



# 2012 DUTCH OFFICE MARKET REPORT

Occupier market trends in the Randstad

NL real estate in association with

**Knight Frank**

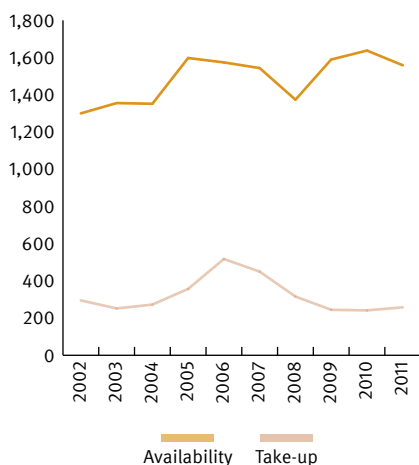
## HIGHLIGHTS

- Occupier demand in the big four office markets of the Randstad conurbation presented a varied picture in 2011. While the Amsterdam region saw increased tenant activity, take-up levels were down in other regions. The decline was greatest in The Hague.
- In Amsterdam, demand for office space was concentrated more strongly than in recent years on the Southeast district. As in previous years, there was also firm demand for office space in the city centre.
- While there was a fall in the amount of available office space in the Amsterdam region, availability continued to increase elsewhere in the Randstad conurbation.



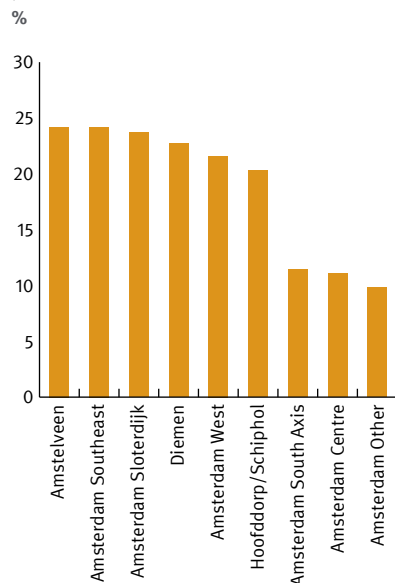
## TAKE-UP IMPROVED MODERATELY IN 2011

Figure 1  
**Availability versus take-up**  
000s sq m



Source: Bak Property Research/Knight Frank

Figure 2  
**Availability rates by district, year-end 2011**  
%



Source: Bak Property Research/Knight Frank

## Amsterdam's main office districts



## Amsterdam

The office market in the Greater Amsterdam area showed a cautious recovery in 2011, with approximately 258,000 sq m of office space being let or sold on the open market. Demand for office space in Amsterdam itself was high, and take-up increased in Hoofddorp and Schiphol. There were notable transactions involving organisations such as ING, Deutsche Bank, Booking.com and TMF Group, while demand was also generated by numerous small and medium-sized occupiers.

As the large letting transactions that did occur were mainly for properties in the Southeast district, this area accounted for a significant proportion of take-up. In addition, many transactions were completed in the city centre. One of the buildings to benefit from this was the completely refurbished The Bank office complex, near Rembrandtplein. Contrary to expectations, the South Axis saw declining demand for office space.

The increased take-up in the region was accompanied by a fall in the availability of property for immediate occupation. This benefited the city of Amsterdam in particular. The declining availability in Amsterdam was caused not only by letting transactions

in existing offices, but also by decisions to change the use of a number of unmarketable buildings. As a result, the amount of available office space in Amsterdam itself declined to 1.04 million sq m, equivalent to approximately 17% of total stock.

Apart from the city of Amsterdam, falls in vacancy were also experienced in Hoofddorp and Schiphol. The only substantial increase in availability was in the town of Amstelveen, where the vacancy rate rose to 24%.

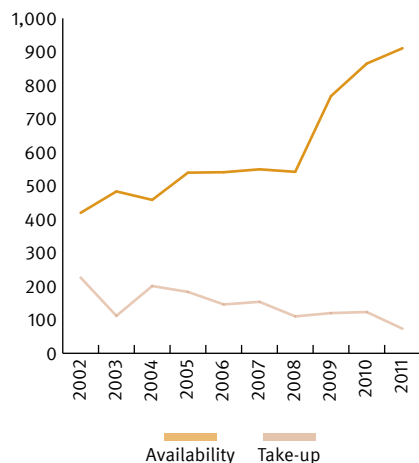
Table 1  
**Office rents 2012 (€ per sq m pa)**

District	Rental range
Amsterdam Centre	175 - 325
Amsterdam Sloterdijk	135 - 180
Amsterdam West	135 - 210
Amsterdam South Axis	285 - 340
Amsterdam Southeast	125 - 190
Amsterdam Other	135 - 185
Amstelveen	155 - 225
Diemen	115 - 150
Hoofddorp/Schiphol	125 - 325

Source: Knight Frank

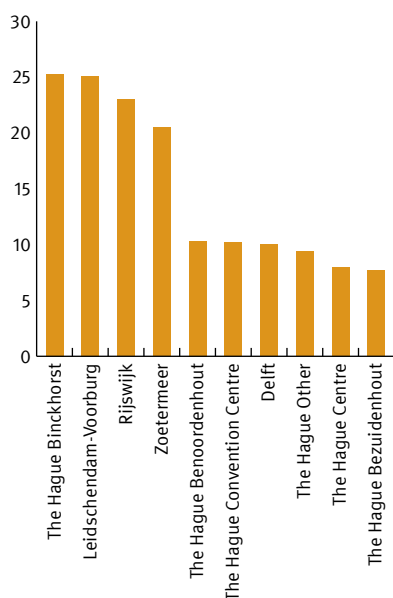


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**Availability versus take-up**  
000s sq m



Source: Bak Property Research/Knight Frank

Figure 2  
**Availability rates by district, year-end 2011**  
%



Source: Bak Property Research/Knight Frank

AVAILABILITY  
HAS INCREASED,  
PARTICULARLY IN  
RIJSWIJK

## The Hague's main office districts



## The Hague

While a reasonable number of letting and purchase transactions were concluded in The Hague and surrounding towns in 2011, the total demand for office space was disappointing. Take-up in the region finished about 40% down on the previous year, with approximately 74,000 sq m being let or sold in the open market. The fall in take-up was particularly apparent in the city of The Hague and in the neighbouring town of Rijswijk. In contrast, demand for office space in Zoetermeer and Delft held up reasonably well.

An important reason for the lower take-up in the city of The Hague was a reduced number of large transactions. Apart from the letting transactions with construction group BAM and the International Baccalaureate, hardly any sizeable deals were completed during the year. The deal with BAM reflected the focus of demand on the Bezuidenhout district, however the city centre witnessed declining interest. Take-up also fell short of expectations in the Binckhorst business district.

The downturn in demand contributed to increased vacancy rates in the region. The rise in availability was most severe in the town of

Rijswijk, where approximately 204,000 sq m of office space was available to let at the end of 2011, or 23% of the stock. Availability also rose in the city of The Hague, albeit to a lesser extent than in recent years. The increased vacancy in The Hague was caused primarily by rising availability in the Laakhaven district, which helped to push up the overall vacancy rate to 11% of total stock.

Table 1  
**Office rents 2012 (€ per sq m pa)**

District	Rental range
The Hague Centre	135 - 230
The Hague Bezuidenhout	180 - 220
The Hague Benoordenhout	150 - 200
The Hague Binckhorst	125 - 160
The Hague Convention Centre	140 - 185
The Hague Other	90 - 180
Leidschendam-Voorburg	120 - 170
Rijswijk	90 - 160
Delft	110 - 150
Zoetermeer	100 - 165

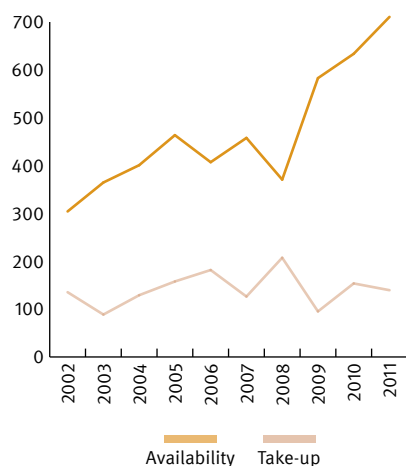
Source: Knight Frank





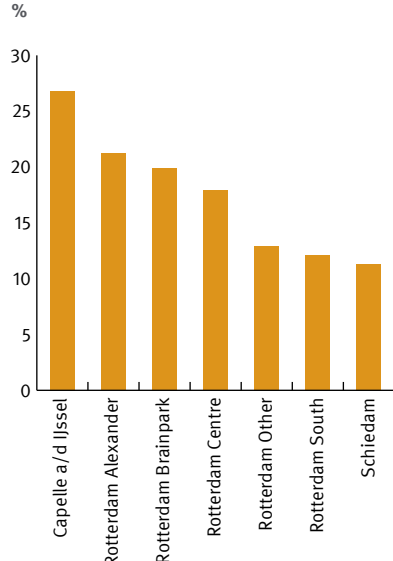
## OCCUPIER DEMAND HAS FOCUSSED ON THE CITY CENTRE

Figure 1  
**Availability versus take-up**  
000s sq m



Source: Bak Property Research/Knight Frank

Figure 2  
**Availability rates by district, year-end 2011**  
%



Source: Bak Property Research/Knight Frank

## Rotterdam's main office districts



## Rotterdam

Demand for office space in the Rotterdam region held up well in 2011. Although the volume of take-up in the region was slightly lower than in 2010, a relatively large amount of office space was let or sold on the open market. The robust level of take-up was attributable to several large transactions, particularly in the city of Rotterdam. One notable transaction was the pre-letting to asset manager Robeco of an office building of almost 16,000 sq m to be built opposite the Central Station. A similar amount of space was let to Hogeschool Rotterdam in a building at Rochussenstraat.

Partly as a result of these lettings, the city centre again became the 'hot spot' of the city of Rotterdam, with total take-up of 71,000 sq m. With regard to tenant interest in the various parts of Rotterdam, it was noticeable that, while take-up in the city centre held up well last year, the South district suffered a decline in popularity. Also evident was the limited demand for office property in the Alexander district, where no significant lettings occurred.

As far as the supply of office premises is concerned, there was a strong increase in the amount of available space in 2011, resulting in an easing of the market, particularly in the city of Rotterdam. The largest increase in vacancy rates occurred in the Alexander district. The result was that approximately 16% of the total office stock in Rotterdam was available for letting at the end of the year.

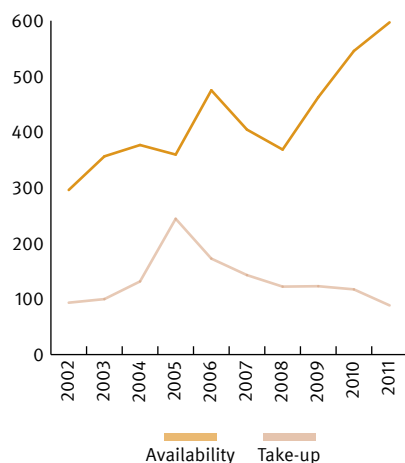
Table 1  
**Office rents 2012 (€ per sq m pa)**

District	Rental range
Rotterdam Centre	125 - 210
Rotterdam Alexander	130 - 200
Rotterdam Brainpark	150 - 180
Rotterdam South	110 - 210
Rotterdam Other	100 - 155
Capelle a/d IJssel	100 - 160
Schiedam	120 - 140

Source: Knight Frank

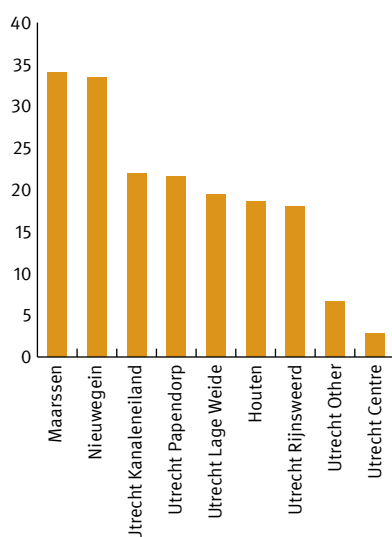


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**Availability versus take-up**  
000s sq m



Source: Bak Property Research/Knight Frank

Figure 2  
**Availability rates by district, year-end 2011**  
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Source: Bak Property Research/Knight Frank

THE CITY CENTRE  
HAS A SHORTAGE  
OF AVAILABLE  
MODERN OFFICE  
SPACE

## Utrecht's main office districts



## Utrecht

Contrary to expectations, take-up in the Utrecht region fell in 2011. This was primarily a result of reduced activity in the city of Utrecht itself, where take-up did not exceed 65,000 sq m. There was a scarcity of large transactions, with the only sizeable transactions being the letting to Rijksgebouwendienst (The Government Buildings Department) of 6,300 sq m in the Papendorp office park and the letting near Central Station of approximately 8,200 sq m to Rabobank.

Although the total volume of transactions in the Utrecht region fell in 2011, the number of letting transactions held up well in the town of Nieuwegein. This was attributable primarily to the demand for office space in the 200 to 1,400 sq m range, with the emphasis on second-hand premises.

While the take-up of office space fell short of expectations, another disappointment for the market was that availability in the region continued to rise. The increase in availability was highest in the city of Utrecht, where

about 11% of the stock was empty at the year-end. The neighbouring towns of Houten and Nieuwegein also witnessed rising vacancy rates. Although the amount of office space available for immediate occupation increased during the year, the city centre of Utrecht has continued to suffer from a shortage of modern office premises.

Table 1  
**Office rents 2012 (€ per sq m pa)**

District	Rental range
Utrecht Centre	135 - 200
Utrecht Rijsweerd	170 - 190
Utrecht Kanaleneiland	130 - 170
Utrecht Lage Weide	115 - 135
Utrecht Papendorp	165 - 200
Utrecht Other	130 - 180
Maarssen	125 - 145
Nieuwegein	100 - 145
Houten	100 - 135

Source: Knight Frank



# RESEARCH



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USA  
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Chile

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Czech Republic  
France  
Germany  
Hungary  
Ireland  
Italy  
Monaco  
Poland  
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Romania  
Russia  
Spain  
Switzerland  
The Netherlands  
Ukraine

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Malawi  
Nigeria  
South Africa  
Tanzania  
Uganda  
Zambia  
Zimbabwe

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