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Dutch Housing Market Update 2025-Q3

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Dynamic Credit originates and manages tailored portfolios of Dutch residential and consumer BTL mortgage loans for institutional investors in an easy, cost-efficient and transparent way. As always, we welcome the opportunity to discuss the housing market and investing in Dutch mortgages.



"The 2025 parliamentary elections have once again placed the housing market at the center of public debate. While all major parties agree that construction must accelerate and procedures should be simplified, concrete measures to achieve these goals

remain limited. The housing shortage persists with no sign of immediate relief, with the number of issued building permits still well below the target of 100,000 newly constructed homes per year. Housing prices increased nearly 8% YoY and transaction volumes reached their highest level since the pre-pandemic peak. Mortgage origination increased over 20% compared to last year. Meanwhile, buy-to-let investor sell-offs continued to reshape the market, transferring smaller rental properties to owner-occupiers, thus further tightening rental supply. Rental prices continued their upward trajectory, adding continued pressure on affordability across the market."

Jasper Koops,
Head of Portfolio Management

1. Executive Summary

Political and policy environment: The October 2025 parliamentary elections placed housing firmly at the center of debate. All major parties advocate faster permitting and higher construction targets, though views differ on national versus local control. Proposals include a Housing Acceleration Act, Affordable Homeownership Law and National Land Facility, yet implementation remains uncertain. Mortgage interest deductibility remains politically sensitive.

House prices and outlook: Average house prices rose 7.8% YoY and 1.8% QoQ in 2025-Q3 to EUR 487,000, driven by strong demand despite ongoing investor sell-offs. Banks expect prices to rise 6.5–8.7% in 2025 and 4–5.5% in 2026, supported by wage growth and limited housing supply.

Rates and spreads: Residential mortgage rates were broadly stable, 4 bps higher QoQ, with modest tightening in spreads (–3 bps QoQ, –23 bps YoY). The 10-year swap rate rose slightly, but spreads remain near long-term averages. Buy-to-let rates decreased 1 bp QoQ, with spreads tightening 11 bps QoQ but still elevated around 266 bps, reflecting limited competition.

Buy-to-Let market: Investor divestment intensified. In 2025-Q2, investors sold 16,400 properties, 42% more YoY, while acquisitions totaled just 7,800 units. Most disposals were smaller apartments under 95 m², now being purchased by first-time buyers. This dynamic continued into Q3, contributing to record sales volumes and dampened apartment price growth (+2% YoY). The share of apartments in total transactions rose to 35%. Meanwhile, the national rental stock contracted by 5,000 homes YoY, as small landlords exited the market. Free-market rents hit EUR 20.34/m², with double-digit increases in several provinces.

NHG changes: NHG applications rose to EUR 11.9 billion, up 15% YoY, maintaining a 33% market share. The 2026 NHG limit was set at EUR 470,000 (EUR 498,000 with energy-saving measures), extending eligibility to mobile homes and residential sites – potentially stimulating demand in 2026.

Funding update: RMBS issuance slowed to EUR 0.8 billion in 2025-Q3, down sharply from 2025-Q2, while covered bond issuance surged to EUR 4.75 billion, with spreads tightening to 35–36 bps. Investor appetite remained healthy despite lower volumes.

Macro update: Dutch GDP grew 0.2% QoQ in 2025-Q2, supported by investment and public spending. Inflation edged up to 3.3% YoY in September, driven by energy and accommodation costs, keeping the Netherlands above the Eurozone average (2.2%). Unemployment rose to 4.0%, the highest in four years. The ECB held policy rates steady, signaling confidence that inflation is near its 2% target.

Consumer confidence: VEH sentiment improved slightly to 97, reflecting stronger optimism among first-time buyers. CBS confidence rose to –27 in October, up from –32 in September, marking stabilization but remaining below historical norms.

2. Dutch Housing Market Update

Dutch national elections: House of representatives 2025

In the previous edition of the Dynamic Credit Dutch Housing Market Update, we published an article about the collapse of the Dutch coalition government in June 2025 and the impact on pending legislation for the housing market. It is to no surprise that housing policy has become one of the defining themes of the Dutch parliamentary elections held on 29 October 2025. With affordability concerns, rental market regulation and sustainability obligations under debate, the main political parties propose different approaches to the housing and mortgage markets. Below is an overview of key positions drawn from election programs (“partijprogramma’s”) and public statements, grouped by theme. The aim is to present an unbiased assessment of the major parties in terms of their current or anticipated parliamentary influence, as indicated by recent exit polls.

Housing Supply and New Constructions

Across the political spectrum, there is broad agreement that the pace of housing production must substantially increase to address the shortage. The main dividing line lies in how to achieve this: through stronger national coordination or more room for local autonomy and deregulation.

Progressive and centrist parties (GL-PvdA, D66, CDA)

- GL-PvdA proposes a Housing Acceleration Act to shorten permit procedures and eliminate nitrogen-related barriers.
- D66 aims to reduce the shortage by building ten new cities near existing urban areas and transport hubs, combining affordable owner-occupied and social housing. The party also wants to simplify construction rules, redevelop existing buildings and increase urban density. It proposes a National Land Facility (EUR 2 billion annually) to finance development while giving municipalities greater control over implementation.
- CDA focuses on smaller-scale growth (“straatje erbij”), with two-thirds of new homes affordable and 30% designated for social rental. It advocates stronger national coordination, modernized building regulations and faster legal procedures, including limiting appeals and prioritizing housing cases.

Conservative and right-wing parties (VVD, PVV)

- VVD, traditionally favoring market-driven policies, now also supports a stronger national role in housing. The party wants to assign 30 new large-scale residential areas both inside and outside the Randstad, incentivize municipalities to meet or exceed construction targets, and streamline permitting and appeals.
- PVV calls for a national crisis plan to accelerate construction through faster permitting, fewer regulations and development both inside and outside cities. Its focus is largely on the allocation of existing social housing. The party even suggests converting Hilversum’s Mediapark into a residential area following the potential closure of public broadcaster NPO.

To summarize, most major parties share a common stance on housing supply: new construction must increase, procedures need to become faster and simpler and the national government should play a more active role in ensuring delivery. The main differences lie in how much control should rest with the national government versus local authorities. Still, the overall direction is clear: boosting housing production is a shared priority across the political spectrum.

That said, the question remains how these ambitions will actually be realized. After all, statements like “we need to build more” and “we need more efficient procedures”, are hardly new. In general, the key policy themes include increasing the pace of new construction, facilitating the transformation and division of existing buildings for residential use, introducing emergency legislation to overrule municipalities when projects stall, streamlining and shortening permit procedures, limiting appeal processes that cause delays and improving mobility (“doorstroming”) within the housing market.

Homeownership, mortgage policy and affordability

Mortgage interest deductibility continues to be a politically sensitive topic. As noted in our previous report, in their review of the Dutch economy the IMF has recommended gradually phasing out this deduction to reduce housing market distortions. Political opinions, however, remain divided.

- VVD and PVV want to maintain the deduction in its current form and oppose higher property-related taxes.
- CDA, D66 and GL-PvdA favor gradual reform. CDA proposes a 30-year phase-out, using proceeds to reduce income tax while cushioning existing homeowners. D66 would phase out the tax advantage and redirect funds to lower income tax for all, aiming for fairness between renters and owners. GL-PvdA supports a similar phase-out but wants to invest the revenue in new housing and tax relief for low- and middle-income households.

Most parties agree that homeownership should be more accessible, particularly for starters and middle-income households. VVD, CDA and PVV emphasize expanding affordable owner-occupied homes and easing access to financing. VVD proposes:

- An Affordable Homeownership Law mandating 25% affordable owner-occupied homes in new projects.
- A Right-to-Buy Law (“Kooprechtwet”) for eligible social tenants.
- A Home Saving Scheme (“Huis sparen”) to help first-time buyers save for a deposit. However, such a measure risks inflating prices if supply constraints persist.

D66 and GL-PvdA connect affordability to fiscal and regulatory reform. D66 wants renters to buy if mortgage payments are lower than rent, exclude student debt from mortgage capacity and reduce tax differences between renters and owners. GL-PvdA proposes a National Starters Fund covering up to 30% of a first home’s price, repayable upon sale.

In general, the direction is consistent: most parties repeat the need for more affordable owner-occupied homes and easier access for starters. However, many proposals remain high-level, with few details on how these goals would be achieved or funded. Some concrete proposals are mentioned which would increase available funds for buying a house, however this might just directly translate into higher housing prices, thus remaining ineffective to improve affordability.

Rent Regulation and Social Housing

In previous editions, we discussed the challenges surrounding new rental market legislation, measures introduced with good intentions that ultimately led to a substantial decline in rental supply. The majority of parties now agree that rental affordability and tenant protection require renewed attention. Common themes include controlling rent increases, reforming landlord taxation and simplifying the rules around social housing allocation. The following paragraphs elaborate on these topics.

Rent regulation

- GL-PvdA and CDA both support rent controls, though with differing intensity. GL-PvdA wants legal caps so rents rise more slowly than wages and stay limited during high inflation. CDA supports inflation-linked rent increases for predictability.
- VVD and CDA advocate reforming Box 3 taxation, taxing landlords on actual rather than notional returns, with temporary relief for small landlords.
- D66 and VVD seek more flexible private renting. D66 proposes temporary crisis rules allowing room rentals without affecting taxes or benefits. VVD wants rent allowances paid directly to housing corporations to simplify administration.

Social Housing and allocation

- VVD, PVV and CDA focus on allocation rules: VVD wants to remove priority for refugees (“statushouders”) but retain local priority and introduce income and wealth checks for tenants. PVV supports higher income limits for eligibility and a one-off 10% rent reduction. CDA advocates limited exemptions for small landlords, especially in student housing.
- GL-PvdA emphasizes stronger tenant rights, mandatory sustainability upgrades for poorly insulated homes, and curbing sales of affordable rentals to investors.

Sustainability

Lastly, sustainability, which divides the political field more clearly than most other themes.

- D66 and GL-PvdA call for large-scale insulation programs targeting poorly insulated and social housing. D66 aims to upgrade one million rental homes by 2030 and enforce landlord obligations. GL-PvdA links sustainability to broader energy transition policies, such as renewable heat networks and bio-based building materials, while granting tenants rights to demand upgrades or rent reductions.
- CDA and VVD take a more pragmatic stance: CDA promotes hybrid heat pumps as the new standard and simpler building rules. VVD emphasizes grid expansion, modular construction and tax incentives for voluntary investments.
- PVV rejects both existing and new sustainability mandates, arguing they raise housing costs and slow development.

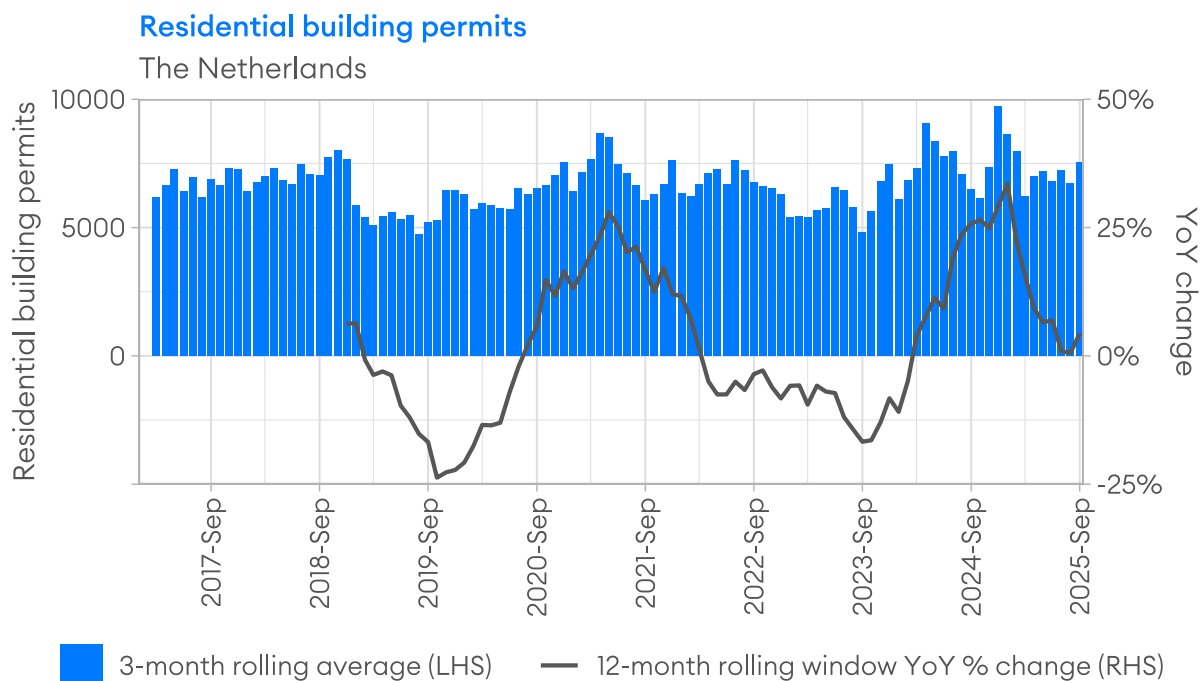
Update housing shortage

The strain on the Dutch housing market persists amidst continuous endeavors to mitigate the national housing deficit. Although there was an increase in building permits during 2024, the rate of new housing developments remains significantly under the government's yearly goal of 100,000 homes. Data from early 2025 suggests a reduction in the issuance of new permits, yet the market for newly built homes shows enduring strength in sales. This section elaborates on several key factors related to housing supply.

Issued Permits

CBS¹ reports on building permits issued, which are regarded as a reliable indicator of newly constructed properties in the upcoming years. As can be observed in Figure 1 displayed below: In 2024, each quarter roughly 23,500 new building permits were issued. For 2025-Q1 this number is lower: 18,700 new building permits. In 2025-Q2 and 2025-Q3 the level of permits slowly approached 2024 levels, with 20,400 permits issued in 2025-Q2 and 22,600 permits issued in 2025-Q3. Unfortunately, the average permits issued per quarter in 2025, are down by 12.5% compared to 2024.

Up till this point in time (2025-Q3), the province with the highest contribution to the total number of building permits is Zuid-Holland (22.12% of the total building permits issued). Noord-Holland is not far behind, with a total share of 20.53%. The province with the highest increase in permits issued is Groningen which has, as of 2025-Q3, issued 20.5% more permits per month compared to 2024-Q3. Flevoland is notable as well, as they experienced the greatest decline in monthly housing permits (a 40.0% decrease compared to 2024-Q3).



Source: Dynamic Credit, CBS

Figure 1: Number of issued building permits as of September 2025 and the percentual YoY change in the number of issued building permits excluding transformations i.e., repurposing office spaces to residential homes. Source: CBS, Dynamic Credit.

Finished and sold newly built property volumes¹

In 2025-Q3, an estimated 14,800 newly built homes were completed, bringing the total number of finished homes in the first three quarters of the year to 46,400 - a 5.87% increase compared to the same period in 2024. In the second quarter of 2025, approximately 6,300 newly built owner-occupied homes were purchased in the Netherlands, according to new-build transaction data. This figure closely mirrors the sales from 2024-Q3, bringing an end to a six-quarter rise in new-build transaction volumes. Meanwhile, the price of a newly built home increased by 7.8% compared to the previous year, to an average of EUR 495,000. In contrast, prices for existing homes saw a 9.5% rise as of 2025-Q, with an average sale price of EUR 475,000.²

Building costs newly built property³

Building costs can impact the housing shortage in the Netherlands, as lower costs are likely to lead to more houses being built at similar price levels, helping to mitigate the deficit. Reduced costs enable developers to undertake more projects, potentially increasing housing supply. Conversely, higher costs can limit new construction, worsening the shortage.

The cost of building homes is driven by two main factors: salary costs and material costs. Salary costs cover wages for construction workers and other professionals, while material costs include expenses for essential resources like cement and steel. As of August 2025, building costs rose by 2.7% YoY, with the index at 202.6 compared to 2000. Comparing the first 8 months of 2025 to the same period in 2024, we find that the index increased by 4.7 points, compared to 5.0 points in 2024. The increase in building costs highlights the challenges in managing these components to address the housing shortage effectively.

1 [CBS - Levensloop van woningen en niet-woningen](#)
2 [CBS - Koopwoningen; nieuwe en bestaande, prijsindex](#)
3 [CBS - Nieuwbouwwoningen; inputprijsindex](#)

Offer volumes

In 2025-Q3, Hypotheken Data Netwerk (“HDN”, a provider of infrastructure for mortgage loan requests) reports¹ sustained activity in the Dutch mortgage market, with 134,000 mortgage applications submitted, a 16% increase compared to the same quarter in 2024 and slightly below the 139,000 applications recorded in 2025-Q2.

Approximately 84,000 applications were related to home purchases, reflecting a 12% YoY increase, while 51,000 applications concerned refinancing or further advances, up 23% YoY. Within the non-purchase segment, growth was strong and primarily driven by further advances. Here approximately 39,000 applications were made with an average amount of EUR 85,400, showing a slight downward trend compared to the last quarter, mainly attributed to the seasonal effect.

The average mortgage amount for purchases rose to EUR 374,000, a 3% increase compared to the same quarter last year, while the average market value of purchased homes climbed to EUR 513,000, roughly +4% YoY. HDN notes that this growth, like 2025-Q1 and Q2, may indicate a gradual easing of price growth, especially when compared to the double-digit increases observed a year earlier.

House prices and property sales

The following paragraphs elaborate on Dutch housing price developments and property transactions, for a graphical display please consider Figure 2 below.

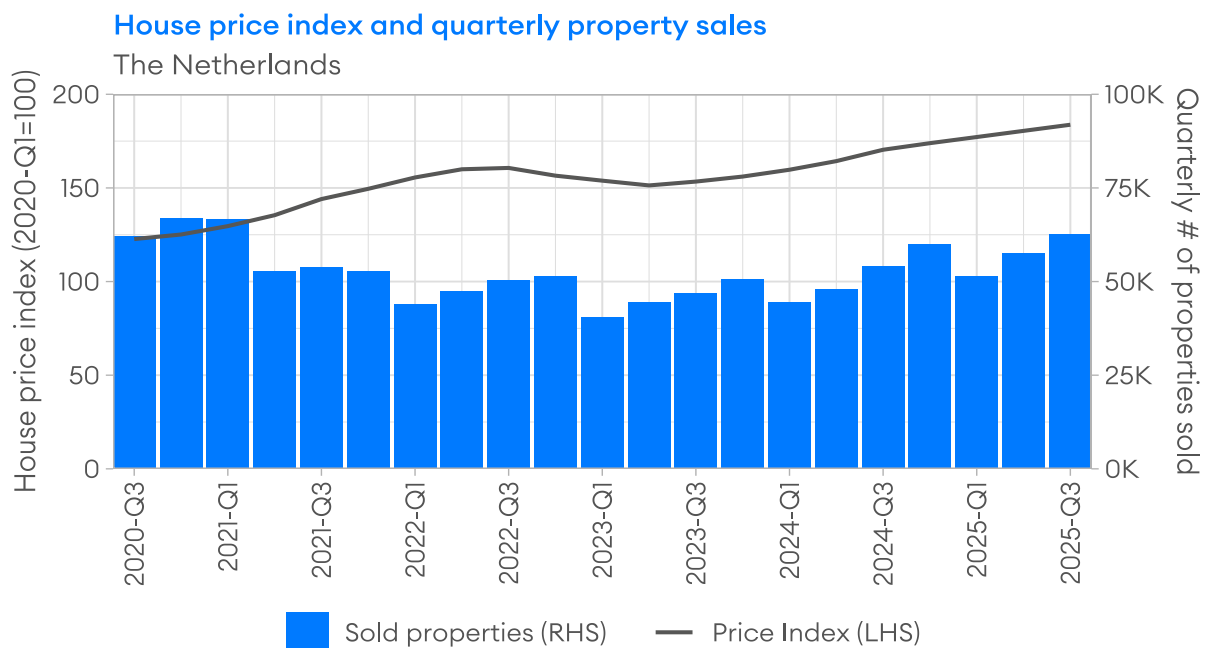
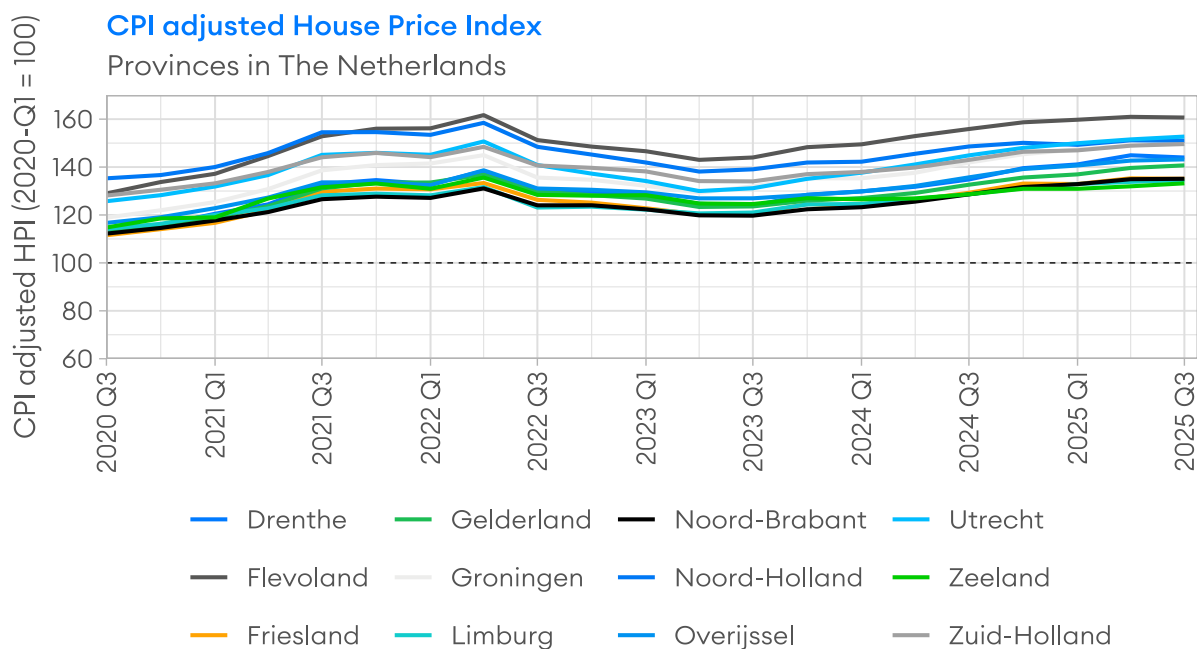


Figure 2: House Price Index of the Netherlands (“HPI”) (2020-Q1 = 100) and monthly property sales. HPI until 2025-Q3. Source: CBS, Dynamic Credit.

CBS reports¹ on house price developments in the Netherlands through its Dutch House Price Index (“HPI”), which tracks price changes for existing owner-occupied homes in the Netherlands through purchase agreements registered by the Dutch land register. As of 2025-Q3, the HPI stood at a value of 151.4, meaning that housing prices were 7.8% higher YoY and 1.8% higher QoQ, compared to increases of 9.7% YoY and 1.8% QoQ reported in 2025-Q2, when the HPI stood at 148.7. This shows a similar level of growth in both YoY and QoQ house prices.

Moving on to housing transactions: in 2025-Q3, approximately 63,000 transactions were recorded, up 9.0% QoQ and 15.6% YoY. More granularly, in September 2025 the total number of housing transactions reached approximately 21,900, nearly 25% higher YoY and 12.7% higher compared to August 2025. The cumulative volume of property transactions in the first nine months of 2025 was about 171,500, up nearly 17% YoY. Please refer to Figure 3 below for a historic overview of the quarterly Dutch housing price index and transaction volumes.



Source: Dynamic Credit, CBS

Figure 3: CPI Adjusted House price index per province in the Netherlands up to and including 2025-Q3 (2020-Q1=100). Source: CBS, Dynamic Credit.

Regional differences

Housing prices and transaction volumes continued to vary across regions in the Netherlands as of 2025-Q3. This paragraph examines the differences on a more granular level. Beginning with housing prices, we observe the largest increase in HPI in Groningen: 10.9% YoY and 3.9% QoQ. In the previous quarter, housing price growth in Groningen was also among the highest in the dataset. The lowest YoY housing price development was observed in Noord-Holland (+4.9%). Among the municipalities included in the dataset, Utrecht again posted the highest YoY growth at 7.8%, while price development in Amsterdam was a relatively modest 2.3% YoY, though transactions increased by 15.9% YoY. According to NVM², which monitors transaction prices of NVM-sold properties (which may be viewed as a leading indicator of the CBS price index), this can be attributed to the substantial sale of former buy-to-let properties. These are usually smaller apartments, and a substantial increase in such transactions will, ceteris paribus, lower the average price, thereby subduing measured housing price growth in the municipality.

Moving onto housing transactions, Zuid-Holland and Noord-Holland remained the most active regions in terms of transaction volumes, accounting for a combined 24,700 sales, or nearly 40% of the national total, with YoY volume increases of 12.2% and 18.7% respectively. Noord-Brabant followed with approximately 9,100 transactions, up 16.1% YoY. The combined sales in the four key municipalities of Amsterdam, Den Haag, Rotterdam, and Utrecht represented around 15.7% of total quarterly transactions. For a detailed overview of regional house price developments and transaction figures, please refer to Table 1.

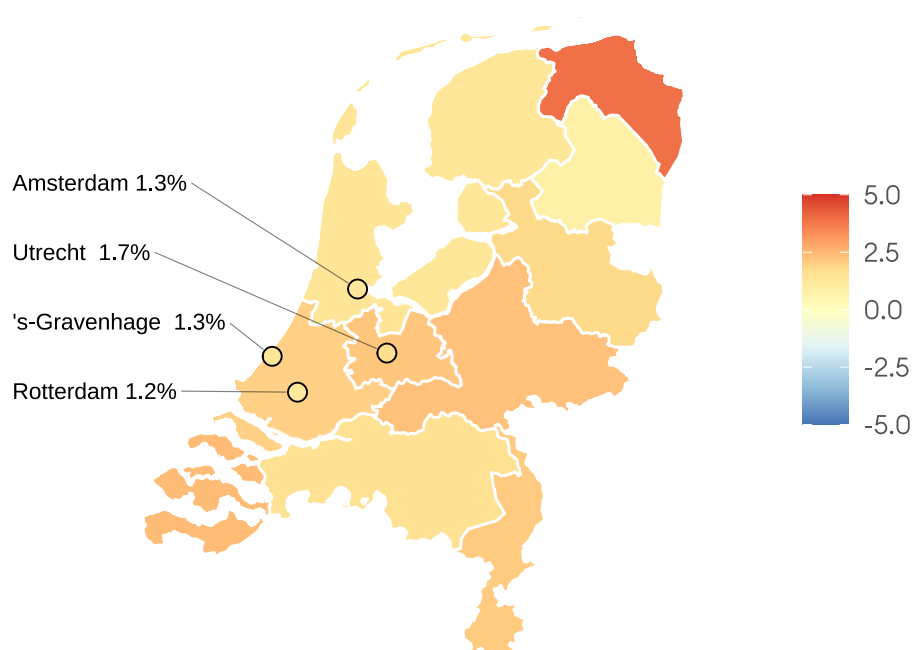
Area	Type	HPI (2020=100)	YoY Price %	QoQ Price %	Properties Sold in Quarter	QoQ Properties Sold %	YoY Properties Sold %
Nederland	Country	151.4	7.8	1.8	62,582	9.0	15.6
Amsterdam	Municipality	134.1	2.3	1.3	3,931	9.3	15.7
's-Gravenhage	Municipality	142.5	5.8	1.3	2,298	14.4	19.4
Rotterdam	Municipality	143.4	6.8	1.2	2,184	9.2	15.4
Utrecht	Municipality	153.4	7.8	1.7	1,551	8.3	14.4
Groningen	Province	163.6	10.9	3.9	1,905	6.8	8.7
Friesland	Province	154.9	7.9	1.3	2,171	10.8	14.8
Drenthe	Province	162.9	10.3	0.8	1,819	14.6	15.1
Overijssel	Province	156.6	9.0	1.8	3,761	7.9	15.4
Flevoland	Province	158.5	6.5	1.3	1,677	15.9	10.0
Gelderland	Province	159.2	9.5	2.3	7,116	7.4	17.8
Utrecht	Province	154.7	8.9	2.2	5,109	6.5	16.5
Noord-Holland	Province	142.3	4.9	1.4	11,400	9.2	12.2
Zuid-Holland	Province	148.9	8.1	2.0	13,320	10.4	18.7
Zeeland	Province	147.7	6.9	2.4	1,537	4.6	15.0
Noord-Brabant	Province	153.2	8.5	1.6	9,098	7.5	16.1
Limburg	Province	149.9	8.1	2.1	3,669	11.7	16.6

Table 1: House Price Index of the Netherlands ("HPI") (2020-Q1 = 100) and number of property sales changes in Dutch provinces and major municipalities 2025-Q3 Source: CBS, Dynamic Credit.

Impact of internationals on the housing market

NVM (De Koninklijke Nederlandse Coöperatieve Vereniging van Makelaars en Taxateurs in onroerende goederen) reported in its September 2025 publication that internationals are becoming increasingly influential in the Dutch owner-occupied market, especially in municipalities like Amsterdam and Den Haag. Although they still represent a modest share of all purchases (1.6%), their numbers have doubled since 2020 as many shifted from renting to buying, driven by tax advantages like the 30% ruling and a shrinking rental supply. In Amsterdam, internationals account for 11% of homebuyers, with hotspots such as Oud-Zuid, De Pijp, and the Zuidas seeing even higher concentrations. Den Haag shows similar trends. These buyers, often knowledge workers or diplomats, tend to favor apartments with high-quality finishes and extra space for home offices, competing in the EUR 400,000 segment and influencing pricing and demand in mid-market urban neighborhoods.

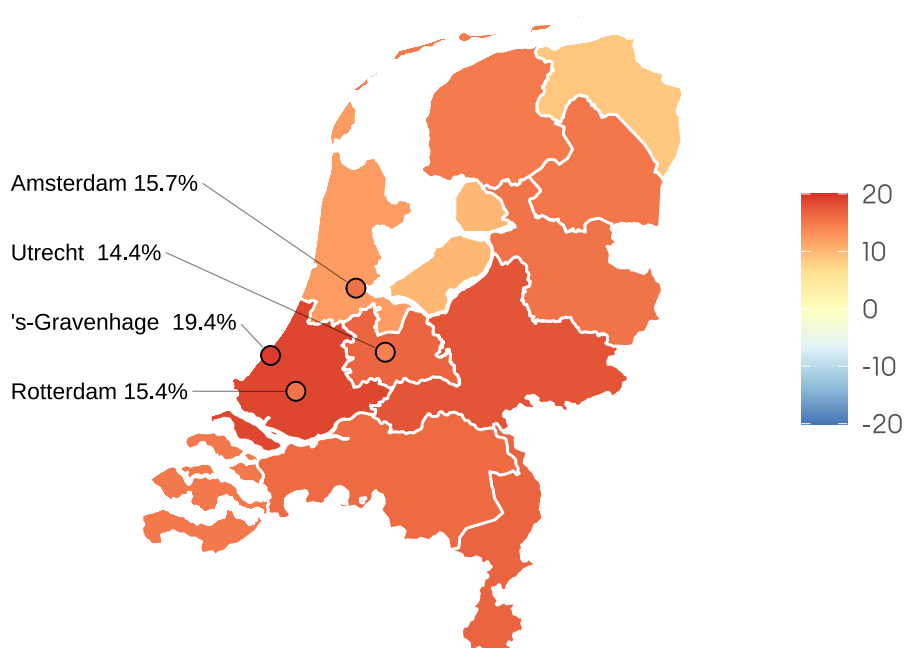
House Price Index QoQ change



Source: Dynamic Credit, CBS (2025 Q3)

Figure 4: Dutch House Price Index QoQ change in percentages, 2025-Q3.

Number of sold properties YoY change



Source: Dynamic Credit, CBS (2025 Q3)

Figure 5: Sold properties YoY change in percentages, 2025-Q3.

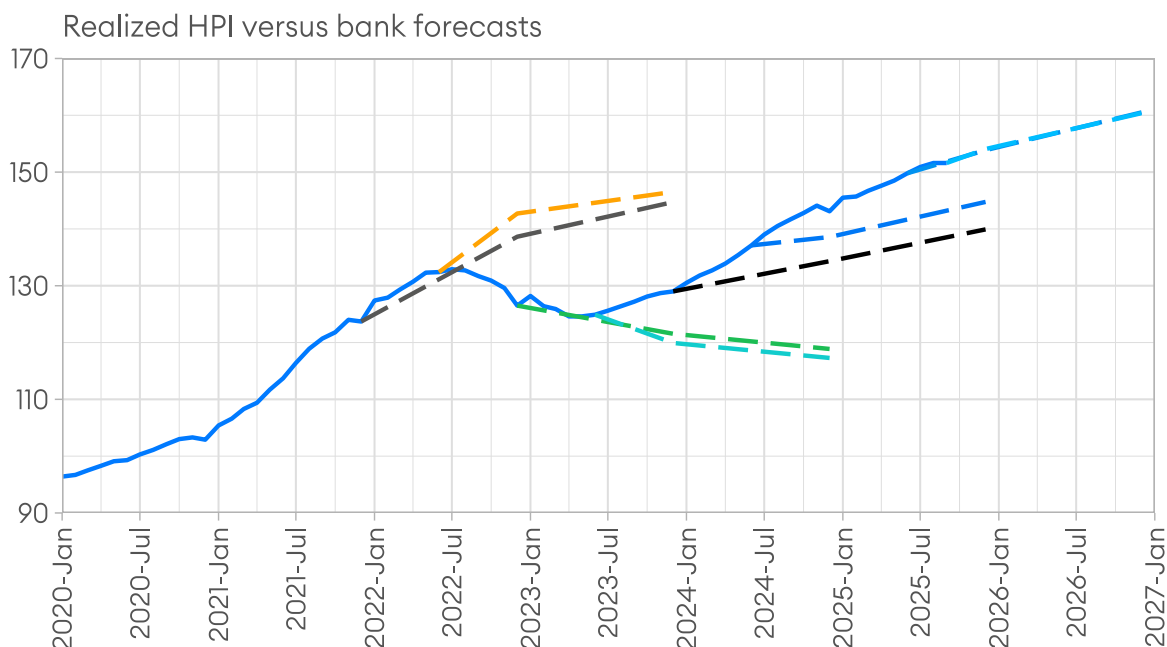
Expected house price and property sales developments

In the housing market publications released as of 2025-Q3, Dutch financial institutions continue to maintain their forecasts on house price growth for the coming years, supported primarily by rising wages and persistent supply shortages. Rabobank¹ expects house prices to increase by 8.6% in 2025 followed by 5.5% in 2026, a slight downward adjustment of 2026 prediction compared to last quarter. Rabobank also notes that observed price growth is larger in non-G4 cities. On the transaction side, Rabobank forecasts 238,000 sales in 2025, up from 206,000 in 2024, largely driven by private investors selling former rental properties. This increase is expected to ease slightly in 2026, with a projected decline to 233,000 transactions. Then ABN AMRO², which has revised its full-year price forecast for 2025 to +8.7%, citing strong growth in cheaper regions, catching up with previously shown growth in more expensive regions such as Amsterdam. While price developments in Amsterdam are expected to be more moderate. ABN AMRO expects total transaction growth of 12.5% for 2025, with a more modest 1% increase in 2026 unrevised compared to last quarter. ING's projection remains unchanged compared to 2025-Q2. ING³ projects a 6.5% increase in housing prices in 2025 followed by an expected increase of 4% in 2026. Meanwhile, Fitch Ratings stayed constant as last quarter with its outlook at 7% in 2025 and 4% in 2026 (compared to 9% in 2025), due to temporarily rising mortgage rates caused by higher long-term Euro swap rates.

ING and Rabobank expect that the 2025 wage growth is 4.5% and 5% respectively and will be lower in 2026 at 2.5% and 4.1%. Moreover, both banks also expect that the 10-year mortgage rate will be steady for the coming year, leading to the expectation that homebuyers will be able to bid more for their new home through a higher maximum mortgage they can afford.

For an overview of forecast changes through time and actual price developments, please refer to Figure 6 displayed below.

House price index and average forecasts



Source: Dynamic Credit, CBS, Rabobank, DNB, ABN AMRO

Figure 6: Realized house price index and average house price forecasts made at different points in time as of 2025-Q3. The interrupted lines represent forecasted developments, uninterrupted line represents realized HPI developments. Source: Dynamic Credit, CBS, Rabobank, DNB, ABN AMRO, ING and Fitch.

Mortgage originations

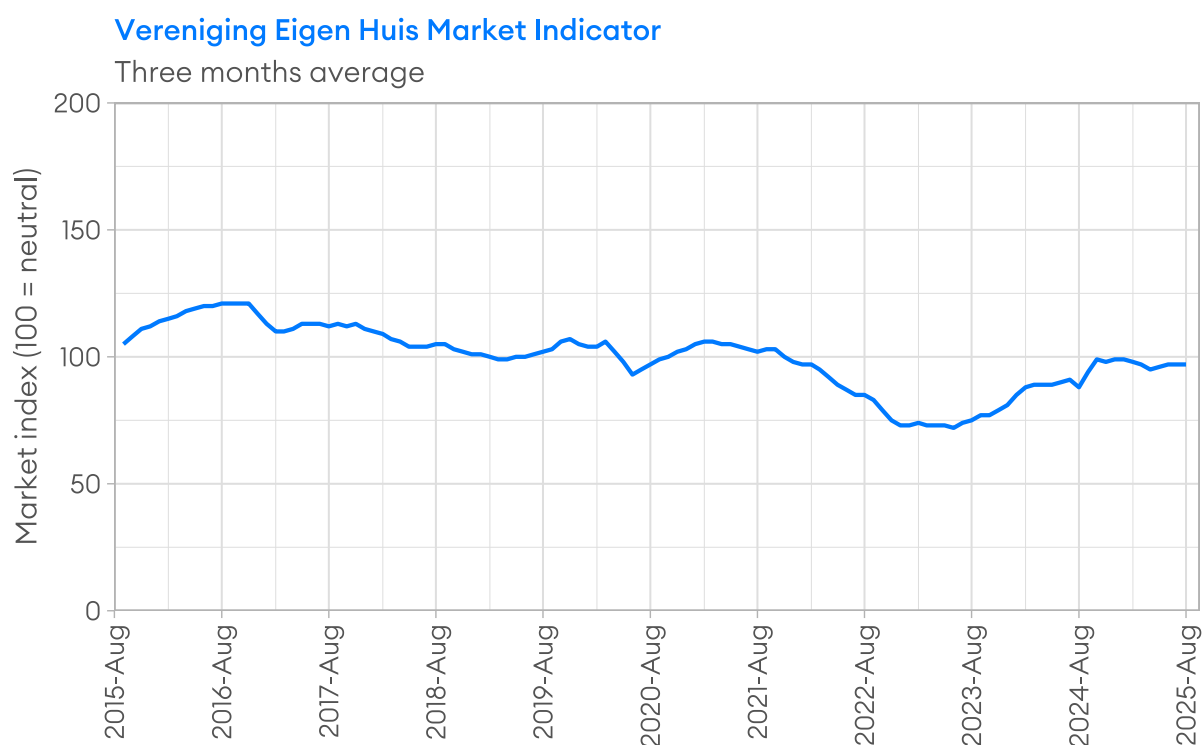
The Dutch land registry (“Kadaster”) reports on the total inscription amount for mortgage loans in the Netherlands, which gives insight in the total mortgage origination balance in the Netherlands.

In 2025-Q3, the mortgage market expanded. Mortgage inscriptions amounted to approximately EUR 45 billion, 8% more than the previous quarter, and 22% more than the same period a year earlier. The QoQ increase was primarily due to an increase in the number of mortgage inscriptions, which rose by 5.5%¹. In the first three quarters of 2025 the total origination amount was EUR 123 billion, 28% higher compared to 2024. In the full year 2024 the total origination amount was EUR 139 billion.

VEH Consumer confidence

Vereniging Eigen Huis (“VEH”)¹ measures consumer confidence in the Dutch housing market every quarter based on a questionnaire about interest rates, prices, and the general housing market. The indicator can take values ranging from 0 to 200, with 100 indicating a neutral value. Higher values indicate positive consumer sentiment and lower values indicate negative sentiments.

From 2025-Q2, the indicator stayed relatively flat with a slight nudge upwards, moving from 95 in April to 97 in June through August. This slight increase is mainly attributed to the lower mortgage rates. Moreover, the younger demographic group (potential starters) showed the most positive change in sentiment. Furthermore, the potential starters scored much higher than renters (102 vs 94), potentially a knock-off effect of the increasing supply caused by the Affordable Rental Act. Finally, the higher income group showed better sentiment than the lower income group (101 vs 92), suggesting that the higher income group had more confidence in the housing market due to their income buffer.



Source: Dynamic Credit, Vereniging Eigen Huis

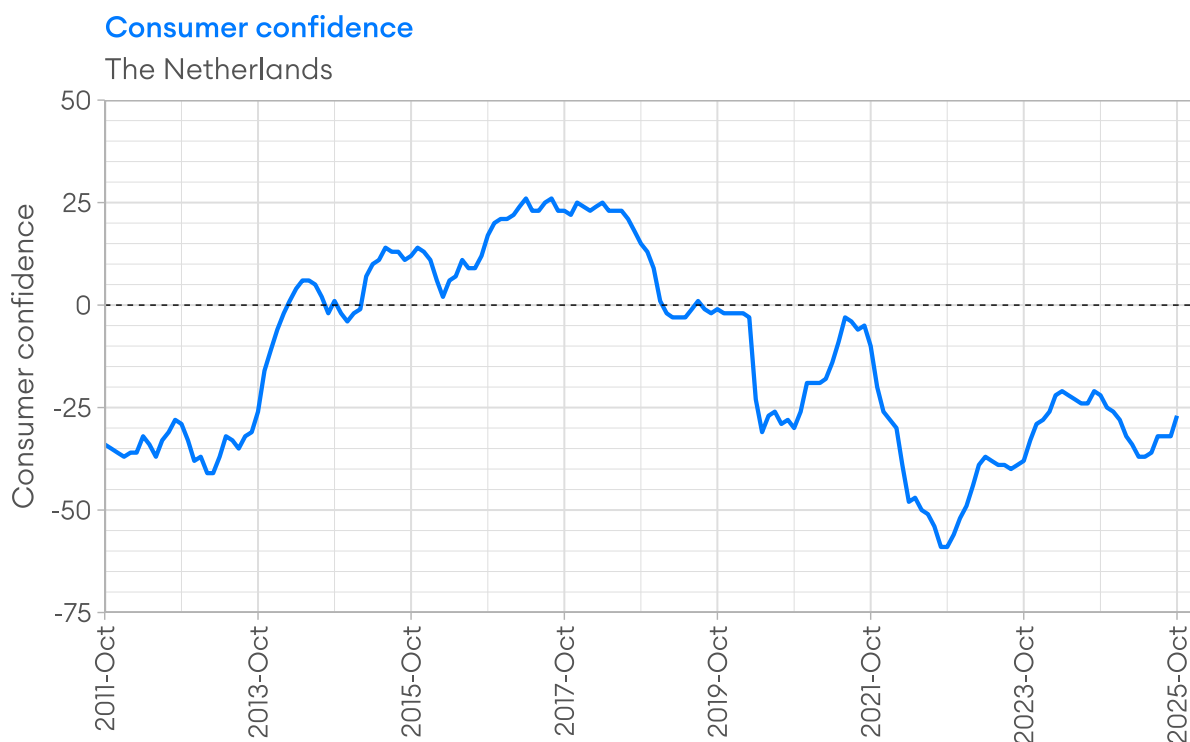
Figure 7: Vereniging Eigen Huis Market Indicator as of August 2025.

¹ [VEH - Marktindicator](#)

CBS Consumer confidence

Statistics Netherlands (“CBS”) tracks consumer confidence by assessing Dutch consumers’ views and expectations on various topics, including the general economic environment, personal financial situations, and willingness to make purchases. This indicator is measured in percentage points of negative or positive responses and can range from -100 to 100, with 0 indicating an equal number of positive and negative responses.

In October 2025¹, consumer confidence in the Netherlands edged up by 5 percentage point to -27, compared to -32 in September. This movement is driven by a gain in consumer sentiment in the economic climate and the purchasing sentiment became less negative. Over the last quarter consumer confidence stayed relatively stable, indicating a stabilization of the trend. Nevertheless, the current level remains well below the historical norm of -10, reflecting a weaker view of the economy.



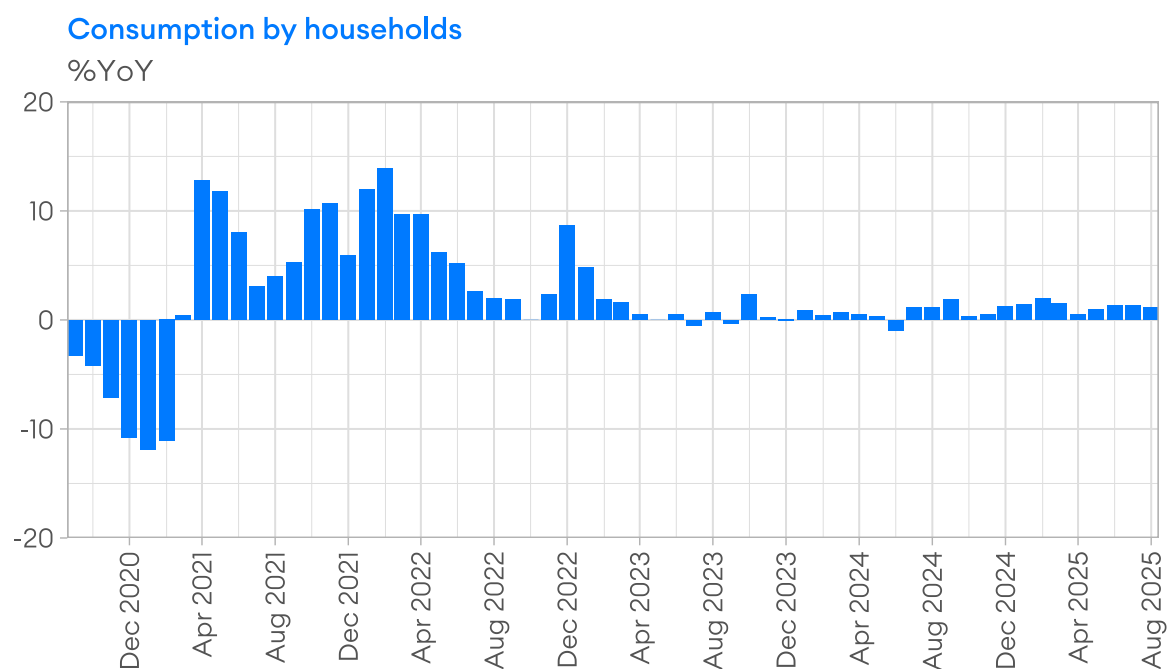
Source: Dynamic Credit, CBS

Figure 8: CBS total consumer confidence in the Netherlands as of October 2025.

¹ [CBS - Vertrouwen consumenten verbeterd in oktober](#)

CBS household consumption

According to Statistics Netherlands (“CBS”)¹, household consumption in the Netherlands rose by 1.1% in August 2025 compared to the same month in 2024, after adjusting for price changes and shopping-day patterns. Households increased their spending on both goods and services, with services expenditure rising by 1.9%, particularly in areas such as clothing and electric equipment. Notably, more than half of the total domestic consumption is accounted for by services. Consumers also spent 1.9% more on durable goods, especially transportation related items. On the other hand, the spending on other goods fell by 1%. Figures indicate that conditions for households in August 2025 improved compared to July, driven by more optimistic consumer sentiment around unemployment and a better financial position.



Source: Dynamic Credit, CBS

Figure 9: Percentual YoY domestic household consumption in the Netherlands adjusted for price changes up until August 2025.

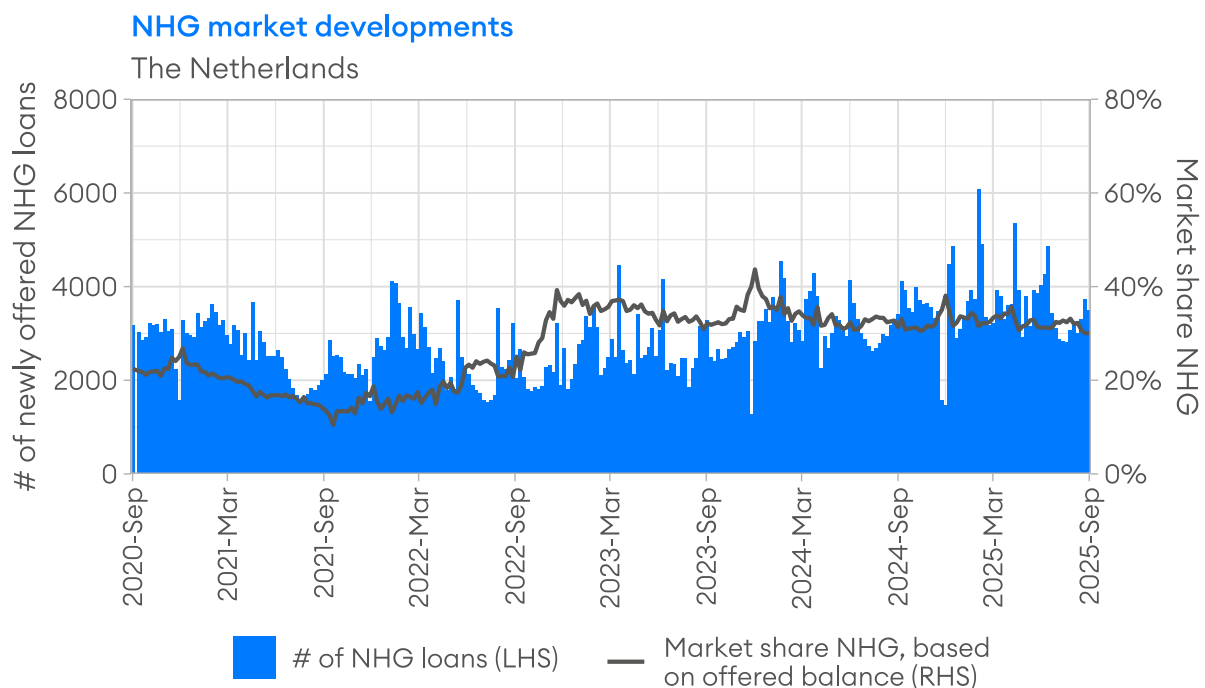
¹ [CBS - Consumptie huishoudens groeit met ruim 1 procent in augustus](#)

NHG

Stichting Waarborgfonds Eigen Woningen (“WEW”), a central, privatized entity, is responsible for the administration and granting of the Nationale Hypotheek Garantie (“NHG Guarantee”). The NHG Guarantee covers the outstanding principal, accrued unpaid interest, and disposal costs of mortgage loans. Irrespective of scheduled repayments and prepayments made on a mortgage loan, the NHG Guarantee is reduced on a monthly basis by an amount equal to the principal repayment part of the monthly installment, as if the mortgage loan were to be repaid on a thirty-year annuity basis. Financial support from the Dutch government is formalized in a backstop agreement, under which the State is responsible for providing interest-free loans in case of need.

New NHG guarantees¹

According to HDN, a total of 45,123 offers featuring NHG guarantees were requested in 2025-Q3, totaling to an aggregate amount of EUR 11.9 billion NHG offers has been requested in 2025-Q3, a 15% increase from EUR 10.3 billion in 2024-Q2, attributed to 10.6% increase in number of applications and 5.5% increase in the average loan amount per application. The 2025-Q3 figures reflect an NHG market share of around 33% in terms of total mortgage loan balance, a continuation of the 2024-2025 share.



Source: Dynamic Credit, HDN

Figure 10: Number of new NHG guarantees and market share of NHG loans as a percentage of total originated balance through time. The x-axis refers to year and month.

Loss declarations²

In the second quarter, seven loss declarations were submitted of which three were reviewed and approved. The average loss amount was EUR 19,000.

Financials

The number of guarantees is 1,437 million by the end of the first quarter of 2025 and the assets totaled EUR 1.78 billion. The amount guaranteed by WEW (the total outstanding balance of mortgages with NHG) is approximately EUR 223 billion. This is set against an estimated total collateral value of over EUR 474 billion. The capital ratio, defined as the available capital as a percentage of the amount guaranteed by WEW, is 0.81%.

New NHG guarantees¹

The guarantee limit is set at EUR 470,000 per 2026, showing an increase of EUR 20,000. Moreover, the NHG limit is lifted to EUR 498,000 if energy-saving measures are taken. Finally, the new guarantee limit will also be applicable to all types of housing, so also mobile homes and residential sites. The increase in the underlying limit and more accessibility to NHG could potentially stimulate demand further by lowering the cost of mortgage for consumers.

3. Owner-Occupied Mortgages

Mortgage interest rate and spread developments

Mortgage interest rates

In 2025-Q3, mortgage interest rates remained relatively stable. On average, Dutch residential mortgage rates stood 4 bps higher QoQ across the various fixed-rate-period and risk-class segments shown in the table below. The 5-year fixed-rate-period segment showed minor decreases. Compared to a year earlier, mortgage rates were also 4 bps higher, with the exception of the 5-year segment as of 2025-Q3. After the quarter had ended, mortgage rates decreased by an average of 3 bps. Combined, these developments left average mortgage rates roughly at the same levels as at the end of 2025-Q2. During this period, pricing committees gave up some spread amid WoW swap volatility, developments of which will be discussed in the following paragraphs.

The table below contains an overview of the interest rate development for the respective risk classes and fixed rate periods.

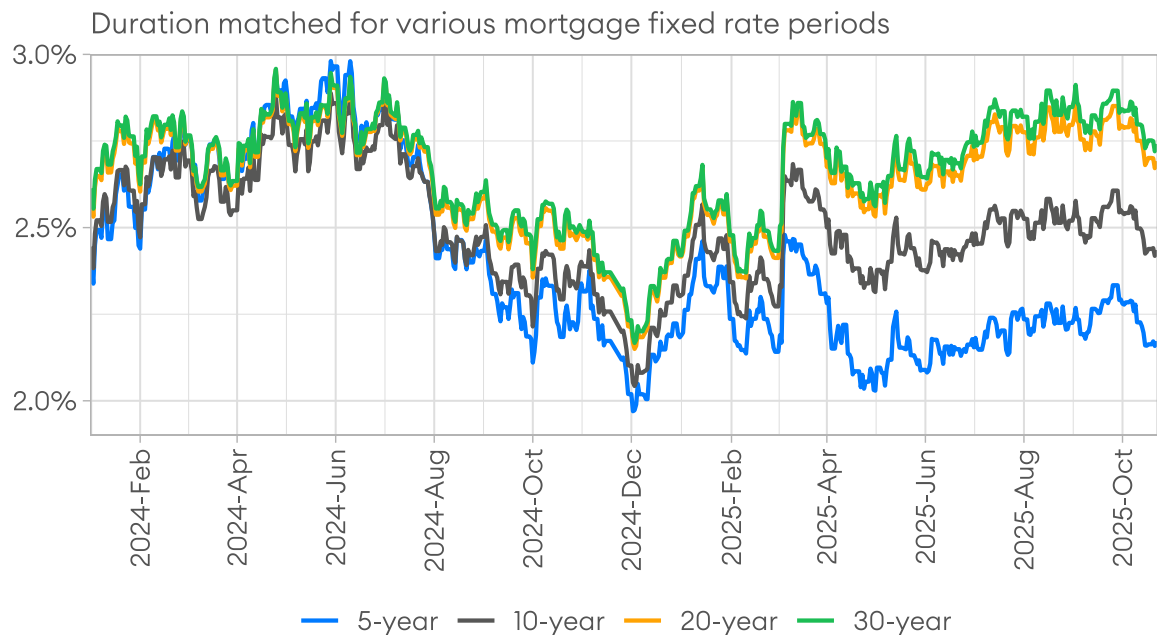
Mortgage rate development for average of top 6 mortgage rates								
Fixed rate period	Risk class	2024-09-30	2025-06-30	2025-09-30	2025-10-24	QoQ	YoY	QtD
5-year	NHG	3.34%	3.27%	3.25%	3.23%	-0.02%	-0.09%	-0.01%
	60% LTV (non-NHG)	3.42%	3.38%	3.37%	3.34%	-0.01%	-0.05%	-0.03%
	80% LTV (non-NHG)	3.54%	3.45%	3.43%	3.40%	-0.01%	-0.11%	-0.03%
	100% LTV (non-NHG)	3.65%	3.52%	3.48%	3.45%	-0.04%	-0.17%	-0.03%
10-year	NHG	3.43%	3.49%	3.52%	3.48%	0.03%	0.09%	-0.04%
	60% LTV (non-NHG)	3.63%	3.61%	3.69%	3.63%	0.08%	0.06%	-0.06%
	80% LTV (non-NHG)	3.75%	3.70%	3.76%	3.72%	0.07%	0.01%	-0.04%
	100% LTV (non-NHG)	3.90%	3.79%	3.82%	3.77%	0.04%	-0.08%	-0.06%
20-year	NHG	3.68%	3.76%	3.89%	3.88%	0.13%	0.21%	-0.02%
	60% LTV (non-NHG)	3.82%	3.93%	3.97%	3.95%	0.03%	0.15%	-0.02%
	80% LTV (non-NHG)	3.95%	3.99%	4.03%	4.01%	0.03%	0.07%	-0.01%
	100% LTV (non-NHG)	4.11%	4.14%	4.19%	4.17%	0.05%	0.08%	-0.02%
30-year	NHG	3.88%	3.90%	4.01%	3.99%	0.11%	0.13%	-0.02%
	60% LTV (non-NHG)	3.90%	4.00%	4.06%	4.04%	0.06%	0.16%	-0.02%
	80% LTV (non-NHG)	4.02%	4.06%	4.12%	4.11%	0.06%	0.10%	-0.01%
	100% LTV (non-NHG)	4.19%	4.21%	4.28%	4.25%	0.07%	0.09%	-0.03%

Table 2: Average top-6 mortgage rates (excluding action rates) for mortgage loans with different fixed rate periods for four risk classes. Source: Dynamic Credit, Hypotheekbond. Reference date is 2025-10-24.

Swap and Spread developments¹

The third quarter of 2025 was relatively quiet compared to the rest of the year when looking at Euro swap rate developments, although a modest increase was observed. On average, swap rates increased by about 8 bps QoQ and stood 27 bps higher compared to the same period a year earlier. After the quarter ended, Euro swap rates decreased by roughly 10 bps on average. Please refer to Figure 11 below for the historical developments of Euro swap rates.

Euro swap rate developments



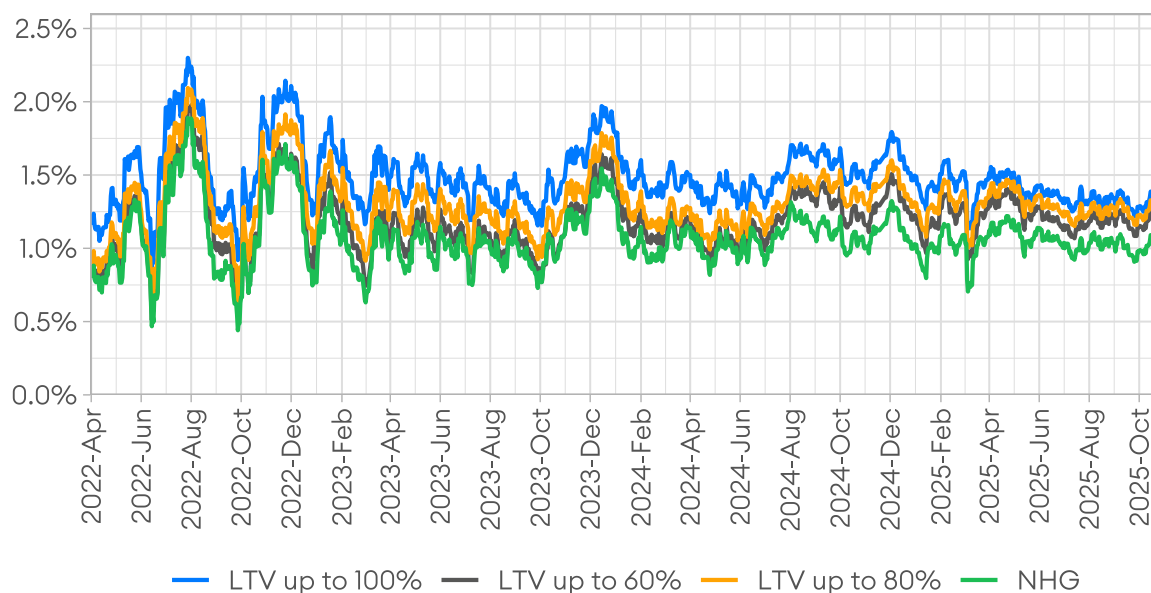
Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure 11 : Historic developments of annuity duration matched Euro swap rates. The time series includes data starting 2024 up to and including 2025-10.

Then Dutch mortgage interest rate spreads, where we observed spread tightening of about 3 bps QoQ and 23 bps YoY. QtD, spreads widened by roughly 7 bps on average across the different fixed-rate-period and risk-class segments. It is important to note that spreads were relatively elevated a year ago, above the long-term average, which allowed some room to absorb increases in Euro swap rates, as shown in Figure 12 on the next page. Another cautious observation is that spreads appear considerably more stable i.e., less volatile compared to more turbulent years of 2022–2023.

Spread average top 6 per risk class

10-year fixed rate period 2022 onwards



Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure 12 : Spread of the average top-6 price leader mortgage rates (excluding action rates) for mortgage loans with a 10-year fixed rate period for four risk classes up to and including 2025-10.

For a broader overview of the spread developments, see Table 3 displayed below. The information should be interpreted as representative gross spread for newly originated Dutch residential mortgage loans over time.

Spread development for average of top 6 mortgage rates								
Fixed rate period	Risk class	2024-09-30	2025-06-30	2025-09-30	2025-10-24	QoQ	YoY	Qtd
5-year	NHG	1.16%	1.09%	0.96%	1.05%	-0.14%	-0.20%	0.09%
	60% LTV (non-NHG)	1.24%	1.20%	1.08%	1.16%	-0.12%	-0.16%	0.08%
	80% LTV (non-NHG)	1.36%	1.27%	1.14%	1.22%	-0.13%	-0.22%	0.08%
	100% LTV (non-NHG)	1.47%	1.34%	1.19%	1.27%	-0.15%	-0.28%	0.08%
10-year	NHG	1.14%	1.00%	0.97%	1.03%	-0.03%	-0.17%	0.06%
	60% LTV (non-NHG)	1.33%	1.13%	1.14%	1.18%	0.02%	-0.19%	0.04%
	80% LTV (non-NHG)	1.46%	1.22%	1.22%	1.28%	0.00%	-0.24%	0.06%
	100% LTV (non-NHG)	1.61%	1.31%	1.28%	1.32%	-0.03%	-0.33%	0.05%
20-year	NHG	1.23%	1.03%	1.10%	1.17%	0.07%	-0.14%	0.07%
	60% LTV (non-NHG)	1.37%	1.20%	1.17%	1.25%	-0.03%	-0.20%	0.07%
	80% LTV (non-NHG)	1.51%	1.26%	1.23%	1.31%	-0.03%	-0.28%	0.08%
	100% LTV (non-NHG)	1.67%	1.41%	1.40%	1.47%	-0.01%	-0.26%	0.07%
30-year	NHG	1.41%	1.12%	1.17%	1.24%	0.04%	-0.24%	0.07%
	60% LTV (non-NHG)	1.43%	1.22%	1.22%	1.29%	0.00%	-0.21%	0.07%
	80% LTV (non-NHG)	1.54%	1.29%	1.28%	1.36%	-0.01%	-0.27%	0.08%
	100% LTV (non-NHG)	1.72%	1.44%	1.45%	1.50%	0.00%	-0.27%	0.06%

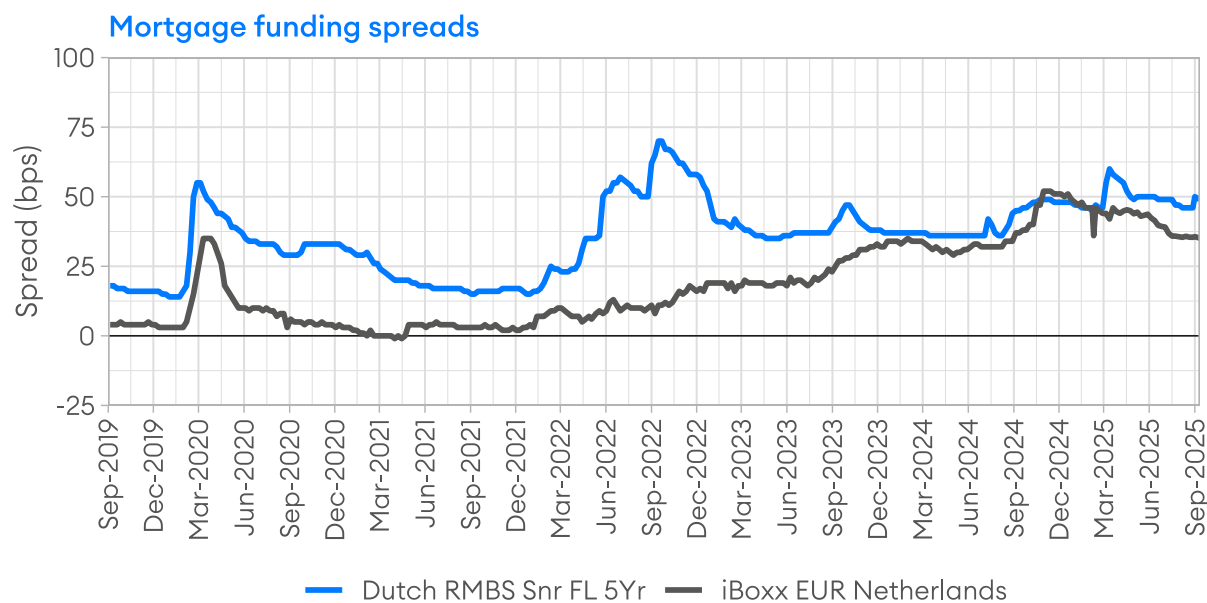
Table 3: Spread of the average top-6 mortgage rates (excluding action rates) over duration matched swap rates for four risk classes. Source: Dynamic Credit, Hypotheekbond. Reference date is 2025-10-24.

4. Funding Update

RMBS

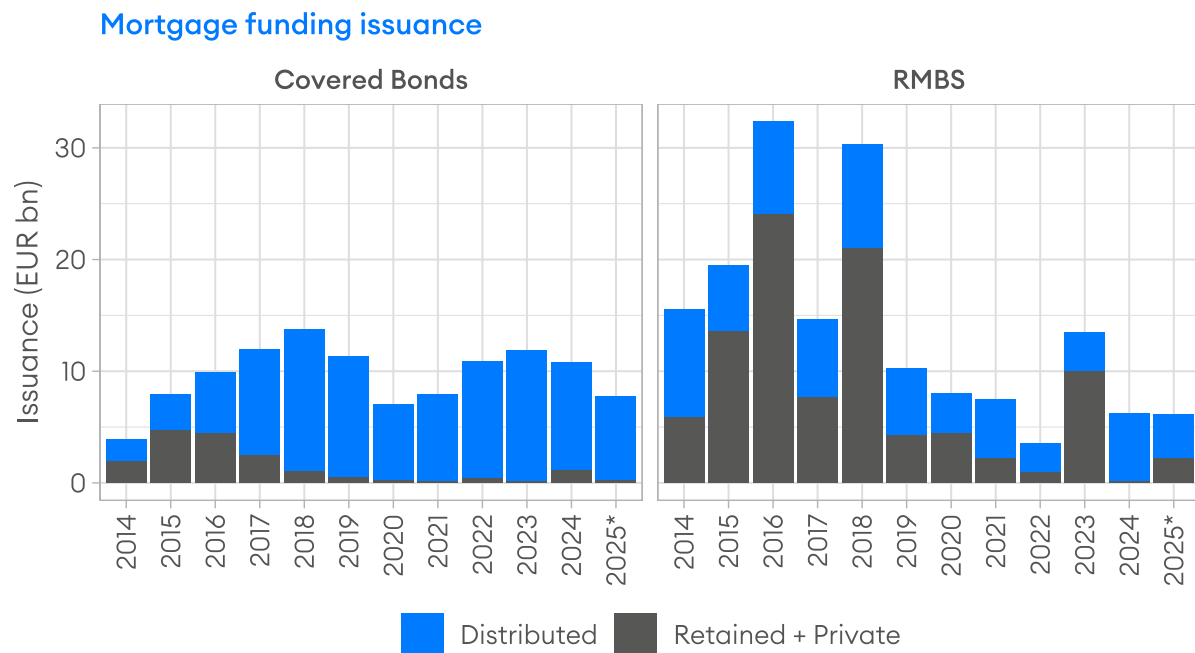
In the third quarter of 2025 the RMBS issuance was 0.8 billion, of which EUR 0.5 billion retained the total balance was substantially lower than in the previous quarter (EUR 2.4 billion). Senior RMBS spreads remained flat around 50 basis points. In the covered bond sphere, the total issuance was EUR 4.75 billion and was fully distributed (chunky deals from ABN AMRO and ING Bank, and smaller issues from Achmea and NN Bank). Senior RMBS spreads tightened from the 43-44 basis points range to 35-36 by the end of September.

- **WESER 2025-2** is the second RMBS of OLB (Oldenburgische Landesbank), with a focus on Dutch prime owner-occupied NHG mortgages. The loans were originated through Tulp Hypotheken. The pool features a net principal balance of approximately EUR 529.1 million (net of construction deposits), and 2,842 loans while the average loan size amounts to EUR 273,498. The portfolio has a weighted average maturity of 28.7. The weighted average seasoning is 1.1 years. The loan-to-value ratio is 90.2%. The A tranche has been retained, the B and C tranches have been placed publicly.
- **JPMF 8** is the newest deal in the Jubilee Place series, fully backed by residential buy-to-let mortgages for professional landlords. It securitizes a portfolio of mainly interest-only, fixed-rate mortgages totaling EUR 277.6 million. The portfolio has a CLTV of 69%. The proportion of the pool with interest only payment type is 96.9%.



Source: Dynamic Credit, JP Morgan

Figure 13: RMBS spread refers to indicative mid spread (DM) for representative generic RMBS bonds. iBoxx EUR Netherlands spread refers to spread versus mid swap rates. The data is as of 2025-Q3.



* Data up to Q3

Source: Dynamic Credit, JP Morgan

Figure 14: Issuance of Dutch RMBS and covered bonds. The data is as of 2025-Q3.

5. Buy-to-let Mortgages

Buy-to-let news and market developments

Kadaster Insights – Investors Retreat, Starters Surge in a Shifting Housing Market¹

Dutch housing investors continued their retreat from the residential property market in 2025-Q2, selling significantly more homes than they acquired. According to Kadaster data, investors sold nearly 16,400 properties, marking a 42% increase compared to the same period last year. Meanwhile, acquisitions totaled approximately 7,800 units, up 50% YoY, but still far below the volume of disposals. The majority of purchases were made by other investors (Kadaster reports 64%), while only a minor proportion came from owner-occupiers – Kadaster reports 16% and it is at this time unclear from where the remaining 20% of sales has originated.

Sales to Owner-Occupiers Accelerate

2025-Q2 saw an increase in the number of homes sold by investors to owner-occupiers, reinforcing a trend that has gained momentum since 2023. Both private and institutional investors continued to divest rental properties, with a growing share transitioning into owner-occupied housing. Private investors sold approximately 4,530 homes to owner-occupiers, while acquiring only 620. Institutional investors followed a similar pattern, selling 2,820 units and purchasing just 540. These figures represent a significant widening of the gaps compared to 2023, when the average quarterly differences were notably smaller (1,800 and 900 respectively).

Preference for Larger Units in New Acquisitions

Investor appetite in the Dutch housing market is shifting toward larger residential units, as regulatory changes reshape the economics of rental property ownership. In 2025-Q2, 81% of homes purchased by private investors were 95 square meters or larger, a sharp increase from 42% in 2019. Institutional investors followed suit, with 68% of their acquisitions exceeding the same size threshold, up from 56% six years earlier. This strategic pivot is largely driven by the Affordable Rent Act, which imposes rent caps based on property characteristics such as energy efficiency, location, and—critically—floor space. Larger homes are more likely to qualify for free-market rental pricing, allowing investors to set rents without regulatory constraints.

Smaller Units Dominating Investor Sales

While acquisitions are skewing larger, investor sales are increasingly concentrated in the smaller segment of the housing market. In 2025-Q2, 71% of homes sold by private investors to owner-occupiers were under 95 square meters, up from 39% in 2019. Institutional investors showed a similar pattern, with 64% of their disposals falling below the same size threshold, compared to 37% six years earlier.

This shift reflects a strategic offloading of assets most vulnerable to rental regulation, particularly under the Affordable Rent Act, which limits rent levels for smaller and less energy-efficient properties. These homes, often located in urban areas, are less likely to qualify for free-market rents and have become less attractive to landlords seeking stable returns.

For buyers—especially first-time homeowners—these smaller units offer a more accessible entry point into the housing market. As a result, investor divestment is not only reshaping rental supply but also contributing to increased affordability in the owner-occupied segment.

¹ [Kadaster - Investeerders 2e kwartaal 2025](#)

Rental Stock Shrinks as Private Investors Exit Market

The Dutch rental housing supply contracted further in 2025-Q2, as private investors continued to scale back their portfolios. Kadaster data shows that the total number of homes owned by investors—both private and institutional—fell by 5,000 units compared to the previous year, representing a decline from 9.3% to 9.2% of the national housing stock.

The contraction was driven almost entirely by private landlords, who shed 21,000 properties over the past year. In contrast, institutional investors expanded their holdings by 16,000 units, primarily through new construction and acquisitions from other investors and housing corporations.

The trend was mirrored in the second-home segment, which often serves as informal rental stock. In 2025-Q2, an estimated 2,100 second homes were sold to owner-occupiers, while only 250 were acquired for rental purposes—resulting in a net reduction of 1,850 units.

This ongoing shift underscores the impact of regulatory and fiscal pressures on smaller-scale landlords, and raises concerns about the availability of affordable rental housing, particularly in urban centers where demand remains high.

Outgoing Minister Moves to Amend Mid-Rent Regulation¹

In a bid to stabilize the mid-rent segment of the Dutch housing market, the outgoing Minister of Housing and Spatial Planning has submitted a package of four targeted measures to both chambers of parliament. The initiative, aims to curb the exodus of private landlords and preserve affordability for tenants. It is at this time unclear if there is appetite to progress these initiatives in both chambers.

The mid-rent sector—typically defined as homes with monthly rents between EUR 850 and EUR 1,200—has come under pressure in recent years due to tighter rental regulations and declining profitability. In 2024, the private rental stock contracted significantly as landlords sold off properties, particularly in urban areas. Key Measures Introduced:

Revisions to the Housing Valuation System (WWS):

- A WOZ price premium will allow landlords to charge a premium (equivalent to the amount of points subtracted under the cap) for properties affected by the WOZ-cap, without pushing them into the free-market segment.
- Small national monuments will receive a higher valuation weight, improving rent potential.
- The penalty for lack of outdoor space—a five-point deduction—will be removed from the WWS calculation.

Student Housing Reform:

- All students, including those already residing in their study cities, will be eligible for temporary rental contracts of up to two years.

Investor Sell-Offs Continue to Shape Housing Prices¹

In 2025-Q3, investor activity remained a defining factor in the Dutch housing market. According to Kadaster data, the surge in housing transactions—nearly 62,600 units, the highest since the COVID period—was largely driven by investors sales, particularly apartments.

Apartments accounted for 35% of all sales, up from 25% in 2020-Q3. This reflects the composition of investor portfolios, which historically have been tilted toward smaller urban units. The sell-off was most pronounced in the four largest cities (G4), where apartments dominated the transaction mix.

The impact on pricing was substantial. While most housing types saw price increases of around 8% YoY, apartment prices rose by just 2%. The average apartment was EUR 85,000 cheaper than a terraced or corner house—an inversion of the pricing parity seen five years ago.

Investor sales also had a dampening effect on the national average house price, which stood at EUR 487,000 in 2025-Q3. Without these sales, the average would have been 5% higher, with the gap most visible in the G4 cities, where investor activity depressed prices by EUR 35,000 on average.

This trend has been building since mid-2023, when rental profitability began to decline due to regulatory changes. As investors continue to exit the market, their divestments are not only reshaping the supply side but also exerting downward pressure on price growth—particularly in the apartment segment.

Pararius: Rental Prices Continue to Climb Across the Netherlands²

In the third quarter of 2025, the average rent in the Dutch free-sector housing market rose to EUR 1,856 per month, and EUR 20.34 per square meter. Tenants now need a gross monthly income of EUR 5,569, EUR 330 more than a year earlier. The increase reflects both inflationary pressures and the shrinking supply of rental housing, particularly in the lower and middle segments.

Across the provinces, Noord-Holland remains the most expensive region, with an average rent of EUR 24.59 per square meter. Zuid-Holland and Utrecht follow at EUR 20.61 and EUR 20.20 respectively. Flevoland (EUR 18.63) and Noord-Brabant (EUR 18.05) also sit above the national average. In contrast, provinces like Friesland (EUR 14.39), Drenthe (EUR 14.88), and Zeeland (EUR 15.04) offer more affordable rents, though Drenthe recorded the sharpest YoY increase at 16.3%. Groningen was the only province with near-zero growth, remaining stable at EUR 17.71 per square meter.

In the five largest cities, Amsterdam continues to lead as the most expensive rental market, with new tenants paying EUR 27.75 per square meter. Utrecht (EUR 22.34), Rotterdam (EUR 22.05), and Den Haag (EUR 21.90) follow closely. Eindhoven, at EUR 19.86, saw the steepest increase among the five largest cities, rising 15.2% YoY. This surge is partly attributed to lingering expectations from the region's high-tech sector boom, despite a recent slowdown in international workforce inflow.

The segmentation of the rental market reveals where pressure is most acute. The middle segment, with rents between EUR 1,500 and EUR 2,000 per month, has become the new focal point. It attracted 40.5% of all tenant responses, while only 32.7% of listings fell within this range. The lower segment (EUR 1,185–EUR 1,500) remains highly competitive, receiving 34.3% of responses despite representing just 26% of the supply. In contrast, the high-end segment (above EUR 2,000) is oversupplied, accounting for 41.3% of listings but only 25.2% of demand.

¹ [Kadaster - Woningmarkt 3e kwartaal 2025](#)
² [Pararius - Uitponding zet door: huurmarkt krimpt verder](#)

Rate and spread developments

As of 2025-Q3, buy-to-let mortgage interest rates decreased by 1 bp QoQ and 5 bps QtD on average across the various fixed-rate period and risk-class segments. The buy-to-let mortgage market has substantially shrunk over the past years due to unfavorable legislative and tax developments in the Dutch rental market. The number of lenders active in the market and the overall offer volumes remain low, resulting in relatively rigid pricing compared to the owner-occupied mortgage market. Moreover, spreads decreased by 11 bps QoQ, while QtD spreads remained unchanged. Although spreads decreased compared to the previous quarter, they remain wide and attractive, with the 10Y average spread across risk-class segments at 266 bps. Please refer to Table 5 below for a more detailed overview of buy-to-let mortgage rate and spread developments.

During 2025-Q3 buy-to-let rates decreased, spreads tightened.

Market rate and spread development for consumer buy-to-let rates											
Fixed rate period	LTV	BTL rates					Spreads				
		2025-06-30	2025-09-30	2025-10-24	QoQ	QtD	2025-06-30	2025-09-30	2025-10-24	QoQ	QtD
1-year	50%	5.14%	5.12%	5.08%	-0.02%	-0.04%	3.24%	3.06%	3.04%	-0.18%	-0.02%
	60%	5.24%	5.21%	5.14%	-0.03%	-0.07%	3.34%	3.16%	3.10%	-0.18%	-0.06%
	70%	5.26%	5.24%	5.17%	-0.02%	-0.07%	3.36%	3.18%	3.13%	-0.18%	-0.05%
	80%	5.15%	5.10%	5.08%	-0.05%	-0.02%	3.25%	3.05%	3.04%	-0.20%	-0.01%
5-year	50%	4.92%	4.86%	4.79%	-0.06%	-0.07%	2.76%	2.58%	2.57%	-0.18%	-0.01%
	60%	5.00%	4.94%	4.83%	-0.06%	-0.11%	2.84%	2.65%	2.61%	-0.19%	-0.04%
	70%	5.03%	4.96%	4.86%	-0.07%	-0.10%	2.86%	2.68%	2.64%	-0.18%	-0.04%
	80%	4.89%	4.78%	4.76%	-0.11%	-0.02%	2.73%	2.50%	2.53%	-0.23%	0.03%
10-year	50%	5.08%	5.11%	5.04%	0.03%	-0.07%	2.62%	2.59%	2.58%	-0.03%	-0.01%
	60%	5.20%	5.24%	5.14%	0.04%	-0.10%	2.75%	2.72%	2.68%	-0.03%	-0.04%
	70%	5.21%	5.26%	5.16%	0.05%	-0.10%	2.76%	2.74%	2.70%	-0.02%	-0.04%
	80%	5.15%	5.19%	5.13%	0.04%	-0.06%	2.69%	2.67%	2.66%	-0.02%	-0.01%
20-year	50%	5.51%	5.52%	5.49%	0.01%	-0.03%	2.83%	2.78%	2.80%	-0.05%	0.02%
	60%	5.64%	5.65%	5.59%	0.01%	-0.06%	2.96%	2.91%	2.90%	-0.05%	-0.01%
	70%	5.68%	5.69%	5.64%	0.01%	-0.05%	3.00%	2.95%	2.95%	-0.05%	0.00%
	80%	5.72%	5.70%	5.68%	-0.02%	-0.02%	3.04%	2.96%	3.00%	-0.08%	0.04%

Table 5: Interest rate and spread development for buy-to-let rates in the Netherlands. Source: Dynamic Credit, Hypotheekbond. Reference date is 2025-10-24. Note that the overview shows rates for consumer buy-to-let products, it excludes products that are targeted to professionals.

6. Macro update

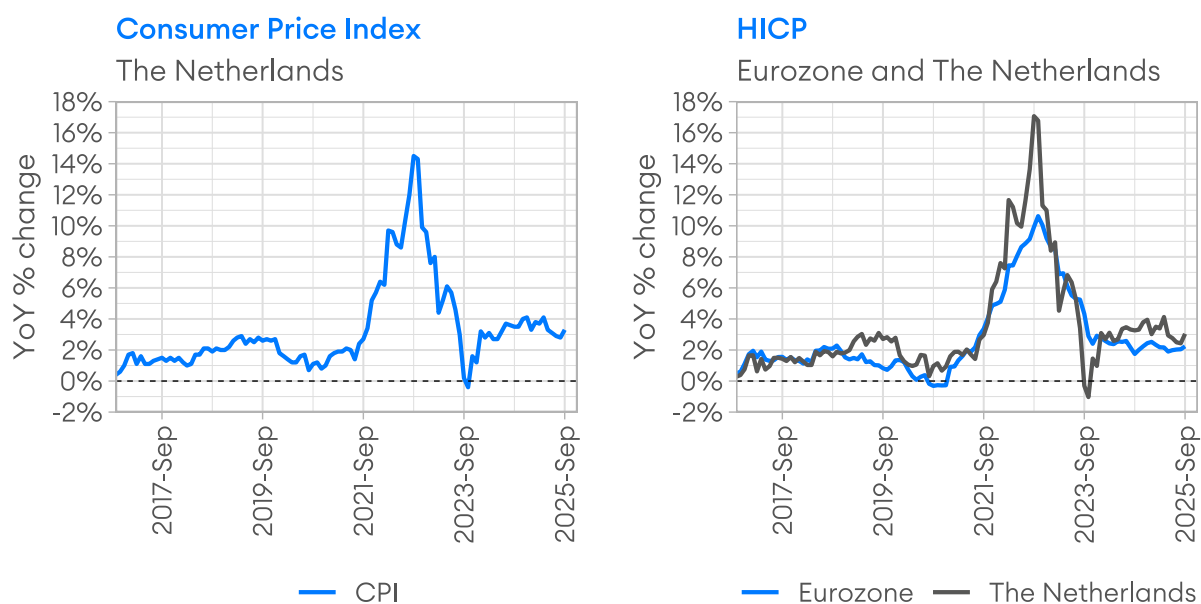
The following sections provide an update on the (macro)economic environment.

Inflation and Harmonized Index of Consumer Prices¹

As of September 2025, consumer goods and services in the Netherlands experienced a YoY price increase of 3.3%, a slight decrease from 3.4% average from the previous 8 months of 2025, according to Statistics Netherlands ("CBS") as measured by the Consumer Price Index ("CPI"). The inflation rate in the Netherlands rose to 3.3% in September 2025, up from 2.8% in August, according to CBS. This increase was primarily driven by higher prices for motor fuels, which were 3.6% more expensive than a year earlier, reversing the 2.0% YoY decline seen in August. Additionally, accommodation services, such as stays in bungalow parks, contributed to the upward pressure on inflation.

In contrast to 2025-Q2, where inflation was dampened by slower tobacco price growth and smaller drops in flight prices, 2025-Q3 inflation was mainly driven by seasonal increases in accommodation and fuel costs. Despite the annual rise, consumer prices dipped slightly (-0.1%) from August, suggesting short-term stabilization.

In September, the Harmonized Index of Consumer Prices (HICP) for the Netherlands reached 3.0%, increasing from 2.4% in August. Meanwhile, the HICP for the Eurozone was 2.2%, up from 2.0% in May 2025. This data suggests that consumer prices in the Netherlands continue to exceed the Eurozone average. For more details on how CPI and HICP have changed over time, please refer to Figure 15 shown below.



Source: Dynamic Credit, CBS

Source: Dynamic Credit, CBS

Figure 15: The consumer price Index in the Netherlands (left) and the Harmonized Index of Consumer Prices ("HICP") (right) both as of September 2025.

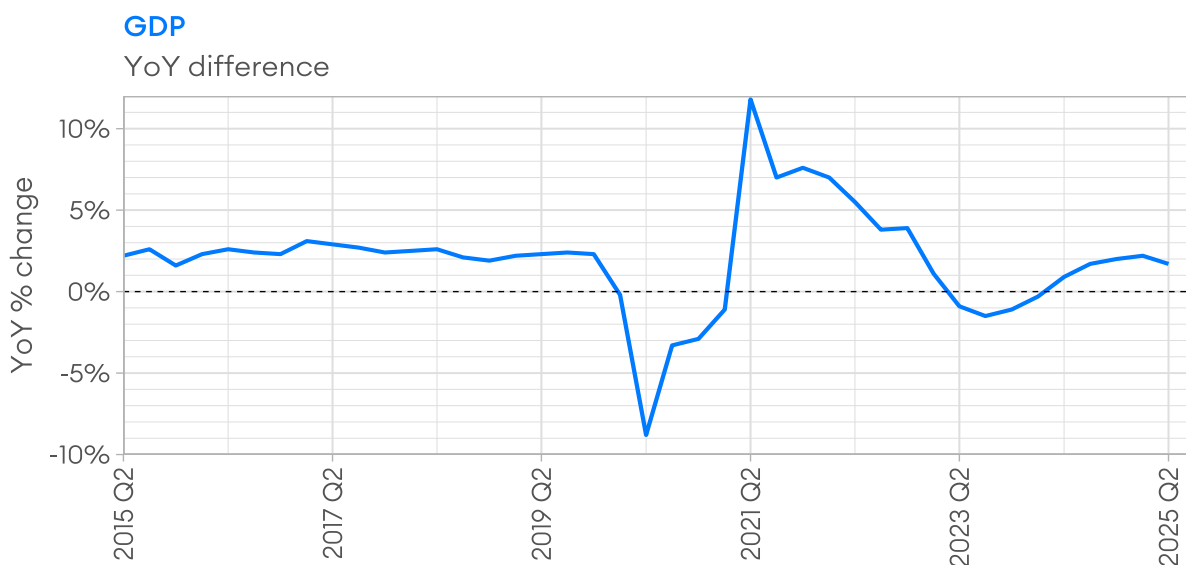
Monetary policy¹

As of the Governing Council meeting on 11 September 2025, the European Central Bank (“ECB”) decided to maintain the three key interest rates unchanged. The deposit facility rate remains at 2.00%, the main refinancing operations rate at 2.15%, and the marginal lending facility rate at 2.40%. This decision reflects the ECB’s assessment that inflation is currently around its 2% medium-term target, with projections showing headline inflation averaging 2.1% in 2025. The decision was further supported by a resilient euro area economy, which is now projected to grow by 1.2% in 2025, up from the previous forecast of 0.9%.

Economic Growth²

In the second quarter of 2025, the Dutch economy grew by 0.2% compared to 2025-Q1, continuing the trend of modest expansion. This growth was primarily driven by increased investments in fixed assets, especially in transport equipment such as ships and aircraft, which rose by 1.5%. Government consumption also contributed positively, increasing by 0.8%, with spending still concentrated in healthcare and public sector employment.

Household consumption declined by 0.4%, with reduced spending on hospitality, clothing, and recreation. The trade balance weakened, as imports rose by 2.6%, outpacing the 0.9% increase in exports, leading to a smaller trade surplus. On a YoY basis, GDP growth remained modest at 1.5%, with business services and industry making the largest contributions due to their economic weight.



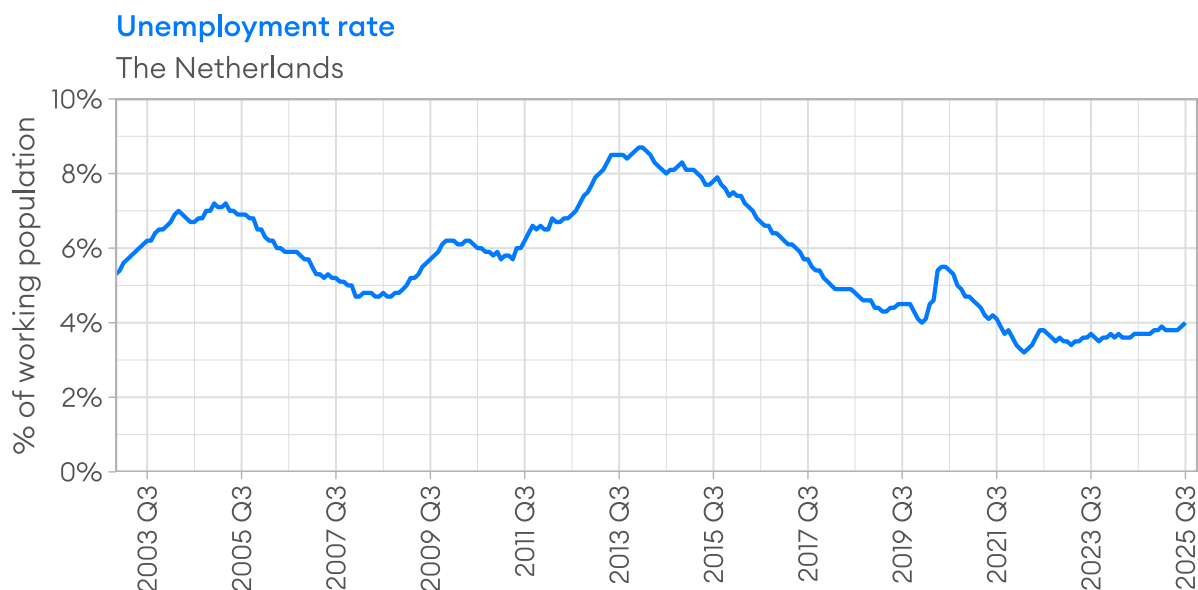
Source: Dynamic Credit, CBS

Figure 16: YoY GDP growth in The Netherlands as of 2025-Q2.

Unemployment³

As of September 2025, the Netherlands recorded 409,000 unemployed individuals, translating to an unemployment rate of 4.0%, the highest in four years. This marks a continued increase, with unemployment rising by an average of 8,000 people per month over the past three months. The rise was particularly notable among individuals aged 25 and older. In contrast to earlier months, the number of people in paid employment grew only modestly. According to the Employee Insurance Agency (UWV), there were 187,000 active unemployment (WW) benefits at the end of September.

- 1 [ECB - Press releases monetary policy decisions](#)
- 2 [CBS - Economie groeit met 0,2 procent in tweede kwartaal 2025](#)
- 3 [CBS - Werkloosheid gestegen naar 4,0 procent in september](#)

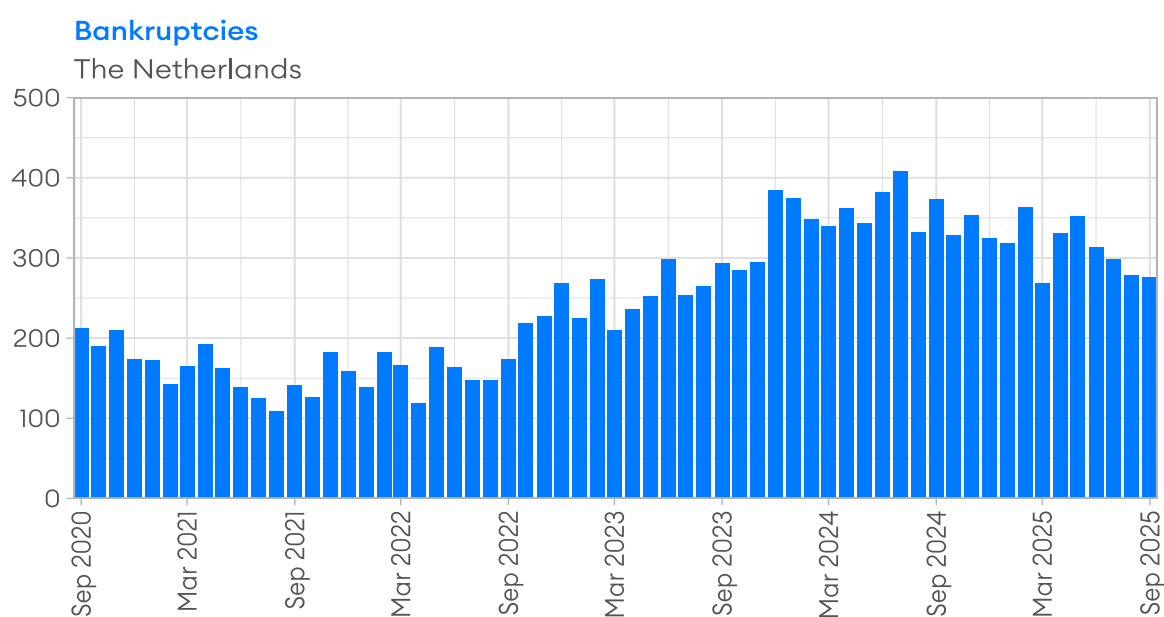


Source: Dynamic Credit, CBS

Figure 18: Unemployment rate in The Netherlands as of 2025-Q3.

Bankruptcies¹

In September 2025, the Netherlands recorded 276 business bankruptcies, marking a 26% decrease (97 fewer cases) compared to September 2024. This also represents a 1% decline from August 2025. The bankruptcy rate, defined as the number of bankruptcies per 100,000 businesses, dropped to 7.5, down from 10.3 a year earlier and slightly lower than 7.6 in August. This continued decline reflects a light downward trend in bankruptcies since the autumn of 2024, following a period of stabilization. In September, the accommodation and food service sector recorded a relatively high number of bankruptcies, with approximately 46.7 bankruptcies per 100,000 businesses. This marks a substantial YoY increase, as the sector had 28.8 bankruptcies per 100,000 businesses in September 2024.



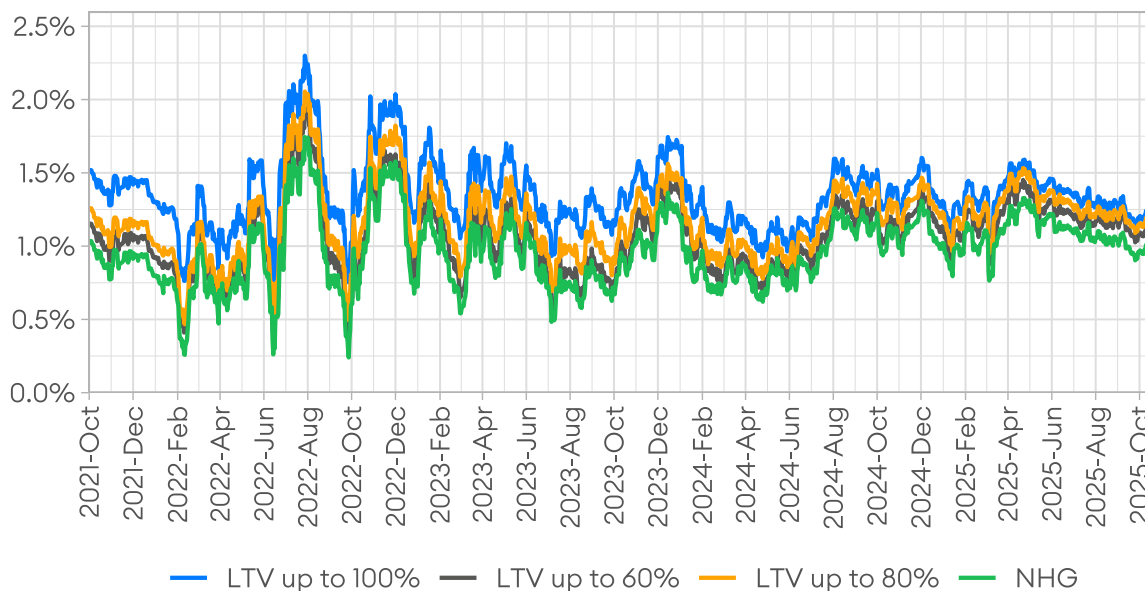
Source: Dynamic Credit, CBS

Figure 17: Monthly bankruptcies in The Netherlands as of September 2025.

Appendix

Spread average top 6 per risk class

5-year fixed rate period

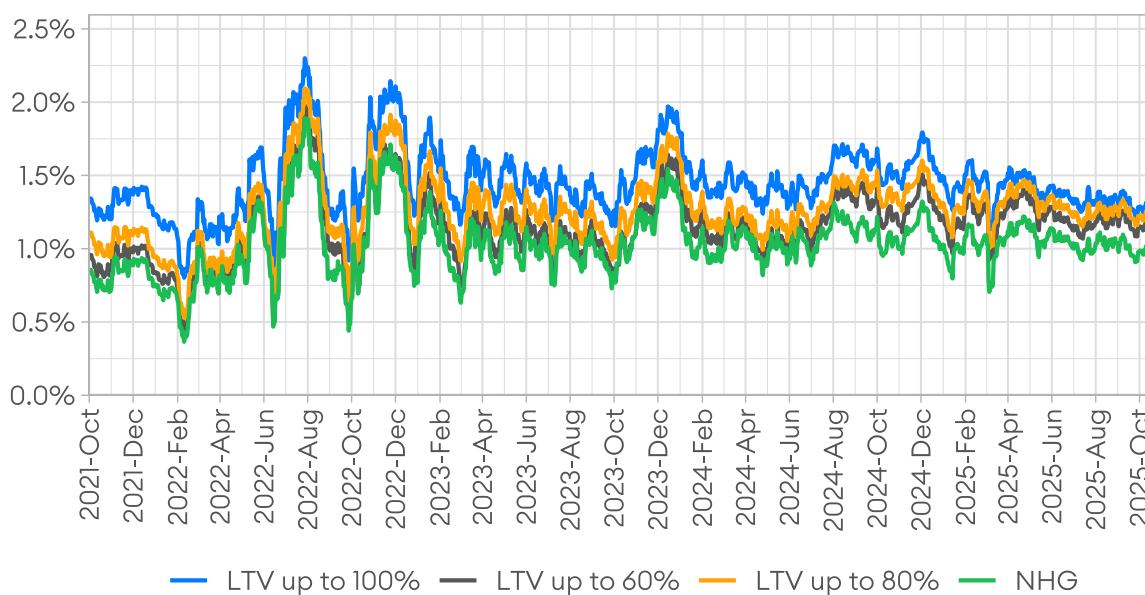


Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure A1: Spread of the average top-6 price leader mortgage rates (excluding action rates) for mortgage loans with a 5-year fixed rate period for four risk classes. Up to and including October 2025.

Spread average top 6 per risk class

10-year fixed rate period

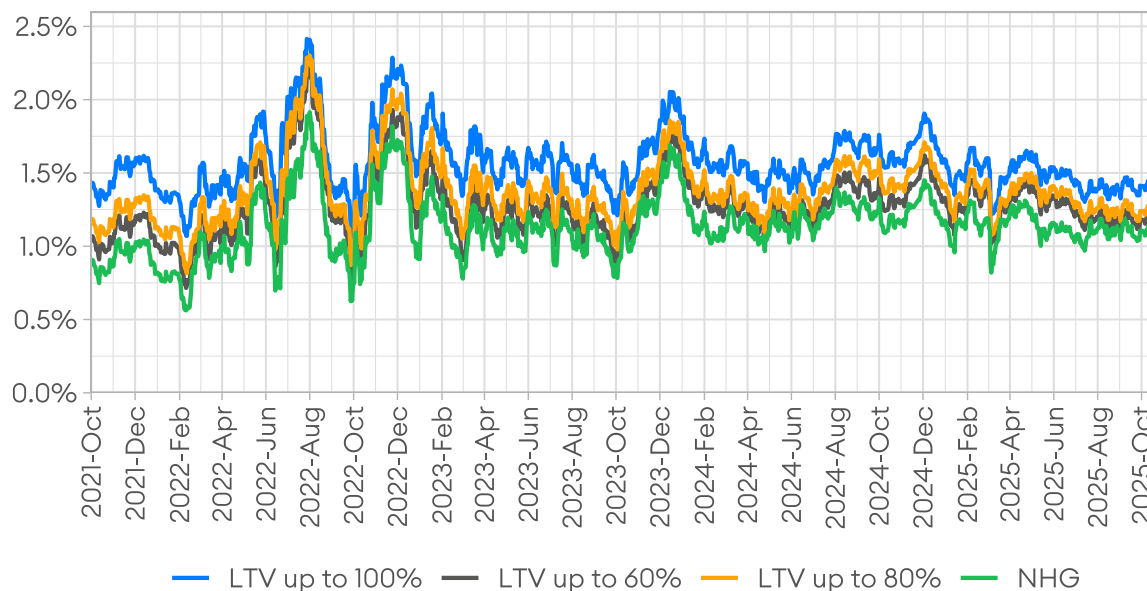


Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure A2: Spread of the average top-6 price leader mortgage rates (excluding action rates) for mortgage loans with a 10-year fixed rate period for four risk classes. Up to and including October 2025.

Spread average top 6 per risk class

20-year fixed rate period

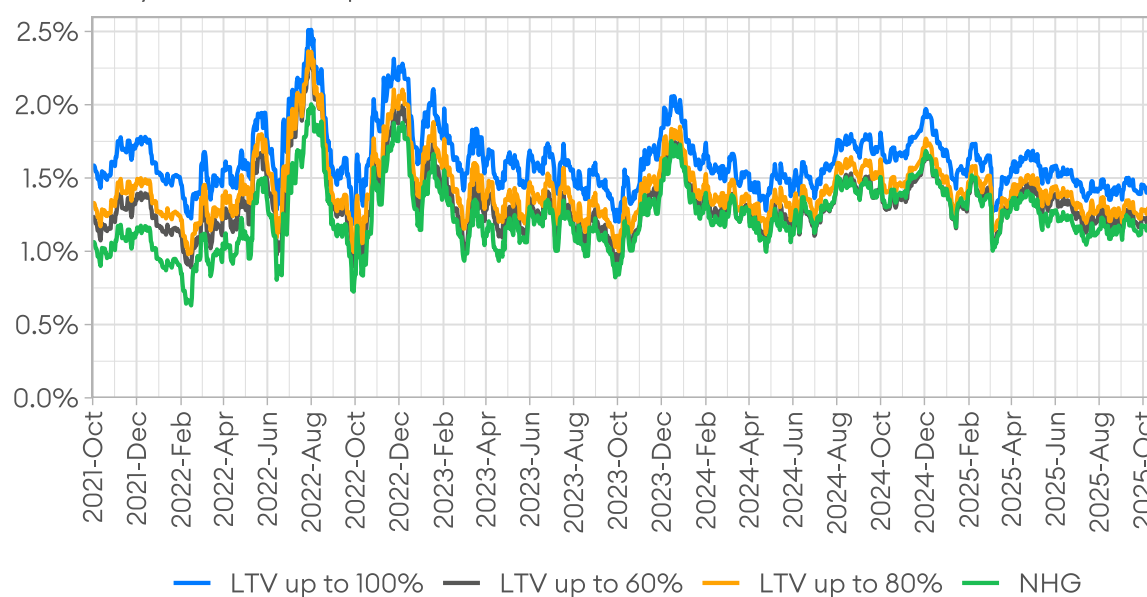


Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure A3: Spread of the average top-6 price leader mortgage rates (excluding action rates) for mortgage loans with a 20-year fixed rate period for four risk classes. Up to and including October 2025.

Spread average top 6 per risk class

30-year fixed rate period



Source: Dynamic Credit, Hypotheekbond (2025-10-23)

Figure A4: Spread of the average top-6 price leader mortgage rates (excluding action rates) for mortgage loans with a 30-year fixed rate period for four risk classes. Up to and including October 2025.

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Welcome to the bright side.

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