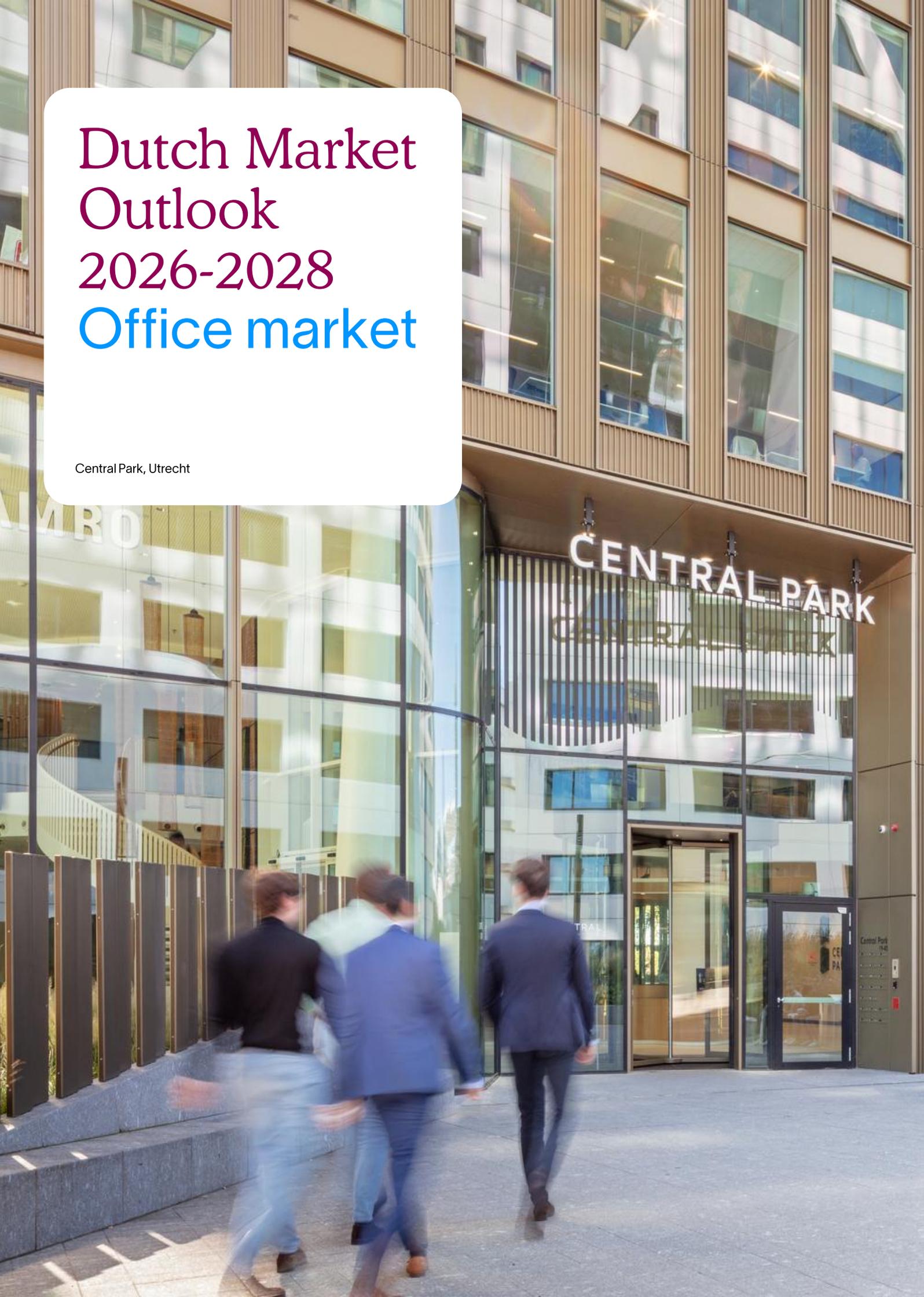


Source: INREV, edited by Bouwinvest Research (2025)

\* Note: In this analysis, value-add is defined as a strategy that combines higher leverage with the deployment of capital expenditures (capex) aimed at enhancing the value of real estate assets through targeted improvements.

# Dutch Market Outlook 2026-2028 Office market

Central Park, Utrecht



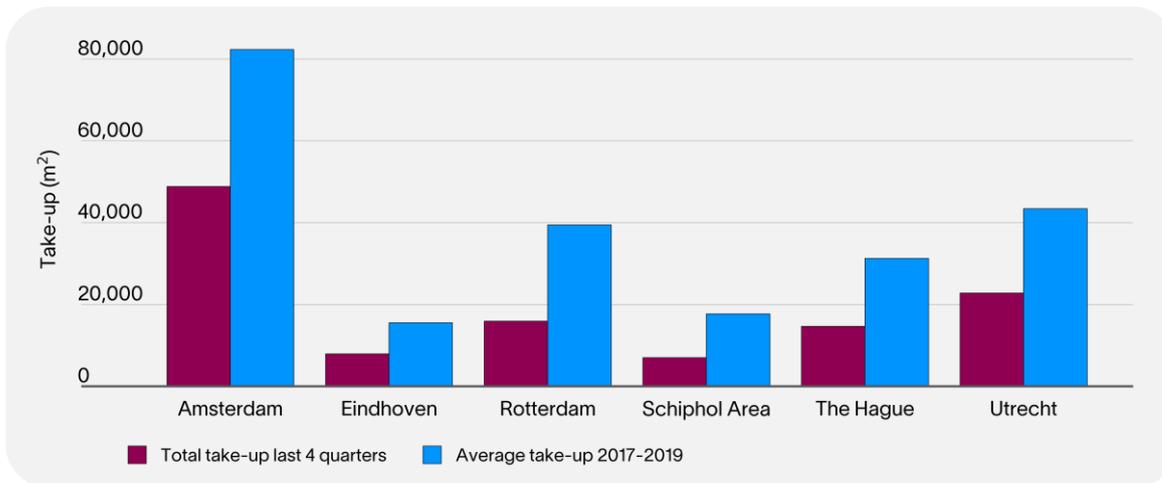
# Office occupier view | Further proof of polarisation

- After a challenging 15 years, the underlying fundamentals of the Dutch office market are now solid.
- Take-up, however, is still subdued as businesses remain cautious and prefer lease renewals to relocations.
- Bouwinvest expects polarisation to remain a significant factor, particularly in the context of the ongoing 'war for talent'.

Over the past 15 years, the Dutch office market has recovered from severe vacancy levels and the effects of the Global Financial Crisis (GFC). From 2020 onwards, the rise of remote working added a new, challenging dynamic. Looking at the current office market, Bouwinvest believes the fundamentals are solid, especially for prime office locations: low vacancy rates, rising prime rents, and stable or even slightly declining initial yields. However, take-up is clearly lower than the levels seen in the previous decade.

Office space take-up peaked in 2017–2019 and, when comparing current figures with those peak years, take-up has declined by 40–60% across all major cities. One driver of this trend is the current economic and geopolitical uncertainty facing businesses. Major decisions, including relocations, are being taken more cautiously and decision-making takes longer. Additional contributing factors are related to overall lower vacancy rates, which leaves users with a limited choice (especially at grade A sustainable offices), limited new developments and the downsizing of office demand due to remote working. Finally, an increasing number of relocations are not all publicly registered, as they involve shorter-term contracts with flexible office providers.

**Figure 7: Take-up of past four quarters (Q3 2024 - Q2 2025) compared to annual average of 2017-2019**

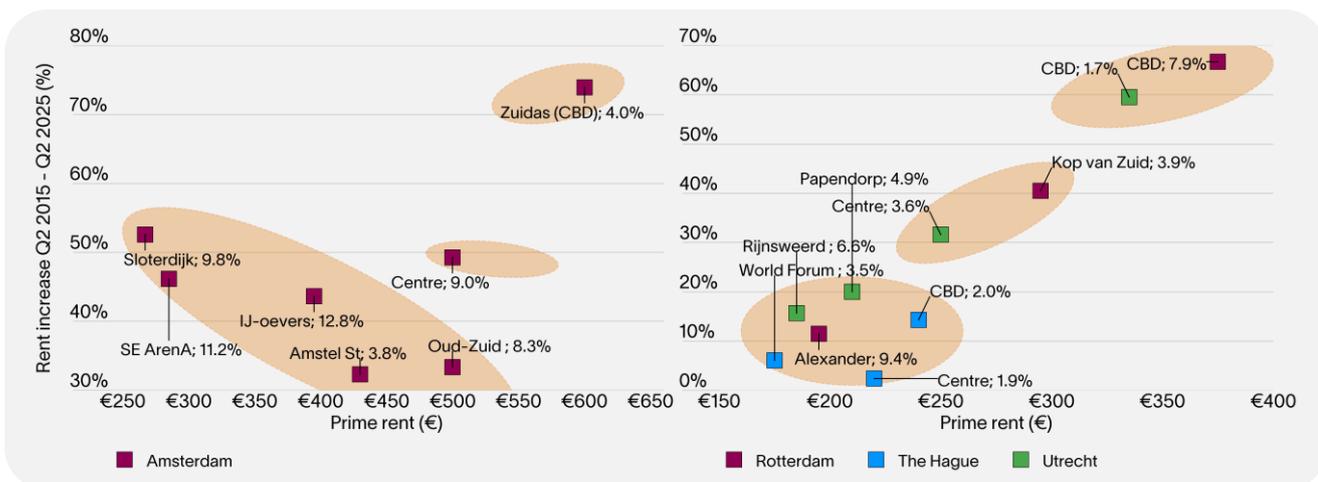


Source: CBRE (2025)

The second major trend on the occupier side is related to the further polarisation of rental values. The figure below shows the major submarkets in each of the largest four cities in the Netherlands. The x-axis depicts the actual prime rent level in each of these submarkets, while the y-axis shows the total rental increase over the past 10 years in percentages. The CBDs in Amsterdam, Rotterdam and Utrecht have clearly set themselves apart from the other submarkets. Only The Hague CBD is trailing, as its connection to the main train station and city centre amenities is less profound.

**Figure 8: Current prime rent (x-axis) vs 10-yr rental increase (y-axis) in Amsterdam (left) and other G4 cities (right).**

Mind: The percentage after the label indicates the vacancy rate at each submarket level.



Source: CBRE (2025)

Looking ahead, Bouwinvest expects polarisation to remain significant, particularly in the context of the ongoing 'war for talent'. Vacancy at prime locations did increase, as anticipated, but remained very low. This leaves room for further rental growth, especially for prime office buildings. For buildings that do not stand out, this will be considerably more challenging.

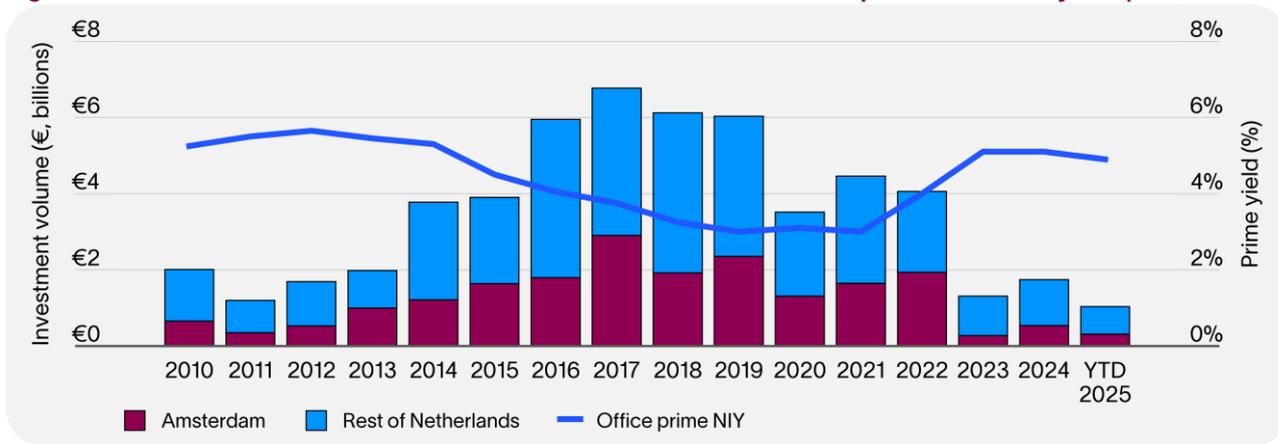
# Office investor view | Investors remain cautious

- The impact of higher interest rates and remote working now seems largely priced in – at least for the prime segment.
- A lack of institutional capital allows private money and family offices to buy at attractive yields.
- Despite high bond yields, forecasted rental growth for prime Dutch offices is resulting in compressing office yields.

Investors have been carefully monitoring the Dutch office market for several years and the market now appears to be broadly stabilised. The impact of higher interest rates and remote working now seems largely priced in – at least for the prime segment. Prime yields in the five largest cities in the Netherlands have remained stable since Q4 2023 and compressed slightly in both Q1 and Q2 2025, marking the first improvements in over three years.

Purchases by institutional investors are scarce, Bouwinvest being the positive exception, with the purchase of FIRST in Rotterdam, and the buyer landscape is diverse, with a strong presence of French SCPI funds, private money and family offices as well as owner-occupiers. Local (investor) developers are increasingly targeting prime spots in second-tier cities. While the business case for (re)developing office space remains challenging, tenants appear willing to pay higher rents for sustainable buildings at prime locations, also in these second-tier cities. This trend is reinforced by the CSRD obligations, which from 2026 onwards will also apply to listed SMEs and, via supply chain requirements, to smaller suppliers – driving overall demand for sustainable premises.

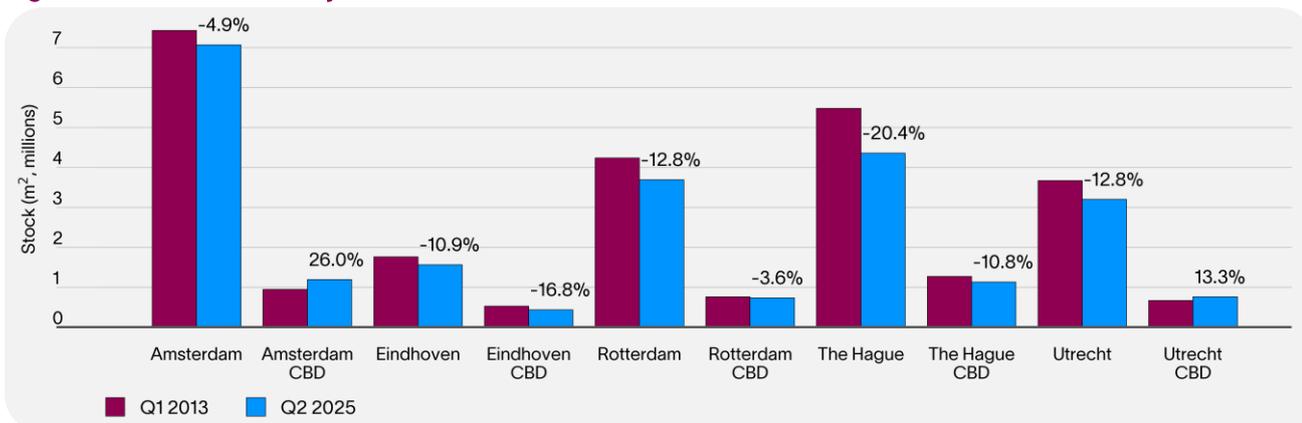
**Figure 9: Office investments in the Netherlands 2010 – YTD 2025 and prime net initial yield (NIY, Amsterdam)**



Source: CBRE (2025)

One of the key strengths of prime Dutch office markets is their relatively low vacancy rates, largely due to the conversion of obsolete office space to alternative uses. Between 2013 and 2025, office stock in the Dutch G5 cities fell by 11.9%, while it rose by 10.8% across Europe's 30 largest office hubs<sup>1</sup>. This reduced supply coupled with strong tenant appetite for high-quality, sustainable offices underpin expectations for further rental and capital growth in the prime Dutch office markets – particularly in Amsterdam, despite having an above-average vacancy rate of 9.75% in Q2 2025.

**Figure 10: Office stock major cities and CBD's Q2 2025 vs Q1 2013**



Source: CBRE (2025)

Finally, in 2025 office investment volumes are expected to surpass those of previous two years. Bouwinvest contributed significantly through the acquisition of FIRST in Rotterdam and the sale of Centre Court The Hague, totalling around €287 million. Notably, 2025 has already seen four transactions exceeding €100 million, compared with just one in 2024.

<sup>1</sup> Based on data from CBRE; this analysis includes a selection of the 30 largest cities in Europe (excluding Dutch cities and overarching regions), ranked by the size of their office stock in Q2 2015. Within this group, only three other cities experienced a decline in office stock: Brussels (-3.5%), Frankfurt am Main (-1.0%), and Gothenburg (-17.0%).

# Office in-depth analysis | AI and office demand

- News related to the potential impact of AI on the labour force is plentiful and often very gloomy.
- But while AI can replace higher-level cognitive tasks, most jobs will only be partially impacted – at least on the short term.
- As a result, Bouwinvest expects no structural shift in office space demand over the next 2–3 years.

The media is currently flooded with reports about companies using AI to cut jobs, and striking research findings dominate the headlines:

- Allianz Research warned that agentic AI poses a significant threat to employment, estimating that up to 60% of jobs in advanced economies and 40% globally could be augmented or automated.
- McKinsey projects that by 2030, up to 30% of existing work hours may be automated due to the rapid rise of generative AI.

However, a deeper analysis suggests the impact may be less severe than feared. Studies on automation over the past 20–25 years consistently show: (i) some jobs disappear, (ii) new roles emerge, (iii) all jobs evolve, and (iv) innovation tends to create more jobs than it eliminates. There is a strong possibility that AI will follow a similar pattern and recent US research shows no measurable impact of AI growth on employment levels yet.

However, unlike previous waves of automation, AI can replace higher-level cognitive tasks, potentially affecting highly skilled roles. Still, most jobs will only be partially impacted. By leveraging AI's strengths, while recognising its limitations, employees can save time, accelerate output, and improve quality.

This could lead to increased labour productivity and a continued rise in highly skilled office roles, as seen in recent decades. As average education levels and salaries rise, employees may demand more from their work environments, prompting employers to adapt to attract and retain talent – again, a familiar trend from the past 10–15 years.

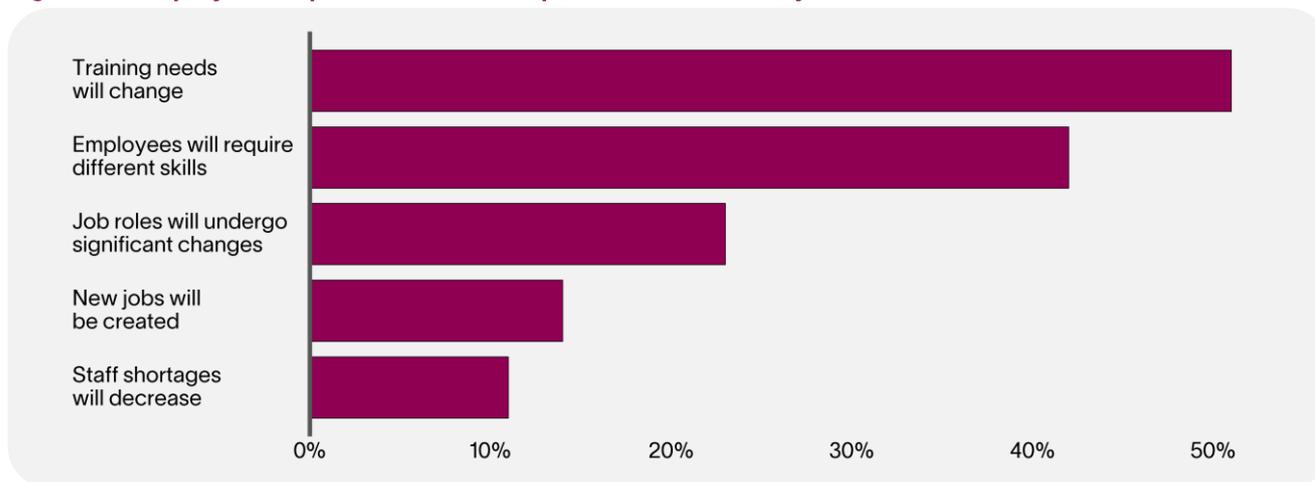
Turning to real estate, the sectors most directly affected by AI growth are data centres and, by extension, digital and electricity infrastructure. AI's expansion is driving demand in these areas. Additionally, increased venture capital in AI-driven healthcare is boosting the Life Sciences and R&D property sector, supporting medical facilities and research labs.

For the office market, growth is expected from AI companies themselves. Research from San Francisco (2023–H1 2024) showed that 25% of office leasing came from AI-related firms. At the same time, a share of office tasks will be automated. While some companies may downsize, others will use AI to enhance both the quantity and quality of their output.

Figure 11: Picture created using CoPilot



Figure 12: Employers' expectations of AI impact over the next 5 years



Source: UWV Werkgeversonderzoek 2024, edited by Bouwinvest (2024)

Existing trends in the office market are likely to continue, with both businesses and real estate investors adapting to a landscape that includes AI. Bouwinvest expects no structural shift in office space demand over the next 2–3 years but will closely monitor this trend and its potential impact.

Final thought: one limiting factor for real estate development is energy. The surge in AI usage will further increase energy demand. In the Netherlands, where the electricity grid is already strained, this might lead to possible delays in property developments in all sectors awaiting network connections.

# Dutch Market Outlook 2026-2028 Retail market

Vredenburg, Utrecht



# Retail occupier view | Consolidation in high streets

- Retail turnover continued to grow and keeps up with inflation; underlying sales volumes are lagging at supermarkets.
- Bouwinvest sees a consumers shift to saving on daily items, but not so much for more discretionary shopping.
- Strong and stable performance forecast for convenience sector; additional growth opportunities for prime high street.

Despite economic uncertainty, retail turnover continued to grow in 2025, with +3.4% and +3.3% year-on-year increases in the first two quarters of 2025. Over the past five years, only one quarter saw a decline. However, a closer look reveals contrasting trends between supermarkets, key to the convenience sector, and fashion stores, important for high streets.

Supermarket sales increased by almost 50% between 2010 and 2024, also positively impacting market rents. Supermarkets' ability to easily pass on increasing costs to customers is a strength, but it also creates tension. This becomes evident in figure 13, which shows that since 2021, revenue growth has been exclusively driven by price increases, while the total volume of items sold has steadily declined. Additional research by ING, Rabobank, Deloitte<sup>1</sup> and others shows that consumers have gradually shifted their behaviour: the market shares of private labels and discounters increased at the expense of name-brands and premium supermarkets.

**Figure 13: Index retail sales vs. sales volume for supermarkets and fashion**

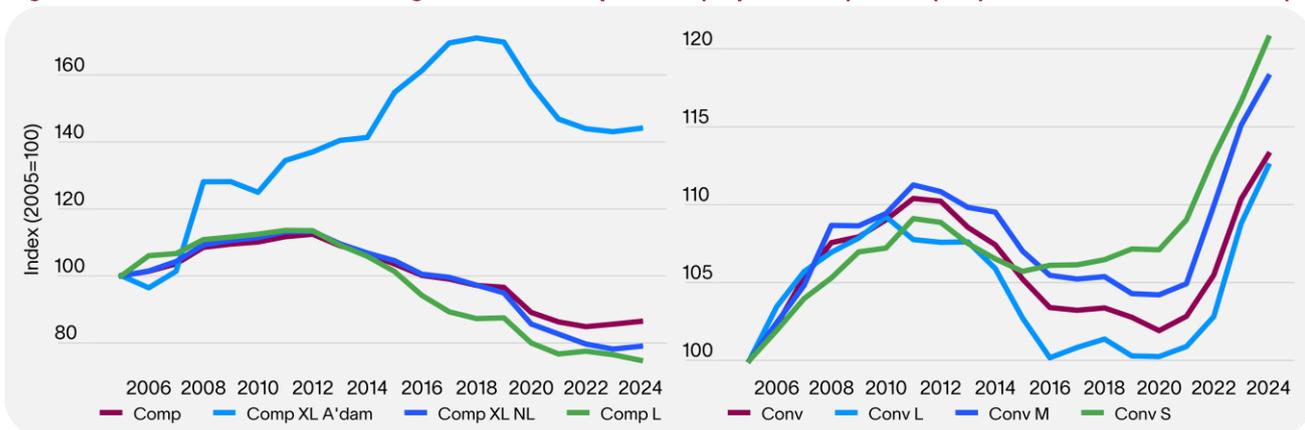


The shift towards discounters is visible in non-food sectors too. Discount chains like Action, Kik, Wibra, Takko, and Zeeman continue to grow in non-food retail. Still, in fashion, the gap between turnover and volume growth is substantially smaller, and, except for 2020 (Covid-19), the overall volume growth has generally been positive. It may be too early to make a definite statement, but it seems very likely that consumers are trying to cut back on grocery spending, while they continue spending on discretionary items, including fashion.

Source: CBRE (2025)

It is important to note that footfall in the major shopping streets has continued to increase and, according to RMC, is at a record high level. While Locatus data shows that retail vacancy had increased by 40 bps year-on-year in mid-2025, MSCI data on the other hand shows that financial vacancy of institutional investors on high streets ('comparison') is declining (figure 16, next page). MSCI market rents, after an earlier stabilisation, have recently shown growth in almost all sectors (figure 14). Additionally, CBRE indicates that prime rents on the main shopping streets of the largest cities have been stable for three years now.

**Figure 14: Indexed market rental growth for comparison (experience) retail (left) and convenience retail (right)**



Source: MSCI, edited by Bouwinvest (2025)

Looking ahead, Bouwinvest expects market rents on the main shopping streets to start increasing again, with top-tier properties in prime retail streets and cities pulling ahead of the rest.

The convenience sector is forecast to continue its growth in terms of market rents and additionally might leave extra room for rental increases in the largest centres, which were hit hardest by the GFC and Covid-19. These centres have adapted to the new reality and now profit from their (local) dominance.

<sup>1</sup> Supermarket sales growth spiked in 2020 (Covid-19) and 2023 (inflation). An exception was 2024, when tobacco sales were banned.

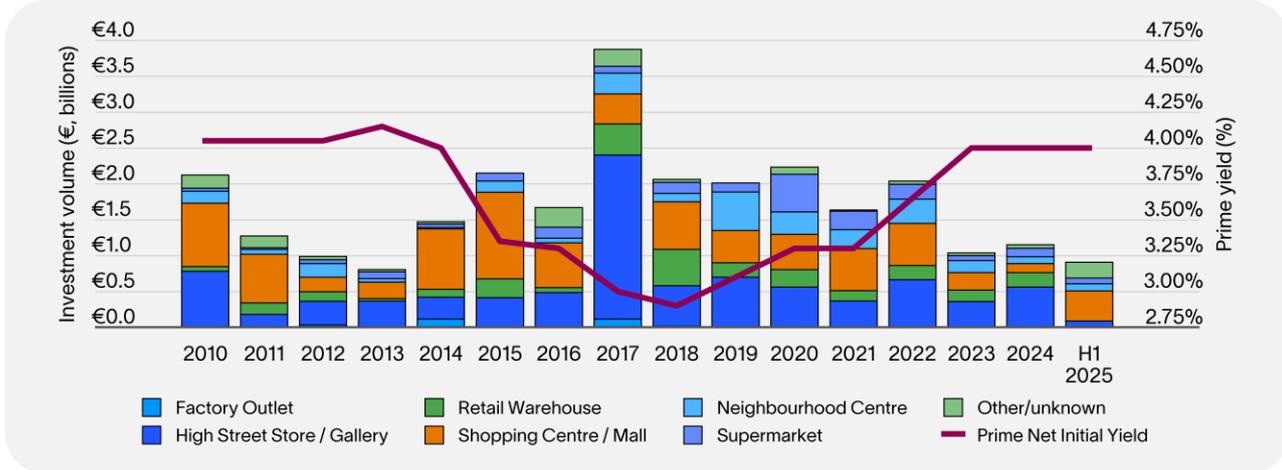
<sup>2</sup> Sources: 1) ING - Wat houdt de sector Supermarkten bezig? 11/10/2025 2) ING - Ondanks meer koopkracht blijft consument prijsbewust winkelen 27/8/2025 3) FD Nederlandse boodschappenprijzen blijven harder stijgen dan bij de burens 13/10/2025 4) Rabobank - Food: omzetherstel betekent nog geen margeherstel 7/10/2025 5) Rabobank - Wie gaat het grotere prijsgat tussen A-merken en huismerken vullen? 5/9/2025 6) Deloitte - Consumentenonderzoek 2025 Sept. 2025

# Retail investor view | Fundamentals provide solid base

- Investor interest for the retail market continues to grow, particularly driven by the acquisition of larger shopping centres.
- This growing investor interest aligns with stabilising interest rates and positive rental trends across most sub-sectors.
- As interest rates remain high, potential for short-term yield compression remains, however, limited.

Retail investment volumes increased slightly in 2024 and in the first three quarters of 2025, retail property acquisitions rose by 40% compared with the same period last year. Transaction numbers are up and, in addition, there were more large district shopping centre transactions, including Winkelhof Leiderdorp (€ 55 million), Leidsche Rijn Centrum (€ 96 million), and Stadshart Zoetermeer (€ 150 million). Buyers are aiming to diversify the tenant mix of these dominant centres to ensure long-term stability, believing the current higher initial yields are in line with the required investments and perceived risks and opportunities.

**Figure 15: Retail Investment volume by subsector and prime high street net initial yield (2010 – H1 2025)**



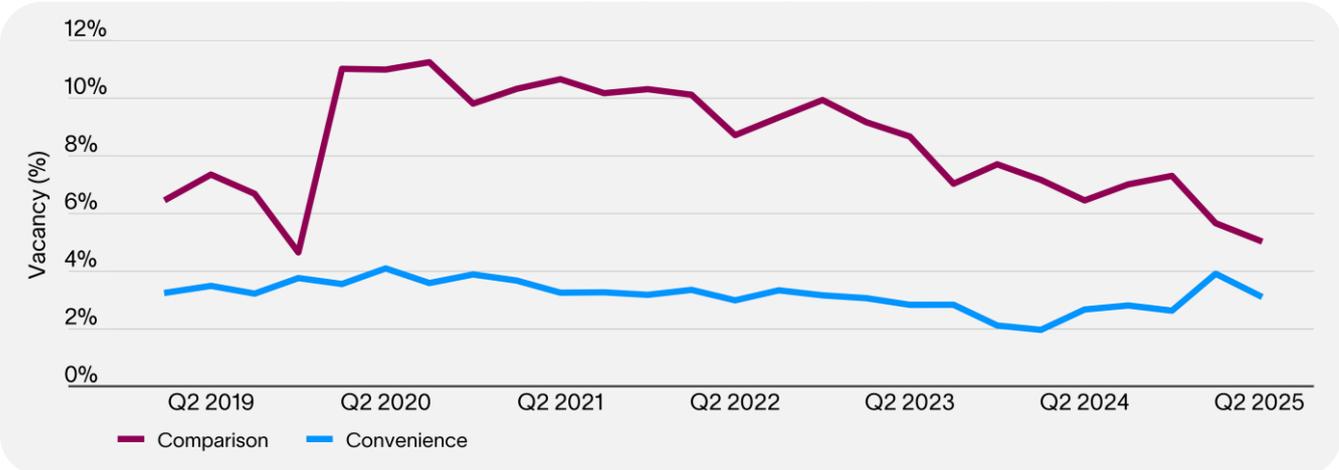
Source: CBRE (2025)

Experience retail transactions were limited in H1 2025, but activity is picking up, as seen in the recent purchase of the TK Maxx store in central Rotterdam. Retail warehouse locations also changed hands in 2025, including home furnishing clusters in Groningen, Emmen, and Almere (Doemere).

Notably, French SCPI funds (Société Civile de Placement Immobiliers) have increased their presence. These funds raise capital in France and invest quite aggressively, targeting Dutch retail segments more actively since mid-2024.

Growing investor interest aligns with stabilising interest rates and positive rental trends across most retail sub-sectors.

**Figure 16: Financial vacancy rate retail sector by major retail segment (Q1 2019 – Q2 2025)**



Source: MSCI; edited by Bouwinvest (2025)

Bouwinvest is not anticipating a drop in interest rates. As a result, despite rising investor interest, short-term yield compression and capital growth will be modest. Buyers should focus on rental income in the near term, with stronger capital growth expected from 2027 onwards. Market polarisation is intensifying, both within major city centres and between planned retail developments. Location and asset quality are more critical than ever.

# Retail in-depth analysis | Convenience centres adapting

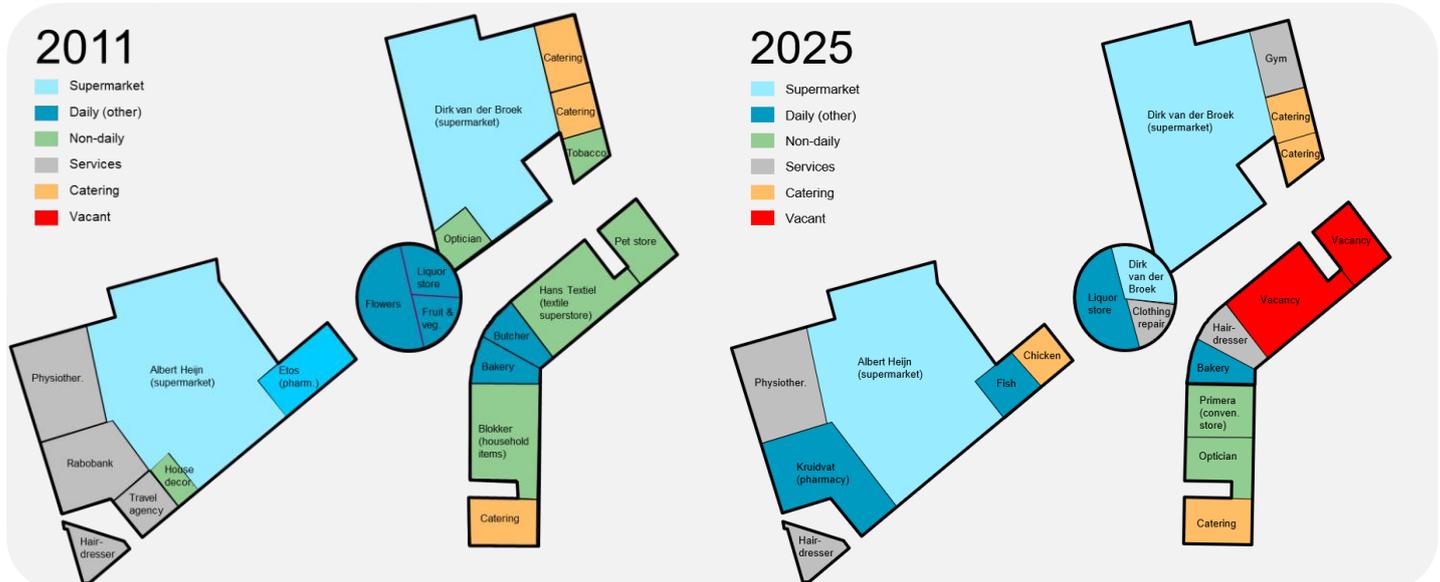
- Convenience centres are perceived as steady investments but are continuously evolving to increase their attractiveness.
- Supermarkets, beauty-wellness-care services and food delivery and pick-up points have expanded their footprints.
- By accommodating a broader mix of functions, these centres can extend their busy hours and remain relevant for the long term.

Neighbourhood shopping and convenience centres have traditionally been perceived as steady investments, particularly when compared to main shopping streets. A closer examination reveals that these centres are continuously evolving. They must adapt to changing competition, to the growth of e-commerce, to demographic shifts within their catchment areas, and to overall changes in consumer preferences.

Convenience centres are typically centrally located within residential areas, well-known locally, and easily accessible. These attributes make them suitable for a wide range of functions, as evidenced by the gradual changes in the tenant mix of shopping centres. Over the past two decades, we have seen significant shifts in the overall tenant mix of convenience centres:

- supermarkets have become increasingly dominant, having limited online competition so far;
- there has been substantial growth in services focusing on beauty, wellness and care, such as hairdressers, beauty salons, nail studios, massage parlours and fitness centres;
- the number of food delivery and pick-up points has also increased, benefiting from the convenience of online ordering;
- services that have shifted online, such as employment agencies, bank branches and travel agencies, have vastly decreased;
- segments faced with strong online competition, including toys, household appliances, fashion and shoes, have largely disappeared.

**Figure 17: Apeldoorn 't Fort: changes in floor plan 2011 - 2025**



Source: Bouwinvest (2025)

The Apeldoorn 't Fort shopping centre has been part of our portfolio since it was built in 2001. Over the years, the centre has been gradually adapted and upgraded, but its total floor space has remained the same. The tenant mix of both 2011 and 2025 can be seen above. In this period, the number of retail units was reduced from 21 to 18 by merging several units. Supermarket Dirk van der Broek benefited by integrating two smaller units in its store. One of these was the Mitra liquor store, which in turn moved to the location of the former flower shop. This flower shop took the place of former tobacco shop Zigger. This cascade of changes ensured a further optimisation of the shopping centre, with each store being situated in the location most suited to them.

Looking ahead, convenience centres will continue to evolve. Vacant units will be occupied by growth sectors, care providers, social functions, or new functions yet to be conceived. By accommodating a broader mix of functions, these centres can extend their busy hours and remain relevant in the future. Additionally, the physical quality of shopping centres is increasingly important. Convenience centres must be visually appealing, with well-designed public areas. Enhancements such as greenery, public seating, children's play areas, sanitary facilities, and barrier-free walking routes significantly improve the quality-of-stay and maintain the centres' importance within the neighbourhood.

**Figure 18: Apeldoorn 't Fort**



Source: Bouwinvest (2023)

# Dutch Market Outlook 2026-2028 Hotel market

Premier Suites Hourglass, Amsterdam



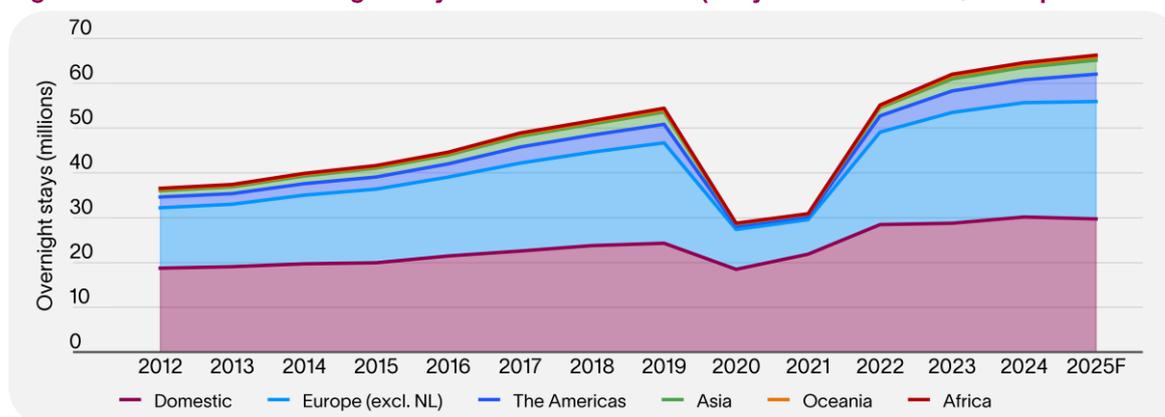
# Hotel occupier view | Occupancy growing, VAT raise looming

- A vast increase of international guests drove hotel stays up further in 2025, despite slightly decreased domestic demand.
- Room rates continued to increase, except for Amsterdam, where they seem to have reached a ceiling.
- Bouwinvest forecasts lower net RevPAR<sup>1</sup> on the short term, following the substantial VAT raise as of 2026.

The high inflation of recent years, combined with increased economic uncertainty, has made consumers more price-conscious. We see this reflected in an increase in savings, but also in the way consumers spend their money. There is a strong focus on how to limit costs on utilitarian purchases (groceries, subscriptions), but, remarkably, discretionary spending on 'fun' things, whether it's clothing, leisure trips or hotel stays, seems to be much less affected.

Nevertheless, we see - for the first time since the Covid outbreak - a slight decline in the number of hotel stays in the Netherlands by domestic guests (-1.5% in H1 2025 compared with H1 2024). This was, however, more than offset by international guests, who recorded 5.9% more hotel stays. As a result, total hotel overnight stays in the Netherlands increased with 2.4% in H1 2025. This ongoing growth is good news for the hotel sector, which is dealing with substantial rises in costs and the foreboding of the VAT increase in 2026.

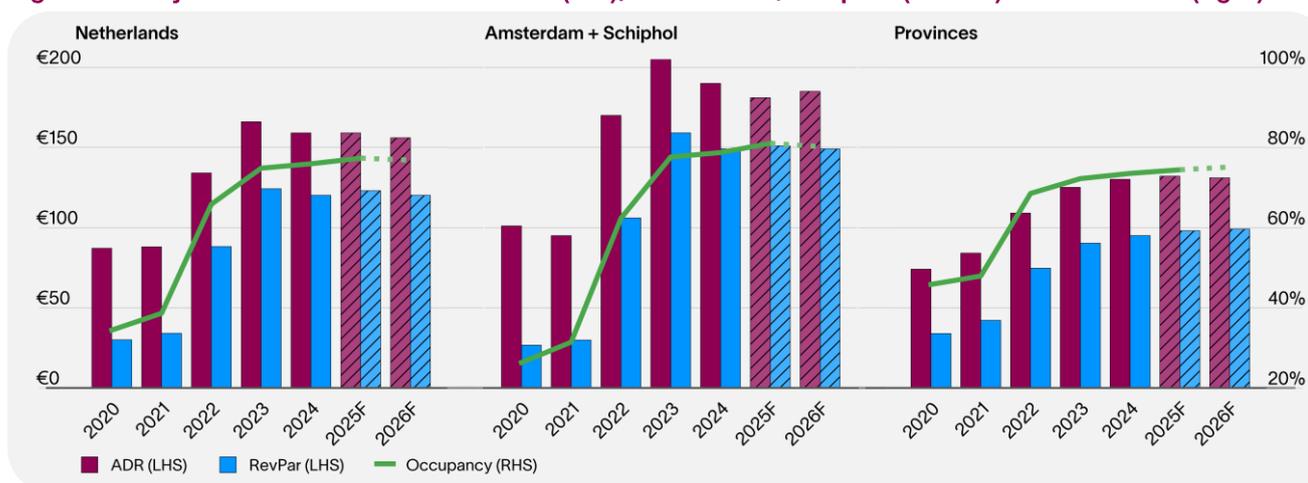
**Figure 19: Number of overnight stays in the Netherlands (full years 2012-2024; extrapolation 2025)**



Source: CBS data actuals 2012-2024, extrapolation 2025 by Bouwinvest (2025)

In the provinces, the RevPAR<sup>1</sup> continued to increase year after year, and the forecast by Horwath HTL also predicts a slight increase in 2026. For Amsterdam, however, the peak year was 2023, also the year in which Amsterdam twice increased its tourist tax, currently among the highest in Europe. As a result, hotels in Amsterdam needed to balance their room rates<sup>2</sup> and occupancy rates in consecutive years, but the RevPAR in 2026 will also, according to forecasts by Horwath HTL, remain below the 2023 figure.

**Figure 20: Key indicators hotels Netherlands (left), Amsterdam/Schiphol (middle) and Provinces (right)**



Source: Horwath HTL, edited by Bouwinvest Research (2025)

The Horwath HTL forecasts above are based on the expectations of hoteliers. Nearly 72% of them expect an average decline in occupancy rates and/or room rates in 2025 and also 2026, when the VAT increase for accommodation comes into effect. However, hoteliers estimate that the total impact will be relatively limited.

Bouwinvest is more prudent and expects the impact of the VAT rise to be greater, especially in Amsterdam, where prices already seem to have reached a ceiling. Our beliefs are backed up by ABN Amro research, which indicates that a substantial portion of Dutch and international tourists are going to seek accommodation in other countries due to the VAT increase.

<sup>1</sup> RevPAR is the Revenue Per Available Room and is roughly the multiplication of occupancy and average daily rate. The net RevPAR is the net room rate (before taxes) multiplied by occupancy. <sup>2</sup> Room rate is used interchangeably with Average Daily Rate (ADR).

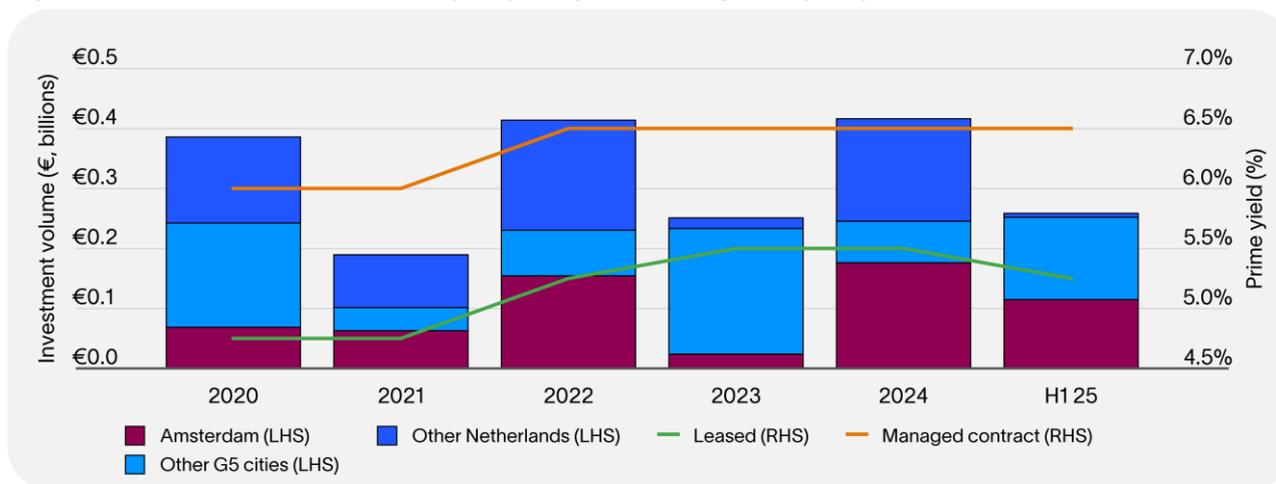
## Hotel investor view | Hotel fundamentals provide solid base

- The VAT increase will affect net RevPAR<sup>1</sup> and hotel operator profits, likely resulting in downward pressure on market rents.
- Despite this expected hick-up, investor interest in the hotel market remains growing, notably in Amsterdam.
- Limited hotel developments support investor interest and value; after first shock of VAT raise investments will grow again.

Given the cautious expectations regarding the number of hotel overnight stays and/or room rates, Bouwinvest is rather conservative in its outlook on market rent developments. These are expected to show the effects of the VAT increase in 2026 and possibly also 2027. This will subsequently translate into a more cautious short-term forecast for the investor side of the hotel market.

Notably, investment activity has increased in 2025 and exceeded € 250 million at the end of H1 2025. Following several significant deals in Q3 2025, the running total at the time of writing this Outlook already stood at around € 500 million. The largest acquisitions this year were the Pullman Cocagne Hotel in Eindhoven for € 70 million and the Avani Museum Quartier Amsterdam Hotel for € 85 million. In addition, several boutique hotels have changed hands, including Hotel Parkview and Hotel Residence Le Coin in Amsterdam, Hotel Derlon in Maastricht, and Hotel Winselerhof in Landgraaf.

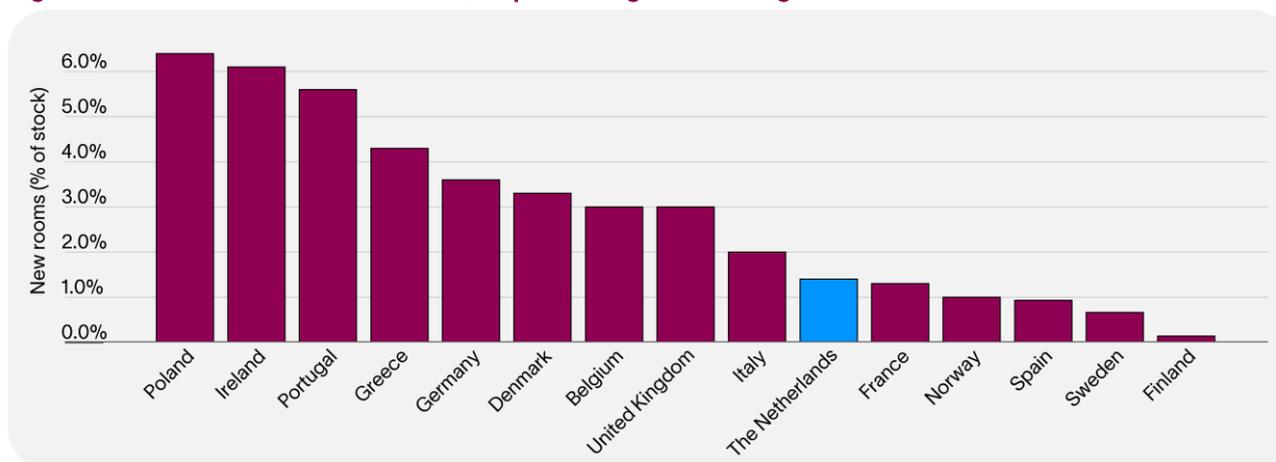
**Figure 21: Hotel investment volume (LHS) and prime hotel yields (RHS)**



Source: CBRE (2025)

Bouwinvest expects the number of overnight stays to begin to increase again from mid-2027 onwards. After all, spending on travel and leisure continues to rise, and the number of people able to do so internationally is still increasing. By that time, travellers' acceptance of higher room rates will also have increased. Investors, both on the buy and sell side, will be better able to price in the remaining market uncertainty and reach common ground.

**Figure 22: Rooms under construction, as percentage of existing stock**



Source: CBRE (2025)

Nevertheless, there is currently also upward pricing pressure on the market. This is mainly due to the limited supply of new developments. As a result, existing hotels are experiencing less competition than one might expect based on overall market trends. This will help to keep initial yields relatively stable. Consumers are making clear and deliberate choices when selecting a hotel, which means that hotels without a distinct USP are facing a more challenging future.

The number of investment transactions is not expected to start to rise again until sometime in the course of 2027. By then, the effects of the VAT increase will have become clear and, hopefully, part of the overall uncertainty will have subsided.

<sup>1</sup> Net RevPAR concerns the RevPAR excluding the VAT increase.

# Hotel in-depth analysis | Effects geopolitics on hotel stays

- Despite geopolitical turmoil incoming tourism is growing substantially.
- Tourism growth from the US might slow down, taking recent data and travel intentions survey in consideration.
- Hoteliers, hotel chains and even municipalities must stay alert to shifts in visitor origin and adapt accordingly.

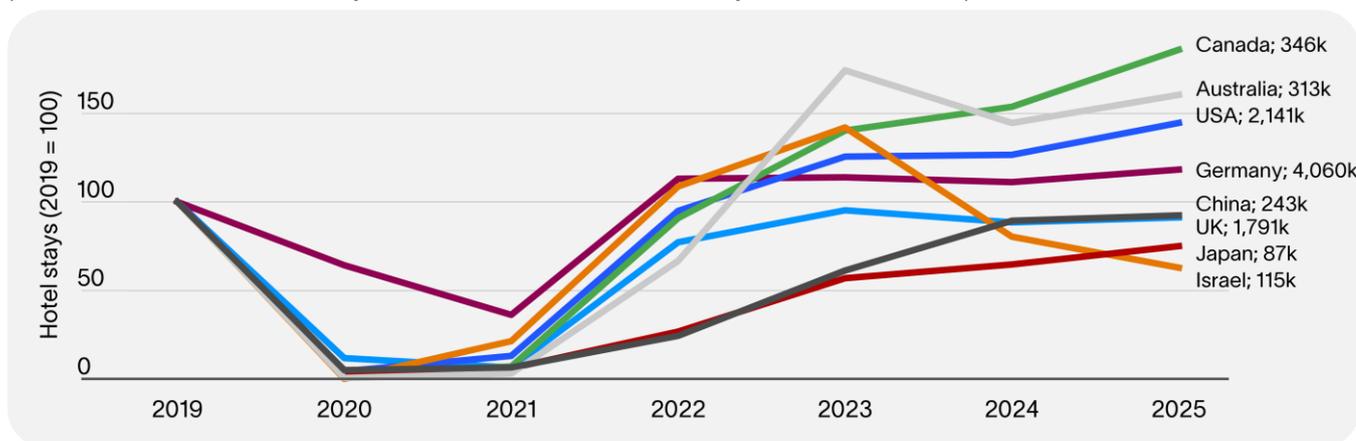
This page of the Outlook focuses on the hotel market, specifically the impact of geopolitical unrest on inbound tourism to the Netherlands. Is a decline in US visitors likely? Will neighbouring countries compensate? And what other trends are emerging?

The graph below shows totals for April–August over recent years. This period was chosen to capture the effects of recent global events. Most countries show clear growth since 2021, with Israel as a notable exception due to well-known reasons. Canada, Australia, and the US are the strongest performers, reflecting their economic resilience. China and Japan have recovered post-Covid but still lag behind 2019 levels. Factors such as weaker exchange rates, ageing populations, and visa/passport challenges contribute to this. Germany remains stable, while the UK shows a slight decline, likely due to post-Brexit economic struggles and rising costs in Amsterdam.

Despite varied growth paths, the overall trend remains positive. So far, global disruption has not significantly impacted total inbound tourism in The Netherlands.

**Figure 23: Overnight hotel stays in the Netherlands - total of April till August of each year (index 2019 = 100)**

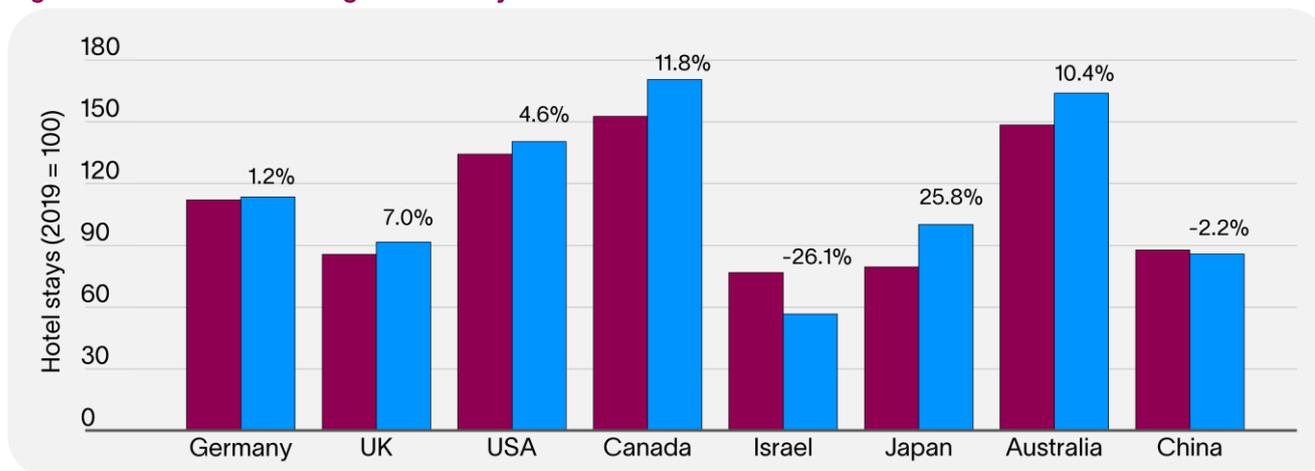
(Mind: the number after the country name is the total amount of hotel stays in these five months)



Source: CBS, edited by Bouwinvest (2025)

The Q2 2025 'Overseas Travel Intentions to Europe' survey, however, shows that the number of US respondents planning to visit Europe in the 2025 summer, showed a 7% drop from 2024. Rising costs and political concerns, including how the US is perceived abroad, were dampening enthusiasm. As many long-distance trips are planned and paid in advance, part of this impact may only become visible in the coming months. Therefore, Bouwinvest examined the trends in the most recent two months: July and August 2025. The result: while US tourism still shows growth, it trails behind other countries, so the first effects seem to be appearing now.

**Figure 24: Growth in overnight hotel stays in the Netherlands**



Source: CBS, edited by Bouwinvest (2025)

For the hotel sector the overall trend remains positive. The decline in domestic guests is more than offset by international visitors. This benefits hoteliers, hotel chains, and investors. However, all stakeholders, including municipalities and national authorities, must stay alert to shifts in visitor origin and adapt accordingly to maintain total tourism levels.

# Reach out for more detailed insights

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