a.s.r. real estate

Real assets market update

Fourth quarter 2025

Contents







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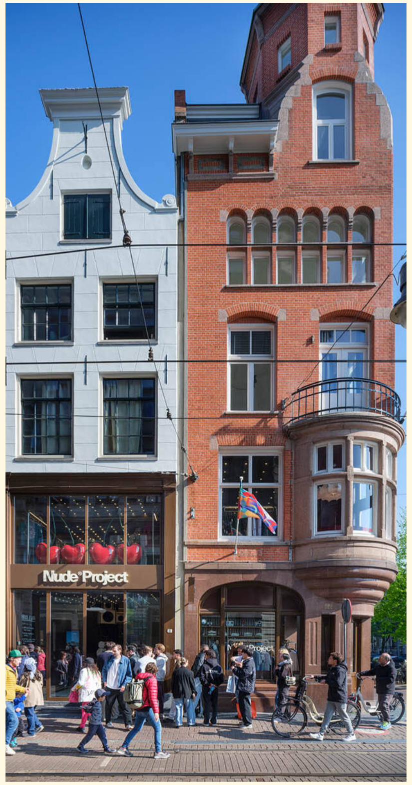
Overview

The Dutch economy is expected to grow by 1.3% in Q4 2025, though momentum slowed compared to the previous quarter. Growth was supported by government spending. Inflation eased to 2.8% in December 2025, but remained above the eurozone average, driven by wage growth and slower pass-through of energy prices. Consumer and producer confidence improved in Q4, reflecting reduced uncertainty despite ongoing events. Despite unemployment rising to 4.0%, it is still well below the eurozone average. The ECB rates remained unchanged since June. The 10-year government bond yield climbed to around 3.0%, underscoring short-term uncertainty.



Consumer prices
y-o-y inflation (CPI) ↘

2.8%

December 2025

3.3% September 2025

GDP growth
y-o-y real ↘

1.3%

Q4 2025[1]

1.8% Q3 2025

Consumer confidence
Average balance ↗

-21

December 2025

-32 September 2025

Unemployment
ILO unemployment rate ↗

4.0%

Q4 2025

3.9% Q3 2025

Private consumption
y-o-y consumer spending ↗

1.5%

Q4 2025[1]

1.4% Q3 2025

Producer confidence
Average balance ↗

-1.1

December 2025

-1.6 September 2025

1 Estimation based on full-year forecast

Source: Statistics Netherlands (CBS), ECB, Oxford Economics, a.s.r. real estate, 2026
The arrows refer to the experienced change over the comparison period.

Dutch economy

The Dutch economy is expected to grow by 1.3% in Q4 2025, lower than the previous quarter.
Given the current level of global uncertainty, overall economic growth in the Netherlands is expected to be around 1.7% in 2025, higher than previously estimated in June 2025 (1.1%). GDP growth in Q4 2025 will come mainly due to government spending and higher-than-expected global trade. Economic growth in the Netherlands is however in a downward trend. In 2026, growth is expected to decline to 1.2%, held back by uncertainty due to international tensions and domestic policy uncertainty (Statistics Netherlands, DNB, 2025).

Dutch inflation is declining, but still above the 2% target.
Inflation in the Netherlands was around 2.8% in December 2025. Inflation in the Netherlands has been higher than the eurozone average since the beginning of 2024. The main causes for this difference between the Netherlands and the rest of the eurozone are relatively strong wage growth, driven by a tight labour market, and slower pass-through of lower energy prices because of fixed contracts, causing energy inflation to remain higher for longer. Inflation in the coming year is expected to decline to 2.4%, moving closer to the eurozone average in 2026 (Statistics Netherlands, DNB, 2025).

Producer and consumer confidence improved slightly in Q4 2025.
The elections for the members of the Dutch House of Representatives (Tweede Kamer) on 29 October produced a victory for the progressive social-liberal party D66. Political uncertainty may postpone policy and investment decisions. Consumer confidence increased in Q4 2025, with a quarter-on-quarter increase from –32 in Q3 to –21 in Q4 2025. Consumer confidence has risen for two quarters in a row since June 2025 (-36). Producer confidence also saw an increase in Q4 2025 from -1.6 in September 2025 to -1.1 in December (Statistics Netherlands, 2025).

Defence spending will have minimal effect on Dutch economic growth.
The planned increase in Dutch defence spending, following agreements made at the NATO summit in June 2025, is expected to have minimal impact on economic growth. The multiplier (the effect of additional government spending on GDP) will likely be close to zero. Consequently, higher defence spending will be entirely at the expense of other economic activity and will not result in any additional increase in GDP. Higher defence spending could increase the budget deficit if there is no compensation from other revenue, leading to higher government bond yields (CPB, 2025).

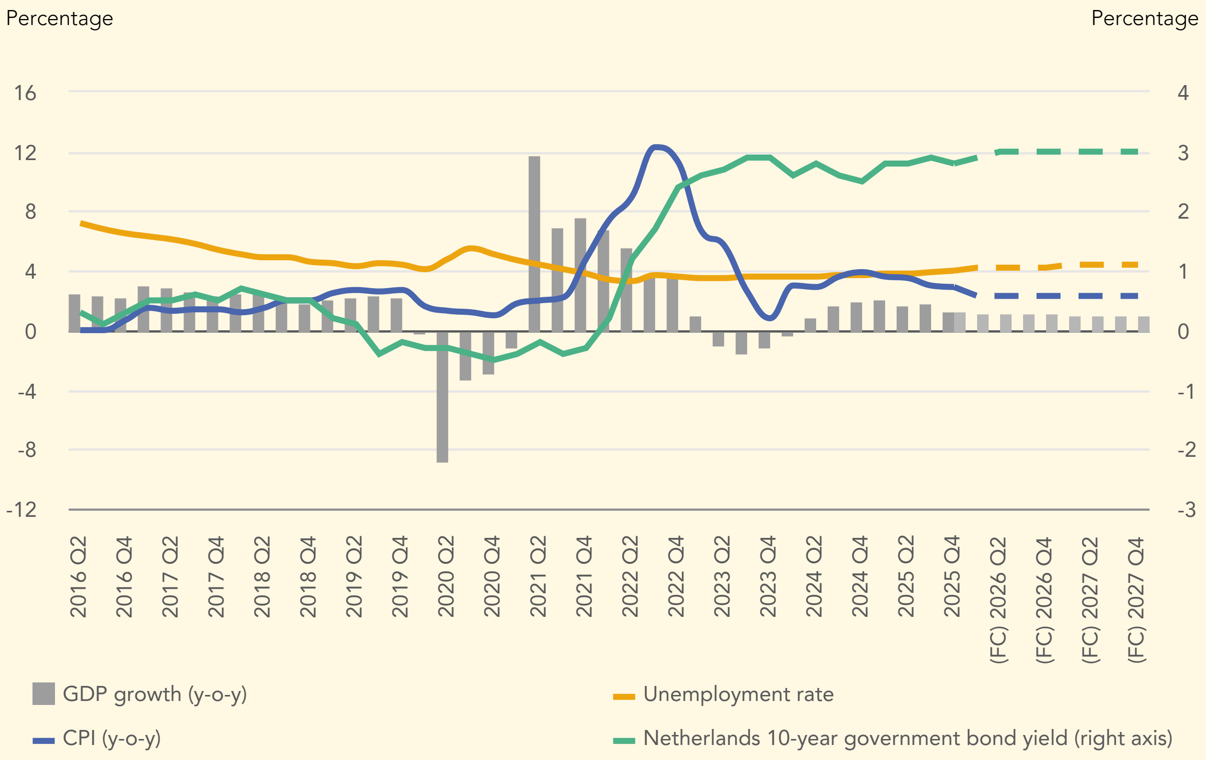
The Dutch labour market is easing, as reflected in a gradual increase in the unemployment rate to 4.0% in Q4 2025.
The Dutch labour market is slowing down. This is evident from the gradual increase in the unemployment rate. Unemployment increased in Q4 quarter-on-quarter, from 3.9% to 4.0%, and is expected to increase further in 2026 to 4.2%. This should be seen as a restoration of balance in the tight Dutch labour market rather than a fundamental shift. The average unemployment rate in the eurozone at the beginning of Q4 2025 was 6.0%. Despite the increase in unemployment, the Netherlands finds itself still well below the EU average (Statistics Netherlands, DNB, 2025).

Dutch economy benefits from unexpected global trade growth.
Global trade relevant to the Netherlands is expected to grow by 3.4% in 2025. This is a significant increase in global trade growth compared to 2024 (1.4%). The Dutch economy saw this reflected through an increase in trade in goods imported and re-exported by the Netherlands. For 2026, a slight dip in trade growth is expected due to rising debt, higher trade costs and persistent geopolitical uncertainty weighing on performance (DNB, 2025).

The European Central Bank left interest rates unchanged on four occasions in a row.
The last ECB interest-rate change dates back to a cut in June 2025. The ECB is keeping its interest rate unchanged, as current European inflation rate is on target. The unchanged interest rate presents a more favourable outlook for investors (ECB, 2025).

10-year government bond yield rose to around 3% at the end of Q4 2025.
The yield on the Dutch 10-year government bond was approximately 3% at the end of Q4 2025, due to an increase in December. Other countries, such as, Germany, also saw bond yields rise at the end of Q4. Investors require a higher return for the risk taken. This underscores short-term uncertainty, as reflected in the high yield on 10-year government bonds (a.s.r. real estate, Oxford Economics 2025).

Dutch economic indicators



Source: Statistics Netherlands, Eurostat, DNB, Consensus Forecast, ECB, a.s.r. real estate, 2026

NEXT Delft, TU Delft Campus, Delft

Dutch retail market

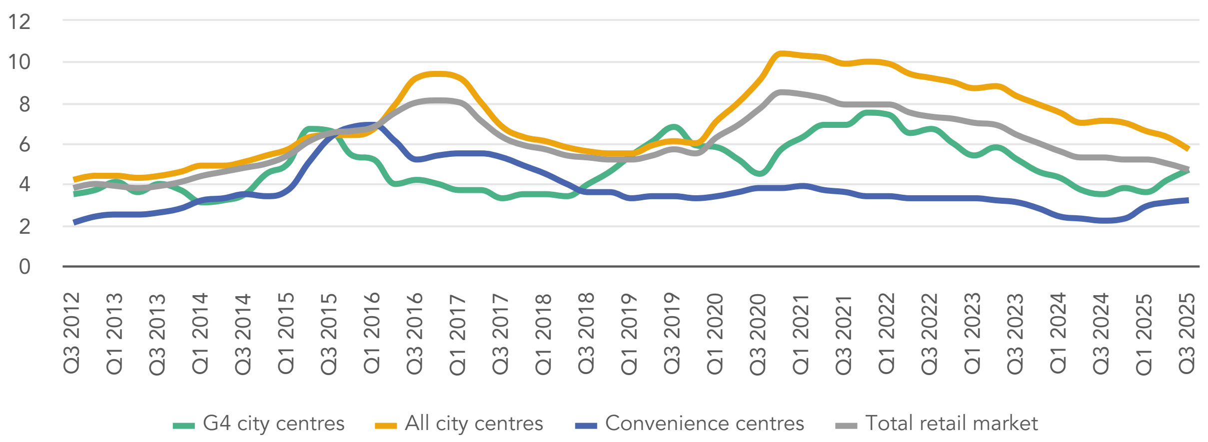
The Dutch retail sector is showing steady progress as consumer spending holds up and confidence gradually improves, even while concerns about job security and rising costs linger. High-street rental growth continued to increase and investment activity is picking up, though cautious investors temper the pace of recovery. With stabilising macroeconomic conditions but persistent geopolitical and economic uncertainties, the retail landscape is moving forward—yet still with a careful eye on potential headwinds.

Retail turnover grew despite increasing unemployment concerns
Non-food turnover volume growth (+2.8%) maintained its positive momentum in Q3 2025. In contrast, food turnover growth remained subdued at just 0.1%, partly due to selective consumers avoiding higher-priced specialty food stores (-2.7%). As a result, total volume growth accelerated to 1.5%, up from 0.9% in Q2 2025. The food sector continued to record the strongest online performance, with y-o-y turnover increasing by 12.7% (in euros). Meanwhile, consumer confidence continued its upward trend, returning to levels comparable to September 2024. Purchasing willingness improved slightly, supported by substantial wage increases from recent collective labour agreements, while geopolitical risks did not significantly dampen consumer sentiment. However, rising operating costs prompted more employers to initiate restructuring efforts, which is reflected in declining consumer confidence regarding job security.

Geopolitics did not discouraged expansionary retailers
Solid consumer spending growth, rising consumer confidence, and a relatively stable labour market continued to underpin the retail sector. Retailers remained focused on expansion in an environment where major interest-rate volatility appears to be behind us and geopolitical developments are largely priced in. For now, higher import tariffs are primarily being leveraged by retailers to strengthen their position in rental negotiations. There is still no clear indication of a slowdown in expansion plans. In the supermarket segment, competition for new locations is easing as tightening margins shift the focus from market share—previously the dominant metric—to the quality and characteristics of the catchment area.

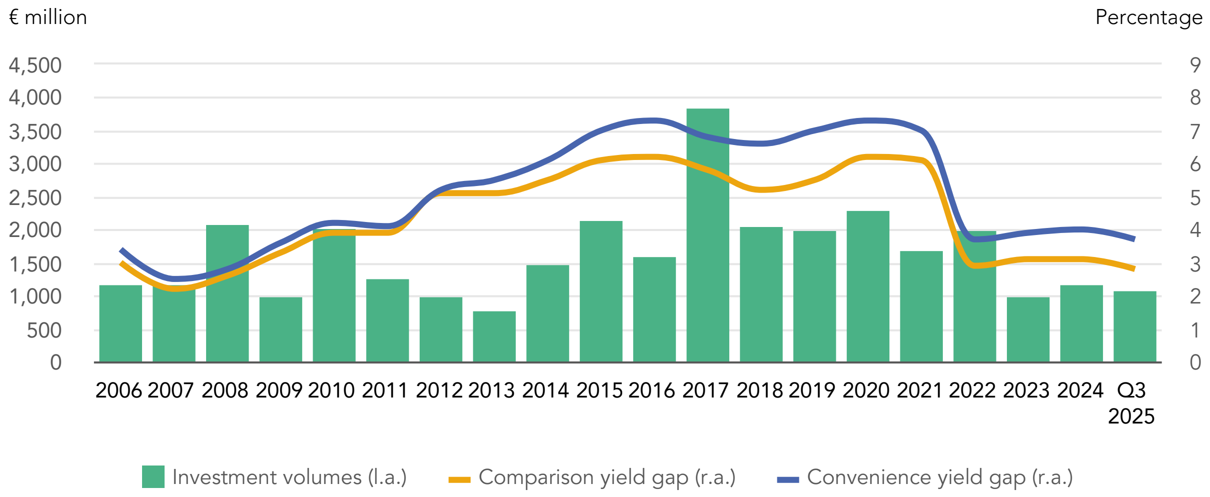
Rental growth continued to increase
The high-street occupier market continued to gain momentum, as year-on-year rental growth increased further to 2.2% and a rising number of prime shopping streets in major cities are experiencing tightening conditions. Amsterdam, Rotterdam and The Hague all report city-centre vacancy rates below 5%. Utrecht's vacancy rate is higher, signalling off-pitch units can still be vulnerable. Total average vacancy in the G4 cities currently stands at 5.7%. Following tenant turnover or redevelopment, top high-street properties are attracting multiple bids. Smaller high-street units (<200 m²) remain more challenging to lease, as many retailers can not fit their store concepts into such compact units. Convenience retail continues to perform well despite thin supermarket margins, contributing to total retail rental growth of 2.4% in Q3 2025.

Financial vacancy rates[1]



Source: MSCI, a.s.r. real estate, 2026

Retail segment yield gaps and retail investment volume[2]



Source: MSCI, CBRE, ECB, 2026

Private investors still most active in investment market

Investment volume in Q1–Q3 2025 was 40% up on the same period in the previous year, already bringing year-to-date activity in line with total investment volume in the whole of 2024. Market dynamics continue to be driven primarily by private investors and smaller transactions. Larger deals such as the sale of Barbara Plaza on The Hague's Grote Marktstraat were less common in Q3 2025, still reflecting the limited presence of institutional investors. These larger assets typically transact at higher yields. Acquisition criteria for convenience retail remained relatively strict; when asset size or catchment characteristics fall outside the preferred range, pricing pressure persists.

1 Four-quarterly moving average.
2 Yield gap calculated on reversionary yields and 10-yrs Dutch government bond rate.

Market outlook

More high street momentum anticipated
Baseline macroeconomic forecasts remain solid, supported by positive GDP growth, robust consumer spending, and normalising inflation and ECB interest rates. These conditions are expected to enable successful omni-channel retailers to further expand their physical presence on Dutch high streets. Most primary high streets in the G5 cities are likely to face increasing supply shortages, which will continue to support rental value growth. Where assets align well with retailer requirements, vacancy rates in stronger secondary streets may also decline. The anticipated formation of a new coalition government could provide retailers and consumers with greater certainty and confidence. However, potential headwinds—such as layoffs, renewed geopolitical tensions or additional tariffs—could exert downward pressure on sentiment and activity in the Dutch retail occupier market.

Stronger occupier market could broaden investment interest
The yield on 10-year Dutch government bonds rose above 3.0% in December. Together with rising precious metal prices, this signals continued investor caution and confirms that Dutch retail yield gaps remain modest. Meanwhile, the occupier market continues to strengthen, demonstrated through continuing rental growth. This, combined with lower policy rates, is expected to encourage a broader range of investors to re-enter the retail segment, supporting a more balanced investment market and higher transaction volume. Momentum in the convenience retail occupier market is slowing, sharpening investor criteria for convenience assets. This may further increase polarisation within the segment. With Dutch retail yield gaps still modest, only limited yield movement is anticipated.

Kalverstraat 73, Amsterdam

Dutch residential market

In the fourth quarter of 2025, the Dutch residential market showed signs of moderation while maintaining overall resilience. Investment activity was lower compared to earlier in the year, with volumes influenced by the anticipated transfer tax reduction to take effect in January 2026. Income returns remained stable, though capital growth eased slightly, reflecting the slower rate of value appreciation. In the rental market, structural shortages and ongoing sell-offs continued to exert upward pressure on rents, even as transaction volumes declined. The owner-occupied segment recorded further price gains, albeit at a slower rate, while sales activity softened toward year-end. Despite these adjustments, market fundamentals, tight supply, demographic growth, and strong demand, continued to underpin stability, setting the stage for an early-year rebound in 2026.

Residential investment market

Stable income return, slight cooling in capital gains

Similar to last quarter, the income return in Q3 remained steady at 3.1% (MSCI, 2025). Capital growth eased slightly, to 1.6% q-o-q and 8.3% y-o-y, compared to 1.9% and 9.9% in Q2. This moderation reflects a slower rate of value appreciation, while overall performance continues to be supported by strong rental value fundamentals.

Strong rental growth continues, supported by structural demand

Market rental value growth in Q3 was 1.7% q-o-q and 8.0% y-o-y, well above the 10-year average of 4.2% (MSCI, 2025). Although the pace eased compared to Q2, demand continues to be supported by limited new supply, regulatory constraints, and demographic trends. These structural factors are expected to keep rental growth above historical norms and maintain its role as a key contributor to overall returns.

Yields unchanged for fourth consecutive quarter

Reversionary yields stayed at 4.8% for the fourth straight quarter, signalling a period of stability after the upward adjustments seen in 2023 and mid-2024 (MSCI, 2025). The market appears to have reached an equilibrium, with pricing shaped by strong rental growth tempered by measured investor sentiment.

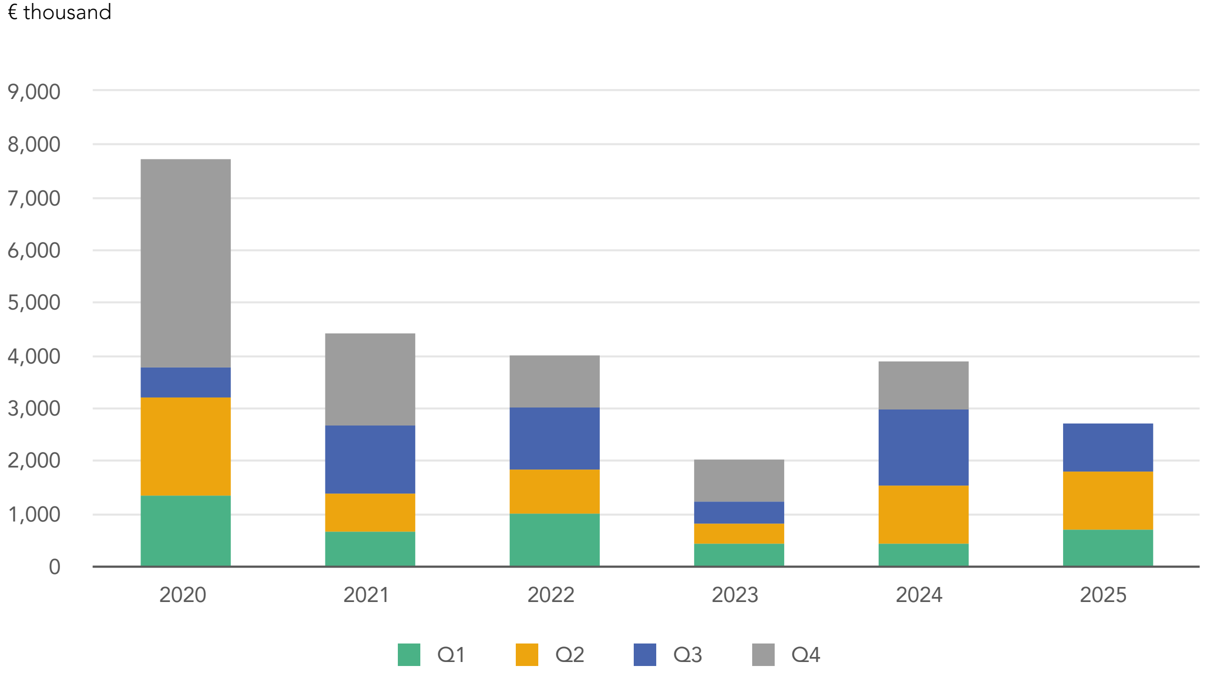
Residential investment slows, timing likely influenced by tax change

Investment volumes in the Dutch residential market totalled €909 million in Q3 2025, down from 1.08 billion in Q2 and significantly below the €1.42 billion recorded in Q3 2024 (CBRE, 2025). This decline likely reflects timing considerations, as some transactions appear to be postponed until after 1 January 2026, when the announced reduction in transfer tax takes effect.

Investments in new-build rental housing hit record levels, yet fall short of reversing stock decline

Investments in new-build rental housing hit an all-time high of €5.3 billion in 2025, funding around 17,700 new homes (Capital Value, 2025). Most of this capital targeted affordable segments: institutional investors directed 77% to mid-rental and social housing, while housing associations focused almost entirely on affordability. Despite this surge, the rental stock continues to contract, with investors disposing of roughly 26,000 more homes than they acquired in the first three quarters of 2025 (Kadaster), highlighting persistent structural challenges.

Quarterly investment volumes



Source: CBRE ERIX, 2025

Owner-occupied market

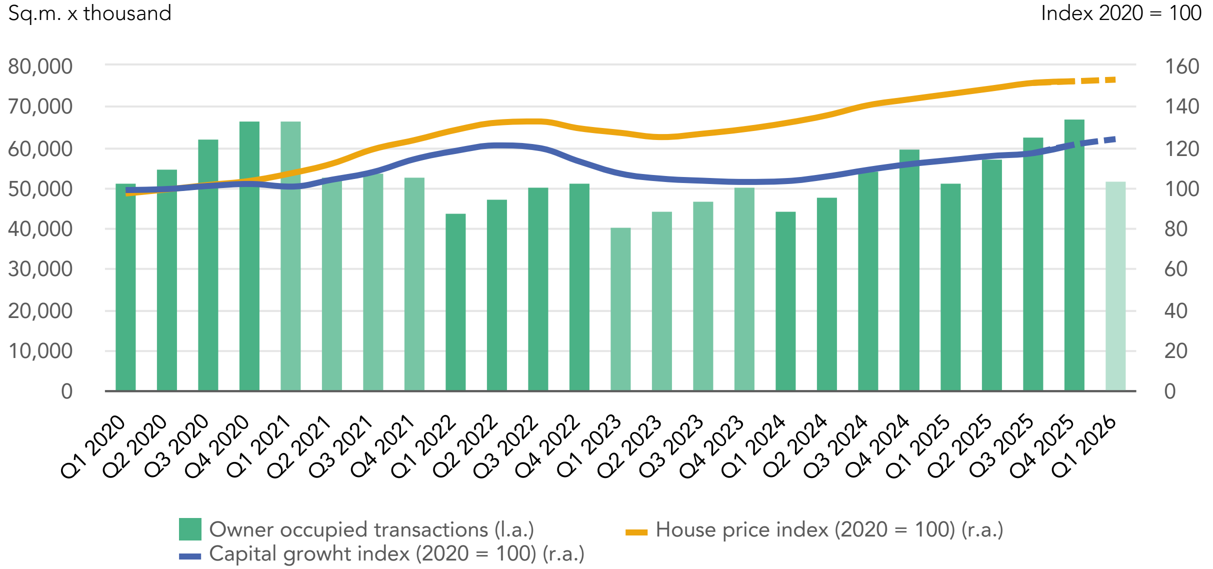
Prices maintain upward trend despite slower momentum

House price development remained resilient in the fourth quarter of 2025. The price index edged higher to 152.2, with a 0.5% price increase over the third quarter (CBS, 2026). Annual growth continued to ease, settling at 6.2% in the fourth quarter of 2025, marking a gradual slow of the stronger pace seen earlier in the year. Average transaction prices fluctuated, rising to nearly €499,000 in October before settling at €486,000 over the last quarter of 2025.

Sales activity softens through the quarter

Transaction volumes showed contrasting dynamics across Q4. October recorded 21,849 sales, broadly stable compared to September, but November saw a pronounced decline with only 18,224 homes changing hands, a 16.6% fall month-on-month (CBS, 2025). During December transactions rose back to 27,154. Despite the dip in November, year-on-year growth remained strong at 12.2%.

House price developments and # of transactions involving existing owner-occupied homes



Source: MSCI, 2025, Statistics Netherlands, 2026

Rental market

Sharp decline in rental transactions

The number of rented homes in the private sector fell sharply by 11% in Q3 2025 compared to the same period in the previous year (NVM, 2025). Just over 3,400 unfurnished rental properties were let. For the first three quarters of 2025, transactions averaged around 3,000 per quarter, half the level seen between 2015 and 2021, when quarterly volumes consistently exceeded 6,000.

Apartments dominate the private rental market

Apartments account form more than three-quarters of private sector rentals. About 2,600 apartments were rented in Q3 2025. Single-family homes remain scarce at around 800 units (NVM, 2025). Market pressure on single-family homes is high: many are being sold off, while new construction is focusing on small apartments, widening the gap for larger rental homes. Average private sector rents rose 6.2% year-on-year to €18.26 per m², with houses climbing to €14.82 per m² (+8.8% y-o-y) and apartments slightly down to €19.34 per m², albeit still 4.5% higher than a year ago (NVM, 2025).

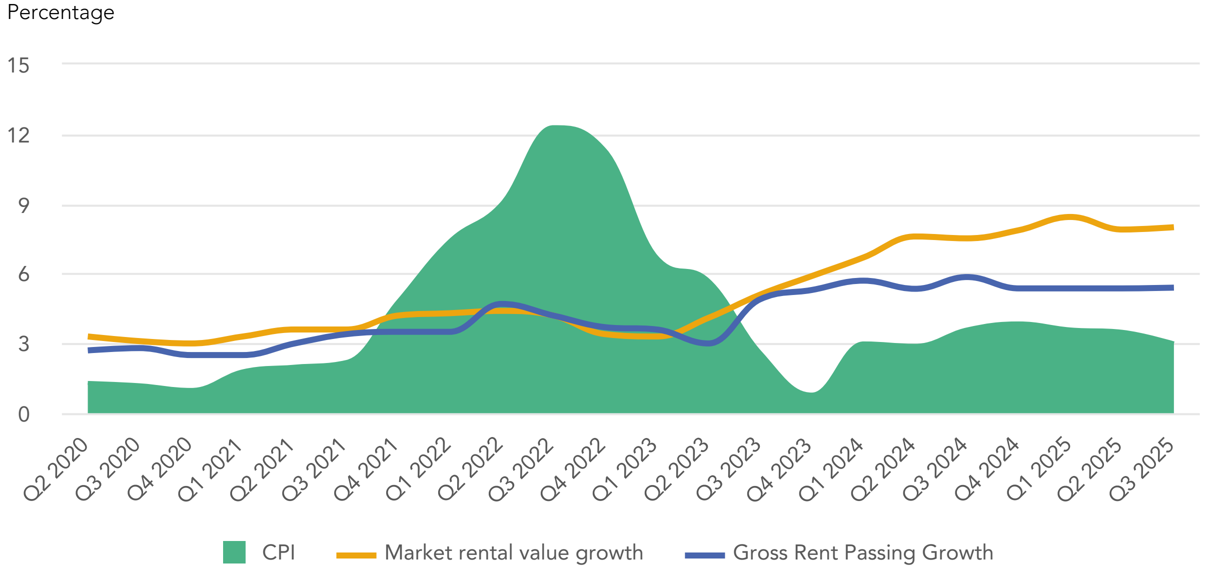
Mid-rental segment shows limited activity

Since 1 July 2024, homes with more than 186 WWS points (rent above €1,184.83) are classified as private sector. This together with tax changes, has led to more properties being sold, reducing supply in the free sector. The mid-rental segment remains subdued: transactions fell from around 1,800 at the end of 2024 to under 1,100 in the last quarter. Average rent in this segment is €16.98 per m², roughly 7% below the private sector average, but both segments have seen notable annual increases (around 9% and 6%). Mid-rent now represents 24% of the non-social rental market, a share that continues to gradually decline (NVM, 2025).

European Court of Justice on rent increase clauses

On 24 November 2025, the Amsterdam District Court submitted preliminary questions to the European Court of Justice regarding the legality of annual rent increases based on inflation plus an additional surcharge. This follows mixed rulings in the Netherlands: some lower courts invalidated clauses with high surcharges, while the Supreme Court in 2024 ruled that CPI-based indexation is generally permissible and a limited surcharge is not automatically unfair. The ECJ will now clarify how EU consumer protection applies and what this means for existing contracts. No hearing or judgement date has been announced.

Rental growth and Dutch CPI (y-o-y % change)



Source: MSCI, 2025, Statistics Netherlands, 2026

Owner-occupied and residential investment market indicators

Owner-occupied	Q4 2025 q-o-q	Q4 2025 y-o-y
House price growth	0.5%	7.8%
Transaction volume growth	7.4%	15.6%

Rental	Q3 2025 q-o-q	Q3 2025 y-o-y		
	Total	Single-family homes	Apartments	Total
Total return	2.4%	11.9%	11.5%	11.6%
Capital growth	1.6%	8.4%	8.2%	8.3%
Income return	0.8%	3.2%	3.1%	3.1%
Market rental value growth	1.7%	8.6%	7.5%	8.0%

Source: MSCI, 2025, Statistics Netherlands, 2026

Market outlook

Demand strength offsets uncertainty

The Dutch residential market enters 2026 with strong underlying demand and exceptionally tight supply. Demographic growth, urbanisation, and affordability pressures continue to support resilience, even as geopolitical and domestic policy uncertainties generate headwinds.

Residential investment market: early-year acceleration driven by tax reform

Investor activity is projected to strengthen in Q1 2026 as transactions deferred from late 2025 are effected following the reduction of transfer tax from 10.4% to 8%. This shift is expected to create a temporary surge in volumes, particularly in existing stock, while new-build opportunities remain highly sought after amid structural supply shortages.

Institutional investors will continue to play a leading role in new supply, complemented by renewed interest from international capital despite a less favourable tax regime. Core yields are expected to stabilise around 4%, though pricing friction may persist where seller expectations diverge from market reality. Sustainability compliance will remain a key differentiator, with non-compliant assets requiring higher yields and attracting mainly value-add strategies. Collaboration between developers and long-term investors is likely to deepen, reducing competitive bidding and improving predictability.

Rental market: demand outpaces supply; growth constrained by policy

The rental sector is expected to remain under significant strain throughout 2026. Demand will be driven by population growth, urban migration, and affordability constraints in the owner-occupier market, keeping vacancy rates exceptionally low. Despite strong investment in 2025, new construction volumes will not fully offset ongoing sell-downs by private investors, while permitting delays and policy uncertainty continue to weigh on supply.

From 1 July 2026, annual rent increases will be capped at 4.1% for social housing, 6.1% for mid-rental, and 4.4% for the free sector. These measures are intended to balance affordability and stability but will limit indexation opportunities for landlords. The mid-rental segment offers slightly more flexibility, while social and free sectors face tighter margins. Overall, upward pressure on rents is expected to persist within these regulatory limits.

Owner-occupier market: moderation after strong gains; stability prevails

House price growth is forecast to slow to around 4% in 2026, down from nearly 8% in 2025 (Rabobank, ABN AMRO, ING Bank, DNB, 2025), reflecting a shift toward more sustainable dynamics as affordability pressures and higher mortgage rates temper demand. Transaction volume is expected to remain broadly stable, indicating healthy liquidity despite softer momentum. Structural supply shortages and demographic trends will continue to underpin resilience, though inflation and monetary policy will continue to be key variables for affordability.

Policy and political landscape: uncertainty shapes decision-making

Coalition negotiations remain unresolved, leaving housing policy direction unclear. Key issues, including rental regulation, affordability measures, and sustainability requirements, are still under discussion. This prolonged formation process adds unpredictability to the market, as investors and developers face difficulty planning with confidence.

Beyond domestic politics, geopolitical tensions in multiple regions are contributing to broader economic uncertainty. Global conflicts and trade disruptions may influence financing conditions, construction costs, and investor sentiment, adding another layer of complexity to the outlook for 2026. Until greater clarity emerges, investment strategies are expected to remain cautious, even as structural demand continues to support tight market conditions.

Dutch office market

Prime office demand in the Netherlands' G5 cities remains strong, with low vacancy and a rising concentration of take-up in G5-IC locations. Investment activity is down slightly compared to last year, while core markets continue to show robust fundamentals. Companies favour higher quality, smaller spaces suited for the Dutch hybrid working culture. Due to limited supply of premium space on G5-IC locations, strong demand continues to support rental growth in prime markets.

Demand continues to focus on G5-IC locations

The national take-up came down to 155,816 sq.m. after a strong surge in take-up during Q2 of 2025. Still, the take-up grew y-o-y by 22.5% (CBRE ERIX, 2025). Over the past year the take-up has been concentrating more in the G5, and the four quartile average sits at 66%. This continues to underline the strong demand for prime locations and the shift toward well-connected office spaces, a decisive advantage in today's ongoing war for talent.

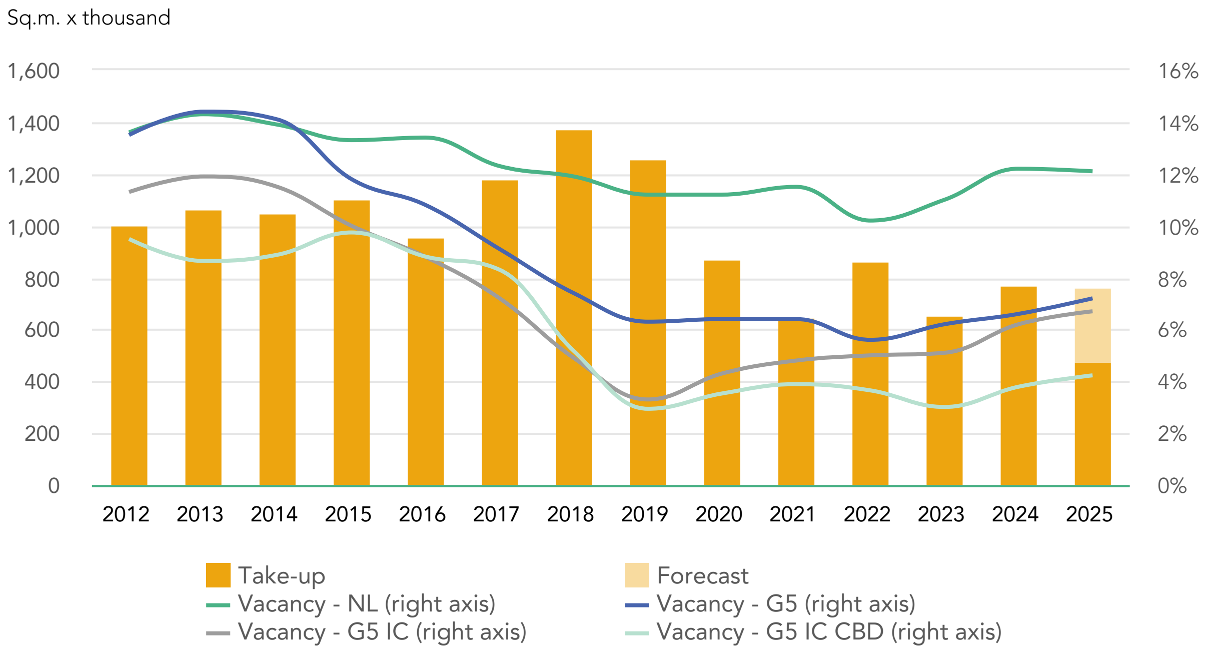
The national vacancy rate has been stable at elevated levels for over a year

The Dutch office market vacancy rate has now been fluctuating around the 12.1% mark for 5 consecutive quarters (CBRE ERIX, 2025). This consistent elevated level exemplifies the ongoing struggles that are caused by decreased demand for less accessible locations and less desirable office assets.

On the other hand, the G5 vacancy rates have been fluctuating between 6.5% and 7.2% for a similar amount of time, ending Q3 at 7.2%. The G5-IC locations perform better still, ending Q3 at 6.7%, though vacancy rates have been expanding over the past year too. This has been caused by several IC-locations, which despite being well accessible, lack in other attributes such as multifunctionality and vibrancy. When zooming in on the G5-IC-CBD locations an average vacancy rate of 4.2% persists, with The Hague and Utrecht CBD's experiencing exceptionally low rates of 2.7% and 1.5% respectively.

These low vacancy rates in the top locations have a dampening effect on take-up levels as demand outperforms supply.

Take-up of Dutch office space (x 1,000 sq.m.) and annual vacancy rate



Source: CBRE ERIX, 2025

Prime rent levels go nearly unchanged through the third quarter

The G5 and G5-IC locations remain at the top in terms of rent levels. However, national average rents, as well as average prime rents experienced very few alterations compared to Q2. Despite this, some changes still occurred, most notably: prime rents in Amsterdam Oud-Zuid grew from €500/sq.m./year to €525/sq.m./year. Amsterdam Amstel Station also saw a similar increase from €430/sq.m./year to €450/sq.m./year. In addition, after seeing a major spike in prime rents in Q2 average rents in Amsterdam South-Axis also grew from €440/sq.m./year to €450/sq.m./year.

Prime office yields remain stable in Q3 2025

Office investment volumes in Q3 (€426m) are up quite substantially compared to Q2 (€308m). However, Q3 investment activity is comparable to last year (-3.6%), this shows investors caution persists despite stabilising macroeconomic conditions (CBRE ERIX, 2025). In spite of this perceived caution, according to CBRE prime yields have been decreasing over the year based on ongoing bidding processes. The national benchmark (Amsterdam South Axis) incrementally decreased over the year reaching 4.7% in November 2025, while Rotterdam, Eindhoven, and Utrecht also experienced downward movement throughout the year. However, JLL signals that the yields have remained stable around this level throughout 2025. Comparing this to the prime yields of non-G5 major regional cities in the Netherlands, at approximately 7.5% demonstrates the perceived risk differences based on location throughout the Netherlands.

Despite most office transactions still occurring mostly outside the core segment, with some exceptions towards the end of Q3, several noticeable larger transactions have also occurred in Q4. QUBE Offices in Amsterdam SouthEast was sold for €55.6m. Avenue Building in Utrecht Kanaleneiland was sold for €45.5m. Additionally, the Book in Amsterdam Sloterdijk was sold for €65m. After several large transactions in Q3 another one occurred in last quarter of the year, with New Babylon in The Hague CBD being sold for approximately €120m. The plans for the high-quality office building, is to increase the ESG-credentials further and intensify the active asset management. The transaction of New Babylon, in a prime G5-IC-CBD location, continues the momentum seen in Q3. Although the NIY (approximately 7%) is difficult to benchmark against the prime yield in The Hague (6.4%) due to the transaction begin a share deal, it suggests that investor interest in the Dutch core office market is gradually returning.

Companies still looking to balance hybrid working and space requirements

Recently, corporates seemingly opt for smaller spaces when moving. However, this is attributed for a large part to the flight to quality (CBRE, 2025). This trend sees occupiers move to smaller, but more expensive and higher quality space. This is in terms of asset quality, as well as locational quality. Another reason for the move towards smaller office spaces is that total space requirements seem to decrease slightly as emphasis shifts from single workstations for employees to more shared spaces, for collaboration. On the other hand, occupancy rates have been rising again since COVID-19. Especially the peak days Tuesday and Thursday are back at, if not higher than, pre-COVID levels. Moreover, over the past year major companies have been attempting to attract employees back to the office, some even increasing the mandatory amount of in-office days. Companies such as ING, Just Eat Takeaway, and Amazon have adapted such measures. In addition to this, the unemployment rate is expected to expand slightly over the coming years (DNB, 2025). This can lessen the negotiation position of employees and further drive occupancy rates. All in all this increases the need for companies' flexibility, both in terms of space requirements and lease terms. Which could dampen take-up numbers in the near future.

Office market indicators

Market indicator			Q3 2025	q-o-q growth	1-year growth	3-year growth
Rent	Average rent/sq.m.	NL	€ 160	0.0%	3.2%	10.3%
	Average prime rent/sq.m.	G5 IC	€ 365	0.0%	12.3%	21.3%
	Prime rent/sq.m.	Prime CBD (Zuidas)	€ 600	0.0%	17.7%	21.2%
Stock	Stock (sq.m.)	NL	52,498,055	0.1%	0.3%	0.4%
Take-up	Take-up (sq.m.)	NL	155,816	(20.7%)	22.5%	(42.2%)
Vacancy	Vacancy (sq.m.)	NL	6,349,764	(0.1%)	0.8%	16.4%
	Vacancy rate (%)	NL	12.1%	0.0%	0.1%	1.7%
		G5 IC	6.8%	0.3%	0.9%	2.3%
Yield	Prime yield (%)	Prime CBD (Zuidas)	4.9%	-	-20 bps	+140 bps
		Other CBDs (G5)	6.1%	-5 bps	-20 bps	+170 bps
		Major provincial cities	7.6%	-	-10 bps	+185 bps

Source: CBRE ERIX, 2025

Market outlook

Although conditions show stabilisation, geopolitical uncertainty persists, but the fundamentals of the G5 office markets remain resilient

Leasing activity is increasingly concentrated in core cities, fuelling rental growth in the top locations with prime rental growth looking to grow further as asset level polarisation boosts the top segment further. Moreover, the gradual return to offices, particularly within professional and financial services, continues to underpin demand for modern, future-ready workplaces. Adding to the structural shortage of high-quality space in the G5-IC-CBD locations. The limited pipeline of premium office stock, coupled with robust demand, is pushing prime rents higher as scarcity intensifies.

Conversely, growing vacancy levels, slower rental growth, and downward pressure on valuations highlight the growing divide between primary and secondary markets. Causing ageing assets to face mounting headwinds.

Macroeconomic conditions have entered a more stable phase, though geopolitical risks remain a wildcard

The Dutch 10-year government bond has settled near 2.8%. Forecasts project the government bond yields to stay at this level. With net prime yields at 4.7% in November the yield gap remains tight for prime assets. Value growth is likely to remain driven by rental growth in the near future as there seems to be little room for yield compression, while prime assets are supported by rental growth and indexation. Despite geopolitical risks transaction volumes are expected to edge upward in 2025, driven by a pipeline of larger deals, yet overall activity will likely stay below historical norms as investors remain prudent.

Polarisation will persist in capital flows, with institutional long-term investors increasingly favouring sustainable, well-located properties. Green repositioning strategies are gaining traction as a means to enhance asset value and align with evolving ESG requirements and the increased positioning of offices as strategic assets for investors and occupiers alike.

The Netherlands has embraced hybrid working, raising the bar for office quality and accelerating asset polarisation

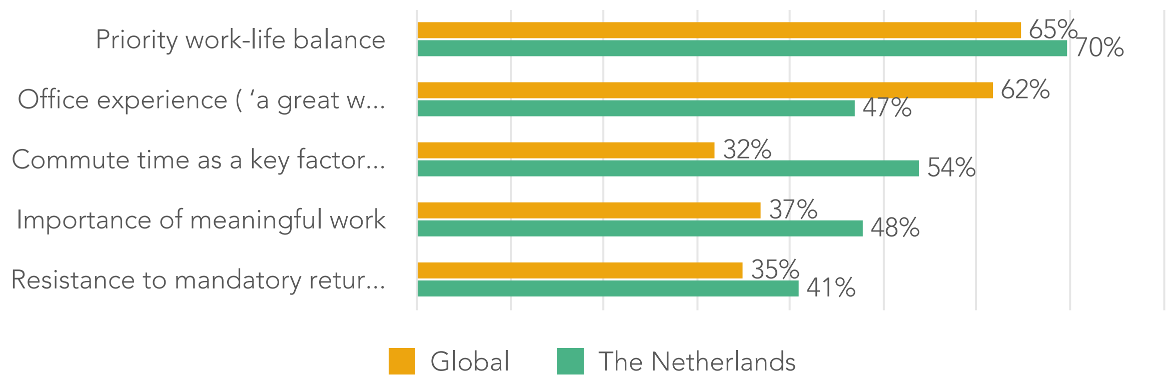
The JLL Workforce Preference Barometer 2025 shows how hybrid working has fundamentally reshaped office demand worldwide. Within this global shift, the Netherlands stands out as being in an advanced stage of the transition to hybrid work, while many other countries are still searching for a balance.

Work-life balance is already the top global priority (65%), but it carries even more weight in the Netherlands (70%), reinforcing employee autonomy as a defining feature. Dutch employees also attach significantly greater importance to commute time when considering job changes (54% versus 32% globally), strengthening the investment case for centrally located, transit-oriented offices.

Simultaneously, Dutch employees are more critical of the office experience: 47% rate their workplace as "a great place to work", compared to 62% worldwide, reflecting higher expectations rather than weaker demand. The importance of meaningful work is also more pronounced in the Netherlands (48% versus 37% globally), increasing pressure on offices to actively support culture, collaboration and purpose. For investors, this results in a more stable occupier base, but with sharper asset-level polarisation between offices that meet these expectations and those that risk functional obsolescence.

Global versus Dutch employee preferences

Percentage



Source: JLL, 2025

Dutch science park real estate market

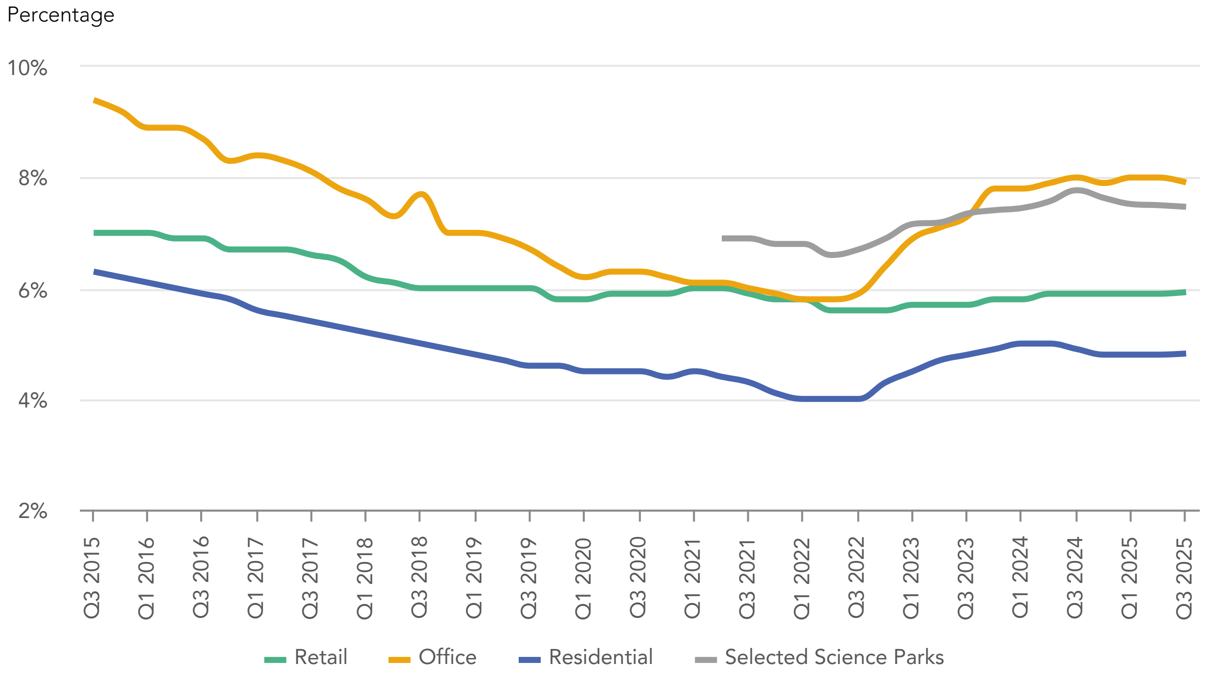
The Dutch science park market remains resilient amid geopolitical uncertainty and a more cautious economic environment. Investor and occupier sentiment is stabilising, though decision-making remains cautious as funding cycles lengthen and capital efficiency becomes more important. Demand continues to focus on high-quality, ESG-compliant science park locations with strong links to research, talent and specialised infrastructure. Public policy and strategic investment priorities are increasingly supporting the sector, particularly in areas such as semiconductors, life sciences, applied AI, energy transition and defence-related R&D. While venture capital deployment remains selective and skewed toward later-stage companies, these structural drivers underpin the long-term relevance of science parks in the Netherlands, supporting a broadly stable outlook despite short-term market uncertainty.

Science parks maintain structural edge amid office market adjustment

The yield gap between science parks and the broader office market continues to exist, but the dynamics are shifting. For the eighth consecutive quarter, science park yields remained below the MSCI offices benchmark, yet the spread narrowed noticeably to 44 bps, compared to just above 50 bps in Q2.

Although sentiment in the office market appears to be improving slightly, the recent decline in the MSCI office benchmark yield is likely driven primarily by a change in the benchmark's composition rather than a structural recovery. Science parks remain stable, with yields moving only marginally from 7.50% to 7.47%, while the office benchmark fell from 8.01% to 7.91%. This narrowing of the spread suggests that the relative outperformance of science parks may become less pronounced. Nevertheless, their structural advantage, supported by consistent demand for R&D-focused locations, remains intact.

Gross reversionary yields Retail, Office, Residential and Science parks



Source: a.s.r. real estate, MSCI, 2025

Global pharma signals confidence in Dutch innovation ecosystem

Eli Lily's decision to commit €2.6 billion to a new European production facility in Katwijk, as an extension of the Leiden Bio Science Park, marks one of the largest foreign direct investments in the Netherlands in recent years and sends a strong message to the market. While discussions about the Dutch business climate persist, this move clearly demonstrates the enduring attractiveness of the country's life sciences cluster. The company cited proximity to the Leiden Bio Science Park, access to a deep talent pool, and robust infrastructure as decisive factors. For science parks, this underscores their role in global innovation networks and reinforces investor confidence in the sector's long-term fundamentals.

Venture capital momentum eases as early-stage weakness persists

The venture capital market has turned more cautious again following the strong rebound in Q2 2025. After investments surged to approximately €750 million in the second quarter, marking a 60% year-on-year increase and reflecting a temporary rise in investor appetite, funding levels fell back to €449 million in Q3. This places activity only slightly above the same quarter last year but well below the exceptional Q2 performance. The number of deals declined sharply from 101 to 79, the lowest figure in five years, with the contraction most visible in pre-seed funding. Late-stage rounds now account for nearly 70% of all capital raised, while food technology, cleantech and high-tech systems continued to attract solid interest, and AI was primarily funded as an applied technology. Public investment funds played a notably significant role in the largest rounds, with InvestNL involved in more than half of the top 10 deals in Q3. However, the persistent weakness in early-stage activity remains a structural concern: without renewed momentum in the pre-seed and seed segments, as temporarily seen in Q2, the long-term scale-up pipeline and overall innovation capacity of the Netherlands may come under pressure.

Innovation infrastructure in focus, but execution uncertain

The Dutch Ministry of Economic Affairs' recent progress letter 'Space for the Economy', alongside the recommendations from the report by Peter Wennink, the former CEO of ASML and now an independent advisor to the Dutch government on the country's long-term earning capacity and investment climate, underscores the increasingly strategic role of campuses and science parks within national policy, positioning them as key nodes in the innovation ecosystem. This Dutch perspective reflects broader European ambitions outlined in the Draghi report, which emphasises the need for technological sovereignty and innovation-driven growth. Both frameworks align with wider structural trends across Europe, where strategic re-positioning, personalised medicine, biotechnology, digital health, and sustainability are becoming central pillars of economic policy. The focus on reshoring critical production for supply-chain security, combined with stronger cross-border collaboration, is creating a more autonomous yet interconnected European innovation landscape. At the same time, rising investment in key technologies such as AI, quantum technologies, and biomanufacturing is driving demand for advanced laboratories, cleanrooms, and energy-efficient, circular buildings. The Ministry is also expanding the toolkit for collective area development, including revisions to the BIZ framework, which may increase organisational capacity and investment potential for science parks. However, many of these measures remain in exploratory or pilot phases, meaning their short-term impact is uncertain and dependent on further policy elaboration and intergovernmental cooperation.

Market outlook

Geopolitical uncertainty persists, strategic relevance increases

The geopolitical environment remains volatile, but its implications for Dutch science park real estate are increasingly structural rather than cyclical. Heightened geopolitical tensions, combined with the EU's strategic focus on technological sovereignty, energy security and defence, are reinforcing the importance of innovation-led locations across Europe. This is reflected in increased public funding for critical infrastructure and strategic technologies, from semiconductors to defence-related innovation, supporting a sustained pipeline of R&D-intensive activity.

The Netherlands is particularly well positioned to benefit from these European-wide trends due to its strong knowledge institutions, open innovation culture and established science park infrastructure. At national level, this translates into continued policy and investment emphasis on sectors such as semiconductors, quantum technology, life sciences, AI applications and cleantech, which are disproportionately represented in Dutch science parks. While geopolitical uncertainty and uneven venture capital markets may delay private-sector decision-making in the short term and contribute to quarter-on-quarter volatility, they simultaneously strengthen the long-term strategic relevance of science park ecosystems. In this context, Dutch science parks increasingly act as a stabilising buffer, providing continuity, collaboration and access to shared facilities.

Venture capital: selective, slower, but fundamentally supportive

Across Europe, venture capital investors continue to express long-term confidence in the region, while investment processes have lengthened due to more extensive due diligence and a stronger emphasis on capital efficiency and credible pathways to profitability (KPMG). This pattern is also evident in the Netherlands, where total investment volumes are increasingly influenced by a relatively small number of late-stage transactions, while early-stage deal activity remains more limited (DSA, 2025).

For science parks, this shift suggests that near-term occupier demand is more strongly supported by scale-ups and established startups with proven technologies and clearer commercial traction, rather than by a high volume of very early-stage companies. At the same time, public and semi-public investors play an important stabilising role in the Dutch market by supporting strategically relevant investments and contributing to continuity in funding activity during periods of reduced private risk appetite.

Outlook real estate

Looking ahead, the outlook for Dutch science park real estate is cautiously positive. While geopolitical uncertainty and slower venture capital deployment may temper short-term demand momentum, the underlying real-estate fundamentals remain strong. The strategic importance of technology, sustained public investment and Europe's push for greater autonomy continue to underpin long-term occupier demand for specialised, innovation-led locations.

From a property perspective, demand is expected to concentrate on established science parks with strong ecosystem connectivity, access to talent and proximity to leading knowledge institutions. Assets offering high-quality laboratories, flexible and scalable office space, and modern, ESG-compliant specifications are best positioned to capture occupier demand. As venture capital activity gradually recovers and confidence improves, these locations are likely to benefit from both near-term resilience and structurally supported long-term growth, reinforcing their relative outperformance compared to generic office markets.

Dutch farmland market

The quarter began with a clear setback for Dutch agriculture on manure policy from the European Commission, which rejected the renewed Dutch request for derogation and confirmed a uniform 170 kg N/ha limit from 2026, thus cementing higher structural manure disposal costs for livestock farms. The Agro Confidence Index declined from 10 to 6 points, the dairy farmers' outlook turned strongly negative on expectations of lower milk prices even as current sentiment remains positive, arable confidence slipped into negative territory amid oversupply and softer crop prices and the organic sector saw a modest further decline in confidence while remaining comparatively resilient. Despite the policy uncertainty and weaker expectations, scarce land supply and ongoing efficiency gains continued to support values, with the 12-month average farmland price reaching €90,900 per hectare (WUR). Looking ahead, prices are expected to remain supported, while the end of derogation will weigh on operating decisions and investment timing across the sector.

Farmland market indicators

Market indicator	Current	q-o-q growth	1-year growth	3-years growth
Export of agricultural goods (in mln)	€30,999	-4.4%	4.0%	9.7%
Farmland prices (12m average)	€90,946	1.2%	10.7%	26.8%
Traded volume (12-month, in hectares)	33,532	0.5%	11.9%	14.0%
Available farmland (in ha)	1,798,501		0.0%	-0.3%
Number of agriculture farms	49460		-0.9%	-3.0%
Agro confidence indicator (0=neutral)	6.4	-3.4	2.3	6.3
Agro confidence BIO-indicator (0=neutral)	14.8	-3.7	0.2	14.8

Source: Statistics Netherlands, Kadaster, Wageningen Economic Research (WER), 2025

*the bio indicator data has been collected since Q1 2023

Derogation definitively off the table: uncertainty over manure policy continues.
It became clear in Q4 that Dutch farmers will not regain a derogation from European manure regulations. The European Commission formally rejected a renewed exemption request, citing persistent concerns over water quality. As a result, the phased reduction in manure application limits will culminate in a uniform cap of 170kg nitrogen per hectare from 2026, confirming higher structural manure disposal costs for the sector. While the financial impact has so far been partially absorbed by relatively strong dairy prices earlier in the year, the outlook is becoming more challenging. Expectations of falling milk prices and permanently higher manure costs are expected to put margins under pressure in 2026, particularly for intensive livestock farms. At the same time, political uncertainty remains elevated: proposed manure policy adjustments have been put on hold, key nitrogen reforms have been delayed, and a new cabinet will ultimately need to redefine the direction of agricultural and environmental policy.

Young farmers and tech funding strengthen agriculture.

The proportion of farm holders of less than 40 years of age rose slightly to roughly 10% in 2025 (CBS), with younger operators relatively more present at larger farms, indicating gradual renewal despite ongoing ageing pressures. In parallel, the government opened a second EIP funding round for digitalisation and robotics, allocating €10.47 million for collaborative projects between 11 November 2025 and 7 January 2026, supporting productivity, sustainability and animal-welfare improvements across primary production and post-harvest activities. In combination, a modest rise in younger leadership and targeted innovation will strengthen medium-term resilience and operational efficiency.

Potential shift in political farmland agenda.

D66 and CDA have jointly drafted a basis for a prospective 2026 coalition agenda that signals a possible new course for Dutch agriculture and rural land. The plan centres on clear, law-backed emission-reduction targets (2030/2035), replacement of the KDW metric with a more legally robust, goal-based permitting system, and a strict area-based approach around sensitive Natura 2000 sites. Farmers would receive firm, per-area (and eventually per-farm) emission ceilings with flexibility to decide how to meet them, supported by dedicated funding through 2035 for nature recovery and the agricultural transition.

For the farmland market, notable levers include expanded livestock right regimes, ground-bounded dairy (closed nutrient loops), and a national land bank to facilitate relocation, extensification and succession, redistributing land from exiting farms to viable (often younger) operators. The agenda also envisages long-term contracts for agrarian nature management, tighter pesticide reduction via binding sector covenants, and accelerated adoption of precision and biotech innovations (AI, sensors, CRISPR-Cas). While still subject to coalition formation and legislative design, the plan underscores a potential shift toward policy predictability, spatial differentiation, and investment in innovation, with tangible implications for land use, capital allocation, and operational models across Dutch agriculture.

Farmer sentiment weakens as confidence declines across key sectors. Overall sentiment among farmers and horticulturists deteriorated in the past quarter, with the Agro Confidence Index falling from 10 to 6 points. While current sentiment remains positive, confidence in the future has weakened further, reflecting growing uncertainty around prices, regulation and market conditions. Sector-specific developments continue to diverge, with the biggest changes visible in dairy and arable farming.

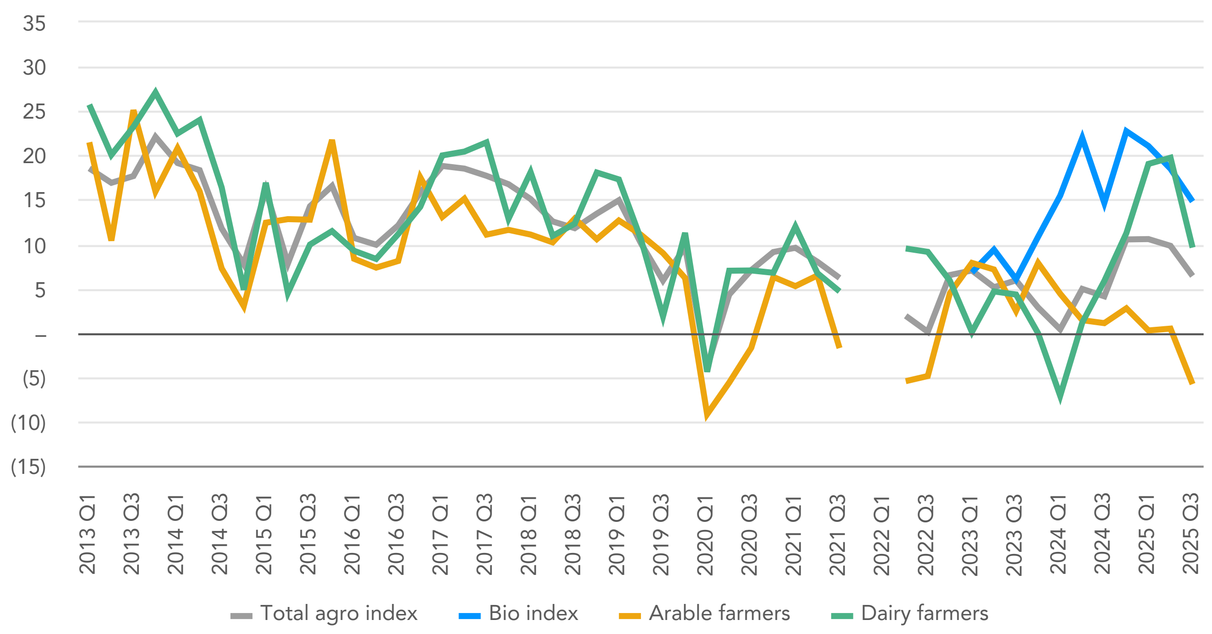
Dairy farmers saw a clear deterioration in confidence this quarter. Although current sentiment remains very positive, long-term expectations declined sharply from 4 to -15 points, significantly dampening overall sector confidence. The main driver is the expectation of lower milk prices in the coming period, linked to increasing global milk supply and uncertainty around export markets. Rising costs and regulatory pressure continue to weigh on outlooks, causing dairy farmers to shift from a previously optimistic stance to a far more cautious one.

Arable farmers experienced a further weakening of confidence, decreasing from 1 to -6 points, with sector confidence slipping into negative territory for the first time since the third quarter of 2022. Both current sentiment (-11) and long-term expectations (-3) declined, reflecting pressure from high yields, oversupply and persistently low prices for key crops such as potatoes and sugar beets. While weather conditions supported production, concerns about profitability and market absorption dominate the outlook, resulting in a growing imbalance toward negative sentiment.

The organic sector recorded another modest decline in confidence (-4). Current sentiment remains relatively resilient at 23 points, even though this is a decline of 7 points compared to the second quarter of 2025. Long-term expectations weakened slightly by 1 point, continuing a gradual downward trend observed over recent quarters. Political uncertainty, cost pressures and limited growth in domestic demand are weighing on the long-term outlook, despite stable production conditions and comparatively strong market positioning within the broader agricultural sector.

The expectancy and sentiment indices together make up the Agro Confidence Index, which is still reflecting significant uncertainty and challenges in the agricultural sector.

Agro confidence index

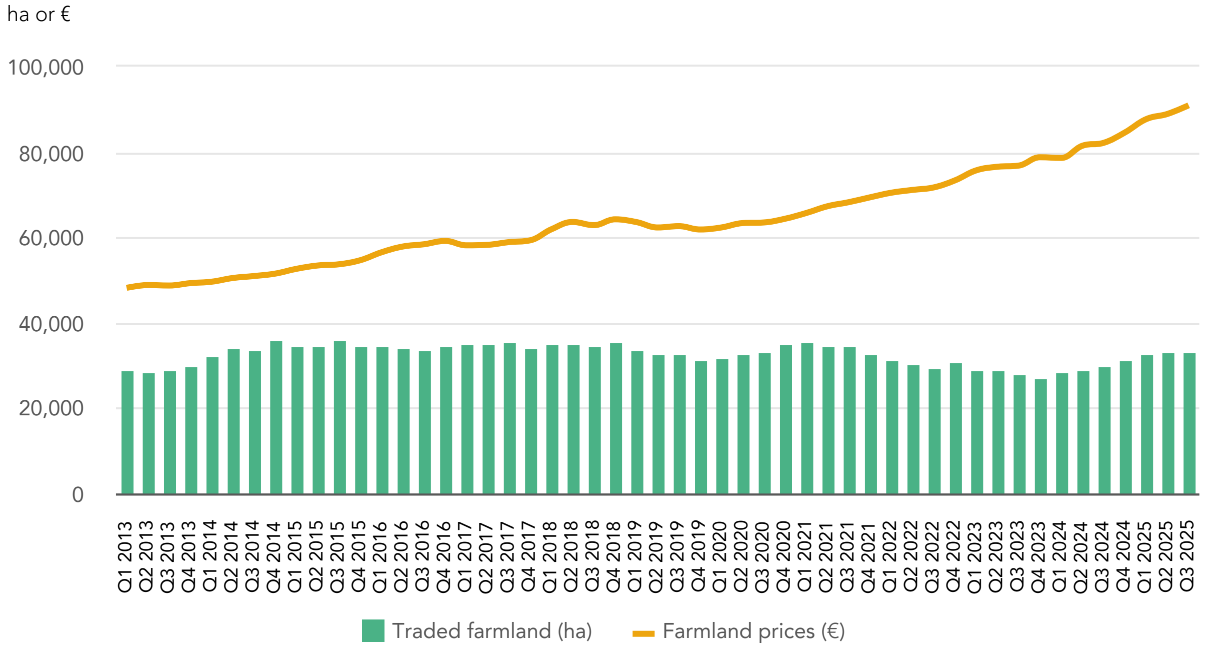


In collaboration with Wageningen Economic Research, a.s.r. real estate introduced an confidence indicator which gives insights in the confidence, mood and outlook of organic and traditional farmers. Full results (in Dutch) are available here.

The average price of agricultural land in the Netherlands in Q3 2025 was €90,900 (12-month average) per hectare (WUR), 10.7% higher than the Q3 2024 average of €82,200 per hectare.

The average price of arable land increased by 7.8% to €102,800 per hectare in the same period. The average price of grassland reached up to €81,500 per hectare, 10.9% above the 12- month average of the third quarter of 2024. Over the past four quarters, approximately 33,500 hectares of agricultural land were traded, an increase of 11.9% compared with 30,000 hectares a year earlier. Relative farmland mobility, which measures traded land against total agricultural farmland, was 1.86%, up from 1.67% in the previous year.

Farmland prices & traded farmland 2013-2025



Source: Kadaster, Wageningen Economic Research (WER), 2025

Market outlook

Dutch farmland demand remains supported, underpinned by scarce land supply, continuing efficiency gains and a gradual shift toward more sustainable, more land-based production models. Voluntary buyout schemes, especially around Natura 2000 areas, together with ageing demographics and limited succession, are increasing land mobility and gradually reshaping ownership structures. This may enable expansion by well-capitalised operators and professional investors, while reinforcing differentiation by location, soil quality and regulatory context. Overall, farmland price development is expected to remain firm, albeit at a more measured pace.

The demissionary status of the current cabinet and the absence of a completed coalition have postponed clarity on the long-term framework for agriculture, nitrogen and land use. At the same time, emerging political plans by the potential new governing coalition point to clearer objectives, area-specific regulation and multi-year funding, which could ultimately support confidence once translated into actual policy. Until emission pathways and permitting rules become more predictable, many farmers are likely to delay larger investments or take a wait-and-see approach.

European environmental regulation will further influence farm operations and land use decisions. The complete phase-out of derogation in 2026 after the Netherlands was unable to secure an extension from the EU sets a uniform 170kg N/ha limit and embeds higher manure disposal costs for livestock farms. Combined with water-quality objectives, this is expected to reinforce extensification, encourage more ground-bounded production systems and contribute to selective exits and relocations, particularly in environmentally sensitive areas.

In addition, the recently signed Mercosur trade agreement introduces gradual tariff reductions for South American beef and poultry, though within tightly capped quotas (99,000 ton beef; 180,000 ton poultry), limiting its market impact. Dutch sector organisations warn of potential long-term competitive pressure from producers operating under lower standards, yet Wageningen University research indicates that income effects for Dutch farmers are likely to remain minimal, as slaughter cattle make up only a very small share of farm revenues.

Harich, Friesland

Dutch renewable energy market

Energy transition enters a phase of system alignment. The second half of 2025 reflects growing structural challenges. There was oversubscription of the SDE++ from CCS, hydrogen and green-gas projects, whereas wind and solar now account for only a small share of applications despite their reliance on the subsidy scheme. This shift, combined with ongoing policy discussions around Contracts for Difference (CfD)-type support, signals a move from pure capacity growth toward integration and policy stability.

Grid regulation reforms and coalition proposals underline the urgency of addressing congestion and securing long-term clarity, while battery storage moves firmly into the spotlight with landmark agreements and large-scale projects. Despite political uncertainty, the overall direction remains intact: a transition increasingly defined by system value, reliability and affordability.

SDE++ oversubscription signals evolving support landscape

The 2025 SDE++ round confirms continued investment appetite but also exposes growing pressure on the existing subsidy framework. Applications totalled nearly €22 billion against an available budget of €8 billion (Energeia), making the scheme heavily oversubscribed. Most claims originated from CO_2 capture and storage and molecule-based technologies such as green gas and hydrogen, while electricity generation formed the smallest category. Wind projects accounted for ten applications with a total subsidy claim of €238 million, and solar projects for €498 million. This marks a further shift away from wind and solar dominating SDE++ demand, reflecting its greater exposure to negative market prices and system-related costs, which in return can be partially resolved with hybrid systems.

Oversubscription also highlights structural challenges for projects relying on electrification and electricity-based solutions. In response, the government is considering adjustments to subsidy levels to reflect rising and unpredictable electricity network tariffs, which increasingly affects project economics, but remain outside developers' control. Meanwhile, two-way Contracts for Difference (CfD) feature prominently in policy discussions as a potential evolution beyond 2026 (Rijksoverheid). While the 2026 SDE++ budget remains €8 billion, the period towards 2027 is shaping up as a transition phase, with support mechanisms being reconsidered to address electricity market volatility, network costs and the role of renewable generation within the broader energy system.

Provisional agreement sets direction for future network tariff regulation

Dutch grid operators, user associations and regulator ACM (the Dutch Authority for Consumers and Markets) have reached a provisional agreement on the network tariff regulation framework for the 2027-2031, marking an important step toward more certainty in system regulation during the energy transition. The agreement aims to avoid past disputes over tariff methodologies by combining more investment flexibility for grid operators with targeted efficiency oversight and stronger user involvement in planning. Measures such as spreading post-calculations cost corrections over multiple years are intended to smooth tariff developments and improve predictability for users of the electricity and gas networks.

At the same time, sector representatives have stressed that the current outcome should be seen as an agreement on main principles rather than a fully finalised deal. Key elements, including the precise role of user participation in investment planning, the conditions under which a potential feed-in tariff could be introduced, and the accompanying assessment by the ACM, are still being worked out. Both the regulator and industry organisations have indicated confidence that these details can be resolved in the first quarter of 2026s. A definitive method decision is expected from the ACM in early 2026, after which annual network tariffs for the 2027-2031 period can be set under the new framework.

Battery storage: landmark agreements and project progress underline sector momentum

The Dutch battery energy storage system (BESS) market is gaining scale, driven by two major developments in H2.

- GIGA Storage and Vattenfall signed the largest tolling agreement to date for a standalone BESS in the Benelux (Vattenfall): a 100 MW contract for project Leopard in Delfzijl, which will ultimately deliver 300 MW / 1,200 MWh of capacity. The deal secures long-term fixed revenues and highlights the growing role of structured contracts in improving predictability for large-scale storage assets. Leopard, which reached financial close in mid-2025 and is under construction, also pioneered the use of Time-Duration-based Transport Rights (TDTR) with TenneT, highlighting how alternative grid-access models are enabling deployment despite grid congestion.

- Green Energy Storage secured final permits for the 200 MW / 800 MWh Sequoia project in Geertruidenberg (Solar Magazine). While financing is still in progress, commissioning is targeted for late 2027. Sequoia has been designated as a congestion-relief project and combines priority grid treatment with TDTR access, reinforcing the trend toward batteries as structural system assets rather than transitional solutions.

These milestones illustrate accelerating scale-up, keeping the focus on financing, developing and clear long-term policies implementation.

Coalition discussions signal stability in energy policy direction

Possible coalition partners D66 and CDA published their proposed policy plan (Tweede Kamer) for a new cabinet which suggest a renewed emphasis on policy stability, energy security and affordability, while explicitly acknowledging the structural challenges facing the Dutch energy system. Although these policies are not yet binding, they point to broad continuity with existing transition goals, combined with a stronger focus on system integration. Offshore wind remains a core pillar, with CfD considered as a possible support mechanism. At the same time, renewable electricity is increasingly viewed in the context of grid capacity, demand alignment and industrial electrification, rather than as standalone capacity growth.

The proposals further underline the urgency of addressing grid congestion through faster permitting, targeted crisis legislation and improved use of existing capacity, including flexibility instruments, which implicitly strengthens the system role of storage and demand-side solutions. At the same time, proposals to extend the SDE++ beyond 2030, explore CfD-type support mechanisms and introduce a capacity market reflect an ongoing effort to strengthen long-term investment clarity and safeguard security of supply amid growing power-market volatility. Taken together, these signals suggest that, despite the current political vacuum, the overall direction of travel remains broadly intact. Future policy is likely to place greater weight on system value, reliability and affordability alongside continued renewable deployment.

Caretaker cabinet with a final act before leaving office

Furthermore, the caretaker cabinet has lowered the 2040 offshore wind target from 50 GW to a 30–40 GW range (Rijksoverheid), as set out in the North Sea Wind Energy Infrastructure Plan. As a caretaker decision, it is to be seen if the upcoming coalition further revises this target when setting its own energy policy framework.

The caretaker cabinet also introduced an offshore wind action plan to prevent stagnation in new offshore wind projects, introducing nearly €1 billion in financial support for the construction of 2 GW of new wind farms by 2026 (Rijksoverheid).

Market developments underline sector acceleration and structural demand for flexibility

CBS has expanded its battery statistics to include systems below 1 MWh for the first time, covering fast-growing segments that were previously unquantified. The new dataset reports installed capacity in 2024 for residential batteries (<0.02 MWh) at 400–440 MWh across about 76,000 systems, mid-sized batteries (0.02–1 MWh) at around 300 MWh, and mobile batteries at roughly 250 MWh. Combined with existing data on large-scale systems (600–900 MWh), this broader scope offers a more complete and accurate picture of the Dutch energy storage landscape. Data from Energy Storage NL furthermore shows a BESS pipeline exceeding 3,000 MWh. This trend reinforce storage's evolving role as a core system asset, aligned with coalition priorities on grid relief, demand alignment, and industrial electrification

Futhermore, Statkraft has completed the sale of its Dutch renewables platform to Greenchoice, transferring a 120 MWp operational solar portfolio along with a pipeline of solar, wind and battery projects, and the entire local development team. While Greenchoice will use the platform to expand its Dutch renewable activities, Statkraft will continue its market operations in the Netherlands but scale back its hydrogen projects.

Market outlook

The second half of 2025 marks a shift from rapid capacity growth toward structural integration and stability. Oversubscription of the SDE++ mainly by technologies other than solar and wind underline the need for frameworks that address volatility and grid-related costs. At the same time, progress on tariff regulation for 2027-2031 signals movement toward greater predictability, even as key details remain under discussion.

Flexibility solutions are becoming central to this transition. Battery storage advanced significantly in H2, with landmark developments such as the tolling agreement between GIGA Storage and Vattenfall for 100 MW of the Leopard project and the permitting of the 200 MW Sequoia project. These milestones, combined with alternative grid-access models like time-duration transport rights, illustrate how the market is adapting to congestion and financing challenges. While deployment is accelerating, the sector's ability to scale will depend on streamlined permitting, predictable revenue structures and coherent long-term policy signals.

Looking ahead, coalition proposals suggest continuity in climate ambition but with sharper emphasis on system value, affordability and security of supply. This points to a market increasingly defined by integration, where renewable generation, storage and grid infrastructure evolve together to maintain reliability and unlock further growth.

Wind farm Wieringermeer, Hollands Kroon

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