



Master Facility & Real Estate Management (MSc)

Title assignment	Master Thesis
Name module/course code	M Thesis / BUIL-1230
Names Tutor	R. Palstra
Second marker	R. Sueters
Name student	Tom Blokker
Full-time / Part-time	Full-time
Greenwich student nr.	000963042
Saxion student nr	433617
Academic year	2016-2017
Date	21-8-2017

Summary

Purpose – Since the end of the financial crisis in 2013, the residential real estate market is booming in Amsterdam. Especially for singles and starters it is almost impossible to live in Amsterdam. This high demand and low supply in the market can be defined as an opportunity for investors to invest. Therefore, this research paper tries to create an investment strategy in order to create an as high as possible ROI in this specific market.

Method – This research is based on the outcomes of eight semi-structured interviews with institutional investors, private investors and a bank. All participants are experts in the residential market Amsterdam.

Conclusion – Private investors base their investment decisions more on gut feeling and using less analysis and calculation tools. Investment funds are investing in more complex investments, with a bigger amount of money. Therefore, professional approaches are adapt, to reduce investment decisions based on gut feelings. Thereby, they use the approach and indicator IRR. Besides, different scenarios are calculated. Entire Amsterdam is hot at the moment and the expectation is, that the upward trend will not be corrected. There could however be a slowdown when the mortgage interest will rise. The needs of singles and starters are changing, they fancy the share fun, split rent concept. Besides, studios of 24-28 square meter are a property type that can be connected to this group. Moreover, generation Y is more interested in the total quality of living.

Recommendations – For private investors it is recommended to increase professionalism in their approaches. Besides, investment funds, which can be characterised by a long term horizon, should make their investments more future proof, to reduce risk. For long term investments it is recommended to invest inside the Ring, especially the area Centrum. This location is defined as having nihil risk and a stable indirect ROI. For short time investments, the areas North and New West are very promising. Besides, South East can be the next area that will show above average value increases.

Keywords – Residential real estate, investment strategy, singles and starters, Amsterdam.

Foreword

In front of you my thesis report, which is the result of 4.5 months of suffer, enjoyment, learning, uninspired, and inspirational times. In this foreword I would like to thank the people who helped me during my thesis research. Without the help of these people it would have been almost impossible to do this research. The persons who I thank in this foreword are noted in arbitrary order.

The process of executing this research has been done under the supervision of Rob Palstra MSc, lecture of the Strategic Asset Management colleges. I would like to thank Rob Palstra. Most of all I would like to thank him for the critical supervision during my thesis and his usefull feedback in order to keep me on the right track. Furthermore, I am very gradefull to the respondents that were involved in this research. For taking time to participated in interviews and exchange of thoughts, in this busy times. The conclusions is mostly based on their knowledge, experience and expectations. The next persons I want to thank are Hester van Sprang, Adrien Eros, and Joris Verwijmeren. They did a create job during the Academic Skills colleges in the Master degree, which gave me the structure and input of the research process.

This master thesis is based on the reseacher's own work, except were stated otherwise. Besides, there is no form of manipulation according the outcomes used.

Tom Blokker
Amsterdam
16-8-2017

Table of contents

Summary	2
Foreword.....	3
1. Introduction	6
2. Literature review	8
2.1 Investment strategy	8
2.1.1 Property analysis	9
2.1.2 Location analysis	11
2.1.3 Market analysis.....	12
2.1.4 Tenant analysis.....	18
2.1.5 Financial forecasts.....	20
2.1.6 Scenario analysis.....	21
2.1.7 Decision making	21
2.2 Investors	22
2.3 Return on investment	23
2.4 Conceptual model.....	24
3. Research methods.....	25
3.1 Research questions	25
3.2 Research strategy.....	26
3.3 Data collection	27
3.4 Operationalisation.....	27
3.5 Sampling	28
3.6 Data analysis	29
4. Results	31
4.1 Property analysis	31
4.2 Location analysis	32
4.3 Market analysis.....	34
4.4 Tenant analysis.....	35
4.5 Financial forecast.....	36
4.6 Scenario analysis.....	37
5. Discussion	39
5.1 Reliability	39
5.2 Validity	40
5.3 Limitations.....	40
6. Conclusion	42
7. Recommendations.....	44
Reference	45
Appendix A – Real estate generic framework	49
Appendix B – Discount cash flow	50

Appendix C – Floorplan Friends apartment.....	51
Appendix D – Tree diagram.....	52
Appendix E – Example transcript	57
Appendix F – Example open coding.....	67
Appendix G – Example Axial coding	68
Appendix H – Overview labels.....	69

1. Introduction

This proposal is about defining the different elements of the investment strategy for residential real estate to create a positive return on investment in Amsterdam.

According to PWC (2016), the real estate market of Amsterdam is ranked eleventh in the European market, to watch over the next ten years. On the top of the list are the German cities Berlin (1), Hamburg (2), and Frankfurt (3). Berlin is now established alongside London and Paris as a large and highly liquidity real estate market with truly global appeal (PWC, 2016). If assessed according to the investment rate and development rate together, Amsterdam is even ranked number six of all the cities in Europe to invest in. Subsequently, the value of the properties and the businesses are growing in Amsterdam.

According to NVM (2016a), after the financial crisis in Europe from 2008 until 2013, the housing prices in Amsterdam are booming again. Mortgage approvals are up and both private buyers and portfolio buyers are bidding above the asking price (PWC, 2016). According to the Dutch Financial Newspaper FD (2016), on average 48 percent of the accepted bids during the first quarter of the year 2016 were higher than the initial asking price. In districts West, East, South, and the Centre in Amsterdam, this was even the case for 50 to 65 percent of the accepted offers. The trust of investors in the real estate market and the increased mortgage approvals have influenced the current value. Consequently, the WOZ-value of properties increased with nine percent between November 2015 and November 2016 (CBS, 2016a).

The number of citizens living in urban areas keeps increasing. It is expected that by 2050, 70 percent of the population worldwide will live in cities (Unicef, 2012). Thus, the number of households in cities of people between 25 and 35 years is expected to substantially grow until 2020 (Syntrus Achmea Real Estate & Finance, 2017). This is important, because Amsterdam is particularly attractive for this group of people, mainly due to the many facilities the city offers for studying, living, enjoying, and the nightlife (NVM, 2015). Besides, for millennials Amsterdam can be seen as the number one city of the world to live, out of sixteen perspectives that are the most important for this target audience (Nestpick, 2017). The millennials can be defined as the people that are born between 1982 and 2002, which are connected to starters. However, the number of existing residential properties for sale reduced by 400 percent between October 2013 and October 2016 (CBS, 2016b). In addition, the managing Director Continental Europe, Chairperson of the Board of CBRE the Netherlands, M. Hekman (2016) said in a conference of College Tour: *'In the current market there is a high short supply in small apartments for the lower- and middle income group in Amsterdam'*.

To conclude, the supply of existing residential properties for sale is decreasing although the demand is growing. Therefore, the current value of residential properties in Amsterdam is increasing. Because of this, singles and highly educated starters with a good job can simply not get a mortgage loan for an apartment of 50 square meters, even with the historically low mortgage interests (FD, 2016). Starters have the average yearly income of €27.000 and funding options (mortgage) to €115.000. Furthermore, the singles can be categorised to the funding options of maximum €160.400 and a yearly average income of €37.500 (AM, 2017). The income of these people is too high for social renting. Besides, the funding options are too low for buying a residential property. Therefore, the last option is to rent in the free rental sector (private market). However, the demand is double the available supply (AM, 2017); (CBRE Global Investors, 2017a).

In the Netherlands, residential properties for rent are categorised in social and private. In the private sector (free rent sector), the owner can set the rental price according to the market, without any restriction, and the renters cannot apply for subsidies. The supply of residential properties for private renting is characterised by scarcity. Mostly, for starters and singles (Cushman & Wakefield, 2016). In contrast, homes for which the initial monthly rent is under the rent-limit for liberalised tenancy agreements, are classified under the group of social housing (Government of the Netherlands, 2016). This liberation limit of rent is set at €710.68, and is affected by the current value, size in square meters, and some other aspects. However, the minimum wait is 8.7 years for social housing in Amsterdam (Blok, 2016). Which is related to a high demand and low supply. Therefore, this research focusses on housing that are payable for singles and starters. For example, small apartments can be interesting for investors.

The amount of sold apartments in relation to the total amount of sold properties is doubled within four years, from 19.6 percent in 2002 to 43.3 percent in 2006 (IVBN, 2009). The aim of this research is to get an understanding of the different investment strategies of investors that are focussing on the residential real estate market in Amsterdam. This includes the creation of new residential parts to existing real estate. This paper focusses only on existing properties and not on the development of new real estates, since development needs a different expertise. Understanding of different elements of the investment strategy are needed. Furthermore, different investment strategies should be compared with each other according to their return on investments (ROI). The ROI is a general term that will be used in this paper. The ROI will be discussed in the next chapter, also like the different approaches to express the ROI. The comparison is necessary to increase the understanding of which element has the most effect on the ROI. The research objective is to create an advice for investors that they can adapt in their investment strategy. Therefore, this research proposal has two central research questions:

What are the characteristics of the investment strategy of real estate investors who invest in residential property for singles and starters in Amsterdam?

What is the effect on the ROI of different investment strategies of real estate investors who invest in residential property for singles and starters in Amsterdam?

2. Literature review

This chapter discusses the literature in order to create a fundament for this research. One of the reason to invest in real estate is their assumed characteristic as a hedge against inflation (Goslings & Petri, 1991). The market defines two types of availability of information by investments. By *efficiency* is meant the quick incorporation of information in a price. In other words, an up-to-date price incorporates of all available information. In consequence, it is not possible to forecast prices on the basis of accessible information (Goslings & Petri, 1991). However, real estate market are defined as an *inefficient* market (Gool, Jager, & Weisz, 2001). Since saturation of information is not possible. Therefore, the different elements in an investment strategy are discussed, in order to increase information to invest. Besides, the different investors that are investing in real estate are defined and the theory behind the ROI is explained. Subsequently, a conceptual model is formed. This research is limited to invest in a property and not investing out of portfolio perception. Since, every portfolio is different the complexity will be too high in the limited timeframe of this research.

2.1 Investment strategy

The investing process will go through a plan or mind-set, in order to structure their investment decisions. The theoretical standpoint and approach to strategy is what Whittington (2001) defines as 'a classical approach'. Strategy is viewed as a rational process of well-analysed, deliberate choices aiming to maximise the organisation's profits and benefits over time (Palm, 2013). Every location and building is different. This paper focusses on property level and how to invest in an individual building. The decision making process can be done by a gut feeling. However, successful real estate investors make their decisions based on the knowledge of urban land values and location patterns. Real estate investors want to achieve the highest possible ROI. The ROI is discussed in Paragraph 2.3. According to Atrill (2009), three factors are influencing the ROI: the interest forgone, the inflation and the risk premium, as is shown in Figure 2.1.



Figure 2.1 Three factors influence the required return required by investors from a project (Atrill, 2009)

The real estate investment strategy consists of the following external analysis: property analysis; location analysis; market analysis; and the tenants' analysis. These analyses should be in alignment with each other. Out of these analysis investors should make a SWOT confrontation matrix, which is a tool that makes the important factors in combination with each other measurable. The *strengths* and the *weaknesses* are based on the internal findings. Further, the *opportunities* and the *threats* are based on the external outcomes. These analyses are the fundament for the financial forecast, which is a calculation of the investment, included with the *interest forgone* and *inflation*. Moreover, the financial forecast should be calculated in different scenarios, which is connected to the third factor that influences the required return, *risk premium*.

The expected ROI of real estate can be divided in indirect and direct revenue. The direct revenue is the returning money investors will get direct, like the rent income. Besides, the indirect return can be defined as the increasing (or reducing) current value of the property. However, see paragraph 2.2 for a more in depth explanation.

2.1.1 Property analysis

The property analysis consists a building quality analysis and a benchmarking. The building quality analysis are all aspects on the physical aspects of the building and a description of the property. The physical aspects are everything which can be shown with pictures, the elements of the building which people can see and feel. Plus, the element below the ground.

The property description consists lists of:

- Regular information of the building (name, address/map, sales price);
- Property type* (type, residential or non-residential, age, construction);
- Area and volume (square meter of building/garden/garage, m³)
- Building layout (number of floors/rooms, services);
- Energy (electro, isolation, heating system, type of glass);
- Cadastral data (freehold ownership/leasehold);
- Parking possibilities.

**The different property types with the connected demand drives are shown in Table 2.1.*

Property Type	Demand Drivers
Residential single family (Owner occupied)	• Population • Household formation (child-rearing ages) • Interest rates • Employment growth (business & professional occupations)
Residential multifamily (Apartment renters)	• Population • Household formation (non-child-rearing ages) • Local housing affordability • Employment growth (blue collar occupations)
Retail	• Aggregate disposable income • Aggregate household wealth • Traffic volume (specific sites)
Office	Employment in office occupations: • Finance, Insurance, Real Estate (FIRE) • Business & professional services • Legal services
Industrial	• Manufacturing employment • Transportation employment • Airfreight volume • Rail & truck volume
Hotel & convention	• Air passenger volume • Tourism receipts or number of visitors

Table 2.1. Property types with the connected demand drivers (Geltner et al., 2013)

Benchmarking can be usefull, in order to link the property value to the current market. This research focusses only on residential property. Most residential properties have an owners' association in Amsterdam that is responsible for the – costs of the – construction and the maintenance of the outside of the total building. Therefore, the risk is reduced. Investors need to inspect and analyse the building, to get an inside of the conditions of the property, before connecting the asset to a value. Hence, a valuation of an appraiser can support the investors to get an insight the current value of the property.

The society is changing and the innovations in technology are going faster and faster. The properties should adapt these changing customer's needs. Therefore, CBRE Global Investors (2017a) are focussing on the total services for the private rent housing 'convenience and experience over acquisition and investment', which consist the building, apartment and services. See Figure 2.2. An example to translate the customer needs to a concrete building design, the Tower of Babel can be adapted. As is shown in Figure 2.3 (AM, 2017). The customer needs will be discussed in paragraph 2.1.4. An example of a building like the Tower of Babel, is the building Summertime on the Zuidas.

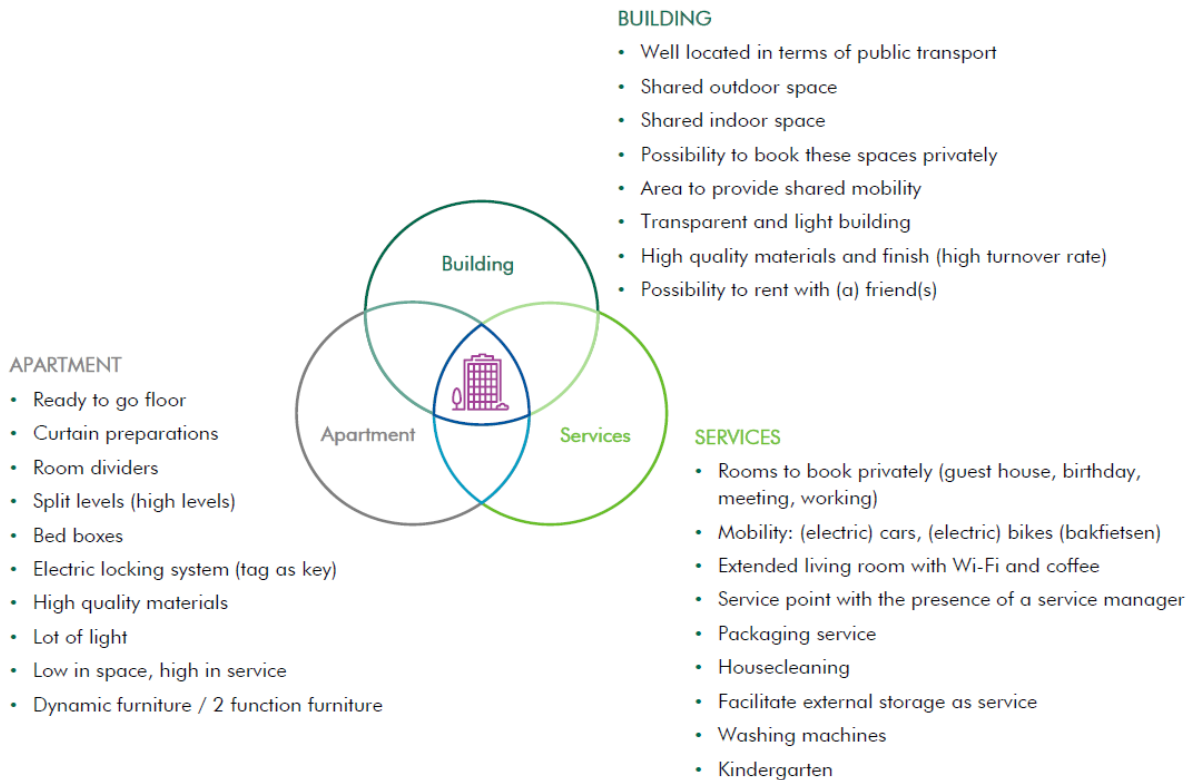


Figure 2.2 Rethink the residential product and services (CBRE Global Investors, 2017a)

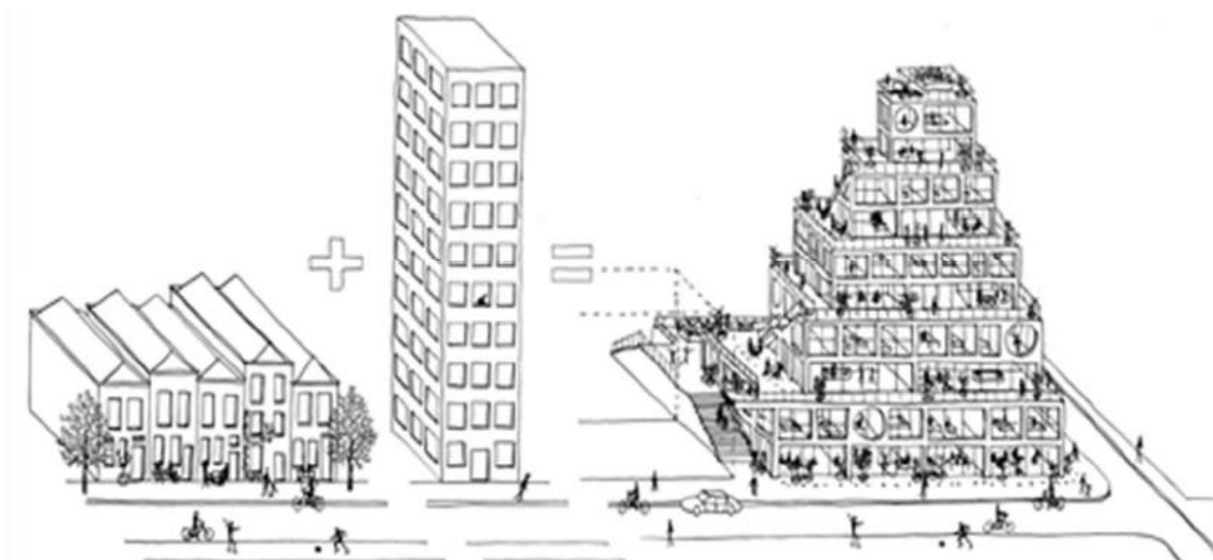


Figure 2.3 Tower of Babel (AM, 2017)

2.1.2 Location analysis

For real estate investors it is important to select a location that contributes the direct and indirect returns. Real estate investors should select the location first on country level. The next step of selecting is to search for the right place/district, which is also called the geographic market (region). The different geographic real estate market differs from each other in space, in liquidity, transpiration, values and rental incomes. When investors are seeking for a location to invest in real estate, they focus on the expected demand and supply, diversities in the market (reduce risk), the liquidity of the assets, and the trends and developments. According to Van Gool et al. (2001) investors need to have expertise of the real estate market of investing. Therefore, many investors focussing on the market where they grow up, which is called their 'home market'. Moreover, investors in real estate should limit their self to a minimum of geographic markets in their portfolio, to build such as best possible network, knowhow and experiences. The location of the assets plays a big role in the level of liquidity of the investment. Investors should be aware that locations can differ on many characteristics distinguishing, such as accessibility by car and public transfer, parking possibilities, status and representativeness, region facilities, shops, etcetera. Many investors are focusing on prime locations. These areas can be characterised as a highly developed urban economy, and a highly diversified business service, with a concentration of high-quality office functions (Lie & Bongenaar, 1990).

The central place theory (CPT) can support real estate investors to understand the geographic. Geographical theories such as CPT may seem somewhat academic, really dated and removed from the real world. Nevertheless in fact this theory is practical and underlies the most basic decision making in real estate development and the operation of the space market (Geltner et al., 2013). The following statement is applicable: In order to reduce "spatial friction," places of similar size, rank, or function will tend to be evenly spaced across geographical space and/or population (Geltner et al., 2013).

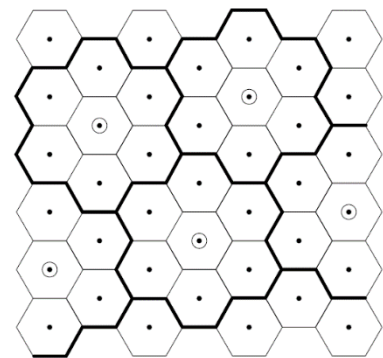


Figure 2.4. Central Place Theory (Losch, 1940)

The CPT has two key principles, which are conflicting:

1. If a territory is underserved, there is room for a new central site.
2. If a central site is already effectively located to serve a territory, it is going to be very hard to develop a new such site nearby.

Another way of analysing the geographic market is by the *rank/size rule* (also referred to as Zipf's Law of George Zipf). The type of real estate that works in the space market depends on the size and economic characteristics of the city in which it is located (Geltner et al., 2013). In fact, the sizes of the city are in relation with the population. Figure 2.5 shows the formula and Figure 2.6 the bar graph Zipf's Law – the rank/size rule of. The cities with the highest 'city population' by the Zipf's Law, are not located near each other geographically.

$$\text{City population} = \frac{\text{Largest city's population}}{\text{Rank of city}}$$

Figure 2.5. Formula of Zipf's Law (Zipf, 1932)

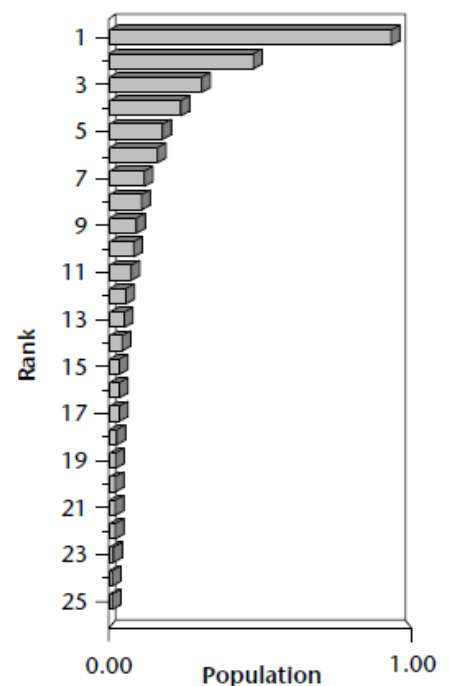


Figure 2.6 Zipf's Law (Zipf, 1932)

Inner cities and urban regeneration projects are commonly perceived to carry considerably greater risk compared to prime property locations (Adiar et al., 2005). When investors are investing in regeneration areas, primarily do so in expectation of reaching above average return (Adiar et al., 1998). Therefore, in this paragraph some areas are defined that have potential growth. In the following areas large scale residential assets are in the pipeline: IJburg, Zeeburgereiland, Amstel-kwartier, Houthavens and Amsterdam North (Cushman & Wakefield, 2016).

2.1.3 Market analysis

Market analysis supporting investors to get an understanding of the specific real estate market. This paragraph discusses the economic market, the region market and the comparison with others areas. Therefore, the focus of this paragraph is less academic.

Economic market

Historically, real estate markets on country level have often experienced bust and boom periods. Real estate markets have exhibited extended periods of reducing building occupancy and rents. Followed, by extended periods of increasing building occupancy and rents. This fluctuation can be defined as the real estate market cycle, which can be linked to the economic market. When the demand for property rises (low vacancy), current values and rent prices are rising too. Then investors start building real estate on the long term and banks and municipalities are willing to help. Until that moment the demand is getting higher in relation to the supply. However, it takes a couple of years before the latest buildings out of the pipeline. Then the supply is even more increasing, and the prices of the assets and rents will fall down (higher vacancy rate). Banks and municipalities are not supporting investors anymore; until the moment the demand is reduced again according to the supply. According to Van Gool et al. (2001), the real estate market cycle is mainly due the economic fluctuation, the long period of building a property, and imperfect factor markets and emotions. Figure 2.6 shows an illustration of 60-years evolution cycle of vacancy rates, rents, and construction in a real estate market. According to Geltner et al. (2013), Figure 2.7 demonstrates several features that tend to characterize real estate space market cycles:

- The real estate cycle may be different from and partially independent of the underlying business cycle in the local economy;
- The cycle will be much more exaggerated in the construction and development industry than in other aspects of the real estate market, such as rents and vacancy;
- The vacancy cycle tends to lead the rent cycle slightly (vacancy peaks before rent bottoms);
- New construction completions tend to peak when vacancy peaks.

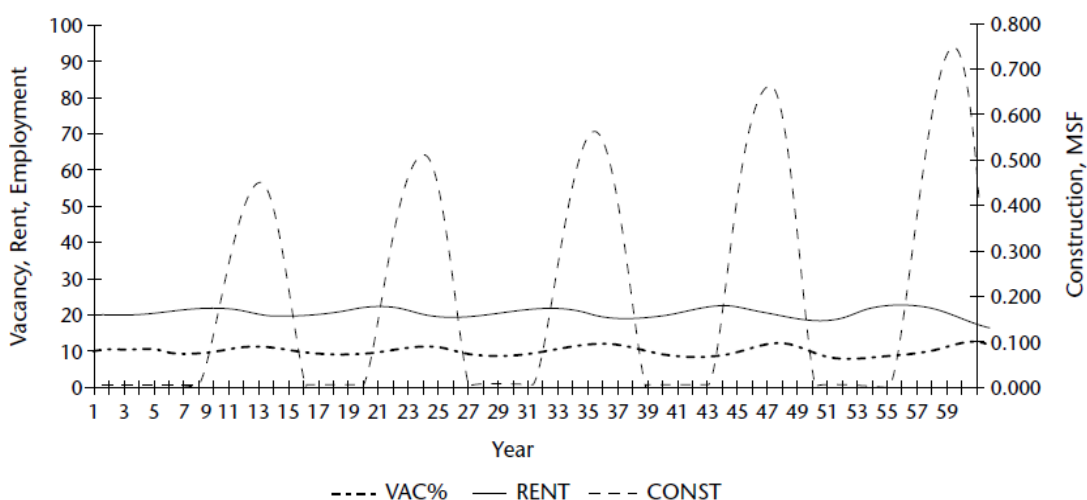


Figure 2.7. Simulated real estate space market dynamics (Geltner et al., 2013)

The real estate cycle, the economic health of the Netherlands is important for required return. After the financial crisis of 2008 to 2013, the Europe – and Dutch – economy is rising again. Figure 2.8 shows the rate of the AEX – which consist of the 25 biggest quoted organisations – of the last five years. As is discussed, inflation is one of the three variable that influence the expected ROI. Figure 2.9 illustrated the current ratio of the inflation, which is quite positive for the economic market to invest, since the inflation is relatively low (nadir). Thereby, the interest mortgage are historically low, as is shown in Figure 2.10.

The expectation is that the number of households in the Netherlands will grow from the current 7.7 million to 8.2 million by 2025 and 8.5 million households by 2040. The largest increase is expected by the category single-person households. The current number single-person households is 2.9 million, which will grow to 3.3 million household by 2025 and 3.6 million household in 2040 (ING, 2016a). However, the supply of apartments for selling is reduced from 50.000 in the first quarter of 2013, to below 20.000 in the fourth quarter of 2016, in the Netherlands (NVM, 2016b). The amount of residential properties for selling in 2016-4 is all most equal to the amount before the financial crisis (2008). The residential market in the Netherlands can be categorised in three groups: active market; balanced market; and inactive market. Amsterdam is the most active residential market in the Netherlands, according to increasing of values, amount of transactions, time of selling, etc. (NVM, 2016b). See Figure 2.11 for the categorising of the Netherlands.



Figure 2.8 Rate of the AEX, 2012-2017 (Belegger.nl, 2017)



Figure 2.9 Inflation ratio of the Netherlands, 2008-2015 (CBS, 2016c)



Figure 2.10 Mortgage interest of the Netherlands 1965-2014 (Hypotheekshop, 2013)

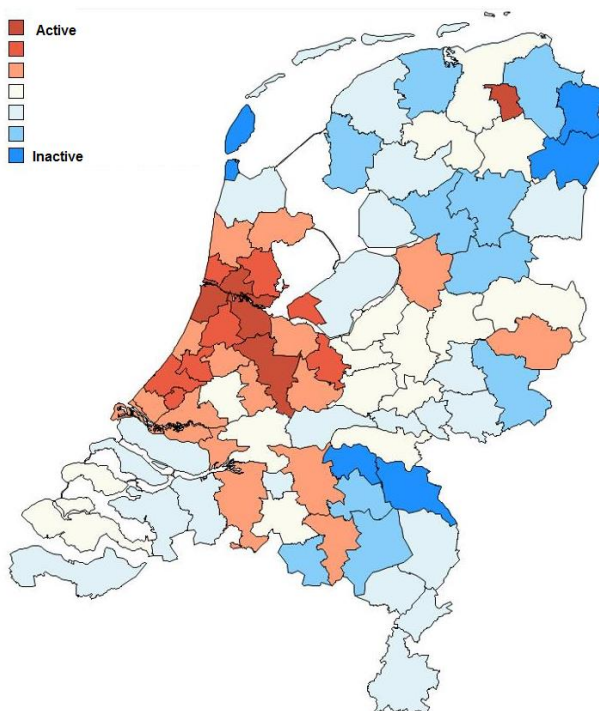


Figure 2.11 Activeness residential market in the Netherlands in 2016 Q4 (NVM, 2016b)

Region market

Investors in residential properties have to get knowing of trends and developments in the market on regular and micro-level. According to Geltner (2013), it is recommend to analyse directly the market supply and demand variables of interest and to extrapolates these variables into the future based purely on their own past historical trends (Geltner et al., 2013). See Appendix A, for the generic framework of a basic short-term structural market analysis for real estate. This model is designed to support real estate investors with making their decisions in short term (3-5 year). The first steps is to inventories the existing supply and to identify sources of space usage demand of the relevant market.

The supply inventories can be asked by the local planning agencies, local broker firms, and commercial firms which are specialised in data collection. The demand drivers are relative easy to quantify, as is shown in Table 2.1. The next step is to quantify the relationship between these two variables, before developing a forecast of future demand for and supply of space. On the demand side, the sources of demand previously identified must be projected based on the extrapolation of past trends or on judgment about the evolution of the local economic base (Geltner et al., 2013). The result of the relationship between space usage and demand sources is the projection of the number of space demand various times in the future. On the supply side, is an inventory needed of the number of buildings in the pipeline. Finally, this model results a projection of the relationship between demand and supply in the future market. According to the current situation in the residential market: *'the amount of developing residential properties are low in relation to the demand, in the Netherlands'* (ABN Amro, 2017). Therefore, the supply keeps low and the current value of the residential properties will continued rise in the Netherlands (ABN Amro, 2017).

As is discussed in the Introduction, Amsterdam has the highest attractive power of the Netherlands. Therefore, the value of the residential properties is increasing much more in relation with the average of the Netherlands. As is shown in Figure 2.12. Therefore, a price correction could be expected. However, international cities as London and Stockholm showing that a yearly increasing of value above average is possible, without a price correction (ING, 2017a).

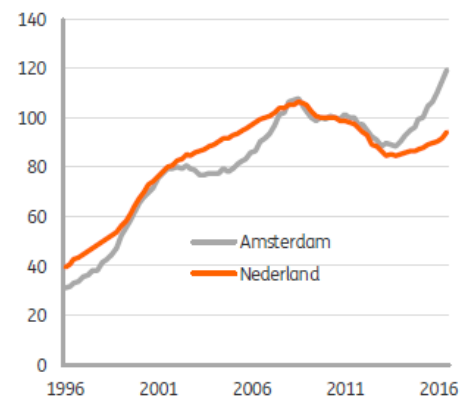


Figure 2.12 Value of residential properties, 2010=100 (ING, 2017a)

Comparison to other areas

According to the FD (Dutch Finance Newspaper), the Netherlands is the second best economy of the world – after Switzerland (Bouwman, 2016). The world knows different ranking lists to scale the economies of the different countries. The FD combined the six most valid and reliable rank scores together, in order to create one sum up, as is shown in Figure 2.13. The outcomes of this sum up are in alignment with the trust in the economy of the inhabitants of the Netherlands, which are shown in Figure 2.14. The trust of the inhabitants of the Netherlands in their own economy is high in relation to Germany, United Kingdom and the Belgium (ING, 2017b). Which can be connected to a healthy investment environment. Many people are expecting a price correction in the residential market, however, according to other countries the current prices are not that high (BNP Paribas, 2017).

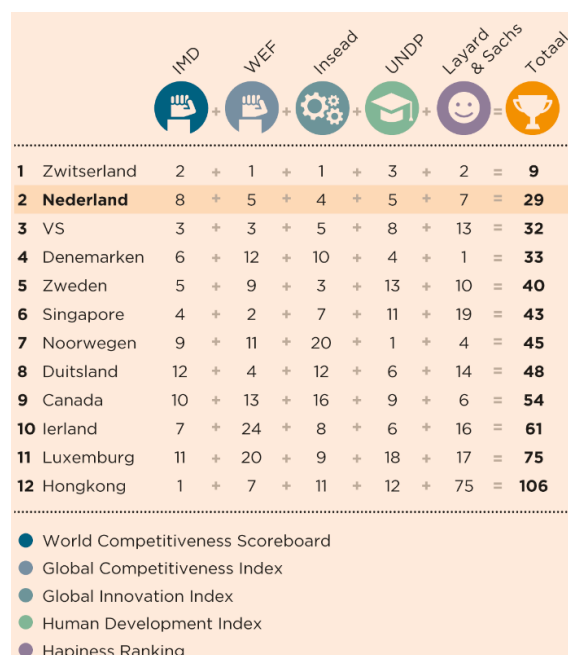


Figure 2.13 Economic ranking list of ranking lists (Bouwman, 2016)

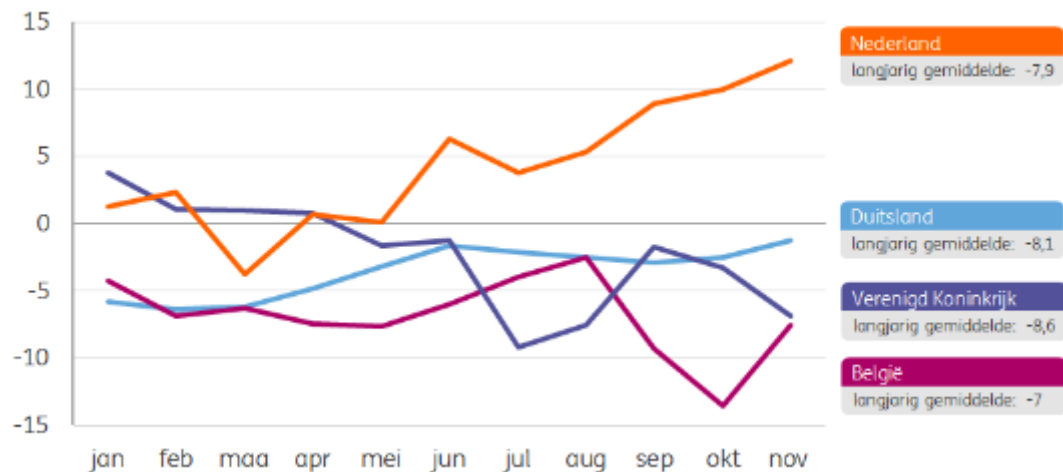


Figure 2.14 Trust of consumers in their own economy, in 2016 (ING, 2017c)

One of the parameters to compare residential properties in different cities, is by square meter prices. Central London is the most expensive place in Europe. Figure 2.15 demonstrates the number of square meters, which payable with the amount of €200,000 for a new are dwelling in each city, to compare cities. The lowest average size is in Central London (11 square meter), followed by Paris (19 square meter). Amsterdam is ranked at the 12th place of Europe (Deloitte, 2016a). Therefore, the square meter price in Amsterdam is €3,636 according to €18,181 in Central London, in 2015. Which are illustrated in Figure 2.16. Average transaction price of a new dwelling in 2015 (Deloitte, 2016a). Combining the square meter prices of Asmsterdam and the Netherlands, the prices are not that high according to the other West-Europe countries, as France, Germany, Belgium, UK, and Italy. Looking to the economic growth in the Netherlands (Figure 2.8) and Europe, the current prices are higher. However, these figures are illustrating the differences between the main cities in Europe.

Besides, the figures of Amsterdam in ratio with the Netherlands, in comparing to other countries/capitals are important to get an insight in the current situation and the potential of Amsterdam. Figure 2.17 expresses the comparison of the main cities to the country average in percentage, in 2015. The capitals are defined with the green colour and Amsterdam is illustrated with the red colour. The prices of new dwellings in Rotterdam and Den Haag are already below the average of the Netherlands. However, Rotterdam is the second biggest city of the Netherlands, and Den Haag the fourth after Utrecht. This fact in combination with the Central Place Theory of paragraph 2.1.2, illustrates that all the prices outside of Amsterdam – in the Netherlands, are below the average of the Netherlands.

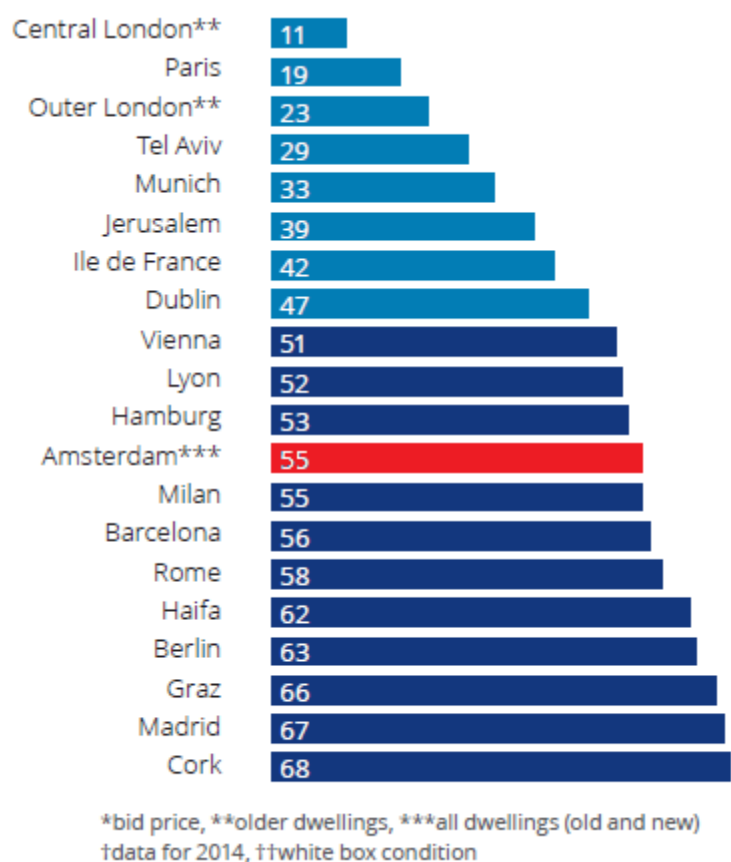


Figure 2.15 Average size of new dwelling for €200.000 (Deloitte, 2016a)

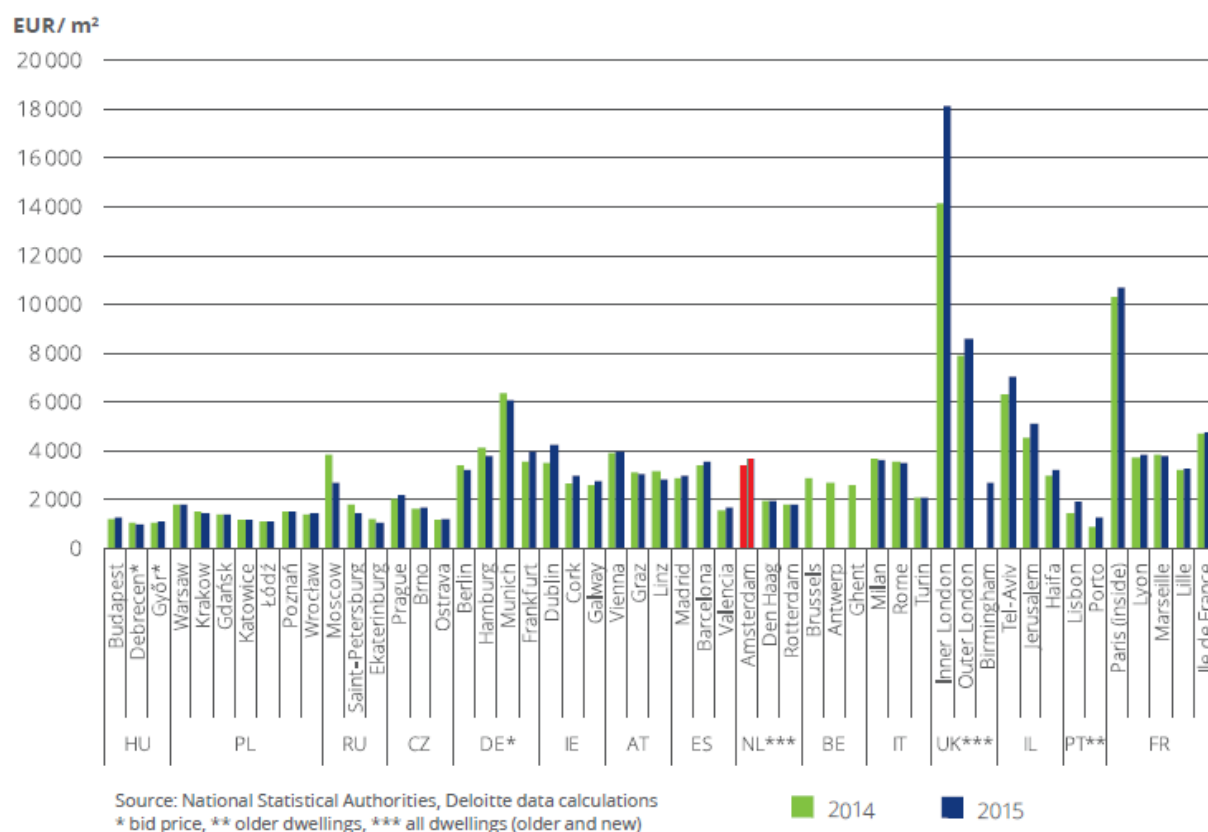


Figure 2.16 Average transaction price of a new dwelling in 2015 (Deloitte, 2016a)

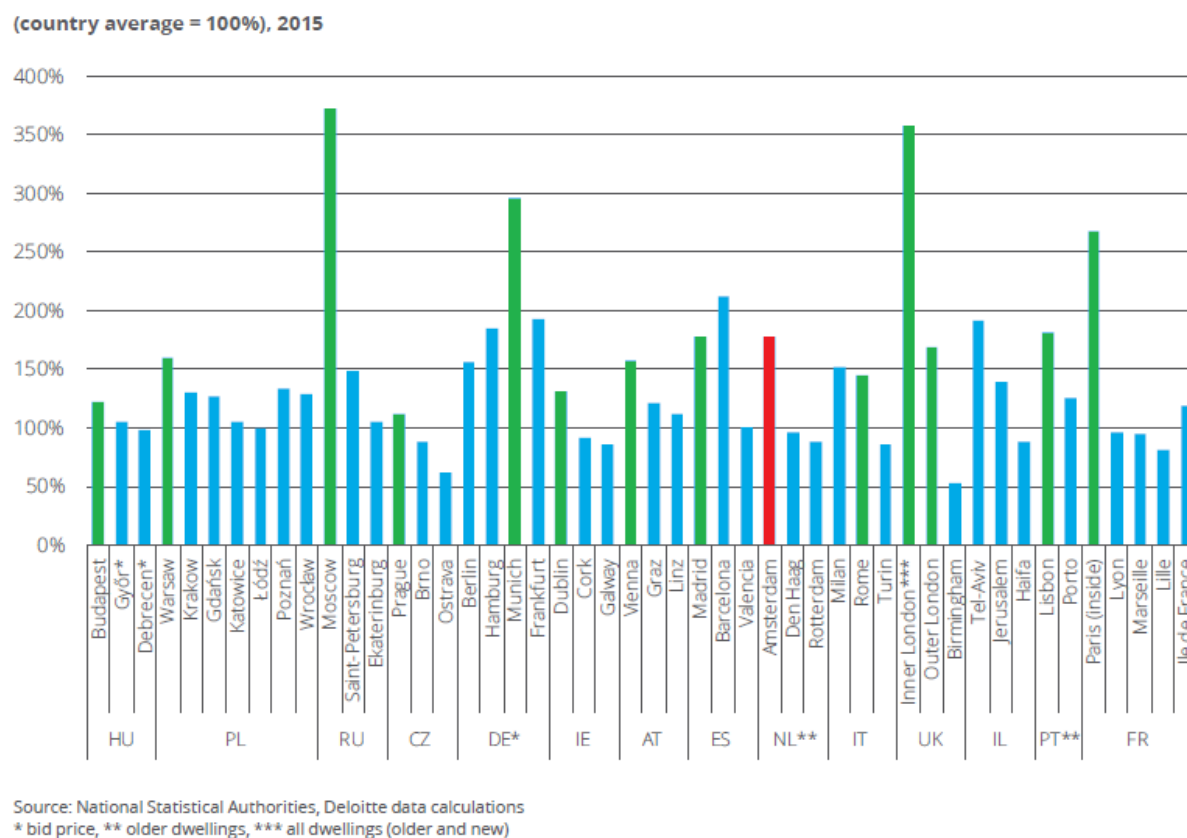


Figure 2.17 Comparison of the main cities to their country average in 2015 (Deloitte, 2016a)

The change of number of households can be seen as a result/effect of the economic market. According to Figure 2.18, the province N-Holland (Amsterdam), Z-Holland (Rotterdam and Den Haag), Flevoland and Utrecht, have the prognoses with the highest increasing number of households, in 2012 to 2025 (Ministry of the Interiors and Kingdom Relations, 2014). Which can be linked to a high attractiveness.

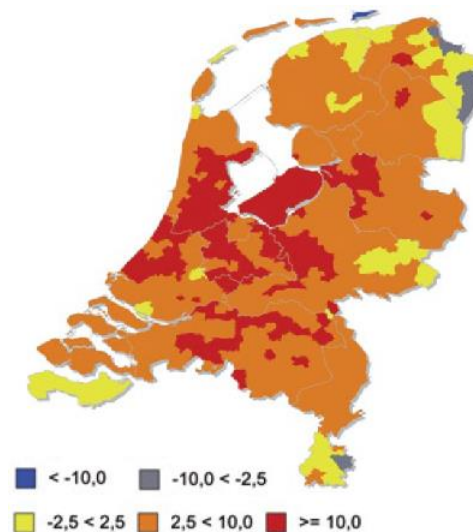


Figure 2.18 Percentage change of number of households 2012-2025 (Ministry of the Interiors and Kingdom Relations, 2014)

2.1.4 Tenant analysis

In the field of real estate, the customer is the tenant (Matzler & Hinterhuver, 1998). In this case the customers are singles and starters. Customers are needed in order to create direct ROI. The costs are there anyway, and the current value can be affected too. Therefore, investors should have a well-outlined strategic plan, in order to attract new customers (Palm, 2013). However, the investors should have the focus on the current customer needs, since cost of retention are lower than the costs of attracting new customers (Li, 2003). A deep understanding of the customer needs is vital, which is crucial for the design of the business model (Teece, 2010). Therefore, the next paragraph discusses the customer needs, a forecast of this population, and affordability of this group.

Singles can be defined as one person households with a yearly income of €37,500 and mortgage possibilities up to €160,400. Besides, the starters can be defined as high educated people in the beginning of their career, with a yearly income of €27,500 and finance mortgage possibilities up to €115,500 (AM, 2017). The ratio singles per municipality will increase to 2040. See Figure 2.19, for the forecast of singles per municipality in the Netherlands (CBS, 2016c). As is discussed in the Introduction 'Middle income households fall in between' social housing and ownership. Furthermore, 'the demand doubles the available supply', in the free rental sector (CBRE Global Investors, 2017a).

Therefore, housing requirements are changing, to create more possibilities, such as smaller homes with higher quality in terms of location and building (CBRE Global Investors, 2017a). The need of millennials to be more free and flexible when it comes to work is also changing to the housing market, higher educated people are preference experience above ownership (Groot, 2017). Starters and singles, which are related to the young professionals with the age of 22 to 35, can be connected to the following topics: flexible, value for money, city life, central catering, sharing, no car, bike, public transport, travel to see the world, services short term, friends, sustainable, sports, and quality living (CBRE Global Investors, 2017a).

Both trends can be linked, for example, to the new concept Friends, which means that an investor rent his residential property to more tenants in one period: '*share the fun, split the rent*' (AM, 2017). Like, a student house, every tenants has a private room and the kitchen, bathroom and living room are general living rooms. Figure 2.20 illustrates the functions that starters and singles want to share or not to share. However, see Appendix C, for a floor plan of a Friends' apartment, which shows a shared bathroom.



Figure 2.19 Forecast singles per municipality in the Netherlands, 2015-2040 (CBS, 2016c)

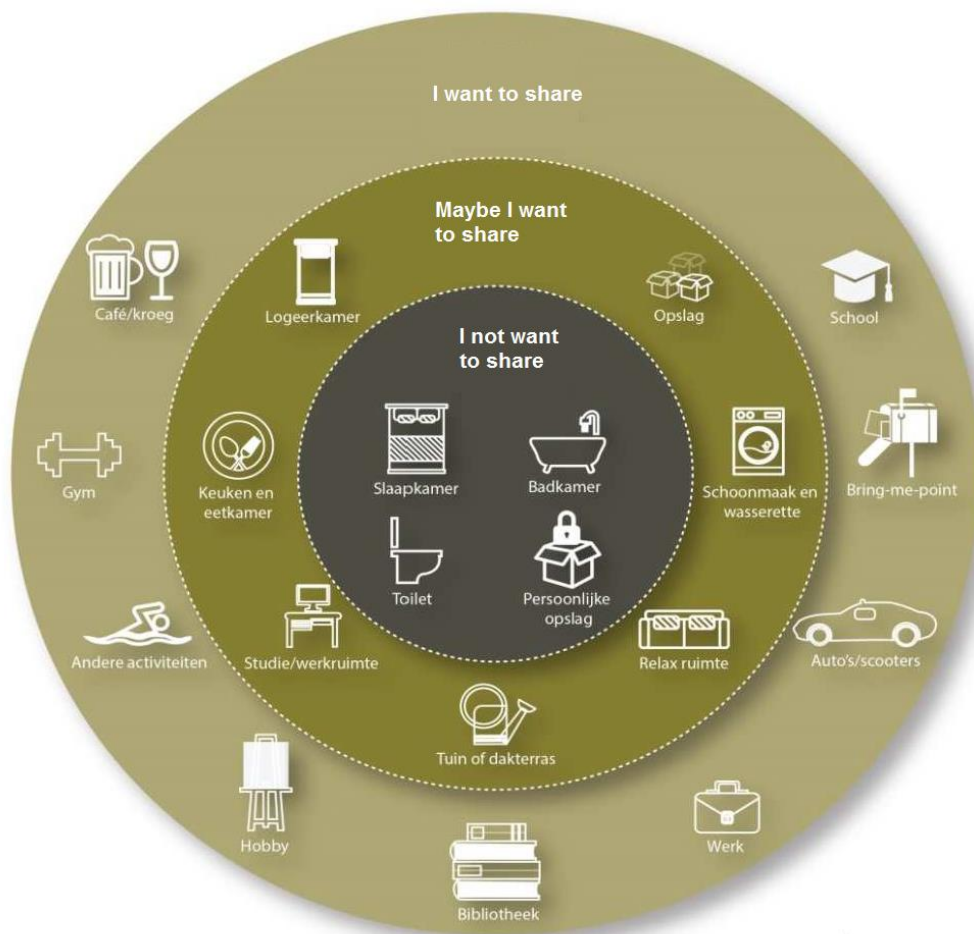


Figure 2.20 Sharing rooms of starters and singles (AM, 2017)

The affordability of housing for singles and starters depends on the ratio income to mortgage costs. Since the financial crisis in 2008 the mortgage interest is reduced to a historically low level. However, starters are paying 35 percent in average on mortgage after buying a house, which is even more than before the financial crisis. 22 percent in average in the Netherlands. See Figure 2.21, for the affordability of residential properties in Amsterdam. Zero percent means that properties are payable and 40 percent is less payable (ING, 2017a). Therefore, the average age of starters is increased to 39 and will even rise to 40. Since the value of residential properties are rising – according to the net income. *'By stricter income standards and the increasing amount of required money, it is more difficult for starters to buy housing'* (ABN Amro, 2017). As is shown in Figure 2.8 the economy of the Netherlands has an upward trend. Therefore, the inflation and the mortgage interest will rise as well. It is even more difficult for

starters, to buy a residential property in the near future when the mortgage interest rises with 0, 25 percent or with one percent, according to the ratio mortgage interest/net income (ING, 2017a).



Figure 2.21 Affordability residential properties Amsterdam, 1996-2016 (ING, 2017a)

Since it is more difficult for singles and starter to buy a residential property in Amsterdam, more parents are supporting their children financial. Furthermore, the loan to value (LTV) by financial banks is maximum 100 percent in 2018, according to 107 percent in 2011 (Dutch Government, 2016). Therefore, more equity is needed. *'18 percent of the housing owners below the age of 35, got financial support of their parents'* according to 8 percent of the owners above the age of 35 (ING, 2016b). Justifications are: increasing trust in the Dutch economy, people (parents) are savings less money; the saving interest are historically low; housing buyers need more equity (maximum LTV is 100 percent); parents were/are allowed to donate €100,000 tax free to their children in 2015 and 2017 (ING, 2016b).

Starters and singles want to take advantage of the rising economy and increase equity by the rising property values. Besides, monthly rental prices' are even higher than the monthly mortgage costs (AM, 2017); (ING, 2017a). The trend of buying residential property, instead of renting can be linked to the growing ratio of ownerships, according to social renting and private renting, see Figure 2.22 (OIS, 2015).

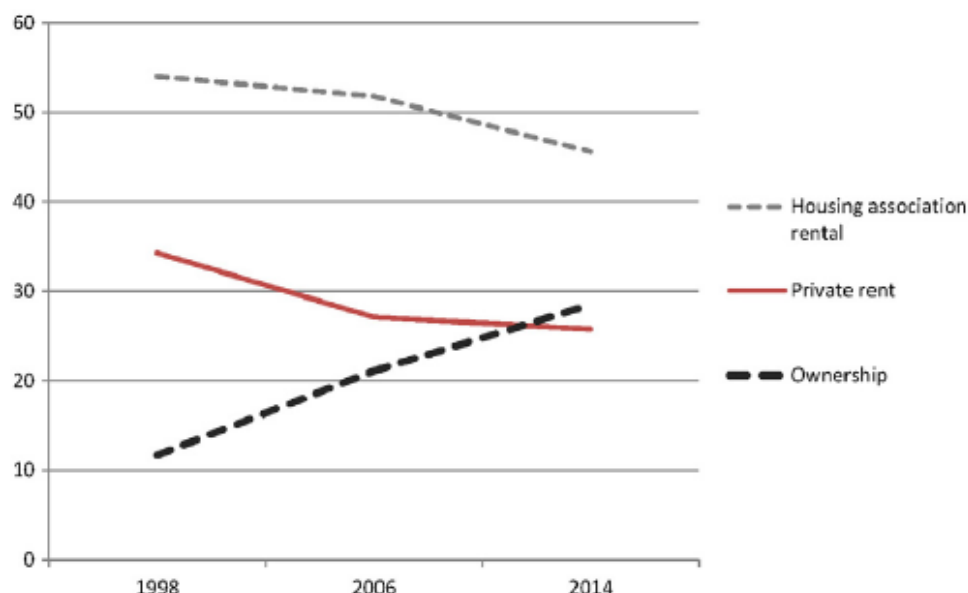


Figure 2.22 Tenure as share of housing stock Amsterdam, 1998-2014 (OIS, 2015)

2.1.5 Financial forecasts

The financial forecasts of an investment support real estate investors to make investment decis. The main goal of investing is to increase the amount of money, *'Real estate is potential future cash flows'* (Geltner et al., 2013). Besides, finance lies at the heart of the planning process (Atrill, 2009). Therefore, the real estate investor needs to calculate each investment to get an insight in the expected return. Research shows that there are four methods used in practice by businesses throughout the world to evaluate investment opportunities (Atrill, 2009). Those are accounting rate of return (ARR); payback

period (PP); net present value (NPV); and internal rate of return (IRR). Moreover, investors should be aware of the effect of leverage on equity, which is explained in Appendix D.

It is a fundamental fact of financial economics that euros at one time are not equivalent to euros at another time (Geltner et al., 2013). Besides the inflation, due to capital productivity and due to risk, future euros are worth less than present euros, even if there was no inflation. In real estate investments strategies, the present euros should constantly be compared with euros in a different point in time (future). To make such comparisons and evaluations, investors can make use of the present value mathematics. The NPV considers all costs and benefit of the investment opportunity, and makes a valid allowance for the timing of those costs and benefits (Atrill, 2009).

According to Atrill (2009), only NPV is a wholly logical approach. However, it is well-known that IRR and NPV rankings of mutually exclusive investments are sometimes inconsistent (Osborne, 2010). The IRR approach involves discounting future cash flows, which is added in Appendix B. This approach is closely related to the NPV. The IRR of an individual investment is the discount rate that, when applied to its future cash flows, will produce a NPV of exactly zero. Therefore, it represents the yield from an investment opportunity (Atrill, 2009). The ease with which IRRs can be interpreted has made the IRR approach the more popular of the two ranking methods (Graham & Harvey, 2001); (Scott & Petty, 1984). Both ranking methods have their drawbacks (Lindon, Robison, & Barry, 2015).

2.1.6 Scenario analysis

Atrill (2009) defines scenario analysis as '*A method of dealing with risk that involves changing a number of variables simultaneously so as to provide a particular scenario for managers to consider*'.

Due to uncertainties in times, real estate investors should be aware of risks and different scenarios that are possible. For example, the level of vacancy in the rental period. Investors want to create as high as possible ROI on their equity – with the lowest possible risk. Therefore, it is recommended to calculate three scenarios, all of them with a different view of likely future events: most likely, optimistically, and pessimistically (Geltner et al., 2013);(Atrill, 2009). Which are in alignment with the three defend perspectives of Gool, Jager & Weisz (2001), only 'most likely' is called 'realistic'. The different scenarios can be calculated by adjusting the parameters. Nevertheless, the imaging of pessimistic and optimistic scenarios may be useful in order to get a feeling of the *downside* (pessimistic) and *upside* (optimistic) of the expected ROI (Atrill, 2009). The simplest method to do this is to change the assumptions about rental growth rates, future rents, and yields (cap rates) of the specific residential market (Geltner et al., 2013). The returns of the downside scenario should be higher than the expected costs, to prevent loss on direct ROI. Moreover, when debt is riskless, the risk of equity return is directly comparative to the leverage ratio (Geltner et al., 2013). In paragraph 2.1.5 *leverages ratio* is discussed. Besides, investors can make different scenarios when value can be added. Like a small investment (renovation/building expansion), to increase ROI.

2.1.7 Decision making

According to the introduction, real estate investors should get a grip on the inefficient real estate market, which are discussed in the previous paragraphs. The required ROI is calculated with different variables: interest forgone; risk premium; and inflation. Paragraph 2.1.5 discusses, that there are four methods used in practice by businesses throughout the world to evaluate investment opportunities (Atrill, 2009). However, decisions are made to current business constraints and current expectations. While a decision maker may have faith in the required optimum exposure stages as dictated by an asset allocation model, the final decision will/may be influenced by factors outside the parameters of the mathematical model (French & French, 1997). Hence, analysing the investment strategy critically, is only one part of the decision making process. Investment process can be defined as a sequence of six stages, which are set out in Figure 2.24, out of the decision making process (Atrill, 2009). However, research has shown, that there is an difference between what real estate decision makers say they will do and the final outcome (French & French, 1996).

The first step is to determine the investment capital that can be used to make the investment (equity and liabilities). Secondly, real estate investors should proactive and adapt a systematic approach to identify investment opportunities. Real estate investors will often involve looking outside the organisation

to identify changes in customer demand, market conditions, technology (trends), and so on. The third step is defined in two stages. Real estate investors need to collect enough information that allow a preliminary screening, many proposals will fall at this first hurdle (unprofitable or unacceptable for some reasons). Only the proposals, which are considered worthy of further investigation continue to the second stage. Then, further investigation can lead to a more detailed screening. It is often helpful to classify the investment opportunities identified. The following road classifications have been suggested: new product development; improving existing product sales; reducing costs; replacement of equipment; and welfare and safety. The next step is a detailed evaluation of the proposed project. The fifth step, in organisations some real estate investors are not allowed to make decision above a certain amount of money. Therefore, permission of the senior manager is needed. Lastly, the real estate investors need to manage actively through the process of completion. Management should receive progress reports at regular intervals concerning the project. These reports should provide information relating to the actual cash flows for each stage of the project, which can then be compared against the forecast figures (of paragraph 2.1.5) provided when the proposal was submitted for approval. Any changes in the completion date or the variables which have influenced on the cash flow should be reported because this can affect the ROI, according to the expected return of the real estate investor. Moreover, the non-financial measures should also be used to monitor performance, like, customer satisfaction, wastage rate, physical output, and so on. The monitor process will give the real estate investor a clear inside of the investment, the data and experience can support the decision making process in the next proposal.

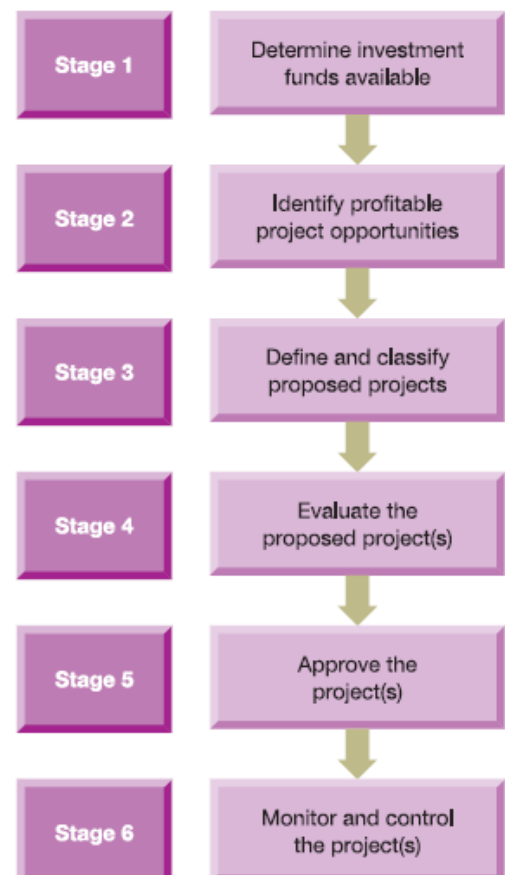


Figure 2.24. Managing the investment decision (Atrill, 2009)

2.2 Investors

Besides the investment strategy the background of each investors plays a big role in the investment decisions. Each investor has his own perception with his own goals, budget, and knowledge. Therefore, this paragraph zooms into different types of real estate investors.

Institutional investors consist of pension funds, insurance companies, banks or finance companies (Brown & Teernstra, 2008). Most of the time the institutional investors invest for an external party and the amount of money is at least millions, or even billions. Therefore, institutional investors use analytic tools and have a disposition- and acquisition-policy in deciding about investments (Gool, Jager, & Weisz, 2001). Since the investments are more complex, parameters out of the tools and analysis are more important in order to make decisions. Furthermore, institutional investors are investing mostly on the long term, 10 to 30 years.

Private investors are individuals or a group of individuals organised in a legal investing entity (Brown & Teernstra, 2008). The private investors are less professional comparing to the institutional investors. Private investors often invest using their common sense in order to take advantage of special niche opportunities they detect (Nijmeijer, 2005). Since the investments are mostly on a smaller scale, comparing with institutional investors, the complexity is lower. Furthermore, private investors are the only type that are fully responsible for the investment. Therefore, private investors can make their decision more quickly, which can have a positive influence on the ROI. Which makes it also easier to invest on the short term. However, long term investing is also part of the game for a private investors.

Consultant organisation are close to institutional investors because they have knowledge, tools, and experience. However, they are working for a client, with complex and critical real estate issues intro opportunities for growth. Consultant offer know-how, strategic planning and experience that helps lead to better decisions. Services are: due diligence, market studies, lease advisory, portfolio services, and more (Deloitte, 2016b).

2.3 Return on investment

In order to take investment decisions, the expected value creation of a real estate investment should be identified by the investor (Keeris & Langbroek, 2009). Not only the performance in terms of return matters, also risk, inflation and interest forgone are involved. As Figure 2.1 illustrated. However, to identify the expected value creation a performance indicator is needed. The capital gain achieved or the income generated from an investment can be measured by turn it to a percentage of the capital outlay (Isaac, Daley, & Enever, 2010). This is defined as the return on investment (ROI). ROI expresses the percentage of the present time. However, other approaches can be used to calculate investment on a longer period, as is discussed Paragraph 2.1.5. This research is limited to the – present approach – ROI, since the researcher does not know which methods the participated investors are using. ROI is a more general and common communication term. By Geltner et al., (2013) ROI is defined as *what you get, minus what you started out with, expressed as a percentage of what you started out with*. Through ROI investments are measurable and comparable to other investments. The ROI measures the amount of return, in relation with the costs of the investment, expressed as a percentage or a ratio. The formula of the ROI, by J.J. Phillips (2011):

$$\text{ROI (\%)} = \frac{\text{Net Program Benefits}}{\text{Program Costs}} \times 100$$

The expected ROI can be calculated to quantitatively express future performance expectations which are relevant for making investment decision in the present. Thereby, the ROI can be used to evaluate an investment, to judge the past performance, to estimate the future performance, and to understand the current investment environment. The real estate investor can combine his ROI with others, or benchmark, when there is a difference the investor can start analysing why there is a difference, which is called attribution analysis. Through the attribution analysis, the real estate investors can define why there is an under- or outperformance, according to the benchmark (Geltner et al., 2013). Moreover, in paragraph 2.1.5 calculating approaches are discussed in order to make investment decisions.

As the intro of this paragraph discussed, investment return can be divided in income return (direct) and capital growth (indirect). In the analysis of the property investment both returns should be evaluated separately. The income return is the cash flow out of the investments, which is defined in this paper as *direct ROI*. The capital growth is defined in this paper as the *direct ROI* and should be seen as an additional gain. According to Keeris and Langbroek (2009), real estate investor takes an interest in:

- 1) The income return of the real estate investment, with a certain security of an annual rather stable cash return from the net operating results, like a dividend yield on a bond.
- 2) The capital growth return, with a particular uncertainty of the value growth in accordance to the developments of it, more or less comparable to the stock price movement in equities.

The ROI becomes more interesting when focused on ‘time’ and compounding interest will be achieved. A capital gain can be communicated in terms of an annual discount rate by calculating the ratio of compound interest required to reach a certain capital growth over a given period (Isaac, Daley, & Enever, 2010). Besides, investors should be aware of the effect of leverage on equity, as is discussed in Paragraph 2.1.5.

2.4 Conceptual model

Figure 2.25 illustrates the conceptual model of this research paper. The model indicates that the investment strategy of real estate investors has an effect on the ROI. The investment strategy consists of the property analysis; location analysis; market analysis; tenant's analysis; financial forecasts; scenario analysis; and the conclusion. The decision making process is not include in this research, since the research focusses only on the physical aspects of the investment strategy. As Figure 2.1 illustrates, the ROI is can be connected to inflation, interest forgone, and risk premium.

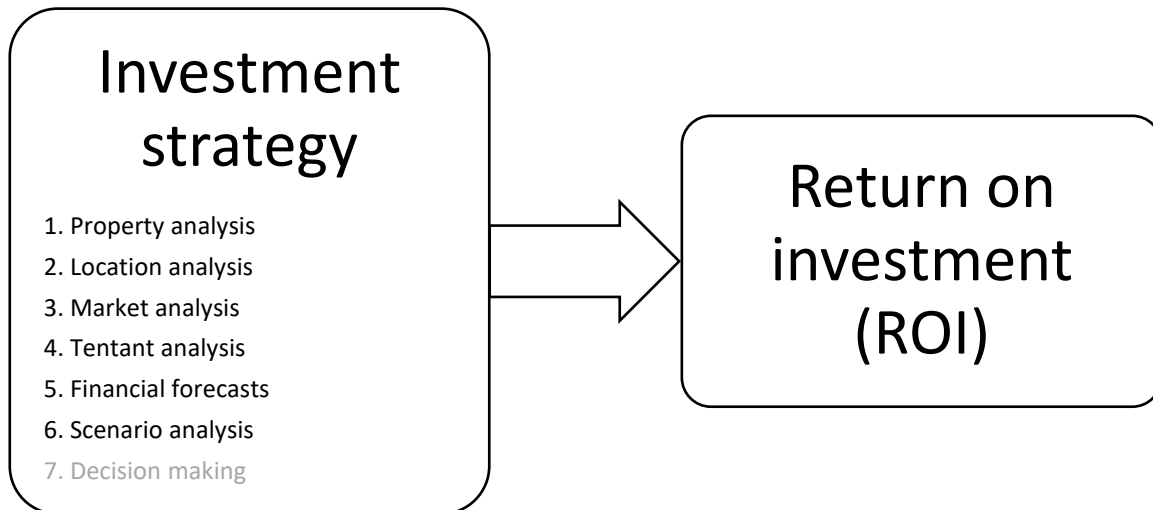


Figure 2.25 Conceptual model

3. Research methods

This chapter will discuss the research methods based on the conceptual framework as described in paragraph 2.3 in order to be able to answer the main research question. Next, the data collection is done together with a clear outline overview of the actual results from the data collection.

3.1 Research questions

The conceptual model of the previous paragraph shows the areas of the research. Besides, Appendix E illustrates the operationalisation of the research topic. The objective of this paper is to create a clear insight in the elements of investment strategy of residential properties for starters and singles, which can be seen as an advice to real estate investors. This research focused only on the physical elements of the investment strategy. Therefore, the decision making process is not included – in the sub questions. However, the researcher has to be aware of this process.

The effect of elements of physical investment strategy according to the ROI are analysed. The conceptual model (paragraph 2.3) defines the areas of the central questions (CQ). The following sub questions (SQ) are stated:

CQ1 What are the characteristics of the investment strategy of real estate investors who invest in residential property for starters and singles in Amsterdam?

SQ1.1 Regarding property analysis.

SQ1.2 Regarding location analysis.

SQ1.3 Regarding market analysis.

SQ1.4 Regarding tenant analysis.

SQ1.5 Regarding financial forecast.

SQ1.6 Regarding scenario analysis.

CQ2 What is the effect on ROI of different investment strategies of real estate investors who invest in residential property for starters and singles in Amsterdam?

SQ2.1 Regarding property analysis.

SQ2.2 Regarding location analysis.

SQ2.3 Regarding market analysis.

SQ2.4 Regarding tenant analysis.

SQ2.5 Regarding financial forecast.

SQ2.6 Regarding scenario analysis.

Different investment strategies (CQ2) means that the investment strategy can be arranged in different ways.

Figure 3.1 shows the breakdown structure of both central questions (CQ), included all sub questions (SQ). All sub questions have been answered before the connected main question is answered in chapter 7. The answers of both central questions will lead to the investment strategy for this research.

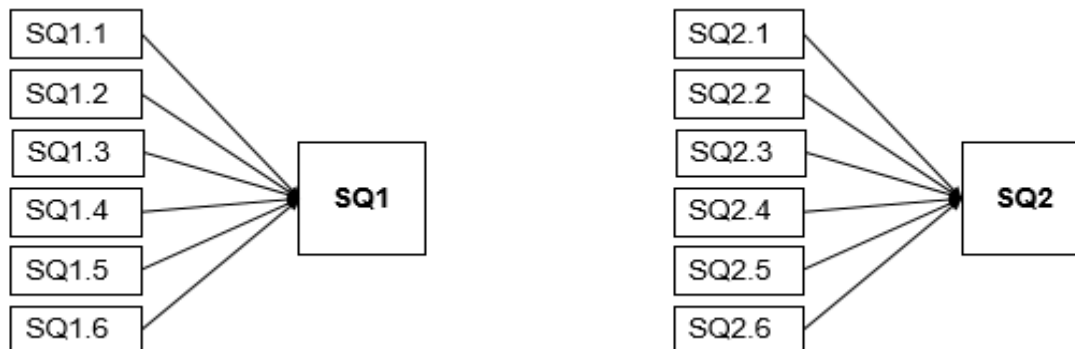


Figure 3.1 Research breakdown structure

3.2 Research strategy

The research strategy can be linked to the research design, which is the general plan of 'how' research (sub-) questions are answered.

According to the research questions and objective, the information that was needed to answer the research question, cannot be found in literature. The research questions are focussing on a specific subject, in a specific market and with specific participants, which can be linked to an exploratory study. An exploratory study is a valuable means of finding out 'what is happening; to seek new insights; to ask questions and to assess phenomena in a new light' (Robson, 2002). Therefore, experts in the field are consulted. Fink (2003), recommends qualitative survey analysis for the exploration of meanings and experiences. To get a grip on the – effect of the – elements of the investment strategy for residential properties, the expertise of real estate investors was needed. Therefore, the research method is a semi-structured interview, which is a qualitative survey (Jansen, 2010). This is also in alignment to the fact that other studies in real estate on strategic level that needed input from experts, have similar approaches. Like, Strategies in real estate management: two strategic pathways by Palm (2013); and The liquidity of direct real estate in institutional investors' portfolios: The Netherlands by Hordijk and Teuben (2008).

The qualitative survey can be categorised in two approaches, the open (inductive) and pre-structured (deductive) surveys. In pre-structured survey some main topics, dimensions and categories are defined beforehand (Jansen, 2010). Which was the case in this research, since the literature review (chapter 2) in combination with the operationalisation (paragraph 3.5) has been used as framework and input for the interviews. Therefore, the researcher was able to make the semi-structured interview more in-depth and ask more specific questions that are related to this research.

The qualitative survey was consisting of minimum eight interviews with real estate investors with a residential focus. The outcomes (experience, mind-sets and knowledge) of the real estate investors, in combination with the literature review (chapter 2) are used to answer the central questions. An overview of this process is shown in Figure 3.2.

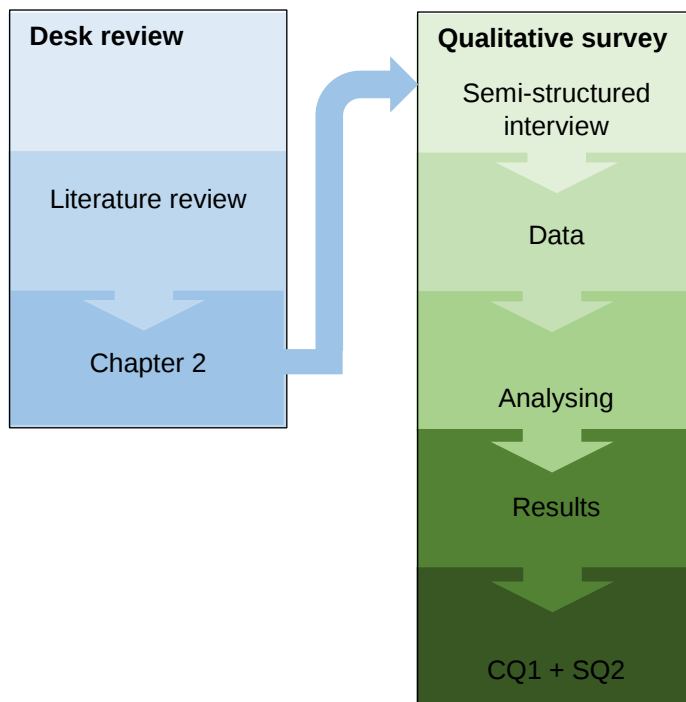


Figure 3.2. Research strategy (source Author)

3.3 Data collection

This paragraph discusses the way of data collection, according to the research strategy of paragraph 3.2. The way of data collection is in line with answering the research questions of paragraph 3.1. Studies that establish causal relationships between variables may be termed explanatory research (Saunders, Lewis, & Thornhill, 2016). Which is in relation with the different elements of the investment strategy. Also by Jansen (2010), the qualitative survey has a semi-structured type of interview to collect data.

As is shown in Figure 3.2, the literature is fundamental for the semi-structured interview. The qualitative survey consists eight semi-structured interviews. The participants are real estate investors that are focussing on getting the highest possible ROI through residential property, in Amsterdam. In order to structure the interviews, the researcher used the tree diagram of Appendix E as framework. Therefore, the link with the literature of the field is made, since the tree diagram is built out of the literature. The tree diagram is also used as code book in the analysing process. All main topics of the tree diagram have been covered in the interview, to get an insight in the investment strategy of the participant. In forehand, the researcher has been prepared in de level of knowledge about the investor – and the specific organisation. In some interviews the order of the topics has been changed, depended on the flow of the conversation. Moreover, there was space to add questions that explore the research question and objectives. The interview was audio recorded and subsequently transcribed to collect raw data.

In order to connect with literature from the field. The research of Palm (2013): Strategies in real estate management: two strategic pathways, also indentifies different strategic pathways in real estate. Moreover, the data collection is similar to this research, since Palm also intervieweed experts of the field. However, in his research the participatens were only top-level managers in the real estate industry.

3.4 Operationalisation

This paragraph discusses and shows the translation of concepts into tangible indicators of their existence. The operationalisation is aligned with the literature review and conceptual model. The topics and elements out of the literature review, have been operationalised through a tree diagram in Appendix E. Figure 3.3 illustrates a summary of the operationalisation.

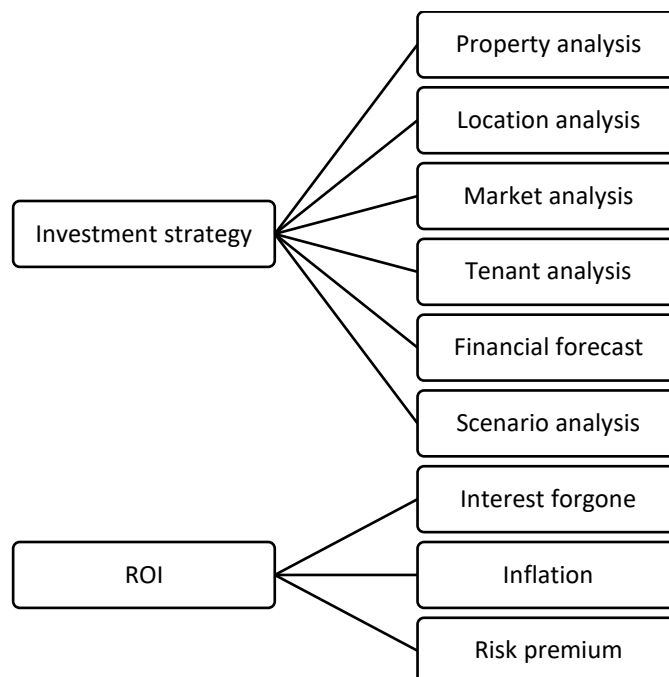


Figure 3.3 Summary operationalisation

The variables of this research are the elements of the investment strategy. The investment strategy consists of seven elements. The first four elements have the aim to get a grip on the current situation. Firstly, investors have to make a decision in property type, which can be linked to the zoning plan and the different possibilities out of financial perspective. Secondly, the location of the investment has influence on the investment. For example, the liquidity of a residential property differs from Amsterdam to a small village in Limburg. Thirdly, investors should be aware of the market situation on region level

(demand and supply) and economic level (economic health of the country). Fourthly, the type of tenants or target audience makes sense. This research is focussed on singles and starters. Therefore, the investors should get a grip on the customer needs. Fifthly, the investment is expressed in a percentage of the ROI. Therefore, investors should calculate the expected ROI in advance through a financial forecast. The financial forecast can be executed through different methods. However, the net present value (NPV) calculation method is the most suitable one (Atrill, 2009). Sixthly, various NPV calculations have to be executed by taking different scenarios in consideration. Example of different scenarios are optimistic, neutral, and pessimistic. Lastly, the analysis and the calculation will lead to the decision making process. However, investment decisions can also be made, out of a portfolio perspective. For example, investing in a different region to increase diversification in the portfolio, in order to reduce risk. Through the approach ROI investors can combine investments with each other. However, inflation, interest forgone and risk are important factors that are related to the ROI.

3.5 Sampling

This paragraph discusses the sampling of the qualitative survey. Sample techniques can be divided in two types: probability sampling, and non-probability sampling (Saunders, Lewis, & Thornhill, 2016). This research used a non-probability sampling since the population size is unknown. Purposive or judgemental sampling enables you to use your judgement to select cases that will best enable you to answer your research question(s) and to meet your objectives (Saunders, Lewis, & Thornhill, 2016). Which is in alignment with this research, since the researcher needed to select real estate investors that are focussing on investing in residential property for singles and starters in Amsterdam out of their investment strategy.

The participants are a specific group, in a specific market (a subgroup of a population), which defines a homogenous population. This technique has the sample size of four till 12. However, the sample size should increase, until data saturation achieves (Saunders, Lewis, & Thornhill, 2016). In order to data saturation a diversity sample is more logical and efficient (Jansen, 2010). Therefore, a diversity sample is chosen. To get an insight of the residential market Amsterdam, different sample types were selected. The sample types were selected, with the aim to get an overview of the current market out of different perspectives. The sample types are connected to paragraph 2.2. Therefore, the sample types can be defined as institutional investors, private investors, and consultants. Investment funds are the in-depth experts in this research, since their way of working is closely connected to the topic of this research. Since investment funds invest with enormous amount of money (no limited by money) that has to be growing steadily over a long period, uses analytic tools and have a disposition- and acquisition-policy in deciding about investments (Gool, Jager, & Weisz, 2001). Therefore, the investment funds were 50% of the sample type. Besides, private investors are selected, which were 25% of the total sample type. In order to research a more creative and on smaller scale investing process. Lastly, a bank and consultant respondent have been selected to get information on a wider scale.

Funds (50%)	Private (25%)
	Bank (12.5%)
	Consultant (12.5%)

The first selected sample type are real estate funds that are investing in residential asset with a minimum amount of 50 million euros and focussing on Amsterdam. The following organisations are selected: Achmea Dutch Residential Fund which consist 743.8 billion euro and include 140 assets (Syntrus Achmea Real Estate & Finance, 2016). SPF Beheer bv which is a real estate funds with the focus on residential mainly in Amsterdam and consist of 36.000 pensions and 19 billion private capital (SPF Beheer bv, 2016). The third funds is investing mainly for a financial bank out of United States. This funds appeals to their anonymity. However, this fundowns more than ten assets with the size of 25 to 100 apartments/houses in Amsterdam and the total residential portfolio is around 700 million. As fourth investment fund CBRE Global Investors has been selected: *"CBRE Global Investors is one of the world's largest real estate investment management firms with \$86.5 billion in assets under management"* (CBRE Global Investors, 2017b). In order to look from a smaller and more creative perspective, two private investors have been selected. Both investors are investing with minimum five million euro equity, only in residential properties and mainly in Amsterdam. Besides, both private investors have more than five years of experience in investing in residential properties.

Since banks are financing real estate investments by a mortgage, they should be an expert of the capital market in order to reduce risk. This sample type is interesting for investors since the banks have requirements in order to finance an investment. Therefore, ING Real Estate & Finance is selected, which is the leader in the market of real estate banks. Consultant organisations should be an expert in the residential market, since they are consulting investors. The chosen organisation is JLL which is the third biggest investors' Consultant in the residential in the Netherlands (Property NL, 2016). Therefore, this consultant covers a big part of the total population of the Consultant.

Sample type	Organisation	Respondent	Position
Fund	CBRE Global Investors	L. Driessen	Head of asset management
Fund	SPF Beheer b.v	Heeman	Fund manager
Fund	Syntrus Achmea Real Estate & Finance	E. Meijer	Develop manager
Fund	Investor A.	Mister/miss X.	Associate (finance)
Private	Vis Holding	J. Vis	Investor / owner
Private	Onderwater Holding	J. Onderwater	Investor / owner
Consultants	JLL	M. Derks	Associate director Capital Markets
Bank	ING Real Estate & Finance	R. Houtkoop	Senior Relationship manager

In order to connect with literature from the field. The research of Palm (2013): Strategies in real estate management: two strategic pathways, also identifies different strategic pathways in real estate. Moreover, in the paper is discussed that the sampling is construct in order to represent organisation characteristic difference. This is in alignment with the sampling of this research. However, Palm categorised the sample types by: listed; private; institutional; and family (Palm, 2013).

3.6 Data analysis

This paragraph describes the process of funnelling the raw data out of the interviews to a coherent overview, in order to answer the main questions in chapter 7.

Since the research is qualitative, the meanings are based on words (interviews) and not standardised data (Saunders, Lewis, & Thornhill, 2016). The researcher should be aware that this type of research is empirical. The semi-structured interviews are recorded, since it is important to secure all data. The recorded answers of the participant are important (raw) data, however, the intonation of telling the answers and the non-verbal communication are just as important. The task of transcribing the audio recordings was extremely time-consuming, however, this process has been done in-depth and completely correct in order to not lose data. See Appendix F, for an example of a transcript. The complete transcripts can be found on usb.

The next step is called *open coding*. The data (transcript) that are collected have been disaggregated into conceptual units and provided with a label. The same label or name will be given to similar units of data (Saunders, Lewis, & Thornhill, 2016). Each label starts with the two letters of the respondent of paragraph 3.5, as is shown in the table below. For example 'CB3. M. Inflation' means that the respondent is CBRE Global Investors and the number in advance defines the number of label in line. Then the next letter defines the main topic – which are in alignment with the literature, conceptual model and the sub questions: M. means that the selected text is categorised to *Market analysis*. As is shown in the table below. Lastly, the topic is written in the label. Like the example, the selected text is connected to *inflation*. In Appendix G is an example of the open coding process added.

Organisation	Label	Main topic	Label
CBRE Global Investors	CB	Property analysis	P
SPF Beheer b.v	SP	Location analysis	L
Syntrus Achmea Real Estate & Finance	SA	Market analysis	M
Investor A.	IA	Tenant analysis	T
J. Vis	JO	Financial forecast	F
J. Onderwater	JV	Scenario analysis	S
JLL	JL	Investment Strategy	IS
ING Real Estate & Finance	IN		

After coding all parts of the transcripts with labels out of the code book, the process of recognising the relations between the codes/labels and categories them is called *axial coding*. All parts of the raw data (transcript) with the same main topic label (P; L; M; T; F; S; IS) are copied to a new document. For example, all parts that were labelled with the main topic *M*, are copied to the document *Market analysis*. In Appendix H, an example is added. Each document is divided per sample types, per subtopic. For example, *Market analysis* consists of: economic market; region market; and comparison to other areas. In order to get a summary of all labels an overview is added in Appendix I.

The next step was *selective coding*, integrate these categories with codes into the code book (tree diagram). As the tree diagram in Appendix E shows, some topics are added – defined with a grey colour. Due to this, the outcomes of the semi-structured interviews are linked to the literature, in order to develop an explanatory theory (Saunders, Lewis, & Thornhill, 2016).

4. Results

This chapter shows and analyses the data gathered in chapter 3 based on the conceptual model and the literature as described in chapter 2. Out of the interviews some new topics are added to the tree diagram (Appendix E, which are defined with a grey colour. The outcomes of this research are critically compared with the literature review (chapter 2).

The structure of the paragraphs below is: firstly, the results of interview are illustrated per sample type. Secondly, the sub questions that are related to CQ1 are about defining the characteristics of the investment strategy of real estate investors who invest in residential property for starters and singles in Amsterdam, are answered. Therefore, the differences are discussed between the different sample types. Lastly, the effect on ROI per element of the investment strategy of investors that are investing in residential property for starters and singles in Amsterdam, is argued. In order to answer the sub questions that are connected to CQ2.

4.1 Property analysis

The subtopic are: property type; building quality; services; characteristics; subsidy; and benchmark.

Funds	According to Investor A, units/studios with a rental price of €1000 have a low supply and are interesting to invest. SPF Beheer bv agrees. Only they approaches it from a different perception: <i>'how small/cheap can we make units that still above liberation'</i> (SP17. P. Optimise property). Therefore, for example, it can be interesting to buy an older building and renovated this to small units. Furthermore, since rising of the square meter prices, building additions are getting more profitable. An alternative, according to two funds', in order to increase ROI is <i>shared living</i> . Which is a concept that people are share some rooms. For example, separate bedrooms with a bathroom (like a hotel), with a shared living room and kitchen – for 2, 3 or 4 people. Also called the Change concept. Furthermore, ING RE&F and CBRE GI are willing to offer more a service instead of just square meters, in order to create a more future proof investment. In <i>mixed use</i> properties it is possible to add more services for different customers, in order to align with the customer needs. For example, offer a laundry room for residential customers, since this is already needed for the hotel service. However, to combine for example, a hotel with residential the investor need a second party who is willing to invest together. Since a different expertise is needed. But, one of the parties will lose control. Therefore, CBRE GI defines a mixed use property type as a high risk investment. Furthermore, <i>'if there is a complex like to Tower of Babel in Amsterdam, we will invest'</i> (SA54. P. Toren van babel).
Private	The private investors are more focussed on the free renting sector, since the ROI are higher and the Rental commission can give investors many problems. Besides the private investors are less interested in image – of their company. In order to reduce risk, one of the private investors focusses on apartment of 30-40 m ² , since this size has a broad target audience. Besides, J. Vis believes more in high-rise buildings areas. One of the characteristics that a property can include, is a parking place. Since, the prices of parking places are going up, this is a trend investors can adapt. For example in Noord, parking is still free, however, when this will changes, the value of indoor parking places will rise.
Consultant	The property type student house is one of the opportunities in Amsterdam. Investors should be aware of the quality of assets, since some transformations were done very cheaply because the properties will be sold anyway. The characteristics of new properties is that many of them are between 24-28 m ² , since the market has a high demand for this kind of assets. However, JLL believes that studios are not suitable for the selling market. Since studios are one households, one person may bear costs. Therefore, studios are not future proof – for selling. Therefore, the 45-50 m ² assets are more interesting to invest. According to JLL, in order to offer a service, Vesteda offers residential towers with a roof top where the inhabitants can rent an electric car per hour. Which can be connected to customer needs of generation Y <i>'these people don't want to own a car, only make sometime use of transport to move from location A to B'</i> (JL35. P. Future proof, offering service). Offer a service, instead of some square meters.

Banks According to ING RE&F, the property type studios (28m²) are newish in the Netherlands. Since, the square meter prices is rising and rising. As a bank, ING RE&F analyses property quality. For example, if an asset includes an elevator, 25-30% of the cash flow will be calculated as costs for the investment. The other 70% should be enough to cover the mortgage finance. Also the bank believes that the Change= concept is more future proof, which can be connected to 'life, work, and live'. Offer more a total services as an investor, in order to create a future proof asset.

The characteristics of private investors is that they are less interested to invest in the social renting sector, in order to reduce risk. Since, tenants in social renting have many rights and are supported by the Rental commission. This can be connected to the *less professionalism* that the private investors characterises, in the theory. Since the social renting sector is more complex according to the free renting sector. Funds are characterised by their bigger scale of investing with a longer time horizon. Therefore, investment should be more 'future proof'. In alignment with Figure 2.2 Rethink the residential product and services and '*convenience and experience over acquisition and investment*' (CBRE Global Investors, 2017a)', three investors believe that offering a total service instead of just a unit will be more future proof. '*These people don't want to own a car, only make sometime use of transport to move from location A to B*' (JL35. P. Future proof, offering service). Singles and starters (more or less: generation Y) give more value to flexibility and freedom, as paragraph 2.1.4 defines. Besides, investment funds can make investment decisions, out of increase 'image'. For example, green building.

According to increase ROI, four of the eight investors are talking about the Change concept as an investment opportunity, if the property type 'student house' also is taken into account. The Change concept can be defined as *shared living*. Which is in alignment with customer needs in paragraph 2.1.4. Furthermore, the *mixed use* that is discussed in the literature review, is also an outcome of the interviews. However, CBRE GI defines the mixed use as a high risk investment, since another party with a different expertise is needed to invest. Besides, the Tower of Babel is named by SPF Beheer bv. All this concepts are designed in order to increase on the aspect of future proof. Six of the eight participants are defining small apartment and studios around the 24 to 30 square meters as an interesting investment, since the supply is nihil and the demand very high. Since, the rising woz-values, the small apartments are in de free rental sector and ROI can be maximized. However, JLL believes that studios are good investment products for renting, but not for exploitation. Since, one households normally are financed buy one person and this will be too expensive in the near future as is illustrated in Figure 2.15 Affordability residential properties Amsterdam, 1996-2016 (ING, 2017a). Besides, one private investor focusses more in 30-40 m² units and the other private investors defines 50-70 m² assets as low risk, since these unites has a spread audience target.

4.2 Location analysis

The results of the location analysis are organised by the topics: national; characteristics; and Amsterdam areas.

Funds Two funds are investing in 'whole Amsterdam' and two funds are investing everywhere inside the Ring. The square meters prices has the highest value in the core of Amsterdam (Centrum), since the demand is that high – and supply limited. Therefore, the Centrum can be defined as the area with the lowest risk, since the values (selling and rental) have the most stable growth and the most stable expected growth for the long term. Out of an investment horizon of 5 to 10 years (short term), potential areas are defined. All investment funds believe that North as a high potential, since the connection (infrastructure) with the rest of Amsterdam will be optimised, through the Noordzuidlijn. However, North can be divided in the area next to the IJ and the Noordzuidlijn that has a high potential in the short term, and the remainder areas. The area South-East is also defined by two funds as a high potential investment area, since the square meter values are relatively low. However, '*South-East is also Amsterdam, but not comparable in living standard*' (CB5. L. Zuid-Oost (negative)). Besides, New-West and Sloterdijk are named by an investors as potential district. Syntrus Achmea RE&F tries to keep in front of other investors. They are looking for relatively cheap investment areas with potential and for possibilities to added value for the living environment.

Private	In order to reduce risk and invest with the long term horizon the Centrum of Amsterdam is the best area. This characteristics have influenced the current values. Therefore, the direct ROI is reduced to 5-6% in this area. However, <i>'Area 1012 will be like a museum in the future and the supply will be zero'</i> (JV4. L. Centrum 1012). Area 1012 is a zip code in the Centrum. The other private investors defines whole Amsterdam as 'hot'. One of the investor believes that New-West has the most potential in order to create indirect – and direct – ROI. Since this area is built more high rise. Besides, this area is located in a triangle between Centrum, Schiphol and the Zuidas. With the increasing globalisation, this is an important factor, since all of them have an international focus. Besides, North-Oost is named as potential area and both investors believe in North, since the infrastructure will be optimised.
Consultant	According to JLL, the area North and more or less South-Eats are interesting areas to invest, since these location will have some developments in the near future. In North, close to the IJ, Amvest and Vesteda are developing many residential units – which has a positive impact on the social environment. Besides, in South-Eats there are 10,000 residential units in the pipeline for the next seven years. The high prices are going like an oil slick further and further from the centrum. Therefore, JLL advices do not look only in the Ring. However, the most expensive area the Centrum, has the lowest risk for the long term (>20 years).
Banks	As a city Amsterdam is the best location to invest, in order to reduce risk. The most increase of value that is expected, starts in the Centrum and will flow out to the Ring. The lowest square meter price in inside the Ring is in North. The disadvantage of North is the connection with the other areas, since the river the IJ is in between. However, the new metro line (Noordzuidlijn) will upgrade this connection, which will be opened next summer. Also some cycle bridges are in the pipeline. Therefore, the area North has a high potential. Besides, New-West and Diemen will follow as a potential area. One of the possibilities, is that the high way the Ring will be extended with the A9 and A5. Thence, New-West will be also 'in the Ring'.

The difference in characteristics that can be conclude is that private investors making their investment decisions more on gut feeling. Like, feeling the atmosphere in a area, in order adjust expectation. The instutinal investor are willing to invest everywhere inside the Ring. In contrast, private investors focussing more on district level.

The location analysis in order to create ROI. As is discussed in paragraph 2.1.1, many investors investing in prime locations that are characterised with a high liquidity in order to reduce risk and increase indirect ROI. According to all participants, Amsterdam is a prime location. Therefore, the IRR in Amsterdam is reducing, comparable to other cities – as is described in paragraph 4.5. The most attractive district of Amsterdam is the Centrum, which is also the most expensive area. However, on the long term this area is defined as the most stable investment. Short term (5-10 years) are more focussed on potential areas. When investors are investing in regeneration areas, primarily do so in expectation of reaching above average return (Adiar et al., 1998). All participants are recognising North, as a high potential area. Since, the disadvantage of connection with the other areas that will be upgraded and optimised. However, North can be divided in two districts: close to the IJ and around the new Noordzuidlijn, which has the highest potential; and the other areas. Besides, three investors believe in New-West as a potential area. Private investors J. Vis argued that this area has a high potential, since the current prices are relatively low and the area is located in a triangle between Schiphol, Centrum and the office district Zuidas. Which all have international attractive power that will be more important since the globalisation. Syntrus Achmea RE&F strategy is to invest in potential areas, before other investors do. Like the last potential area that is defined by four investors: South-East. This area needs some more improvements, as CBRE Global Investors describes. However, according to JLL, 10,000 residential units are in the pipeline, for the common seven years.

4.3 Market analysis

The following subtopics are include: economic market, region market and the comparison to other areas.

Funds	On economic level, CBRE GI does not see any signs for a new crisis. All the investment funds agree that there will not be a price correction in the region market Amsterdam. Therefore, all funds are positive about the current market and are willing to invest in this market. However, when the interest mortgage will rise, a stabilisation or slowdown is expected. But, <i>'we are investing on the long term, therefore, we cannot buy too expensive since the next real estate cycle will grow again'</i> (CB10. M/L. Ring and RE cycle). All the funds are more focussing on the indirect ROI, therefore the direct ROI goes down in the market. According to Investor A, the risk is very low when investing for renting on long term in Amsterdam, since the rental prices cannot decrease that much (high supply). In comparison to other areas Amsterdam is the best city to invest in the Netherlands, by Stek. More in an international perspective, <i>'the supply payable one person studios is nihil. However, in London, Paris and Spain this type of properties are offered'</i> (IA20. M. Paris and London: small studio's)
Private	The mortgage interest in the economic market is historically low, the average is 7.2% since 1965. Therefore, this moment is an opportunity to buy real estate. However, <i>'when the mortgage interest will rise, the property values will drop'</i> (JO14. M. Mortgage investing opportunity). In the region market, through the financial crisis there is a delay of the number of developed housing in Amsterdam. Therefore, the supply is low. Since Amsterdam has a high attractive power, the demand is high too. Hence, more and more investors want to invest in Amsterdam and therefore the demand is even rising. Besides, the number of tourist are increasing with 10,000 in 2025. Comparison to other areas, the prices per assets are low in Amsterdam, according to London and Paris.
Consultant	The economic market in the Netherlands is very positive, the demand is high and the supply is low. Besides, the mortgage interest are low. When the mortgage interest are starting to rise <i>'there will be an impact in the property values'</i> (JL9. M. Value correction).
Banks	The current real estate (economic) market keeps rising till the mortgage interests are going to increase, then a price stabilisation/correction is expected in the Netherlands. The mortgage interest is connected to the economic flow. Savings accounts interest are that low, especially above the amount of 5 million, therefore companies are more investing. Which gives more pressure to the real estate market and the ROI's. Since the mortgage interest are historically low, ING RE&F advices investors to fix the interest for the long term – according to the investment horizon. The ING RE&F believes that in the near future the real estate market of the Netherlands can be divided in Amsterdam, Netherlands and the shrinkage areas. In the region market (Amsterdam) only a price stabilisation is expected when the mortgage interest will increase <i>'I don't think it will be less expensive'</i> (IN19. M. No price correction). Furthermore, through the globalisation Amsterdam will be more and more an international English spoken city. Comparison in international perception, Amsterdam is not that expensive yet. Therefore, in combination with the economic flow of the Netherlands, many global investors starting to invest in Amsterdam. When investors from London, America, China focussing on the Netherlands, it means 'Amsterdam'. Which defines the growing gap between Amsterdam and the Netherlands. However, the gap between Paris vs France, and London vs England is way bigger. A couple years ago properties in Amsterdam has the same value according to the average in the Netherlands. Which made the Netherlands unique at that time, according to other West-European counties. Comparison in national perception, end users want to live in the city where they are working, less traveling. Also the infrastructure is an important factor. Therefore, Utrecht is also one of the rising cities, since the central location counts more. Besides, Rotterdam and Den Haag are in an upward movement too. However, <i>'Amsterdam always will have more attractive power'</i> (IN18. M. National). Which can also be connected to the trend globalisation, more and more people are traveling and studying around the world, especially to global cities with a world language like Amsterdam.

According to the characteristics of investors to the market analysis, institutional investors investing on a longer time horizon. As CBRE GI says *'we are investing on the long term, therefore, we cannot buy too expensive since the next real estate cycle will grow again'* (CB10. M/L. Ring and RE cycle). Since institutional investors invest with a big amount of money (paragraph 2.2), the spread risk in order to the vacancy level. In contrast, when a private investor has a vacant units, this can affect the average portfolio ROI more.

In order to create the highest possible ROI – and reduce risk. All investors agree that the economic market can be defined as an upward trend, which is in alignment with Figure 2.8 Rate of the AEX, 2012-2017 (Belegger.nl, 2017). However, as is shown in Figure 2.10 Mortgage interest of the Netherlands 1965-2014 (Hypotheekshop, 2013), the mortgage are relatively low (around 2-3%) and an increase can be expected since the average is 7.3% over the past 450 year. All investors agree that a stabilisation or slowdown of the market can be expected when the interest mortgage will increase. Concerning, the region market all investors are positive about the common 5-10 years, even more on the long term (above 30 year) and are willing to invest. Also because, investing in the rental market has a low risk, since the rental prices are stable because of the high demand. An outcomes, which cannot be generalised by the literature review, is the movement of focussing more on indirect ROI. Since, the trust in indirect ROI is that high – and low risk, the direct ROI reduces. Besides, there are some opportunities for small apartments. Since all the investors are positive about the trend of Amsterdam. According to ING RE&F, the regional market (Amsterdam) will be more and more a separate market according to the Dutch market. Comparison to other countries in West Europe this is a recognizable trend, as is illustrated Figure 2.16 Comparison of the main cities to the country average in 2015 (Deloitte, 2016a). Comparing to other capital cities in West Europe, Amsterdam has a high growth potential. However, has Amsterdam the potential to be an international capital?

4.4 Tenant analysis

This research focusses only on singles and starters. Therefore, this analysis is funnelled already.

Funds	The customer needs are changing since people have to life together, if they want to life in Amsterdam. Like a student house for adults. Investor A believes that starters and single have to possibility of living in a private apartment somewhere out of the city, or share an apartment in a prime location. However, Syntrus Achemea RE&F answered the question of customer needs are changing the next 10 years, with <i>'I do not expect that much'</i> (SA22. T. Customer needs). One of the investment funds is investing mostly for the middle segment, since it is their expertise and they believe the risk lower in this segment. Another investor is not focussing on one specific group of tenants, in order have a bigger audience target to reduce risk. Investor A believes that it is interesting for real estate investors to invest in more than just a physical property. Offer to total service of living, like cleaning, internet, charging points for car, etcetera. Like the Liv Amsterdam project. Singles and starters are getting more financial support by their parents, in 2015, 2017 and 2018 parents are allowed to donate up to €100,000 tax free to their children. If the children invest the many in housing. Since the aging population and the average number of children is less nowadays. However, without financial support of their parents, it is for many singles and starter not possible to buy a property in Amsterdam.
Private	End users need to have a lot of money to live in Amsterdam nowadays. One of the respondents believes that the location with just one private room is preferred to customers, instead of a private house or apartment. However, the other private investors says <i>'Sharing an apartment or house, is not my vision'</i> (JO7. T. No friend's concept / migrants). If customers want to buy a house in Amsterdam, a big amount of money is needed. Besides, private investors are used to buy and sell quickly. Therefore, it is more difficult for customer to buy in the current market.

Consultant	The supply with free renting housing between €710 and €900 á €1,000 is nihil. Therefore, the customer needs are changing more and more, starters and singles will rent together. Which also can be connected to the backpack and student norm and values: less individual ownership of materials. <i>'In one apartment complex all the inhabitants had one drilling machine together. Generation Y does not want to own a tool like this, but just want to have the service of using a drilling machine sometimes'</i> (JL36. T. Change of customer needs). People wants to be more and more flexible.
Banks	Especially the starters that are graduated from a vocational education have problems with finding a place to living in Amsterdam. The supply for them is nihil. Renting an apartment of the free rental sector is too expensive, just like buying a living place and the social renting has a waiting time of 10-12 years. The ING RE&F agrees with the statement about sharing staff without ownerships of the results of the Consultant. 'Investors could investing in real estate that supports sharing and were more services are connected. Which makes the properties more future proof, for example the asset of Change=' (IN36. T. No belongings). According to ING RE&F, other parties as Xior and StudentHotel are offering also this kind of concepts. For example, an international student pays €200 more and furniture, internet, washing possibilities, etc. are included.

The Consultant and funds are characterised that they are looking for new possibilities, to adapt the customer's needs. In order to increase the level of future proof of the investment. Besides, investment funds can make investment decisions, out of increase their 'image' or their own policy. Like, invest in social housing.

What is the effect on ROI of the tenant analysis of real estate investors who invest in residential property for starters and singles in Amsterdam? Six of the eight respondents believes that the customer needs are changing. End users are more interested in location and flexibility. Like, *Generation Y does not want to own a tool like this, but just want to have the service of using a drilling machine sometimes'* (JL36. T. Change of customer needs). Thereby, starters (generation Y) focusses less on private housing in the rental sector, since the needed amount of money is too high for a private apartment in Amsterdam. Which can be connected to *'share fun, split rent'* (AM, 2017). In the buying sector, more and more singles and starters by an asset with financial support of their parents. Which is in alignment with *'18 percent of the housing owners below the age of 35, got financial support of their parents'* according to 8 percent of the owners above the age of 35 (ING, 2016b). Out of the interviews, the middle income populations has the most problems with finding a place the live in Amsterdam. This is in alignment with the theoretical findings of paragraph 2.1.4.

4.5 Financial forecast

Funds	All of the investment funds are using the IRR as parameter out of the approach NPV with the DCF to invest. Which is connected with the cash flow analysis. The aim of the calculation is to minimize the gut feeling of the investment. However, the gut feeling of investors (humans) will play always a role, in order to make decisions. The pension fund Syntrus Achmea RE&F is also focussing on the vacant asset value. Investor A focusses more in the leverage, since they are investing with 60% liability.
Private	Both private investors are more investing based on gut feelings and do not use any approaches, models or parameters in order to make their decisions about an investment. However, one of the private investors says <i>'in order to provide a mortgage finance, the bank controls and calculated my investment ideas'</i> (JV29. F. No calculation).

Consultant	JLL is using a discount cash flow (DCF) model to calculate investments in forehand. The most important parameter to them is the IRR. The IRR in Amsterdam differs from the IRR outside of Amsterdam. For example, by JLL <i>'developed properties have an IRR of 6% outside of Amsterdam. In Amsterdam the gross IRR is 3.5%, which is a net IRR of 2.5%'</i> (JL25. F. IRR). This different is related to the level of risk in Amsterdam. The common DCF is calculated for 20 years. Before the financial crisis the value of a rented property were sold for 70-80% of the current value. At the moment pension funds are willing to pay 102% of the current value when an asset has an occupancy rate of 100%. Therefore, private investor cannot competitive, because if they wanted to sell the property they will lose directly 2%. Since pension funds are more focussing on reducing risk, they accepting an IRR of 10%.
Banks	This sample type makes investment calculations in order to reduce risk instead of ROI. Therefore, the ING RE&F bank has many mortgage requirements. For example, for a real estate investment, the expected cash flow has to be higher than the redemptions plus mortgage interests of the finance mortgage. However, if the investors focusses on indirect ROI the bank wants more certainty, for example, by a collateral asset. Besides, the ING RE&F are interested in the track record of the investors. Normally the loan to value (LTV) is 70% of the current value, which is taxed by an external houses appraiser. Lastly, the ING RE&F calculates with the DCF approach in order to define the IRR.

The characteristics of a bank in financial forecast are in contrast with investors. Banks (ING RE&F) looks only to the risk of the investment since the ROI (mortgage interest) is a fixed rate. Therefore, evaluate the investor's financial forecast – and investment strategy. Investors are focussing on the return/risk profile. The two private investors base their investment decisions more on gut feeling, just calculated cash flow minus mortgage costs. Institutional investor base their investment decisions more on parameters and analysis. Which can be connected to the theoretical findings of paragraph 2.2. However, banks will evaluate the investment plans of one of the two private investors, in order to provide a mortgage finance. The effect of not using analysis and calculation makes private investors more flexible, since this process takes time. However, the investments are mostly on a smaller scale, comparing with institutional investors, which makes the complexity is lower (paragraph 2.2.). More flexibility can have positive influence on the ROI. Investment funds that, for example, invest for pension funds (Syntrus Achmea RE&F and SPF Beheer bv) are focussing more on reducing risk. Their policy is to protect the capital against inflation. As the theory described, funds investing with a big amount of money, millions or even billions. Therefore, analysis and calculation tools are needed to professionalise the decision making process. Since the high complexity of investments, the gut feeling decision making process need to be reduced.

According to the effect on ROI of the financial forecast of investors. Six of the eight participants are making their investment decision based on the IRR parameter, which is in alignment with the conclusion of paragraph 2.1.5: *The ease with which IRRs can be interpreted has made the IRR approach the more popular of the two ranking methods* (Graham & Harvey, 2001); (Scott & Petty, 1984). In addition, investors should be aware that the loan to value is maximum 70% - by ING RE&F.

4.6 Scenario analysis

Funds	Only two of four investment funds are calculating a realistic, optimistic and a pessimistic scenario. The other two organisations calculating a housing unit sales scenario after a term between 10 and 20 year of exploiting, or keep on renting the units. In Amsterdam investors are not allowed to sell units of an asset in 15 years, out of the term of the leasehold. Therefore, investors should be aware when they calculate a scenario with an exploitation horizon of 20 years, with selling the units after 15 years <i>'not all assets will be sold in five years'</i> (SA35. S. scenario II). Investor A has more than 50 parameters/variables in their financial forecast. Therefore, many scenarios are defined. <i>'However, simplified, we are looking to the down force and upside'</i> (IA29. S. 50 parameters).
-------	--

Private	Both private investors do not make use of different scenarios in their investment decision making process. One of the respondent says ' <i>No, I don't. Would be wise indeed</i> ' (JO23. S. No scenario's). To other private investor looks always to the maximum ROI scenario in the firsts place, according to possible building extend possibilities and the kind of tenant(s).
Consultant	The consultant organisation uses two scenarios, both scenarios starting with a rental term of 15 years. The first scenario is calculated with individual sales and the second scenario keeps the asset(s) rented (exploit).
Banks	Since banks evaluates the investment strategy of the investors, they are thinking out of the investors' perception. Some investors are willing to sell their asset(s) after a renting period of 5-10 years. Than the bank checks the potential value of the asset after this period. However, some investors are that big, that they have a time horizon that is even longer than the investor will live ' <i>that is for the next generation</i> ' (IN42. S. Different terms).

Looking to the characteristics of the participants, it can be conclude that private investors can learn from the institutional investors, by increase professionalism in their scenario analysis. Both private investors do not make different scenario analysis, which can be connected to less professionalism. Less professionalism is characterising for the sample type private investors (paragraph 2.2).

To increase ROI out of the scenario analysis, four of the eight respondents uses two different scenario's in their exploit horizon: selling units after 15 years, or keep renting them. Two funds are focussing more on a realistic, optimistic and pessimistic scenario, as is linked to the theoretical findings of paragraph 2.1.6.

5. Discussion

This chapter discusses the reliability, validity and limitations. Scientific methodology needs to be seen for what is the truth. Besides, the researcher needed a way of preventing to deceive himself in regard to his creatively formed subjective hunches which has developed out of the relationship between him and his material (Raimond, 1993). Therefore, the researcher had to pay attention to two particular emphases on the research design: reliability and validity. Furthermore, the limitations are discussed in this chapter.

5.1 Reliability

The reliability consists four threats: subject or participant error; subject or participant bias; observer error; and observer bias (Robson, 2002).

Participant error, any factor that adversely alters the way in which a participant performs (Saunders, Lewis, & Thornhill, 2016). This means that researcher was aware which specific moments during the day the interview is conducted. According to the participants' error, the researcher aimed to interview a participant with his full focus and in a neutral level of emotion. Therefore, the appointment was scheduled in a moment that the participant has really focus and preferably not in the afternoon. Because, the afternoon has mostly the highest level of stress. Furthermore, the researcher started the semi-structured interview with asking with 'how the participant is feeling, and what is going on today?' to get an inside in the emotional degree of the participant.

Participant bias, any factor that produces a false response. Interviewees may have been said what they thought their bosses wanted them to say (Saunders, Lewis, & Thornhill, 2016). However, this research measured not the feeling of the employee, but the experience of the effect of the different elements in the investment strategy, according to the ROI. However, the researcher was aware of the stages that must occur if a question was valid and reliable, shown in Figure 4.1. The interviews were done in a four-eye conversation, in an enclosed and comfortable room, to reduce misunderstandings and pressure on the specific participant.

Observer error (researcher error), any factor that alters the researcher's interpretation. Since the data collection was through a semi-structured interview, the preparation part needed to be well structured. Moreover, the structure of each interview was similar, therefore the risk of collecting the wrong, or different kind of data, is reduced/ minimised. Besides, the researcher had to keep the research (sub) questions in mind (or on paper), to realise which elements he wanted to measure. To stay focussed, with a high level of concentration the researcher did one interview per day, only once two interview were planned on one day out of agenda preference. Since this research is an exploratory research, the researcher combined the outcomes of the different interviews with each other. Besides, the link with the literature is made. However, according to Robson (2002) an exploratory study is a valuable means of finding out 'what is happening; to seek new insights; to ask questions and to assess phenomena in a new light'. Therefore, expectations and opinions can not be evaluated by literature.

Observer bias (researcher bias), any factor that induced bias in the researcher's recording of responses. In order to tackle this threat, the researcher needed to be aware of the level of objectivity. Therefore, the researcher combined and looked critically to many sources and theories. Human people tend to be getting subjective. However, Fink (2003) recommends qualitative survey analysis for the exploration of meanings and experiences. To structure the analysing process it is done through open coding, axial coding and selective coding after transcribing the interviews.

The researcher error and researcher bias can be linked to the stages of Foddy (1994) that must occur if a question was valid and reliable, which is shown in Figure 5.1. Foddy (1994) discusses validity and reliability in terms of the questions and answers making sense. In particular, he emphasises that 'the question must be understood by the respondent in the way

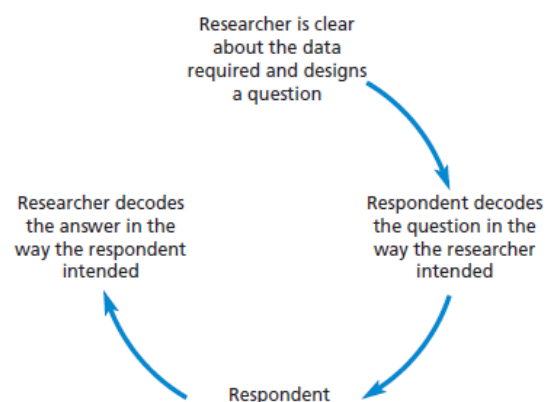


Figure 5.1 Stage that must occur if a question is to be valid and reliable (Foddy, 1994)

intended by the researcher and the answer given by the respondent must be understood by the researcher in the way intended by the respondent.

5.2 Validity

Validity is concerned whether the findings are really about what they appear to be about (Saunders, Lewis, & Thornhill, 2016). Is the relationship between the variables a causal relationship? The validity can be categorised in three segments: construct validity, internal validity and external validity (Saunders, Lewis, & Thornhill, 2016).

Construct validity is concerned with the extent to which your research measures what it claims to measure. This is connected with all the methodology choices (Saunders, Lewis, & Thornhill, 2016). This research was an exploratory study, since the research questions were focussing on a specific subject in a specific market, with specific participant and in the future. Therefore, the inductive approach was chosen. However, the instrument of the analysing process has a strong link with the literature, since the literature was used as fundament for the code book. Through open coding and axial coding, the opinions of the experts (real estate investors) are adapted.

Internal validity is established when research demonstrates a causal relationship between two variables. The researcher should 'trust' the participants with the given answers. However, the outcomes of the semi-structured interviews were comparable to the literature review, and to each other, to reduce the risk on 'untrue' outcomes (Saunders, Lewis, & Thornhill, 2016). Therefore, the number of participants was eight, and the sample size should be increased until data saturation achieves (maximum 12). However, the last interview (number eight) did not gave new insights/information.

External validity is concerned with whether a study's research findings can be generalised to other relevant settings or groups (Saunders, Lewis, & Thornhill, 2016). Which is related to the sampling (paragraph 3.6) and more or less to the data collection (paragraph 3.4). The outcomes of this exploratory research are not generalizable to the whole subgroup of the population, since this research used a non-probability sampling, because the population size is unknown. Since, the investment performance is influenced by numerous economic factors, such as inflation, short and long-term interest rates, etcetera, which can affect levels of return in different ways (Keeris & Langbroek, 2009). Furthermore, the decision making process (paragraph 2.1.7), trust and experience are influencing the process.

5.3 Limitations

According to this type of research there were several limitations. In qualitative research (method) the interpretation of the researcher could influence the results. For example, the stages that must occur if a question was valid and reliable, as is shown in Figure 4.1 (Foddy, 1994). Therefore, the outcomes of qualitative research are based on the skills of the researcher (Saunders, Lewis, & Thornhill, 2016). Real estate consist of different kind of properties, however, this research is limited to residential real estate. Furthermore, singles and starters are the only target audience of the tenant analysis that are included in this paper. Besides, according to the location analysis, this research is limited to Amsterdam. Therefore, the outcomes of this paper are not applicable for other cities, since every city is unique.

The sampling of this research consists eight participants with four different sample types. Since, the ratio is 4, 2, 1, and 1, saturation of data of all sample types has not been reached. The investors of investment funds are the in-depth experts for the topic of this research and saturation of data has been reached by this sample type. Moreover, the outcomes of the private investors were close to the outcomes of the other interviews. Therefore, the outcomes were close to saturation of data. However, it would be nice to conform to more private investors, banks and Consultant organisations. Unfortunately, the time is limited in order to increase number of participants. Besides, one of the participants named *Investor A* in this paper made use of their anonymity. Therefore, it is not possible to verify the outcomes of this interview. The benefit of the data collection through semi-structured interviews is that in-depth conversations are possible when the researcher think it is needed. For example, what are the expectations of the bank ING RE&F of the interest mortgage? However, not all subtopics are covered in every interview. As is illustrated in Appendix I. Therefore, each subtopic has not eight inputs to compare, out of the interviews. However, a critically discussion/comparison has been done.

This research focussed mainly on achieving the highest ROI as possible, however, some institutes are focussing also on reducing risk or improve image. Thereby, investors are trying to create ROI in an inefficient real estate market (Gool, Jager, & Weisz, 2001). Which means that information to achieve the

highest possible ROI is needed to keep in front of competitors. Therefore, it is possible that investors were not fully transparent of their investment strategy. Furthermore, investors make their strategic decisions also based on the current portfolio. For example, invest in a regeneration area to increase diversity in the portfolio. Therefore, the investors should look critically to the balance of their portfolio, when integrating the outcomes of this research in their investment strategy. Moreover, the outcomes of this research are focussing on the future. According to Atrill (2009), the only thing certain about the future, however, is that we cannot be sure what is going to happen. Therefore, the outcomes cannot be seen as the truth or even been judged, since nobody knows the future. Besides, the flow of the residential market can be affected by many different influences. However, experts of the field can look critical to the conclusion of this research in combination with the argumentation.

6. Conclusion

This research aimed to get a grip on the current residential market for singles and starters in Amsterdam, in order to design an investment strategy that focusses on creating ROI. In this chapter the central questions are answered.

CQ1 What are the characteristics of the investment strategy of real estate investors who invest in residential property for starters and singles in Amsterdam?

In this research the investors are divided in investment funds, banks (both are Institutional investors), private investors, and Consultant. Every investor type has different features, which influences their investment strategy. Therefore, CQ1 is answered per investor/sample type. Most of the time *institutional investors* invest for an external party and the amount of money is at least millions, or even billions with a high complexity. An external party can be a pension fund, or a foreign bank. Thereby, a long term horizon is connected to this sample type. In order to reduce risk and increase objectiveness, professionalised approaches are adapt. For investment decision making processes outcomes of analytics tools with parameters, in combination with a disposition- and acquisition-policy, are fundamental. However, the investment strategy can be adjusted. The professionalised approach are also adapted in order to increase alignment in the way of investing, since institutional investors are working with a team of employees. Moreover, the outcomes of the professional approaches can be used as communication to their external party, to increase transparency. The differences between investment funds and banks, is that investment funds are focussing on ROI – in long term. Though, the banks are using a fixed ROI (mortgage interest). Therefore, they are more focussing on reducing risk. Out of this perception, banks want to get a grip on the market in order to evaluate the investors' strategy. Banks require minimal 30% equity (loan to value of 70%) and evaluate the cash flow of the investment minus the costs of maintenance (30% of cash flow) and mortgage costs. Investment funds are investing out of the policy and requirements influenced by their external party. For example, a pension funds can have as objective reduce risk with a direct ROI of 3%. However, the objective of investment fund *Investor A* is to reach 10% ROI with a more creative perception and approach. In order to reduce risk, they invest in a location that has – and will have – a high demand in the market. Therefore, they mostly invest in Amsterdam. *Private investors* are individuals or a group of individuals organised in a legal investing entity. The private investors are less professional comparing to the institutional investors. They often invest using their common sense in order to take advantage of special niche opportunities they detect. In order to get a grip on the inefficient market, private investors make use of external sources. For example, residential investment rapports of banks or Consultant organisations. Both private investors that participated in this research, did not make use of annalistic tools, like a discount cash flow calculation. Since the investments are mostly on a smaller scale, comparing to institutional investors, the complexity is lower. Furthermore, private investors are the only type that are fully responsible for an investment. Therefore, they can make their decisions more quickly, which increases flexibility. High flexibility can have a positive influences on ROI. Which makes it also easier to invest on the short term. However, long term investing is also part of the game for a private investors. *Consultant* organisation are close to institutional investors, since knowledge, tools, and experience are expected. However, they are working for a client, with complex and critical real estate issues. Therefore, consultancies do not invest out of their own investment strategy, but combine the needs of the investors with their knowledge, tools, and experience, in order to consult. Consultants offer know-how, strategic planning and experience that helps lead to better decisions. Services are: due diligence, market studies, lease advisory, portfolio services, and more.

CQ2 What is the effect on ROI of different investment strategies of real estate investors who invest in residential property for starters and singles in Amsterdam?

According to the financial possibilities of singles and starters, the property type that can be connected to singles and starters are small apartment, studios and sharing housing. Studios and apartments of 24-30 square meters are defined as 'interesting investments' by the participated investors. Since the values increased that much that this kind of properties are labelled in the free rental sector. Besides, the demand is high. Apartments or studios of this scale are not common yet in Amsterdam. However, in Paris this kind of units are defined as 'big enough'. Many starters living together to share fune and split rent, in a city as Amsterdam. The institutional investors and consultant participants (six of the eight) believe in the Change= concept, which is connected to shared living. The next step for investors to

improve their asset – and investment – is to offer a service, instead of square meters. The customer needs of starters and singles (generation Y) are more based on flexibility and freedom. Therefore, investors should offer housing that is 'ready to live'. Like parties as Xior and StudentHotel that are offering this kind of concepts. For example, an international student pays €200 more and furniture, internet, washing possibilities, etc. are included. The next step can be, offering electric cars that are rentable per hour. Generation Y, does not want to own a car, only the possibility to have transport from A to B when they need it. This kind of concepts can be linked to a more future proof investment. Hence, this concept will have a positive influence on the ROI on the long term. However, the demand in the current market is that high, that every unit will be rent – or sold – anyway.

The high liquidity characterises the prime location Amsterdam, since the market is booming after the financial crisis. Especially in the Centrum, this area is defined as the most stable region in Amsterdam. The area Centrum is defined in this research as the best long term investment (above 30 years), since the risk is low (nihil) and the expectant indirect ROI's are positive. Out of this perception, most investors are willing to invest inside the Ring (low risk, high indirect ROI expected). When investors are investing in regeneration areas, primarily do so in expectation of reaching above average return (Adiar et al., 1998). The area North is one of this regeneration areas, since the disadvantage of the connection with the other areas, will be upgraded – by the Noordzuidlijn and some cycle bridges. However, most of the building in North are low-rise. The second region with a high potential is New-West. Especially, the area of the right hand side of Sloterpas, which has already high-rise building. This area is located in a triangulation of the Centrum, Zuidas and Schiphol. Since the globalisation these are important factors for an area in international level. Lastly, the area South-East can be interesting for investments, since this is still a cheaper district. Moreover, there are 10,000 units in the pipeline for the next seven years, which will give this region a boost.

All signs in this research are defining an upward trend of the economy, which is connected to the rising prices in the market. Through the globalisation Amsterdam will be more and more an international English spoken city. Comparison in international perception, Amsterdam is not that expensive yet. Therefore, in combination with the economic flow of the Netherlands, many global investors starting to invest in Amsterdam. When investors from London, America, China focussing on the Netherlands, it means 'Amsterdam'. Which defines the growing gap between Amsterdam and the Netherlands. However, the gap between Paris vs France, and London vs England is way bigger. This is an outcome of the attractive power of cities in combination with the customer needs of the new generations, who wants life, work and live without distance. Furthermore, by the globalisation Amsterdam will even grow more in national and international perception. However, does Amsterdam have the potential to be an international capital? One of the important factor that could have an impact on the upward trend of the values in Amsterdam, is the expected increase of mortgage interests. The mortgage interest reached the nadir and will rise in the near future. Therefore, the affordability of end users (singles and starters) will reduce. While, the mortgage costs for starters is already on a peak, 34% of their net income and 25% for singles. Another movement is that 18 percent of the housing owners below the age of 35, got financial support of their parents, according to 8 percent of the owners above the age of. All participants in this research do not expected a price correction, more a slowdown or a stabilisation of the upward trend. Moreover, with these low mortgage interests, the investment costs are relatively low. Therefore, the downside scenario can show already demanded return. The long term expectations are also positive. Which is in alignment with the level of trust in the region market. Therefore, investors are willing to pay more for an investment and so the direct ROI will reduce. Return is a compensation of the investment's risk. However, the risk is nowadays nihil in Amsterdam – especially in and close to the Centrum. Therefore, a movement in investors approach can be defined 'investors are more focussing on indirect ROI'.

The outcomes of this research defining that investors should make a discount cash flow (DCF) calculation, in order to define the internal rate of return (IRR). To get an insight in investments on forehand in the expected ROI. Thereby, it is fundamental for investment decision making. Private investors should adapt this way of working, to increase professionalism. However, institutional investors and Consultant can learn from private investors as well, since private investors absorb information with their senses. Like: feel, taste, listen, smell, and see the atmosphere in a neighbourhood, to reduce inefficiency of information. Therefore, private investors do not make different scenario analysis, since they trust their gut feelings. The most common scenario analysis consist of: selling the assets after an exploit period of 15 years; or, keep on renting the properties after rental period of 15 years. Besides, realistic, optimistic, and pessimistic scenarios are recommended, in order to analyse the investment.

7. Recommendations

In this chapter, the findings of the research are translated into recommendations, divided into recommendations for the field and recommendations for further research.

Recommendations for the field. Investors should focus on small apartments/studios that are just above the liberation limit, to maximize ROI. Since, the availability of free renting housing starts with a rent of 900-1000 euros, this can be interesting for investors. Besides, shared housing is interesting too. Especially starters are willing to share housing. The outcome of this research defines a 'good moment' to invest in the current market. Thereby, on international level, Amsterdam has a high potential and inside the Ring risk is nihil. It is recommended to use the IRR approach to define the expectation of a real estate investment. Thereby, it is recommended to calculate the scenarios realistically, pessimistically, and optimistically. Besides, the investor can make two different scenarios: selling the units after the renting period, for example of 15 years; or, keep renting.

Since banks and Consultant are not investing by themselves, these sample types are not added in the recommendations. Looking at the characteristics, private investors should increase professionalism, to reduce gut feeling and therefore, reduce risk. This can be done by using analytic and calculations tools, to create parameters that can be used as fundament for investment decisions. Investment funds are connected to long term investing. Therefore, the investments should be future proof. Like, offering a total service that fits the customers' needs, as is discussed in the previous chapter. However, the expectations are that the demand will be high for the coming ten years.

Short term investing is linked to regeneration areas. Since investors primarily do so in expectation of reaching above average return. Therefore, it is recommended to invest in the the area North. Especially close to the river IJ and near the Noordzuid metroline stations. Besides, the area New-West, on the right hand side of Sloterpas, is interesting. Since, it is located in a triangular between Schiphol, the Zuidas and Centrum. Moreover, this area has already high rise buildings. Lastly, the area South-East can be interesting, if investors want to buy in front of other investors. This area is still relatively cheap. However, the risk is higher. Investors should keep an eye on the flow of the mortgage interest, which can affect the upward trend in the real estate market of Amsterdam. For long term investments, it is recommended to invest inside the Ring. Even if the prices are already quite high, the next real estate cycle the value will still increase. These locations have a lower risk/return profile. Thereby, investors should focus more on indirect ROI, since the risk is nihil in Amsterdam.

Recommendations for further research. Small properties (24-28 m²) for singles and starters is an interesting property type to invest in. Reducing of square meters per person is needed due to the lower affordability. Moreover, the renting supply is very low and the demand is very high. However, JLL does not define studios as a selling product for end users. They link the property type studio to a temporary residency and therefore they expect that end users are not willing to buy a studio. This discussion could have some more in depth research.

An important factor that can influence the outcome of the research, is the mortgage interest. As mentioned in the conclusion, it is expected that the mortgage interest will rise since the nadir is reached. Therefore, further research about the expectations of the mortgage interest is useful. Thereby, the impact could have some more in-depth research too. In addition, the potential of Amsterdam is not clear in this research: has Amsterdam the potential to grow like other capital West-European cities, as London, Paris and Berlin? Furthermore, the study invites additional research regarding the Brexit. Since the influence of the Brexit is unknown. Thereby, research can be done about urban trends that can affect the real estate market Amsterdam and what are the expectations of the economy on different levels? Both, to get more grip on the market analysis. This research includes only two private investors. To get more information and a better view, more in-depth research in private investors is recommended. In this research the defining of the different investors (paragraph 2.2) could be more explored and discussed. Besides, the risk/return profile could have some more theoretical research.

Investors should be aware that the strategy in this research defines opportunities and threats in the market, but does not look at investment decisions out of portfolio perspective. Therefore, further research on integrating the outcomes of this research on portfolio level, should be done.

Reference

- ABN Amro. (2017). *Woningmarktmonitor Gissen naar plannen volgende regering*. Amsterdam: Economisch Bureau Nederland.
- Adiar et al. (1998). *Accessing Private Sector Finance*. London: Royal Institution of Chartered Surveyors.
- Adiar et al. (2005). *Investment performance within urban regeneration locations*. Journal of Property Investment & Finance. Retrieved from <https://doi.org/10.1108/14635780510575076>
- AM. (2017, April 13). Woonconcepten versus betaalbaarheid. *AM regio Noordwest*. Amsterdam, Noord-Holland, Netherlands: FRESH Professionals.
- Atrill, P. (2009). *Financial management: For decision makers* (5th edition ed.). London: Pearson Education Limited.
- Belegger.nl. (2017, April 22). AEX. Retrieved from Belegger: <https://www.belegger.nl/Index-Koers/12272/AEX.aspx>
- Blok, S. A. (2016). *Wachttijden sociale huurwoningen*. Den Haag: Minister van Binnenlandse Zaken en Koninkrijksrelaties - DG Bestuur en Wonen.
- BNP Paribas. (2017, May 1). *BNP Paribas: Hoogte huizenprijzen in Nederland valt mee*. Retrieved from Vastgoedjournaal: <https://vastgoedjournaal.nl/news/31450/bnp-paribas-hoogte-huizenprijzen-in-nederland-valt-mee>
- Bouwman, M. (2016, June 3). *Nederland is het beste land ter wereld, op Zwitserland na*. (FD (Finance Newspaper)) Retrieved from FD: <https://fd.nl/economie-politiek/1154547/nederland-is-het-beste-land-ter-wereld-op-zwitserland-na>
- Brown, M., & Teernstra, T. (2008). *Examining investor perceptions of obsolescence and value through a behavioural economics lens*. Amsterdam: Journal of European Real Estate Research.
- CBRE Global Investors. (2017a, April 13). Residential market trends. Amsterdam, Noord-Holland, Netherlands: FRESH Professionals.
- CBRE Global Investors. (2017b, March 31). *About Us*. Retrieved from CBRE Global Investors: <http://www.cbreglobalinvestors.com/aboutus/Pages/default.aspx>
- CBS. (2016a, August 11). *WOZ-waarde stijgt na jarenlange daling*. Retrieved from Cbs: <https://www.cbs.nl/nl-nl/nieuws/2016/32/woz-waarde-stijgt-na-jarenlange-daling>
- CBS. (2016b, November 11). *Bestaande woningen in verkoop; kerncijfers, regio*. Retrieved from CBS: <http://statline.cbs.nl/Statweb/publication/?DM=SLNL&PA=82452NED&D1=a&D2=a&D3=0,103-106&D4=0-2,41-44&HDR=G1,T&STB=G2,G3&VW=T>
- CBS. (2016c). *Trends in Netherlands: 2016*. Den Hagh: Statistics Netherlands (CBS).
- Cushman & Wakefield. (2016). *Woningmarkt rapport 2016*. Amsterdam: DPI Administration House.
- Deloitte. (2016a). *Property Index: Overview of European Residential Markets*. Deloitte Czech Republic.

- Deloitte. (2016b, January 2). *Real Estate Consulting*. Retrieved from Deloitte:
<https://www2.deloitte.com/us/en/pages/advisory/solutions/real-estate-consulting-advisory-services.html>
- Dutch Government. (2016, November 21). *Koopwoning*. Retrieved from Rijksoverheid:
<https://www.rijksoverheid.nl/onderwerpen/koopwoning/inhoud/hypotheek>
- FD. (2016, May 3). *Huizenkoper biedt tienduizenden euro's boven de vraagprijs*. Retrieved from Fd:
<https://fd.nl/economie-politiek/1150291/meer-schaarste-op-amsterdamse-woningmarkt>
- Fink, A. (2003). *The survey handbook*. Thousand Oaks, CA: Sage.
- Foddy, W. (1994). *Constructing Questions for Interviews and Questionnaires*. Cambridge: Cambridge University Press.
- French, N., & French, S. (1997). *Decision theory and real estate investment*. Journal of Property Valuation and Investment. Retrieved from <https://doi.org/10.1108/14635789710184943>
- French, S., & French, N. (1996). *The behaviour of investors; perceptions and decisions in real estate investment*. Lake Tahoe: ARES.
- Geltner et al. (2013). *Commercial Real Estate: Analysis & investments* (Second edition ed.). Cengage Learning.
- Gool, P. v., Jager, P., & Weisz, R. M. (2001). *Onroerend goed als belegging*. Houten, Groningen, Netherlands: Stenfert Kroese.
- Goslings, J. H., & Petri, V. L. (1991). *The Role of Real Estate in Efficient Investment Portfolios*. Journal of Property Valuation and Investment. Retrieved from <https://doi.org/10.1108/14635789210031064>
- Government of the Netherlands. (2016, January 1). *Housing*. Retrieved from Government.nl:
<https://www.government.nl/topics/housing/contents/rented-housing>
- Graham, J., & Harvey, C. (2001). *The theory and practice of corporate finance: evidence from the field*. Journal of Financial Economics,.
- Groot, N. d. (2017, July 17). *Wonen in een piepklein huisje: het wordt steeds populairder*. AD. Retrieved from <http://www.ad.nl/economie/wonen-in-een-piepklein-huisje-het-wordt-steeds-populairder~a1e18bd0/>
- Hekman, M. (2016). CEO of CBRE. Amsterdam: College Tour.
- Hordijk, A., & Teuben, B. (2008). *The liquidity of direct real estate in institutional investors' portfolios: The Netherlands*. The Hague: Journal of Property Investment & Finance.
- Hypotheekshop. (2013, December 31). *Historie Hypotheekrente*. Retrieved from Rentetarieven:
<https://rentetarieven.com/historie-hypotheekrente/>
- ING. (2016a). *An analysis of the Dutch residential (investment) market 2016*. Utrecht: Capital Value.
- ING. (2016b). *ING Financieel fit Barometer: Minder sparen - meer aflossen, schenken en lenen*. Amsterdam: ING Economisch Bureau.
- ING. (2017a). *Prijsvorming op de Amsterdamse woningmarkt*. Amsterdam: ING Economisch Bureau.

- ING. (2017b, February 28). *Groei in horeca is breed gedragen*. (ING Economisch Bureau) Retrieved from ING: <https://www.ing.nl/zakelijk/kennis-over-de-economie/uw-sector/ondernemen-in/horeca.html>
- ING. (2017c, February 28). *Groei in horeca is breed gedragen*. (ING Economisch Bureau) Retrieved from ING: <https://www.ing.nl/zakelijk/kennis-over-de-economie/uw-sector/ondernemen-in/horeca.html>
- Isaac, D., Daley, M., & Enever, N. (2010). *The Valuation of Property Investments* (7th edition ed.). New York, USA: Routledge.
- IVBN. (2009). *De Amsterdamse transformatiemarkt*. Middenburg: IVBN.
- Jansen, H. (2010, May 11). *Forum: Qualitative Social Research*. Retrieved from Qualitative research: <http://www.qualitative-research.net/index.php/fqs/article/view/1450/2946>
- Keeris, W. G., & Langbroek, R. (2009). *Return/risk profile focused ratios for property investments*. Delft: Journal of European Real Estate Research. Retrieved from <https://doi.org/10.1108/17539260910959527>
- Li, M.-H. (2003). *Quality loss functions for the measurement of service quality*. International Journal of Advanced Manufacturing Technology,.
- Lie, R., & Bongenaar, A. (1990). *Toplocaties: productiemilieu én investeringsmilieu; Nederlands in internationaal perspectief*. Amsterdam: SBV.
- Lindon, J., Robison, L., & Barry, P. (2015). *Consistent IRR and NPV rankings*. Agricultural Finance Review,. Retrieved from <https://doi.org/10.1108/AFR-06-2015-0025>
- Losch, A. (1940). *The Economics of Location*. New Haven: Yale University Press.
- Matzler, K., & Hinterhuber, H. (1998). *How to make product development projects more successful by integrating Kano's model of customer satisfaction into quality function deployment*. Technovation.
- Ministry of the Interior and Kingdom Relations. (2014). *Investing in the Dutch housing market*. Den Haag: Ministry of the Interior and Kingdom Relations.
- Nestpick. (2017, March 23). *Millennial Cities Ranking*. Retrieved from Nestpick: https://www.nestpick.com/millennial-city-ranking/?_sp=282aee70-ce13-44e8-a410-28593c66388c.1492593172684
- Nijmeijer, H. (2005). *Particuliere beleggers: de optimale vastgoedportefeuille*. Eindhoven: Eindhoven University of Technology.
- NVM. (2015, June 22). *De groeikernen en hun nieuwe aantrekkingskracht*. Retrieved from Nvm: https://www.nvm.nl/actueel/blogderden/2015/gh_20150622_groeikernen
- NVM. (2016a, October 1). *Koopwoningmarkt*. Retrieved from Nvm: <https://www.nvm.nl/marktinformatie/marktinformatie>
- NVM. (2016b). *Analyse Woningmarkt 4e kwartaal 2016*. Nieuwegein: NVM.
- OIS. (2015). *Amsterdam in cijfers 2015*. Amsterdam: Onderzoek, Informatie en Statistiek.

- Osborne, M. (2010). *A resolution to the NPV-IRR debate?* The Quarterly Review of Economics and Finance.
- Palm, P. (2013). *Strategies in real estate management: two strategic pathways*. Malmö, Sweden: Property Management.
- Phillips, J. J. (2011). *Return on investment* (2e ed.). New York, USA: Routledge.
- Property NL. (2016). Top-101 makelaars 2016: DTZ en CBRE zijn weer de grootste. *Property NL*, 122.
- PWC. (2016). *Emerging trends in real estate: New market realities, Europe 2017*. London: Urban Land Institute.
- Raimond, P. (1993). *Management Project*. London: Chapman & Hall.
- Robson, C. (2002). *Real World Research* (2nd edition ed.). Oxford: Blackwell.
- Saunders, M., Lewis, P., & Thornhill, A. (2016). *Research methods for business students* (7th edition ed.). Essex, England: Pearson Education Limited.
- Scott, D., & Petty, W. (1984). *Capital budgeting practices in large American firms: a retrospective analysis and synthesis*. The Engineering Economist.
- SPF Beheer bv. (2016, March 21). *Vermogensbeheer*. Retrieved from SPF Beheer bv: <http://www.spfbeheer.nl/Wat-doen-we/Vermogensbeheer>
- Syntrus Achmea Real Estate & Finance. (2016, December 31). *Achmea Dutch Residential Fund*. Retrieved from Achmea vastgoed: <http://www.achmeavastgoed.nl/beleggen/woningen/achmea-dutch-residential-fund/Paginas/default.aspx>
- Syntrus Achmea Real Estate & Finance. (2017, February 8). *Vijf oplossingen om starters aan woningen te helpen*. Retrieved from Vastgoedjournaal: <https://vastgoedjournaal.nl/news/30396/vijf-oplossingen-om-starters-aan-woningen-te-helpen>
- Teece, D. (2010). *Business models, business strategy and innovation*. Long Range Planning.
- Unicef. (2012, 2 28). *nrc.nl*. Retrieved from Interactieve kaart: in 2050 woont 70 procent van de mensen in de stad: <https://www.nrc.nl/nieuws/2012/02/28/in-2050-woont-70-procent-van-de-mensen-in-de-stad-a1447273>
- Whittington, R. (2001). *What is Strategy – and Does it Matter?* London: South-Western Cengage.
- Zipf, G. K. (1932). *Selected Studies of the Principle of Relative Frequency in Language*. Cambridge, MA: Harvard University Press.

Appendix A – Real estate generic framework

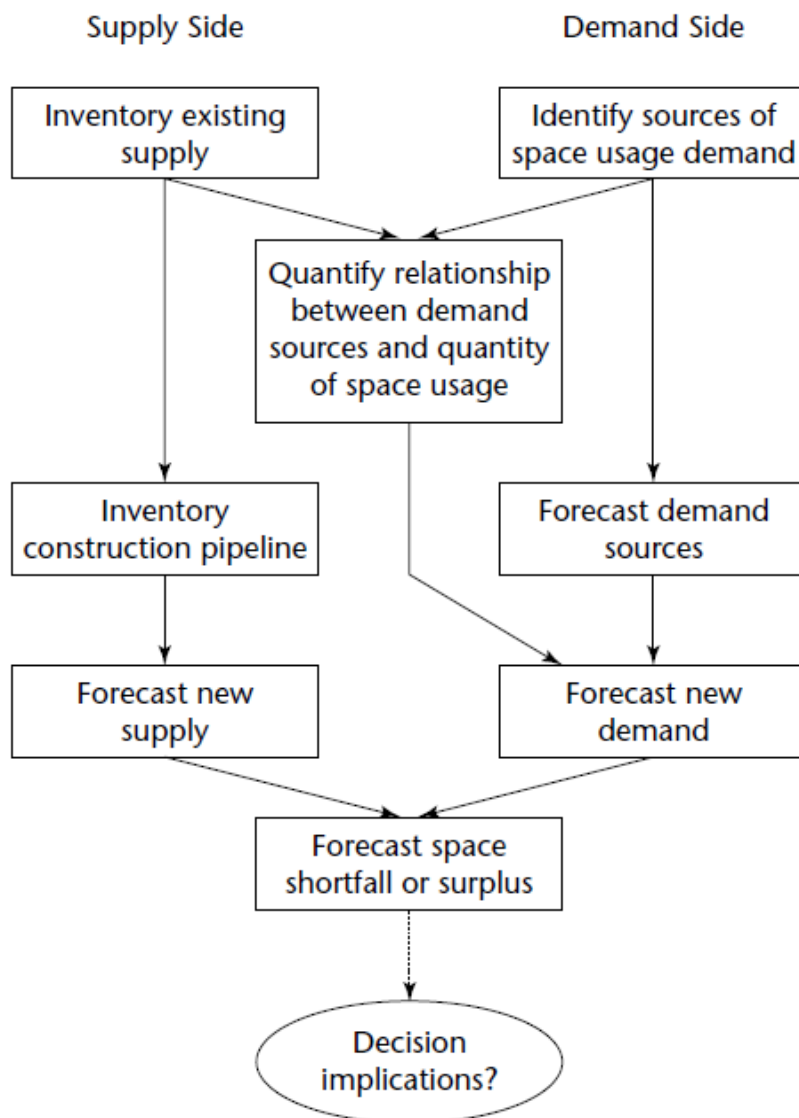


Figure A.1 Generic framework of a basic short-term structural market analysis for real estate (Geltner et al., 2013)

Appendix B – Discount cash flow

DCF	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
As of xxx										
Occupancy rate, %	98,0%	98,0%	98,0%	98,0%	98,0%	95,0%	95,0%	95,0%	95,0%	95,0%
Gross income										
Tenants (400m2 +):	1.776.394	1.820.804	1.866.324	1.912.982	1.960.806	1.565.173	1.604.302	1.644.410	1.685.520	1.727.658
Tenants (up to 400m2):	1.271.812	1.303.607	1.336.198	1.369.603	1.403.843	1.449.495	1.485.733	1.522.876	1.560.948	1.599.972
Gross income	3.048.206	3.124.411	3.202.521	3.282.584	3.364.649	3.014.668	3.090.035	3.167.286	3.246.468	3.327.630
Non-recoverable costs										
Letting fee, 3% from revenues	91.446				100.939					
Marketing, 3% from revenues	91.446	93.732	96.076	98.478	100.939	90.440	92.701	95.019	97.394	99.829
Fitout, 5 % from revenues	152.410				168.232					
CapEx	91.446	93.732	96.076	98.478	100.939	90.440	92.701	95.019	97.394	99.829
Management fee	45.723	46.866	48.038	49.239	50.470	45.220	46.351	47.509	48.697	49.914
Insurance	11.000	10.725	10.457	10.195	9.941	9.692	9.450	9.214	8.983	8.759
Tax	100.000	97.500	95.063	92.686	90.369	88.110	85.907	83.759	81.665	79.624
Total non-recoverable costs	583.472	342.556	345.708	349.075	621.830	323.902	327.109	330.519	334.133	337.954
costs share in %	19,1%	11,0%	10,8%	10,6%	18,5%	10,7%	10,6%	10,4%	10,3%	10,2%
NOI	2.464.734	2.781.855	2.856.813	2.933.509	2.742.819	2.690.767	2.762.926	2.836.767	2.912.335	2.989.675
Exit yield		8,50%								
Residual value @ year 10										35.172.651
Net income	2.464.734	2.781.855	2.856.813	2.933.509	2.742.819	2.690.767	2.762.926	2.836.767	2.912.335	38.162.327
Discount rate	9,5%									
DCF	-16.680.000	2.250.899	2.175.902	2.040.474	1.742.315	1.560.958	1.463.762	1.372.495	1.286.809	15.399.040
Market value, EUR	31.612.751									
IRR	10%									

Appendix C – Floorplan Friends apartment

One apartment with two private sleeping rooms.

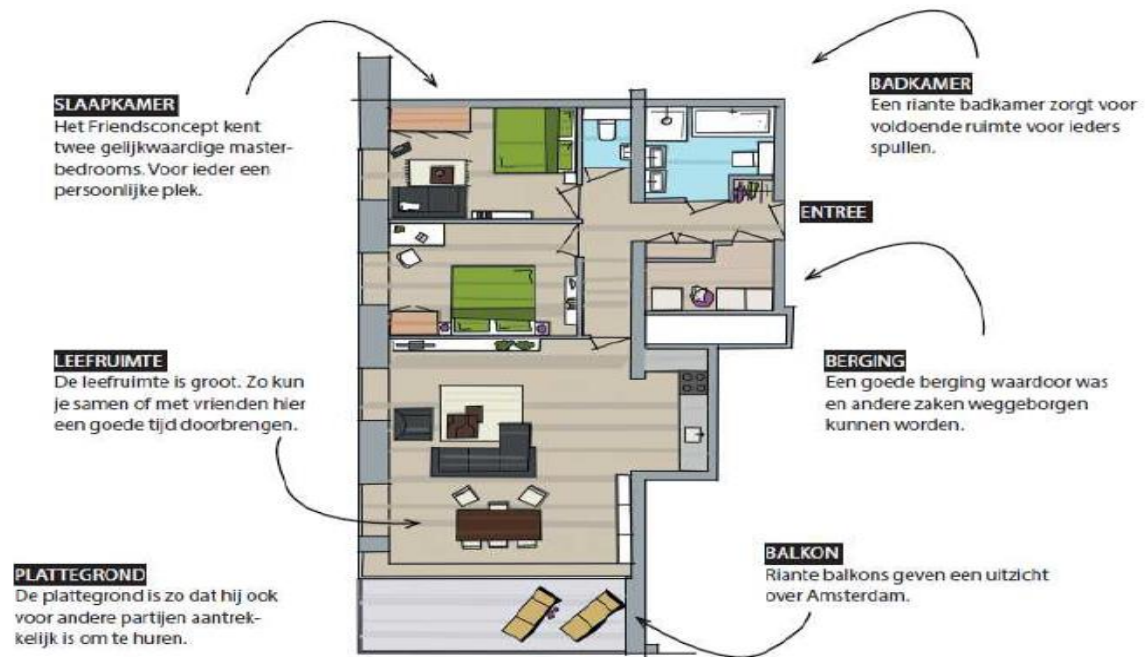


Figure D.1 Floorplan of a Friends apartment (AM, 2017)

Appendix D – Effect of leverage

Investors should be aware of the effect of leverage on equity. For example, when an investor buys a property of \$10,000,000 as is illustrated in Figure 2.23. Suppose, the current value is increased 2% by a year, to \$10,200,000 (indirect), and meanwhile the cash flow is \$800,000 (direct income). Together this means a total increase of 10% on the investment. However, the leasehold interest is 8%, which means a mortgage cost of \$480,000 (\$6,000,000 × 8%). This leaves only a \$320,000 cash flow remaining for the investor. The net profit is \$520,000 (remaining of cash flow + increased value of asset), which means a ROI of 13%. See below the formulas.

$$\frac{\text{Net income} - \text{mortgage costs}}{\text{Equity}} \times 100 = ROI (\%) \qquad \frac{520,000}{4,000,000} \times 100 = 13\%$$

However, the same principle is valid for the effect of risk on equity. The fact is, under normal circumstances, if leverage increases the ex-ante return on the equity, then it will also increase the risk in that equity (Geltner et al., 2013).

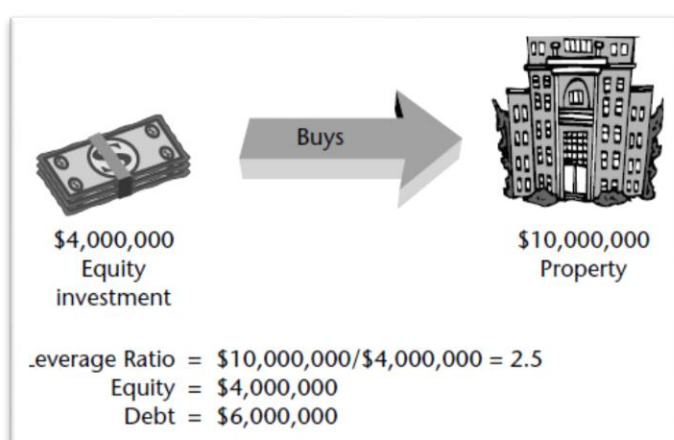


Figure 2.23 Analogy of physical leverage and financial leverage (Geltner et al., 2013)

Appendix E – Tree diagram

Below the operationalisation of topics of this research are shown, through a tree diagram. The tree diagram can be read from left to right. The topics with the standard black colour are the topic of the operationalisation (paragraph 3.4) out of the literature (chapter 2). Out of the interviews some topics are added to the tree diagram, which are defined with a grey colour.

Investment strategy	Property analysis	Property type	Customer product	Apartment	<40 square meter >40 square meter
				House	Friends concept Student house
			Institutional product	Complex	Tower of Babel Mixed use
		Building quality	High performance Low performance Addition possibilities (construction)	Roof construction Basement Side construction	
		Services	Apartment Services Building	Concept 'Life work live'	
		Characteristics	Price Size Design Quality Parking place	Number of rooms Future proof	
		Benchmarking			
		Subsidy			
	Location analysis	National	Central Place Theory (CPT) Zipf's law	Randstad (G4)	Amsterdam Rotterdam Utrecht Den Haag
			Province COROP regions	Infrastructure	
		Characteristics	Status and representativeness Region facilities Liquidity Square meter value Average rental prices Transpiration Diversity market Infrastructure Social environment/needs		
	Market analysis (supply vs demand)	Areas Amsterdam	North ijburg Zeeburgereiland Amstel-kwartier Houthavens South-East New-West Centrum 1012	Optimizing infrastructure Centrum; High indirect ROI (5-10 years) 10,000 housing in next 10 year Development area (high buildings); High indirect ROI (5-10 years) Low risk (long term)	
		Economic market	Real estate cycle	Vacancy Rent Employment Years Construction (pipeline) MSF	

		AEX Mortgage interests Mortgage availability Inflation Ratio mortgage costs/rental price				
		Region market	Expectation	Municipality policy		
			Attractive power	Citizens	National Integration (international)	Customer needs
				Investors	Organisations Private	Schiphol Individuals Groups
	Comparison to other areas	International trust	London vs UK Paris vs France Berlin and Frankfurt vs Germany			
		National	Rotterdam Utrecht Den Haag			
		Region	Areas	More tourists		
	Tenants analysis	Customer needs	Smaller homes Higher quality	Increase single households Location Building		
			Sharing (Friends concept)	Living room Bath room Garden / Balcony Kitchen		
			Generation Y and X	Less ownership/materialism Collaboration Services		
Budget		Renting	Social renting	Below monthly	€710	
			Free renting sector	Above monthly	€710	
		Ownership				
			Net income (yearly)	€37,500 Singles €27,500 Starters €160,400		
		Mortgage budget	Singles €115,500 Starters			
			Financial support	Donation parents Mortgage parents		
Financial forecast	Present value	Single-sum formula				
		Multi-period formula				
	Approach	Internal rate of return (IRR) Accounting rate of return (ARR) Payback period (PP)				
		Net present value (NPV)	DCF	Gross income		

ROI		Non-recoverable costs	
		NOI	
		Exit yield	
		Market value	
		IRR	
	Value rent ratio Gut feeling Outsourcing to bank	Gross initial yield (BAR)	
		No model	
		No calculation	
	Scenario analysis	Mortgage requirements	
		Leverage	
		Expectation	Optimistic Realistic Pessimistic
		Exploit	Renting Individual sales
ROI	Decision making	Investment strategy	
		Decision making process	
	Interest forgone		
	Risk premium		
	Inflation		

Appendix F – Example transcript

7-6-2017

ING Real Estate & Finance

Rolf Houtkoop

Intro.. uitleg researchtopic

Wij kijken, onze klanten zijn vastgoedbeleggers, vastgoedbelegger kunnen gewoon eigenlijk in alle categorieën beleggen. Zoals woningen, winkels, kantoren, bedrijfspanden en logistiek. Als we nu even kijken naar jouw opdrachtje, jij focust je op woningen. Zeg maar de woningen, uiteindelijk voor iedere beleggeringsmix moeten uiteindelijk, zeg maar, vanuit de huuropbrengsten moet je de aflossing en de rente minimaal kunnen betalen. Anders is de betaalbaarheid er niet en is de volgende vraag wat is de zin van de belegger om het aan te kopen. En wat moet je belegger bij leggen, als je cashflow niet toereikend is. Want is dan de insteek.

Ja, of het indirect.

Of het indirect resultaat, want dat je zegt van 'ja ik verkoop het over twee jaar, en dan kan ik zo een winst pakken'. Dat dan die betaalbaarheid onder druk zit, wil je als bank, financier, aanvullende zekerheden hebben, omdat die cashflow niet toereikend is. Wil je het op een andere manier. Ga je daar een borgstelling in vragen? Of, vanuit andere portefeuilles, dat dingen onder gezet worden. Dat is de mix. Hoe kijken wij vervolgens naar risico profiel? We kijken uiteraard naar, wij financieren alleen maar stenen, bij Real Estate & Finance, wij hoeven, wij hebben dus ook alleen verstand van stenen c.q. de gebruikers er van, dat zijn de huurders.

Ja ja.

En andere afgeleiden er van, die op zich ook heel bepalend is, wie is de belegger erachter? Wat is de kwaliteit? De boodschap die hij ons brengt, wat hij van zins is met een bepaald project. Is hij in staat om die doelen te kunnen realiseren? Kijk, bij bestaande klanten heb je op basis van trackrecord watje met de jaren heb gedaan, heb je het gevoel erbij, dat iemand van niets iets kan maken? Bij nieuwe klanten is het altijd moeilijk, want dan is het in eerste instantie de pure boodschap die in eerste instantie gebracht word.

Toevallig, ken ik ook twee privé beleggers. Eentje zit bij ING al een hele periode, die kunt u misschien wel: JV?

Nee, die ken ik niet. Maar we hebben een redelijk grote club beleggers.

Maar die zegt ook 'even opnieuw berekenen en dan komt er weer wat vrij'. Dan merkt je precies die soepelheid. Ook een andere privé belegger, die heeft meer met eigen vermogen altijd belegd, en die zegt ook van 'het is best wel moeilijk om een hypotheek te krijgen'. Maar dat is natuurlijk precies wat u nu zegt, de derde schakel van.. wat doet die privé belegger, kunnen we die..

Dat is het ja. Wij kijken naar het risico. Zoals je bij wijze van spreken, waar je met een woonhuis een hypotheek van 100% kan krijgen, is in de beleggingswereld, krijg je eigenlijk nooit 100% hypotheek. Dus het is eigenlijk altijd, zeg maar 70-30% verhouding bij aanvang. En het kan soms 60-40 zijn en incidenteel 80-20. Het hangt ook af van de koopsom en de uiteindelijke waarde en de kasstroom die het genereerd. Daar is niet een hele vaste stelregel. Bij aanvang is het meestal 70-30 á 65-35. En het heeft ook weer, het soort vastgoed heeft er ook weer invloed op. Dat betekent dus, de klant moet in staat zijn dat stukje equity uit zijn binnenzak te trekken en dat heeft hij anderzijds doordat hij een cashflow genereerd, door een bestaande portefeuille. Of hij heeft.. wat we ook standaard willen is een stukje reguliere aflossing. Er wordt eigenlijk heel traditioneel tussen de 2 n 4% over het algemeen afgelost. Afhankelijk van de LTV bij aanvang. Op zo'n manier bouw je ook weer een stukje vermogen op. Dus, als je bij wijze van spreken 5 jaar 3% heb afgelost, en vervolgens de markt heeft ook nog eens meegewerkt, of je hebt een verbetering in je portefeuille aangebracht. Realiseer je eigenlijk ook een stukje meer equity in je portefeuille, die je bij wijze van spreken ook weer voor een deel kan inzetten bij een nieuwe aankoop.

Klopt ja.

Zo is eigenlijk het hele spel. Waardoor je bij wijze van spreken, eigenlijk iedere keer een treetje hoger de trap op gaat. En van een klein begin tot heel groot worden. De ene is succesvol en dat gaat snel, de andere gaat wat langzamer. Het is ook de ambitie, van wat die belegger heeft.

Niet toevallig, heb ik ook al een klein gesprekje gehad bij de ING. Om te kijken wanneer ik mijn tweede hypotheek kan nemen.

Ja.

Gewoon maar om, naar mijn idee, als je eenmaal aan het doorrijgen bent, zeker in een stijgende markt. Dan zullen 3, 4, 5 al een stuk eerder komen.

Kijk, het eerste project is natuurlijk als bank.. je moet natuurlijk laten zien dat je het bent en je moet je trackrecord puur door vertellen zien te overtuigen. Je kan niet zeggen 'joh, je loopt nu al 5 jaar met mijn mee en kijk eens hoe ik van het lege kraakpand een heel mooi penthouse heb gemaakt'. Het is dan echt de boodschap die je zend en het vertrouwen die de bank dan heeft. Heb je al een aantal projecten/gebouwen, dan heb je die relatie al aangegaan met elkaar en stapelt het zich makkelijker door. Is het enerzijds, hier makkelijker bij de frontoffice uit te leggen, anderzijds, achter de schermen de rich manager die ook over de schouder mee kijkt. En een oordeel moet vellen. Heeft het zelfde verhaal, die kan dan zien, want die heeft zeg maar de goede boodschap die direct op tafel komt. Die krijgt hij altijd indirect op een stuk papier te lezen. Is het moeilijker in te schatten. Maar zo'n makelaar, het gaat ook om een risico analyse. We kijken uiteindelijk puur naar het risico. Het ROI die de klant heeft, die is voor ons minder bepalend. Want de ROI is voor een klant over het algemeen, een zo hoog mogelijk leverage. Dan hoeft hij er zelf zo min mogelijk aan te doen en is zijn return on equity automatisch het grootste. En zeker nu met die lage rente zegt ie 'joh, zoveel mogelijk van de bank en zo weinig mogelijk van mijn zelf'. Want dan kan hij i.p.v. 2 projecten, kan hij er 4 kopen. Terwijl de bank zegt 'ja, maar luister, die prijzen gaan omhoog, hoelang blijven ze omhoog gaan?' We gaan dus niet speculeren op die waardegroei in de toekomst, die er nu inzit. Maar we blijven behoudend kijken naar de waarde van nu.

Hoe doen jullie dat als ware? Als jullie niet speculeren op wel/geen komende prijscorrectie.

Op het moment, een belegger komt bij ons met een positie, dat is bij wijze van spreken een blokje appartement in.. weet ik veel. Ergens in Amsterdam. Dat is verhuurd. Dan kijken we van 'hij heeft het gekocht voor dit bedrag' voor 5 miljoen. Wij laten het extern taxeren en die waarde die is bepaald.. die waarde is bepalend voor het vaststellen voor de LTV. Als die dan in lijn ligt met de koopsom, roept dan ook geen vragen op. Over het algemeen moet dat in lijn liggen. Volgens die waarde, die is bepalend voor de LTV. Bij aanvang doen we een LTV van, als het woningen zijn, bijvoorbeeld van 70%. Je koopt voor 10 miljoen, wij financieren 7 miljoen. Dan laat je.. voor 10x de huur kopen. Is niet logisch voor de woningmarkt in Amsterdam. Maar er komt een miljoen huur uit. Van die een miljoen huur, kijken we naar de looptijd van contracten, meestal onbepaalde tijd. Maar is die een miljoen, daar moet je bij wijze van spreken je erpacht, je onderhoud, dat soort zaken vanaf gehaald worden. Daarnaast moet je je rente en aflossing betalen en blijft er onder aan de streep wat over.

Ja.

He. En als die dingen allemaal klopten. En enerzijds, vragen we natuurlijk die klant van 'joh, wat denk je per jaar aan onderhoud en vaste lasten kwijt te zijn?'. Aan de andere kant kijken we enerzijds naar het kwaliteitsoordeel, wat het taxatie rapport zegt. Wij gaan uiteraard zelf ook even een blik werpen op locatie. Zit er achterstallig onderhoud? Is het gewoon goed onderhouden. En op basis van ervaringscijfers, het zijn bijvoorbeeld woningen zonder lift. Zit je vaak toch rond de 25-30 expectatie kosten, bruto netto traject. Dus van die 1 miljoen heb je bijvoorbeeld, 30%, dan hou je 7 ton over. En van die 7 ton moet je je rente en aflossing betalen. En je houdt een stukje onderaan de streep over. In zover zeggen wij van 'belegging technisch is het een interessante aankoop'. Hij kijkt op die 3 ton netto overhoudt, of wat hij zelf aan equity moet doen. Maar als wij bijvoorbeeld een waardedaling verwachten aan te komen.. het is even een theoretisch..

Maar, als u nu kijkt naar de huidige situatie, verwachten jullie dan een correctie in de markt?

Nee. Kijk voor alsnog, zien wij die markt nog verder omhooggaan. Kijk, uiteindelijk zien wij een correctie in de markt op het moment dat die rente gaat stijgen. Die rente is nu heel laag, dus die stelt ons in staat om op de gewone particuliere woningmarkt, gewoon voor de particuliere koper, hoge prijzen te vragen. Gewoon voor de beleggingsmarkt zie je factoren en rendementen onder druk staan. Omdat mensen zijn 'op de bank levert het geen moer op'. En zeker als je boven de 5 miljoen hebt staan als bedrijf, dan betaal je gewoon al rente. Dus die zeggen op een gegeven moment 'ik betaal nu een factor te veel huur, om dan maar nu rendement te maken, omdat ik nu een stukje rendement bepaald'. Die worden ook

gewoon door de investeerders achter.. worden ook weer gepoest. Laat performance zien. En daardoor zie je wel, dat die prijzen steeds meer onder druk, steeds verder onder druk zijn, in, naar boven toe. Je ziet nog steeds een opwaartse kracht erin. Wat wij wel verwachten, zodra die rente eens een keer gaan lopen, dat die prijzen niet meer zo wild gaan stijgen. En dan denk ik, ons eerste gevoel is, Amsterdam zal dan een aparte markt zijn ten opzichte van Nederlands. Maar wat je nu in de Nederlandse markt al gewoon ziet, al stukken van Nederlands waar krimpgebieden zitten. Als je kijkt naar het Oosten van Groningen, het Oosten van Limburg. Daar zie je gewoon al plaatsen kleiner worden. Daar zie je eensgezinds woningen die hier in 2 uur verkocht zouden zijn, die staan al meer dan 9 maanden te koop voor 2,5 ton. Dat kunnen we hier al Westerling niet voorstellen.

Het is een groot..

Daar zie je wel gewoon een splitsing in de markt, je krijgt gewoon.. mijn gevoel ook is, je krijgt de Amsterdamse markt, je hebt de Nederlandse markt en je hebt wat krimpgebieden die wat verder onder druk staan.

En, Amsterdam in vergelijking internationaal?

Als je Amsterdam gaat vergelijking internationaal, is Amsterdam nog steeds goedkoop. Dat is ook waarom de run van internationale beleggers op Nederland, en die focussen eigenlijk alleen maar op Amsterdam. Want de belegger uit London, Amerika, Duitsland, China. Want die komen overal vandaag, die zien Amsterdam, maar Rotterdam, DH of Utrecht, dat zegt al hellemaal niks. Maar ze zeggen de focus is Nederland, maar eigenlijk is de focus alleen Amsterdam. Regio groot Amsterdam om het zomaar te zeggen. Alles buiten Amsterdam spreekt ze niks aan. Misschien wat Duitse fondsen, bij wijze van spreken, omdat die wat Nederlandse bekendheid hebben. Maar Chinese investering fonds die zegt gewoon 'joh, ik wil gewoon in Amsterdam zitten'. En daarin zie je ook gewoon, dat Amsterdam hot is. Om te investeren en daardoor duurder dan de rest van Nederland. Maar kijk naar Parijs versus Frankrijk, London in vergelijking tot Engeland. Je ziet overal dat de hoofdstad veel duurder is dan de rest van het land. Dat is eigenlijk tot een paar jaar geleden, was Amsterdam ongeveer net zo duur als de rest van het land.

Ik heb een grafiek in mijn onderzoek inderdaad, daar geven ze aan 'de prijsstijging in Nederland en Amsterdam' en dat komt op een gegeven moment wel heel dicht bij elkaar ja.

Ja. Het was niet duurder, Amsterdam was niet duurder. Daarin was Nederlands eigenlijk uniek in, ten opzichte van andere West economische landen. En dat is nu een tweedeling, die je nu ziet gebeuren. Waarvan je nu in Nederlands mensen hoort 'he, dat is raar en Amsterdam gaat weer corrigeren'. Maar Amsterdam blijft alleen maar hotten. Maar dat is iets wat je zelf ook al aangeeft in je stuk. Je ziet een stukje versterking, een stukje urbanisatie, het trekt naar de stad. Die jongeren.. met namelijk Amsterdam, die willen in Amsterdam wonen, werken, hebben geen zin om heel lang te reizen, willen alles bij elkaar in de buurt hebben onder een dag. Dat gaat alleen maar hotter worden. En dat zie je in Amsterdam, Utrecht zie je ook wat ontwikkelingen. Maar dat kan je meer nationaal zien, niet zo zeer internationaal. Nationaal ligt het gewoon heel centraal in Nederlands, voor werken en wonen. En het is gewoon een prettig stad. En je ziet een beetje een opwaartse beweging in Rotterdam en Den Haag, maar niet zo zeer als in Amsterdam. Dus de Amsterdamse markt zal altijd hoger blijven, dan de rest van Nederland. En je zal daar, natuurlijk als de rente gaat stijgen, gaat er ook wel een prijscorrectie in die Amsterdamse markt plaats vinden.

Correctie, of dat ie stabiliseert?

Nou, ik denk dat die in Amsterdam stabiliseert, of iets minder hard groeit. Ik denk niet eens dat het goedkoper gaat worden. En stukken van Nederlands zal het wel goedkoper worden. De rest van Nederland, denk ik, dat het stabiliseert. Maar het is ook een beetje afhankelijk van de woonomgeving, ik noem het maar de Heemstede's van deze weelde, het Gooi. De gewilde woonplekken, daar zal de correctie wat minder plaats vinden. Gewoon, omdat men daar nog gewillig is om te wonen.

En als je kijkt naar de kaart, waar denkt u dan, dat je al investeerder binnen 3 jaar het meeste indirecte rendement kunnen halen? Of over 10-20 jaar.

De maximale indirecte rendement, begint gewoon binnen de Grachtengordel. En waaien steeds verder uit, zolang je maar binnen de Ring blijft. Die gaat de grootste groei pakken. Al is de verwachting dat uiteindelijk het stukje Noord, waar je nu nog steeds eigenlijk heel goedkoop. Naja heel goedkoop, je ziet de prijzen opkomen ten opzichte van.. van andere delen, is Amsterdam nog steeds goedkoop.

Ik heb hier biedingen gedaan (Noord), een maand of 10-12 geleden. En ondertussen heb ik wat in de Indische Buurt. Maar dat was wel mijn idee ja, om hier rond de NZLijn te gaan zitten. Het is toen niet gelukt, mijn vriendin destijds wilde heel graag in Oost. Maar achteraf gezien.. misschien ga ik wel verkopen om alsnog in Noord te gaan zitten. Maar dan wel meer meters.

Ja, al vind ik nu in de Indische Buurt de huidige woonomgeving leuker. Kijk dat is het, dat is ook de reden waarom je nu nog goedkoper kan kopen in Noord. Je koopt veel meer speculatief naar de toekomst. De kwaliteit van wonen is hier prettiger en aangenamer, je hebt er meer roering en beleving, dan in Noord. Dat is de reden dat Noord nog goedkoper is, maar het gaat er een keer bij getrokken worden. Je merkt gewoon dat de ontwikkeling, die daar al gebeurd zijn. En het is natuurlijk gewoon een soort van natuurlijk barrière..

Nog wel.

Wat je zegt 'nog wel'. Kijk, door Parijs stroomt ook de Cene en door London stroomt de Teens. En door Amsterdam stroomt het IJ.

Het enige nadeel van Noord is de verbinding, en de verbinding gaan ze nu minimaliseren.

Ja, nee. Je zou 'm beter optimalisatie moeten maken moeten maken. Maar zuid..

Maar dat is nu.. een fietstunnel, uiteraard de Noordzuidlijn.

Ja precies. Maar die moet je ook vergroten. Dat kan je ook zien, ala Parijs en London daar loopt ook overal water doorheen. Maar het is één omdat er gewoon veel bruggen zijn, of veel metrolijnen onderdoor gaan, zodat het geen belemmering meer is. Het zijn nu nog maar vrij beperkte schakelpunten en daardoor is het altijd een drempel gebleven. Omdat er altijd voldoende ruimte was, of er was beperkte vraag, nam men ook niet de sprong naar de overkant.

(19:00) Maar nu?

Het is ook, en je ziet het. Deze kant uitwaaien en die kant uitwaaien.

Dat wilde ik vragen ja. Wat denkt u dat naast dit gebied, ja het meeste opkomend is? Aankomende 5 jaar.

Dit gaat gebeuren, je gaat hier bij Nieuw-West ga je stukken erbij betrekken. Ja sommige roepen ook Diemen. Al heb ik er zelf niks mee, maar ik zie het wel gebeuren. Want het zit er ook zo aangeplakt.

Worden daar niet 10.000 woningen gebouwd, aankomende..

Ja. Naja, er gaan ook heel veel transformaties plaats vinden van kantoorgebouwen. Dus je ziet speculatief, je beleggers al veel inkomen. En dat zie je hier ook bij, wat is het, hier heb je de Houthavens. Hier bij West..

Bos en Lommerd?

Nee. Wat nu allemaal nog kantoren is. Even kijken hoor, je hebt hier Nieuw-West, dat is ongeveer hier denk ik: vlak bij het Coen gebouw. Je hebt het Coen gebouw, vlak voor de Coen tunnel..

Ik woon op dit moment hier nu even (Nieuw-West) en zie het ook onwijs groeien.

Ja, maar je hebt hier binnen de Ring, allemaal kantoren, garage, bedrijfspanden. Kijk, dat gaat ook, tussen nu en 10 jaar op de schop. Allemaal getransformeerd worden naar woningen, dus daar komt nog een hele.. een built wonen bij.

Even kijken hoor, dat is 1055.

Ja, nee, of 1056. Dat is nu allemaal bedrijfspanden.

Vanaf Sloterdijk?

Hoe heet het daar? Bij de Girosscoopweg.

Volgens mij hadden ze het ook nog over Sloterdijk en allemaal nieuwe kantoren. Maar ja, dat is een ander verhaal.

Ja. Je ziet daar met name die oude bedrijfspanden, een beetje jaren 80, vind je van die garage panden, dat gaat nu ook allemaal.. dus daar gaat ook een hele transitie sloopfase vinden. Van een werk naar een woonomgeving.

Je ziet hier bij de Zuidas wat dingen gebeuren, daar willen ze in de mix..

Nieuw knooppunt komt hier.

Ja, wat mij uiteindelijk, dat zie je hier natuurlijk al een beetje, over 10 jaar zit Zaandam letterlijk, figuurlijk aan Amsterdam vast.

Volgens mij hoorde ik over Purmerend al van de week, al zoveel over-biedingen op dit moment.

Ja. Maar dat zijn ook, de kan hier ook niet meer, niet heel veel meer bij zeg maar. Het enige is: je kan iets slopen en er iets groters en hogers voor terug zetten. Dat soort transformatie.. en af en toe eens een lege plek opvullen. Maar grootschalig pak je de dingen niet op. Dat zijn wel echt een beetje de punten waar zeg maar, de groeipotentie nog in zit, zeg maar. En de voorkeur uiteindelijk voor de belegger en de bewoner uiteindelijk, is om binnen de Ring te zitten. Al zal het mij niks verwonden, dat dit straks de Ring is (de A9 en A5 om Nieuw-West). Dan zit dit ook allemaal vol. Ik denk dat je hier ook nog wel een stukje gemengde bestemmingen krijgt, met bedrijfspanden en een stukje wonen. Want hier binnen dit stuk, en aan de buitenkant..

Is Osdorp niet al heel veel expats?

Uhm, nee, ja deels. Ook ziekenhuis gerelateerd. Maar ook langzaam maar zeker, de mensen die door de betaalbaarheid, die gewoon weggedrukt worden.

Ik merk nu al best wel wat voetbalgenoten, wat ik al zeg ik woon nu hier al even (Nieuw-West), die wonen er nu ook al.

Ja, als je 10 jaar geleden zij dat je hier ging wonen, dan keken ze je raar aan. En nu is het heel logisch dat je daar gaat wonen. En tuurlijk wil je allemaal liever binnen de Grachtengordel, maar dat is niet te betalen.

Een kennis van mij heeft, een privé belegger, heeft hier iets aangekocht (Marnixkade), een pand: begane grond, 1, 2, 3. Hij zegt 'over 20 jaar is er niks meer te koop', dan is het helemaal droog gekookt.

Ja, nee, dat is ook zo. Maar nee, je ziet nu ook al, ga jij gewoon een woning kopen, een appartementje in Nieuw-West, ga je richting de 6000, 6500 per m².

Nou, zit die niet op de 3 nu?

Nee, maar zeg maar.. dit stuk, zeg maar het West tegen het Centrum aan. Sorry.

Oh, klopt ja.

Ik noem het niet goed.

Tussen de 5 en de 6 inderdaad.

Dan is het wel leeg voor de eigen bewoning.

Ja, ik heb laatst gekeken, mijn broer zit dan in de Pijp, dit zit al op 7, met tuin.

Ik zit in de Indische Buurt, ook al op 5.

Ja ik zie..

Dat is ook wel de bedoeling he.

Ik zie het niet goedkoper worden.

Gelukkig maar.

Eens even kijken..

Hoe kijken we uiteindelijk naar risico ook. Is voor ons uiteindelijk heel erg bepalend: is de locatie. Dat is uiteindelijk binnen vastgoed, is locatie heel zwaar bepalend.

Dat hangt misschien wel weer samen, met een hele specifieke doelgroep heb, maar als je een iets algemenere hebt, is die ook al laag. (25:03). Dat hoorde ik gisteren bij een interview bij Jones, JLL, die gaf ook wel aan als je een hele kleine studiootje, kan voor de verhuur heel interessant zijn, maar als je die wilt uitponden en het is maar 24 m². Dan is dat in de verkoop markt misschien minder interessant.

Ik ben wel benieuwd..

Nah, ik denk dat.. een product dat in de Nederlandse markt nog niet echt zijn bekendheid heeft.

Ja.

Maar nu langzaam, doordat Amsterdam zo duur wordt, dat je dat nu opkomend ziet. Dat je nu het oude, langs de Ring, het ouwe UWV-kantoor, wat nu helemaal getransformeerd is naar studio's. Volgens mij is daar nu 2/3 deel nu verkocht, en nog een deel door een woningcorporatie in gebruik genomen. Het zijn allemaal studio's, even uit mijn hoofd, rond de 28 m².

Volgens mij, is dat volgens de Parijs-begrippen, nog groot.

Ja, nee, voor Londens-begrippen ook. Dus, maar voor Nederlandse begrippen zijn het nog hokjes. Maar als jij hier als starter bent, want ze werden toen verkocht tussen de 80 en de 120.000 euro. Dat was ongeveer 2 jaar geleden.

En nu zitten ze op de 1,5 ofzo.

Ze waren allemaal zo weg. En je ziet dat, ik weet niet of je dat concept kent van Changes, die hebben daar in Nieuw-West..

Ja, is dat '=Change'?

Change en dan =.

Die hebben ook nu, zeg maar in Nieuw-West, die eerst is nu net opgeleverd. Dat zijn ook allemaal studio's van 28m². Die hebben een beetje het concept: wonen, werken en leven. Dat zijn dus huur appartement, daar huur je dus een studio van 28m². de kale huurprijs is 533 euro per appartement per maand. Dat is dus nog niet eens de maximale huurprijs en dan heb je gewoon je eigen keukentje, badkamer met een toilet erin en je hebt alle faciliteiten. Je kan je wasmachine in de badkamer zetten, beneden zit er een ruimte.. waar je wasmachines staan, en dat soort dingen.

Dat is denk ik sowieso de trend, als je het toekomst bestendig wilt maken, dat je meer een service aanbied.

Ja.

Je hebt een stukje privacy, je hebt een aantal dingen die je kunt delen..

Ja, een woongroep, klinkt weer zo alternatief. Maar je zoekt een groep gelijkgestemde. Met namen doelgroep jongeren en dan vaak ook zeg maar, de hbo-ers kunnen of gewoon met zijn 2^e, kunnen wel wat betaalbaars vinden. Zijn idee, zoals het besloten was, je ziet de MBO-ers die kunnen wel werken, die willen wel werken, die moeten thuis wonen. Die schrijven zich in bij een woningcorporatie en die zijn over 10-12 jaar aan de beurt. Dus die vraag.. ze vragen wel, maar het aanbod is er niet, het duurt veel te lang. Wij zeggen van 'joh, ik spring in dat gat en ik wil die mensen serveren'. Want ik merk ook gewoon dat de mensen minder gelukkig zijn, omdat ze ergens wonen waar ze eigenlijk niet willen wonen. Daardoor functioneren ze minder goed in hun werken, hun welzijn is minder goed. Als je gewoon zorgt dat ze op een plek wonen, waar ze zich meer happy voelen, gaan ze meer verantwoordelijkheid voelen.

Ik heb persoonlijk ook het idee, als je door beredeneerd van de huidige situatie, dat wij, de generatie Y als backpackers en studenten, die normen en waarden meer overnemen. En dat vertaald zich in deze woonwensen: meer delen, meer flexibel, maar wel binnen de.. op de juiste plek met alle services om je heen.

Na ja, kijk, ik ben 52. Weet je, toen zat je nog in een generatie, waar je ging werken je zocht je eigen woonruimte, je ging snel wat kopen, je wilde graag een auto hebben. Dat was een gevoel voor vrijheid, dan kon je overal heen. En nu is het van 'joh, ik wil in de grote stad wonen, in de grote stad werken, ik moet lekker makkelijk heen en weer kunnen: trammetje, metro, bus, en als het dichtbij is de bus. Die auto hoeft van mij niet, want die legt mij belemmeringen op: ik moet een parkeervergunning hebben, parkeren. Het is alleen dat ik hem af en toe nodig heb, als ik buiten de stad wil. Dus geef mij een abonnement, dat als ik een auto nodig heb, ik die af en toe beschikbaar heb. En als ik hem de rest van de week niet nodig heb, hoef ik er ook niet over na te denken'. En dat is veel meer, we willen gebruiken, en delen. Ik wil het gebruik, maar ik hoef niet het eigendom te hebben. En dat geldt ook weer met de generatie, ik hoef dat eigenlijk niet perse te kopen.. het kan ook wel.

Ja oké, maar ik kijk het meer als belegger nu he.

Ja, nee, de eindgebruiker is natuurlijk de huurder en die zegt 'in deze periode van mijn leven, woon ik alleen of met zijn tweeën. En ik zoek een appartement van zoveel meter, en die moet lekker in 1071, 1017, of 1015 zitten. En of ik dat nu moet kopen of huren, maakt mij niet uit, maar dit is mijn budget wat we samen hebben en dat wil ik er dan voor inzetten'. Dat gebruik zie je nu, ook met het internet.

Ja, de hele services. Ik hoorde nu laatst ook, in een woontoren hadden ze één boormachine.

Dat zijn die kleine dingetjes.

Ja, ja, maar waarom zou je ook, als je er met zijn honderden wonen, waarom moet je 100 boormachines hebben? Als je nou 'ik koop de boormachine, en hij koopt de zaagmachine..' weetje. Je hebt niet alles te gelijk nodig. En je gaat veel meer naar dat nut gebruiken en delen. En daar kunnen de beleggers goed op in spelen, maar je moet wel een toekomst bestendig product leveren. Dat is wel zo'n product als Change= heeft..

Maar je moet er wel op geselecteerd worden.

Je moet erop geselecteerd worden. Maar als je daarop in speelt, het is toch een mindset waar het naar toe gaat. Want alles kost ruimte en zoveel hebben we niet meer. Dat is zeg maar, een nieuwe markt, zeker in de Nederlandse markt. Daar kan je nu als belegger wel op inspelen, omdat dat wel de gebruiker en de huurder van de toekomst is. Zeker binnen de grote steden, als je kijkt naar Amsterdam..

Zeker internationaal gezien. Als je kijkt naar de backpacker, die letterlijk maar een rugzak nodig heeft en de rest maar tijdelijk gebruikt. En zeker dat internationale komt dan..

Dat zie je ook een beetje bij de Studenthotel, je ziet steeds meer dat soort concepten komen. Van 'joh, je kan hier een studio huren. Je bent een internationale student en je komt hier zes maanden', 200 euro extra, dan heb je er een bed bij, bank bij, dat soort dingen. En een andere partij die daar op zich ook wel, dat is een Belgische partij: Xior. Die zit met name in studentenhuysvesting.

Hoe schrijf je dat?

X I O R. die zijn met name al groot in België. Die hebben her en der wat dingen in Nederland aangekocht, daar was ik toen bij betrokken. Bij Den Haag, een transformatie project naar studenten woningen.

En, we zien nu als ware een nieuwe trend, Change= heeft het, Xior, AM, Studenthotel. Dat is eigenlijk alweer gaande. Is er nu ook nog iets nieuws in de markt, waar misschien nog wel moet gaan komen?

Wat nu, wat daaropvolgend is?

Op voorhand, ja.

Nee, eigenlijk nog niet. Maar wat dat betreft, zie je dat het vastgoedwereldje, is eigenlijk nog heel traditioneel.

Die gaat ook steeds sneller worden.

Gaat steeds sneller worden. Je moet wel, want je huurder is je klant, en daarop moet je anticiperen. Want zeg maar wat nu Changes en Xior doet, allemaal, dat is revolutioneer, is een beetje overdreven. Maar het is vooruitstrevend, als je kijkt naar andere beleggers. Die hebben nog heel erg traditioneel een hok. Die kijken ook echt naar de doelgroep 'ik wil dat gesettelde stel, of die met kinderen'. Lekker vertrouwd wonen. Maar je ziet op een gegeven moment dat die de stad uittrekken, of ze kopen wat. Maar als ze uit dat huurpand gegroeid zijn, zie je ze vaak naar buiten de stad gaan. Met opgroeien de kinderen, trekken ze toch uit de stad..

Nee, klopt.

En daarin zie je nu wel een verschil met dat soort nieuwe partijen. Of gewoon een ontwikkelen naar High end appartementen.

Ik denk dat de kaders eruit moeten vanuit de belegger. Dus niet zeggen 'ik focus mij op twee mensen met een kind'. Echt de kaders moeten eruit, je biedt een service en daar zouden verschillende groepen gebruik van kunnen maken. En daardoor..

Naja, heb je het multifunctioneel. Het is alleen, vaak zijn het verschillende soorten mensen, levens categorieën. En of je dan weer de goede mix hebt om bij elkaar te wonen. Je zou bijna in verschillende soorten complexen, moeten willen aanbieden. Want je ziet, naast in Amsterdam, een tweedeling met extreme high end appartement, dat zie je eigenlijk geen huurder markt. Dat is meer speculatief door een ontwikkelaar, een bepaald appartement gekocht wordt en high end appartementen worden gecreëerd, puur voor de verkoop. Dus die maakt daar een ontwikkeling winst, maar geen beleggingswinst.

Inderdaad ja. Nog een paar kleine onderwerpjes.

Ja.

Als jullie een calculatie doen, voor de belegger of voor jullie zelf, kijken jullie dan naar de IRR?

Eigenlijk niet. Ik kijk er zelf eigenlijk vanuit mijn eigen gekte naar. Waar wij puur naar kijken is de BAR en de NAR. En daar toets je eigenlijk de betaalbaarheid. Wij kijken wel met een verwachtingsbril, over 5 n 10 jaar. Denken we dan dat het meer of minder waard is. Maar we rekenen hem niet door, hij gaat 2x meer de factor huur meer waard, waardoor de IRR zoveel is.

En, kijken jullie dan ook nog naar verschillende scenario's dan?

Nou. Wisselend. Kijk, naar woningen kijken we uiteindelijk van, rekenen we door alsof hij het blijft verhuren. We kijken wel uiteindelijk naar een potentieel uitpandt potentie, die er evt. inzit. Zo van he, dat is iets wat nog verzilverd kan worden. Maar dat merk je, dat sommige partijen die sturen daar heel bewust naar. Tussen de 5-10 jaar. Maar je hebt ook partijen die zeggen 'dat is voor de volgende generatie'. Je hebt bepaalde particuliere beleggers en die zijn zo groot die zeggen 'dat is voor mijn

kinderen, of kleinkinderen'. Dus wij kijken uiteindelijk wel 'hoe toekomst bestendig is het'. Als ik nu iemand langs krijg heeft een portefeuille in woningen in Sittard. En zeg ik 'weet je wat, ga je geluk ergens elders zoeken, daar heb ik niet zoveel trek in'. Maar we praten nu meer over Amsterdam, maar vanuit die optiek kijken we dus wel. Maar we rekenen hem heel traditioneel door, puur op BAR en NAR. We noemen de IRR niet, we beschrijven alleen dat de potentie erin zit.

Oké. Ik heb nog wel een interessant dingetje: de hypotheekrente. Jullie zijn natuurlijk een bank, wanneer en hoe hard gaat ie omhoog? Gaat ie omhoog?

Dat is op een dinsdag, dan gaat het gebeuren. We weten nog niet welke dinsdag. Nee, kijk, de rente gaat lopen, maar wij weten het ook niet. De rente gaat lopen op het moment dat de economie weer gaat aantrekken en er dus.. ja, het economisch verantwoord is. Dat bedrijven en particulieren de grote rente druk...

Maar, gaat dat rustig?

Nee. Naja..

Want dit is wel heel gevaarlijk voor de woningmarkt.

Dit is heel gevaarlijk voor de woningmarkt. Naja, uiteindelijk voor de investeringsmarkt. Want dat betekent, kijk, hij zal, als de economie heel geleidelijk gaat stijging, ga je een geleidelijke stijging in de rente zien. Gaat de economie iets harder stijgen, gaat de rente automatisch mee stijgen. Redelijk aan elkaar aan elkaar gekoppeld.

Redelijk parallel. En de inflatie hoort er ook bij natuurlijk?

Hoort de inflatie erbij? Kijk, niemand is gebaat bij deze huidige rentemarkt. Die wordt natuurlijk kunstmatig laag gehouden, omdat we die economie moeten stimuleren. Maar uiteindelijk is alles, en dat heeft ook met innovatie en het verdienen model bij banken te maken, waardoor het economisch veel gezonder is, dat de rente een stukje omhoog gaat. Je merkt daardoor nu, bij wezen van spreken, met die er verse rentes of spaarrentes, bij hoge saldo, met name bij bedrijven, merk je dat de druk om investeringen gewoon groter wordt. Die nog meer gedaan worden. Waardoor je bij wezen van spreken een hogere druk van op de investeringsmarkt.

Dat is toch ook het idee van het verlagen van de rente? Dat meer mensen..

Dat meer mensen gaan.. dat wel, om te zorgen dat mensen gaan potten, maar gaan uitgeven. Maar je ziet het dan in de economische ontwikkeling, in bedrijvigheid nog maar heel beperkt terug.

Maar.. wat als ik zeg, dat naar mijn idee de rente op zes staat op of één, omdat inflatie vaak parallel loopt. Maar mensen die, lijken wel of.. zeg als ik het verkeerd heb. Het lijkt wel of ze die balans niet zien. Ik heb mijn ouders ook wel horen zeggen 'ja maar toen was de rente nog 7%'. Dan denk ik, daar schiet je nog mee op, want waarschijnlijk was die inflatie parallel.

De inflatie was ook hoger. Maar nee, kijk, in de jaren 80 was de rente op 14%. Daardoor kon je wel, als je keek naar je investeringen en je ging leverage bij de bank..

Ja, klopt wel.

Moest je daardoor een veel grotere zak geld zelf hebben. Omdat je kan wel zeggen 'de LTV mag 60-70% zijn'. Maar onderaan de streep hield je dan helemaal geen geld over. Weet je wel.

Ja ja ja. Klopt.

Dan ging die zak geld daarnaartoe, omdat je het vanwege betaalbaarheid niet bij de bank kan halen. Dus die rentes van tussen de 5-6% zijn op zich gezondere rentes. En die 14% is zo, wordt zo weer zo onnatuurlijk, dat de betaalbaarheid..

Volgens mij, als je over 450 jr, 7,2%. Hadden we gisteren opgezocht.

Mwja, het zal wel zoiets.. tussen de 5-10 jaarrente, zeg maar. Wat wij nu wel zeggen, zeker tegen onze klanten, zeker op het moment dat ze nu gaan financieren, wat ga je met je project doen? Hou je het 10 jaar uit de boeken? 7 jaar, 5 jaar, uit de boeken? Ga niet speculeren, zet die rente nu gewoon vast. Want het verschil tussen 5 jaarrente en driemaandse huurbor, scheelt nog niet eens een half procent, het is nog veel minder. Dus dan kan je beter kiezen voor zekerheid, dan hoef je er ook nooit over na te denken. Als ie een keer gaat lopen..

Klopt ja.

Dan ben je altijd te laat. Waarom zou je voor die paar tiende gaan speculeren? Kan jij je focussen op het beleggen. Want dat zie je toch, er zoveel economische onrust, niet alleen economisch, maar onrust op deze wereld. We hebben wereldwijd, we hebben nog nooit zoveel vluchtelingen gehad, ten opzichte van nu. En er is nergens een wereldoorlog.

Ja, klopt.

Top. Een beetje afsluitend, echt een kans en een bedreiging in de huidige markt?

Voor de Amsterdamse markt, of voor de vastgoedmarkt in zijn geheel?

Die combinatie. Als de Amsterdamse woning vastgoedmarkt.

Als we het even beperken tot de woningmarkt in Amsterdam. Denk ik, dat gewoon een goede potentie heeft. Al ligt het ook aan, hoe gaat de gemeente meewerken, voor de ontsluiting zeg maar. Het moet verder geoptimaliseerd worden, dus daar ligt een taak voor de gemeente. Als die ervoor varent mee doorpakken, dan, gaat dit (Noord) in een stroomversnelling. Want het voordeel, dit (Noord) is veel dichterbij het Centrum, dan dit (Nieuw-West/Sloterdijk) stuk. Dus daar ligt veel meer potentie.

Maar op dit moment moet je nog elke keer deze weg afleggen (via de tunnel en NoordZuidlijn). Als de lijnen korter worden.

Daarom zeg ik, die lijnen moeten geoptimaliseerd worden. En dan is dit een groot groeipotentie. Waar je nu ook de posities ook al ziet innemen in Diemen. Maar dan ben ik meer zelf niet zo van gecharmeerd. Maar als je er puur kijkt, denk ik wel gewoon dat dat er ook gewoon bij gaat horen. Nu wordt er nog een beetje op gespuugd, maar dat heet straks ook gewoon Amsterdam.

Dat zie je ook aan de Bijlmer: het zorgkindje wordt omhoog geholpen.

Ja, maar kijk, de Bijlmer was natuurlijk ook minderwaardig. Maar ook kantoren in Bijlmer, Zuid-Oost, daar kan je geen grote kantoorruimtes meer huren. Het zit helemaal vol.

Dat is precies wat ik zeg 'het zorgkindje wordt omhoog gediewd'.

Wordt omhooggetild. Dat geldt nu voor Amsterdam, dan wijs ik gewoon Noord aan, en het Diemen stuk. De rest is het gewoon al aan het pakken. En Nieuw-West, daar begint het ook al, daar is het ook al aan het groeien.

En echt een bedreiging? In de woningvastgoedmarkt in Amsterdam. Hoeft niet per se een locatie te zijn, maar wat zou een bedreiging kunnen zijn?

Nou, ik zie er zelf geen grote bedreiging. De enige bedreiging is gewoon de rente tikker. Waardoor de huidige prijsexplosie geremd gaat worden. Ik zie de prijzen niet meer omlaaggaan in Amsterdam. Ik zie veel meer zo'n groei als Amsterdam vs Nederlands een verschil heeft. Zo zie je dat in Prijs en Frankrijk. London en Engeland. Want ik denk dat de trek naar Amsterdam, wordt alleen maar groter. Mensen willen daar gewoon wonen en gaan er toch met name de internationale bedrijven willen zich toch vestigen, in Amsterdam. En dat zie je ook, kijk naar het bewoners aantal Engeland vs Londen. Kijk naar het bewoners aantal Frankrijk.. hoeveel mensen er Amsterdam wonen vs Nederlands, procentueel, liggen wij nog heel erg achter. Van de Nederlanders woont maar een beperkt aantal in de hoofdstad. En ik denk dat we daar veel meer naar, gelijkwaardigheid gaan groeien, zoals dat in Frankrijk...

Zijn er nog meer voorbeelden? Stockholm/Zweden?

Pak, zeg maar, alle economische hoofdsteden. Als je daar inwoners afzet, op inwoners in het land. Hebben wij eigenlijk maar heel weinig mensen in onze hoofdstad wonen.

Ja, dat is interessant.

Je ziet qua vestiging locatie.

En zeker de globalisation, zullen we eerder de internationale trend overnemen, dan nationaal.

Daarom. Kijk naar, in mijn tijd, studeerde niemand in het buitenland. Je de hele enkeling, die een vader en moeder had, die een hele grote buidel hadden. Tegenwoordig is het bijna standaard geworden, dat je even een half jaar in het buitenland zit.

En dan de Engelstalige stad, is het al bijna?

Ja. Maar ook, loop.. als je nu naar het Rokin rijdt, hoeveel mensen er nu ook gewoon door de stad lopen. Weet je, als je dan luistert naar de talen, dan is misschien 20% Nederlands is. En de rest is gewoon buitenlandse taal. Dat zijn studenten, toeristen, alle handen, het zijn expats.

Leuk, ikke.

Heb ik je er een beetje mee geholpen?

Wacht, ik zal 'm eerst uitzetten..

Appendix G – Example open coding

Below a part of the Example transcript of Appendix F is shown include labels in order to show the open coding process. The labels are designed by the steps that are explained in paragraph 3.6. This part is chosen, since different main topics in the labels are used. It is copied from the second pages of Appendix F.

Ja.

He. En als die dingen allemaal klopten. En enerzijds, vragen we natuurlijk die klant van 'joh, wat denk je per jaar aan onderhoud en vaste lasten kwijt te zijn?'. Aan de andere kant kijken we enerzijds naar het kwaliteitsoordeel, wat het taxatie rapport zegt. Wij gaan uiteraard zelf ook even een blik werpen op locatie. Zit er achterstallig onderhoud? Is het gewoon goed onderhouden. En op basis van ervaringscijfers, het zijn bijvoorbeeld woningen zonder lift. Zit je vaak toch rond de 25-30 expectatie kosten, bruto netto traject. Dus van die 1 miljoen heb je bijvoorbeeld, 30%, dan hou je 7 ton over. En van die 7 ton moet je je rente en aflossing betalen. En je houdt een stukje onderaan de streep over. In zover zeggen wij van 'belegging technisch is het een interessante aankoop'. Hij kijkt op die 3 ton netto overhoud, of wat hij zelf aan equity moet doen. Maar als wij bijvoorbeeld een waardedaling verwachten aan te komen.. het is even een theoretisch..

Maar, als u nu kijkt naar de huidige situatie, verwachten jullie dan een correctie in de markt?

Nee. Kijk voor als nog, zien wij die markt nog verder omhoog gaan. Kijk, uiteindelijk zien wij een correctie in de markt op het moment dat die rente gaat stijgen. Die rente is nu heel laag, dus die stelt ons in staat om op de gewone particuliere woningmarkt, gewoon voor de particuliere koper, hoge prijzen te vragen. Gewoon voor de beleggingsmarkt zie je factoren en rendementen onder druk staan. Omdat mensen zijn 'op de bank levert het geen moer op'. En zeker als je boven de 5 miljoen hebt staan als bedrijf, dan betaal je gewoon al rente. Dus die zeggen op een gegeven moment 'ik betaal nu een factor te veel huur, om dan maar nu rendement te maken, omdat ik nu een stukje rendement bepaald'. Die worden ook gewoon door de investeerders achter.. worden ook weer gepoest. Laat performance zien. En daardoor zie je wel, dat die prijzen steeds meer onder druk, steeds verder onder druk zijn, in, naar boven toe. Je ziet nog steeds een opwaartse kracht erin. Wat wij wel verwachten, zodra die rente eens een keer gaan lopen, dat die prijzen niet meer zo wild gaan stijgen. En dan denk ik, ons eerste gevoel is, Amsterdam zal dan een aparte markt zijn ten opzichte van Nederlands. Maar wat je nu in de Nederlandse markt al gewoon ziet, al stukken van Nederlands waar krimpgebieden zitten. Als je kijkt naar het Oosten van Groningen, het Oosten van Limburg. Daar zie je gewoon al plaatsen kleiner worden. Daar zie je eensgezinds woningen die hier in 2 uur verkocht zouden zijn, die staan al meer dan 9 maanden te koop voor 2,5 ton. Dat kunnen we hier al Westerling niet voorstellen.

Het is een groot..

Daar zie je wel gewoon een splitsing in de markt, je krijgt gewoon.. mijn gevoel ook is, je krijgt de Amsterdamse markt, je hebt de Nederlandse markt en je hebt wat krimpgebieden die wat verder onder druk staan. |

En, Amsterdam in vergelijking internationaal?

Als je Amsterdam gaat vergelijking internationaal, is Amsterdam nog steeds goedkoop. Dat is ook waarom de run van internationale beleggers op Nederland, en die focussen eigenlijk alleen maar op Amsterdam. Want de belegger uit London, Amerika, Duitsland, China. Want die komen overal vandaag, die zien Amsterdam, maar Rotterdam, DH of Utrecht, dat zegt al helemaal niks. Maar ze zeggen de focus is Nederland, maar eigenlijk is de focus alleen Amsterdam. Regio groot Amsterdam om het zomaar te zeggen. Alles buiten Amsterdam spreekt ze niks aan. Misschien wat Duitse fondsen, bij wijze van spreken, omdat die wat Nederlandse bekendheid hebben. Maar Chinese investering fonds die zegt gewoon 'joh, ik wil gewoon in Amsterdam zitten'. En daarin zie je ook gewoon, dat Amsterdam hot is. Om te investeren en daardoor duurder dan de rest van Nederland. Maar kijk naar Parijs versus Frankrijk, London in vergelijking tot Engeland. Je ziet overal dat de hoofdstad veel duurder is dan de rest van het land. Dat is eigenlijk tot een paar jaar geleden, was Amsterdam ongeveer net zo duur als de rest van het land.

Ik heb een grafiek in mijn onderzoek inderdaad, daar geven ze aan 'de prijsstijging in Nederland en Amsterdam' en dat komt op een gegeven moment wel heel dicht bij elkaar ja.

Ja. Het was niet duurder, Amsterdam was niet duurder. Daarin was Nederlands eigenlijk uniek in, ten opzicht van andere West economische landen. En dat is nu een tweedeling, die je nu ziet gebeuren. Waarvan je nu in Nederlands mensen hoort 'he, dat is raar en Amsterdam gaat weer corrigeren'. Maar Amsterdam blijft alleen maar hotten. Maar dat is iets wat je zelf ook al aangeeft in je stuk. Je ziet een stukje versterking, een stukje urbanisatie, het trekt naar de stad. Die jongeren.. met namelijk Amsterdam, die willen in Amsterdam wonen, werken, hebben geen zin om heel lang te reizen, willen alles bij elkaar in de buurt hebben onder een dag. Dat gaat alleen maar hotter worden. En dat zie je in Amsterdam, Utrecht zie je ook wat ontwikkelingen. Maar dat kan je meer nationaal zien, niet zo zeer

 **Tom Blokker**
IN11. P. Maintenance costs

 **Tom Blokker**
IN12. P. Quality

 **Tom Blokker**
IN13. L.

 **Tom Blokker**
IN14. P. Maintenance costs ratio

 **Tom Blokker**
IN15. M. No correction

 **Tom Blokker**
IN16. M. Two different markets

 **Tom Blokker**
IN17. M. Comparison international

 **Tom Blokker**
IN18. M. National

Appendix H – Example Axial coding

Below an example of the axial coding is shown. The data parts are categorised per main topic, per sample type, and per subtopic. This example shows the outcomes (data) from the consultant participant that are connected with *Property analysis*. Moreover, the data is even more categorised by the sub topics from the tree diagram (Appendix E).

1. Property analysis

1.1 Consultant

1.1.1 Property type

Je kennis, waarin je probeert anders te zijn.. dat is dan ook net je, de kennis. Ik snap ook wel dat je geen concreet antwoord geeft op deze vraag natuurlijk.

Ja. Oké.

En zitten jullie ook echt op de groep singles en starters, of meer in het algemeen?

Wij zitten niet specifiek op de groep singles en starters. Zeker niet. Wij kijken veel meer naar of het product dan wel of niet verkoopbaar is.



Tom Blokker

JL3. P. Spread of target audience

Echt nog een beetje de kansen in de huidige markt, locatie, of he.. Soort gebouwen? Ik weet niet of jullie echt in verschillende soorten gebouwen kunnen beleggen.

Ja, ik denk de kans in Amsterdam, dat blijft nog wel even studenten huisvesting. Hotel iets minder.

Maar dan wel studentenhuisvesting van niveau. Ik vind bijvoorbeeld Studenthotel achtig concept vind ik bijvoorbeeld ijer sterk. Daar zal je ongetwijfeld geweest zijn. Die hebben twee locaties nu in Amsterdam.



Tom Blokker

JL45. P. Student housing

1.1.2 Building quality

En de tegenhanger: threats?

Bij het aankopen van een woning door belegging in Amsterdam vandaag de dag? Ja het is een open deur, maar ik denk toch dat de prijzen erg stevig aan het worden zijn.

Ik weet niet of het een open deur is.

En dat gekoppeld aan die hele kleine studio. Wat is de houdbaarheid op termijn? Dat geldt ook voor transformaties. Er zijn transformaties, die zijn heel mooi gemaakt, van een hele hoge kwaliteit. Maar er zijn ook transformaties, ook in Amsterdam, waar gewoon wat tussenwandjes worden geplaatst. En dat is gewoon, dat is wel een bedreiging als ik nu een portefeuille aan ga kopen.

Ja, klopt ja. Ik denk het nadeel van deze markt in Amsterdam, dat de vraag dusdanig hoog is.. Kom je er de komende jaren prima mee weg. Met rotzooi en rommel.

Ja. Maar ja, als je 'm..

Ja, dat is waar. Maar ja, weet je, het model is natuurlijk harstikke mooi, alleen we weten allemaal, er zijn zoveel knoppen om aan te draaien. Als jij daar, als underwriter gaat zitten met een roze bril. Ben je ook snel..

Nee nee. Je hebt het over de kwaliteit van een gebouw en op 20 jaar is je risico wat lager. Stel dat de markt wat instort, dan heb je ieder geval een goed kwalitatief product.

Misschien is dat ook wel een bedreiging, dat beleggers alleen naar spreadsheets kijken. En woningen opkopen en de stenen een beetje uit het hoog verliezen.



Tom Blokker

JL48. Future proof

1.1.3 Services

Die doen ook nog wel veel met het Friends concept. Twee huurders in één..

Ja, dat heeft Vesteda hier ook op de Boerenlaan, in de ouwe torens van Rotsdeel, die ze helemaal gerenoveerd hebben.



Tom Blokker

JL11. P. Friends concept

1.1.4 Characteristics

Ja, ik denk ook wel dat dat de.. dat haal ik ook uit de literatuur ja. Dat je niet zo maar in verschillende vastgoedmarkten kan zitten, puur uit de kennis van de markt.

Ja.

Over Amsterdam gesproken..

Zeker over Amsterdam. Kijk er worden nu heel veel kleine studio's gebouwd: Amstelkwartier, heb je denk ik wel voorbij zien komen; de lofts ontwikkeling van AM bijvoorbeeld, daar worden woningen neergezet. Ik geloof van 24-28 m².



Tom Blokker

JL10. P. 24-28m²

Die ander was van Kondor en Wessel?

AM is dat. Maar, er zijn legio voorbeelden. En waar ik eigenlijk naar toe wil, dat ik wel geloof in de huidige markt wel prima gaat verhuren en de komende 5, 6, 7 jaar ook nog wel. Alleen ik denk niet echt dat er een uitpond scenario bestaat. Zeker niet als de rentes weer wat gaan oplopen. Dan vraag ik mij af, wie er ooit een studie van 28 m² gaat kopen.

Dat huur je he. Ik hoop dat je daar een jaartje woont en dan weer door kan. Maar de toekomst bestendigheid, van dat soort woningen, vind ik wel wat ambitieuzer. Zeker als de rente weer gaat oplopen.



Tom Blokker

JL12. P. Studios low (selling) liquidity

Appendix I – Overview labels

		Consultant	Fund	Private	Bank
Property Analysis	Property type	JL3. P. Spread of target audience JL46. P. Student housing	CB14. P. Mixed use CB15. P. Mixed use (high risk) SA41. P. Creative SA53. P. Customer needs SA54. P. Toren van babel, good example IA7. P. Low supply for €1000 rent, of 1200-1400 with four rooms. IA13. P. Low supply €1000,- renting assets IA14. P. Low supply €1000,- renting assets IA45. P. Portfolio level	JV13. P. Type JV17. P. Type	IN32. P. Studio (new for Dutch) IN39. P. Reduce risk
	Building quality		SP17. P. Optimise property IA3. P. Offer quality, optimise rental price IA4. P. Renovate IA41. P. Renovate asset	JO22. P. Liberation, lower risk to 'huurcommissie'	IN11. P. Maintenance costs IN12. P. Quality IN14. P. Maintenance costs ratio IN40. P. High end apartment = selling SP32. P. Opportunity
	Service	JL11. P. Friends concept	CB13. P. Future proof / service SP11. P. Change properties		IN33. P. Concept: living, working
	Characteristics	JL10. P. 24-28m ² JL12. P. Studios low (selling) liquidity JL15. P. Studio (24m ²) low liquidity JL16. P. Studio (24m ²) low liquidity JL47. P. 45-50 m ² no specific target audience	SP12. P. Size / ROI SP13. P. Design SP14. P. Number of tenants SA39. P. Consumer product IA6. P. size: 120 m ² IA18. P. size: studio's IA19. P. High demand (small properties) IA23. P. size: <30m ³ IA24. P. Split a house	JO6. P. Parking place JV18. P. Size JV26. P. Reduce risk JV33. P. Size/type	

	Subsidy	JL35. P. Future proof, offering service	SP15. P. Policy Amsterdam SP16. P. Subsidy Amsterdam!		
	Benchmark				
Location analysis	National	JL4. L. National focus JL6. L. G4, Brabant city line, Groningen, Zwolle, Coastline. JL7. L. Foreign funds focusing on whole Netherlands JL31. L. International perspective	CB10. M/L. Ring and RE cycle SP2. L. Corop regions SA1. L. Randstad SA14. L. Be different SA15. L. Expectations 10 year SA16. L. New opportunities SA17. L. Be in front of investors SA21. L. Identity district long term SA31. L. Long term expectations SA48. L. Opportunity SA49. L. Customer needs SA50. L. Customer needs – infrastructure IA1. L. Amsterdam High demand	JO4. L. Stay close JO5. L. 'Amsterdam' hot JV1. L. Low supply JV24. L. International perspective JV25. L. Schiphol JV32. L. Long/short term focus	IN13. L. Check location (reduce risk) IN31. L. Risk IN50. L. Comparison capital/country
	Characteristics		SA24. L. Added value IA42. L. High liquidity	JV21. L. Living atmosphere	IN21. L. Price/quality ratio

	Areas Amsterdam	JL8. L/M. Specific market JL18. L. in the Ring JL19. L. Outside the Ring JL20. L. Hotspots JL21. L. Hotspots JL22. L. Noord JL27. L. Cities around Amsterdam JL33. L. Centrum most stable (long term) JL34. L. Focus outside the Ring too	CB4. L. Reduce risk in the Ring CB5. L. Zuid-Oost (negative) CB6. L. Noord (IJ) CB7. L. Noord: two separate districts CB8. L. N-West CB9. L. Ring (reduce risk) SP10. L. Policy Amsterdam SP19. L. Whole Amsterdam SP27. L. Less risk SA4. L. Amsterdam after crisis SA6. L. New locations SA7. L. New locations SA9. L. Interesting locations SA10. L.. interesting location SA11. L. Noord SA12. L. Customer needs (Noord) IA5. L. Noord and West high renting prices IA9. L. Whole Amsterdam IA10. L. Centrum less potential IA18. L. Outside the Ring More flexible living IA25. L. Centrum difficult IA26. L. Centrum stable for long term IA40. L. Noord, Nieuwwest, Zuidoost	JO3. L. Centrum difficult more to renovate JO8. L. Noord optimising infrastructure JV3. L. ROI potential areas JV4. L. Centrum 1012 JV5. L. Noord, N-W, Z-O JV6. L. N-W, Z-O JV7. L. N-W potential JV8. L. Noord JV14. L. Potential areas JV15. L. Potential areas (short term) JV16. L. Potential N-W JV23. L. Zuid JV39. L. Noord potential (+/-) JV40. L. Potential N-W Schiphol (international attractive) JV41. L. Z-O JV42. L. Noord → families JV43. L. Potential N-W	IN20. L. Expected indirect rising IN22. L. North IN23. L. Optimise Noord IN24. L. Optimise Noord IN25. L. N-W and Diemen IN26. L. N-West IN27. L. Transformation Sloterdijk IN29. L. New Ring (infrastructure)
Market analysis	Economic	JL1. M. Positive for residential JL5. M. Demand/supply Netherlands JL9. M. Value correction	CB1. M. Demand long term CB2. M. Price flow / demand / no crisis CB3. M. Cooling down CB17. M. High supply for innovations SP3. M. Market analysis SP4. M. Affordability SP5. Mortgage interests SA18. M. Positive SA20. M. Increase of mortgage interest SA55. M. Following trends IA38. M. 10y	JO12. M. Finance mortgage JO13. M/Mortgage investing opportunity JO14. M. Mortgage interest JO15. M. Price correction JO17. M. Population reduces JO19. M. Historically low mortgage interest JV27. M. Interest mortgage JV35. M. High price/low risk	IN15. M. No correction IN16. M. Two different markets IN28. M. No building opportunities IN30. M. No reducing value IN43. M. Mortgage interest IN44. M. Inflation IN45. M. Mortgage interest IN46. M. Mortgage interest: reduce risk IN49. M. Threat

Tenant Analysis	Region		CB10. M/L. Ring and RE cycle SA19. M. Price rise slows down SA30. M. Long term sustainability SA36. M. Increase value rented houses IA8. M. Increasing of renting prices IA11. M. Stabile growth IA15. M. Renting market: high potential/no down side IA21. M. Low supply liberation housing IA22. M. Social renting: 17y queue IA32. M. Stable renting cash flow IA33. M. High demand Amsterdam	JO16. M. Low Supply JV9. M. High demand (>investors) JV10. M. Attractive power JV22. M. More tourists	IN19. M. No price correction IN30. M. No reducing value IN38. M. Follow market
	Comparison		SP1. M. Amsterdam number 1, by Stek SP30. M. London and Stockholm IA20. M. Paris and London: small studios	JO10. M. Brexit / banks/ bonus ceiling JO11. M. Comparison London Paris	IN17. M. Comparison international IN18. M. National IN51. M. Trend/internationalisation
	Customer needs	JL2. T. Specific focus residential (specialism) JL17. T. Customer needs JL36. T. Change of customer needs JL37. T. Change of customer needs	SP9. T. Change customer needs SA2. T. Social impact SA22. T. Customer needs SA25. T. Customer needs SA45. T. Customers' needs IA16. T. Customer needs IA17. T. Customer needs IA34. T. No specific target audience IA48. T. Service perspective IA50. T. Collaboration and services	JO7. T. No friends concept / migrants JO18. T. More singles JV11. T. Long process JV20. T. Customer needs	IN34. T. MBO-ers low supply IN35. T. Change customer needs IN36. T. No belongings
	Budget	JL13. T. Less supply middle-rent JL14. T. No €700-900 renting supply JL29. T. Reach of max. mortgage	SP6. T. Financial support parents SP7. T. Financial support parents SP8. T. Finance possibilities SA3. T. Reduce risk		

Financial forecast		JL25. F. IRR JL40. F. IRR JL41. F. DCF JL43. F. 102% vacant value IRR Reduce risk	CB19. F. DCF CB20. F. IRR SP21. F. IRR SP22. F. IRR SP23. F. Minimise gut feeling SA32. F. BAR and NAR (initial yield) SA33. F. IRR IA27. F. DCF - IRR IA28. F. Low mortgage interest IA44. F. Lever (equity/liability)	JO20. F. No models JV28. F. Gut feeling JV29. F. No calculation JV30. F. Outsourcing to bank JV34. F. Value/rent ratio	IN1. F. Mortgage requirements IN2. F. Mortgage requirements IN3. F. Mortgage requirements IN4. F. Ratio equity/liability (30/70) IN5. F. Reduce risk IN9. F. Calculated mortgage IN10. F. Extern taxation IN41. F. BAR and NAR
Scenario		JL42. S.	CB21. S. 3 scenario's SP24. S. Realistic; pessimistic; optimistic SA34. S. Scenario's SA35. S. scenario II IA29. S. 50 parameters	JO23. S. No scenario's JV31. S. No scenario's	IN42. S. Different terms