

Quarterly Update



22Q2

Quarterly Update 22Q2. Randstad Residential Property Market.

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Statistics

The figures for national market development have been sourced from the Dutch Association of Real Estate Agents (NVM/Brainbay) Market Analysis. Other data has been taken from the FRIS database. Due to developments within NVM/Brainbay we are dependent on NVM/Brainbay for the supply

of these data. The data contains purchase and rental transactions registered with NVM, VBO and VastgoedPro. FRIS analyses and cleans up these data. For the transaction data, FRIS only looks at actually sold homes (no sold under reservation) and existing buildings. This may result in differences with reports published by the NVM.

Report

The price developments mentioned in this report refer to the annual development, i.e. 22Q2 compared to 21Q2.

Technical notes

This quarterly update covers existing buildings in the case of the purchase housing market. The prices are listed are subject to the purchaser paying the relevant cost. Median values are recorded by the end of the quarter. As such the quarterly figures may be deemed to be provisional. The closing date for sales and rental transactions was July 15, 2022. The general data is from the CBS. Amount in supply is reference date July 26, 2022. Number of inhabitants reference date 2022, households and housing stock reference date 2021 and average disposable income 2020.



Foreword

FRIS is pleased to present the update for the second quarter of 2022. In this quarter we see the effects of the rise in interest rates returning. After two years of corona and its associated challenges, this year began with a war and farmer-protests. Both also affected the housing market; rising construction and energy costs due to materials from Ukraine and Russia and construction restrictions due to European nitrogen rules.

But the biggest impact on the Dutch housing market in this quarter can be found in rising interest rates. Mortgage rates have risen sharply in this quarter, from around 1.5% to almost 4%. This means that people can borrow less for a mortgage in a short period of time. This while the asking prices are still very high. Homes that are now put up for sale can be bought by fewer people since they cannot finance these high asking prices. Supply is increasing, while the number of transactions is decreasing. And although we still see year-on-year price rises in the sales market, compared to a quarter earlier the price has hardly risen. In the cities and areas surveyed by FRIS, the transaction price per sqm per quarter often rose no more than 1%, and in Haarlem it even fell by 2.5%. The number of overbids is also decreasing in 22Q2 while the time it took to sell a house is increasing. All this should create more room in the housing market.

In the rental market we see a declining number of transactions. Rental prices per sqm per month rose less sharply in 22Q2 and in some cases actually fell slightly (Haarlem and Lelystad). The rental market is mainly held in check by the new Minister of Housing. In May, he announced his intention to further intervene in the liberalized rental market and also to regulate the middle rental segment. According to the Affordable Housing program, such intervention should increase the rental supply. However, there are noises from all sides that this would actually have the opposite effect. And that is what we are now seeing in the market. Many new-build developments have come to a standstill or have been completely swept off the table. In addition to the sky-high construction costs and increased interest rates, it is precisely this uncertainty that is causing investors to withdraw. In other places where similar regulation of the rental market has been implemented, such as Sweden and Berlin, more problems have arisen.

At the moment our brokers notice that houses that were first planned for the liberalized rental sector are now being sold. The liberalized rental market is shrinking further as a result, so that moving up the rental market no longer seems to be an option. The regulated sector in the Netherlands is already above average at 30%,

but these plans will make it grow even further. In cities such as Amsterdam and Rotterdam, the percentage of regulated rentals (social and mid-range) is significantly higher, approaching 60% of the total housing stock. There will soon only be two options; either buy or rent in the regulated segment.

FRIS possess an extensive database, which we use together with the practical knowledge generated by our real estate agency operations for the purposes of preparing feasibility analyses, commercial assessments and specific advice. Our collaboration with De Woonexpert, which has recently been agreed to, also provides the parties with a unique, combined marketing and sales-cum-rental channel for developments involving the construction of new residential dwellings.

We look forward to serving you!

Hans Peter Fris
Managing Director

The Netherlands



Residents
17,591,394



Households
8,043,443



Housing stock
8,043,808



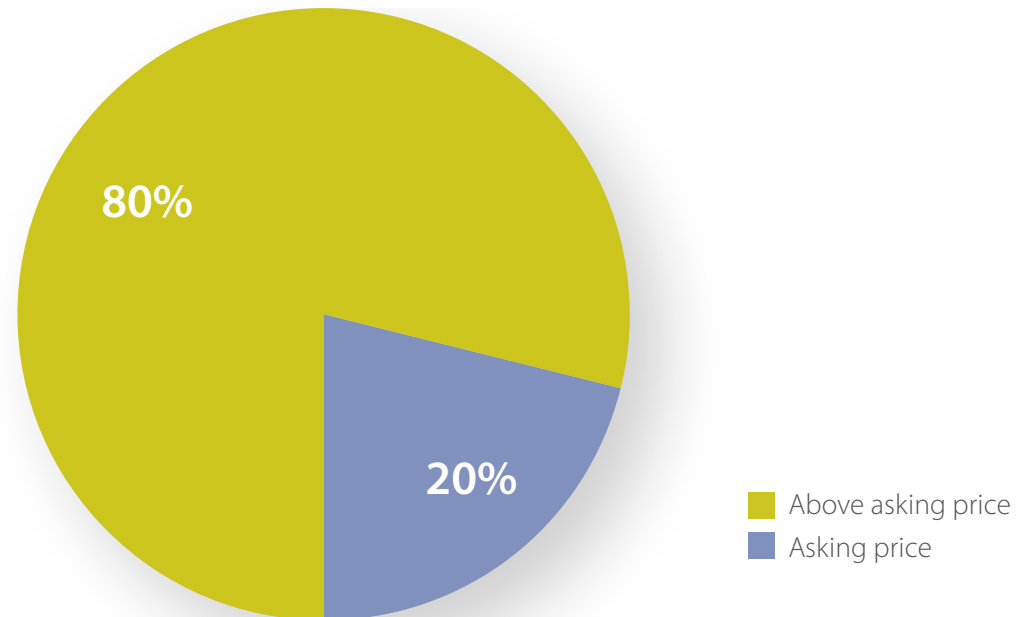
Average disposable income/household
€ 47,900



Number available
25,332

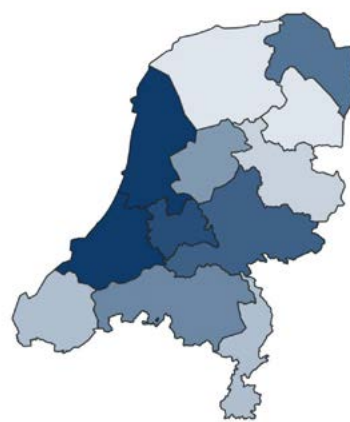


Scarcity indicators (NVM)
2.1



Transaction price/sqm

Rental price p/sqm/p/m



€ 2,820

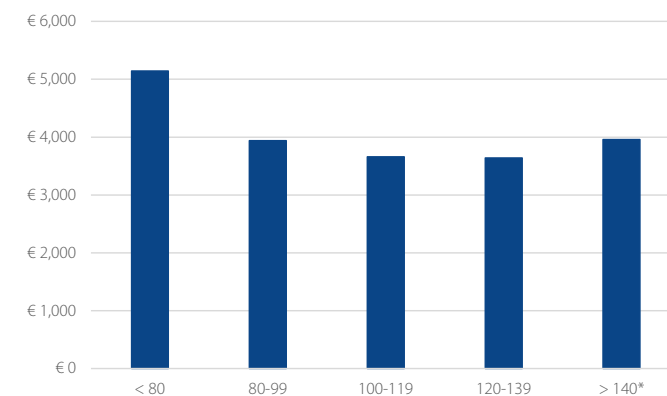
€ 5,450



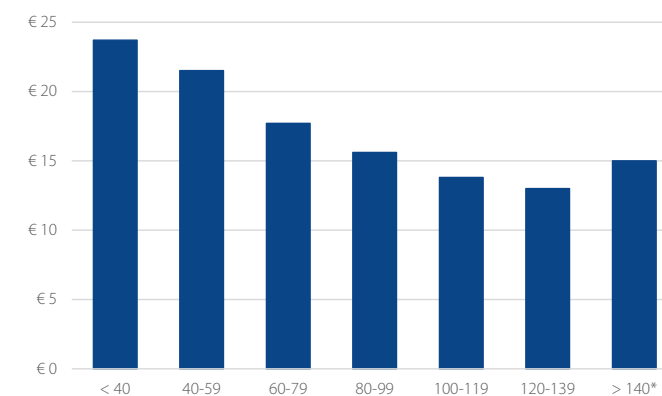
€ 10

€ 20

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions **- 1.4%** 35,940

Transaction price **+ 10.6%** € 447,890

Transaction price/sqm **+ 12.0%** € 4,040

Amount of rental transactions **- 13.3%** 5,787

Rental price p/m **+ 5.7%** € 1,390

Rental price p/sqm/p/m **+ 10.1%** € 17.80



Amsterdam



Residents

883,939



Households

474,875



Housing stock

456,730



Average disposable income/household

€ 46,000



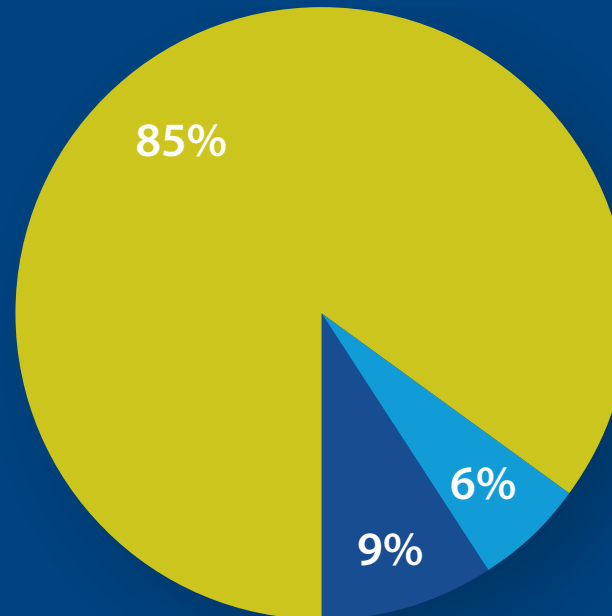
Number available




1,579



Scarcity indicators (NVM)

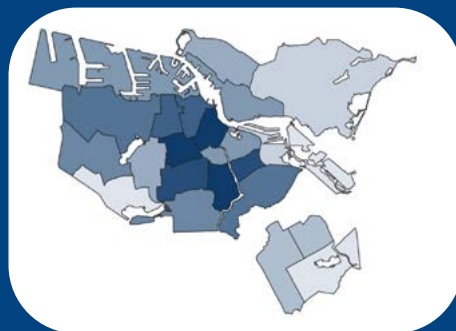
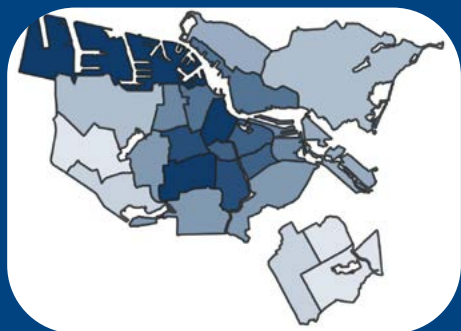
2.0



-  Above asking price
-  Asking price
-  Below asking price

Transaction price/sqm

Rental price p/sqm/p/m

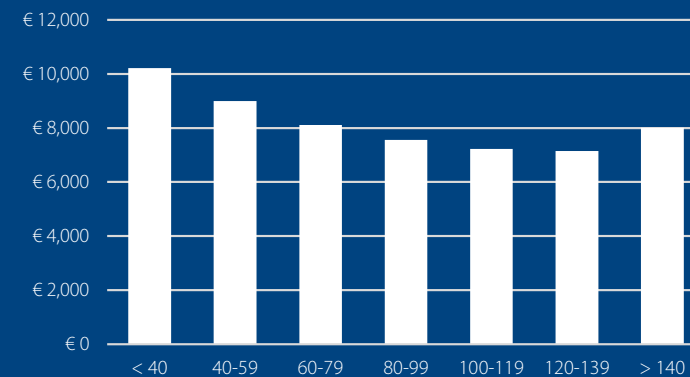


€ 4,325 € 9,835

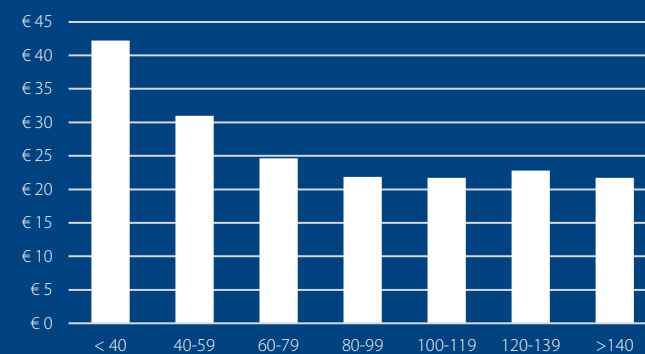


€ 16 € 30

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions **- 4.7%** 1,408

Transaction price **+ 10.1%** € 590,000

Transaction price/sqm **+ 8.1%** € 8,335

Amount of rental transactions **- 34.5%** 2,127

Rental price p/m **+ 14.5%** € 1,775

Rental price p/sqm/p/m **+ 1.9%** € 24.40

In the second quarter of 2022, we are slowly seeing some space in the market. The tightness indicator, the time a house is for sale and supply has increased.

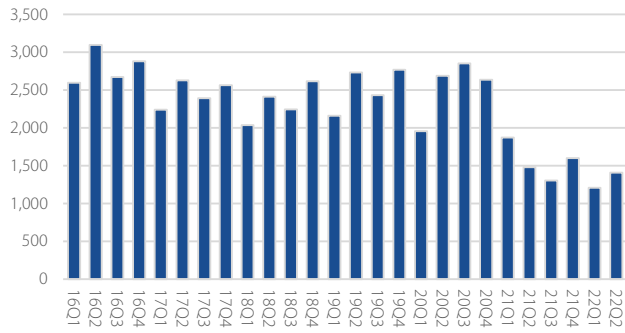


YOUR SUITS

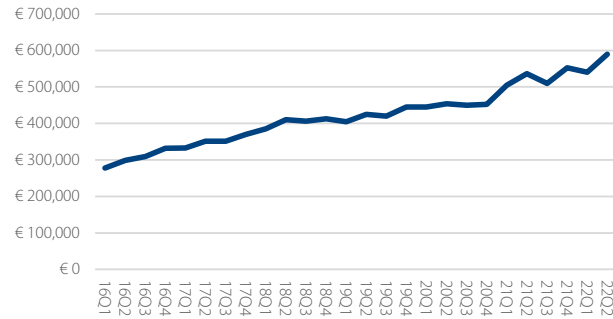


> Sales

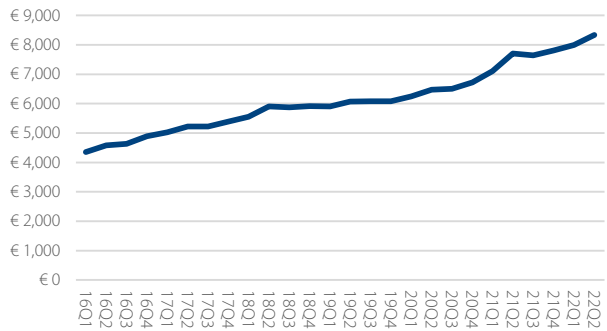
Number of transactions



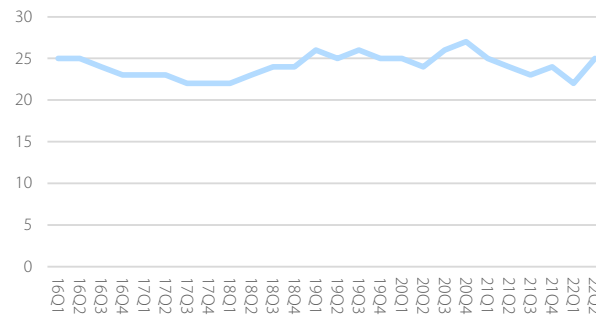
Transaction price



Transaction price/sqm



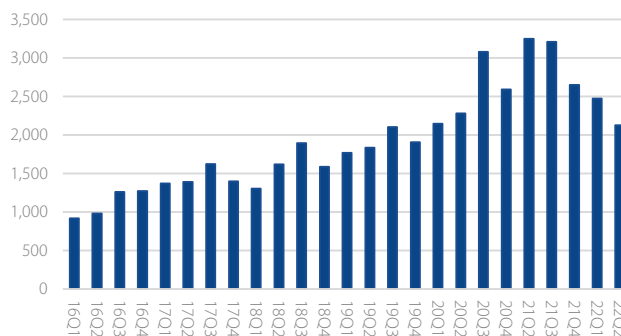
Lead time in days



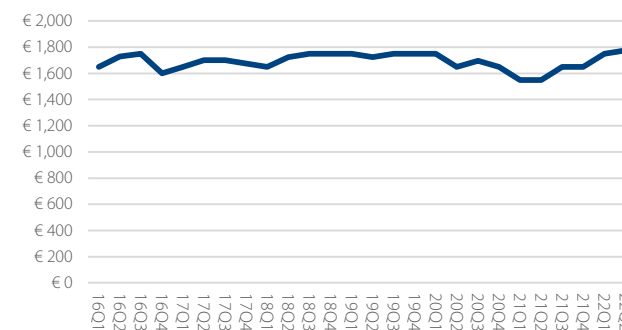
In Amsterdam, the transaction price per sqm has again risen to record levels, reaching a median of over €8,300, which is more than double the transaction price per sqm of the Netherlands (€4,040).

> Rentals

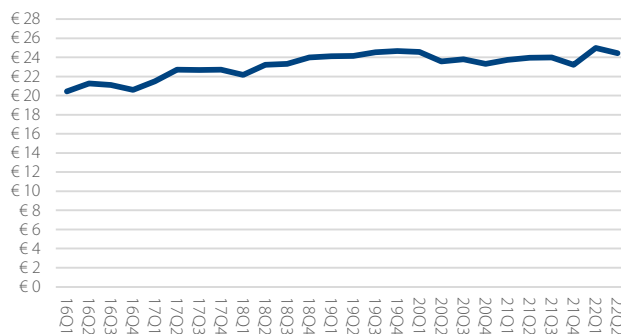
Number of transactions



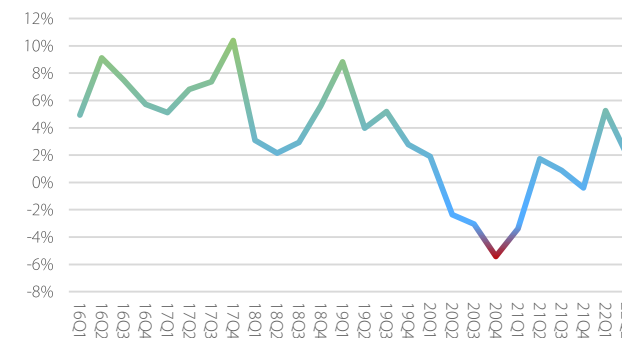
Transaction rental per month



Monthly rent per square metre by quarter



Rental increase at an annualised rate



Zaan region



Residents

184,112



Households

81,736



Housing stock

81,460



Average disposable income/household

€ 46,370



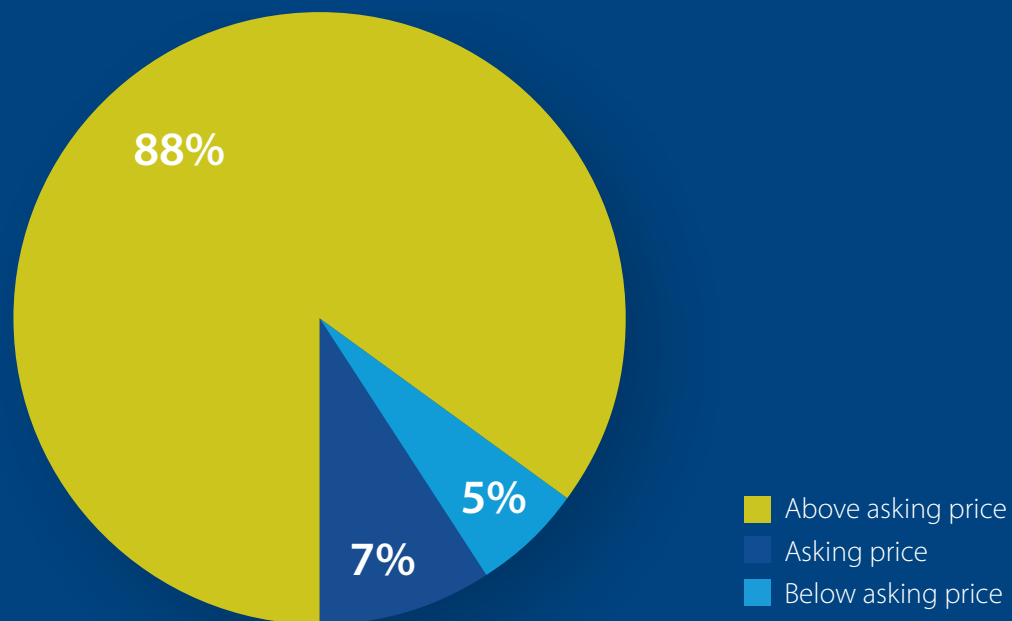
Number available

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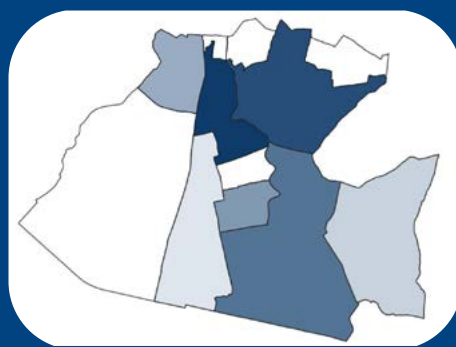
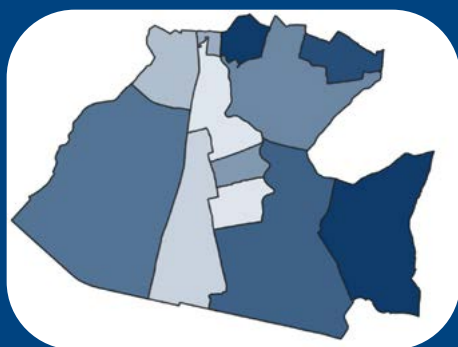
Scarcity indicators (NVM)

2.0



Transaction price/sqm

Rental price p/sqm/p/m

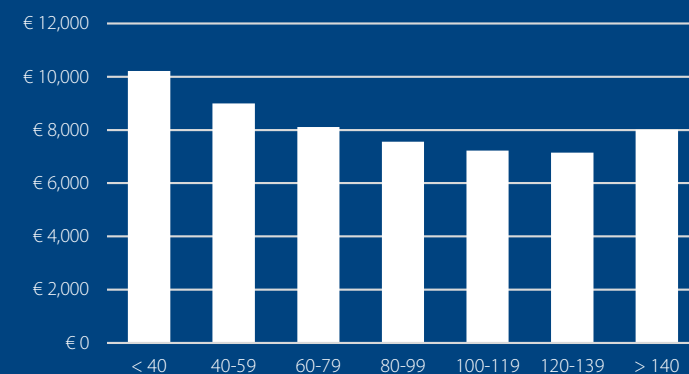


€ 3,960 € 5,860

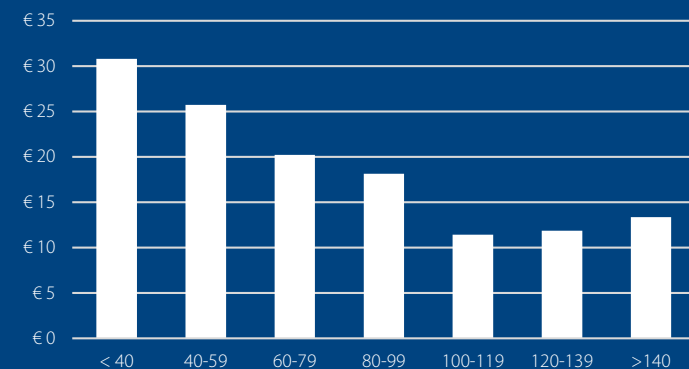


€ 14 € 23

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions **+ 3.4%** 333

Transaction price **+ 8.0%** € 420,000

Transaction price/sqm **+ 10.7%** € 4,285

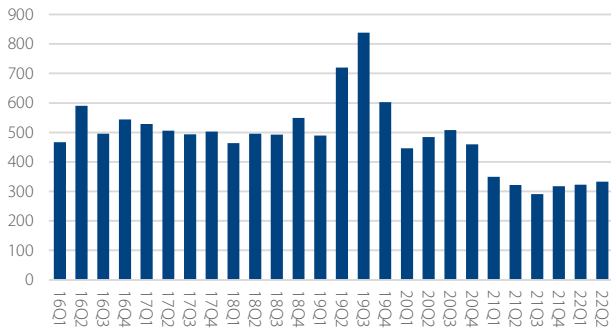
Amount of rental transactions **- 23.6%** 68

Rental price **+ 12.0%** € 1,400

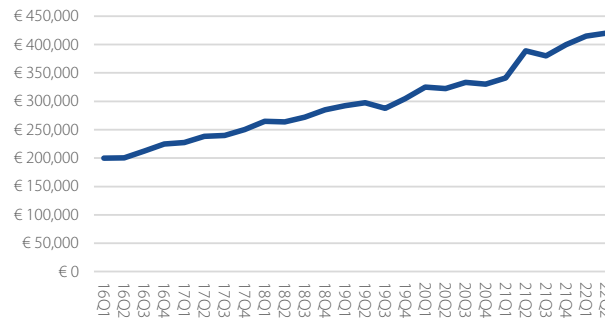
Rental price p/sqm/p/m **+ 1.0%** € 18.60

> Sales

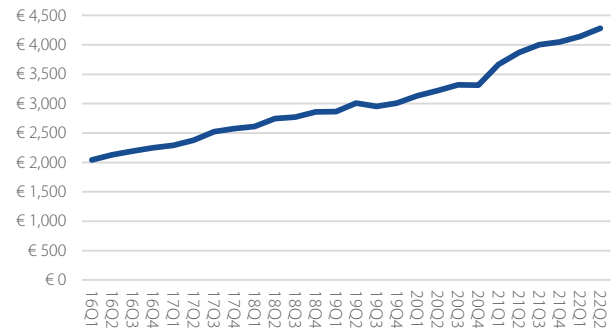
Number of transactions



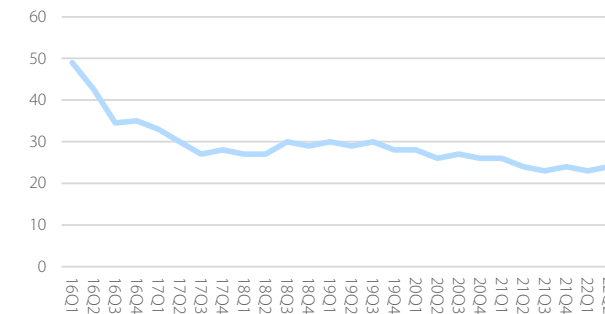
Transaction price



Transaction price/sqm



Lead time in days

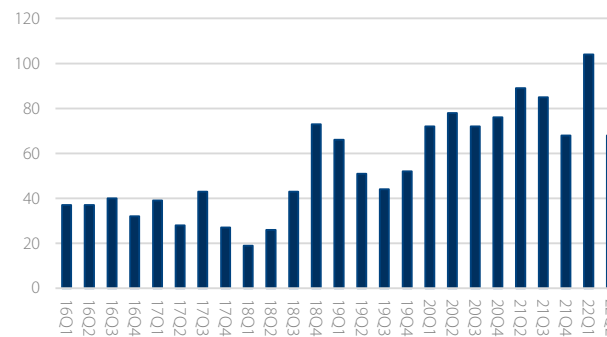


In the Zaan region, there is still a lot of outbidding going on. While in most other cities we see that the number of outbids is declining (although still more the rule than exception), in the Zaan region 88% of the transactions are paid over asking price.

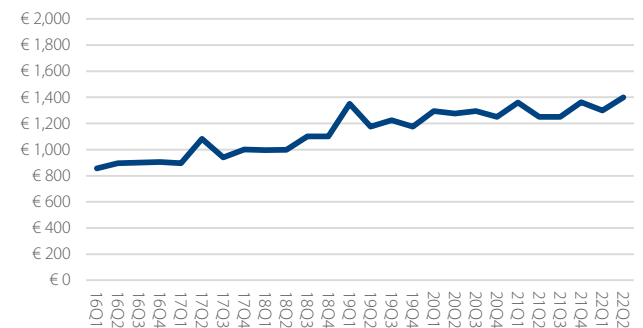
> Rentals

In the rental market we also see fewer transactions, this is because many liberalized rental properties have gone on sale due to uncertainty about future rent restrictions.

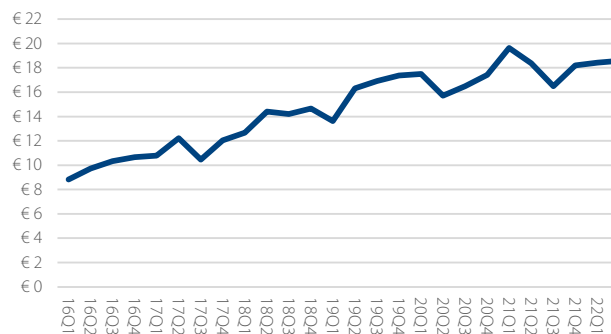
Number of transactions



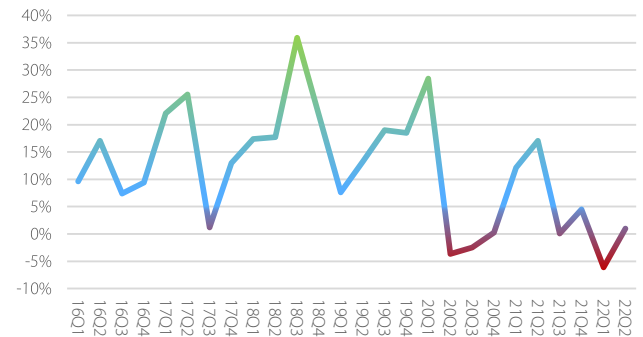
Transaction rental per month



Monthly rent per square metre by quarter



Rental increase at an annualised rate



Utrecht



Residents

361,686



Households

181,775



Housing stock

162,451



Average disposable income/household

€ 47,500



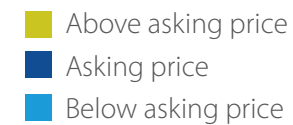
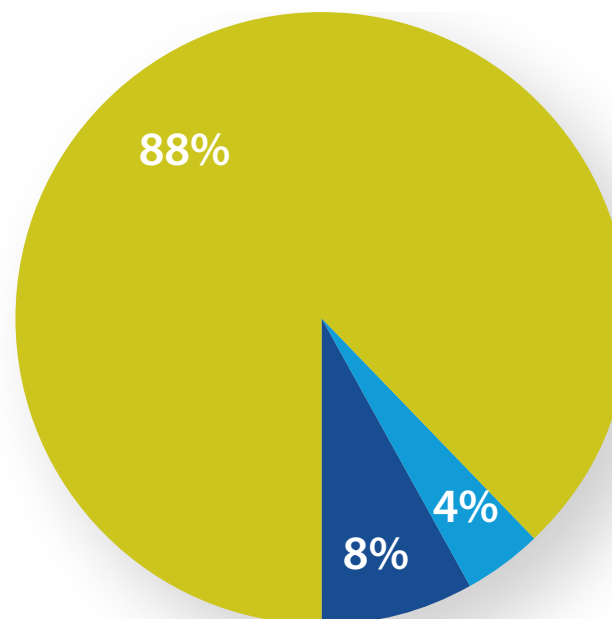
Number available

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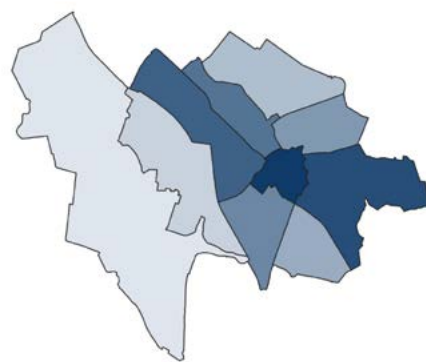
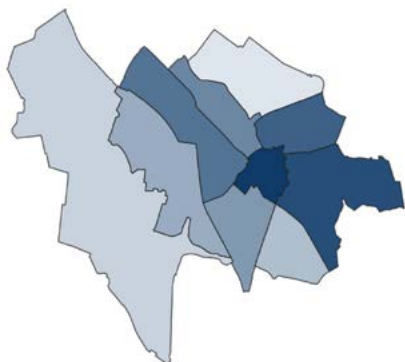
Scarcity indicators (NVM)

1.7



Transaction price/sqm

Rental price p/sqm/p/m



€ 4,030

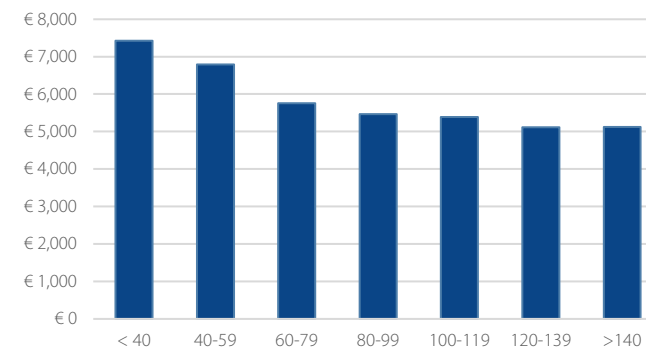
€ 6,510



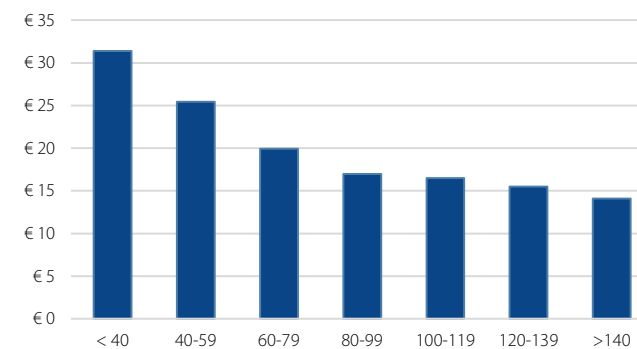
€ 15

€ 25

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions **- 10.8%** 810

Transaction price **+ 11.0%** € 510,635

Transaction price/sqm **+ 6.9%** € 5,595

Amount of rental transactions **- 56.3%** 431

Rental price **+ 11.6%** € 1,395

Rental price p/sqm/p/m **+ 15.0%** € 19.80

Rotterdam



Residents

655,473



Households

328,569



Housing stock

319,210



Average disposable income/household

€ 41,200



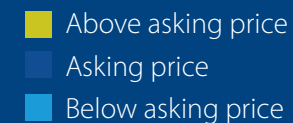
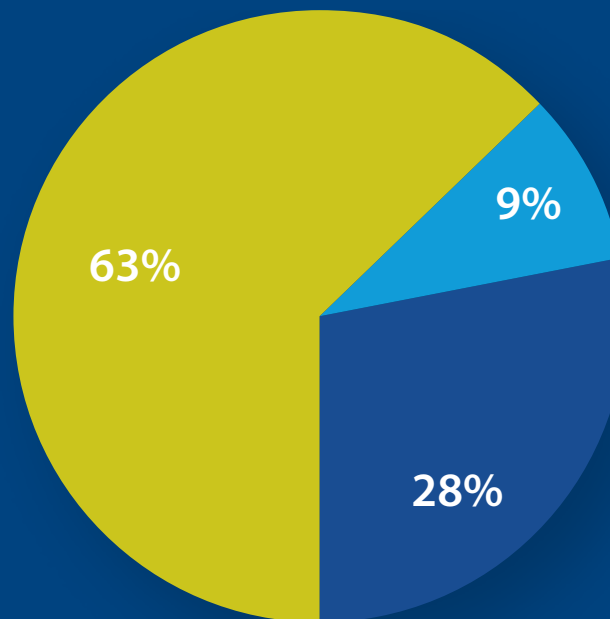
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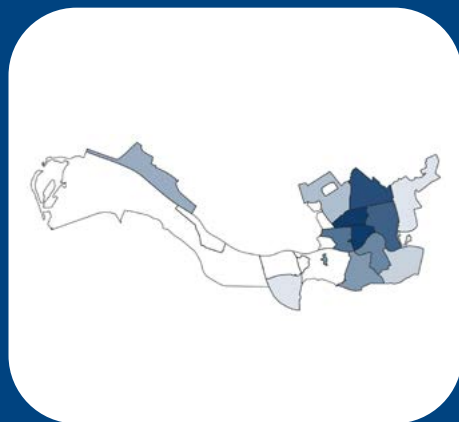
Scarcity indicators (NVM)

2.7



Transaction price/sqm

Rental price p/sqm/p/m

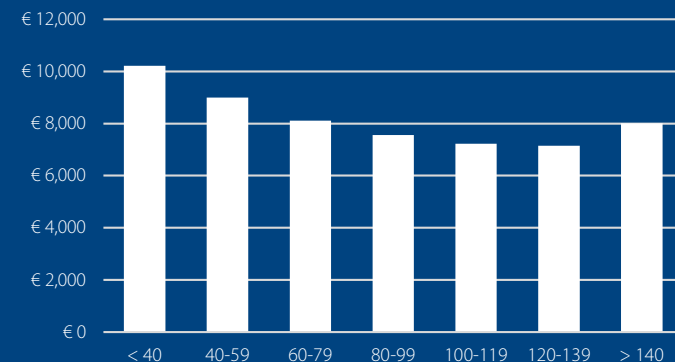


€ 2,320 € 5,740

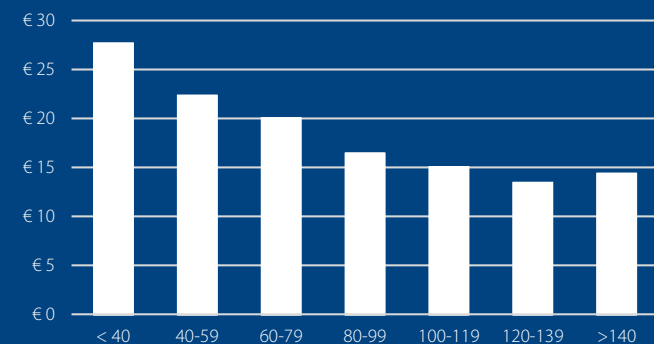


€ 13 € 20

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions - 51.9% 921

Transaction price + 9.2% € 385,000

Transaction price/sqm + 7.5% € 4,185

Amount of rental transactions - 21.4% 519

Rental price + 10.8% € 1,435

Rental price p/sqm/p/m + 6.1% € 17.80

The Hague



Residents

553,039



Households

269,603



Housing stock

267,654



Average disposable income/household

€ 44,300



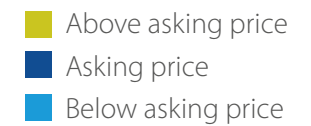
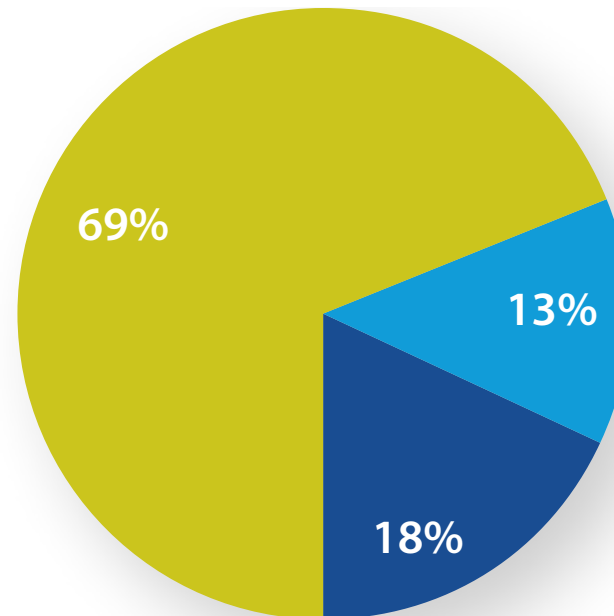
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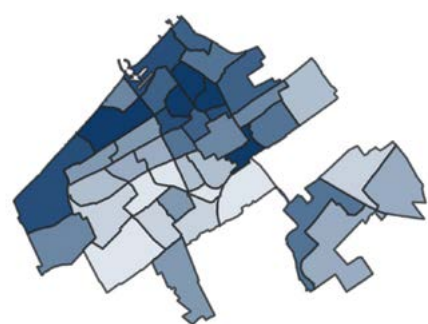
Scarcity indicators (NVM)

2.7



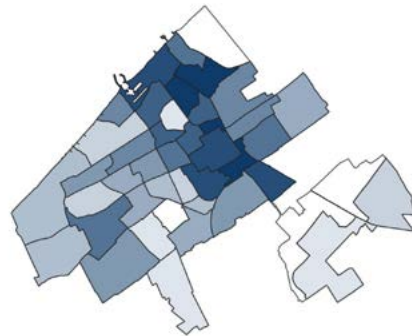
Transaction price/sqm

Rental price p/sqm/p/m



€ 3,110

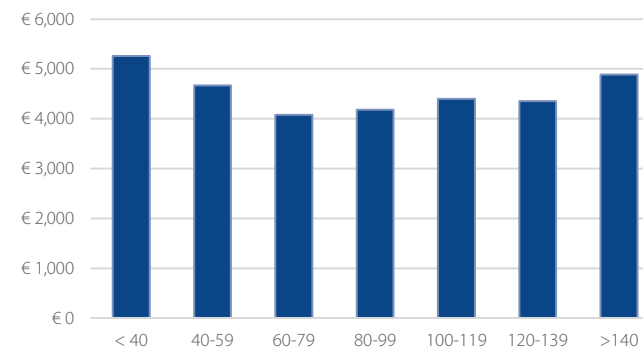
€ 7,630



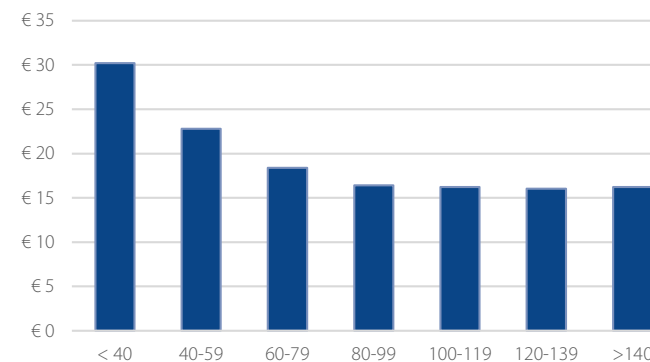
€ 12

€ 28

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions - **12.8%** 890

Transaction price + **15.2%** € 455,000

Transaction price/sqm + **10.2%** € 4,375

Amount of rental transactions - **15.7%** 957

Rental price + **10.7%** € 1,495

Rental price p/sqm/p/m + **5.7%** € 17.40



For the Netherlands as a whole, the percentage where more than the asking price was paid was 80%. However, due to increased mortgage interest rates, it is expected that the practice of overbidding will decrease.

DUITS
DUUR

FRIS

17720



Leiden



Residents

125,100



Households

68,077



Housing stock

61,605



Average disposable income/household

€ 45,600



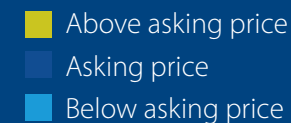
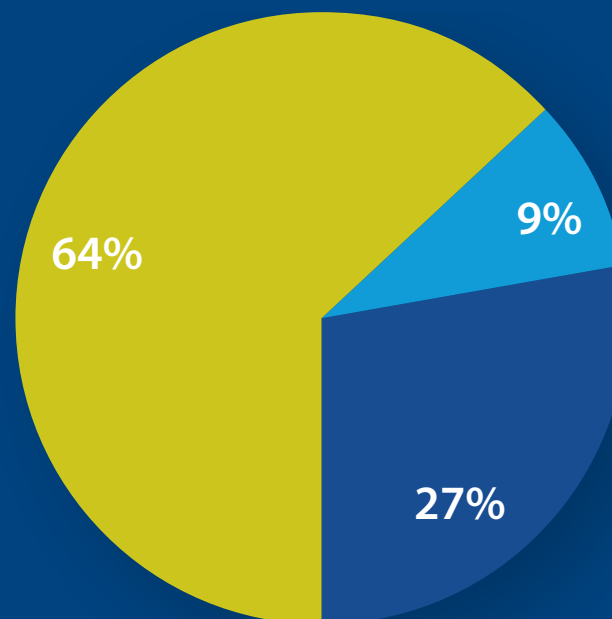
Number available

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Scarcity indicators (NVM)

2.1



Transaction price/sqm

Rental price p/sqm/p/m

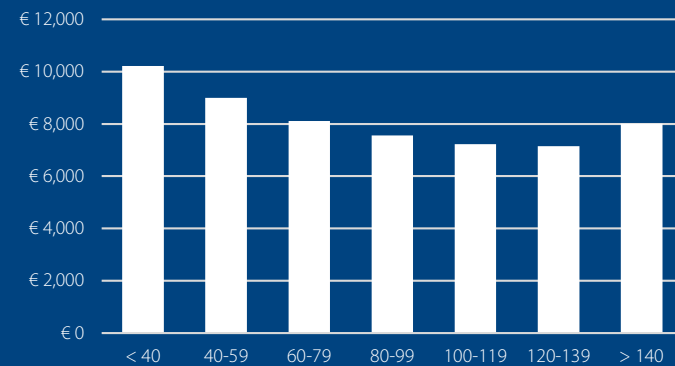


€ 4,000 € 6,360

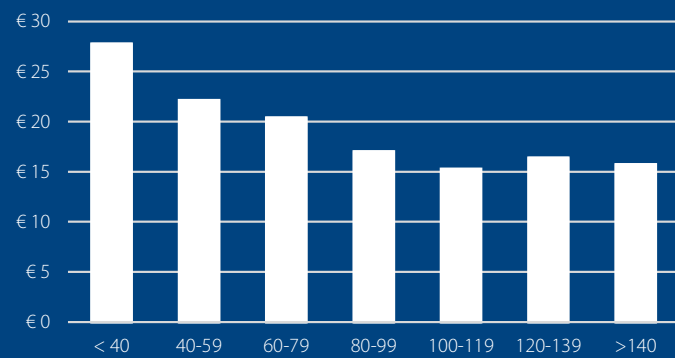


€ 15 € 23

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions	+ 12.2%	211
Transaction price	+ 6.9%	€ 425,000
Transaction price/sqm	+ 7.0%	€ 4,695
Amount of rental transactions	- 18.2%	175
Rental price	+ 3.8%	€ 1,350
Rental price p/sqm/p/m	- 0.1%	€ 19.80

Almere



Residents

217,843



Households

90,426



Housing stock

88,874



Average disposable income/household

€ 47,600



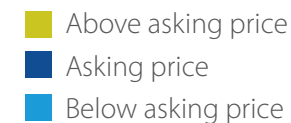
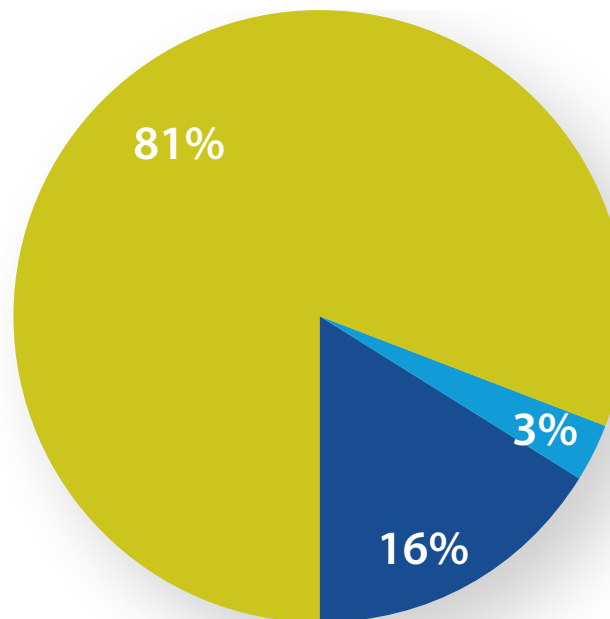
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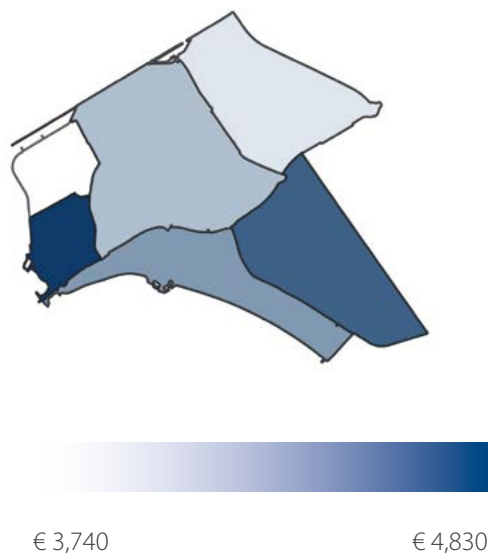


Scarcity indicators (NVM)

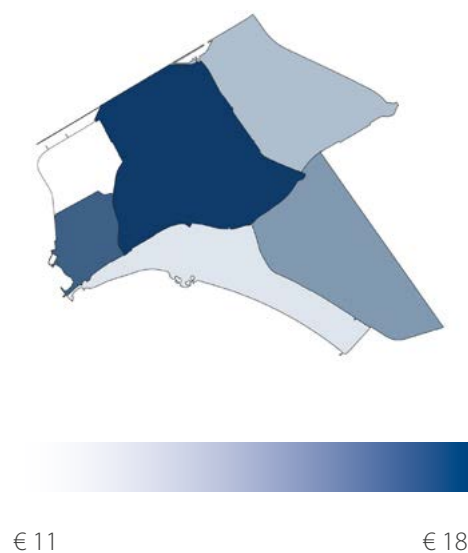
1.7



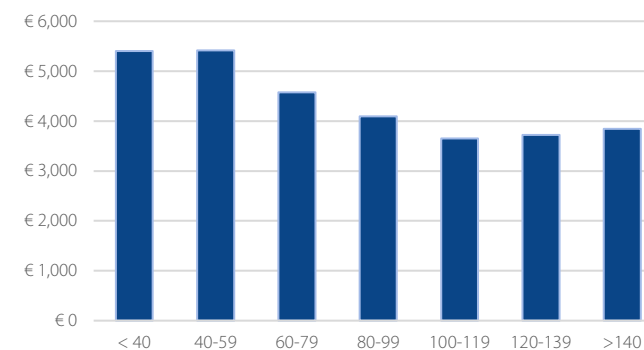
Transaction price/sqm



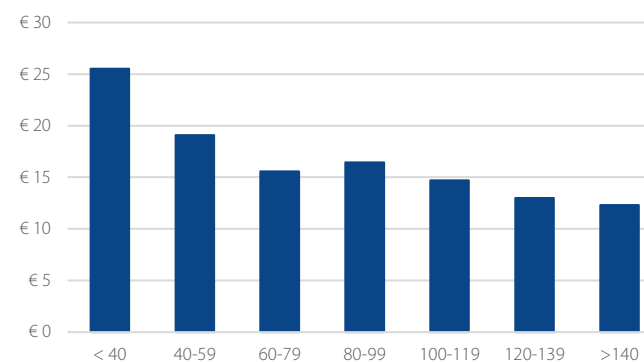
Rental price p/sqm/p/m



Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions	- 6.5%	446
Transaction price	+ 9.0%	€ 419,500
Transaction price/sqm	+ 12.0%	€ 3,890
Amount of rental transactions	+ 58.3%	239
Rental price p/m	- 5.2%	€ 1,185
Rental price p/sqm/p/m	+ 15.6%	€ 16.00

Lelystad



Residents

81,198



Households

34,910



Housing stock

34,531



Average disposable income/household

€ 44,400



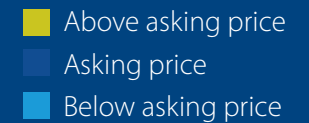
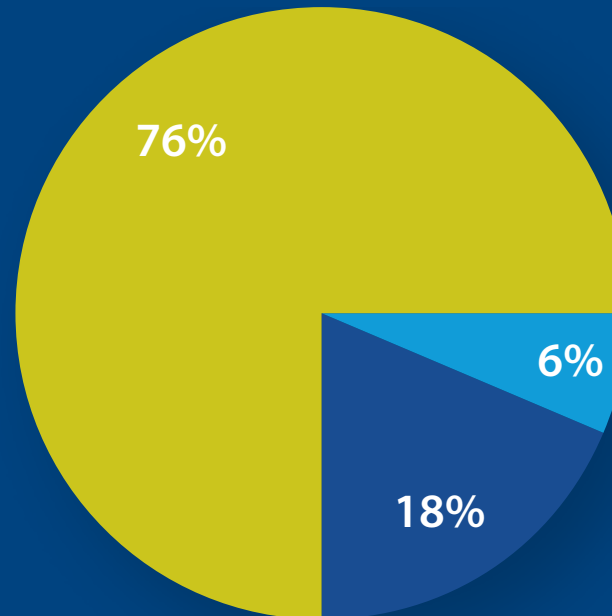
Number available

107



Scarcity indicators (NVM)

1.7



Haarlem



Residents

162,889



Residents

78,202



Housing stock

77,499



Average disposable income/household

€ 48,900



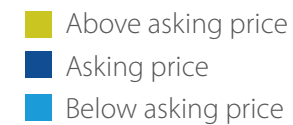
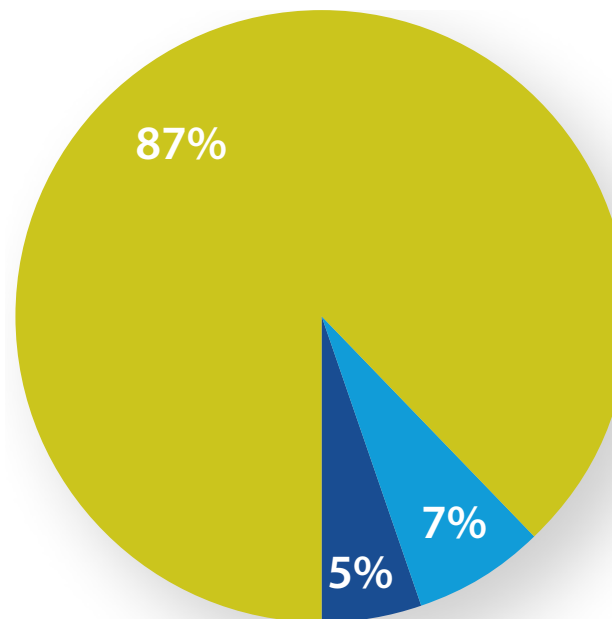
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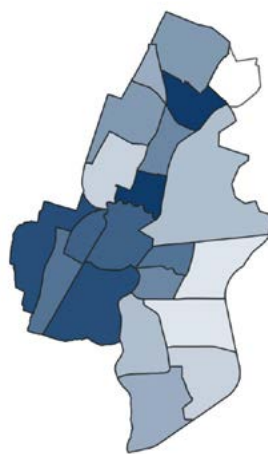
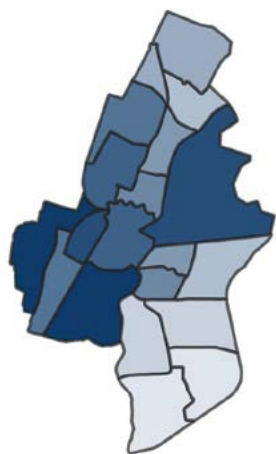
Scarcity indicators (NVM)

1.9



Transaction price/sqm

Rental price p/sqm/p/m



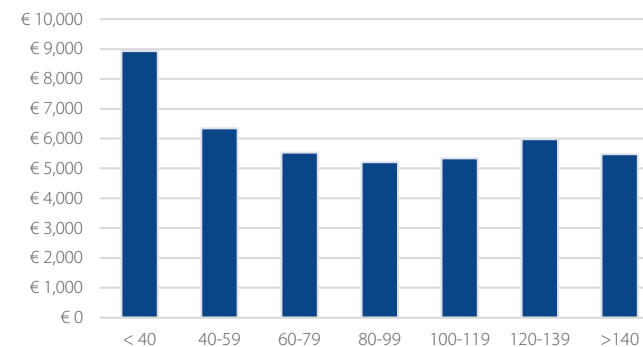
€ 3,820

€ 6,590

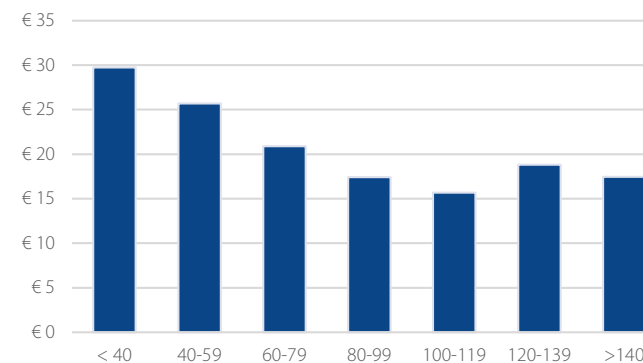
€ 15

€ 26

Transaction price/sqm by surface category



Rental price p/sqm/p/m by surface category



Amount of transactions **- 21.9%** 382

Transaction price **+ 7.0%** € 535,025

Transaction price/sqm **+ 3.2%** € 5,665

Amount of rental transactions **- 5.8%** 310

Rental price **+ 15.4%** € 1,500

Rental price p/sqm/p/m **-1.7%** € 20.20

Contact



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Consultant



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Managing Director FRIS



Robert Haagsma
Director Residential Real Estate Agency

Real estate advice

FRIS began to record transactions in the Amsterdam metropolitan region in 2005. As of 2019, FRIS has expanded its database, creating a knowledge centre with a unique dataset on housing construction in the Amsterdam region, as well as in the Zaan Region, Flevopolder and Haaglanden areas and in the cities of Rotterdam and Utrecht.

As part of this dataset, we collect data on all purchase transactions, rental transactions and new-build construction to enable us to produce thorough analyses of the real estate market in the urbanised Randstad area of the Netherlands.

Consultancy

We also offer tailor-made advice to a range of clients. With our analyses of markets, areas and locations, our target group identification and our recommendations on market matters, valuations and investment options, we advise individuals, public organisations and business clients as they prepare to engage in both property and area developments. If you would like to find out more about our reports, please e-mail our consultancy department at advies@fris.nl.



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