

# Housing Market Trilogy Part I: How Can We Build 100,000 New Homes a Year?

Publication

The Netherlands



## Focus on accelerating existing plans, not adding new ones

The Dutch housing market has been under pressure for nearly a decade – and for good reason. The housing shortage has grown to 396,000 homes (ABF Research), resulting in significant social and economic consequences. It is therefore understandable that political parties, especially in election times, prioritize new housing construction to reduce this deficit, each with its own approach and ideals.

But are parties truly addressing the real bottlenecks? Or are their proposals merely tackling symptoms, offering populist or superficial “solutions”?

## Three Core Themes: Planning Capacity, Affordability, and the Housing System

In their election manifestos, parties put forward numerous proposals for improvement. Broadly speaking, these can be grouped into three key themes: planning capacity, affordability, and the housing system.

In this first paper, we zoom in on planning capacity.



## Do We Need More Housing Development Plans?

The key question is: Is a lack of planning capacity the reason the Netherlands fails to build 100,000 homes a year? The answer is: not necessarily.

In recent years, significant investments have already been made to expand both hard and soft planning capacity. Provinces and municipalities were instructed to prepare 30% more plans than actually needed. Meanwhile, the “Ladder for Sustainable Urbanisation” was abolished. The result: the number of planned homes has increased from 1.5 to nearly 1.7 million over the next twenty years.

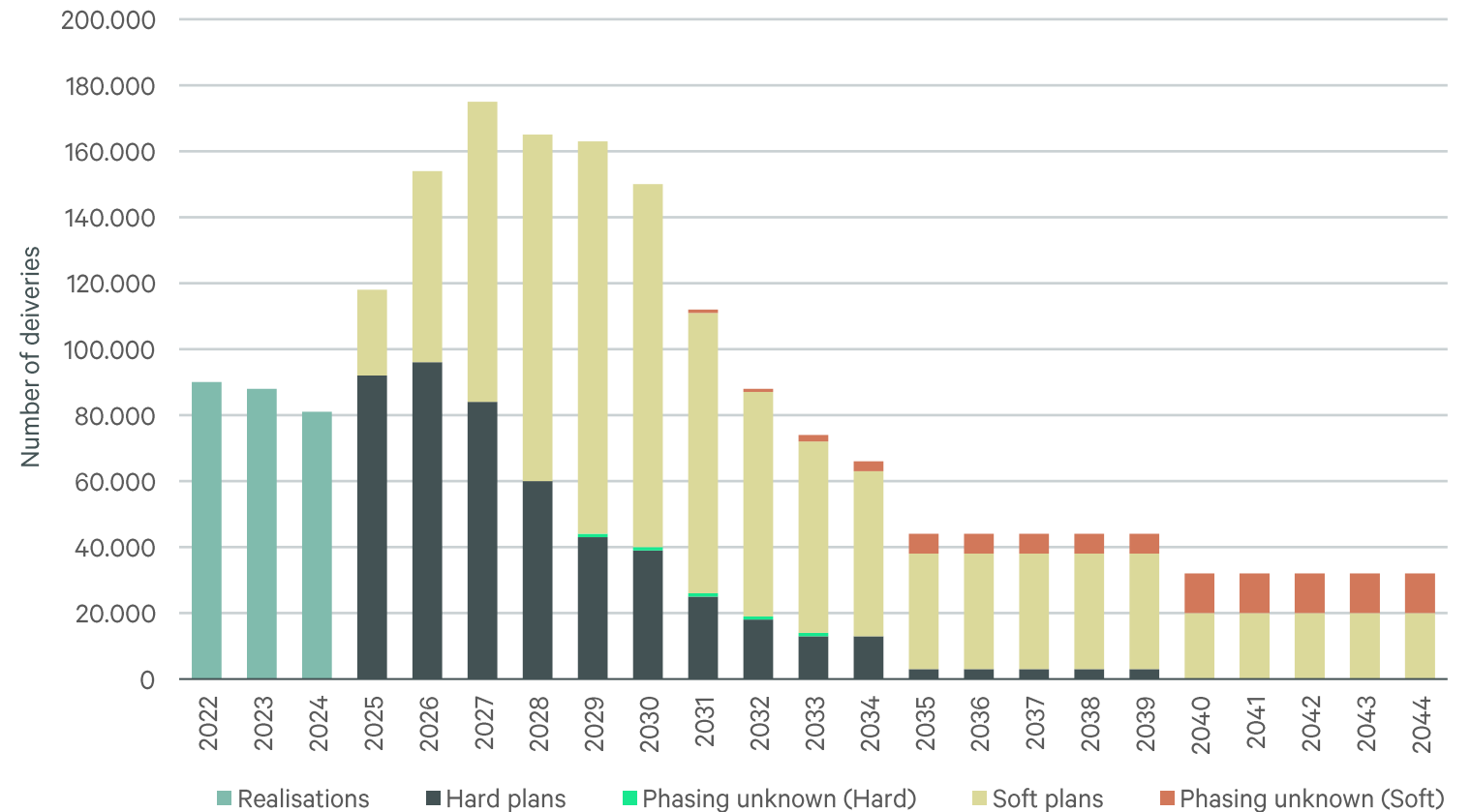
Investments in the accessibility of the 17 NOVEX areas and major projects such as Beethoven are also contributing to acceleration. The national government plays an active role in developing large-scale expansion areas, such as Rijnenburg–Groot Merwede (Utrecht), Bleizo (Zoetermeer/Bleiswijk), and Gnephoek (Alphen aan den Rijn), which together account for around 85,000 homes over a period of fifteen to twenty years.

This development creates room for a structural acceleration of housing construction, potentially resulting in more completions than the annual household growth would justify.

In other words, the housing shortage is expected to decline gradually from 2027 onwards to a healthier level.

FIGURE 1

Realisations and gross plan capacity by expected completion year and plan status, 2022-2044



Source: BAG, Landelijke Monitor Voortgang Woningbouw Voorjaar 2025, ABF Research

## Political Parties Favour Long-Term Plans

Nevertheless, several political parties are proposing even more housing development plans to expand planning capacity further. For example:

- D66 wants to build ten new cities, including IJstad between Amsterdam and Almere in the Markermeer.
- GroenLinks-PvdA proposes closing airports such as Rotterdam The Hague Airport for housing development.
- PVV sees potential in partially converting Mediapark into a living district.
- Volt envisions "Tata City" on the Tata Steel site.

All of these are long-term projects with lengthy lead times. For illustration, initial plans for IJburg Island date back to 1965. The concept of Nieuw Oost was developed in the 1980s, but the first homes were not delivered until 2002.

Similarly, the former Valkenburg Naval Air Base closed in 2006, yet its revised zoning plan is only now before the Council of State for the second time. This means actual housing delivery could still take another twenty to twenty-five years.

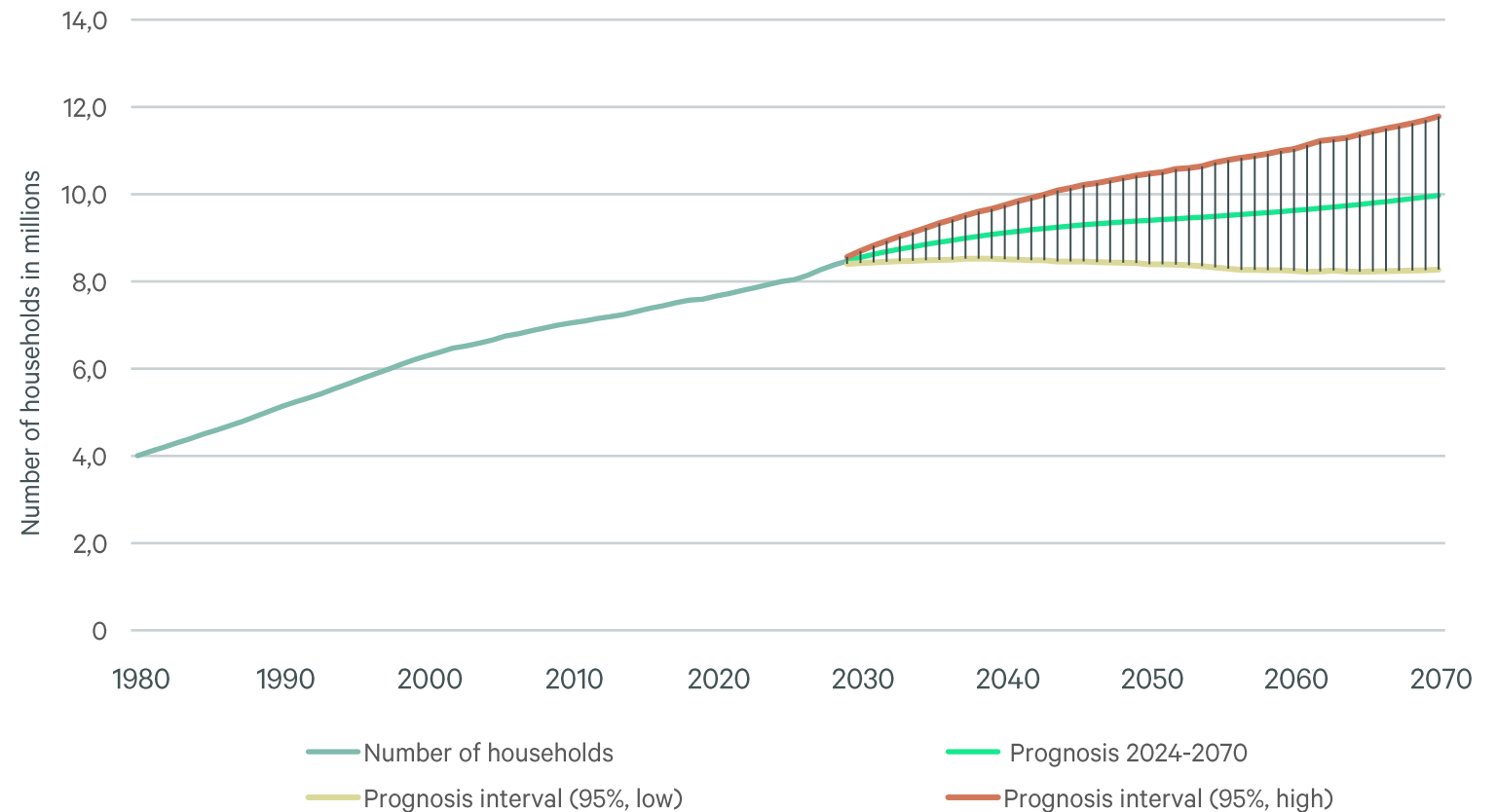
Redevelopment of Tata Steel or Mediapark – if politically and economically viable – would also yield homes only after 2040 or 2045. That does not align with current needs. In fact, after 2040, household growth is expected to slow down<sup>1</sup>, and Statistics Netherlands (CBS) projects a decline in the number of households from 2035 onwards.

To meet the urgent demand now and realise 100,000 homes annually by 2027, CBRE proposes three concrete actions:

- Primary focus on accelerating existing plans
- Mandatory impact assessment for new housing-related legislation
- Secondary focus on expanding plan capacity

<sup>1</sup>It is expected that by that time, the number of people who die annually will be considerably higher than the number of births.

FIGURE 2  
Household development in the Netherlands 2025-2070



Source: CBS

## Primary Focus: Accelerating Existing Plans

Political attention should center on removing the frictions that delay current housing projects over the next two to five years. Based on our experience, the main obstacles are:

- Financial infeasibility
- Objections and appeals procedures
- Nitrogen and electricity constraints
- Administrative capacity

In the longer term, an additional bottleneck may emerge: a shortage of construction labour. Once a large share of projects enters the execution phase, industrialized construction can help mitigate this.

For the other issues, STOER's advisory report already offers concrete improvement proposals, including reducing construction costs, streamlining procedures, and addressing nitrogen and electricity shortages. Fewer protracted procedures and less regulation also allow for more efficient use of administrative capacity.

CBRE advocates for an annual review of such analyses to identify recurring bottlenecks in the development process promptly.

Objection and appeal procedures must be expedited. This requires raising the threshold for legal challenges, weighing the public interest (building new homes) more heavily than individual interests. Individual objections often concern relatively minor issues such as noise, light, parking pressure, or local ecological concerns.

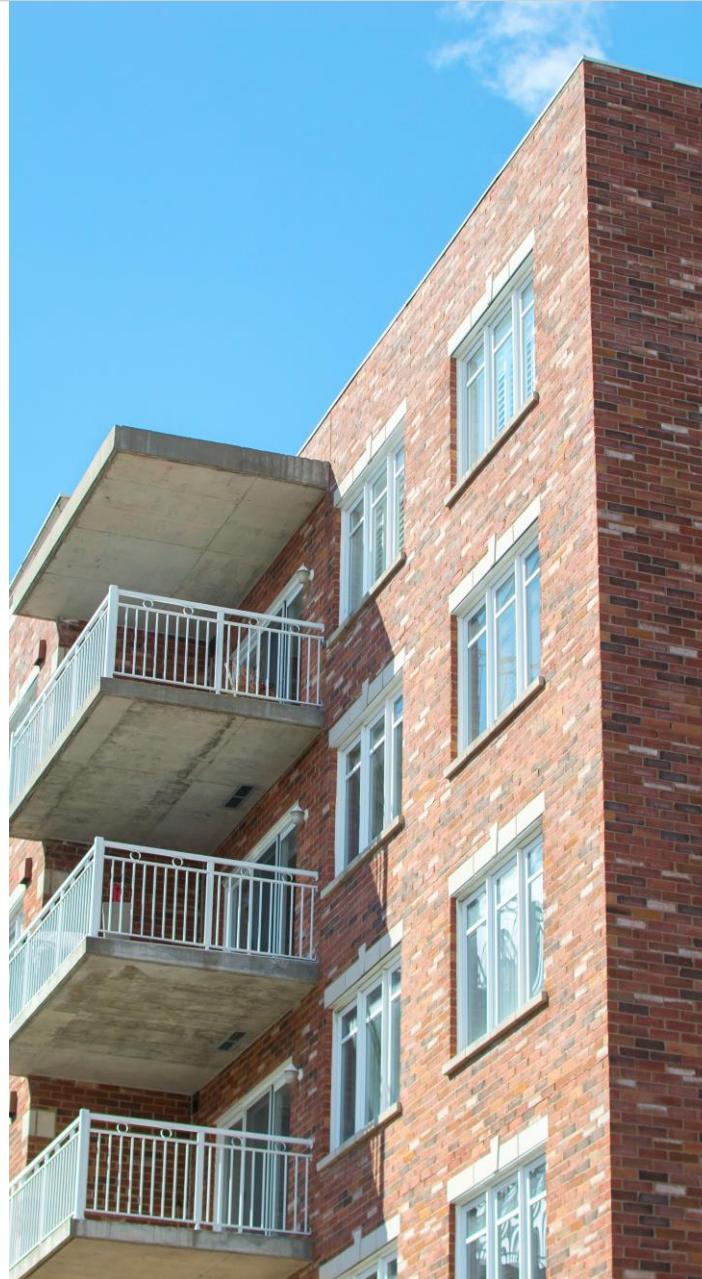


## Mandatory Impact Assessment for New Housing Legislation

In addition, any new legislation affecting housing or living development should be subject to a mandatory impact assessment. This prevents well-intentioned political measures from unintentionally slowing down development – as has happened in the past.

A clear example is the proposal by several parties to introduce a land value capture tax. This complex system would significantly delay the development of housing and living. Under the current model, developers already account for the increase in land value and contribute to public investments through cost equalization. This enables municipalities to recover costs and make projects viable.

Beyond improving financial feasibility through cost reduction, there is also scope to enhance revenue mechanisms – an issue explored in more detail in Part II of CBRE’s Living Market Trilogy: “Safeguarding Affordable Living.”



## Secondary Focus: Expanding Planning Capacity

Although expanding planning capacity is not an immediate necessity, it remains a secondary priority. Experience shows that household projections can deviate sharply from reality, partly due to migration waves that are difficult to model accurately.

Expanding housing and living plans provide flexibility to respond to unexpected population growth. It can also increase competition between development locations. In the current situation, with relatively few available plans, land prices rise more rapidly, ultimately contributing into higher home prices.

A greater number of development sites may help stabilize land prices. Competition between sites makes it less certain that every project will proceed, discouraging speculative land price increases in early stages. Moreover, the quality of the location and the project will play a larger role in feasibility, driving competition based on content and quality rather than scarcity.

## 100,000 Homes a Year by 2027? It's Achievable – With the Right Political Focus

The housing shortage in the Netherlands is severe, but the solution does not lie in creating even more plans. The existing planning capacity already provides ample potential to start addressing the deficit from 2027 onwards.

Political parties should shift their focus away from new, long-term projects and towards solving the structural bottlenecks that delay existing plans — such as financial feasibility, legal procedures, nitrogen regulation, and administrative capacity. These are precisely the areas where political parties set the frameworks, legislation, and priorities that determine the pace of development.

New plans remain essential for flexibility and healthy competition in the living market, but removing frictions in project delivery requires immediate action. Those who choose realistic, actionable measures will accelerate both the housing and living markets—and directly contribute to solving one of the most pressing social challenges of our time.



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