

Quarterly Update



21 **Q2**

Quarterly Update 21Q2. 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. 21Q2 compared to 20Q2.

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 April 15, 2021. The general data is from the CBS. Number of inhabitants, households and housing stock is reference date January 1, 2021, number in supply is reference data July 27, 2021 and average disposable income December 9, 2020.

Foreword

FRIS is pleased to present the update for the second quarter of 2021. This quarterly update provides us insight into the residential property market, which has been dominated by massively reduced supply. Every quarter we expect prices to stop rising, but once again we are surprised. The past quarter has once again broken all records.

The number of transactions has declined in all the cities and areas surveyed by FRIS. However, prices have simply risen in all of the cities and areas¹ which have been surveyed, both in absolute terms and per square metre. Amsterdam again takes the lead with the highest median transaction price per square metre, this year exceeding €7,000 for the first time, and in the past quarter even exceeding €7,700 per square metre. A persistently large proportion of residential dwellings continues to be sold in excess of their asking price, with extremes of 88% in Almere and Haarlem. We can also see this meagre supply in the transaction lead times, which have diminished further where possible. The NVM [Dutch Association of Real Estate Agents] has confirmed these figures and has consequently set its tightness indicator at less than one-and-a-half without exception. The tightness indicator depicts the relationship between supply of residential dwellings

and housing sales transactions. In Utrecht, choice is completely limited, with a tightness indicator of less than 1.

The housing rental market reveals a varied picture, something which we have seen since the start of the coronavirus pandemic. However, we see that the rental price per square metre per month has risen in the past quarter in all the cities and areas surveyed by FRIS. Whereas the corona crisis first caused rents to fall in the large cities, partly due to expats leaving (who tend to rent in the higher segment), we now see that the decrease in absolute monthly rents is stabilising and that the square metre rent per month has actually risen somewhat. The expectation is that, as the restrictions caused by corona decrease, rental prices will increase as long as the supply is limited. Some cities show a distorted picture, such as Lelystad, where the rent per square metre per month has risen enormously. This is because few rental transactions were recorded during the past quarter, as a result of which the price seems to have risen disproportionately.

As such, the pandemic has mainly had an impact on the housing rental market. The housing sales market is defined by how exceeding tight it is. Government

interventions in the form of property transfer tax for starters has yielded little effect in this respect. The money which one saves on tax is used to fund excess bids, which merely forces prices up. Construction seems to be the only response in this market.

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

¹ The Netherlands, Amsterdam, the Zaan region, Utrecht, Rotterdam, The Hague, Leiden, Haarlem, Almere, and Lelystad.

The Netherlands


 **Residents**
17,474,693

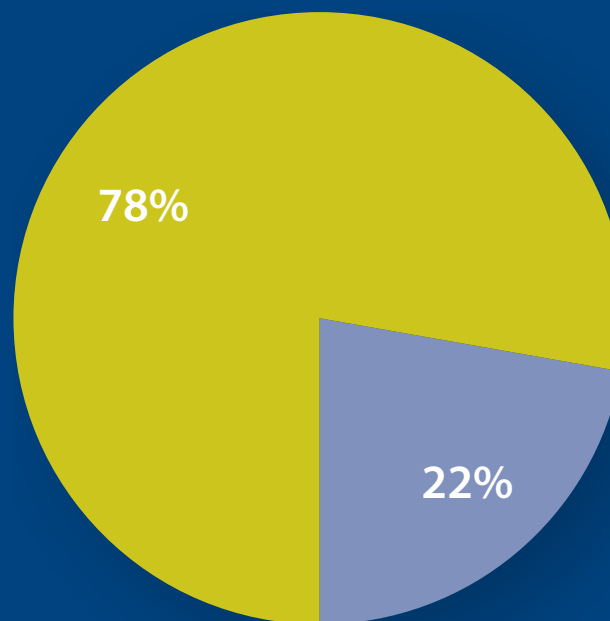
 **Households**
7,997,800



 **Housing stock**
7,966,331

 **Average disposable income/household**
€ 44,400

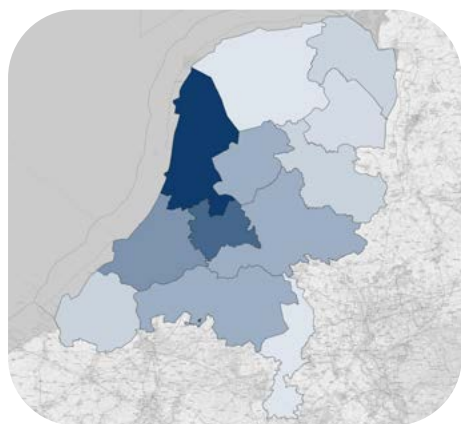
 **Number available**
15,491

 **Scarcity indicators (NVM)**
1.4



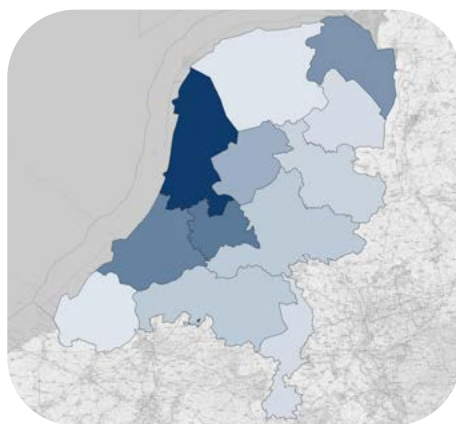
 Above asking price
 Asking price / below asking price

Transaction price/sqm



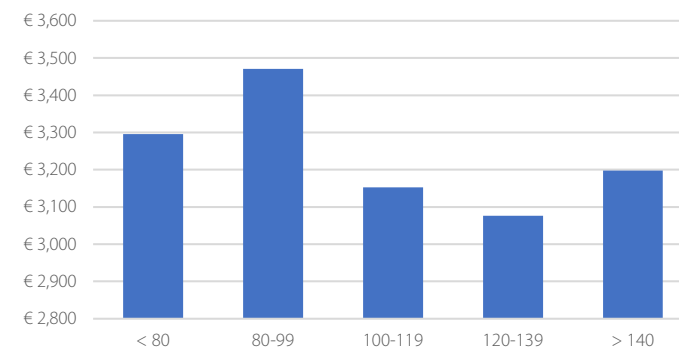
€ 2,210 € 4,626

Rental price/sqm/p/m

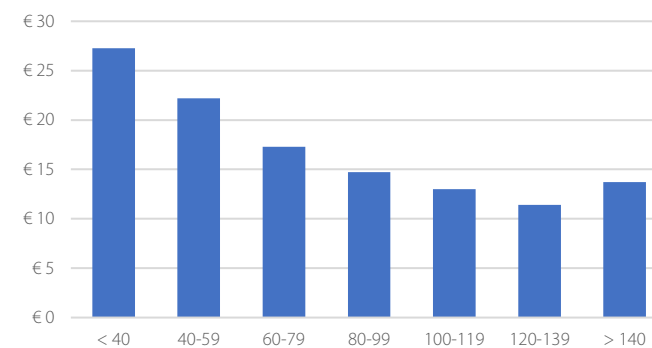


€ 10.40 € 21.00

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions - 11.8% 34,253

Transaction price + 19.9% € 409,573

Transaction price/sqm + 18.2% € 3,391

Rental price p/m + 13.4% € 1,313

Rental price/sqm/p/m + 34% € 16.69



Whereas every quarter we think that prices cannot rise any further, in 21Q2 we are yet again surprised by record prices. In all the cities and areas surveyed by FRIS, the transaction price per sqm increased by 15-25% year-on-year!



Amsterdam



Residents

872,922



Households

475,368



Housing stock

449,989



Average disposable income/household

€ 41,600



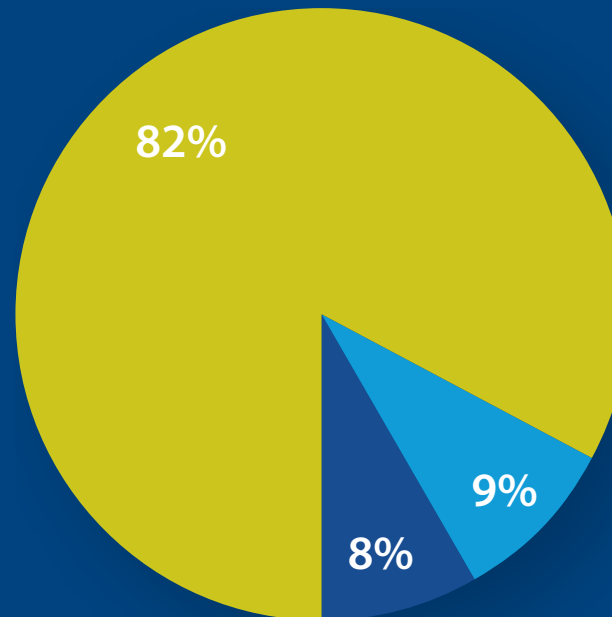
Number available




1,023



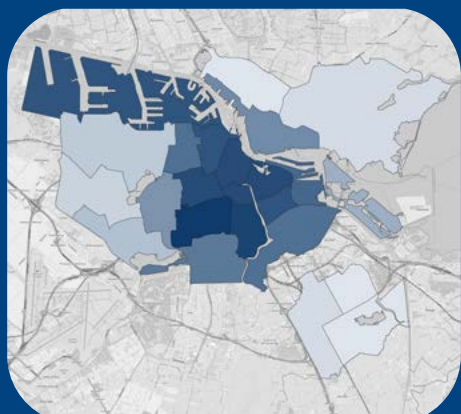
Scarcity indicators (NVM)

1.6



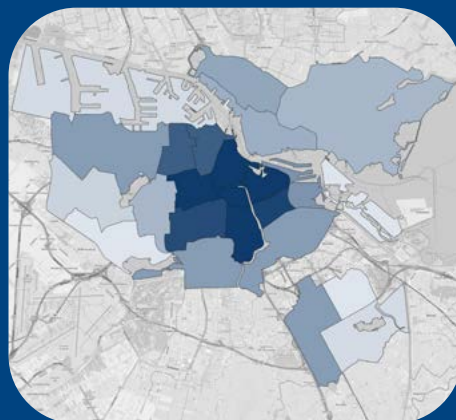
-  Above asking price
-  Asking price
-  Below asking price

Transaction price/sqm



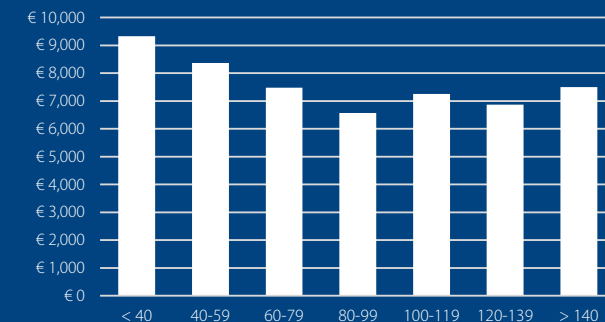
€ 3,740 € 9,028

Rental price/sqm/p/m

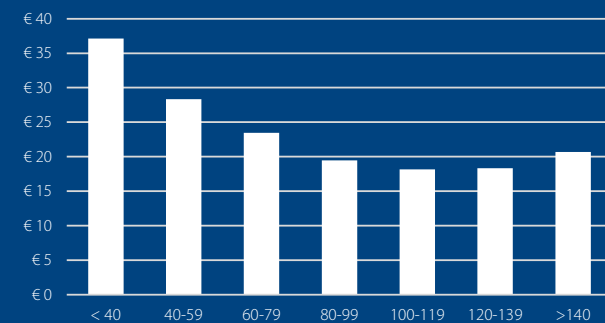


€ 16.80 € 26.80

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions **- 45.0%** 1,478

Transaction price **+ 18.0%** € 536,000

Transaction price/sqm **+ 19.0%** € 7,710

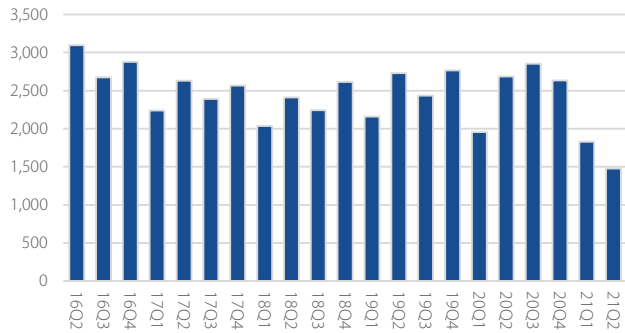
Amount of rental transactions **+ 38.8%** 3,165

Rental price p/m **- 6.1%** € 1,550

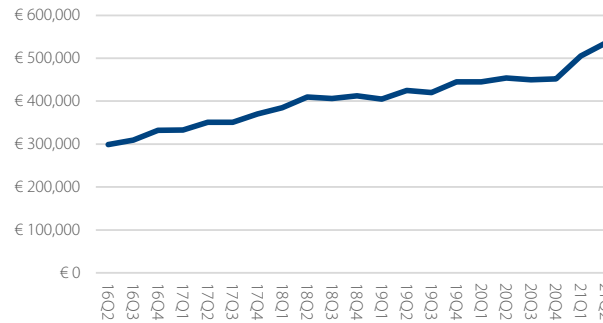
Rental price/sqm/p/m **+ 2.1%** € 24.10

> Sales

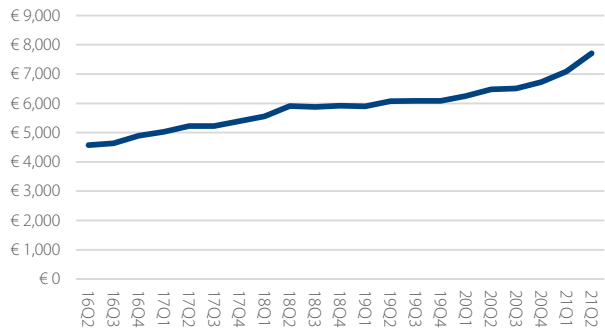
Number of transactions



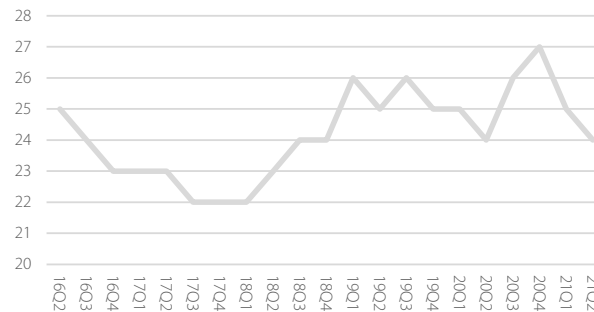
Selling price



Selling price per square metre



Lead time in days

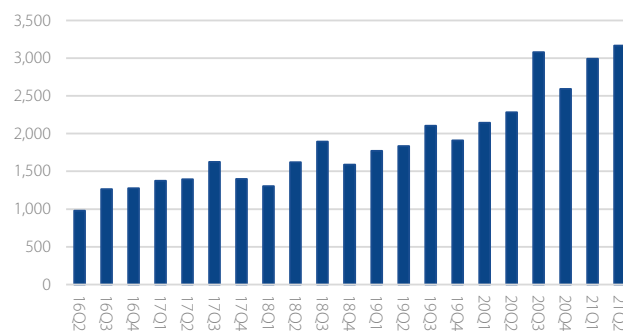


In Amsterdam, the transaction price per sqm rose again to record levels, reaching a median of over €7,700, which is over twice as high as the median transaction price per sqm of the Netherlands (€3,391).

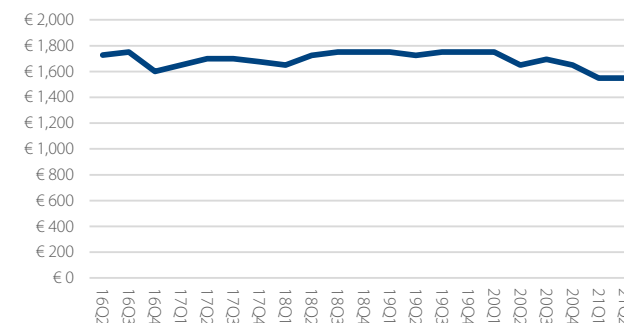
> Rentals

The number of rental transactions in Amsterdam has risen year-on-year, which is not surprising considering that in the same quarter a year earlier, we saw the first effects of the corona crisis in the figures.

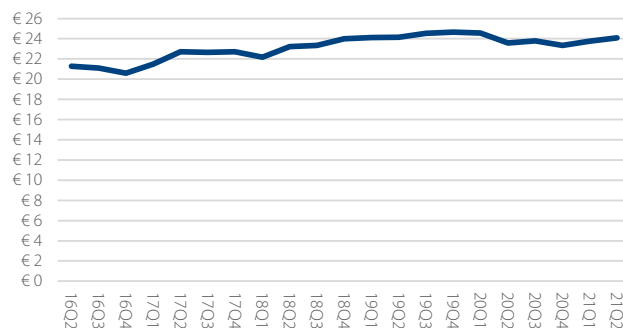
Number of transactions



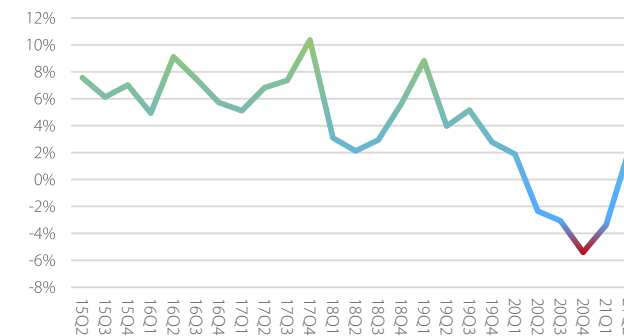
Transaction rental per month



Monthly rental per square metre by quarter



Rental increase at an annualised rate



Zaan Region



Residents

183,008



Households

81,659



Housing stock

80,133



Average disposable income/household

€ 48,230



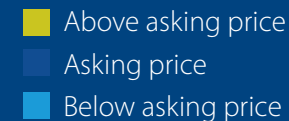
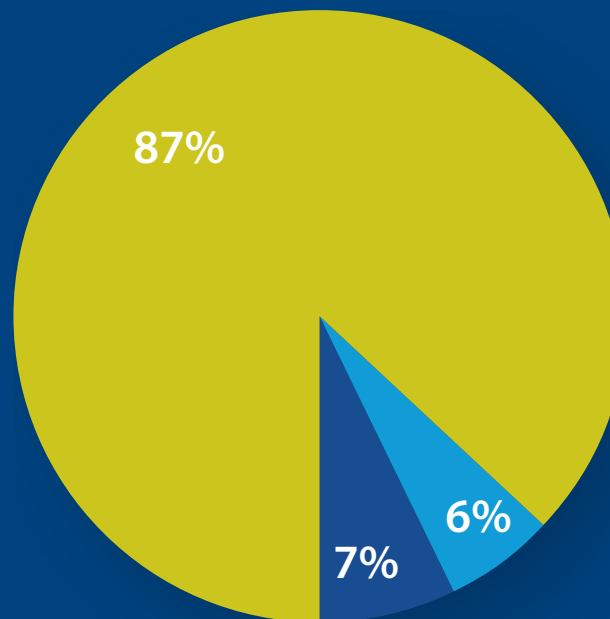
Number available

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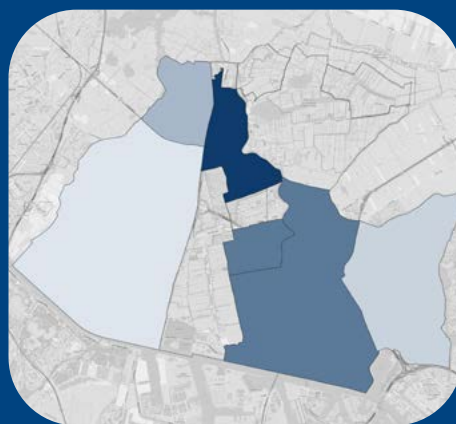
Scarcity indicators (NVM)

1.1



Transaction price/sqm

Rental price/sqm/p/m



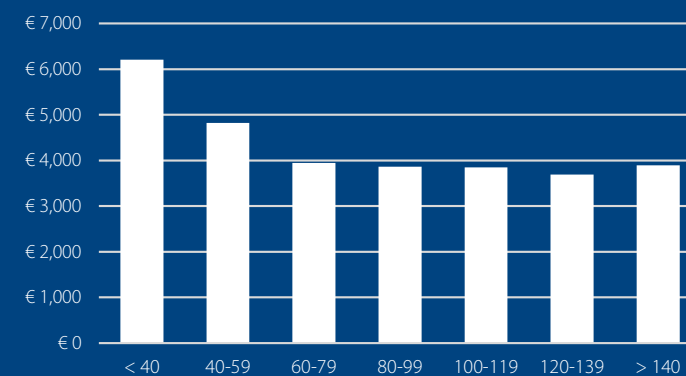
€ 3,609

€ 4,787

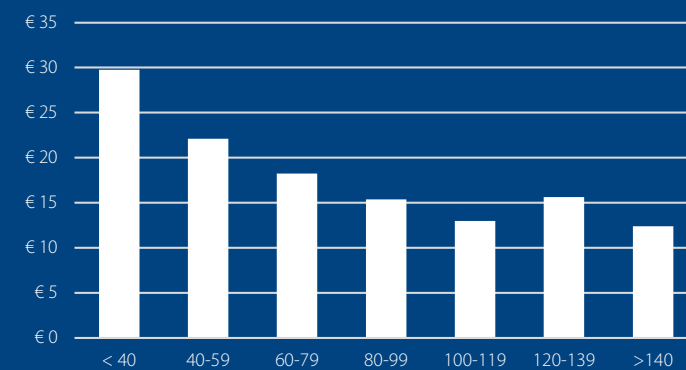
€ 14.80

€ 21.40

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions - **33.5%** 322

Transaction price + **20.5%** € 388,756

Transaction price/sqm + **20.1%** € 3,870

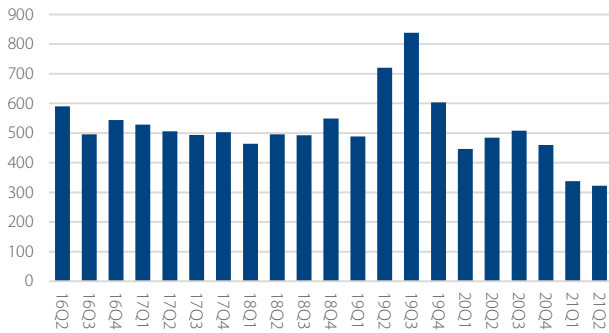
Amount of rental transactions + **6.4%** 83

Rental price p/m - **2.0%** € 1,250

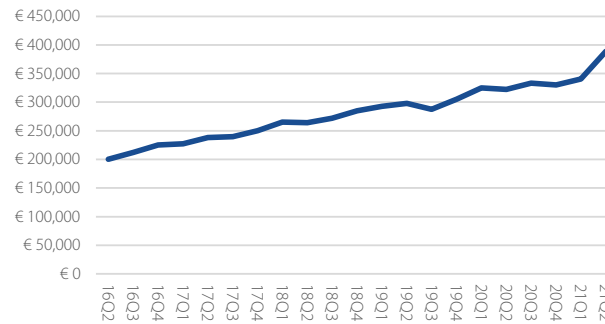
Rental price/sqm/p/m + **16.5%** € 18.30

> Sales

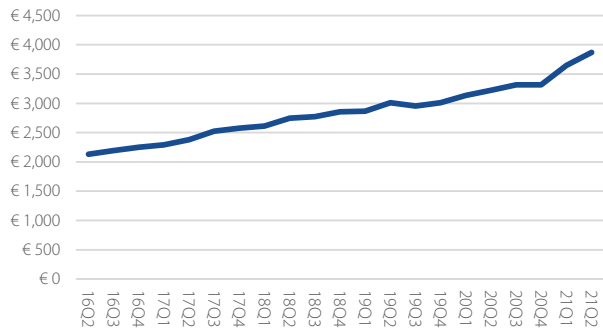
Number of transactions



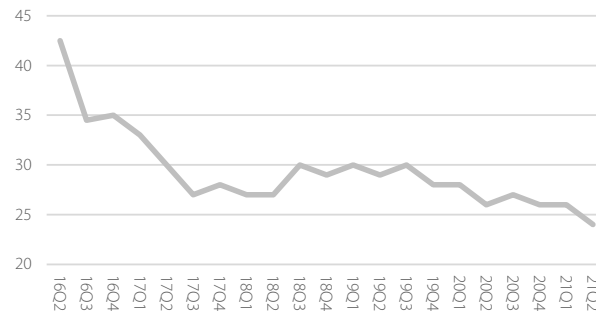
Selling price



Selling price per square metre



Lead time in days

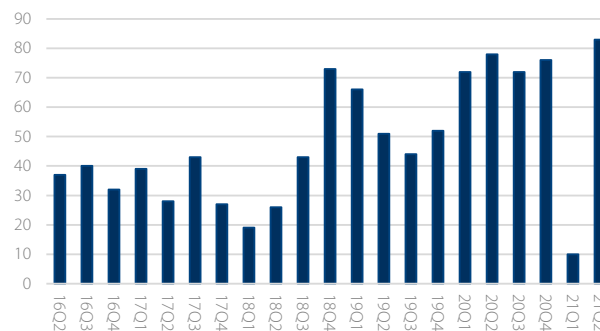


In the Zaan region, outbidding is no longer an exception; in 87% of the transactions, more is paid for a house than the initial asking price. This means that the absolute transaction price has risen by over 20% year-on-year, to almost €390,000.

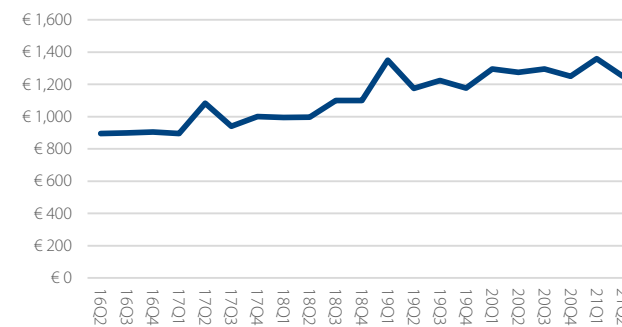
> Rentals

Renting in the Zaan region is becoming increasingly popular. The number of transactions has increased and the rental price per sqm per month has risen by no less than 16.5%.

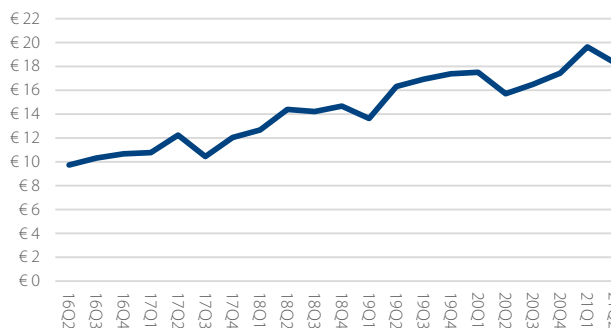
Number of transactions



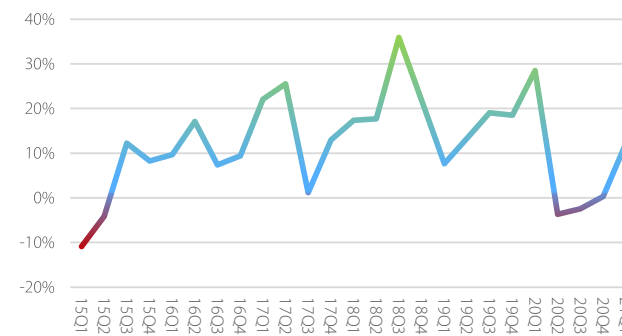
Transaction rental per month



Monthly rental per square metre by quarter



Rental increase at an annualised rate



Utrecht



Residents

359,376



Households

181,670



Housing stock

159,671



Average disposable income/household

€ 40,900



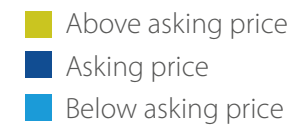
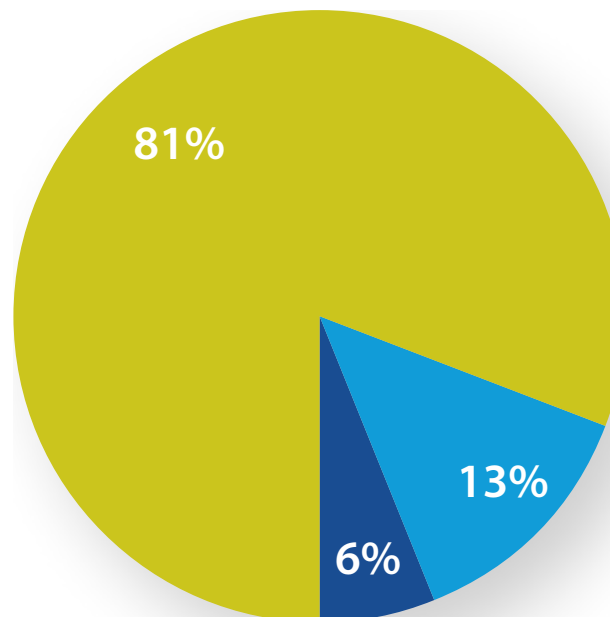
Number available

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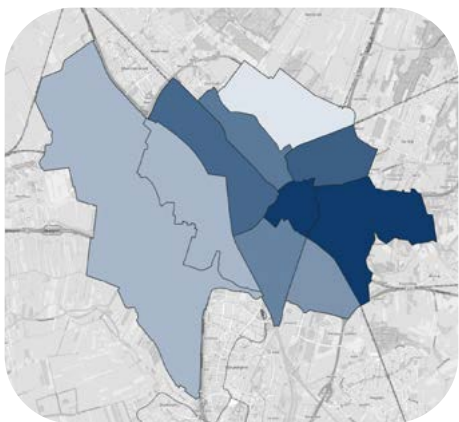


Scarcity indicators (NVM)

0.9

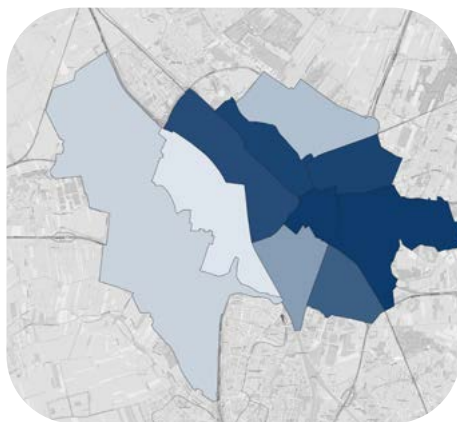


Transaction price/sqm



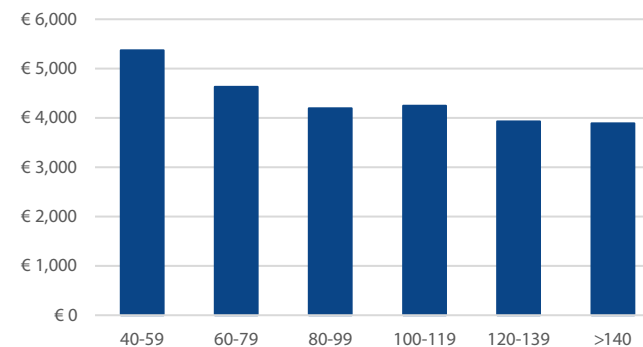
€ 3,637 € 6,495

Rental price/sqm/p/m

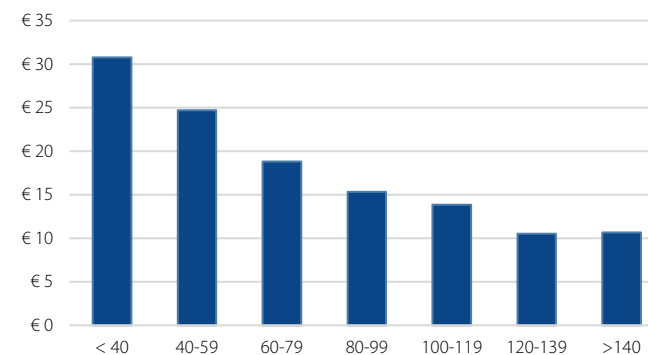


€ 13.10 € 23.50

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Transaction price	- 12.6%	809
Transaction price	+ 12.6%	€ 439,250
Transaction price/sqm	+ 18.9%	€ 5,152
Amount of rental transaction	+ 73.5%	694
Rental price p/m	0.0%	€ 1,250
Rental price/sqm/p/m	+ 5.4%	€ 19,00

Rotterdam



Residents

652,541



Households

328,283



Housing stock

317,945



Average disposable income/household

€ 37,400



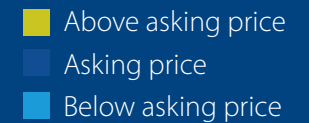
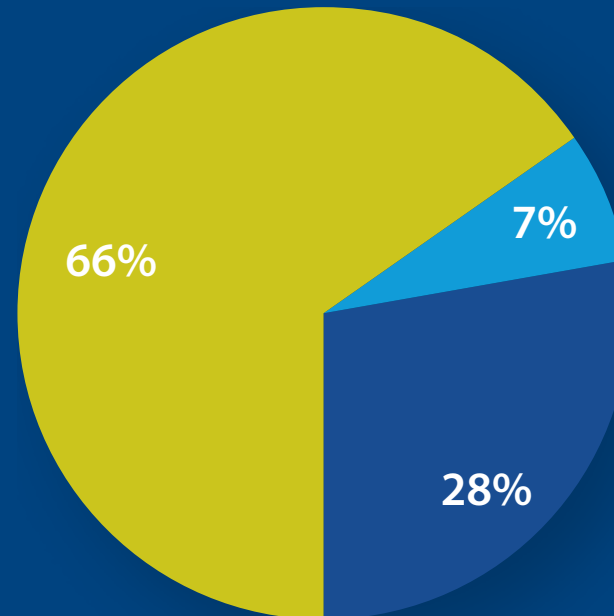
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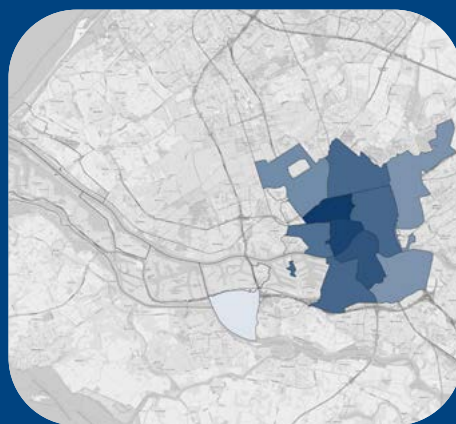
Scarcity indicators (NVM)

1.6



Transaction price/sqm

Rental price/sqm/p/m



€ 2,762

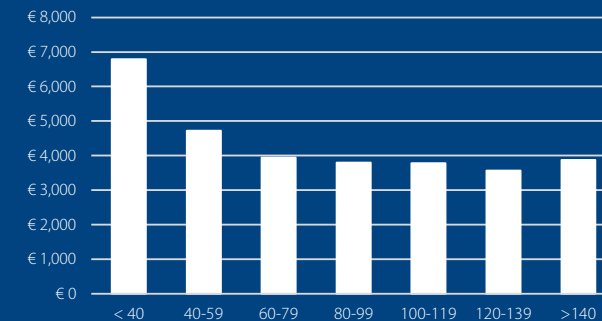
€ 5,119



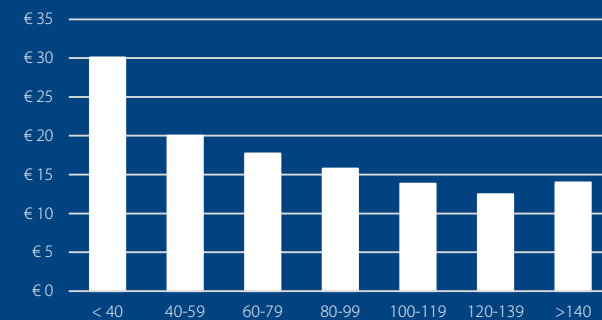
€ 10.60

€ 18.90

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions **- 44.5%** 954

Transaction price **+ 17.9%** € 350,000

Transaction price/sqm **+ 22.1%** € 3,881

Amount of rental transactions **+ 47.7%** 660

Rental price p/m **+ 3.6%** € 1,295

Rental price/sqm/p/m **+ 9.8%** € 16.80

The Hague



Residents

547,757



Households

268,306



Housing stock

265,959



Average disposable income/household

€ 41,000



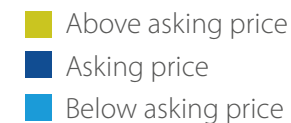
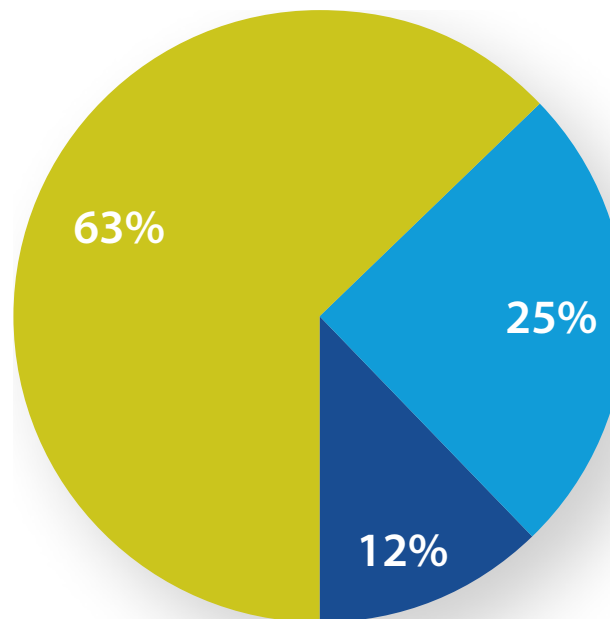
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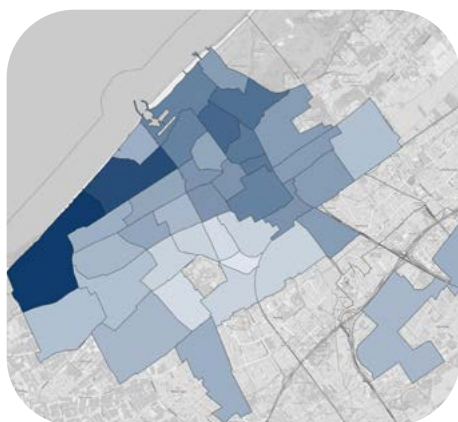


Scarcity indicators (NVM)

1.3

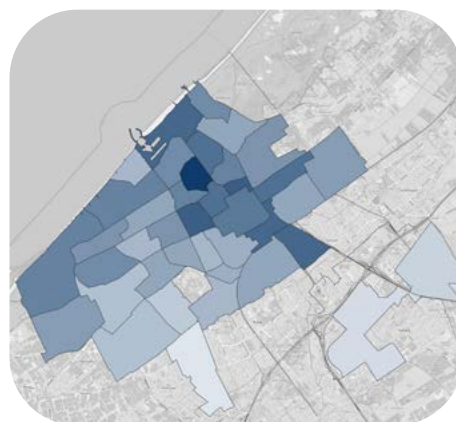


Transaction price/sqm



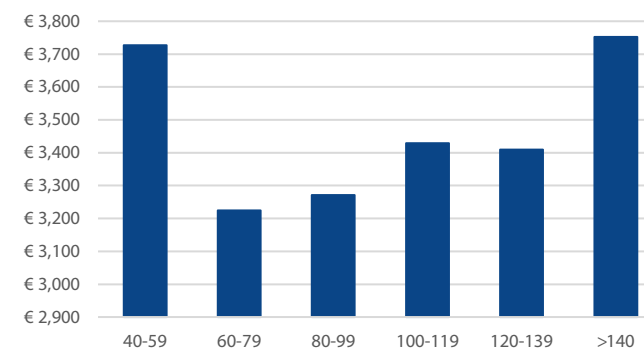
€ 2,769 € 6,584

Rental price/sqm/p/m

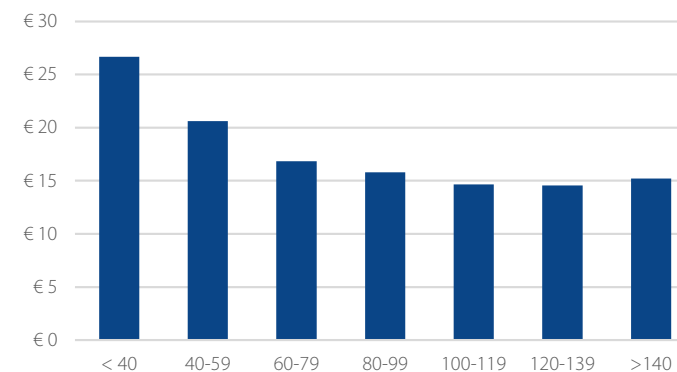


€ 11.40 € 22.60

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions **- 17.3%** 1,074

Transaction price **+ 19.9%** € 395,000

Transaction price/sqm **+ 23.5%** € 3,976

Amount of rental transactions **+ 11.8%** 1,102

Rental price p/m **+ 8.0%** € 1,350

Rental price/sqm/p/m **+ 6.3%** € 16.40



Leiden



Residents

124,077



Households

68,699



Housing stock

60,538



Average disposable income/household

€ 37,700



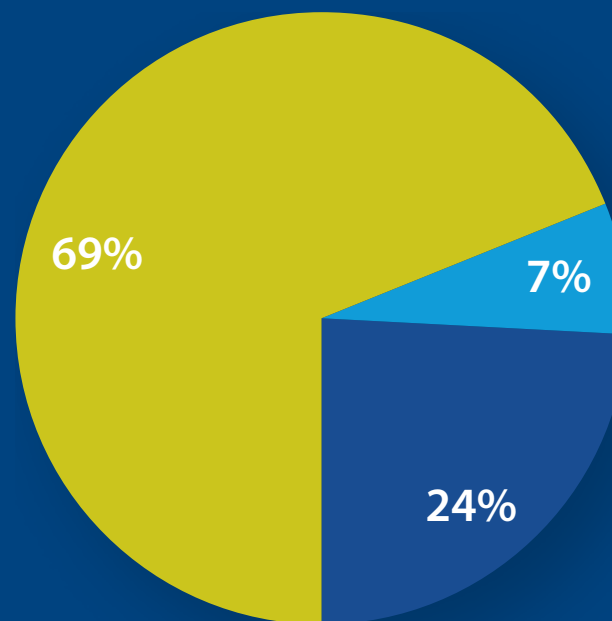
Number available




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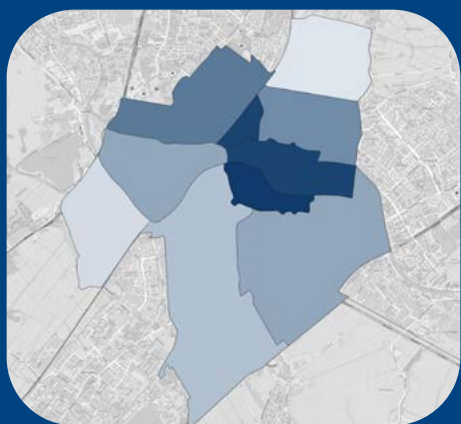
Scarcity indicators (NVM)

1.0



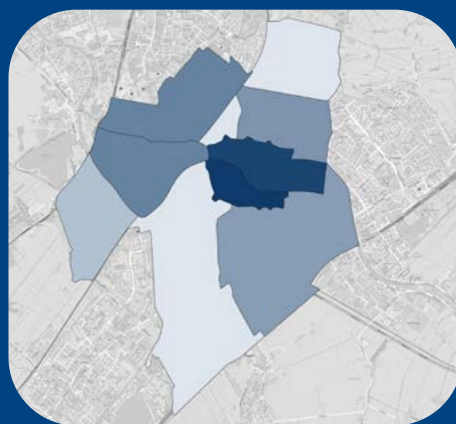
-  Above asking price
-  Asking price
-  Below asking price

Transaction price/sqm



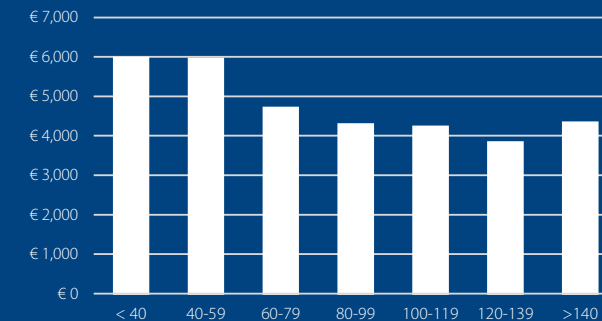
€ 3,713 € 5,470

Rental price/sqm/p/m

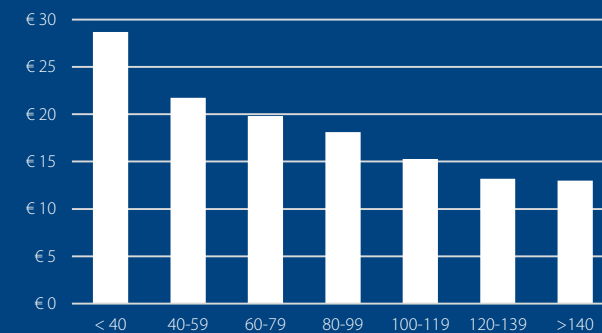


€ 15.90 € 22.70

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions **- 47.0%** 188

Transaction price **+ 13.6%** € 397,500

Transaction price/sqm **+ 15.5%** € 4,388

Amount of rental transactions **+ 31.6%** 200

Rental price p/m **- 4.1%** € 1,295

Rental price/sqm/p/m **+ 7.2%** € 19.80

Almere



Residents

215,757



Households

89,319



Housing stock

86,582



Average disposable income/household

€ 45,200



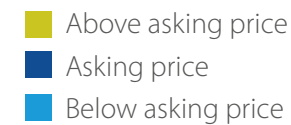
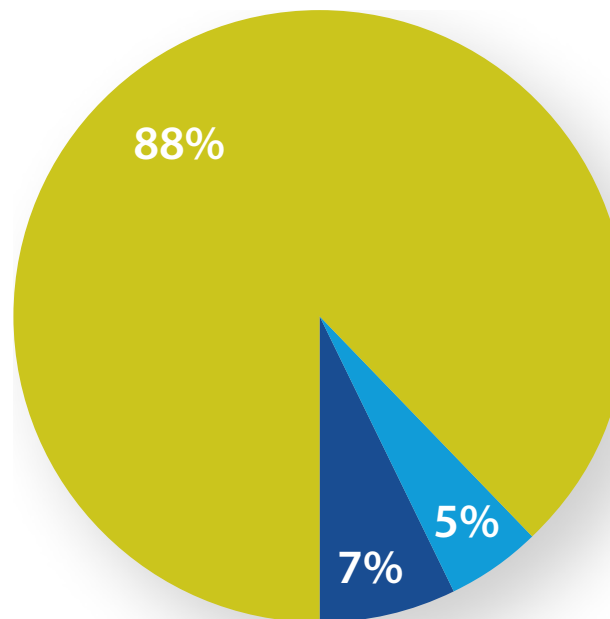
Number available

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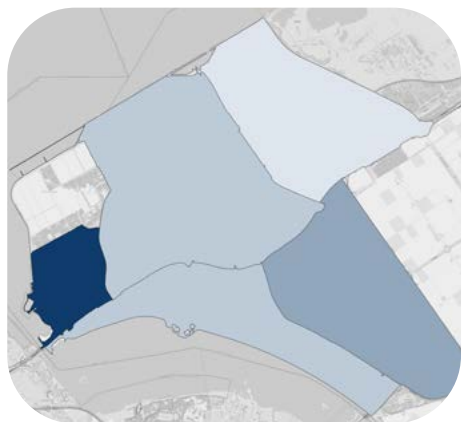


Scarcity indicators (NVM)

1.0



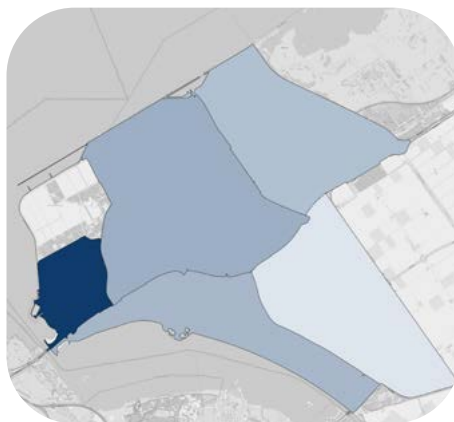
Transaction price/sqm



€ 3,365

€ 4,334

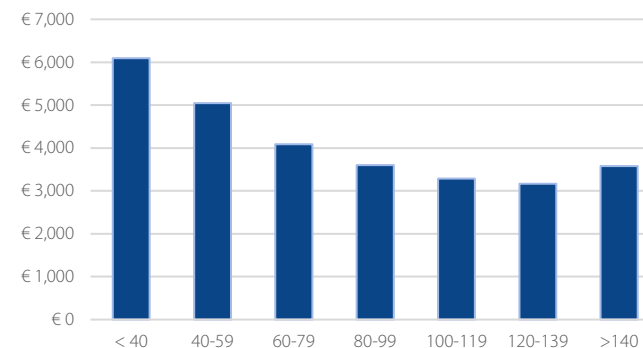
Rental price/sqm/p/m



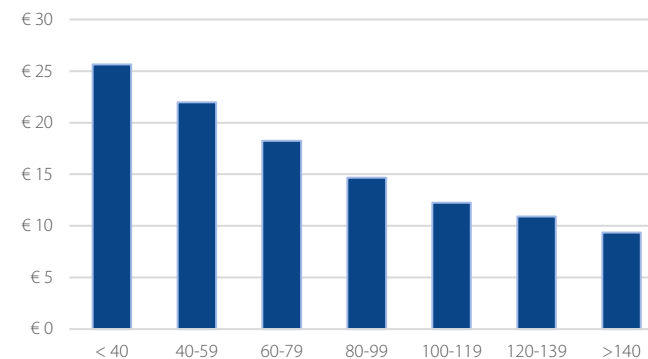
€ 13.00

€ 17.10

Transaction price/sqm by surface category

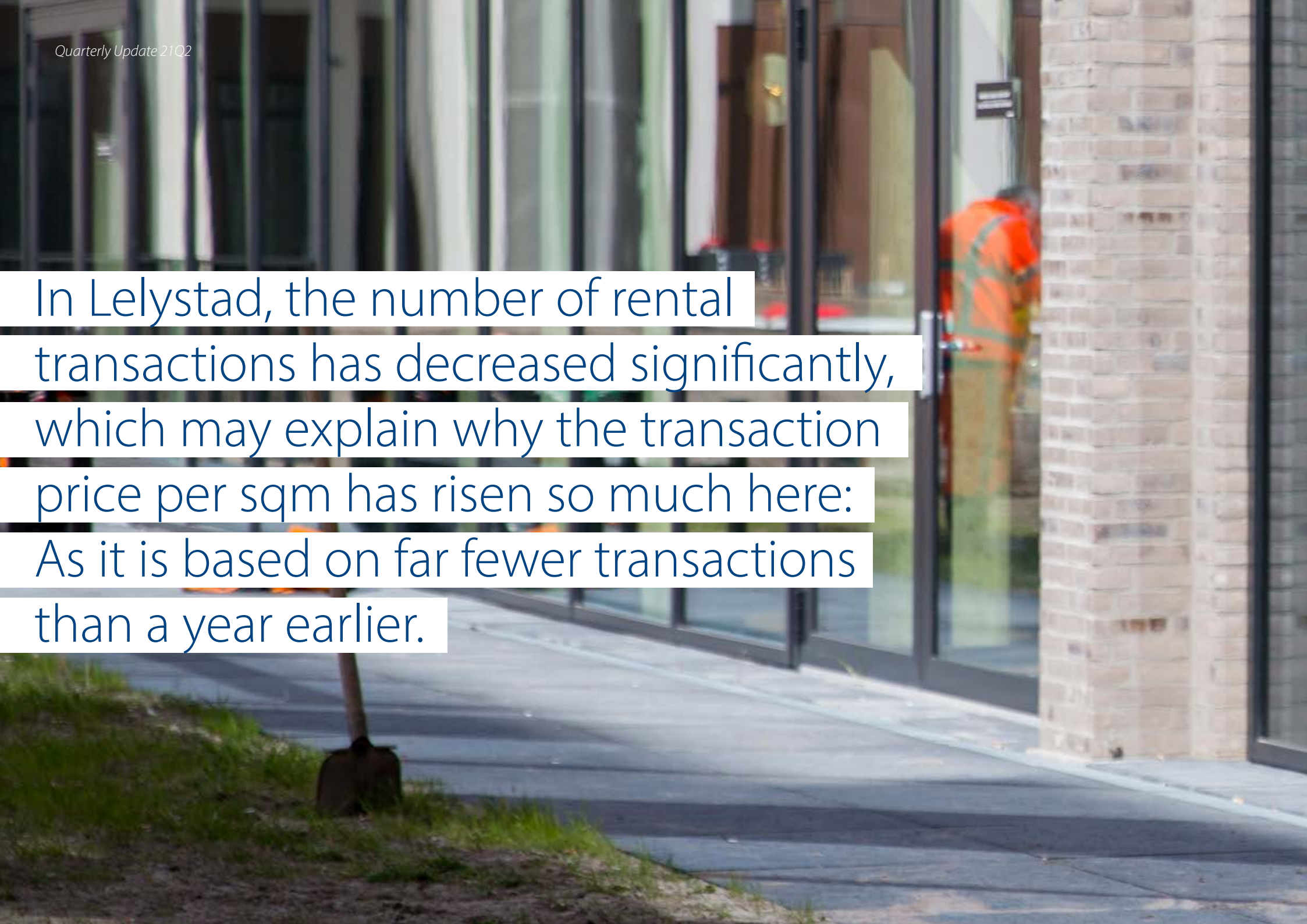


Rental price/sqm/p/m by surface category



Amount of transactions	- 36.6%	477
Transaction price	+ 24.7%	€ 385,000
Transaction price/sqm	+ 23.8%	€ 3,474
Amount of rental transactions	- 22.9%	145
Rental price p/m	+ 4.2%	€ 1,250
Rental price/sqm/p/m	+ 2.9%	€ 14.40

In Lelystad, the number of rental transactions has decreased significantly, which may explain why the transaction price per sqm has risen so much here: As it is based on far fewer transactions than a year earlier.



Real people, real results




Lelystad


 Residents
79,769

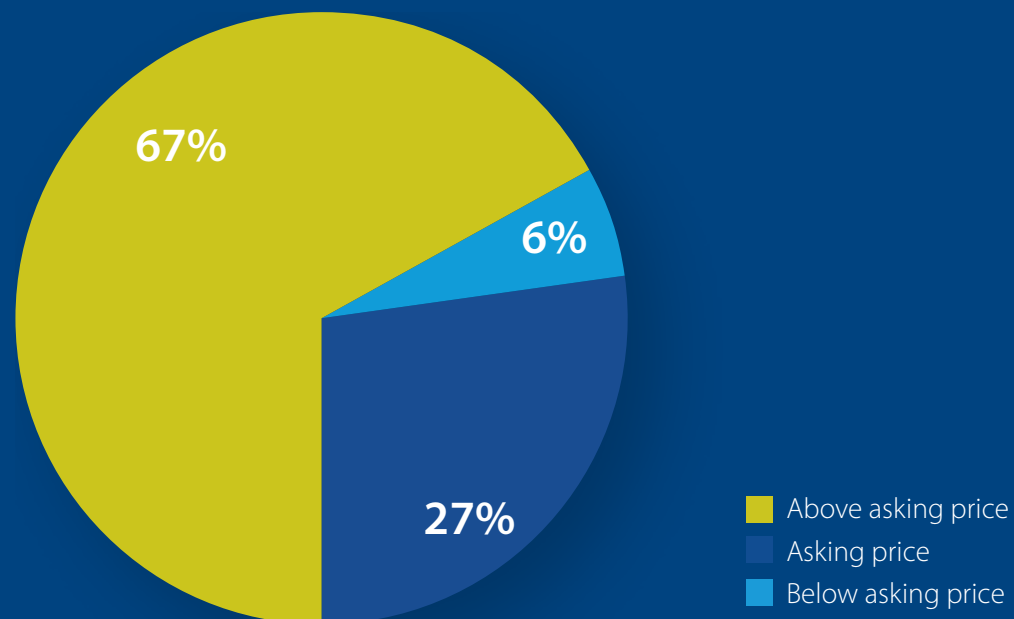
 Households
34,338

 Housing stock
33,734

 Average disposable
income/household
€ 42,200

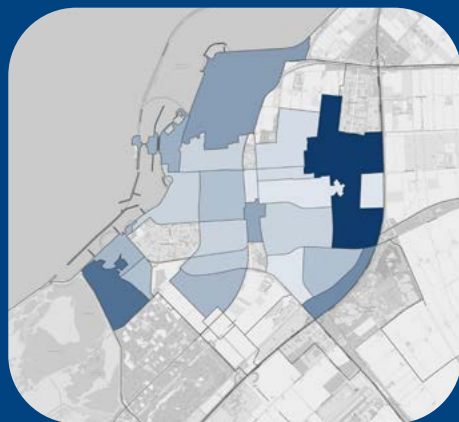
 Number available
66

 Scarcity indicators
(NVM)
1.6



Transaction price/sqm

Rental price/sqm/p/m



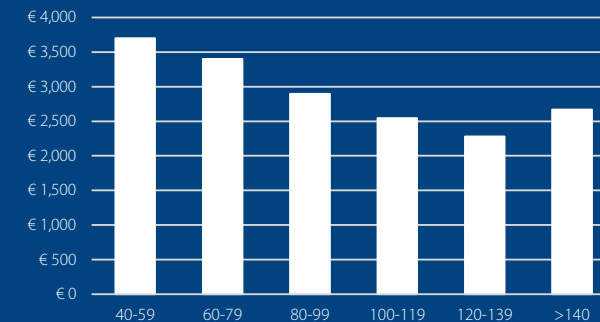
€2,132

€5,303

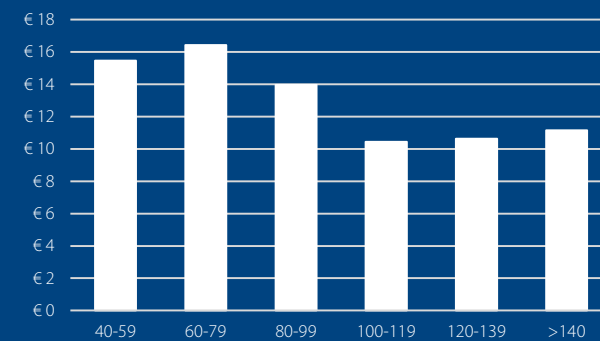
€9.00

€17.30

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions - **49.0%** 175

Transaction price + **12.6%** € 290,000

Transaction price/sqm + **19.0%** € 2,584

Amount of rental transactions - **62.5%** 39

Rental price p/m + **25.7%** € 1,175

Rental price/sqm/p/m + **76.0%** € 14.10

Haarlem



Residents

162,549



Households

78,171



Housing stock

77,201



Average disposable income/household

€ 45,300



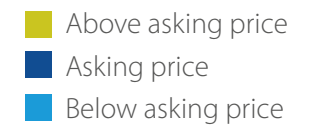
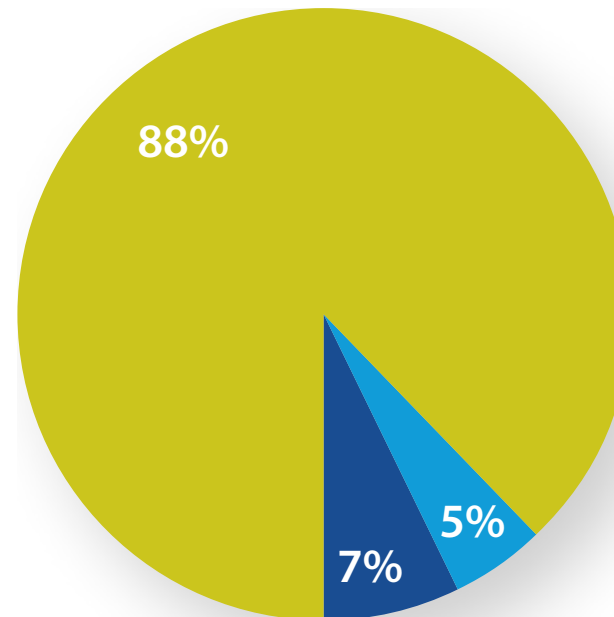
Number available

170

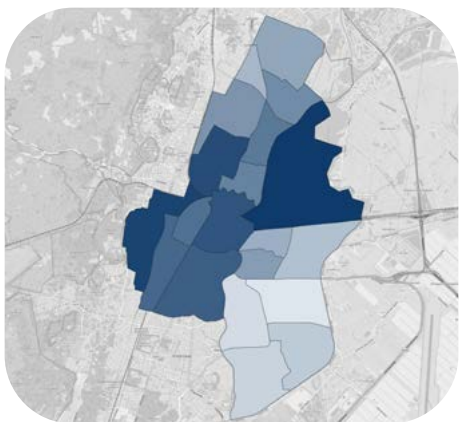


Scarcity indicators (NVM)

1.0

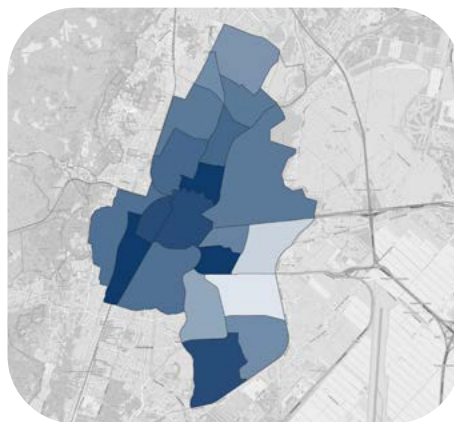


Transaction price/sqm



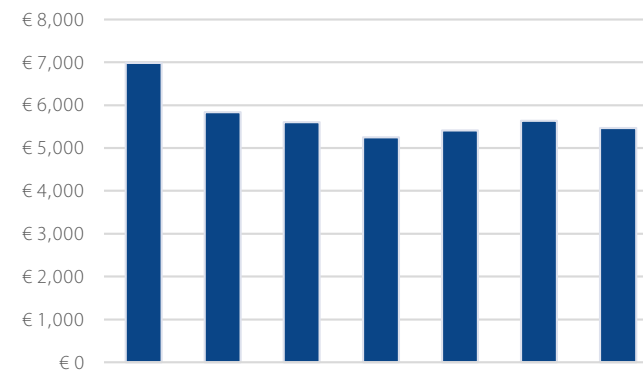
€ 3,758 € 6,520

Rental price/sqm/p/m

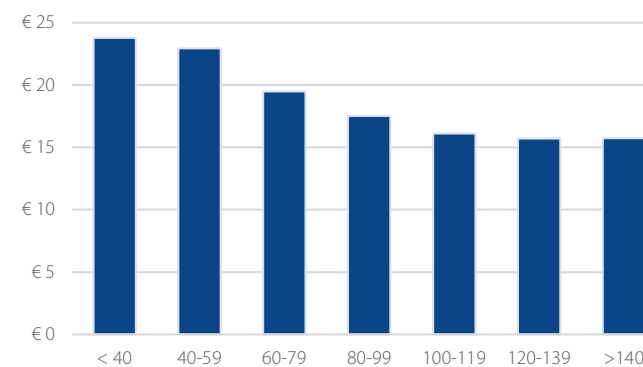


€ 12.40 € 22.80

Transaction price/sqm by surface category



Rental price/sqm/p/m by surface category



Amount of transactions	- 22.6%	463
Transaction price	+ 17.0%	€ 500,370
Transaction price/sqm	+ 22.0%	€ 5,488
Amount of rental transactions	+ 25.8%	327
Rental price p/m	- 8.8%	€ 1,300
Rental price/sqm/p/m	+ 8.3%	€ 20.50

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. This year, 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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