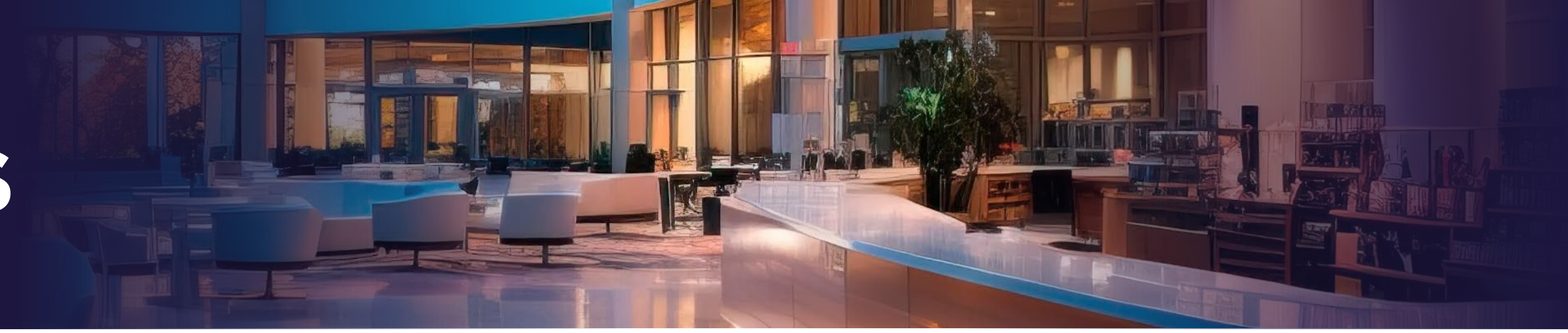
NETHERLANDS

HOSPITALITY Q2 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
€22M Investment Volume	▼	▲
2.2% YoY RevPAR Growth	▲	▼
0.6% YoY Supply Growth	▲	▲

Source: CBS, STR

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.0% GDP Growth	▼	▼
2.9% Inflation cpi	▲	▼

Source: ING, CPB, CBS, June '26

INVESTMENT MARKET: TRANSACTION ACTIVITY BELOW LAST YEAR

The Dutch hotel investment market remained subdued during the first half of 2026, reflecting a cautious investment environment rather than the start of a new market cycle. Buyers and sellers continue to adopt a wait-and-see approach as higher operating costs, evolving hotel performance and ongoing macroeconomic uncertainty make pricing and underwriting more challenging. Consequently, investment activity remains well below last year's level, while international capital has become more selective as competing European markets offer relatively more attractive returns and fiscal conditions.

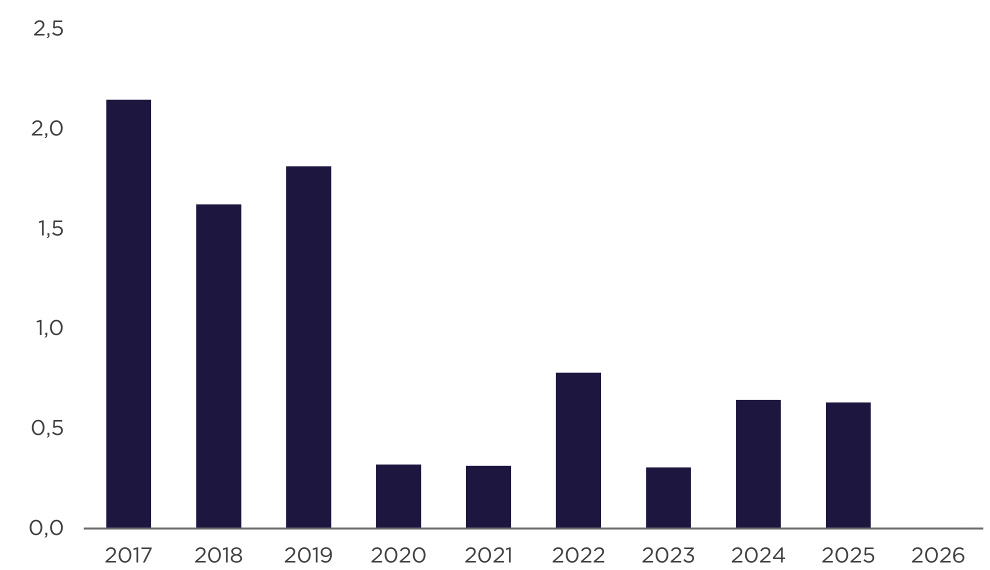
Despite muted transaction volumes, financing conditions have improved and deal momentum is gradually building, with several transactions expected to complete during the second half of the year. Investor interest is increasingly focused on future-proof assets with resilient cash flows, while value-add strategies are gaining importance as limited new development shifts attention towards repositioning and upgrading existing hotels. The widening quality gap between modern and obsolete stock is expected to become more pronounced, reinforcing the market's selective nature. Looking ahead, recovery is expected to remain gradual, with activity concentrated on high-quality assets and well-defined repositioning opportunities rather than broad-based market expansion.

OCCUPIER MARKET: SOLID DEMAND, PRESSURED PERFORMANCE

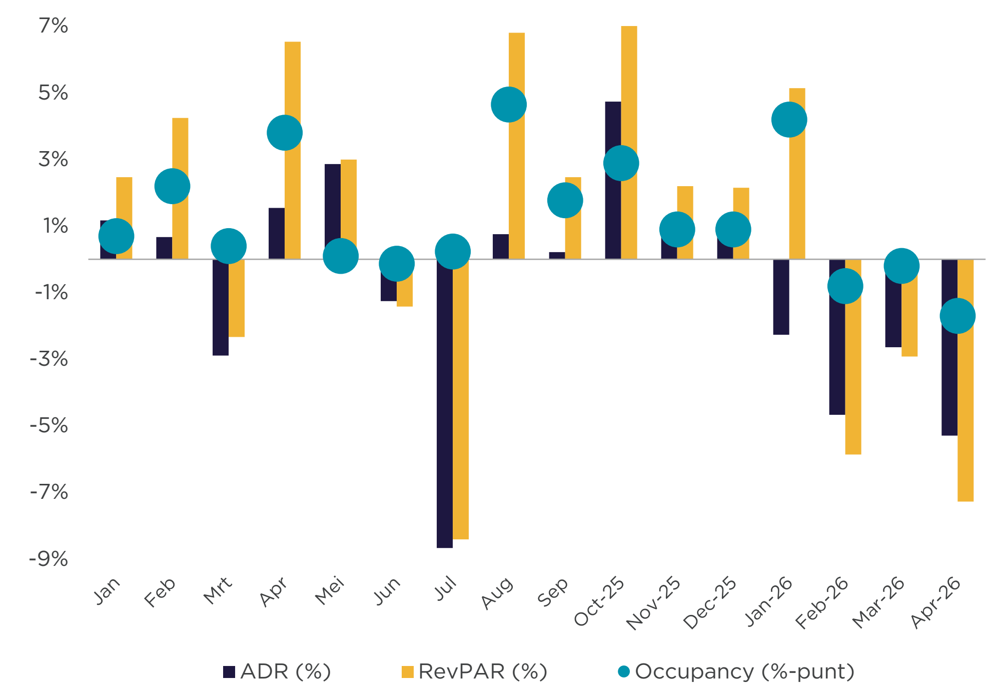
The Dutch hotel occupier market remains supported by resilient underlying demand, although operators are navigating a more challenging cost environment. Higher VAT on overnight stays, rising labor costs and persistent inflation are placing increasing pressure on margins, making pricing strategies and operational efficiency more critical than in previous years. RevPAR is expected to decline by approximately 3–5% in 2026 as hotels absorb part of the VAT increase while balancing occupancy and room rates. Performance is becoming increasingly polarized, with well-positioned hotels in prime locations proving better able to maintain pricing power than secondary assets.

As a result, product quality, operational efficiency and targeted refurbishment are becoming key competitive differentiators. While 2026 represents a transition year, the sector's strong demand fundamentals continue to support confidence in a gradual improvement in operating performance from 2027 onwards.

HOTEL INVESTMENT VOLUME (IN € B.)



HOTEL PERFORMANCE NETHERLANDS (% CHG)



Source: STR, 2026. Edited by Cushman & Wakefield