# Real assets market update

## Second quarter 2026

# Contents

# Dutch economy - update

The Dutch economy softened in Q2 compared with the previous quarter, as increased geopolitical uncertainty and tighter financial conditions weighed on economic activity. The 10-year government bond yield spiked to 3.3% during Q2 before easing back below 3% by quarter-end, returning close to its level at the start of the year. CPI inflation rose to 3.5% in May, marginally above the EU level of 3.3% and interrupting the downward trend observed prior to the conflict, before easing to 2.9% y-o-y in June. GDP is forecast to grow 1% year-on-year in 2026, supported by public expenditure and fixed investment. Quarter-on-quarter growth stood at 0.2% in Q1, above the European average (CBS & Eurostat, 2026). Unemployment edged down by 30 basis points to 3.9%, driven mainly by lower labour force participation rather than stronger employment growth, but still remaining well below the EU average of 6.2%. Sentiment softened over the second quarter, though both indicators improved in June. Consumer confidence recovered to -39 from -46 in May, while producer confidence returned to positive territory at 1.3, up from -2 in May. Household consumption held steady in positive territory at 0.3% year-on-year, easing from the first quarter of 2026.

## Consumer prices
y-o-y inflation (CPI) ↗

**2.9%**

June 2026

2.7% March 2026

## GDP growth
y-o-y real ↘

**1.0%**

FY 2026[1]

1.2% Q1 2026

## Consumer confidence
Average balance ↘

**-39**

June 2026

-30 March 2026

## Unemployment
ILO unemployment rate ↘

**3.9%**

Q2 2026

4.2% Q1 2026

## Private consumption
y-o-y consumer spending ↘

**0.3%**

Q2 2026[1]

1.5% Q1 2026

## Producer confidence
Average balance ↗

**1.3**

June 2026

-0.7 March 2026

1 Full-year forecast

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

# Dutch economy - outlook

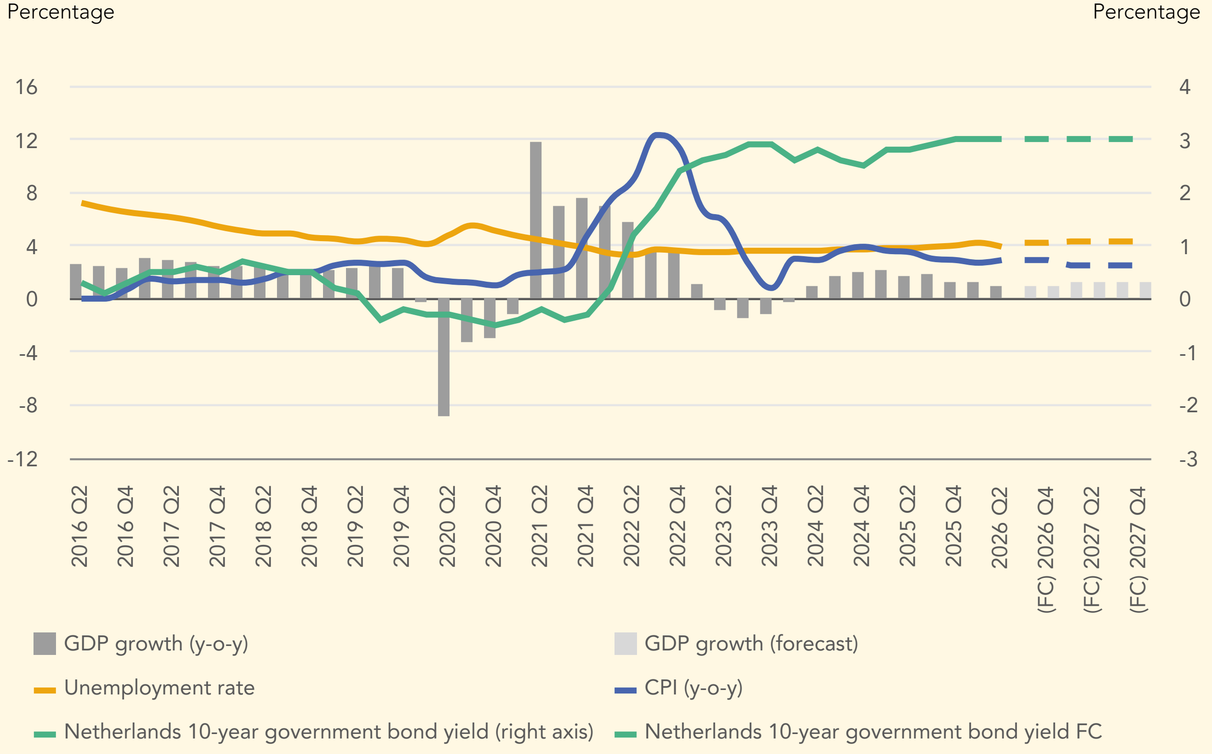
Our baseline scenario remains shaped by geopolitical uncertainty from the Middle East war and the situation in the Strait of Hormuz. At the time of writing, the US and Iran have not reached a final deal. Negotiations remain ongoing, and may be concluded in Q3. Even if a deal is reached, restoring smooth trade through the strait will take months, given the logistical planning and refinery repairs involved. We therefore expect elevated energy prices to persist during the next quarter (Rabobank, 2026).

The economic effects have started to materialise and are expected to become more visible in the next quarter. Higher energy prices have fed through to higher year-on-year inflation, putting pressure on consumer spending and purchasing power despite continued wage growth. Elevated uncertainty may also lead households and firms to postpone investment and discretionary expenditure. That said, with oil prices having eased from the peak reached early in the quarter, a further ECB hike is neither expected nor priced in (Oxford Economics, 2026). The 10-year government yield is expected to stabilise in the coming months, while unemployment should prove resilient, rising towards 4.2%, close to its level at the start of the year and still well below the EU average.

Consequently, the GDP growth forecast has been revised down from 1.2% to 1.0%. The sectors most exposed to this revision are the energy-intensive ones, notably construction, transport and travel, while growth continues to be underpinned by government investment and consumption.

In this environment, real estate has remained resilient, supported by the indexation of its cash flows to CPI. This cash-flow resilience supports the view that real assets continue to provide inflation protection through contractual terms, while yields have remained broadly stable across asset categories despite prevailing market conditions.

**Dutch economic indicators**




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

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# Dutch real asset outlook

## Real asset outlook

### Retail

Improving household consumption, with spending up 1.8% year-on-year in May, supports retail demand despite still weak consumer confidence.

### Residential

Despite slower GDP growth and softer consumer confidence, tight supply and demographic demand continue to keep rental growth above its long-run average.

### Offices

Modest GDP growth and a renewed pick-up in employment support occupier fundamentals, but subdued investment keeps demand selective and quality-driven.

### Science parks

Growing public support for innovation, strategic industries and regional innovation clusters strengthens the long-term outlook for established science park ecosystems.

### Farmland

Dutch farmland values remain supported by scarcity, while increasingly location-specific nitrogen policy is reinforcing differentiation in land market prospects.

### Renewables

Rising infrastructure and flexibility requirements are reshaping the Dutch renewable energy market, reinforcing the strategic value of assets that contribute to system reliability and integration.

**Alternative economic scenario**

Two alternative scenarios can be distinguished. In the more favourable case, negotiations conclude sooner than assumed in the baseline. Shipping through the Strait of Hormuz resumes more quickly, easing upward pressure on prices and allowing the ECB to keep interest rates stable, with scope to accelerate the path of rate cuts and return to target sooner. In this scenario, energy prices would decline earlier, supporting household purchasing power and business confidence, resulting in a stronger recovery in GDP growth.

In the more adverse case, no agreement is reached even in Q3, implying a prolonged closure of the Strait of Hormuz and potentially lasting damage to energy infrastructure and pipelines, which would extend the time needed to restore normal flows once the conflict ends. Inflationary pressure would build further, with possible supply bottlenecks in Europe, particularly for jet fuel. GDP growth would be revised down again, and both consumption and investment would weaken. In this scenario, real assets with long-duration and CPI-linked contractual cash flows would remain relatively well positioned; however, deteriorating economic conditions could put upward pressure on yields.

# Dutch retail market

Dutch retail market fundamentals improved in early 2026, with declining vacancy rates (down to 3.6% overall and below 5% across all segments) and continued retailer demand for shops at prime locations, supporting modest market rental value growth. The improved Dutch retail market fundamentals are underpinning renewed investor interest, reflected in rising liquidity and 28% year-on-year investment growth. Nevertheless, in general the recovery of the investment market remains fragile, as geopolitical tensions elevate inflation and an ECB rate hike (+25 bps) continue to increase financing costs despite easing bond yields.

## Retail turnover growth remains positive despite geopolitical impact

Despite low consumer confidence, elevated inflation and geopolitical unrest, retail turnover volume growth remained positive (+0.6%) in Q1 2026, matching the growth rate in Q1 2025. Food specialty shops are amongst the sectors affected (-3.6%), as cost-conscious consumers turn to supermarkets (+0.8%) that have more flexibility to offer much sought after budget groceries. Non-food remained positive (+2.0%). Consumer electronics (+6.7%) and footwear (+6.8%) performed well, whereas clothing had a notable dip (-0.8%). Interestingly, after several quarters of decline online, clothing turnover had a sharp uptick (+7.9%, in euros). This shows that omni-channel retailers remain best equipped to cater to contemporary consumer demand. Most recent (June) data suggests Dutch consumer confidence is improving. Lower oil prices and continuing negotiation between Iran and the US in June contributed to this, and could support consumer spending in Q2.

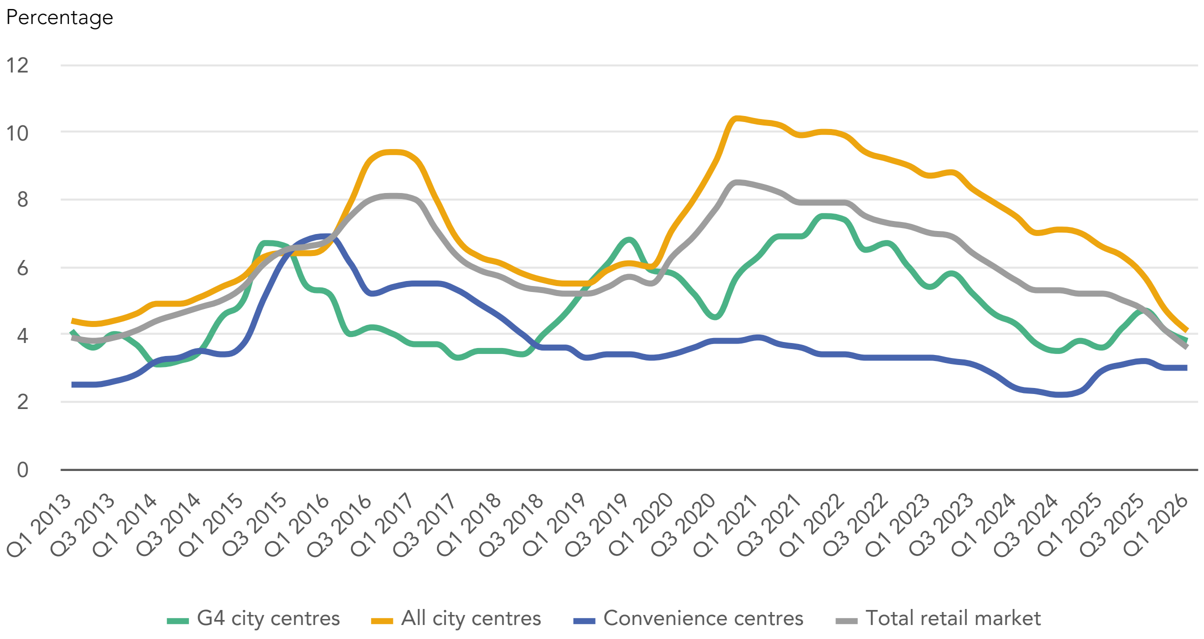
## Occupier demand broadens

Discounters, Scandinavian, Spanish and Japanese retail concepts have opened new outlets in Dutch city centres. This has increased competition for retail units on primary streets. The G-4 remains popular, while retailer appetite for Eindhoven has increased noticeably, driven by the economic and demographic growth from the tech sector in Eindhoven. Since May, some expanding occupiers have adopted a more wait-and-see attitude as the effects of lower consumer purchasing power have yet to manifest. Market competition for Dutch supermarket share/locations has been intense in recent years. New locations with a strong catchment area are still popular and much sought after by supermarket brands. Meanwhile, intense competition and higher costs have resulted in supermarket brands closing down unprofitable, mostly smaller, outlets.

## Sharp decline in financial vacancy rates

Ongoing letting and reletting has led to a further decline in financial vacancies. All segments have vacancy levels below 5%, indicating a healthy balance between demand for and supply of real estate. Total retail vacancy showed a sharp q-o-q decline in Q1 2026 (3.6%), moving from 4.1% in Q4 2025. The convenience vacancy rate remained low and declined to 3.0% in Q1 2026. On average, institutional investors (the majority of the MSCI benchmark) are less exposed to convenience or supermarket assets than private investors. Underlying city centre segments were responsible for most of the decline, with G-4 city centres recording the lowest vacancy rate (3.8%). Polarisation is still however visible. Competition for retail units on primary streets is increasing, whereas illiquid retail units (too small or too large) on secondary and tertiary streets can still be vulnerable. Interestingly, rental contracts are increasingly including a base rental level and a turnover-related component. This makes it more challenging to value retail assets, as valuers require two of three years of turnover track record before discounting all or part of the turnover component.

**Financial vacancy rates**[1]

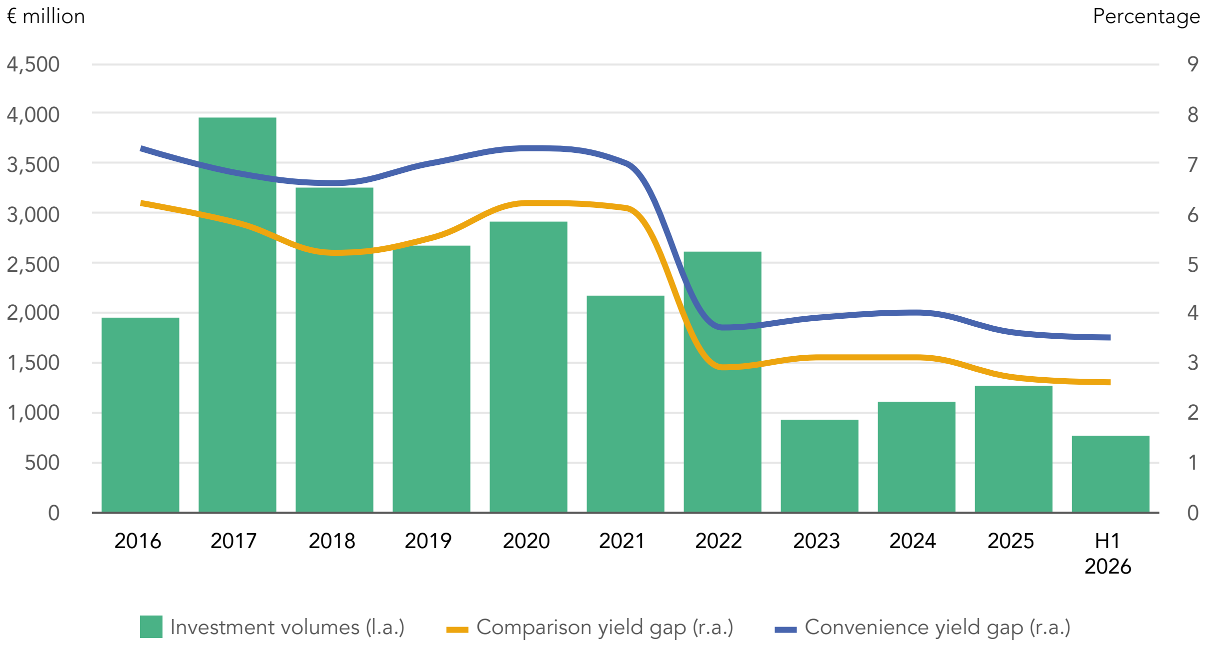



Source: MSCI, a.s.r. real assets, 2026

## Geopolitical impact hinders recovery in the investment market

The Pulse portfolio deal was another sign of a gradual rise in liquidity in the investment market. The deal encompassed 7 Dutch convenience centres and is one of the bigger deals in recent years, and demonstrates both the popularity of convenience centres and growing interest from institutional-oriented asset managers. This pushed up y-o-y investment volume growth to 15% in H1 2026 (RCA, 2026). Another encouraging sign comes from the most recent development in market interest rates. The coupon on 10-year Dutch bonds has fallen below the 3% level at the end of June, after moving between 3.0% and 3.3% since March. Investors were demanding a higher risk premium due to the geopolitical turmoil, and now see less risk than they did in mid-May. Nonetheless, the ECB felt obliged to increase its interest rate by 25 bps to temper the rise in inflation caused by the situation around the strait of Hormuz. This has increased the financing costs for real estate deals and poses another challenge for the investment market.

**Retail segment yield gaps and retail investment volume**[2]




Source: MSCI, RCA, ECB, 2026

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

# Market outlook

## Retail demand holds up selectively

The latest macroeconomic and consumer indicators show cautious optimism, but very much still depends on the negotiations between Iran and the US. In the meantime and for now, energy prices have eased. But generally elevated inflation is proving to be a challenge for both consumers and retailers. We expect expanding retailers to remain cautiously optimistic, as consumer spending growth forecasts remain positive and growing shortages on primary retail streets are forcing retailers to act fast. Overall, we expect market rental value growth for high street retail to stay positive, but pressured by geopolitical headwinds. Convenience retail performs well during crises, but elevated inflation could worsen the problems Dutch off-pitch supermarkets are facing in the competitive supermarket structure. Competition for convenience retail locations with a strong catchment area will however remain intense.

## Decreased risk premia could reignite investment market

Financial markets risk premiums eased in June, and did not overreact to the expected ECB interest-rate increase. This was a relief from a pricing perspective, with yield gaps growing slightly. Historically however, this gap is still low and the ECB interest-rate increase still has to be absorbed by the economy and the finance market. Further action from the ECB might be necessary if inflation remains high. We expect a continued and gradual recovery in investment volume if ECB action remains limited to the latest increase. Risk-adjusted returns from retail real estate are still favourable, especially because of their relatively low volatility. Moreover, after many years of headwinds, pockets of occupier shortage are emerging that are supporting market rental value growth and more stable direct returns after reletting.


**Oudegracht 149-151,** Utrecht

# Dutch residential market

In the first part of 2026, the Dutch residential market delivered a robust performance. Capital returns improved, largely as a result of changes in transfer tax regulations, while income returns and yields remained stable. The residential market continued to exhibit the trends observed earlier in the year. Rental value growth remained significantly above its long-term average, underpinned by persistent supply constraints and a relatively low number of rental transactions. The owner-occupied market remained resilient, with moderate house price growth accompanied by softer transaction volume.

## Residential investment market

### Residential total return accelerates to 3.7% in Q1 2026, but transfer-tax cut flatters capital growth

Total return rose to 3.7% in Q1 2026, up from 2.0% in the previous quarter, lifting the annual total return to 11.3%, one percentage point higher than in Q4 2025 (MSCI, 2026). The acceleration was driven entirely by capital growth, which reached 3.0% q-o-q, its strongest reading in five quarters, taking annual growth to 7.9%. Income return held steady at 0.8%, in line with the previous quarter and its long-term average.

A significant part of this quarter's capital growth reflects a one-off valuation effect rather than underlying market movement: the reduction in the investor transfer tax rate from 10.4% to 8% from 1 January 2026 lowered purchase costs, prompting valuers to apply a smaller deduction and thereby raising net capital values. Excluding this one-off valuation effect, underlying capital growth remained broadly in line with recent quarters. Supported by strengthening market fundamentals market rental value growth rose to 2.4% q-o-q, one of the highest in the index's history.

Across subsectors, single-family marginally outperformed multi-family on all metrics, as in the previous quarter. Single-family delivered an annual total return of 11.8% against 11.1% for multi-family, supported by capital growth of 8.3% versus 7.8%. Annual income returns were stable and broadly aligned across the two segments, at 3.2% for single-family and 3.1% for multi-family.

### Market rental value growth reaches an 18-month high

Market rental value growth reached 2.4% q-o-q in Q1 2026, taking annual growth to 8.0%, well above the ten-year average of 4.7% and 50% higher than in the previous quarter (MSCI, 2026). The acceleration reflects a combination of constrained supply, continuing sales of rental stock and a lagging new-build pipeline. At subsector level, single-family again outpaced multi-family with annual market rental value growth of 9.0% against 7.7%, underpinned by comparatively scarcity in the single-family pipeline.

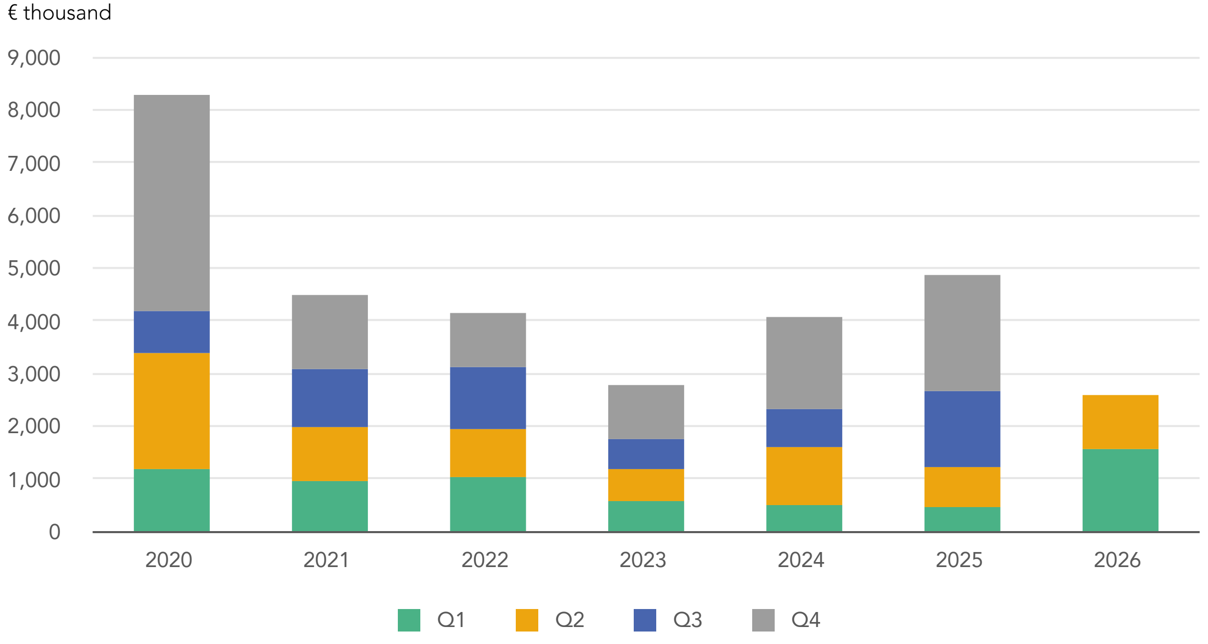
### Yields show stability

Reversionary yields held at 4.8% for a sixth consecutive quarter, while the net initial yield declined by around 10 bps to 3.1% versus the previous quarter (MSCI, 2026). The flat gross yield alongside a lower net yield reflects the transfer tax cut rather than any underlying repricing.

### Investment volume remains solid

2026 opened with strong momentum, recording €1.55 billion in transactions, the highest first quarter volume since Q1 2020. This eased in the second quarter, with volume expected to reach €1.05 billion, but still expected to end up higher than in Q2 2025. Capital continues to come predominantly from domestic investors, while international investors remain cautious given the current regulatory and fiscal environment. The largest transaction was the acquisition of the Vonderkwartier in Eindhoven by CBRE IM and ABP (MSCI RCA, 2026).

**Quarterly investment volumes**




Source: MSCI RCA, 2026

# Owner-occupied market

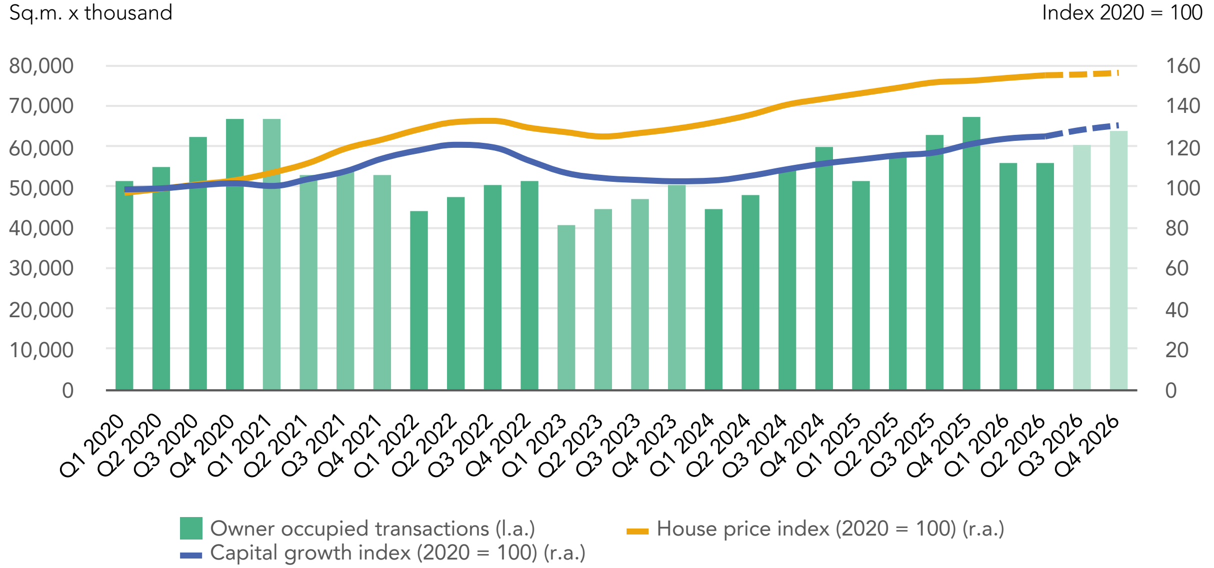
## Price growth follows the trend set at the start of the year

House price growth remained positive but continued to slow. After stalling in April, prices rose again in May, when existing owner-occupied homes were 4.4% more expensive than a year earlier, up 0.6% month-on-month. The average transaction price reached €487,383, approaching the half-million mark (Statistics Netherlands, 2026).

## Owner-occupied transaction volume remains at Q1 level

Residential transaction volume fell by 16.8% quarter-on-quarter in Q1. Market activity showed a modest recovery in April, with transactions reaching 19,454, an increase of 0.4% compared with March. Transaction activity however softened again in May, declining by 1.7% to a total of 19,120 registered transactions (CBS, 2026).

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




Source: MSCI, 2026, Statistics Netherlands, 2026

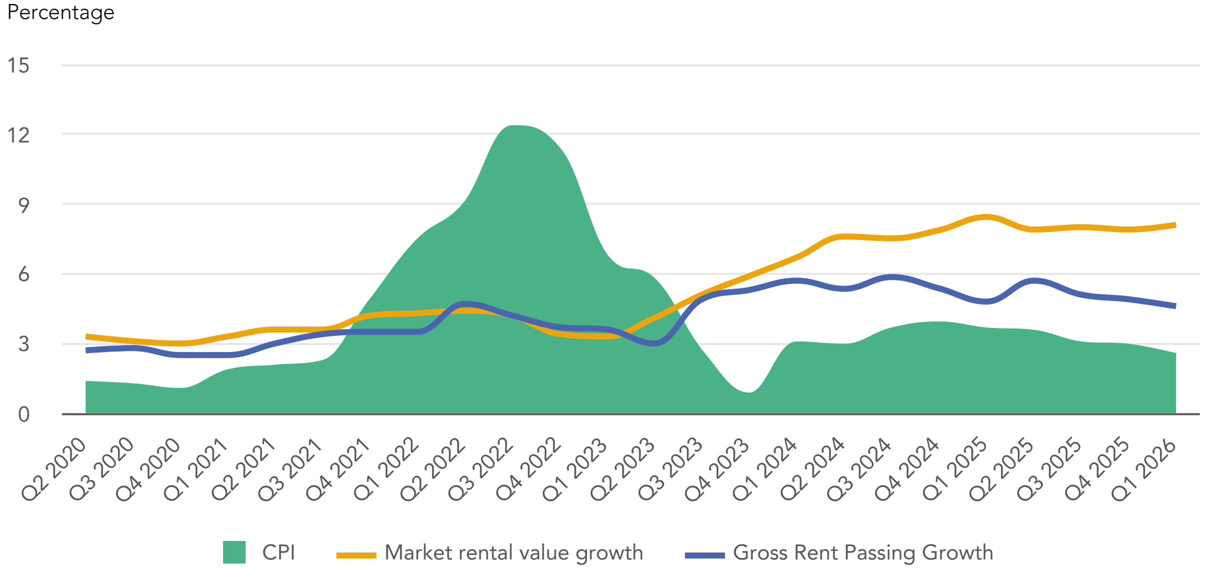
**Owner-occupied and residential investment market indicators**

| Owner-occupied | Q2 2026 q-o-q | Q2 2026 y-o-y |
|---|---|---|
| House price growth | 0.6% | 4.4% |
| Transaction volume growth | (1.7%) | (2.9%) |

| Rental | Q1 2026 q-o-q | Q1 2026 y-o-y | | |
|---|---|---|---|---|
| | Total | Single-family homes | Apartments | Total |
| Total return | 3.7% | 11.8% | 11.1% | 11.3% |
| Capital growth | 3.0% | 8.3% | 7.8% | 7.9% |
| Income return | 0.8% | 3.2% | 3.1% | 3.1% |
| Market rental value growth | 2.4% | 9.0% | 7.7% | 8.1% |

Source: MSCI, 2026, Statistics Netherlands, 2026

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




Source: MSCI, 2026, Statistics Netherlands, 2026

# Rental market

## Scarcity continues to shape rental market dynamics

The free-sector rental market remained structurally tight in Q1 2026. The number of rental transactions stayed historically low at around 2,900, as shrinking supply of rental homes, driven by private investors selling to the owner-occupied market due to stricter regulation, a higher tax burden and falling returns continued to weigh on the market (NVM, 2026). Rather than causing prices to ease, this scarcity pushed up rents further: the average free-sector rent rose to €19.17 per m² in Q1 2026, up 5.7% on the previous quarter and 12.8% year-on-year. With supply expected to contract further, NVM anticipates still fewer transactions and continued rental growth in the quarters ahead.

## Reversionary potential continues to increase

The spread between market rents and gross passing rents widened further, and now sits above its historical average of 100 bps, as the limited annual indexation applied to sitting tenants lags the faster pace of open-market rental growth. The resulting reversionary potential can be captured on mutation, though the pace of realisation remains constrained by low tenant turnover and the rent caps under the Affordable Rent Act.

# Market outlook

## Residential investment market: domestic capital continues to underpin investment activity

Investment activity is expected to remain solid through the remainder of 2026, supported by the momentum built in Q4 2025 and Q1 2026. The investor base is rebalancing rather than retreating: the Vesteda redemptions reflect pension funds trimming overweight positions after strong value growth rather than a withdrawal from Dutch residential, as confirmed by the large-scale institutional commitments to new-build already executed this year. International capital remains the structural weak point, accounting for just 1.5% of Q1 2026 transaction volume against a long-term average of 26% (Capital Value, 2026), a consequence of the particularly challenging investment climate for international capital. With foreign capital structurally diminished and reinstatement ruled out, pricing and liquidity now hinge on domestic sentiment, leaving the market more exposed to shifts in local appetite. The minister's assessment of the mid-rental investment climate, due in Q2 2026, may bring incremental improvements but is unlikely to alter this dependence near term.

Core yields are expected to remain stable. The gross reversionary yield has held flat at 4.8% for six consecutive quarters, indicating a higher-rate environment is already priced in, with little further compression likely given the still-tight spread to government bonds. Value growth will therefore be driven by rental growth and indexation rather than capital re-rating, favouring prime, strong-ESG assets while non-compliant stock increasingly requires value-add pricing to transact.

The defining development of the quarter was monetary. The ECB raised its key rates by 25 basis points on 11 June 2026 in response to inflationary pressure from the war in the Middle East, lifting the deposit facility rate to 2.25% with its first increase since September 2023. The residential market looks relatively well positioned to absorb the move given the tight yield spread, with continued strong rental growth forecast.

## Rental market: structural supply shortages continue to support rental growth

The free-sector rental market is expected to remain under acute supply pressure. The expiry of all remaining temporary contracts by July 2026 will likely trigger a further wave of sell-offs, compounding the structural contraction already visible in the data: volume fell to a historically low ~2,900 in Q1 2026, even as average free-sector rents rose to €19.17 per m², up 12.8% year-on-year (NVM/VGM-NL, 2026).

This combination of shrinking supply and rising rents is the defining feature of the market and is expected to persist and continue to underpin the sector's long-term investment fundamentals.
One distinction matters for the outlook: realised rents on new lettings are rising in double digits, while in-place increases are capped by regulation (4.4% in the free sector, 6.1% in mid-rental). The gap between contractual and market rents will therefore continue to widen, particularly in the major cities, sustaining strong reversionary potential for existing portfolios

## Owner-occupier market: price growth continues to normalise

House price growth is forecast to moderate further towards 3.5% in 2026, down from the high-single-digit pace of 2025 (Rabobank, ABN AMRO, ING, DNB, 2026). The most recent data are consistent with this trajectory: quarterly growth slowed to 1.0% in Q1 2026, with annual growth easing to 5.2% and the April–May figures pointing to a further deceleration towards 4.4%. Transaction volume is expected to soften modestly year-on-year, with full-year estimates ranging from 229,000 to 245,000 depending on the path of mortgage rates and affordability.

# Dutch office market

The Dutch office market continues to move toward a more stable equilibrium, while underlying dynamics remain uneven. The overall macro backdrop results in a market characterized by cautious occupier behaviour and selective investor activity. While overall conditions are stabilizing, the divergence between prime and non-prime assets continues to deepen, reinforcing the structural trend of market polarization.

## Take-up shows growth compared to last year

Leasing activity improved moderately in the first quarter of 2026, reaching approximately 215,000 sq.m. (JLL), marking a recovery compared to the same period last year. However, this improvement should be viewed in the context of a structurally lower demand compared to pre-2022 levels.

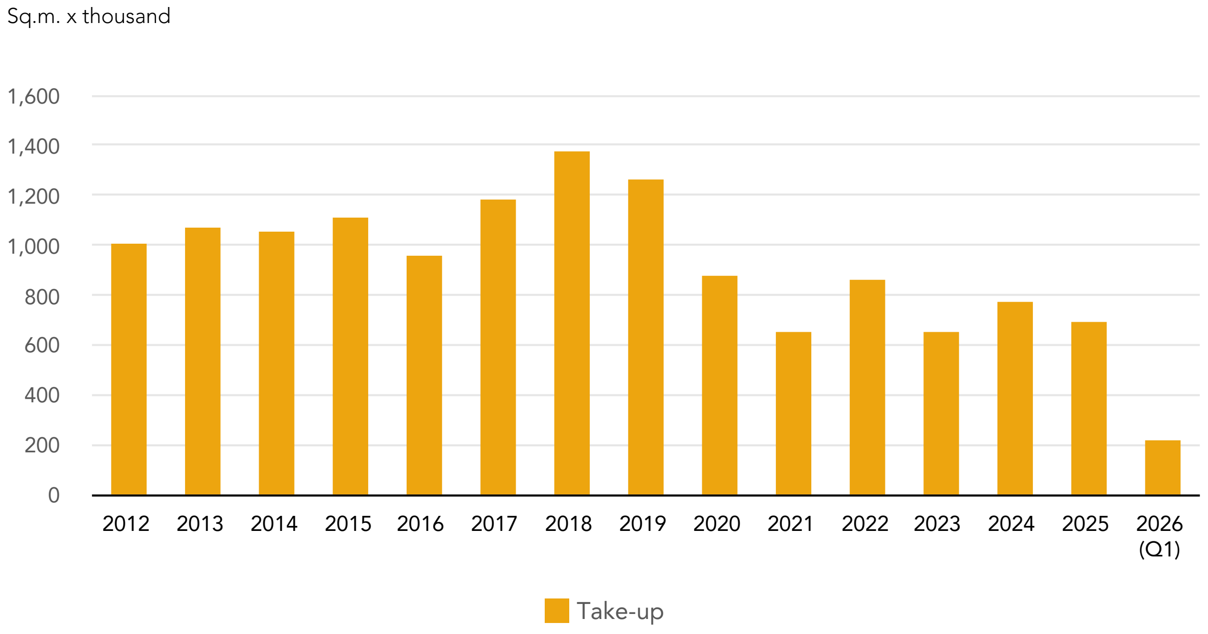
Demand remains strongly concentrated in the higher-quality segment. Grade A office space accounted for approximately 72% of total take-up, while activity is increasingly focused in CBD locations and core office markets (JLL). Transaction dynamics also continue to reflect occupier caution, with longer decision-making processes and a relatively high share of lease renewals versus relocations.

## Vacancy rates continue to tell the story of polarisation

Vacancy trends remain increasingly fragmented across locations and asset quality. While overall vacancy has risen in some markets, this does not necessarily reflect weakening occupier demand. In Amsterdam, vacancy increased to approximately 11.1% (CBRE, 2026), but this is largely driven by the delivery of newly developed and refurbished office space entering the market as opposed to weakening demand. This is reflected by the rest of the G5, where vacancy has been declining for most of the cities, with all remaining at a tight to healthy spread of 4.5%-7% (CBRE, 2026).

More fundamentally, vacancy is becoming increasingly concentrated in lower-quality assets. Demand continues to focus on sustainable, well-connected and high-quality office buildings, while secondary stock faces growing challenges in attracting occupiers. This widening disparity between prime and non-prime assets provides further evidence of the ongoing polarisation of the Dutch office market.

**Take-up of Dutch office space (x 1,000 sq.m.)**




Source: CBRE ERIX, JLL, 2026

## Rent levels remain broadly stable

Rental growth remains supported by sustained demand for prime, high-quality office space. Average realized rents increased to approximately €220 per sq.m., while prime rents remain around €600 per sq.m., this gap continues to illustrate the gap between demand for different segments as average rental growth struggles to keep up with prime rent growth.

Most occupiers continue to focus on sustainable, well-connected and high-quality office buildings. As a result, rental growth is becoming increasingly concentrated in the best-performing locations and assets, while lower-quality stock faces growing competitive pressure.

## Investment activity improved

Investor activity accelerated sharply in Q1 2026, where the office market also showed clear momentum, with volumes rising by 69% year-on-year to €510 million (CBRE), compared with approximately €302 million in Q1 2025.

Recent transactions show continued interest in well-located office assets with stable occupier demand or clear ESG characteristics. The Rijksvastgoedbedrijf acquired the Zilveren Toren in The Hague for €109.9 million, while CORUM acquired the fully let Malietoren next to Den Haag Centraal for €46.75 million. Outside the G4, Hanze in Zwolle was sold for €29.1 million, supported by its station location, strong sustainability profile and low vacancy. Queens House in The Hague was acquired by Inovalis UK for €12.4 million, reflecting demand for smaller, fully let assets with solid ESG credentials and income improvement potential.

## Prime office yields remained broadly stable in early 2026

Market evidence remains elusive resulting in valuation led yield movements. JLL reports stable prime net initial yields at around 4.75%, with CBRE having arrived at the same level after a series of gradual adjustments over recent quarters.  The transaction evidence, especially in the core segment, remains selective rather than broad-based, and capital is primarily focused on well-located assets with room for income improvements, ESG credentials and clear long-term occupier relevance. As a result, pricing appears to be stabilising, but still remaining above pre-2022 levels.

## Research highlight – Polarisation in the Dutch office market

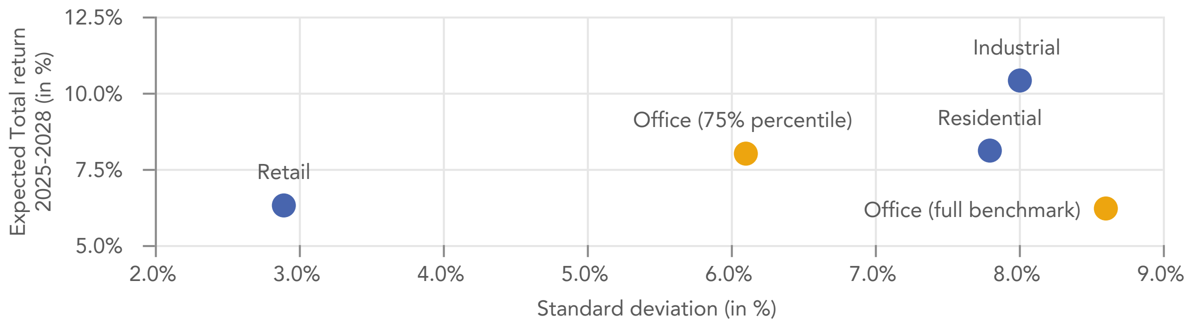
The first out of three papers highlights how increasing polarisation is reshaping the Dutch office market, with a growing performance gap between top-tier assets and the broader benchmark. The best-performing quartile has consistently delivered higher returns at lower volatility, resulting in structurally stronger risk-adjusted performance.

This divergence suggests that traditional benchmark-driven allocations may underestimate the true potential of the Dutch office sector. Instead, outcomes are increasingly driven by selective exposure within the market, rather than broad sector allocation. The key takeaways from the paper are:

- Prioritizing risk-adjusted returns is key to building a resilient strategic asset allocation.
- The historical risk/return spread between the Dutch office benchmark and the top-performing quartile is significant – and growing.
- The continued divergence in office market performance presents an opportunity for thoughtful strategic asset allocation

The full article can be read here.

**Risk vs. expected total return Dutch real estate sectors (2025-2028)**




Source: MSCI & a.s.r. real estate, 2024

# Market outlook

**The outlook for the Dutch office market is defined by stabilisation rather than broad-based growth. Leasing activity is expected to recover gradually, but demand will remain concentrated in high-quality, sustainable and well-connected office space, particularly in CBD and intercity locations.**

Limited availability of prime space and a constrained development pipeline are expected to continue supporting rental growth at the top end of the market, while lower-quality assets face ongoing pressure on occupancy and pricing.

For investors, at the halfway mark of 2026, the broader investment market continues to show signs of recovery. According to CBRE, total Dutch investment volume increased from €11.3 billion in 2024 to €13.1 billion in 2025 and is projected to rise further to €14.3 billion in 2026. Office investment is also expected to increase, with CBRE projecting growth of 27% for the sector. This points to improving investor confidence and a gradual recovery in market liquidity, although activity remains selective and focused on assets with strong underlying fundamentals.

Yield movements are expected to remain modest. JLL reports stable prime office yields, while CBRE expects gradual compression for prime assets toward 2029. At the same time, the yield gap between prime offices and government bonds remains relatively tight, limiting the scope for strong capital value growth based purely on yield compression. This will likely continue into the near future as ECB rates and government bond yields are projected to remain higher for longer. As a result, near-term value growth is likely to be driven mainly by rental growth, indexation and asset-specific income improvements rather than a broad market repricing.

Overall, the Dutch office market is expected to remain highly polarised. Prime assets in scarce, well-connected locations are likely to benefit from rental growth and improving liquidity, while secondary assets will remain more dependent on repositioning, ESG upgrades or alternative-use strategies to preserve value.

**The CubeHouse,** Amsterdam

# Dutch science park real estate market

In the second quarter of 2026, the Dutch science park market continued to benefit from an increasingly stable macroeconomic and financing environment. While economic growth remains moderate and geopolitical uncertainty continues to influence investor sentiment, market conditions have become somewhat more predictable compared to the volatility seen in 2022 and 2023. Interest rates remained broadly stable during the quarter, supporting a gradual recovery in investment activity across real estate and venture capital markets. Within this environment, science parks continue to demonstrate resilience, supported by structural demand from R&D-intensive sectors, strong innovation ecosystems and growing national and European interest in technological sovereignty, deep tech and strategic industries.

## Science park yields stable for fourth consecutive quarter

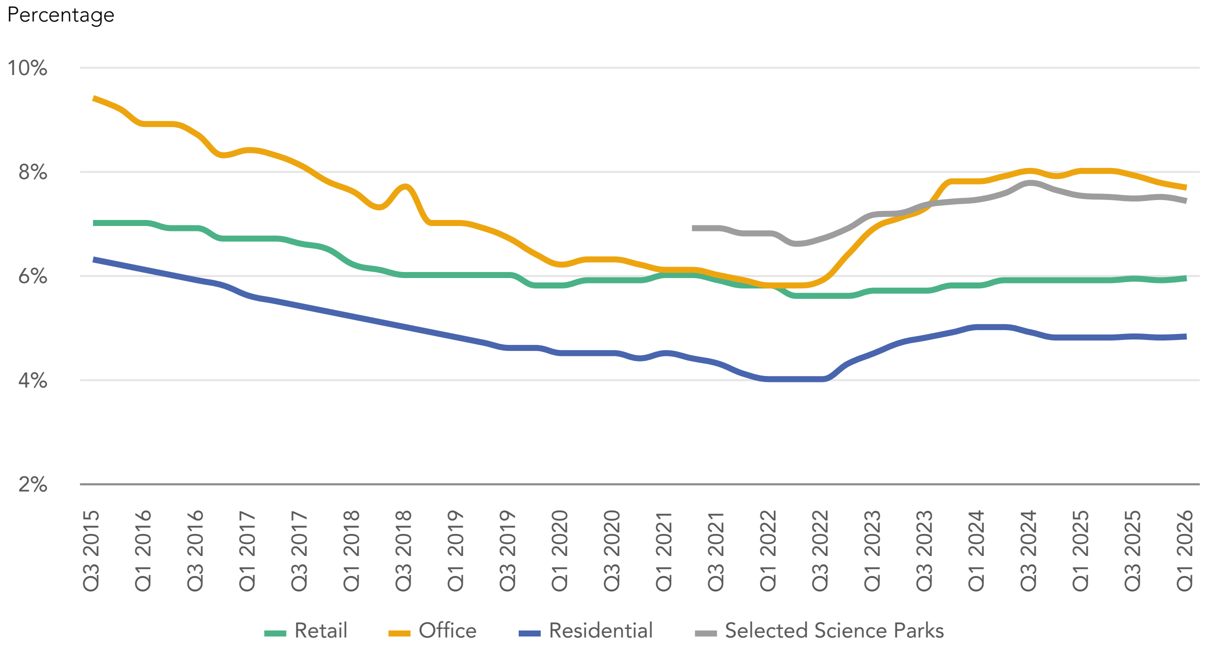
Science park yields remained broadly stable in Q1 2026, extending the period of limited movement that has characterised the segment since mid-2024. While the spread versus offices narrowed slightly as gross reversionary office yields in the MSCI benchmark moved modestly lower, science parks continue to see yields below the wider office benchmark (MSCI, 2026). This suggests that investors and valuers continue to assign a premium to the segment, supported by resilient occupier demand, specialised real estate characteristics and strong ecosystem fundamentals.

## Investment activity remains limited in science parks

The wider Dutch investment market showed further signs of recovery in early 2026. Investment volumes increased significantly compared to the same period last year, although investor activity remains concentrated in high-quality assets with strong fundamentals and clear long-term demand drivers (MSCI RCA, CBRE, 2026).

For science parks, liquidity has improved modestly in recent times, but the market remains selective. With the second quarter of 2026 showing no large transactions. However, the first quarter of 2026 and later stages of 2025 showed investor interest continuing to focus on assets located within established ecosystems, particularly those linked to life sciences and deep-tech activities. Secondary locations and less specialised buildings continue to attract a narrower investor base and longer transaction processes.

**Gross reversionary yields Retail, Office, Residential and Science parks**




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

## Venture capital and deep tech funding continue to strengthen

The Dutch innovation ecosystem remained supportive during the quarter. Following €2.7 billion of venture capital investment in 2025, Dealroom projects Dutch venture capital funding to reach approximately €3.3 billion in 2026, representing growth of around 19% year-on-year (Dealroom, 2026). The Netherlands has also increased its share of European venture capital funding, reflecting its growing position within the European technology landscape.

A substantial share of recent funding has been directed toward sectors closely linked to science park occupier demand, including AI, semiconductors, life sciences and deep tech (Dealroom, 2026). Several large funding rounds were completed by companies operating from Dutch innovation ecosystems, including Axelera AI in Eindhoven and Leyden Labs in Leiden. At European level, life sciences venture capital continued its recovery, reaching €12.5 billion in 2025 and marking a second consecutive year of growth. Together, these developments continue to support demand for specialised R&D space and reinforce the importance of science parks as locations where innovative companies can scale and collaborate.

## Public support for strategic technologies increases

Public support for the Dutch innovation economy received a significant boost during the quarter through the expansion of the Deep Tech Fonds. The fund, managed by Invest-NL and supported by the Ministry of Economic Affairs, increased from €250 million to €610 million and will continue to invest in strategic technologies such as semiconductors, quantum technology, photonics and advanced materials (Invest-NL, 2026). This reflects a broader policy focus on technological sovereignty, economic resilience and innovation-led growth, while further strengthening the strategic position of science parks as locations where these sectors concentrate.

At the same time, recent research by Golden Egg Check and subsequent Parliamentary discussions highlight that access to capital remains a key bottleneck for many innovative startups, particularly in the earliest stages of development (Golden Egg Check, 2026). While public support for strategic technologies is increasing, founders continue to report challenges in securing sufficient risk capital, with fundraising processes often lengthy and early-stage investment activity lagging leading European ecosystems. For science parks, this underlines the importance of maintaining a healthy innovation pipeline: alongside support for scaling established deep-tech companies, continued access to seed and early-stage funding remains essential to sustain the next generation of science-based ventures and long-term ecosystem growth.

**The European life sciences real estate investment market**


Source: Dealroom, 2026

# Market outlook

The outlook for the Dutch science park market remains cautiously positive. Market conditions have stabilised compared to the volatility of recent years, while improving financing conditions and recovering investment activity are gradually supporting sentiment across the real estate market. Underlying demand for specialised R&D space remains intact, particularly within established innovation ecosystems where proximity to talent, knowledge institutions and specialised facilities continues to provide a competitive advantage.

Short-term uncertainty remains, particularly related to geopolitical developments, energy markets and broader economic conditions. Venture capital markets also remain selective despite improving volumes, with funding increasingly concentrated in larger and more mature companies. Nevertheless, the combination of growing private investment, expanding public support for deep tech and continued emphasis on technological sovereignty creates a supportive backdrop for the segment.

Against this backdrop, the longer-term fundamentals of Dutch science parks remain favourable. National and European policy agendas continue to prioritise innovation, advanced technologies and strategic autonomy, while investors and occupiers remain focused on high-quality ecosystems capable of supporting long-term growth. For science park operators and investors, ecosystem strength, specialisation and asset quality will remain key differentiators in maintaining occupancy, attracting capital and delivering sustainable value growth.


**TU Delft Campus,** Delft

# Dutch farmland market

Dutch agriculture entered Q2 with policy attention shifting from broad regulatory concepts toward concrete spatial implementation. Government proposals to introduce buffer zones around vulnerable Natura 2000 areas marked a significant step toward geographically differentiated nitrogen policy, increasing the importance of location in determining future production opportunities and farm viability. At the same time, debate surrounding a national land bank highlighted the challenges of intervening in an already tight farmland market, with policymakers expressing concerns that public land purchases could unintentionally accelerate farmland price inflation.

Farmer sentiment remained subdued, with the Agro Confidence Index declining slightly from 5.2 to 4.5 points. Dairy farmers recovered to a positive 7.3 points, arable farmers remained pessimistic at -3.8, while the organic sector continued to outperform with a confidence index of 25.9 points. Despite ongoing uncertainty around regulation, costs and future land use restrictions, farmland markets remained resilient. The 12-month average agricultural land price increased to €98,600 per hectare (WUR), up 11.0% year-on-year, while trading volumes rose modestly to approximately 33,500 hectares.

**Farmland market indicators**

| Market indicator | Current | q-o-q growth | 1-year growth | 3-years growth |
|---|---|---|---|---|
| Export of agricultural goods (in mln) | €30,774 | -0.4% | -5.6% | 2.9% |
| Farmland prices (12m average) | €98,551 | 3.3% | 11.0% | 30.2% |
| Traded volume (12-month, in hectares) | 33,452 | -1.2% | 1.8% | 14.4% |
| | | | | |
| Available farmland (in ha) | 1,798,501 | | 0.0% | -0.3% |
| Number of agriculture farms | 49,460 | | 0.0% | -2.3% |
| Agro confidence indicator (0=neutral) | 4.5 | -0.7 | -6.1 | -2.5 |
| Agro confidence BIO-indicator (0=neutral) | 25.9 | 5.8 | 4.8 | 19.1 |

Source: Statistics Netherlands, Kadaster, Wageningen Economic Research (WER), 2026

## Spatial targeting intensifies nitrogen policy, increasing differentiation in land use prospects.

In Q2, the policy discussion shifted from abstract frameworks toward concrete spatial measures, most notably through proposed buffer zones around Natura 2000 areas. Government plans to introduce zones of up to 1 km around approximately twenty vulnerable nature areas, alongside additional buffer zones of up to 500 metres in surrounding areas, imply significantly stricter emission constraints for farms located within these perimeters, with some required to relocate, scale down or exit altogether.

Scenario analyses suggest that several thousand farms, potentially more than 3,400 depending on the final zoning design, could be affected, covering between roughly 7% and 13% of Dutch agricultural land depending on the final zoning parameters. This marks a decisive move toward geographically differentiated policy, where production possibilities and future earning capacity become increasingly location-dependent. For land markets, this introduces a stronger divergence in perceived value between plots inside and outside designated zones, reinforcing both uncertainty and heterogeneity in pricing, particularly in regions near sensitive nature areas.

## Debate on land policy highlights price sensitivity and scarcity constraints.

At the same time, renewed discussion around the establishment of a national land bank has underscored persistent concerns about government intervention in an already tight land market. Several policymakers and advisory bodies have raised concerns that large-scale public land acquisitions could contribute to further farmland price inflation, complicating both restructuring policy and generational renewal.

This reflects a broader structural tension: while land is increasingly required as a policy instrument, whether for extensification, relocation, or nature restoration, the limited supply and strong private demand continue to constrain active market steering. As in previous quarters, this reinforces farmland's status as a scarce asset, with policy both shaping and, at times, amplifying price dynamics.

## Input cost pressures and EU support measures provide partial relief but limited structural impact.

At the European level, the proposed €540 million support package (European Commission) to compensate farmers for elevated fertiliser costs signals recognition of ongoing margin pressure linked to input price volatility. While such measures may provide short-term liquidity support, they do not fundamentally alter the structural drivers of the Dutch land market, where regulatory constraints and spatial competition remain dominant.

Instead, persistently high input costs, combined with stricter environmental requirements on nutrient use within designated zones, may further incentivise efficiency gains and extensification strategies, indirectly affecting land demand patterns at the farm level.

## Farmer confidence remains subdued as improvement in some sectors contrasts with weak long-term expectations.

Overall sentiment in agriculture declined slightly in the first quarter of 2026. The Agro Confidence Index fell by 0.7 points to 4.5, remaining well below its long-term average. While some sectors showed signs of short-term stabilisation, long-term expectations continue to reflect structural uncertainty around market conditions, costs and regulation.

Confidence among dairy farmers improved compared to the previous quarter, with the confidence index rising to 7.3 points, moving back into positive territory. This recovery was supported by slightly improving milk price expectations. However, current sentiment remains volatile and below historical averages, while long-term expectations stay negative at -5.7 points. Rising manure disposal costs and continued supply growth continue to weigh on the sector's outlook.

Arable farmers remain under pressure, despite a modest uptick in the confidence index to -3.8 points. Current sentiment declined to 5.6 points, indicating a weak but still positive index, while long-term expectations improved slightly but remain deeply negative at -12.3. Persistently low crop prices, oversupply and rising input costs, including fertiliser and diesel, continue to constrain profitability and weigh on future expectations.

The organic sector continues to report significantly stronger confidence levels than conventional farming sectors. Confidence increased significantly, with the index reaching approximately 25.9 points, the highest among all agricultural sectors. Both current sentiment and long-term expectations improved, reflecting sustained policy support, growing market demand and increasing visibility of organic products in retail and public initiatives. Compared to conventional sectors, organic farmers maintain a markedly more positive outlook and stronger confidence in their business trajectory.

The long-term expectations and current sentiment indices together make up the Agro Confidence Index, which is still reflecting significant uncertainty and challenges in the agricultural sector.

**Agro confidence index**

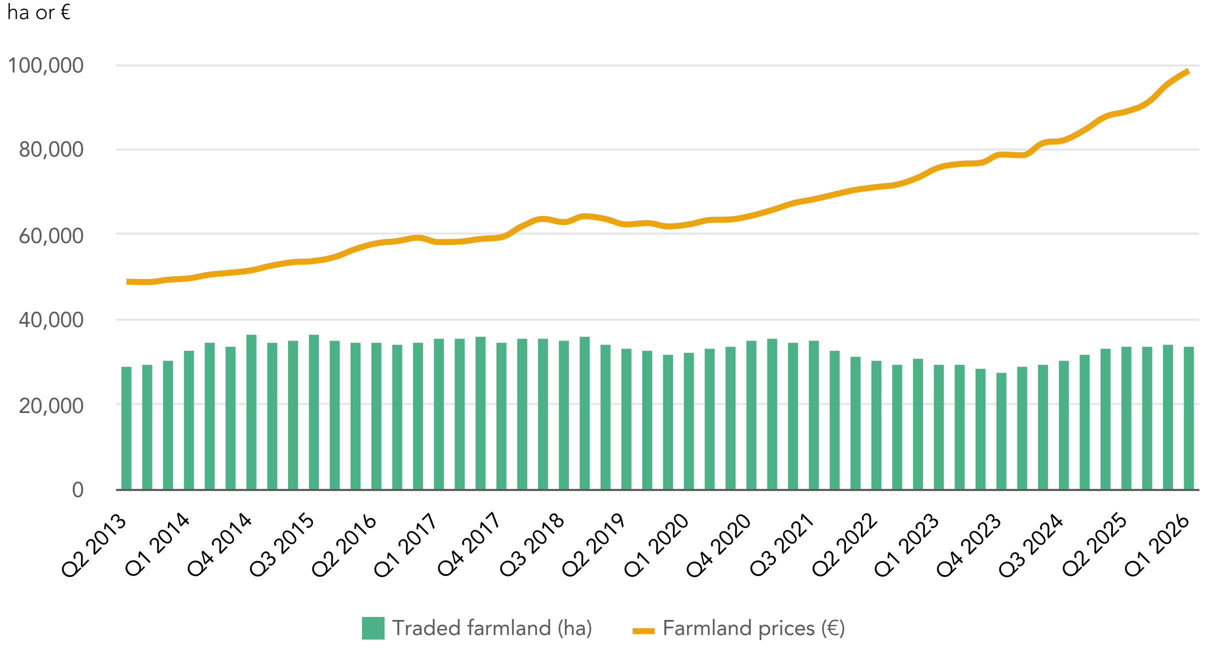

In collaboration with Wageningen Economic Research, a.s.r. real assets introduced a confidence indicator which gives insights in the confidence, mood and outlook of organic and traditional farmers. Full results (in Dutch) are available here.

## In Q1 2026, the average price of agricultural land in the Netherlands amounted to €98,600 (12-month average) per hectare (WUR), 11.0% higher than the Q1 2025 average of €88,800 per hectare

The average price of arable land increased by 7.4% to €108,900 per hectare in the same period. The average price of grassland reached €86,900 per hectare, which is 11.8% above the 12-month average of the first quarter of 2025. Over the past four quarters, approximately 33,500 hectares of agricultural land were traded, an increase of 1.8% compared with 32,900 hectares a year earlier. This shows the lowest increase since Q2 2024, when it was 0.0%.

Relative farmland mobility, which measures traded land against total agricultural farmland, was 1.88%, up from 1.83% in the previous year.

**Farmland prices & traded farmland 2013-2026**




Source: Kadaster, Wageningen Economic Research (WER), 2026

# Market outlook

Dutch farmland demand remains structurally supported by persistent land scarcity, ongoing efficiency gains and a gradual transition toward more sustainable and ground-bounded production systems. At the same time, recent policy proposals indicate a shift from generic national targets toward geographically targeted implementation. Planned buffer zones around vulnerable Natura 2000 areas are expected to increase differentiation in land use opportunities and investment prospects, making location an increasingly important driver of farmland value.

Policy uncertainty remains a central theme. While discussions in previous quarters focused on outcome-based regulation and farm-level flexibility, Q2 developments demonstrate a growing emphasis on spatially explicit measures. Proposed nitrogen zones and potential relocation requirements for farms near sensitive nature areas highlight the increasing importance of regulatory context in land valuation. Until the precise scope of these measures, compensation arrangements and permitting frameworks become clearer, many farmers are likely to remain cautious regarding major expansion and investment decisions.

Land policy continues to face practical constraints. Discussion around the creation of a national land bank has reinforced concerns that large-scale public intervention could further increase farmland prices in an already supply-constrained market. At the same time, land remains a critical policy instrument for extensification, relocation and nature restoration objectives. The combination of limited supply, competing spatial claims and continued private demand is therefore expected to keep upward pressure on values over the medium term.

European environmental regulation and input cost developments will continue to influence operational decisions. The continued phase-out of manure derogation is expected to support demand for additional land among livestock farms seeking to maintain production within increasingly restrictive nutrient application limits. Although recent EU support measures for elevated fertiliser costs may provide temporary relief, they do not materially alter the structural drivers of the Dutch farmland market.

**Ferwent,** Friesland

# Dutch renewable energy market

The Dutch renewable energy market remained structurally supported during the first half of 2026, underpinned by ongoing renewable deployment, continued electrification and long-term decarbonisation objectives. At the same time, market attention increasingly shifted towards the infrastructure, market frameworks and flexibility required to support a more electrified energy system. Grid congestion, rising network investment requirements and concerns around security of supply moved higher up both the policy and investment agenda.

These developments highlight how the focus of the energy transition is gradually broadening. Alongside renewable deployment, increasing attention is being paid to the infrastructure, flexibility and market design required to support a reliable, affordable and resilient energy system. This is reflected in the continued development of the Contracts for Difference (CfD) framework, which is intended to provide greater long-term revenue certainty for renewable projects, alongside discussions on capacity markets, infrastructure financing and battery storage. Together, these trends point towards a more integrated and system-oriented market environment.

## Market design and investment frameworks gain importance

As the Dutch renewable energy market continues to evolve, policymakers are increasingly focused on ensuring that renewable investments remain viable within a more complex electricity system. Security of supply, system integration and investment certainty have become key themes, reflecting the growing need to balance renewable deployment with affordability, reliability and long-term system resilience. This increasing focus has been reinforced by renewed geopolitical tensions and conflicts in the Middle East during H1 2026, which contributed to significant volatility in gas and electricity prices. Although prices eased towards the end of the half year, the period highlighted Europe's continued exposure to external energy shocks and renewed attention to the strategic importance of domestic energy production, flexibility and resilient infrastructure

A notable development during H1 2026 was the government's decision to introduce a central capacity market. Following TenneT's warning that adequacy risks could emerge from 2030 onwards, the cabinet selected a technology-neutral mechanism that will allow generators, batteries and demand-side flexibility providers to participate. Under this mechanism, eligible assets will receive a payment for being available during periods of system stress, rather than earning revenues solely from electricity sales. The objective is to ensure sufficient flexible and dispatchable capacity remains available as increasing shares of wind and solar generation reduce the operating hours and revenues of conventional generation assets. Unlike the current energy-only market, participants will be compensated for making capacity available when needed rather than solely for the electricity they generate. This is intended to support investment in flexible and dispatchable assets that may operate less frequently as renewable generation expands, but remain essential for maintaining security of supply during periods of low wind and solar output. The first auctions are expected in 2028 for delivery in winter 2029-2030, bringing the Netherlands more closely in line with neighbouring European markets (TenneT, 2026). The decision reflects a broader policy focus on safeguarding security of supply in a system that is becoming increasingly reliant on renewable generation and exposed to international energy market volatility.

At the same time, the legislative framework for two-way Contracts for Difference continued to take shape. Following feedback of the Council of State and consultations with market participants, the proposal was amended to include greater flexibility through opt-out and carve-out provisions. As a result, CfD's are expected to offer a more adaptable framework for renewable investments while preserving opportunities to combine support mechanisms commercial power purchase agreements (PPAs). The framework is expected to replace existing support schemes such as SDE++ and Temporary Offshore Wind Support Mechanism (in Dutch abbreviated as TOWOZ) from July 2027 onwards (Energeia, 2026).

Together, the capacity market and evolving CfD framework illustrate a broader policy objective: creating market conditions that support long-term investment in an increasingly renewable-based electricity system.

Offshore wind remains a key pillar of Dutch decarbonisation ambitions, but project economics continue to face increasing pressure. This became particularly visible in June when the government increased subsidy budgets for the IJmuiden Ver Gamma-A and Gamma-B offshore wind tenders in response to uncertainty surrounding the proposed producer feed-in tariff, maximum support levels were increased from €104/MWh and €103/MWh to €117/MWh and €116/MWh respectively, increasing the TOWOZ budget by €1.56 billion. The two sites together represent 2 GW of capacity (Rijksoverheid, 2026). The decision highlights how network-related costs, regulatory design and broader system considerations are becoming increasingly important components of renewable project economics.

The growing focus on system integration has also intensified debate around how the infrastructure underpinning the energy transition should be financed. Record investment programmes by Dutch grid operators, alongside strategic assets such as $CO_2$ transport and storage and district heating networks, are placing increasing demands on public capital. Although EBN plays a central role in several projects, its ability to fund new investments is constrained by existing obligations and regulatory limitations, increasing the likelihood of additional government support. The debate therefore extends beyond individual projects to broader questions of investment prioritisation. With an estimated infrastructure funding gap of €80 billion through 2039 (FD, 2026), funding allocation and long-term infrastructure planning are becoming increasingly important policy considerations.

Together, these developments point towards a market increasingly focused on reliability, investability and system integration. Policymakers are no longer solely concerned with deploying renewable capacity, but also with creating market structures that enable projects to operate successfully within a more complex electricity system.

## Battery storage continues to gain scale and strategic importance

As renewable penetration increases and grid constraints become more pronounced, battery storage is increasingly viewed as a critical component of the future energy system. Recent developments suggest that storage is no longer seen solely as a commercial trading asset, but also as an important tool for congestion management, system balancing and security of supply.

A clear example emerged in Flevoland, which became the first Dutch province to establish a dedicated policy framework for large-scale batteries. Under the new rules, projects must demonstrate that they are at least congestion-neutral, while batteries that actively reduce congestion are preferred. The requirement highlights growing expectations that storage projects should contribute to more efficient use of scarce grid capacity (Energeia, 2026).

Investment momentum also remained strong. Several large-scale battery projects advanced during the period, reflecting growing confidence in the long-term role of storage within the Dutch electricity system. For example, Vopak announced a final investment decision for the Sequoia battery project in Oosterhout as part of its acquisition of a majority stake in Green Energy Storage. The project represents an investment of approximately €230 million and consists of a 200 MW / 800 MWh battery system scheduled to enter operation in 2028. The project previously secured one of the country's first congestion-relief agreements with TenneT, giving it priority access to transport capacity (Vopak, 2026).

Attention is also gradually expanding beyond conventional lithium-ion technology. Budget Thuis announced an agreement with Ore Energy for a 400 MWh iron-air battery capable of storing electricity for up to one hundred hours. The project is expected to enter operation in 2028 and may eventually be expanded to 1 GWh. Unlike shorter-duration batteries, the technology is designed to manage multi-day periods of high or low renewable generation, reflecting growing interest in long-duration flexibility solutions (Budget Thuis, 2026).

These developments reinforce the view that flexibility will become increasingly important as the Dutch energy system continues to electrify. As a result, storage is expected to play a growing role in supporting a reliable, efficient and resilient energy market.

## Renewable deployment continues despite a more challenging operating environment

Despite increasing attention on infrastructure, flexibility and system integration, renewable deployment continued to advance. Recent CBS data confirm the continued progress of renewable deployment, with renewable energy accounting for 22.7% of total Dutch energy consumption in 2025, up from 19.8% a year earlier (CBS, 2026). In the electricity sector, renewable sources remained the largest contributor to Dutch electricity generation, accounting for 49% of total electricity production in 2025. Total electricity production reached a record 132 billion kWh, while electricity exports increased to a record 30 billion kWh, driven by growth in domestic generation and reduced imports from neighbouring markets (CBS, 2026).

Growth in the energy mix was supported by a broad range of technologies. Solar generation increased significantly by 19% to 93 PJ, while offshore wind production increased by 7%. The contribution from heat pumps also continued to grow, reaching 34 PJ. Biomass remained the largest renewable energy source, contributing 137 PJ (CBS, 2026).

Looking ahead, policymakers and sector organisations continue to emphasise the importance of additional renewable deployment. A study commissioned by the Ministry of Climate and Green Growth concluded that achieving a climate-neutral energy system could require between 8 GW and 15 GW of onshore wind capacity and between 57 GW and 127 GW of solar capacity by 2040. The same study estimated that well-integrated decentralised energy developments could reduce future network investment requirements by between €4.5 billion and €24.5 billion (Energeia, 2026).

Taken together, developments during H1 2026 suggest that the Dutch renewable energy market remains structurally supported. Renewable deployment continues to advance, flexibility investments are accelerating and policymakers are refining market frameworks to address emerging challenges. While infrastructure constraints, congestion and system costs are becoming more visible, they are also driving investment, innovation and policy reform, supporting continued progress towards a more resilient and low-carbon energy system.

## Market outlook

Looking ahead, the Dutch renewable energy market is expected to remain supported by long-term decarbonisation and continued electrification. However, attention is likely to shift further towards implementation and execution. The introduction of a capacity market, the final design of the CfD framework and ongoing discussions surrounding network tariffs and infrastructure funding will all have important implications for future market developments. In addition, the ACM's decision to introduce a 20-year transition period for the planned feed-in tariff has alleviated concerns within the renewable sector, providing greater visibility for new investments and forthcoming SDE++ and offshore wind projects.

Infrastructure is expected to remain a key area of focus. Ongoing discussions around EBN, Aramis, heat networks and wider grid investments highlight that financing the next phase of the transition will require substantial capital commitments and effective coordination between public and private stakeholders. At the same time, flexibility solutions such as battery storage are expected to play an increasingly important role in managing congestion and supporting security of supply and enabling further renewable integration. Overall, the outlook points towards a more mature and system-oriented market, where long-term progress will depend not only on renewable deployment itself, but increasingly on the successful delivery of supporting infrastructure, flexibility and market reforms.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