The future needs of the middle rental housing sector

The right direction of the new constructed middle rental housing to matches the needs of the target group.

Figure 0 Housing seekers balancing their housing demands with their financial possibilities (ChatGPT, n.d.)

TUDelft   sustay

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Preface

This thesis marks the final step of my Master's degree in Management in the Built Environment at Delft University of Technology. Over the past year, I have delved into the world of the Dutch middle rental housing sector, a field that has proven to be both socially relevant and intellectually engaging. The combination of quantitative analysis and qualitative research provided me with valuable insights into how housing supply can better align with the needs of middle-income households, and it sharpened my understanding of the challenges faced by both policymakers and developers. Which suggests that creating middle rental housing that fully matches the demand of the target group may at the moment of this research be an practically unfeasible task.

The opportunity to conduct this research in collaboration with real estate developer Sustay has been of great importance. I am grateful for the practical insights shared by professionals in the field, which significantly enriched the academic analysis. My gratitude goes to my business mentor, Shanice van der Meer, for her continued support.

I would also like to express my appreciation to my university mentors, Prof. dr. Peter Boelhouwer and Dr. Joris Hoekstra, for their guidance, encouragement, and in-depth expertise. Their input helped shape this research into a grounded and structured academic work.

I hope this thesis contributes to the ongoing discussion on how the Dutch middle rental housing market can evolve in a way that is both socially inclusive and economically viable.

P. Schalkwijk
Delft, April 25

Abstract

The Dutch middle rental housing sector plays a crucial role in bridging the gap between social housing and the private rental market. However, this sector is currently facing severe challenges, including a significant housing shortage, affordability constraints, and regulatory uncertainties. Middle-income households, who earn too much to qualify for social housing but struggle to afford private rental or homeownership, increasingly find it difficult to secure suitable housing. The stagnation in this sector is exacerbated by rising construction costs, reduced investor confidence, and government policies that, while aiming to maintain affordability, often discourage development.

This research seeks to answer the main research question: How can the middle rental housing market in the Netherlands be optimized to better serve its intended target group and relieve market stress?

Using a mixed-methods approach, the study integrates quantitative analysis of WoON 2021 data to assess market trends and affordability levels with qualitative insights from interviews with policymakers, real estate developers, housing corporations, and middle-income households. The findings reveal a mismatch between supply and demand, with older and larger households facing the greatest difficulties in securing suitable housing. Additionally, investment in new middle rental housing has declined sharply due to restrictive rent regulations and economic uncertainty.

To address these challenges, the study recommends a diversified approach that includes increasing the supply of larger and more adaptable middle rental homes, improving regulatory clarity to encourage investment, and implementing targeted financial incentives for developers. By adopting a coordinated strategy that balances affordability with investment incentives, the Dutch middle rental sector can become more sustainable, accessible, and responsive to the evolving needs of middle-income households.

Keywords

Middle rental housing, housing market, affordability, housing policies, housing shortages, rental regulation, urban housing, middle-income households, housing investment, real estate development.

Executive summary

The housing market in the Netherlands is currently facing a substantial imbalance, also in the middle rental sector, which serves as an essential bridge between social housing and the free-market rental sector. Middle-income households, earning too much to qualify for social housing yet struggling to afford private rental or homeownership, are increasingly unable to secure appropriate housing (Ederveen et al., 2021). This issue is worsened by a shortage of supply, affordability constraints, and regulatory challenges that discourage investment in the sector. As a result, the middle rental housing market has stagnated, leading to growing market stress. This research aims to analyse these issues and explore strategies to optimize the middle rental market, ensuring it better serves its target group while relieving overall pressure on the housing market.

Research question:

The research is guided by the main research question: **How can the middle rental housing market in the Netherlands be optimized to better serve its intended target group and relieve market stress?**

To answer this question, the study investigates the current state of the middle rental housing market, the characteristics and needs of middle-income households, and the constraints faced by developers and investors in providing suitable housing. Additionally, the role of government policies and regulatory measures is examined to determine their impact on the sector.

Methodology

The study employs a mixed-method research approach, integrating both quantitative and qualitative methodologies. Quantitative data, sourced from the WoOn, provide insights into market trends, affordability levels, and housing demand. Meanwhile, qualitative data, gathered through interviews with policymakers, real estate developers, housing associations, and middle-income households, enriches the analysis by identifying challenges and opportunities.

Context and market research

Access to affordable housing remains a persistent challenge worldwide, even in the face of various policy interventions. The Institute for Housing and Urban Development Studies in Rotterdam has developed the '5 A's' framework; availability, accessibility, affordability, acceptability, and adaptability, as a structured approach to evaluating housing policies and ensuring equitable and sustainable access to adequate housing.

In the Netherlands, the middle rental housing sector is essential in bridging the gap between social housing and free-market rentals. However, this segment faces significant challenges due to a severe supply shortage, rising costs, and over regulations/stacking of regulations, which creates uncertainty about regulations and a difficulty in making feasible business cases for new developments. Research of Boonen and Middelkoop (n.d.)estimates that by 2030, there will be a shortage of between 70.000 and 100.000 middle rental homes. This shortfall could get a lot bigger because of recent developments in the housing market, lease-out of rental properties. Due to legislative changes, it is not or less profitable for many (private) investors to rent out properties resulting in a sell-off wave. This has been higher than expected, with 10.070 rental homes sold by private investors in only q3 of 2024 (Vastgoed Insider, 2025). The middle rental sector, defined as properties with monthly rents ranging from €876,66 to €1.123,13 in 2024 (with an upper limit of €1.235,44 for projects completed before 2028), plays a critical role in enabling housing mobility, particularly for middle-income households who do not qualify for social housing but cannot afford high-end rental or homeownership.

Despite government initiatives, including the Affordable Rent Act, which regulates middle rental prices through a housing valuation system, the sector continues to struggle. The law aims to maintain affordability but has also discouraged investment by limiting rental price growth, leading to reduced development. Since the announcement of the act in 2022, investment in new rental housing has dropped by nearly 50%, as developers and investors face rising construction costs, higher interest rates, and reduced rental yields (Westerhof & CBRE B.V., 2022). Due to a combination of factors, including increased taxation, a large number of rental properties have been sold in recent years. According to Vastgoed Belang, this has led to the disappearance of approximately 97.000 rental homes between 2022 and 2024. Data from the Dutch Land Registry (Kadaster) shows that 37,260 rental dwellings were sold in 2024 alone, an increase of 12,560 compared to 2023. (Tiekstra, 2025).

The Dutch government has set a goal to build 981.000 new homes by 2030, with a focus on affordable housing (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2023). However, this target is unlikely to be met due to declining building permits and market uncertainties. In 2023, building permits for new housing fell by 15%, and the issuance of rental housing permits specifically declined by 6%. By 2024, the permits granted have increased by 21% resulting in over 67 thousand building permits issued, see figure 0.1 (Centraal Bureau voor de Statistiek, 2025). Peter Boelhouwer states that we need 85 to 90 thousand permits a year to meet the target of adding 1 million homes between 2022 and 2030. (Naaktgeboren, 2025)

Vergunde nieuwbouwwoningen

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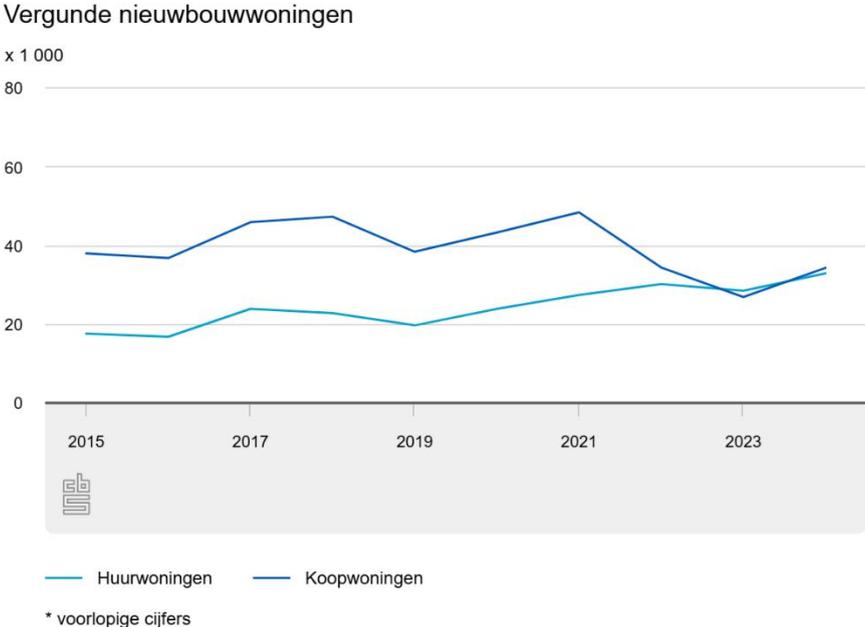
Figure 0.1. Number of new-build dwellings granted building permits (Centraal Bureau voor de Statistiek, 2025)

The ongoing housing crisis emphasis the need for a more coordinated approach to middle-rent housing development. Policymakers must balance affordability with investment attractiveness, while developers and investors need clearer regulations and financial incentives to build new middle-rent projects. Strategic interventions, such as increasing housing mobility, improving housing stock efficiency, and creating incentives for investment, are crucial to ensuring that the middle rental sector can effectively meet the needs of middle-income households and contribute to a more balanced and sustainable housing market.

The quantitative research conducted in this study analysed the current state, demand, and supply of the middle rental housing sector in the Netherlands, utilizing data from WoON 2021 and statistical analyses with SPSS.

The middle rental segment in 2021 had rental prices ranging between €752,33 and €1.075,83, with an average rent of €891,86. The majority of the housing units within this segment are flats and apartments, accounting for 60,2%, while terraced houses make up 33,5%. In terms of size, 35% of middle rental homes range between 90 and 119 square meters, while 23,6% fall between 70 and 89 square meters. Household composition in this sector is dominated by single-person households at 43,7% and two-person households at 34,3%, indicating that middle rental housing primarily caters to smaller households.

The study states that 28.891 households are actively seeking to move into the middle rental sector (in 2021). This demand is primarily driven by older households, with 68,3% of prospective households aged 45 or older. Demand from younger adults between the ages of 25 and 34 remains relatively low at 13%. The largest share of demand comes from two-person households at 42,4%, followed by single-person households at 30,8%. The average rent that these households are willing to pay is €883,16, while the actual average rent for recent movers is €908,52, revealing a gap of 2,8% between rental expectations and the market reality. (WoonOnderzoek Nederland et al., 2022)

The research highlights clear market imbalances and barriers to access. Younger households, particularly those between 17 and 34 years old, move into the middle rental sector more frequently, suggesting that they encounter fewer obstacles in securing housing. In contrast, middle-aged (45–64 years) and older households (65+) face greater difficulties in finding their demanded dwelling, likely due to affordability constraints or a lack of suitable housing options. Larger households, consisting of three or more persons, struggle to find appropriate middle rental housing, as the current supply primarily caters to smaller units.

The findings emphasize a mismatch between supply and demand in the middle rental sector. Older and larger households face significant access issues, necessitating targeted policy interventions. Increasing the variation in housing types, particularly the development of larger and more adaptable units, could improve market fluidity and better accommodate demographic shifts. Policies should also focus on incentivizing new developments within this rental segment while ensuring that affordability and accessibility remain central to the market's evolution.

Qualitative research

The qualitative research conducted in this study provides deeper insights into the housing preferences, needs, and decision-making processes of middle rental housing seekers, as well as the perspectives of real estate professionals operating in this market. The study includes interviews with both potential tenants and key stakeholders, such as developers, housing associations, municipal representatives, and investor.

Interviews with prospective tenants highlight distinct differences in behaviour between younger and older households. Younger households, typically under the age of 35, exhibit greater mobility and flexibility in their housing choices. Many are moving out of shared accommodations or their parental homes and prioritize well-located, affordable rental units that allow for easy commuting and active but pleasant neighbourhood. In contrast, older households, particularly those over 55, demonstrate a strong interest in middle rental housing but tend to move less frequently. This restrain is often driven by a combination of financial considerations, limited availability of suitable housing. The research confirms that while a significant number of older households seek

middle rental housing, structural barriers prevent them from transitioning into this market at the same rate as younger households.

The study also explores the perspectives of real estate professionals, who identify key challenges in the development and allocation of middle rental housing. Developers and investors emphasize the impact of regulatory constraints and financial risks, noting that policies and rent control measures discourage investment in the sector. Housing associations, while supportive of increasing middle rental supply, face financial limitations that restrict their ability to develop sufficient housing stock without government incentives. Municipal representatives acknowledge the importance of middle rental housing in alleviating market pressures.

Overall, the qualitative research reinforces the need for a balanced approach that aligns supply with actual housing preferences. The findings suggest that policy measures should focus on increasing the availability of larger, adaptable units for older households, addressing regulatory uncertainties to attract investment, and ensuring that middle rental developments cater to the varying needs of different demographic groups. By integrating these qualitative insights with the quantitative data, the study presents a holistic understanding of the middle rental housing market and offers targeted recommendations to improve accessibility and efficiency in this sector

Conclusion

Optimizing the middle rental housing market requires a comprehensive strategy that enhances supply while ensuring long-term stability. Increasing the availability of middle rental housing is crucial.

Diversifying housing types is essential to match demand with varied household needs. A mix of larger homes, apartments, and single-family houses should be developed, with a particular focus on three-room apartments and slightly larger units, as these appeal to a broad range of households and reduce housing turnover, making them attractive to investors.

Encouraging investment is important, especially given the recent decline in investor confidence due to economic uncertainty. To counter this, policy interventions such as financial incentives, tax benefits, and regulatory adjustments can mitigate risks and ensure sustained development.

A collaborative policy approach among municipalities, developers, investors, and housing associations will improve planning and streamline development processes. Ensuring regulatory consistency will make the sector more predictable and efficient, encouraging long-term engagement from market participants.

Maintaining rental stock is also key. Policies should incentivize homeowners and investors to rent out properties rather than sell them, as declining rental investments have led to a shrinking middle rental sector. Making rental investments more financially viable will help stabilize the market.

By implementing these strategies, the middle rental housing sector can become more accessible, affordable, and responsive to the needs of its target group. A well-balanced approach involving housing diversity, financial incentives, regulatory clarity, and stakeholder collaboration is essential to relieving market stress and promote a stable middle rental market.

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1 Introduction

1.1 Research topic

Recently, there has been a lot going on in the housing market in the Netherlands. The housing market in the Netherlands in general is stressed, this is due to a housing shortage which results in high housing prices in the rental and sale sector. The focus of this thesis is to optimize the middle rental housing market in the Netherlands. The research begins by defining the concept of middle rental housing, delving into, characteristics, and the function. This foundational understanding is essential for setting the stage for more detailed analyses. An important aspect of this thesis is identifying the group who wants to live in the middle rental housing. This involves determining who this housing segment is intended for and understanding their specific demands and preferences. By defining the composition and characteristics of current and middle rental housing seekers, the research aims to provide a clear picture of the target group's needs. The thesis also assesses the current state and needs of the middle rental housing market. This includes analysing the housing demand a comparing this with the supply, to help governments and developers anticipate on the specific needs of the middle rental housing market.

Additionally, the research aims to develop some advice for policies and strategies for improvements of the availability, and suitability of middle rental housing. This research seeks to provide practical recommendations for real estate developers and policymakers. These recommendations are intended to improve the distribution of living spaces, address housing shortages, in the middle rental housing sector.

Overall, the thesis aims to provide comprehensive insights and recommendations that can help optimize the middle rental housing market in the Netherlands, ensuring it meets the needs of its intended target group and relieve market stress.

1.2 Research relevance

Research on the middle rental housing market in the Netherlands is essential due to the sector's critical role in providing housing for a significant portion of the population and the persistent shortage within this segment. The examination of this specific market segment is justified by several key factors that influence both individual housing accessibility and broader socio-economic dynamics. Understanding the mechanisms shaping the middle rental sector is crucial for developing policies that enhance housing affordability, promote social stability, and ensure a balanced and well-functioning housing market.

Adequate housing, recognised as a fundamental human right (United Nations et al., 2009), is central to societal well-being. In 2023, the Netherlands counted 2.312.981 dwellings owned by housing associations, out of a total of 8.125.229 housing units. These associations primarily provide affordable housing for low-income households (Centraal Bureau voor de Statistiek, 2024c; Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2024c). Historically, rental properties above the social rent threshold were part of the free sector, governed by different regulations for rent price adjustments (Ministerie van Algemene Zaken, 2024). This segmentation created a gap between social and free rental housing sectors (Van Bockxmeer, 2023).

As of 2021, approximately 200.000 households fell into this gap, unable to access social housing or homeownership, thus relying on the free rental market. In urban areas, however, rental properties often remain unaffordable for this demographic (NOS, 2021). Increasingly, Dutch citizens find themselves earning too much to qualify for social housing but insufficient to afford free-sector rents or purchase homes, as shown in Figure 1.1 by Ederveen et al. (2021).
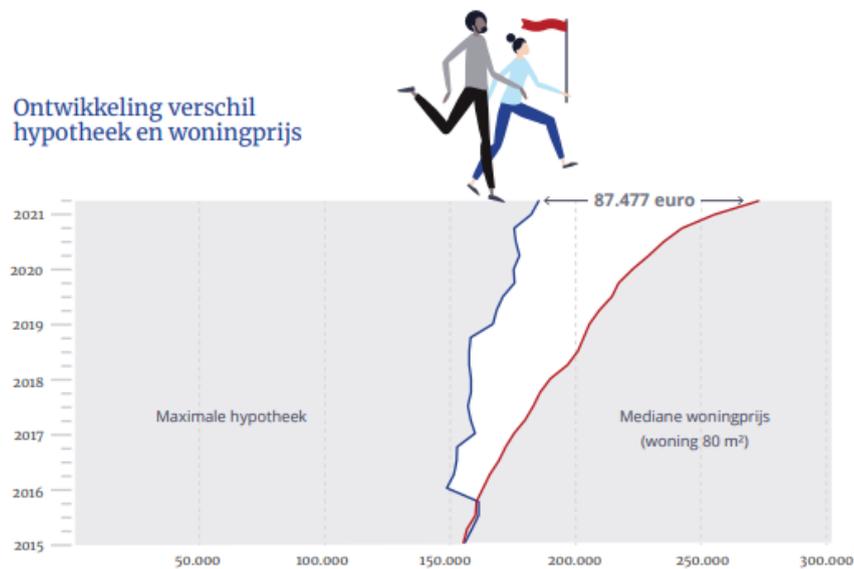
Figure 1.1 Mortgage and house price gap development (Ederveen et al., 2021)

The middle rental housing market is located between the subsidized social housing sector and the more expensive free-market rentals. A significant portion of the population is designated to this rental segment. This market segment is important for maintaining social stability and diversity within urban settings. Analysing this segment can provide insights into how housing policies and market dynamics can be better structured to support a good and equitable distribution of living spaces. The need for residents of middle rental houses is that this sector is renewed so that it suits their needs today.

To bridge the gap between social housing and the free rental sector, the Dutch government introduced the Affordable Rent Act in July 2024. This legislation employs a housing valuation system to cap rental prices, ensuring rents correspond to the quality and physical characteristics of the property. As a result, rents for 300.000 homes are expected to decrease by an average of €190 over time, with immediate reductions for new tenants (Uitvoeringsregeling Huurprijzen Woonruimte, 2024; Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2024c).

While the act aims to make housing more affordable for tenants, it poses challenges for property owners and investors, who face reduced income from their rental properties (Kreijne, 2024). Rent control measures such as this are designed to safeguard affordable housing and mitigate the effects of rapid rent increases. Modern rent control frameworks often include provisions to ensure landlords can maintain their properties and achieve reasonable profit margins (Rajasekaran et al., 2019).

By focusing on the middle rental housing segment, this research aims to contribute to the formulation of targeted policies that can enhance the availability and affordability of housing in this segment. The findings could help in designing interventions that improve the housing market in the near future. This research aims to help in predicting future trends and preparing for potential shifts in the housing market.

As the housing market faces increasing pressures, it is important that what is built, is the right product for the market. This research not only investigates the current state of the middle rental housing market and future trends but also explores alternative housing models and technologies that could be applied to alleviate the housing shortage and meet the demands of the target group of middle rental houses.

Next to the practical implications, this research contributes to the academic literature on housing market dynamics, with a specific focus on middle rent regulation and the influence of flow within

urban housing markets. The findings may offer new insights into how market regulation and policy interventions affect the middle rental market.

1.3 Problem Statement

In the Dutch housing market, there is a severe shortage, the shortage began with the recession in 2008. Despite stable housing production until 2013, with an averaging 79.000 homes annually, the number of new buildings dropped to around 50.000 after 2013. This decline, combined with increased household formation due to immigration, led to a 3,2% rise in housing shortage by 2018 (Boelhouwer, 2019). More recently the building permits for houses has risen to almost 76 thousand in 2021 but it has fallen again to 55 thousand in 2023 (Centraal Bureau voor de Statistiek, 2024a).

Homeownership accessibility is influenced by building supply and eligibility criteria. The 2011 Code of Conduct for Mortgage Loans excluded many from mortgages, increasing pressure on the rental market. Middle-income groups are particularly affected, as social housing policies prioritize lower incomes, leaving many unable to afford private rentals or meet mortgage criteria. Also, the rising rents and decreased purchasing power have worsened the affordability in de housing rental sector. In the home ownership sector the affordability went up widening the gap between (mainly) lower income renters and (mainly) higher income homeowners. (Boelhouwer, 2019)

The Netherlands faces a significant housing shortage, this shortage is expected to be 400.000 houses in 2025. The middle rental sector is a significant part of the total housing problem with a shortage of 70-100 thousand dwellings. The Dutch government aims to build 981.000 thousand houses by 2030 (Volkshuisvesting en Ruimtelijke Ordening, 2022, p.13), but it is to be seen if this is gone work out. With the amount of building permits granted in the last years it will be hard reach this target. The rising interest rates and construction costs have made it difficult for market players to make commercial business cases, leading to delays and postponements. Investors are also considering selling rental dwellings on the owner-occupied market, which could lead to a declining middle rental stock. Market players have invested almost half as much in new-build rental housing due to middle rent regulation, increased construction costs, and interest rates. (Westerhof & CBRE B.V., 2022) Research into the right housing products is needed to create the best possible product that benefits multiple occupants and eases market pressure.

This thesis is caried out in collaboration with Sustay. Sustay is a real estate developer that focuses on developing sustainable housing in the middle rent segment. Sustay has been focusing on this market since the start in 2014, due to current developments in the market and regulations, more developers are (having to) focus on this market. The goal of Sustay is to build as much good middle rental houses a possible. The challenge is what is the best housing product for the middle rental sector. Also how do they remain a frontrunner in the market of middle rent housing, how can they be distinctive from other developers. Sustay builds middle rent homes of around 60 m2 with mostly equal floor plans. These homes can serve a large part of the market, starters, small families but also elderly fit well in a 60 m2 home. But is this form in which middle rent homes are made by Sustay what the market demands? Different groups of people also have different living requirements, and therefore it should be considered to make a more varied or flexible layout in order to create suitable homes for a larger part of the market.

The specific problem addressed in this thesis is the shortage in the middle rental housing market in the Netherlands. This market segment, crucial for middle-income households who do not qualify for social housing but cannot afford private rentals or homeownership. The thesis aims to provide a comprehensive analysis of this market, identify the needs and preferences of the target group, and develop strategies and policy recommendations to optimize the market, and explore solutions that could address the housing shortage and meet the demands of middle-income households.

1.4 Research question

Based on the above information, the following research questions have been constructed. The main research question (MRQ) is:

MRQ: How can the middle rental housing market in the Netherlands be optimized to better serve its intended target group and relieve market stress?

To answer the main research-question the following sub research questions (SRQ) will be answered:

SRQ 1: What is the middle rental housing stock now in terms of price and type of dwelling?

SRQ 2: Who are the residents that live in the current housing stock of the middle rental houses?

SRQ 3: Who are the residents that would like to live in the current housing stock of the middle rental houses?

SRQ 4: What kind of housing needs and housing preferences do households wanting to live in the middle segment have?

SRQ 5: Is there a disbalance between the households who wants to live in the middle rental housing and the current residents of the middle rental housing stock?

SRQ 6: Who are the households that have moved into the middle rental housing sector in the last to years?

SRQ 7: How does the supply of middle rental housing compare to the demand of middle rental housing?

SRQ 8: Which households have the most difficulty in finding suitable housing?

SRQ 9: What policies or actions can the middle rental housing suppliers and municipalities developer or investor undertake to optimize the middle rental housing sector?

The main objective of this research is to give advice to real estate developers what to build if they want to build efficiently for the middle rental housing market. As mentioned, in the current market of the Netherlands almost everything that is build will be sold or rented out due to the shortage of houses. But this research aims to give the advice how to meet the demand of the middle rental sector in the most proportional way.

Governments can also adopt this advice to adjust their focus their priority policy for the target group of projects when making deals with developers.

2 Context and market research

Researched by Schalkwijk and Faculty of Architecture and the Built Environment, Delft University of Technology (2024) in the course AR0835 Social Sustainability in Human Habitats; Access to affordable housing remains a persistent global challenge despite continuous policy efforts (Woetzel et al., 2014). This ongoing issue has sparked a shift in housing perspectives, resulting in the introduction of the '5 A's' framework by the Institute for Housing and Urban Development Studies in Rotterdam. This framework, illustrated in figure 2.1 outlines five core aspects: availability, accessibility, affordability, acceptability, and adaptability. As a comprehensive approach for assessing housing policies, it supports the notion of "Housing Justice" by promoting fair and sustainable access to adequate housing for all (Ayala et al., 2019; Geurts et al., 2022).

Figure 2.1 The 5 A's principles of Adequate Housing (Ayala et al., 2019)

Availability refers to ensuring that there is an adequate supply of housing that meets the needs of specific target groups in suitable locations. This entails not only expanding the number of housing units but also positioning them where demand is most pressing, while considering aspects such as location, housing typology, and the prevention of socio-spatial segregation and urban sprawl (Ayala et al., 2019).

Accessibility concerns the conditions required to obtain appropriate housing and financing, as well as access both physical and financial to urban infrastructure. It includes proximity to essential services such as public transport, education, and healthcare facilities (Ayala et al., 2019).

Affordability relates to keeping housing expenses within a reasonable share of household income typically between 25% and 30% so that other basic needs are not jeopardised. Affordability also depends on tenure arrangements, such as social rental housing and subsidised homeownership. Effective approaches must consider both initial costs and long-term expenditures, including maintenance, utility bills, and commuting expenses (Ayala et al., 2019).

Acceptability emphasises the cultural, social, and individual aspects of housing, ensuring that housing solutions reflect the preferences and values of residents. Important considerations include perceived quality, cultural appropriateness, and integration into community life (Geurts et al., 2022).

Adaptability concerns the capacity of housing to adjust to changing needs over time. This includes the physical flexibility to accommodate various household compositions and the resilience required to withstand climate change impacts (Ayala et al., 2019).

This research explores the availability of affordable housing in the Netherlands, with a particular focus on the housing preferences of the target group within the affordable rental sector.

2.1 Housing market in the Netherlands

In the Netherlands, there exists a significant shortage of housing within the middle rental sector. Research conducted by Deloitte, as referenced in Boonen and Middelkoop (n.d.), estimates that this sector will face a deficit of between 70.000 and 100.000 rental homes by 2030. For the purposes of their study, a middle rental property is defined as housing with a monthly rent ranging from €763 to €1.063.

Furthermore, the overall housing shortage in the Netherlands has been substantial. In 2023, the deficit was 325.000 homes, representing approximately 4% of the total housing stock (Capital Value, 2023). Projections suggest that, without additional construction, this shortage will grow to 400.000 homes by 2025 and reach 900.000 homes by 2030 (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2023a).

The estimated shortage of 70.000 to 100.000 homes within the middle rental sector constitutes a substantial proportion of the overall housing deficit in the Netherlands. This issue is projected to increase soon, largely due to a decline in the issuance of building permits. Building permits serve as a key indicator of future housing developments, as they reflect the number of upcoming projects expected to contribute to the housing supply. Notably, statistics on building permits for new construction exclude residential conversions, such as the adaptation of office spaces into housing units.

In figure 2.2 the number of issues permits for new-build homes in recent years is shown. In 2023, permits were granted for the construction of approximately 55.000 new residential dwellings, this is a 15% decrease compared to 2022. Within the rental housing segment specifically, the issuance of permits fell by 6% relative to the previous year, this is a lower decrease than in the whole housing segment, but still a decrease in a sector where an increase is needed. Between 2017 and 2020, the average annual number of permits issued was approximately 68.000; however, this figure remained lower than the levels observed prior to the 2008/2009 credit crisis. During the period from 2000 to 2008, an average of 80.000 permits for new residences were issued annually (Centraal Bureau voor de Statistiek, 2024a).

Vergunde nieuwbouwwoningen

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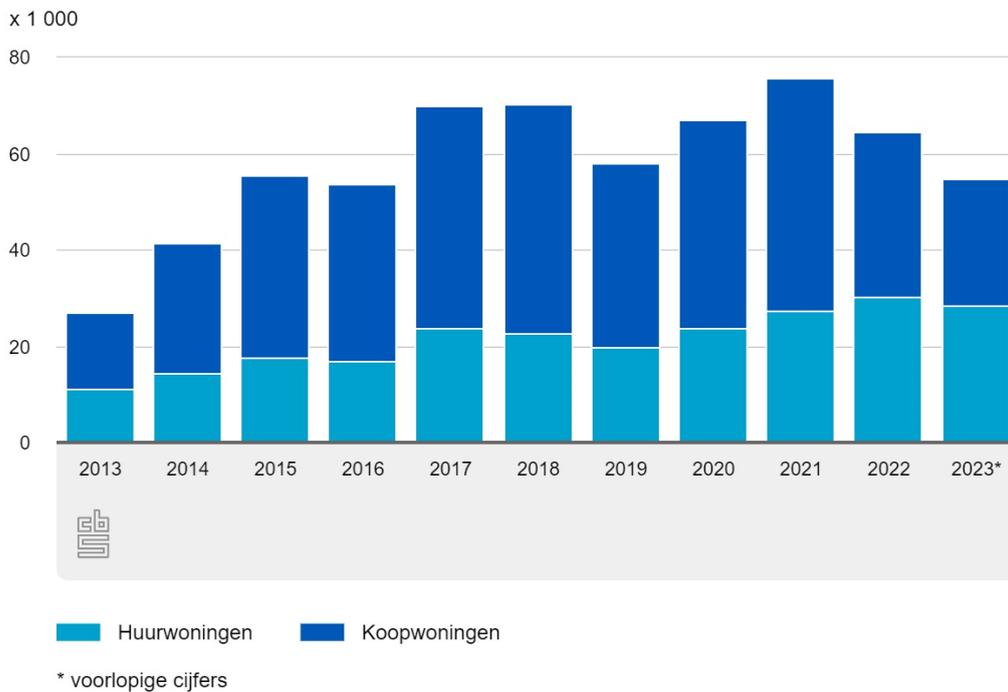
Figure 2.2: The number of new homes for which construction permits have been granted (Centraal Bureau voor de Statistiek, 2024a)

The Dutch government, in its policy plans, has set an ambitious target to construct a total of 981.000 houses by 2030. To meet this objective, an annual construction rate over 100.000 houses is required starting from 2024. However, based on the current trend in the issuance of building permits, this target appears unlikely to be achieved (Volkshuisvesting en Ruimtelijke Ordening, 2022, p. 13).

With recently increased interest rates and rising construction costs, making a commercial business case is becoming increasingly difficult for market players. Boonen and Middelkoop (n.d.) of Deloitte say that they see projects being delayed and postponed due to a combination of those factors. The business case is harder to close because construction costs have risen, yield requirements are higher due to increased interest rates and potential rental income is lower due to regulations in the Netherlands.

The research of Westerhof and CBRE B.V. (2022) suggests that investors (especially private and private equity) are starting to weigh up selling rental dwellings on the owner-occupied market, Due to the lower rental flow, regular housing product completely uneconomic to realise for investors. When this results in sales, it leads to a declining (middle) rental stock the opposite of the Ministry's objectives. The first signs of the middle rental regulation for market players are already visible. As a result of the combination of the middle rental regulation, increased construction costs and increased interest rates, market players have invested almost half as much in new-build rental housing in the period between 19 May 2022 (announcement of act affordable rent) and 30 September 2022 than the average investment volume of recent years in the same period (Westerhof & CBRE B.V., 2022).

With this situation, it is important that what is built is also the right product. Therefore, research into the right housing products is needed so that the best possible product can be built, This product should ease the pressure on the market and ideally benefit multiple occupants when, for example, the product causes a housing flow so that multiple moves are set up with one produced house.

Due to the large housing shortage in the Netherlands, basically everything that is built will be rented or sold. However, just building anything is not the right solution. For this reason, municipalities often have housing policies in which they have included what sort of homes should be built, social, middle, expensive, rent or home ownership homes. This research aims to find the most market pressure relieving housing types for the middle rental sector.

2.2 Middel rental housing sector

The middle rent sector is critical to maintaining a balanced housing market, with an adequate supply being particularly important. Middle rent, for example, makes it easier to transition from social to non-regulated renting, as well as from the rental sector to buying a first home. Middle rent houses benefit those moving out of the social sector as well as households wishing to sell their homes to free up equity, hence increasing housing availability in both the social and owner-occupied sectors. Thus, the middle rent category functions as an intersection in the housing market, allowing households to move up, move on, or move back, ensuring they can always find adequate accommodation. (Gijzel, 2018)

The middle rental housing sector is not (yet) regulated to date and therefore have no demand stimulation from the government as social rent (for example lower land prices) and the owner-occupied segment (mortgage interest deduction) do (Boonen & Middelkoop, n.d.). In the new law the rent price increase is maximised. In the middle rental segment, annual indexation is capped at CAO wage development + 1% (Capital Value, 2024).

The government is in the process of introducing a law that should also regulate middle rent. This law was adopted by the second chamber on 25 April 2024. With this law, rents in the middle rental housing sector will be regulated on the basis of the housing valuation system.
The new "affordable rent act" is designed to keep rental housing in the Netherlands affordable and accessible. In the housing valuation system points are given to specific characteristics of a dwelling, like the floor area, facilities and qualities. The maximum price for a social rental house in this housing valuation system is in 2024 €876,66 (Ministerie van Algemene Zaken, 2024). This is also the start of the middle rental sector. According to the new law the maximum points for a middle rental house will be 186 points with, in 2024 correspond with €1123,13. This is then also the maximum rent price for a middle rent dwelling. (*wetten.nl - Regeling - Uitvoeringsregeling Huurprijzen Woonruimte - BWBR0015386*, 2024). So, the middle rental house price for 2024 is set on a rent from €876,66 to €1123,13 price level July 2024, but if a middle rental project is built before 2028 the maximum rental price is €1235,44 price level July 2024. There is a 10% surcharge to stimulate the market to build more projects, the surcharge on rent may be maintained for 20 years.

Blijie et al. (2019) has calculated the growth of the middle rental sector since 1998. The number of middle rent houses has increased from 130 thousand in 1998 to more than 430 thousand in 2018, representing a growth rate of 236%. The middle rental housing segment's share of the total occupied housing stock increased from 2% to 5,8% during that time period. The number of houses for rent in the free rental sector has significantly grown more compared to the middle rental segment since 1998, with a growth rate of 467%, illustrated in figure 2.3
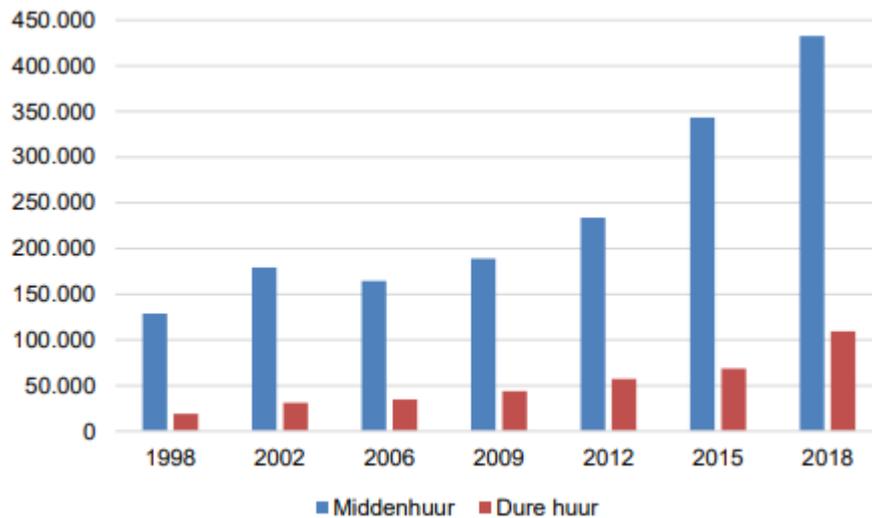
Figure 2.3: Size of occupied stock of middle-rent and expensive rental dwellings (Blijie et al., 2019)

The demand for middle rent has increased sharply, between 1998-2009 the demand never exceeded 5% of total demand from relocating households, it increased to 12% in 2015 then fell again to 8% in 2018 and rose to 9% in 2021 (WoonOnderzoek Nederland et al., 2022), this can be seen in figure 2.4. During the research of WoonOnderzoek Nederland et al. (2022), the liberalisation threshold is set at €752,33 and in this report, they refer to expensive rent if this is above €1000, This corresponds with the amount set in this report if indexed. This then also immediately indicates the range of middle rental sector. The middle rental sector is in this report not seen as a regulated sector as those regulations were introduced in 2024, see appendix 1.
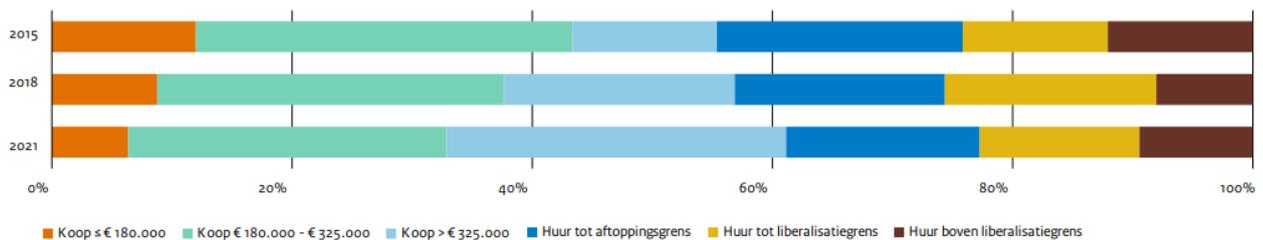
Figure 2.4: Desired home of actively seeking house applicants by ownership and price range (WoonOnderzoek Nederland et al., 2022)

Middle rental housing is for people who do not qualify for social housing due to too high income but who do not earn enough to either buy themselves a house because they earn too little to get a mortgage or because they earn too little to pay a high rent. In this, middle rent is a temporary sector for some and a more permanent sector for others. Such as for starters who have the prospect of a higher income or as a permanent sector for people who move on from social housing or elderly (empty nesters) who relocate to a smaller, better-suited residence. The middle rental sector is also a more permanent sector for people with a middle income, often people with crucial professions or older people who want to live in a smaller house in their old age but cannot afford to pay a high rent with their AOW. The aim middle rental housing is that they to go to middle-income households. Middle-income households are single-person households with an income between €47.699 to €62.191 and multi-person households with an income between €52.671 to €82.921 (2024 price level). Municipalities can set allocation rules for the regulated middle-rent homes via the housing permit. In this way, the homes will end up with house seekers with a middle income. (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2024a)

2.2.1 Importance of middle rental housing

The research of Gijzel (2018) describes several reasons why middle rental housing, plays a crucial role in the housing market. Firstly, it ensures that cities (populated areas) remain accessible to all income groups, creating a balanced and mixed community. This is good for the vibrancy and economic dynamism of urban areas. By providing sufficient middle rent housing, households can move more freely to homes that suit their needs, allowing new residents to integrate into the city more easily. Adequate middle rent housing enables young people to stay in the city after their studies or to find housing near their workplaces, contributing to the city's liveliness and economic activity.

Middle rent housing is attractive to specific groups such as those who prefer renting over buying due to flexibility, those who cannot afford to buy, those who no longer qualify for social housing but find buying unattainable or people who want so live smaller on older age. This includes young professionals, knowledge workers who need temporary housing, and elderly people looking to liquidate their housing assets. For these groups, middle rent housing offers an attractive option that combines affordability with flexibility, enabling them to adapt their housing situation to their personal and financial circumstances. Thus, the availability of middle rent housing is crucial for accommodating the diverse housing needs of a modern urban population.

Furthermore, middle rent housing supports a balanced housing market by facilitating movement between different housing sectors. This means people can move from social housing to middle rent or from middle rent to the private sector or homeownership, which in turn frees up social housing for those who need it most. It serves as a critical transition point that keeps the entire housing system fluid and responsive to changing needs. The presence of middle rent housing helps to prevent bottlenecks in the housing market, ensuring that housing stock is used more efficiently. And that people can find homes that match their current needs and financial situations.

Additionally, by offering a range of housing options within neighbourhoods, middle rent housing helps reduce spatial segregation (distribution of social groups). This encourages interactions among residents from diverse backgrounds and income levels, contributing to social cohesion and the overall quality of life in neighbourhoods. A mixed housing stock within neighbourhoods promotes a more integrated community where people from different socio-economic backgrounds can live side by side, this improved the mutual understanding and social stability.

Moreover, middle rent housing is attractive to investors because it offers relatively stable returns with lower risks of vacancy. This stability can attract long-term investments, ensuring the continuous development and maintenance of the housing stock. Investors see middle rent housing as a secure investment that can provide steady income over the long term, particularly in cities with high demand for rental housing. The involvement of investors in the middle rent sector can lead to more diverse and innovative housing developments, contributing to an overall improvement of the housing market. Gijzel (2018)

2.2.2 Rent control

Rent control policies, such as the Affordable Rent Act, are designed to preserve affordability in areas with high housing demand by limiting rent increases. These measures aim to safeguard tenants from displacement caused by rising rents and contribute to social stability. They also help prevent gentrification, promoting social diversity in neighbourhoods (Rajasekaran et al., 2019).

However, the Affordable Rent Act has fuelled concerns about its potential unintended effects. Researcher M. Korevaar from Erasmus University highlights that the act could disadvantage

lower-income tenants. By targeting higher rental prices, the policy encourages private landlords to sell their properties, which reduces the supply of rental housing available to lower-income families, young adults, and individuals experiencing life transitions such as divorce. Often, these homes are purchased by wealthier buyers, further decreasing the stock of affordable rentals (Rajasekaran et al., 2019).

Another challenge is the misallocation of resources, as long-term tenants who no longer need affordable housing may still benefit from rent controls, leaving newer, lower-income renters to face unaffordable options in unregulated markets. These issues highlight the importance of creating balanced policies that protect tenants while promoting a sufficient and sustainable housing supply (Rajasekaran et al., 2019).

2.3 The middle rental housing in the Netherlands

As outlined in Chapter 2.2, the middle rental housing price for 2024 ranges from €876,66 to €1.123,13. However, for middle rental projects completed before 2028, the maximum rental price is set at €1.235,44. To incentivise development in this sector, a 10% surcharge is permitted, which may be applied for a duration of 20 years. The annual rent price indexation in the middle rental sector follows the maximum rent increase determined by the COA plus an additional 1% (Capital Value, 2024).

For the purposes of this report, middle rental housing is defined as dwellings with rents between €876,66 and €1.123,13. In 2021, rental properties constituted 40% of the total housing stock in the Netherlands, amounting to 3.111.000 units, of which 13% belonged to the middle rental sector.

Kerncijfers huurders en hun woonsituatie

		2015	2018	2021
Huishoudens in huurwoningen	Aantal bewoonde huurwoningen	2.950.000	3.007.000	3.111.000
	% huurwoningen in totale voorraad	41%	40%	40%
Samenstelling huishoudens	% alleenstaand	55%	56%	58%
	% paar	22%	21%	20%
	% paar met kind(eren)	11%	11%	10%
	% eenoudergezin	11%	12%	11%
	% niet-gezinshuishouden	1%	1%	1%
Samenstelling voorraad (eigendom)	% corporatiehuur	75%	70%	67%
	% private huur	25%	30%	33%
Samenstelling voorraad (prijsklasse)	% tot kwaliteitskortingsgrens	15%	16%	13%
	% tot aftoppingsgrens	45%	47%	45%
	% tot liberalisatiegrens	25%	20%	21%
	% middenhuur (2021: < € 1.000)	10%	12%	13%
	% dure huur (2021: ≥ € 1.000)	4%	5%	8%
Inkomensgroepen huurbeleid	% doelgroep passend toewijzen	55%	54%	49%
	% overige corporatiedoelgroep	19%	20%	23%
	% midden- en hoge inkomens	26%	26%	28%
Woonlasten huurders (prijspeil 2021)	Bruto huur	€ 606	€ 631	€ 670
	Huurtoeslag	€ 81	€ 98	€ 93
	Netto huur	**€ 525**	**€ 533**	**€ 578**
	Bijkomende woonuitgaven	€ 187	€ 183	€ 157
	Netto woonuitgaven	**€ 711**	**€ 716**	**€ 734**
	Netto besteedbaar inkomen	€ 2.252	€ 2.311	€ 2.453
	Netto huurquote	25,6%	25,0%	25,6%
	Netto woonquote	35,4%	34,5%	33,2%
Scheefheid huurders	Aantal dure scheefhuurders	402.000	335.000	353.000
	Aantal goedkope scheefhuurders	266.000	225.000	205.000
Tijdelijke huurcontracten	Corporatiehuur (totaal)			2%
	Corporatiehuur (recent verhuisden)			8%
	Private huur (totaal)			14%
	Private huur (recent verhuisden)			29%

Figure 2.5: Key figures tenants and their housing situation (WoonOnderzoek Nederland et al., 2022

As illustrated in Figure 2.5, the Dutch rental market has experienced a steady increase in the number of rental households, rising from 2.95 million in 2015 to 3.11 million in 2021. Despite this growth, the proportion of rental homes within the total housing stock has remained stable at approximately 40%. A notable demographic trend is the increasing prevalence of smaller

households, particularly single-person households, which grew from 55% in 2015 to 58% in 2021, while the share of couples with children declined.

In terms of rental price categories, the middle rental segment (rents below €1.000 in 2021) expanded significantly, increasing from 10% to 13% between 2015 and 2021. Simultaneously, the share of high-end rental properties (rents exceeding €1.000) doubled from 4% to 8% over the same period. Another key trend is the decline in the number of so-called "misallocated tenants" (or *scheefwoners* in Dutch), referring to households whose income does not align with their rental category. The number of high-income tenants residing in social housing decreased from 402.000 in 2015 to 353.000 in 2021, while the number of low-income households renting properties above their financial means declined from 266.000 to 205.000.

Figure 2.6 also illustrates the occupancy trends within different segments of the rental market. The data indicate a decline in the supply of middle-rent housing offered by housing associations, whereas the availability of middle-rent properties in the private sector has increased. However, this growth remains significantly slower compared to the expansion of the high-end rental market.
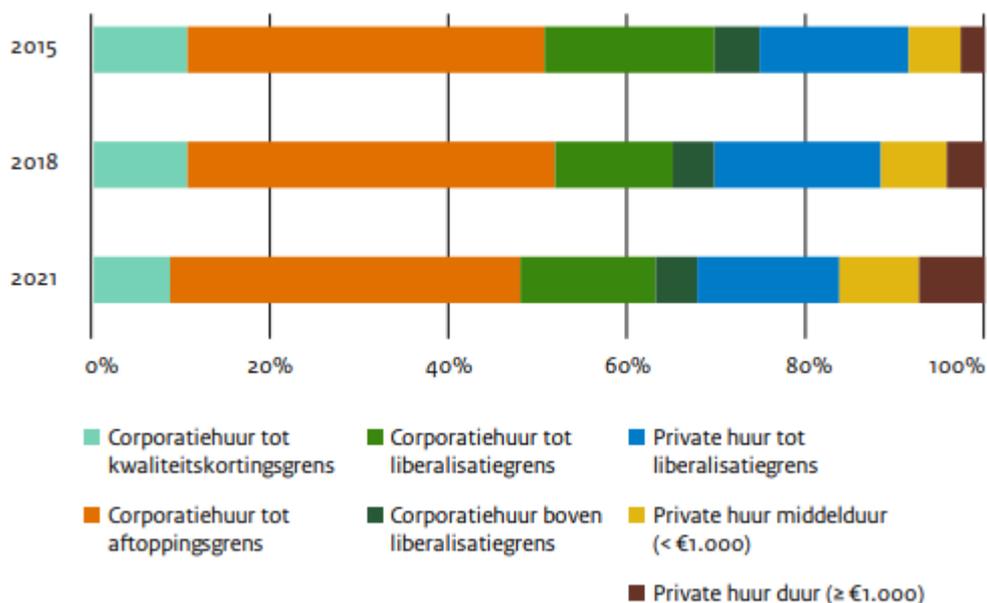
Figure 2.6: Development of ownership and tenant price range; 2015 to 2021 (WoonOnderzoek Nederland et al., 2022)

The report by Blijie et al. (2019) provides data on the composition of the middle rental housing sector in the Netherlands. The relevant figures are presented in Appendix 2-4. These data indicate that middle-rent dwellings in highly urbanised areas tend to be smaller and have a higher WOZ value per square metre, characteristics that contribute to increased density and property valuation in large cities. Additionally, these dwellings are often older, with a significant proportion constructed before 1970. In contrast, middle-rent housing in less urbanised areas exhibits greater diversity in type and size, including a substantial share of single-family homes.

The demographic composition of households in the middle-rent sector is highly diverse. In large urban areas, there is a strong representation of young households, single-person households, and migrant households. Furthermore, income and education levels among tenants tend to be higher in larger cities compared to smaller, less urban municipalities. The data also reveal economic stratification within the middle rental segment, highlighting disparities between different tenant groups.

Understanding the characteristics of middle-rent housing and its occupants is essential for analysing the dynamics within this sector. These insights provide valuable information for policymakers seeking to ensure balanced development across various rental segments in both urban and less urban contexts.

According to Blijie et al. (2019), approximately 430.000 middle-rent dwellings existed in the Netherlands at the time of their study. Figure 9 illustrates the distribution of these dwellings across different types of municipalities.
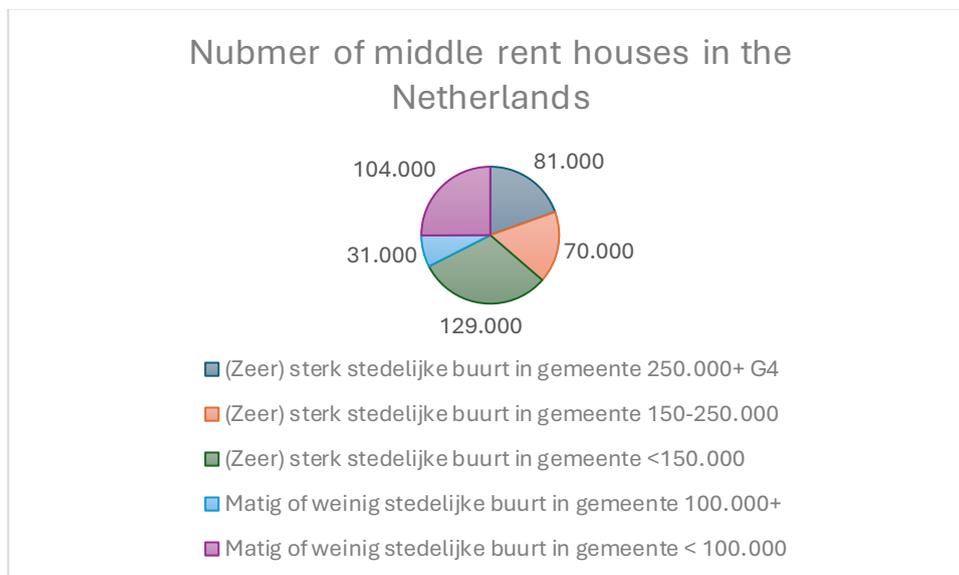
Figure 2.7: Number of middle rental houses in the Netherlands (own illustration with information of (Blijie et al., 2019))

The data presented in Figure 2.7 indicate that 75% of middle-rent housing is located in municipalities with more than 100.000 inhabitants. As of the end of 2023, approximately 6,85 million people in the Netherlands lived in such municipalities (CBS Statline, 2024a), while the total population of the Netherlands was nearly 17,95 million (Centraal Bureau voor de Statistiek, n.d.-a). This implies that 75% of the middle-rent housing stock is concentrated in areas where only 38% of the Dutch population resides.

Since 1998, the number of middle-rent dwellings has grown significantly, although this expansion has not been uniform across the segment. The share of single-family homes within the middle rental sector has declined from 52% in 1998 to 41% in recent years, as the number of multi-family middle-rent dwellings has increased at a faster pace. Among these, apartments with up to three rooms have experienced the most substantial growth.

An important consideration when assessing the size of a middle-rent dwelling is its WOZ value, which plays a role in the housing valuation system, in Dutch: Woning Waardering Stelsel (WWS). Under this system, more expensive homes receive more points. As a result, properties in popular and tan often expensive neighbourhoods with less physical quality may esteem middle-rent faster than less popular neighbourhoods.

According to Blijie et al. (2019), approximately 30% of households seeking middle-rent housing prefer a single-family home, while the remaining 70% favour multi-family residences. Additionally, 40% of house seekers desire a home no larger than 80 square metres, whereas 15% seek larger homes of at least 120 square metres. Location also plays a crucial role in housing preferences, with middle-rent home seekers displaying a stronger preference for urban environments compared to the broader group of house seekers. Over time, these location preferences have remained relatively stable.

Furthermore, households already residing in middle-rent housing exhibit lower mobility within the segment. Only 16% express a desire to move within the middle-rent sector, compared to significantly higher mobility rates among those in regulated rental housing or middle to high-priced owner-occupied homes. This emphasis the transitional function that middle-rent housing often serves within the broader housing market.

2.4 The tenants of rental houses in the Netherlands

The composition of households in the free rental sector differs significantly from that of tenants in the regulated rental segment. While the regulated sector primarily accommodates individuals and single-parent families, the free rental market houses a larger proportion of couples. This distinction is largely income-driven, as two-income households often exceed the income threshold required for social housing eligibility.

More than one-third of tenants in the free rental sector are couples, with nearly half of them under the age of 35. Additionally, a substantial number of couples with children reside in this segment. These demographic trends are illustrated in Figure 2.8.
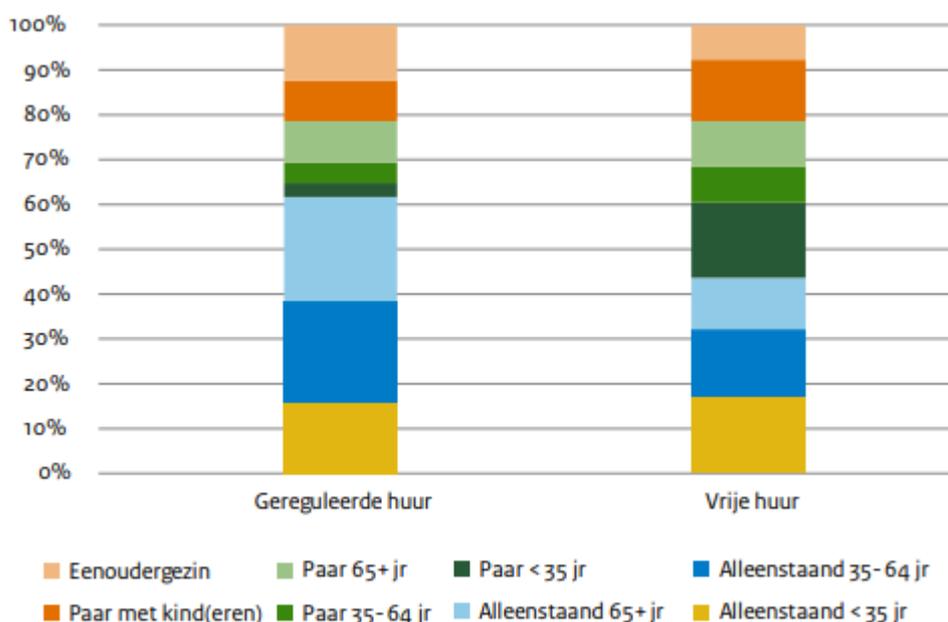
Figure 2.8: Composition of tenants in the regulated rental segment and the unregulated rental segment by household type; 2021 (WoonOnderzoek Nederland et al., 2022)

Middle- to high-income households have limited to no access to regulated housing provided by housing associations. Additionally, the supply of regulated rental housing within the private sector has declined since 2018. As a result, these households often face a choice between middle-rent housing defined as rents between the liberalisation threshold and €1.000 at the time of the *WoOn* report (2021) and high-end rental housing, with rents starting at €1.000.

2.4.1 The target group of middle rental housing

As previously mentioned, the government's objective for the middle rental housing sector is to allocate these dwellings to middle-income households. Middle-income households are defined as single-person households with an annual income between €47.699 and €62.191, and multi-person households earning between €52.671 and €82.921 (based on 2024 price levels). This income bracket is just above the eligibility threshold for social housing, meaning these

households do not qualify for social rent but may also lack the financial means to afford high-end rental or owner-occupied housing.

In the Netherlands, housing affordability is often assessed using the *woonquota* (housing quota), which compares housing costs to household income. According to this quota, spending up to 30% of gross income on housing is considered an acceptable norm. However, this method does not take household composition into account. While rent affordability is primarily determined by income, financial obligations differ significantly between, for example, a single parent and a large family. Additionally, a higher salary does not always translate into greater affordability, as tenants with high healthcare expenses or other financial burdens may have less disposable income for housing costs (Woonsector - Nibud, 2022).

Stone (2006) criticises the use of a fixed ratio method, arguing that it oversimplifies affordability and fails to reflect the real financial burden experienced by households. He advocates for the residual income approach, which considers not just income and housing costs but also non-housing expenditures. Unlike the ratio method, the residual income approach does not establish a fixed affordability threshold; instead, it introduces a flexible scale that accounts for variations in household composition and income. This approach provides a more nuanced understanding of housing affordability, particularly for households that fall between social housing eligibility and high-end rental affordability.

As stated in the introduction, middle-rent housing is intended for households that do not qualify for social housing due to their income being too high, yet lack sufficient financial resources to purchase a home or afford high-end rental housing. When combining this definition with Stone's (2006) insights on the residual income approach and the income threshold for social housing, a clearer picture emerges of the specific target group for the middle rental housing sector. The residual income approach highlights that middle-income households are not a uniform group; differences in household size, financial obligations, and location all influence their actual housing affordability. This reinforces the importance of targeted policies to ensure that middle-rent housing effectively serves those who need it most.

2.5 Housing preference

Within the middle rental sector, different resident profiles can be distinguished. Some households use middle-rent housing as a temporary option these are often young starters who have recently entered the workforce and are not yet able to purchase a home or afford high-end rental housing. Typically, they reside in middle-rent housing for a few years before transitioning to more expensive rental or owner-occupied homes. (van Gijzel, 2018)

On the other hand, some downsizers move from a large house to a smaller middle-rent home, often due to lifestyle changes, or to make up capital. This group consists mainly of older adults and seniors, for whom maintaining a larger home is no longer practical. (van Gijzel, 2018)

Between these two groups lies a third category: households that seek long-term residence in middle-rent housing. These residents have incomes that consistently fall within the middle-rent bracket, making this segment the most financially viable option. Unlike temporary residents, they remain in this sector over the long term as their income is too high for social housing eligibility yet insufficient for homeownership or high-end rentals.

By identifying the various housing needs within the middle rental sector, housing policies and development strategies can be more effectively tailored to accommodate these diverse resident profiles.

A starter in the rental market is defined as someone renting independent accommodation for the first time. This typically includes households that become the main occupants of independent

housing due to life changes such as marriage, cohabitation, divorce, independent living, or immigration (Centraal Bureau voor de Statistiek, n.d.-b).

Young adults, a key group among starters, exhibit a strong preference for urban locations that offer proximity to employment opportunities, public transport, and amenities such as shops and entertainment. Central urban areas are particularly attractive due to their accessibility to work and social activities. Compact housing units, such as apartments, are often chosen due to their affordability and ease of maintenance. There is also an increasing demand for well-designed, high-quality compact housing with modern amenities, reflecting the dynamic lifestyle of young adults who prioritise flexibility and convenience.

Flexibility in rental contracts is a crucial factor for young adults, as career changes and educational pursuits often lead to relocation. Rental agreements with shorter terms or early termination options are therefore highly valued. Additionally, safety and a secure living environment, including dependable landlords and well-maintained neighbourhoods, are important considerations. Despite these preferences, affordability remains a challenge, as young adults frequently allocate a substantial portion of their income to rent, limiting their financial flexibility. As a result, they seek a balance between comfort, convenience, and economic feasibility (Opit et al., 2019).

Families and couples planning to have children have specific housing preferences that align with their life course. The life course approach indicates that changes in relationships and household size strongly influence housing needs. The birth of a child often necessitates a move, as the existing home may no longer provide adequate space. These relocations typically occur just before or after childbirth, driven by the demand for larger homes in child-friendly environments (Laarman & Van Dam, 2018).

Families generally seek stability and security in their housing choices. They prioritise financially secure living arrangements in safe, green environments that are suitable for raising children. While accessibility to workplaces remains a key consideration, families tend to avoid the most densely populated urban areas, instead favouring city outskirts and suburban green spaces. Despite these preferences, the number of families residing in urban areas has grown significantly over the past two decades. This increase is attributed to three main factors: a renewed appreciation for urban living due to the availability of amenities such as childcare and employment, an improved urban housing supply that better meets family needs, and housing market constraints that limit mobility and prevent some families from relocating to suburban or rural areas (Laarman & Van Dam, 2018).

Research on the housing preferences of adults aged 55 and older indicates a strong preference for residential neighbourhoods, typically in three- or four-bedroom homes, with additional rooms used for guests, work, or storage. While most seniors do not seek additional paid services, those who do tend to prefer offerings such as cleaning, gardening, and concierge services. More than 90% of seniors want their future home to be wheelchair-accessible or easily adaptable for mobility needs (Hoetjes et al., 2022).

The living environment is another critical factor for older adults, who prefer quiet, green neighbourhoods with convenient access to shopping, public transport, and healthcare facilities. Many seniors also wish to live close to family and friends to maintain social interactions. Additionally, neighbourhood safety and accessibility play a significant role in their housing decisions.

Financial considerations influence seniors' housing choices as well. Affordability is essential, particularly regarding housing costs, maintenance expenses, and energy consumption. Many older adults prioritise energy-efficient homes to lower their monthly utility bills. A key housing preference among older households is housing that is adaptable for long-term residency. This

includes ground-level homes or buildings with lifts, wide doorways for wheelchair access, and the ability to accommodate assistive features such as stairlifts. Most seniors prefer independent living for as long as possible, with the option to receive in-home care if needed (Hoetjes et al., 2022).

2.6 Demand for middle rent housing

Based on housing projections and anticipated household growth, the development of the statistical housing shortage can be outlined, as illustrated in Figure 2.9. In 2023, the estimated housing shortage was 390.000 homes, representing 4,8% of the total housing stock. This shortage is expected to remain relatively stable in the coming years, reaching 397.000 homes by 2027, which would constitute 4,7% of the housing stock.

After this period, the growth of the housing stock is projected to outpace household growth, leading to a gradual decline in the housing shortage. By 2031, the shortage is expected to decrease to 330.000 homes (3,8% of the stock), with further reductions projected in the following years. By 2038, the shortage is anticipated to decline to 205.000 homes, accounting for 2,2% of the total housing stock (Gopal et al., 2023).

If the government achieves its goal of constructing 900.000 new homes by 2030, the housing shortage could be reduced to 3,0% of the housing stock by 2031, illustrated in figure 2.9. However, this outcome is contingent on ensuring that new housing developments are concentrated in regions experiencing the most severe shortages (Gopal et al., 2023).
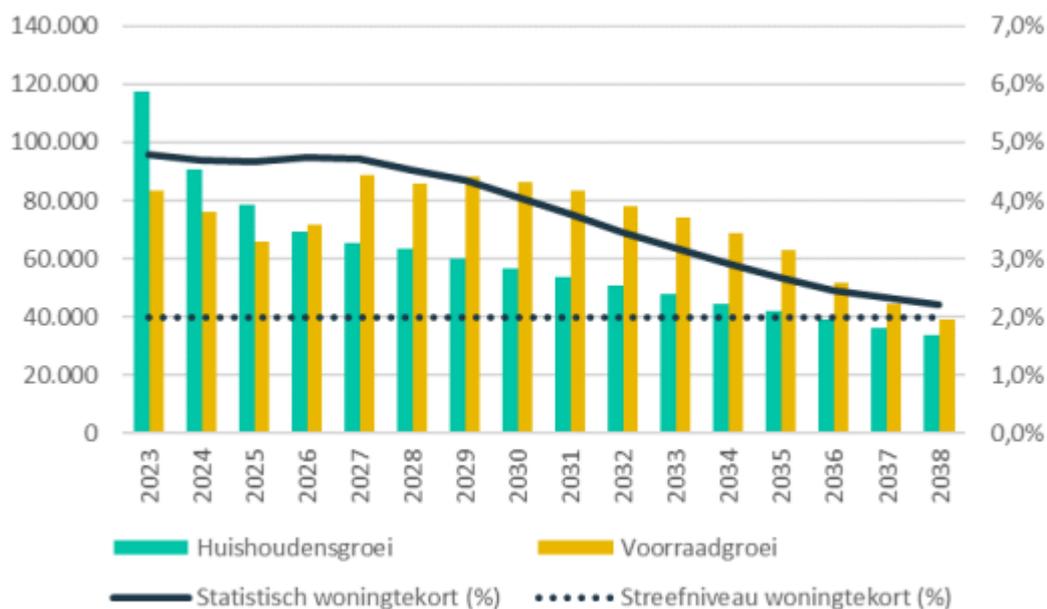
Figure 2.9: Development of households, housing stock and statistical housing deficit, 2023 to 2038 (Gopal et al., 2023)

The ABF Research report by Blijie et al. (2019) examines the future demand for middle rental housing and the necessary expansion of the housing stock to accommodate this demand. The analysis is based on the Socrates 2019 housing market simulation model, a tool designed to simulate and analyse housing market dynamics. This model provides insights into various aspects of the housing market, including supply and demand, price fluctuations, the impact of policy measures, demographic trends, and income developments to project long-term housing

needs (Gopal et al., 2019). The report emphasises multiple scenarios to account for uncertainties in key factors affecting future housing demand.

The future demand for middle-rent housing is subject to significant uncertainty due to several key factors, including household growth, income development, housing preferences, housing production, and rental policy. The Socrates 2019 model distinguishes between three income scenarios, Low, Middle, and High, each incorporating different assumptions regarding these uncertainties. These scenarios guide the projections of housing demand and the necessary expansion of the middle rental housing sector.

The projected growth of the middle rental sector can occur through rent adjustments, conversions from owner-occupied to rental units, and new housing developments. The latter, largely influenced by municipal and provincial policies, plays a crucial role in determining the sector's future supply. Therefore, both new construction and net stock development (new builds minus demolitions, sales, and rent adjustments) are analysed to provide a comprehensive picture of the expected growth.

For the period 2019 to 2030, forecasts by Gopal et al. (2023) estimate a total new housing construction of 887.000 units, based on existing municipal plans and anticipated household growth. This construction activity is expected to partially address the existing housing shortage. Additionally, the qualitative aspect of new housing supply is considered, ensuring that construction aligns with the needs of market movers to enhance overall housing market dynamics.

Within these projections, an estimated 57.000 new middle-rent homes are expected to be built, representing 13% of the existing middle rental stock. This translates to an average of 4,800 new middle rental units per year, comprising 6% of total projected new construction. The demand is predominantly for apartments, which are expected to make up 86% of new middle-rent housing, while single-family homes account for the remaining 14%.

The long-term demand for middle-rent housing remains highly uncertain and depends on a range of structural and policy-related factors. Some of the most influential factors include labour market flexibility, as the rise of flexible employment contracts affects income stability and housing affordability; access to social housing, as policies governing maximum income thresholds determine the availability of regulated rental housing for middle-income households; access to homeownership, as mortgage financing norms and loan-to-value (LTV) ratios influence the feasibility of purchasing a home; and affordability of homeownership, as housing price developments and fiscal policies, such as mortgage interest deduction, impact the attractiveness of homeownership relative to renting. Changes in these factors can shift household housing preferences, thereby influencing the overall demand for middle rental housing.

The report by Gopal et al. (2023) confirms that housing market forecasts remain highly uncertain. Due to the complex interplay of demographic, economic, and policy factors, it is not possible to quantify reliability or accuracy measures to determine a definitive projection range.

Despite these uncertainties, the projections underscore the significant need for new middle rental housing to meet future demand. This necessity is driven by demographic trends, economic conditions, and evolving policy frameworks. The findings from ABF Research highlight the importance of flexible and responsive housing policies to ensure an adequate supply and to accommodate the changing needs of middle-income households.

2.7 Housing Flow

The report "Toegang tot de stad" by (Rli [Council for the Environment and Infrastructure], 2020) highlights the significant role baby boomers play in housing market dynamics. Many from this generation now have children who have left the parental home, and their housing choices

significantly impact the availability of existing housing. If they downsize, for example, by moving to an apartment, their former homes become available for younger families. However, if they remain in these larger homes, it may take a long time before these properties become available through natural turnover. This leads to an inefficient use of housing stock, as more family homes are occupied by singles or couples without children. Recent studies indicate that many attics and rooms in these homes remain empty, with households over 50 years old living in relatively spacious conditions, while households in the family phase (ages 35–50) often live in smaller homes (Crutzen et al., 2020).

Dutch municipalities identify the slow relocation of elderly people from larger homes as a major factor contributing to the housing crisis. A survey found that 55% of municipalities consider poor mobility among seniors to be the primary issue. Many elderly households remain in homes that exceed their current needs, exacerbating the shortage of suitable dwellings for younger families and first-time buyers. Municipalities argue that if more seniors relocated to appropriately sized housing, larger homes would become available, reducing overall housing shortages. However, senior organizations such as KBO-PCOB challenge this view, pointing out that the primary barrier to relocation is the lack of suitable and affordable housing for older adults (Van Der Parre, 2021).

Research by Geuting and Timmen (2021) emphasises the importance of promoting housing mobility among the elderly. The availability of more suitable housing for older adults would free up larger homes for younger families, improving housing market efficiency. New senior-oriented housing developments can trigger multiple subsequent moves, creating a cascading effect in the market that has a greater impact than constructing starter homes alone. Additionally, expanding housing options that bridge the gap between independent living and traditional care facilities could help address the declining capacity in nursing homes and support the aging population more effectively.

Contrary to the perception that older adults are reluctant to move, studies suggest that many seniors are willing to relocate if appropriate housing options exist. Facilitating housing mobility for seniors can also help reduce future social costs. Life-cycle housing, for instance, reduces the need for expensive home modifications and lowers municipal spending on social services. Municipalities, provinces, and housing associations can support senior relocation through incentives and relocation assistance programs, making transitions smoother and more attractive (Geuting & Timmen, 2021).

A comprehensive housing strategy that incorporates various housing types suited to different life stages is crucial. This approach must address the diverse needs of elderly residents while ensuring financial feasibility. Implementing a well-rounded strategy including constructing suitable homes, providing financial incentives, and promote a more diverse housing market would improve housing availability and efficiency, benefiting both the elderly and younger generations. Effective solutions require cooperation between multiple stakeholders, including municipalities, housing associations, and the private sector.

As the Dutch population ages, housing demand is shifting. Household growth is now driven more by migration than natural population increases, and the number of elderly residents is rising, particularly outside urban areas. This demographic trend presents a major spatial challenge for the housing market. The growing proportion of elderly residents and the increasing prevalence of smaller households more couples and singles has led to inefficient use of housing stock. There is an overall shortage of suitable housing for the elderly across all price segments, in both the rental and owner-occupied markets (Geuting & Timmen, 2022).

It is a misconception that seniors are unwilling to move. Even with limited suitable housing options, many 70-plus households continue to relocate, often leaving behind larger homes in favour of smaller apartments. There is strong demand among seniors for diverse housing types that meet their specific needs, including a mix of apartment and ground-level homes, as well as

individual and shared living arrangements. These options should be available in both urban and suburban settings. Financial considerations are also crucial; many seniors have enjoyed low housing costs for years and may find suitable new housing expensive. However, if attractive and affordable options are available, many seniors are willing and able to move (Geuting & Timmen, 2022).

The limited availability of middle rental housing restricts the ability of seniors to transition to housing that better suits their needs. As a result, they remain in larger family homes, slowing market flow. Expanding the supply of middle rental housing could encourage seniors to downsize, freeing up larger homes for younger families and first-time buyers. Increasing the availability of middle rental housing is therefore essential to improving market flow, optimising the use of existing housing stock, and reducing overall housing shortages. A more flexible and dynamic housing market, with greater diversity in rental options, would benefit all age groups by ensuring that housing availability aligns more closely with actual demand.

2.8 Housing space distribution
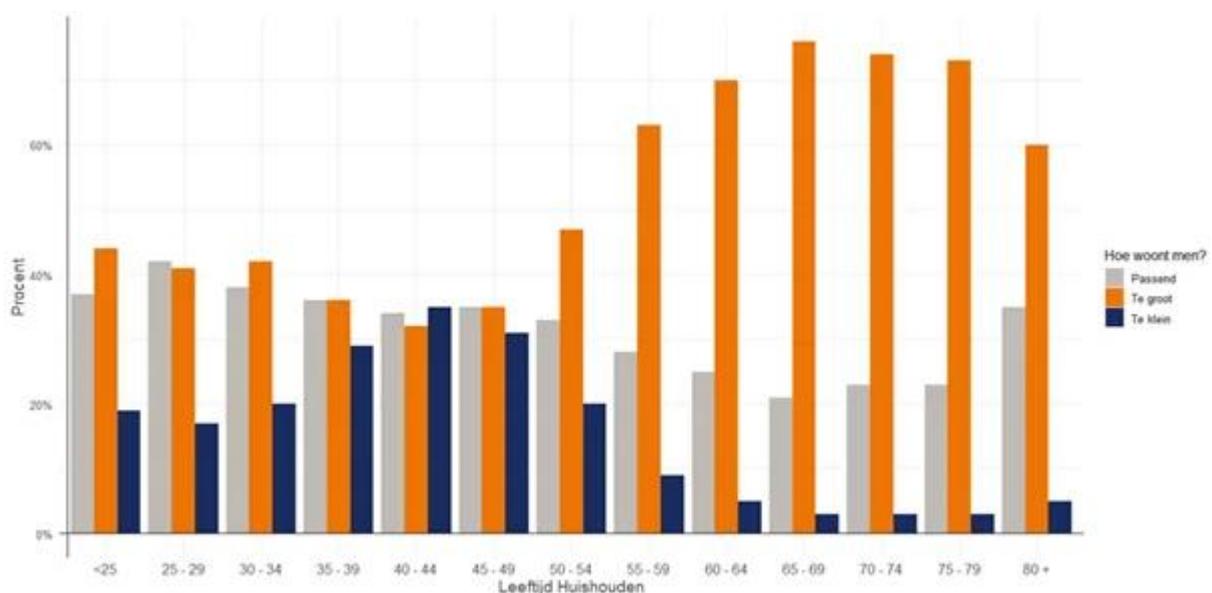
Figure 2.10: Age of household and adequacy of floor space in current dwelling (Sollie, 2020)

In Figure 2.10, the imbalance between age groups and living space distribution is illustrated. Over the years, the addition of certain types of housing has led to inefficiencies in the housing market, resulting in smaller households occupying larger homes and larger households residing in smaller ones. Recent research by Springco Urban Analytics suggests that increasing the supply of middle and high-end apartments could significantly improve housing market flow. A substantial proportion of households aged 55 and older, commonly referred to as "empty nesters," currently live in spacious homes. Notably, nearly one in three of these households is likely to relocate, particularly those living in apartment buildings without elevators (Crutzen et al., 2020).

Among empty nesters considering relocation, almost half feel that their current homes are too large. Other significant factors influencing their decision to move include health concerns, a desire for a different living environment whether more urban or rural and the aim to reduce living costs. Many empty-nesters prefer apartments with elevators, although a considerable proportion still favours ground-level homes or detached houses. This preference is particularly strong in rural areas, where housing is often more affordable.

Affordability and homeownership status play a critical role in the relocation decisions of empty nesters. Most wish to retain their current form of homeownership, whether renting or owning. Those in private rental housing often seek more affordable rental options as they approach retirement due to financial considerations. However, they face several obstacles, including income thresholds that restrict access to social housing and the paradox of higher costs for smaller, more suitable homes.

Facilitating housing transitions for empty nesters can help alleviate the housing market bottleneck. By constructing housing that aligns with the needs of households living in homes that exceed their space requirements, larger homes can be freed up for families, thereby improving market fluidity. Analysing these potential transitions highlights a clear need for the development of suitable housing for empty nesters. This approach could help rebalance supply and demand in the housing market, ensuring that the right types of homes are available for various household needs (Crutzen et al., 2020).

2.9 Current housing construction in the middle rental sector

The number of building permits issued for new housing in the Netherlands has declined significantly in recent years. In 2023, permits were granted for nearly 55.000 newly constructed homes, representing a 15% decrease compared to 2022. This decline was particularly noticeable in the owner-occupied housing market, where a 23% drop was recorded, while the number of permitted rental homes decreased by 6% (Centraal Bureau voor de Statistiek, 2024a).

This trend continued in 2024. By the third quarter, 47.300 building permits had been issued, marking a 17% increase compared to the same period in 2023. However, this growth slowed in the third quarter, indicating that new housing construction remains below target and that the government's objectives are becoming increasingly out of reach (Stijging Van Aantal Bouwvergunningen Loopt Terug - Capital Value, 2024).

The share of rental homes within the total number of building permits has risen in recent years, increasing from 36% in 2020 to 52% in 2023. However, in 2024, this share declined again to 48%, which is concerning given the persistent demand for social and middle-rent housing (Stijging Van Aantal Bouwvergunningen Loopt Terug - Capital Value, 2024).

Housing associations play a crucial role in the construction of social and middle-rent housing. According to the National Performance Agreements, they are expected to double their annual new housing production from approximately 15.000 to 30.000 homes. However, the number of building permits granted to housing associations has stabilised at around 12.350 per year in recent quarters, indicating that substantial efforts are still required to meet these targets (Conijn, 2024).

Despite existing plans and ambitions, the realisation of new housing, particularly in the middle-rent segment, continues to lag behind targets. Factors such as rising construction costs, high interest rates, and strict regulations contribute to this stagnation. Additional stimulus measures and closer collaboration between market parties, housing associations, and the government are necessary to accelerate the construction of affordable rental housing and address the housing shortage effectively.

The Dutch government aims to deliver 900.000 new homes by 2030. Of these homes, two-thirds are intended to be affordable rental and owner-occupied homes, ensuring that the supply aligns better with the financial capabilities of home seekers. Specifically, this target includes the construction of 250.000 social rental homes by housing associations, 50.000 middle-rent homes by housing associations, and 300.000 middle-rent and affordable owner-occupied homes by market parties (Ministerie van Algemene Zaken, 2023).

This distribution is part of the National Housing and Construction Agenda, in which the government, together with provinces, municipalities, and other stakeholders, establishes agreements to accelerate housing production and ensure a diverse housing supply that meets the needs of different target groups (Ministerie van Algemene Zaken, 2023).

2.9.1 Housing market in Rotterdam

In this study, focus is placed on the housing market of Rotterdam. This choice was made because Sustay, the real estate developer collaborating in this research, is based in Rotterdam. Additionally, the Municipality of Rotterdam has a Housing Vision that places significant emphasis on the middle rental sector. Furthermore, recent reports indicate that Rotterdam has experienced the fastest-growing rental prices in the Netherlands, with an increase of 5,9% (Centraal Bureau voor de Statistiek, 2024b). As described in section 2.3, most of the middle rented houses are found in large municipalities, with more than 100,000 inhabitants. In addition, the demand for suitable housing in these areas is also the highest. This combination of factors makes Rotterdam a relevant study for analysing and optimising the middle rental housing market.

A market analysis is conducted, focusing on listings from Funda, Pararius, and Woonstad Rotterdam to give an overview of the availability of middle rental houses in Rotterdam.

Currently, the supply of middle rent homes in Rotterdam is limited and highly sought after. According to an analysis by Pararius and Huurwoningen.nl, the available supply in the middle rental segment in the Netherlands has de creased by 20,2%, while demand has increased by 25,4%. In Rotterdam, middle rental properties receive an average of 416 responses per property. (Pararius & Huurwoningen.nl, 2024)

According to data retrieved from Funda on 14 February 2025, a total of 3.350 rental properties were listed nationwide across all rental sectors (Funda, n.d.). Narrowing the focus to the middle rental segment, defined here as rental prices ranging between €900 and €1.303, only 234 properties were available. The middle rent range as of 1 January 2025 is set between €900,07 and €1.303,30, including the 10% rent increase for newly built projects. In Rotterdam, 59 properties were listed within this range (Funda, n.d.). All these properties are multifamily houses (apartments), with 52 being newly built. Among the 59 dwellings, 58 have a surface area of more than 50 m², while only 3 exceed 75 m², with a maximum size of 83 m². The listings include 1 studio, 8 two-room apartments, 47 three-room apartments, and 3 four-room apartments. Energy labels are known for only 5 properties, ranging from A+ to D. There is 1 property with a garden and 44 with a balcony, while the remaining flats have no outdoor space.

Pararius data from the same date reported a slightly higher total of 3.955 rental properties nationwide, spanning all rental sectors (Pararius, n.d.). Within the middle rental range, defined as rental prices between €900 and €1.300 to align with comparable benchmarks, 480 properties were available nationwide (Pararius, n.d.). In Rotterdam, Pararius listed 341 rental properties overall, of which only 33 fell within the specified middle rental range (Pararius, n.d.). Of these 33 dwellings, 29 are multi-family houses (apartments), while the remaining 4 are offered as studios or single-room units. The distribution of properties includes 2 five-room houses, 4 four-room houses, 3 three-room houses, 12 two-room houses, and 12 one-room houses. In terms of size, 5 houses are smaller than 25 m², 28 exceed 25 m², 15 exceed 50 m², 6 exceed 75 m², and 2 are larger than 100 m². Energy labels were not available in the dataset. Regarding outdoor space, 11 properties have a balcony, 6 have a garden, and 1 property includes both a garden and a balcony. This means that 18 of the listed dwellings do not have any outdoor space.

It is important to note that properties are often listed on both Funda and Pararius, which may lead to overlap in the reported numbers.

Additionally, Woonnet Rijnmond provided data on housing offered by housing associations in and around Rotterdam as of 14 February 2025. A total of 140 properties were available, categorised into two rental sectors: 23 in the middle rental sector and 117 in the social rental sector (Woonnet Rijnmond, n.d.). It is not possible to filter these properties by size, number of rooms, or outdoor space. However as can be seen on the website of Woonnet Rijmond, middle-rent properties offered by housing associations are generally larger than those in the private sector.

2.10 Housing distribution policies

Municipalities can establish allocation rules for regulated middle-rent homes through the housing permit system, ensuring that these homes are reserved for households with at most a middle income (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2024b).

The Rotterdam Housing Vision (Gemeente Rotterdam, 2024) places a strong emphasis on increasing and improving the supply of middle-rent housing as a key strategy to address the housing shortage in the city. Expanding this sector is essential to ensure that middle-income residents of Rotterdam have access to affordable and suitable housing. The key elements of the Housing Vision Rotterdam are outlined below:

The new construction and expansion of middle-rent housing is a primary focus of municipal policy. From 2026 onwards, 65% of new housing construction will be designated as affordable housing, of which 40% will be allocated to the middle segment (including both rental and owner-occupied homes). To accelerate this process, the municipality is introducing flexibility in regulations through the new Rotterdam Building Act, which aims to facilitate the rapid realisation of affordable housing, including middle-rent properties.

To maintain affordability, the municipality enforces strict allocation rules, ensuring that middle-rent housing remains accessible to households within the appropriate income brackets. Additionally, public and private legal instruments are applied to regulate rental prices and prevent excessive rent increases within this segment.

The municipality actively collaborates with housing associations, developers, and investors to increase the supply of middle-rent housing. Financial support and customised agreements are implemented to incentivise the construction of such housing. Simultaneously, market parties are encouraged to develop innovative housing concepts that respond to the increasing demand for middle-rent homes.

An area-based approach is central to Rotterdam's housing strategy, aiming to create diverse and inclusive neighbourhoods. In areas with a high concentration of social rental housing, new middle-rent developments will be prioritised to improve the housing mix. Conversely, in neighbourhoods with limited affordable housing, the municipality will ensure a balanced mix of social and middle-rent properties. Additionally, efforts are made to preserve and improve existing housing stock to maintain accessibility for middle-income households.

Monitoring and innovation play a crucial role in optimising middle-rent housing supply. The municipality reports annually on housing development progress, including the growth of the middle rental sector. Furthermore, innovative housing solutions, such as house sharing and flexible rental models, are being explored to enhance affordability and availability.

These measures collectively contribute to a larger supply of middle-rent housing, improved affordability, and a more balanced housing market. Through new construction, strategic partnerships, and innovative approaches, the Municipality of Rotterdam aims to address the housing needs of its residents and enhance market circulation. This integrated strategy represents a significant step towards a more inclusive and accessible housing market for all Rotterdammers.

2.11 Impact of regulatory changes

In 2024, the number of sold rental dwellings increased significantly, with a total of 37.260 homes sold by landlords, which marks a rise of 12.560 units compared to 2023. Data from the Dutch Land Registry (Kadaster) shows that this trend is particularly visible in the four major Dutch cities. De-investing, also referred to as 'uitponden', refers to the sale of rental dwellings to private owner-occupiers and is illustrated in figure 2.11. This process contributes to a net decline in the rental housing stock, as the number of homes being sold exceeds the number of newly added units. (Manduzai, 2025)
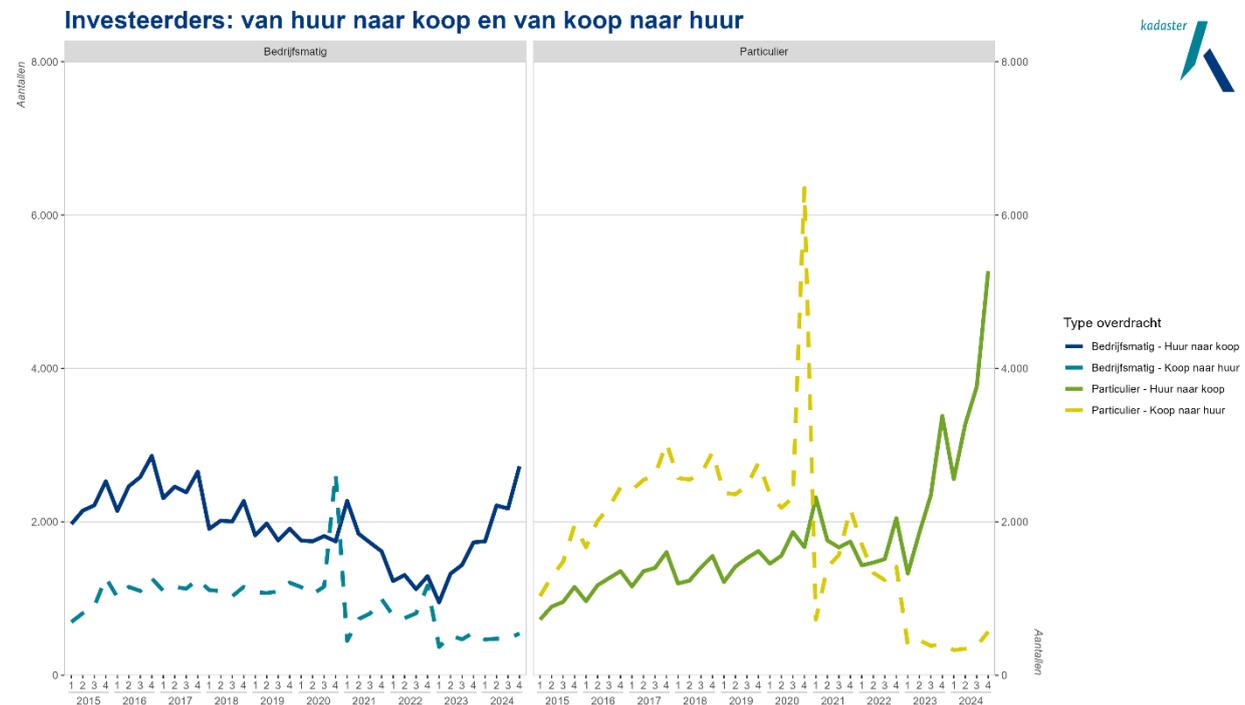
Figure 2.11 from rental house to owner occupied house and from owner occupied house to rental house (Investeerders 4e Kwartaal 2024: Stijging Aantal Verkopen Zet Door - Kadaster.nl Zakelijk, 2025)

The increase in de-investment is largely driven by new housing regulations, such as the Affordable Rent Act, purchase restrictions, and tax-related measures in box 3 tax (on savings and investments) and transfer tax on houses. These measures have put pressure especially on private investors, many of whom are now exiting the market. (Manduzai, 2025)

As a result, there are calls to adjust recently introduced rules such as the Affordable Rent Act already. However, stakeholders such as the Association of Dutch Municipalities (VNG), the national tenants' association (Woonbond), and the federation of housing associations (Aedes), argue against early changes. In a joint statement, they warn that revising the law so soon after its implementation could undermine rental affordability and tenant protection. Interestingly, the Association of Dutch Project Developers (Neprom) shares this stance, not necessarily out of support for the content of the law, but out of concern for market uncertainty. Their chairman Ronald Huikeshoven stated, that constantly changing the rules deters investors and slows down rental housing development. Investors need predictability to make their calculations. In contrast, industry group Vastgoed Belang, which represents private landlords, is calling for immediate action from the government. Citing data that over 97.000 dwellings disappeared from the rental market between 2022 and 2024, primarily social and mid-rental homes, the organization warns that if current trends continue, the middle-income rental segment could lose another 50,000 units by the end of 2025. (Tiekstra, 2025)

Further pressure on landlords has come from legal developments. A recent court ruling upheld the so-called WOZ-cap, a measure limiting the extent to which assessed property value (WOZ) can influence rent levels. The government, supported by tenant organizations, considers this cap a necessary correction to an earlier rule that inadvertently allowed landlords to increase rents without added value. Klaas Knot of the Dutch central bank (DNB) suggested repealing the Affordable Rent Act altogether, stating its potential to further shrink the already limited free rental sector. Chief economist Sophie Steins Bisschop emphasized the macroeconomic risks: as housing prices rise, more households are priced out of homeownership and forced to rely on a rental market that lacks sufficient supply. The Ministry of Housing aims to preserve between 400,000 and 540,000 mid-rental homes. If the number falls below this target as a result of the new law, it would be appropriate to reconsider the approach according to this ministry. (Tiekstra, 2025)

While some advocate repealing or revising the Affordable Rent Act, others propose alternative solutions. VNG, Aedes and Woonbond argue that policy adjustments should instead focus on tax reform, particularly a reduction in box 3 taxation. The government has already announced changes to box 3 to take effect in 2027. Additional proposals include reducing VAT on new construction and further lowering the transfer tax, which is already set to drop to 8% next year. The Dutch Association of Institutional Property Investors (IVBN) has also called for a "balanced fiscal approach" to restore investment confidence. Their recommendations include a reduction of the transfer tax across all sectors to 6%, the introduction of a competitive fiscal regime for real estate investment, and easing interest deduction limits to align with other European countries. (Tiekstra, 2025)

2.11.1 governments and market dynamics

Bonouvrié (2023) did his graduate research on the relationship between governmental authorities and market actors in the realisation of affordable housing, examining how this collaboration can be optimised to enhance effectiveness. His study concludes that new and innovative concepts can be highly effective in the realisation of middle segment rental housing that remains both affordable for tenants and financially feasible for developers. Bonouvrié (2023) examines different cases, in those cases distinct financial structure are applied, which enables a better balance between affordability and profitability. Those financial structures were; tenant-based bond loans (OnsHuys), operational lease agreements with housing associations (Buurblok), municipality-led housing funds (Woonfonds Rijswijk), reduced return expectations in exchange for social impact (Rabo SmartBuilds), and cross-subsidisation through commercial ground-floor spaces (AMST). These tailored structures move beyond conventional financing methods and are essential to making mid-rental housing both viable and accessible. In doing so, these concepts contribute to mitigating the tension between market returns and housing accessibility.

With regard to the development process, no single uniform approach can be identified. Nevertheless, concepts that diverge from conventional procedures and proactively utilise facilitating legislation are able to accelerate the development process significantly. Project capacity emerged as a critical determinant in achieving timely delivery.

Financial feasibility remains one of the most challenging aspects of mid-segment housing development. Rabobank plays a dominant role in financing innovative housing concepts, but alternative financing models involving private investors or even tenants (as describes in a case study of Bonouvrié (2023)) have proven to be both viable and promising. However, increasing land prices remain a structural barrier, often pushing developments to less urbanised areas. This trend further underscores the need for municipalities to adopt differentiated land pricing policies specifically tailored to middle segment rental housing.

Affordability, while complex to define uniformly, is generally achieved across the examined concepts. Concepts with longer operational periods contribute more meaningfully to long-term

affordability, reinforcing the importance of contract durations exceeding ten years where possible.

Quantitatively, the impact of a concept is shaped largely by its scalability and the organisational capacity behind it. Prefabricated and modular construction methods offer both flexibility and reproducibility, making these concepts more adaptable to different locations. The findings suggest that circular building strategies not only improve sustainability but also facilitate broader deployment and adaptability.

The government plays a vital role in either enabling or constraining the effectiveness of innovative housing concepts. Local governments influence key project parameters such as rent levels, operational duration, and target group allocation. Inconsistencies in municipal policies and regulatory frameworks continue to hinder project delivery in some cases. This reinforces the need for improved legislative alignment and intergovernmental coordination.

Ultimately, the effectiveness of new and innovative concepts is demonstrated through their ability to deliver financially viable, qualitatively sufficient, and socially relevant housing solutions. To further promote the realisation of middle segment rental housing, several recommendations are put forward. Market parties are encouraged to develop tailored, flexible processes, explore alternative financing structures, and collaborate more extensively with housing associations. Governmental actors, in turn, are advised to establish supportive regulatory frameworks, offer financial incentives through differentiated land pricing, and facilitate collaboration through clear contractual agreements. (Bonouvrié, 2023)

Another relevant study was conducted by Duurland (2024) exploring the effects of the rent and tax regulations on the investment behaviour of private landlords in the Dutch housing market and the implications for the position of private tenants. This study provides a nuanced understanding of how regulatory and fiscal shifts influence housing availability and affordability, particularly in the mid-market rental segment.

The research concludes that, despite the intended goals of the "Affordable Rent Bill" (Affordable rent act), to improve affordability and security for middle-income households, the combination of stricter rent regulation and increased taxation is likely to produce counterproductive outcomes. The study highlights that over half of surveyed private landlords indicated an intention to sell either all (53%) or part (17%) of their rental portfolio. This anticipated disinvestment is primarily driven by reduced profitability, especially for properties that fall under the new regulatory framework (i.e., below 187 WWS points). While some landlords are driven by financial unsustainability, others express dissatisfaction with the altered risk-return profile of the housing market compared to alternative investment opportunities.

The findings further reveal that the majority of private landlords are small-scale investors, often self-employed individuals or retirees who rely on rental income as a form of pension provision. These landlords operate portfolios that are generally debt-financed and taxed under Box 3 of the Dutch tax system. Their withdrawal from the rental market, if actualised, would significantly diminish the availability of mid-market rental dwellings, with potential consequences for middle-income households. The report of Duurland (2024) notes that these households, typically younger and financially constrained, already experience high housing cost ratios and have limited access to homeownership or social housing.

Although the intended transition of dwellings from rental to owner-occupied status may benefit some first-time buyers, it is unlikely to compensate for the loss of affordable rental units. This suggests that the proposed legislation prioritises affordability at the expense of availability, resulting in a paradox where middle-income tenants face a more precarious position in the housing market.

To address the identified challenges, Duurland (2024) proposes several interrelated policy recommendations aimed at restoring balance in the Dutch housing market.

Duurland advocates for the implementation of a tenure-neutral housing policy, ensuring that renting and homeownership receive equal fiscal treatment. This requires a shift towards a taxation system based on actual rather than notional returns, promoting fairness and investment neutrality across housing tenures.

Another recommendation concerns the governance of housing policy. The current fragmentation of responsibilities is seen as a key bottleneck. Therefore, the study calls for the establishment of a national housing authority with sufficient financial means and mandate to take ultimate responsibility for housing outcomes.

In addition, the Affordable Rent Bill itself should be revised to more effectively balance the twin objectives of affordability and investment attractiveness. The study suggests drawing on international best practices, such as Germany's model, where landlords of affordable rental housing are financially compensated to ensure a sustainable return on investment. Furthermore, enforcement of regulations like the Good Landlordship Law is needed to prevent exploitation, maintain housing quality, and ensure fair treatment of tenants.

Finally, housing policy must be evidence-based, taking into account broader economic and social dynamics to avoid unintended consequences and promote long-term effectiveness.
Overall, the study underlines the importance of adopting a holistic approach to housing policy, one that combines affordability, availability, and investment climate.

2.12 Conceptual framework

A conceptual model in research is one of several types of models used to structure and guide research. Conceptual models serve as abstract frameworks that define key concepts and their relationships within a particular studies. (Blaikie & Priest, 2019)
Figure 2.12 shows the conceptual model for this research about availability, accessibility and right product of the middle rental housing market in the Netherlands.
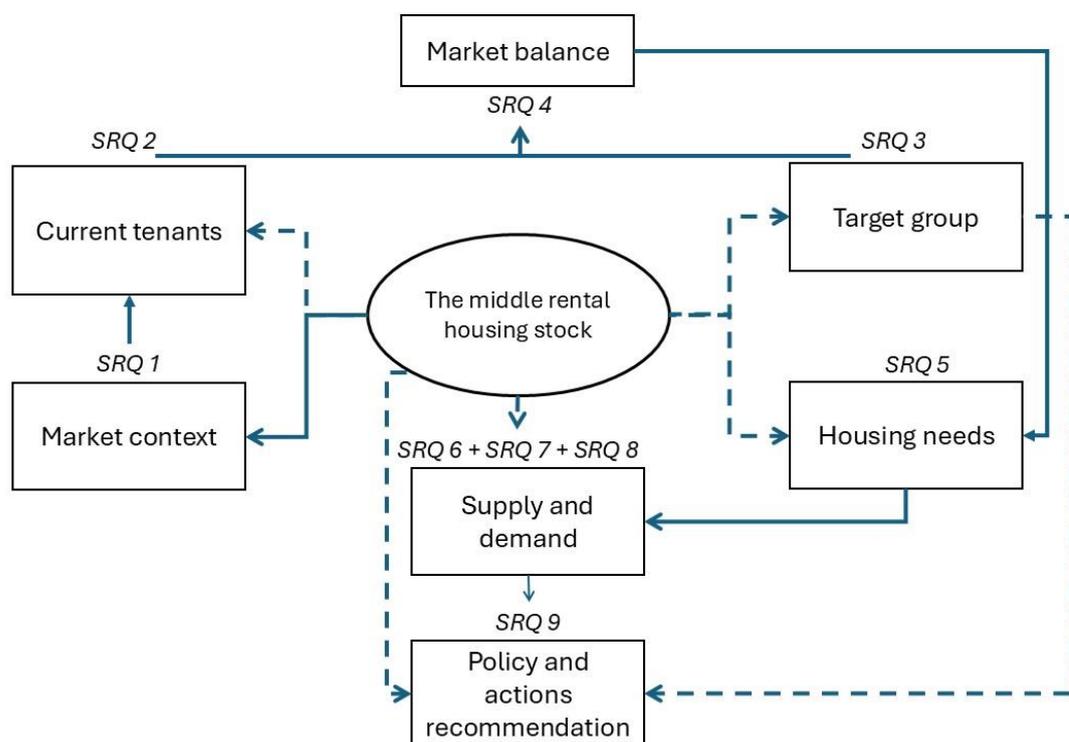
Figure 2.12: Conceptual framework (own work)

The housing shortage in the Netherlands is a significant issue, particularly in the middle rental sector. The broader housing market constraints contribute to this shortage, making it essential to identify an optimal housing product within the middle rental market to alleviate as much pressure as possible.

This section outlines the conceptual model designed to optimise the middle rental housing market in the Netherlands. The model integrates various research questions to provide a structured approach to understanding the dynamics of the housing market and developing targeted solutions for the intended target group. Below, the model's components are described, followed by an explanation of their interconnections.

The component "Middle Rental Housing Market and Context" (SRQ 1) focuses on the current housing stock and market conditions. This includes an analysis of the types of dwellings available (e.g., apartments, single-family homes, varying numbers of rooms), rental prices, and the characteristics of the existing housing stock. Understanding the current market context establishes the foundation for further analysis, creating a clear starting point for examining the middle rental housing sector.

The component "Current Tenants of the Middle Rental Housing Stock" (SRQ 2) examines the composition and characteristics of current residents in the middle rental sector. It analyses income levels, housing needs, and preferences of households. Understanding who currently resides in middle-rent housing is essential for identifying their specific housing demands and challenges.

The component "Target Group for Middle Rental Housing" (SRQ 3) identifies households seeking to move into middle-rent housing and their demand characteristics. By analysing the preferences of potential residents, this component provides insights into the specific needs of middle-income households, contributing to better housing supply planning.

The component "Market Balance" (SRQ 5) assesses the relationship between current residents of the middle rental sector and households searching for middle-rent housing. This analysis helps determine the level of demand in the middle rental housing market and highlights potential gaps or imbalances.

The component "Middle Rental Housing Needs" (SRQ 4) focuses on the specific types of dwellings required for prospective middle-rent tenants. This component allows for a comparison between the current housing supply and the actual demand, helping to identify where adjustments are necessary.

The component "Middle Rental Housing Supply and Demand" (SRQ 7 and 7) explores the balance between the existing market supply and the demand for middle rental housing. Understanding this relationship is crucial for identifying market needs and ensuring that the middle rental sector is optimised to effectively serve its intended target group. By identifying mismatches between supply and demand, this component provides a basis for making informed adjustments to improve housing availability.

The final component, "Policy and Action Recommendations" (SRQ 9), focuses on developing policies and strategies to address identified mismatches and enhance the overall functionality of the housing market. This involves examining housing allocation policies, municipal strategies, and supplier approaches. The objective is to improve market efficiency and ensure that the middle rental sector better meets the needs of middle-income households.

2.13 Conclusion context and market research

This chapter provided a comprehensive analysis of the context and current conditions surrounding the Dutch middle rental housing sector. Through the lens of the '5 A's' framework – availability, accessibility, affordability, acceptability, and adaptability – the chapter outlined the foundational aspects necessary to assess the adequacy of housing provision.

The Dutch housing market is currently characterised by a structural shortage, with a projected national deficit of 900,000 dwellings by 2030, of which 70,000 to 100,000 pertain specifically to the middle rental segment. This shortage is exacerbated by declining construction activity, increased development costs, and regulatory uncertainty. Although the government has introduced the Affordable Rent Act to safeguard affordability within the middle rental sector, this measure has inadvertently discouraged private investment, thereby constraining the growth of the housing supply.

The chapter further elaborated on the socio-economic importance of the middle rental segment, which functions as a transitional zone within the housing market, enabling upward and downward mobility. Middle rental dwellings cater to diverse demographic groups – from young starters and key workers to elderly downsizers – each with distinct housing preferences. The sector is thus not homogeneous, and a one-size-fits-all approach to policy and development is insufficient.

A key finding is the misalignment between supply and demand. While the current stock primarily consists of smaller apartments located in urban areas, there is a notable demand for larger, more adaptable dwellings, particularly among older and larger households. The lack of suitable alternatives for elderly households restricts housing mobility and leads to an inefficient use of the existing stock. This phenomenon highlights the broader issue of housing flow and the necessity to enable transitions that release larger dwellings back into the market.

Finally, the conceptual framework introduced at the end of the chapter consolidates the various contextual and market dynamics identified, providing the analytical structure for the subsequent methodological and empirical chapters. In order to optimise the middle rental housing sector, it is essential that future housing policies and development strategies address the diversity of the target group, stimulate investment through regulatory clarity and financial incentives, and improve alignment between supply and demand in both quantitative and qualitative terms

3 Methodology

This chapter explains more about the main- and sub- research questions and the way they will be answered. The research methodology will be examined, and with which instruments the research questions will be answered.

3.1 Type of study

To answer the research questions, and mixed method research will be used. First a literature review is conducted, after which both quantitative and qualitative research will be used. First, data research will be conducted based in the data of the WoOn research of 2021. After this quantitative, qualitative research in Rotterdam will be used to collect information from residents of the middle rental sector and households looking for a suitable home in the middle rental sector. The research aims to gather data on housing preferences, moving plans and the obstacles these households face. Some important stakeholders in this sector will be interviewed to obtain more specific information about their housing needs through qualitative research. The stakeholders who will be interviewed have a roll in the municipality, an investor, a housing association and a developer who are active in the mid rental sector

3.2 Research Model
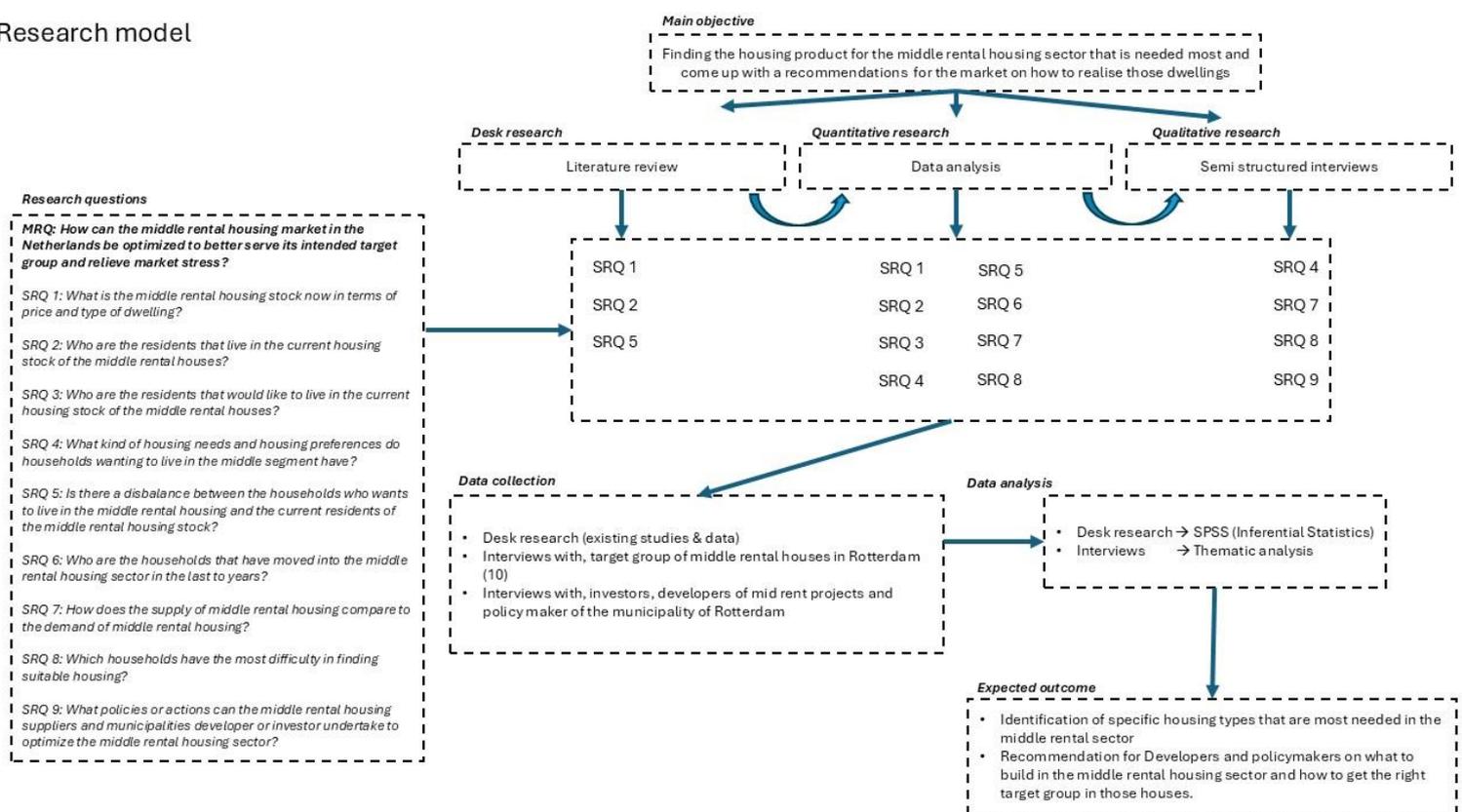
Figure 2.13: Research model (own work)

This study is organised into three parts: literature research, quantitative research, and qualitative research as shown in figure 2.13.

The literature research investigates the middle rental market in the Netherlands, providing a foundational understanding of its structure, challenges, and trends. This includes an analysis of

existing studies, policies, and market data to contextualise the research within the broader housing landscape.

3.2.1 The quantitative research

The quantitative research is designed to analyse data and draw conclusions about the current demand from the target group within the middle rental market. By examining supply and demand dynamics, as well as the characteristics of current and potential residents, this research provides empirical insights into market imbalances and housing needs.
In this research a mixed method is used, with quantitative and qualitative research.

This research, using SPSS and the WoON 2021 dataset, aims to examine the middle rental housing sector, by conducting three analyses; on current households in this sector, households wanting to move in or to this sector, and households moved in or to this sector in the past two years. Each analysis will give different insides into the households and housing preferences of the target group of the middle rental housing sector. In those analysis this research uses a weight factor named hweegwon. to make the WoOn 2021 database representative for households. In the introduction of this chapter, it is explained how the different sub research questions are answered with the different analyses.

Current Middle Rental Housing Stock
The first part of the analysis focuses on the current state of the middle rental housing stock, addressing two sub-research questions:

SRQ 1: What is the middle rental housing stock now in terms of price and type of dwelling?
The rent boundaries for the middle rental sector are established based on existing literature. The lower boundary corresponds to the maximum price for the social rental sector, set at €879,66 as of 2024. The upper boundary is defined by the Affordable Rent Act, which sets the maximum rent for middle rental housing at €1.123,13.

To incentivise faster construction within this sector, regulations allow developers to increase the upper boundary by 10%, raising the maximum permissible rent to €1.235,44 at the 2024 price level. These rent thresholds are underpinned by the Housing Valuation System (WWS), which assigns points to housing features. Social rental properties are capped at 143 WWS points, while middle rental housing includes properties with 143 to 186 WWS points, reflecting a higher standard of features and amenities.

SRQ 2: Who are the residents that live in the current housing stock of the middle rental sector?
Existing literature provides preliminary insights into the demographics of middle rental housing residents.

Housing Demand and Preferences
The second part of the analysis examines the preferences and aspirations of households seeking middle rental housing:

SRQ 3: Who are the residents that would like to live in the current housing stock of the middle rental sector?
This question identifies the characteristics of households aspiring to move into middle rental housing.

SRQ 4: What kind of housing needs and housing preferences do households wanting to live in the middle segment have?
This sub-question explores the specific needs and preferences of households seeking middle rental housing.

SRQ 5: Is there a disbalance between the households who want to live in middle rental housing and the current residents of the middle rental housing stock?
This analysis compares the profiles of current and aspiring residents, identifying any discrepancies in demographics or preferences.

Recent Movers and Market Dynamics
The third part of the research investigates households that moved into the middle rental housing sector over the past two years:

SRQ 6: Who are the households that have moved into the middle rental housing sector in the last to years?

SRQ 7: How does the supply of middle rental housing compare to the demand for middle rental housing?
This question examines whether the current housing stock meets the needs of aspiring residents.

SRQ 8: Which households have the most difficulty in finding suitable housing?
This additional sub-question identifies which demographics face the greatest challenges in securing appropriate housing in the middle rental sector.

SRQ 9: What policies or actions can the middle rental housing suppliers and municipalities developer or investor undertake to optimize the middle rental housing sector?

The analyses
Three separate analyses are conducted using SPSS and the WoON 2021 database with the weight factor hweegwon. to make it representative for households:
1. Current households of the middle rental housing sector.
2. Aspiring households and their preferences.
3. Recent movers to the middle rental housing stock.

These analyses collectively provide insights into the supply, demand, and potential mismatches in the middle rental housing market, helping to identify gaps and challenges in addressing housing needs. It will provide validates for findings in the literature, but it will also provide new insights.

To give an overview of the households in the Netherlands and in which housing sector they fit best an analysis is shown in table 3.1. In these analyses this research looks at the number of households that in terms of income and household composition do or do not fall into the target group of the middle rental sector. Out of the total, 22,6% of households in the Netherlands are target group of the middle rent sector. The numbers in this table are about all the households in the Netherlands, also the households living in a different rental sector that would with more with their incomes or in a purchased house

Target group in the Netherlands		
	Frequency	Percent
1 Person low	2.243.698	16,1
1 Person target group	410.156	**2,9**
1 Person high	456.125	3,3
Mphh low	2.105.337	15,1
Mphh target group	2.745.493	**19,7**
Mphh high	5.949.314	42,8
Total	13.910.629	100,0

Table 3.1: Percentage of the number of households in the Netherlands falling into the target group of the middle rental housing sector (own work)

3.2.2 The qualitative research

In the qualitative research, interviews will be conducted with key stakeholders in the middle rental housing sector. These interviews will involve project developers, housing associations, and municipal representatives, reflecting on the outcomes of the quantitative research. This will provide insights into how market trends and policy decisions impact the availability and affordability of middle-rent housing. Combining the findings from these interviews will help answer sub-research question seven: What policies or actions can middle rental housing suppliers and municipalities develop or undertake to optimize the middle rental housing sector?

The qualitative research will specifically focus on the Rotterdam housing market. Interviews with professionals in the housing sector will explore their perspectives on the middle rental market, highlighting key issues, regulatory impacts, and potential solutions. This analysis will be conducted using ATLAS.ti, a qualitative data analysis software that facilitates the identification of patterns, themes, and relationships within the collected data. Using ATLAS.ti will ensure a systematic and structured approach to processing and interpreting the interview data, allowing for a deeper understanding of both market dynamics and policy considerations within the middle rental housing sector.

3.3 Methods and instruments to be used

The main research question (MRQ) will be answered through a combination of sub-research questions (SRQ), literature research, and both quantitative and qualitative research methods.

MRQ: How can the middle rental housing market in the Netherlands be optimised to better serve its intended target group and relieve market stress?

The objective of this research is to explore and identify strategies and solutions that enhance the functionality and efficiency of the middle rental housing sector in the Netherlands. The ultimate goal is to determine the specific housing type(s) that could most effectively alleviate pressure in the middle rental market. This requires an in-depth understanding of the target group's needs, preferences, and challenges, as well as an analysis of existing market inefficiencies, including supply shortages and imbalances.

The research aims to improve the accessibility of the middle rental market, ensuring that the target group has access to adequate, affordable, and suitable housing options. By addressing these issues, the study seeks to contribute to a more effective and equitable housing market.

To achieve these objectives, the study will be conducted in two phases. Quantitative research will establish a comparison between the optimal middle rental market and the current middle rental market, assessing possible imbalances. Interviews will then refine the analysis, particularly in the Rotterdam area, gathering insights from the target group regarding housing preferences and willingness to move. This will also help identify current market inefficiencies and formulate strategies for optimising the middle rental sector in both the Netherlands and Rotterdam specifically.

SRQ 1: What is the current middle rental housing stock in terms of price and dwelling types?

To establish a contextual foundation for the research, a clear starting point must be defined. This ensures that subsequent findings can be understood within the correct framework. To answer this question, a literature review will be conducted on existing studies of the Dutch housing market, with a specific focus on the middle rental sector. This will define the middle rent segment and provide an outlook on its potential future developments and uncertainties.

SRQ 2: Who are the current residents of middle rental housing?

It is necessary to identify the demographic and financial profiles of households currently residing in the middle rental sector, including income levels, household composition, and housing preferences. This question will be answered through desk research based on previous studies, supplemented by a focus study among current and potential residents in Rotterdam to provide more specific data.

SRQ 3: Who are the households that want to live in middle rental housing?

To determine the current demand for middle rental housing, an analysis of the characteristics of households seeking to move into this sector is required. This question will be answered using desk research based on existing datasets from previous studies.

SRQ 5: Is there an imbalance between the current middle rental housing residents and the households seeking middle rental housing?

Comparing existing tenants in the middle rental sector with potential new tenants will help identify mismatches in supply and demand. This question will be answered through desk research using previously conducted studies.

SRQ 4: What are the housing needs and preferences of households seeking middle rental housing?

Understanding the exact housing requirements of the target group is essential to guiding future housing projects and ensuring that developments align with actual demand. Quantitative research will identify which middle rental housing types are in highest demand. Additionally, desk research on housing concepts and interviews with mid-rental housing seekers will assess which housing forms are most suitable for relieving market pressure.

SRQ 7: How does the supply of middle rental housing compare to the demand?

It is crucial to determine the extent of imbalance between middle rental housing supply and demand. Data from previous research questions will be used in quantitative research to compare current occupancy rates with the target group's housing needs.

SRQ 8: Which households in the middle rental housing sector have the most difficulty in finding suitable housing in the middle rental housing sector?

This sub-question identifies which group face the greatest challenges in securing appropriate housing in the middle rental sector.

SRQ 9: What policies or actions can housing suppliers, municipalities, and investors take to optimise the middle rental housing market?

Exploring policy and allocation strategies will ensure that middle rental housing reaches the most suitable target group. Desk research will be conducted on housing allocation regulations, supplemented by interviews with the target group of middle rental housing, a housing association, developer, investor and the municipality of Rotterdam.

This research approach will provide valuable insights into optimising the middle rental housing market, addressing inefficiencies, and ensuring that housing supply aligns with the needs of middle-income households. By integrating market data with the perspectives of current and

potential residents, the study aims to deliver actionable recommendations for policymakers, housing providers, and developers.

3.4 Data Analyse

The data analysis for this research will adopt a comprehensive approach, primarily utilising quantitative methods to extract insights from the collected data, while also integrating qualitative research to provide depth and context. The study will begin with extensive desk research to gather existing knowledge and data on the middle rental housing market, the characteristics of the target group, the regulatory framework, and housing strategies. This phase will involve a detailed review of academic literature, government publications, industry reports, and statistical databases. The purpose of this desk research is to establish a robust contextual foundation and to identify gaps in the existing body of knowledge.

The quantitative data collected will be analysed using SPSS to perform inferential statistical analyses, enabling the identification of significant trends and patterns within the dataset. By using the WoON (Woon Onderzoek) 2021 dataset, the research aims to develop a comprehensive understanding of the middle rental housing sector, creating a critical baseline to support more focused data collection, including in-depth interviews. This ensures that the research is anchored in the current state of knowledge, enhancing the relevance and precision of findings in later stages. The integration of qualitative and quantitative approaches will enable a nuanced analysis, providing a complete understanding of the middle rental housing market.

The qualitative data obtained from interviews and expert panels will be analysed using thematic analysis to identify and report patterns or themes within the data. This analytical process will follow several systematic steps. Initially, the data will be transcribed and thoroughly reviewed to ensure familiarity. Key features of the data will then be identified and coded, after which these codes will be organised into potential themes. These themes will be iteratively reviewed and refined to ensure they accurately represent the underlying data.

Once refined, the themes will be clearly defined and named. The final stage of the process involves synthesising these themes into a cohesive narrative that directly addresses the research questions. This analysis will be facilitated through either manual coding or qualitative data analysis software, producing outputs such as a thematic map, narrative descriptions, and illustrative quotes to provide rich insights into the data.

A comparative analysis will integrate findings interviews, to provide a comprehensive understanding of the middle rental housing sector and to develop an informed advice on the future of this market. This method will involve systematically comparing and contrasting the results from these sources to identify consistent patterns and deviations. By bringing together quantitative trends and qualitative insights, this combined approach will result in a holistic understanding of the research findings.

The final output will be a report that highlights the key findings, integrating statistical trends with thematic insights to provide conclusions and recommendations. This mixed-method data analysis approach will enable the research to deliver detailed insights into optimising the middle rental housing market in the Netherlands.

3.4.1. Human Research Ethics

This research adheres to the ethical standards for conducting research involving human participants, as outlined in the TU Delft Research Ethics Policy (*Human Research Ethics*, n.d.). Since the study incorporates qualitative data from interviews with professionals and middle-

income households, particular attention was paid to ensuring informed consent, voluntary participation, and data confidentiality.

All participants were informed in advance about the aim and scope of the research. Prior to participation, they received an explanation of their rights and agreed to a verbal consent confirming their voluntary involvement (see Appendix 8). The interviews were conducted in a respectful manner and avoided intrusive or sensitive questions, focusing on housing preferences and market perspectives.

To protect anonymity, all personal identifiers were removed from transcripts and analysis. No identifying details are included in this report. A full overview of the interview questions and consent procedures is provided in Appendix 6 and 8, which includes a breakdown by target group, developer, housing association, investor, and municipality representatives.

Ethical considerations regarding data collection, processing, and storage were also documented in the Data Management Plan (see Appendix 7), ensuring compliance with the General Data Protection Regulation (GDPR). The research followed the TU Delft guidelines for integrity and responsible conduct in social science research.

These plans for acquiring sensitive information have been checked and approved in advance by the Human Research Ethics Committee (HREC) of the TU Delft. By observing these ethical principles, the study guarantees that all participants were treated respectfully, and that the collected data was handled with care and confidentiality.

4 Results

4.1 Quantitative research:

In this chapter the results are presented from the analyses in SPSS on the WoOn 2021 research. In those results the percentage of distribution among age groups is presented. To give a good comparison the age groups are in the Netherlands are shown in table 4.1.

The age distribution in the Netherlands is shown in the table below, those numbers are based on numbers from CBS (*Leeftijdsopbouw Nederland 2025 (Prognose)*, n.d.).

Age in 7 classes		
Age	Frequency	Percent
25-34 year	2.256.000	11,7%
35-44 year	2.371.000	15,2%
45-54 year	2.438.000	16,0%
55-64 year	2.438.000	16,4%
65-74 year	1.989.000	16,4%
75 years and over	1.682.000	13,4%
Total	14.901.000	100%

Table 4.1: Age in of households in the Netherlands (own work)

4.1.1 Current residents of the middle rental housing stock

In this chapter the selection in SPSS focuses on identifying the current residents of middle rental housing stock. This filter is based on rental amounts, using 2021 data as a reference. The minimum rent for the middle rental housing sector is set at €752,33, which corresponds to the maximum amount for social rent in 2021.

The maximum rent for middle rental housing is derived from the study *"Function of and demand for middle rental housing"* by Blijie et al. (2019). This study suggests that the upper limit of the liberalisation boundary, increased by approximately 43%, defines the upper boundary of the middle rental sector. Consequently, the maximum rent is set at €1.075,83.

Further distinctions are made based on the type of landlord. The selected categories include: housing associations, pension funds, insurance companies, investors, or brokers, private homeowners and none of these. Other landlord categories, such as family members or healthcare facilities, are excluded from the analysis as they represent atypical tenant relationships.

Using the Descriptive Statistics and Frequencies functions in SPSS, the initial analysis reveals that 1.922 results meet the filter criteria in the unweighted dataset. When weighted using the variable *hweegwon*, to come to a number representative for the Netherlands: **418.835 results**.
This initial step provides a comprehensive overview of the residents and dwellings within the middle rental housing sector based on the defined parameters.

Based on the results shown in appendix 5, the current middle rent sector is analysed on the basis of houses in this segment, rents and occupants. With this information the first and second research question are answered:

As mentioned above, the middle rental housing stock in the Netherlands is defined by a price range in 2021 of €752,33 to €1.075,83 per month, with an average rent of €891,86.

In terms of dwelling types:

Property type		Frequency	Percent
	Flat, apartment, storey, upstairs or downstairs flat	252.094	60,2%
	Terraced house, town house, corner house	140.394	33,5%
	Semi-detached house	13.254	3,2%
	Detached house	9.441	2,3%
	Other	3.651	0,9%
	Total	418.835	100,0%

Table 4.2: Dwelling types in the middle rental housing sector (own work)

The current middle rental housing stock is primarily composed of apartments, which make up 60,2% of all available dwellings. Terraced houses, including townhouses and corner houses, account for 33,5%, while other housing types, such as semi-detached houses (3,2%) and detached houses (2,3%), represent a significantly smaller portion of the sector.

Living area in 7 classes		Frequency	Percent
	less than 50 m2	31.689	7,6%
	50-69 m2	61.293	14,6%
	70-89 m2	98.681	23,6%
	90-119 m2	146.652	35,0%
	120 -149 m2	59.188	14,1%
	150- 199 m2	15.950	3,8%
	200 m2 or more	5.381	1,3%
	Total	418.835	100,0%

Table 4.3: Living area of the dwellings in the middle rental housing sector (own work)

In terms of size, the most common category consists of homes ranging between 90 and 119 m², making up 35% of the total stock. Homes sized between 70 and 89 m² represent 23,6%, while 14,1% of dwellings fall within the 120−149 m² range. Smaller homes, those measuring less than 50 m², account for 7,6% of the stock, whereas homes larger than 200 m² are the least common, comprising just 1,3%.

Number of rooms (5 classes)			
		Frequency	Percent
	1-2 rooms	7.4263	17,7%
	3 rooms	13.8643	33,1%
	4 rooms	120.530	28,8%
	5 rooms	70.349	16,8%
	6+ rooms	15.050	3,6%
	Total	418.835	100,0%

Table 4.4: Number of rooms in the dwellings in the middle rental housing sector (own work)

The distribution of homes by the number of rooms indicates that three-room properties are the most prevalent, making up 33,1% of the middle rental stock. Four-room homes follow closely, representing 28,8%. Smaller units with one or two rooms account for 17,7%, while homes with five or more rooms constitute 20,4%. This distribution shows that middle rental housing primarily consists of smaller households, with a significant share of properties offering three to four rooms.
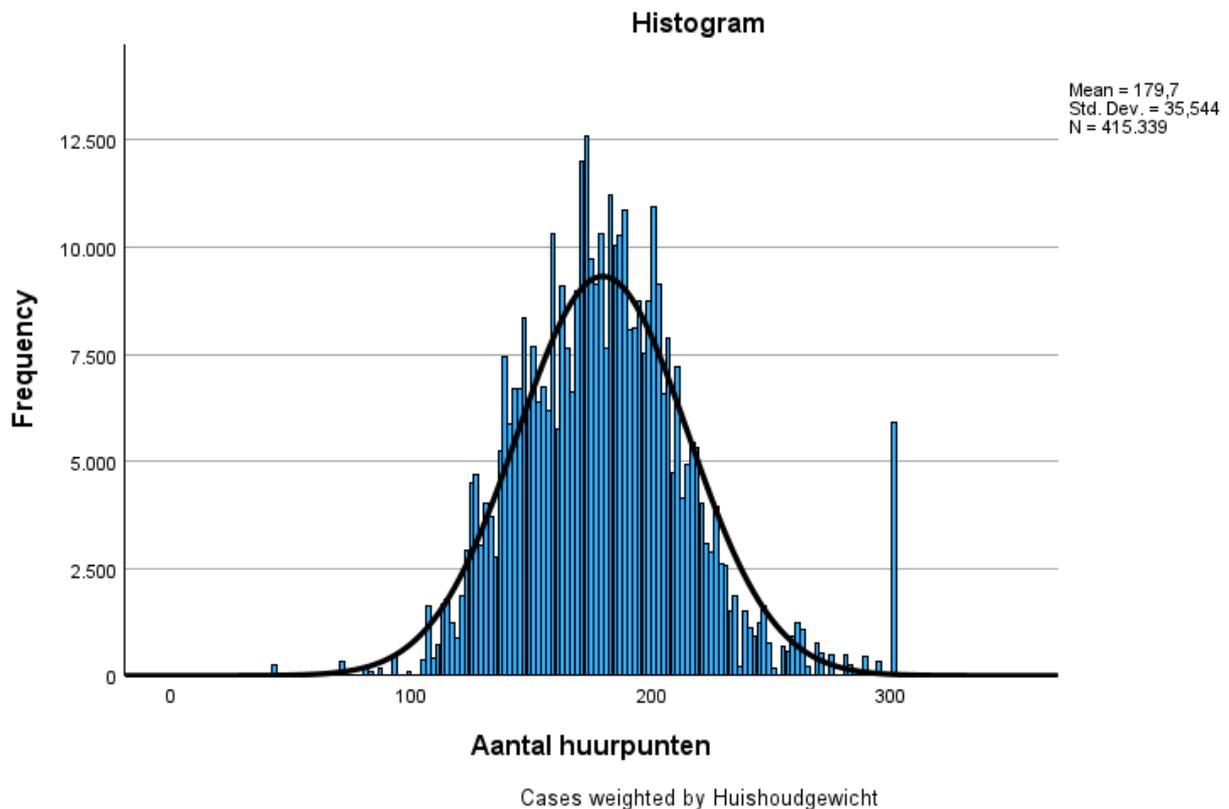
Histogram 4.1: Number of housing valuation (WWS) points of the dwellings in the middle rental housing sector (own work)

Histogram 4.1 shows the distribution of housing valuation (WWS) points among households, providing insight into the range of housing quality or affordability. The majority of households have rental points clustered around a mean of 179,7 points. In 2024 180 WWS point would have represent a rent of €1085,42 (*wetten.nl - Regeling - Uitvoeringsregeling Huurprijzen Woonruimte - BWBR0015386*, 2024).

Histogram

Mean = 891,86
Std. Dev. = 89,37
N = 418.835

Kale huur in euros per maand

Cases weighted by Huishoudgewicht
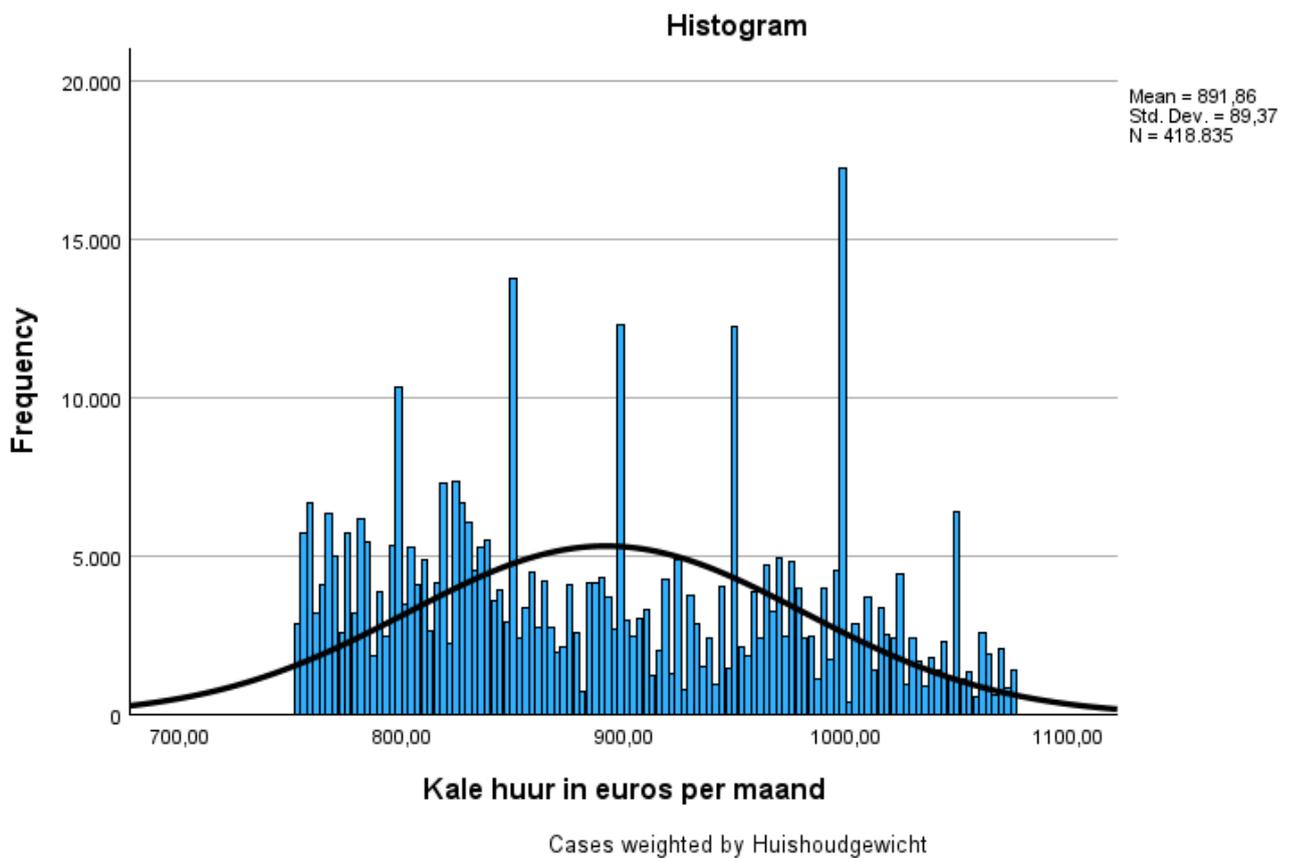
Histogram 4.2: Gross rent of the dwellings in the middle rental housing sector (own work)

Histogram 4.2 illustrates the distribution of base rent in euros per month. The graph shows that the average monthly rent is €891,86. The middle rental housing stock in the Netherlands is defined by a rental price range of €752.33 to €1075,83 per month in 2021. A discrepancy exists between rental prices and WWS points, as the rent linked to 180 WWS points was €948,46 in the same year (*Uitvoeringsregeling Huurprijzen Woonruimte*, n.d.).

SRQ 2: Who are the residents that live in the current housing stock of the middle rental houses?

In 2021, the average age of a household in the middle rental sector was 47 years. In comparison to the rest of the Netherlands on 1 January 2024, the average age of the inhabitants of the Netherlands was 42,6 years. (*Bevolking | Bevolkingsomvang*, n.d.).

The current residents of the middle rental housing sector exhibit the following characteristics:

Age Distribution:

Age up in 7 classes			
	Frequency	Percent	Percentage Netherlands
17-24 year	25.216	6,0%	12%
25-34 year	124.905	29,8%	15%
35-44 year	67.614	16,1%	16%
45-54 year	47.367	11,3%	16%
55-64 year	64.897	15,5%	16%
65-74 year	46.699	11,1%	13%
75 years and over	42.138	10,1%	11%
Total	418.835	100%	100%

Table 4.5: Age distribution of households in the middle rental housing sector (own work)

The age distribution of current residents in the middle rental housing sector indicates that younger adults make up the largest share. The 25–34-year age group is the most represented, accounting for 29,8% of residents.

Other prominent age groups include 35–44 years (16,1%) and 55–64 years (15,5%), demonstrating that the sector accommodates a broad range of life stages. In contrast, younger adults aged 17–24 years are underrepresented, making up only 6,0%, despite accounting for 12% of the national population. This suggests that barriers such as affordability or limited access to suitable housing options may restrict their presence in the middle rental sector.
Older adults also have a slightly lower representation in this sector. Residents aged 65–74 years make up 11,1%, while those 75 years and older account for 10,1%.

Household Composition:

Number of persons in household (5 classes)			
	Frequency	Percent	Percentage Netherlands
1 Person	183.083	43,7%	38,7%
2 Persons	156.040	37,3%	32,8%
3 Persons	45.624	10,9%	11,6%
4 Persons	23.687	5,7%	11,7%
5 Or more persons	10.401	2,5%	5,1%
Total	418.835	100%	100,0%

Table 4.6: Number of people in households in the middle rental housing sector (own work)

The household composition within the middle rental housing sector is primarily made up of smaller households. Single-person households are the most common, accounting for 43,7% of all residents. This reflects the sector's strong appeal to individuals living alone, particularly younger adults.

Two-person households represent 34,3%, bringing the combined share of smaller households to over 78% of the total. In contrast, family households make up the remaining 22%, indicating that the middle rental sector is less frequently occupied by larger households compared to other housing segments. This distribution suggests that middle rental housing is mainly suited to smaller living arrangements, mainly facilitating individuals and couples rather than families.

Income Levels:
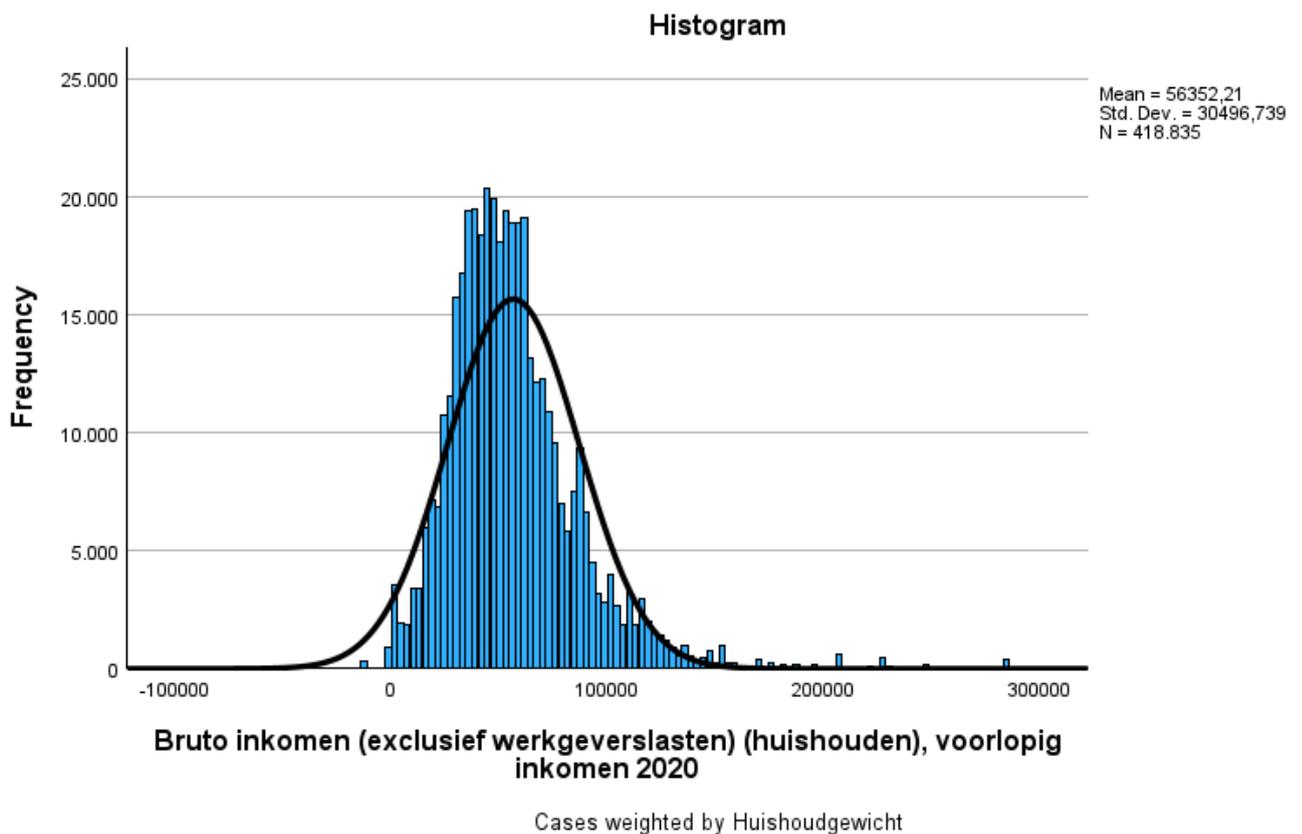
Histogram 4.3: Gross income of households in the middle rental housing sector (own work)

The average gross income of residents in the middle rental housing sector is €56.352,21 which falls in the intended income range for this segment. The financial threshold for middle rental housing is set between €40.734 and €53.109 for single households and between €44.980 and €70.812 for multi-person households.

This discrepancy suggests that also a significant portion of current residents may technically qualify for social housing, highlighting potential affordability challenges within the sector. The presence of lower-income households in middle-rent housing may indicate a lack of suitable alternatives or suggest that some tenants allocate a disproportionately high share of their income to rent. The percentages of household that actually fit better in the social rented sector (32%), or free rented sector (25%) are shown in Figure 4.1. Only 43% of households currently living in the middle rented sector actually consists of the target group for which this sector is intended.
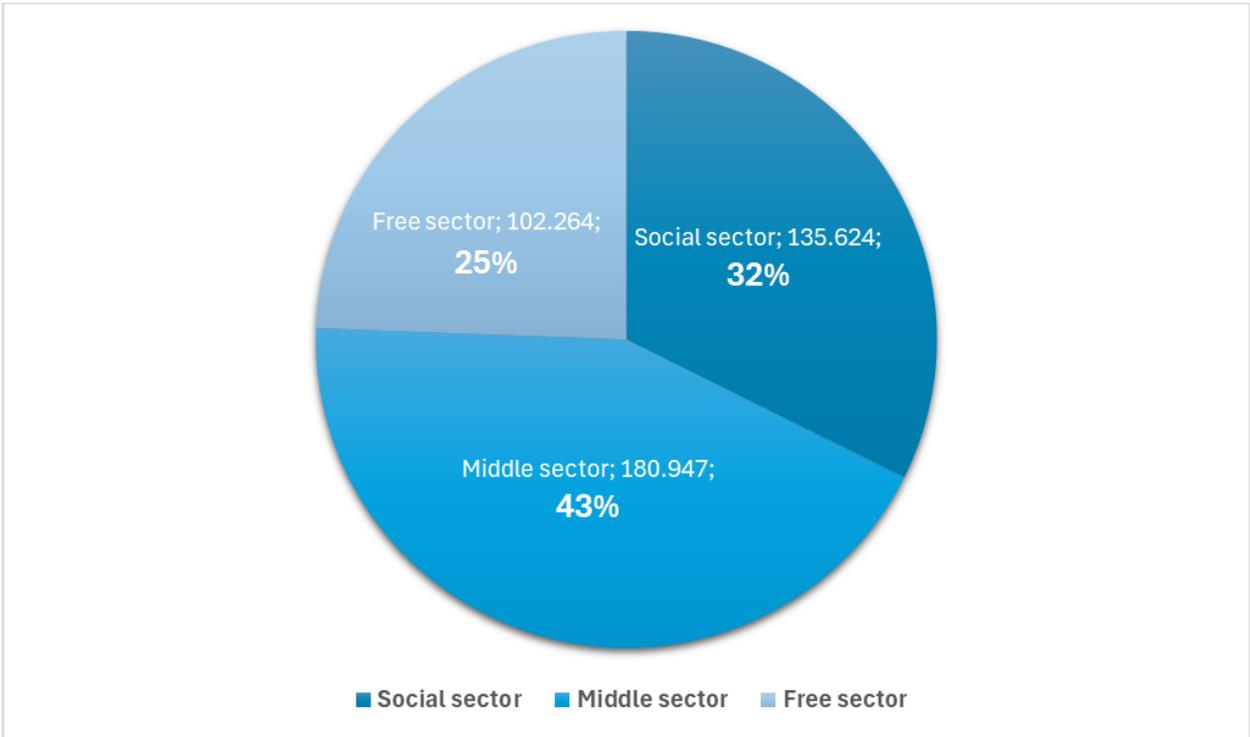
Figure 4.1: Match of households living in the current middle rented sector with the intended target group (own work)

4.1.2 Housing preferences of the target group of middle rental houses

To gain insight into the preferences of the middle-rental target group for new housing, a new selection process was conducted using SPSS. The target group for middle-rental housing was identified based on income levels, adjusted to align with 2021 values the reference year of the WoOn 2021 survey. Given an average income increase of 17,1% between 2021 and 2024 (CBS Statline, 2024b), the adjusted income thresholds are as follows:

- **Single-person households**: €47.699 - €62.191 in 2024 translates to €40.734 - €53.109 in 2021.
- **Multi-person households**: €52.671 - €82.921 in 2024 corresponds to €44.980 - €70.812 in 2021.

In addition to income, the selection criteria included willingness to pay rents within the middle-rental segment, defined as €752,33 to €1.075,83. Another crucial criterion was the household's intention to relocate in the short term.

Applying these parameters resulted in a selection of 217 cases within the dataset. When the weighting factor is applied, this represents a total of **28.891 households** in the Netherlands.

These findings indicate that 28,891 households are potential movers to the middle-rental housing segment. This portion of the research aims to further investigate the characteristics and specific housing preferences of these households, including the type of properties they are seeking.

The result of this analyses can be seen in appendix 5. The findings are described in the sub-conclusion below.

Results

The analysis in this chapter gives insights into the characteristics and preferences of households aspiring to move into this segment, as well as the discrepancies between current and potential residents. The Third, fourth and fifth research question are investigated. With as results an answer to those questions:

SRQ 3: Who are the residents that would like to live in the current housing stock of the middle rental sector?

The residents interested in the middle rental housing sector can be characterized as follows:

Age Distribution:

Age in 7 classes		Frequency	Percent	Percentage Netherlands
Valid	17-24 year	2.609	9,0%	11,7%
	25-34 year	3.752	13,0%	15,2%
	35-44 year	2.808	9,7%	16,0%
	45-54 year	4.678	16,2%	16,4%
	55-64 year	5.834	20,2%	16,4%
	65-74 year	4.644	16,1%	13,4%
	75 years and over	4.566	15,8%	10,8%
	Total	28.891	100,0%	100%

Table 4.7: Age in of households who want to live in the middle rental housing sector (own work)

The target group actively seeking a new home within the middle rental housing sector consists predominantly of older households. A total of 68,3% of potential movers are 45 years or older, with the largest share found in the 55–64 age group, representing 20,2%. Those aged 45–54

years account for 16,2%, while households aged 65–74 years and 75 years and older make up 16,1% and 15,8%, respectively.

Younger adults are less represented among those looking for a middle rental home. The 25–34 age group accounts for only 13,0%, while the youngest segment, aged 17–24 years, represents just 9,0%. This indicates that the demand for middle rental housing is strongest among older groups, suggesting that many of these households may be looking to downsize or relocate to a more suitable living environment, while younger adults show a relatively lower demand for this segment.

Household Composition:

Number of persons in household (5 classes)		Frequency	Percent
Valid	1 Person	8.903	30,8%
	2 Persons	12.262	42,4%
	3 Persons	3.767	13,0%
	4 Persons	2.112	7,3%
	5 Or more persons	1.846	6,4%
	Total	28.891	100,0%

Table 4.8: Number of people in household who want to live in the middle rental housing sector (own work)

The target group actively seeking a new home within the middle rental housing sector is primarily composed of smaller households. Two-person households are the most common, making up 42,4% of the total, followed by single-person households, which account for 30,8%.

Larger households are less represented within this group. Three-person households constitute 13,0%, while four-person households account for 7,3%. The smallest group consists of households with five or more people, representing just 6,4%. This distribution indicates that the demand for middle rental housing is primarily driven by smaller households, reinforcing the need for housing solutions that cater to this demographic.

Income:
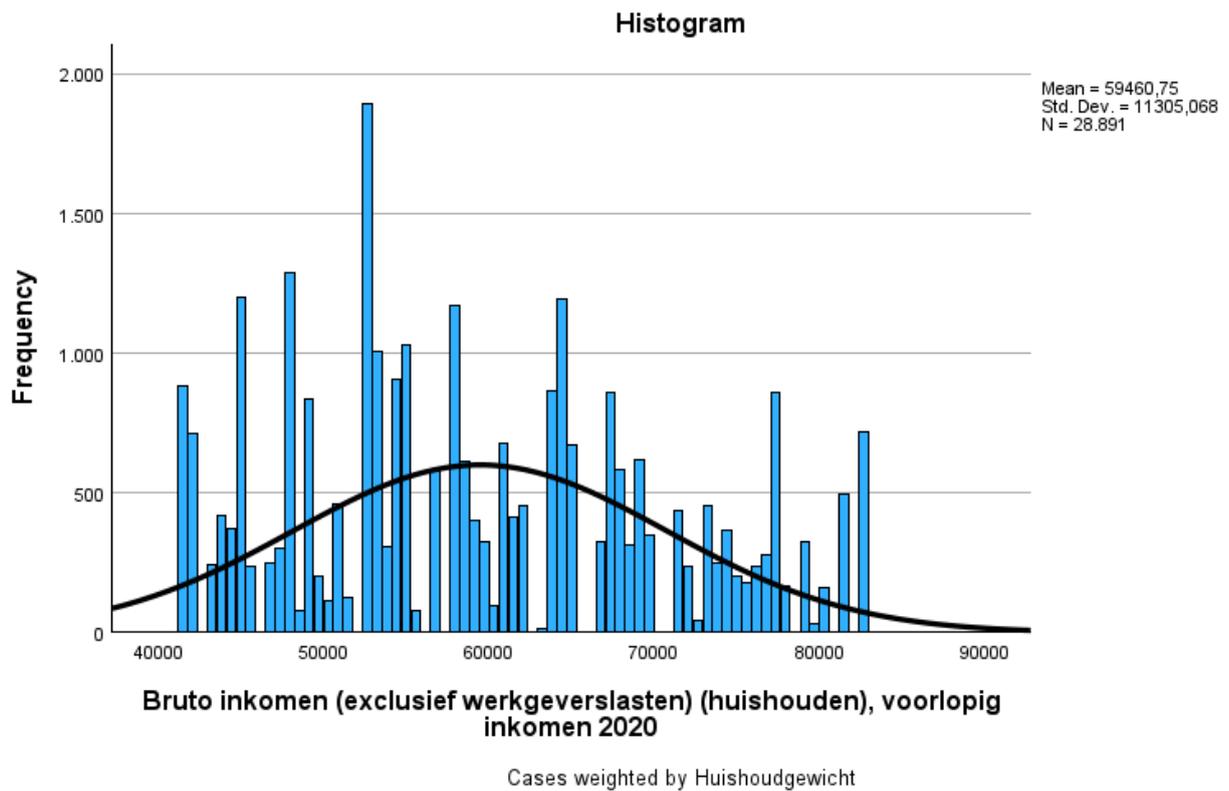
Histogram 4.4: Gross income of households who want to live in the middle rental housing sector (own work)

The target group actively seeking a new home within the middle rental housing sector has an average gross income of €59.460,75, with the majority earning between €45.000 and €65.000. This income range reflects a middle-income demographic, aligning with the financial thresholds of the middle rental sector.

The target group:
The target group actively seeking a home in the middle rental sector primarily consists of older adults, with 68,3% aged 45 or older. The largest share falls within the 55–64 age group (20,2%), while younger adults are less represented, with only 13,0% in the 25–34 age range. Most households in this group are small, with two-person (42,4%) and single-person households (30,8%) being the most common.

With an average gross income of €59.460,75, the target group falls within the middle-income bracket, with most respondents preferring a rental price between €800 and €1.000. Apartments are the most sought-after housing type (59,7%), followed by terraced and semi-detached houses (34,7%). Three-room homes are the most popular choice (52,1%). Key factors influencing housing decisions include property quality (35,6%), location (32,8%), and price (25,3%).

SRQ 4: What kind of housing needs and housing preferences do households wanting to live in the middle segment have?

Dwelling Type Preferences:

Type of dwelling functionally desired		
	Frequency	Percent
Flat, apartment, storey, upstairs or downstairs flat	17.248	59,7%
Terraced house, townhouse, corner house, semi-detached house, detached house	10.013	34,7%
other	1.630	5.6%
Total	28.891	100,0%

Table 4.9: Type of dwellings desired by the target group of the middle rental housing sector (own work)

Households seeking to move into the middle rental housing sector show a clear preference for apartments, with 59,7% of respondents indicating these as their preferred housing type. This preference is particularly dominant among single-person and two-person households, who often prioritise affordability, convenience, and accessibility in their housing choices (see appendix 5).

In addition, 34,7% of households prefer terraced houses, townhouses, or semi-detached and detached houses, indicating that a significant share of movers are looking for larger, ground-level homes, likely to accommodate families or households requiring more space. Other housing types make up only 5,6% of preferences, highlighting that most households seek conventional housing options within the middle rental segment.

This distribution suggests that the middle rental sector should prioritise a mix of apartments and terraced houses to meet the needs of both smaller urban households and families looking for more spacious living environments.

Room Preferences:

Desired number of rooms		
	Frequency	Percent
1-2 Rooms	2.008	9,8%
3 Rooms	10.665	52,1%
4 Rooms	6.095	29,8%
5 Rooms	1.251	6,1%
do not know/no preference	465	2,3%
Total	20.485	100%

Table 4.10: Room preferences of the target group of the middle rental housing sector (own work)

Households looking to move into the middle rental housing sector show a strong preference for middle-sized properties, with three-room homes being the most desired, chosen by 52,1% of respondents. These homes provide a balance between space and affordability, making them particularly appealing to smaller households, such as singles or couples who require flexibility in their living arrangements.

Four-room properties are the second most popular choice, preferred by 29,8% of households, particularly among families or those needing additional space. This indicates that while smaller households dominate demand, there is still a substantial need for slightly larger dwellings to accommodate growing families or households requiring extra rooms for work or storage.

Smaller homes with one to two rooms are less commonly preferred, accounting for 9,8% of demand. These properties primarily attract young households, singles, or couples without children, who prioritise affordability and compact living spaces.

Although five-room properties are in lower demand, they still represent 6,1% of preferences, primarily among larger families.

This distribution suggests that the middle rental sector should focus on providing three- and four-room properties, ensuring a mix of affordable middle-sized dwellings for smaller households and slightly larger homes for families requiring additional space.

Preferred pricing:
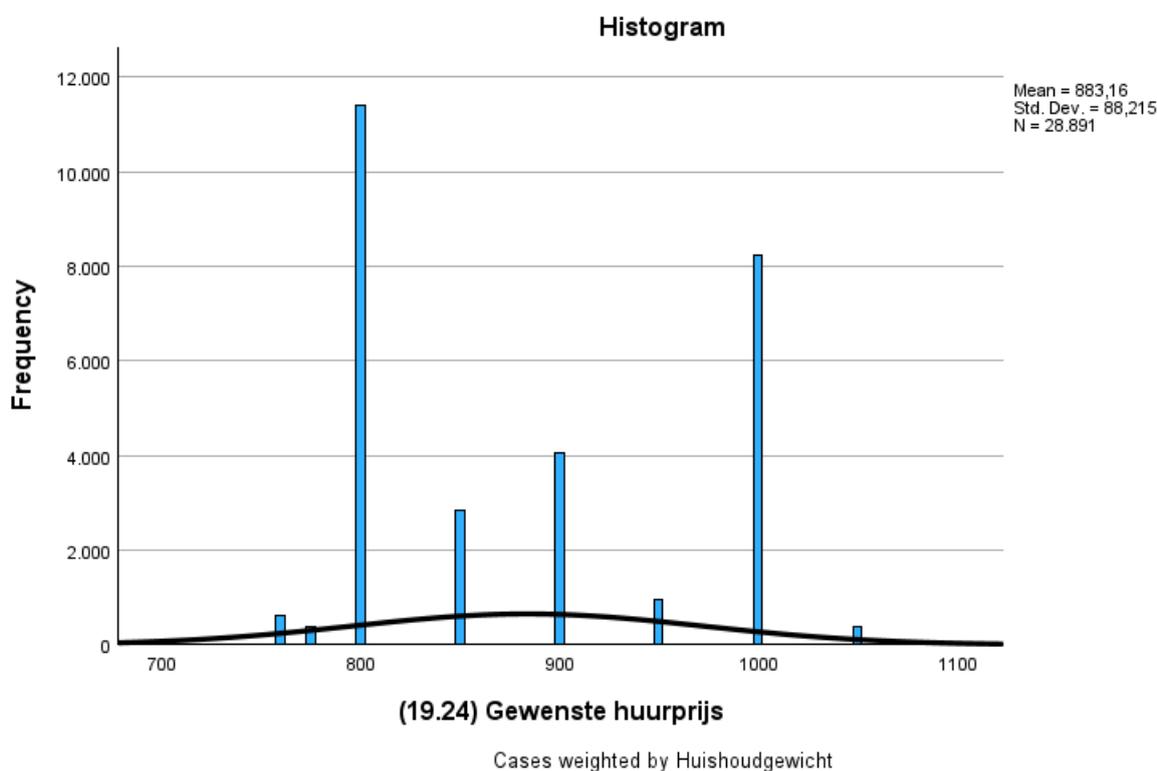
Histogram 4.5: Preferred rental price of the target group of the middle rental housing sector (own work)

Households looking to move into the middle rental housing sector show a clear preference for lower to middle range rental prices, with the majority seeking affordability within the sector's pricing structure.

The most desired rent level is €800, preferred by 39,5% of households. This indicates a strong demand for housing at the lower end of the middle rental price range, where affordability plays a key role in decision-making.

The second most popular rent level is €1.000, selected by 28,5% of households, followed by €900, preferred by 14,0%. These figures show that demand is concentrated in the lower to middle range of the price spectrum within the middle rental segment.

Across all respondents, the average desired rent level in 2021 is €883,16, reinforcing the need for affordable middle rental housing options that remain within this preferred price range. This suggests that ensuring a sufficient supply of rental properties priced between €800 and €1.000 is essential to meet the needs of households seeking to move into the sector.

Priorities in Housing Choice:
Households looking to move into the middle rental housing sector prioritise housing quality, location, and affordability, with preferences distributed across first and second priority considerations.

First priority housing choice		Frequency	Percent
	The location	6.711	32,8%
	The price	5.192	25,3%
	The house itself	7.302	35,6%
	Other priority	1.280	6,2%
Total		20.485	100%

Table 4.11: First priority in housing choice of the target group of the middle rental housing sector (own work)

When asked about their first priority in selecting a home, 35,6% of households indicated that the house itself is the most important factor, reflecting a strong emphasis on quality, features, and suitability. Location follows closely as the second most important factor, chosen by 32,8% of households, highlighting the significance of proximity to essential services, amenities, and transport connections. Price is the third most critical factor, selected by 25,3% of households, particularly among those balancing affordability with other housing needs. A small percentage (6,2%) prioritised other specific housing wishes.

Second priority housing choice		Frequency	Percent
Valid	The location	5.584	27,3%
	The price	6.473	31,6%
	The house itself	7.381	36,0%
	Other priority	1.047	5,1%
	Total	20.485	100%

Table 4.12: Second priority in housing choice of the target group of the middle rental housing sector (own work)

When considering their second priority, a similar trend is observed. The house itself remains the most selected factor, with 36,0% of households placing it as their second-highest concern. However, price becomes more prominent, with 31,6% of households selecting affordability as their secondary priority. Location follows closely at 27,3%, reinforcing its ongoing importance in housing decisions. The share of respondents choosing other specific housing wishes remains low at 5,1%.

These findings suggest that while housing quality remains the top priority, affordability and location are nearly as important, especially for those making trade-offs between cost and accessibility. This highlights the need for well-located, high-quality, and reasonably priced middle rental housing to accommodate the preferences of households looking to move into this sector.

Age Distribution:
The comparison between current households in the middle rental housing sector and households seeking to enter this market reveals a clear mismatch in age distribution.

Currently, the largest age group within the sector consists of residents aged 25–34 years, accounting for 29,8% of all tenants. Other significant groups include 35–44 years (16,1%) and 55–64 years (15,5%). Older adults, specifically those aged 65 years and older, are underrepresented, making up a combined 21,2% of current residents.

In contrast, the majority of households interested in middle rental housing are 45 years and older, representing 68,3% of potential movers. Within this group, 20,2% are aged 55–64 years, while older adults (65+ years) make up a substantial 31,9%. Younger adults, particularly those 25–34 years old, who currently form the largest group in the sector, represent only 13,0% of those seeking middle rental housing, showing a significantly lower level of interest compared to their existing presence.

This mismatch suggests that while younger adults currently dominate the middle rental housing sector, the demand from older age groups is growing, particularly among those 65 years and older, who are currently underrepresented. This could indicate a shift in demand, possibly due to older households looking to downsize or relocate to more suitable housing. The findings highlight a potential need for middle rental housing to better accommodate the preferences and requirements of older residents, ensuring that the sector aligns with evolving demographic needs.

Household Composition:
The comparison between current households and households that want to move into the middle rental housing sector shows a strong alignment in household composition, with both groups being dominated by smaller households. However, there is a slight mismatch in the demand for larger dwellings.

Currently, single-person households make up the largest share of middle rental tenants at 43,7%, followed closely by two-person households, which account for 37,3%. Together, these smaller households represent over 81% of the total. In contrast, larger households with three or more persons are significantly less common, making up just 19% of the current middle rental households.

Among households that want to move into middle rental housing, a similar pattern can be seen, with two-person households forming the largest group at 42,4%, followed by single-person households at 30,8%. However, there is a slightly higher share of larger households in this group, with 23,7% of them consisting of three or more persons, compared to only 19% of current middle rental households.

While the dominance of smaller households is consistent between current middle rental households and those seeking to move into this sector, the slightly higher demand from larger households suggests that more housing suitable for three or more persons may be needed. This indicates a potential gap in supply, where the existing middle rental stock may not fully accommodate the needs of larger households looking to secure housing within this segment.

Income Levels:
The comparison between current households in the middle rental housing sector and households that want to move into this sector reveals a significant income discrepancy.

Currently, the average income of households in the middle rental sector is €39.103, which falls below the intended income range for this segment. For single households, the middle rental threshold is set between €40.734 and €53.109, while for multi-person households, it ranges from €44.980 to €70.812. This suggests that a significant portion of current households may qualify for social housing, highlighting potential affordability challenges or a lack of suitable lower-income rental alternatives.

In contrast, households that want to move into the middle rental sector have a significantly higher average gross income of €59.460,75, which aligns more closely with the intended income range for this segment. This indicates that the incoming demand for middle rental housing is financially stronger than the current tenant base, suggesting a shift in the sector toward households that better match its original income criteria.

This mismatch implies that the current middle rental sector may not be fully serving its intended target group, with lower-income households occupying a significant portion of the housing stock, while higher-income households are still looking for suitable housing within this sector. This could indicate pricing inefficiencies, a lack of availability, or barriers to entry that prevent middle-income households from securing middle rental housing.

Housing Preferences:
The comparison between current households in the middle rental housing sector and households that want to move into this sector shows a strong alignment in housing type preferences, but also reveals a higher demand for specific dwelling sizes.

Currently, the majority of households live in apartments (60,2%) or terraced houses (33,5%), indicating that these are the dominant housing types in the middle rental stock. The most common dwellings are 3-room properties (33,1%) and 4-room properties (28,8%), which cater to both smaller and middle-sized households. Smaller homes with 1–2 rooms are occupied by 17,7%, while larger homes with five or more rooms are less common, representing 20,4% of the housing stock.

Among households that want to move into the middle rental sector, apartments remain the most desired type (59,7%), but terraced houses are also in high demand (34,7%), reflecting similar preferences to current residents. However, there is a notable difference in preferred dwelling sizes. 3-room properties are the most desired size (52,1%), showing a significantly higher demand compared to their current representation. 4-room properties remain the second choice (29,8%), mainly appealing to families or those requiring extra space.

This suggests that while the overall housing type preferences between current and prospective households are well aligned, there is a growing demand for 3-room homes, particularly among smaller households. The middle rental sector may need to prioritise the development of middle-sized apartments and terraced houses to better accommodate the demand from households seeking to move into this segment.

4.1.3 Moving trends of the target group to the middle rental sector

SRQ 6: Who are the households that have moved into the middle rental housing sector in the last to years?

To find this we delve into the middle rental housing target group who moved to the middle rental housing sector. The total number of households from the target group that moved to the middle rental housing sector in the two years prior to the WoOn 2021 research amounts to 214 in the unweighted analyses, in the weighted analyses this results in **48.376**.

If this is compared with the total amount of people moving to the middle rental housing sector we see that there are in total 136.153 households have moved to the middle rental housing

sector. From those households are 48.376 households the target group what is only 35,53%. During the period of this research there were no rules for allocation the right target group into the middle rental housing sector.

Also interesting to see is the number of households in the target group moving to other dwelling in general. In total 306.966 households have moved in the two years before the WoON 2021. This includes movements to the middle rental sector but also to social rent, free rent and home ownership.

For this research we look into the middle rental housing sector and its target group, so we focus on the 48.376 households that fall into the target group who moved to the middle rental housing sector.

Age:

Age in 7 classes			
		Frequency	Percent	Percentage Netherlands
Valid	1 17-24 year	5.872	12,1%	11,7%
	2 25-34 year	25.459	52,6%	15,2%
	3 35-44 year	9.640	19,9%	16,0%
	4 45-54 year	1.774	3,7%	16,4%
	5 55-64 year	3.163	6,5%	16,4%
	6 65-74 year	1.933	4,0%	13,4%
	7 75 year and older	535	1,1%	10,8%
	Total	48.376	100,0%	100,0

Table 4.13: Age of the households that has moved to the middle rental housing sector (own work)

The age distribution among these movers shows significant deviations from the overall Dutch population. The largest share belongs to households aged 25−34 years, making up 52,6% of all movers, which is substantially higher than their 16% share in the national population. Similarly, 35−44-year-old households account for 19,9%, also exceeding their national representation of 15%.

Households aged 45−54 years represent only 3,7% of movers, despite comprising 16% of the general population. A similar trend is seen in the 55−64-year age group, which makes up just 6,5% of movers, well below their 16% national share. The 65−74-year group accounts for 4,0%, lower than their 13% representation in the broader population.

The youngest group, 17−24 years, represents 12,1% of movers, closely aligning with their 12% national share. Meanwhile, households aged 75 years and older make up just 1,1%, significantly lower than their 12% national presence.

These figures suggest that the middle rental housing sector predominantly attracts younger households, particularly those aged 25−34 years, while older age groups, especially those 45 years and older, are underrepresented in mobility towards this sector. This indicates a strong demand for middle rental housing among younger adults, particularly first-time renters or couples forming households, while older households may face barriers to entering this segment.

Household Composition:
The distribution of household sizes among those who moved to the middle rental housing sector indicates a strong preference for smaller households.

Number of persons in household		
	Frequency	Percent
1 1 person	17.126	35,4%
2 2 persons	22.889	47,3%
3 3 persons	4.430	9,2%
4 4 persons	2.131	4,4%
5 5 or more persons	1.799	3,7%
Total	48.376	100,0%

Table 4.14: Number of people in household that have moved to the middle rental housing sector (own work)

Single-person households account for 35,4% of movers, while two-person households make up the largest share at 47,3%. Together, these two groups comprise 82,7% of all movers, emphasizing that the middle rental sector predominantly attracts individuals and couples rather than larger families.

Households with three persons represent 9,2%, while four-person households account for only 4,4%. Larger families with five or more members constitute a small minority at 3,7%.

This distribution suggests that middle rental housing is primarily occupied by smaller households, with limited demand from larger families. This may indicate that the available housing stock does not sufficiently cater to family-sized units or that families prefer other housing segments, such as social housing or homeownership.

Income and rent
The average gross household income in the middle rental sector is €59.232,56, while the mean base rent is €908,52 per month. This suggests that, on average, households in this sector allocate a moderate portion of their income to rent.

Histogram

Mean = 59232,56
Std. Dev. = 11666,721
N = 48.376

Bruto inkomen (exclusief werkgeverslasten) (huishouden), voorlopig inkomen 2020

Cases weighted by Huishoudgewicht
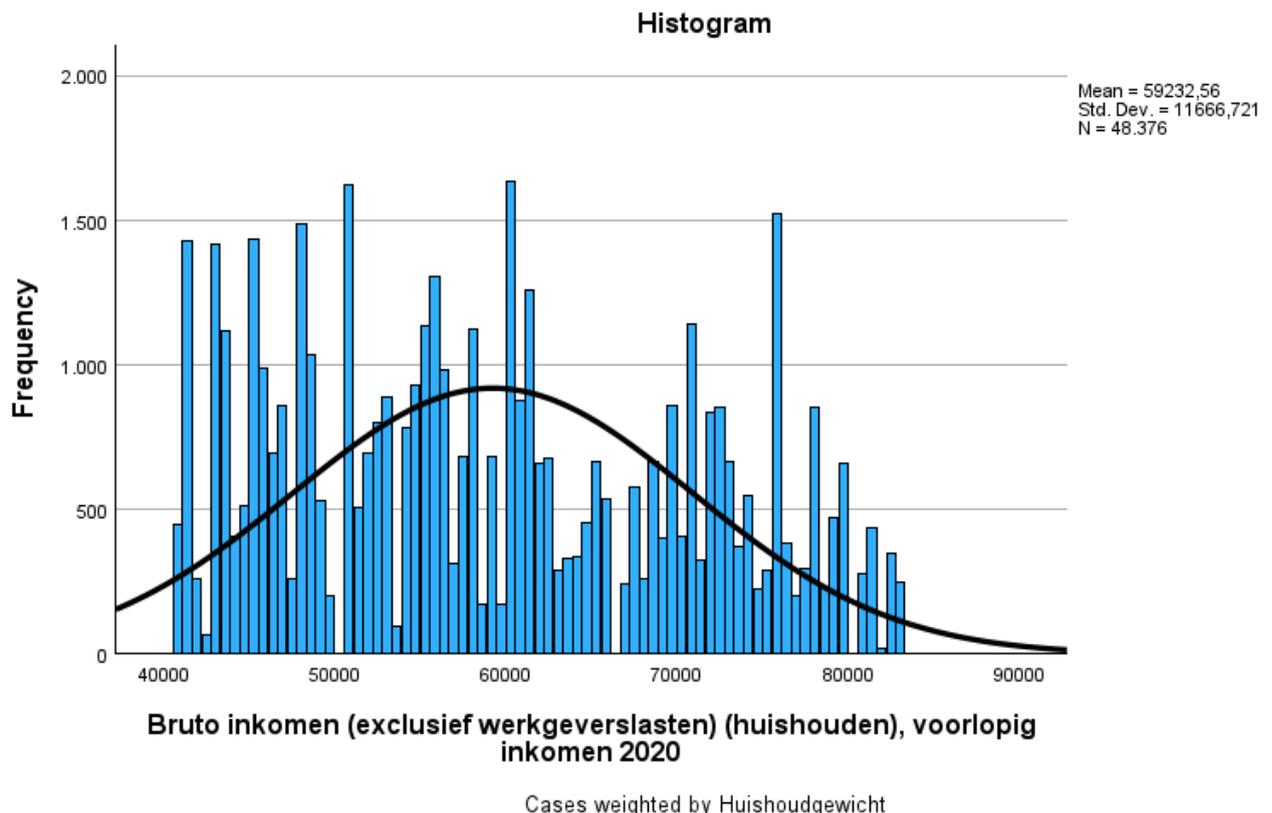
Histogram 4.6: Gross income of household that have moved to the middle rental housing sector (own work)
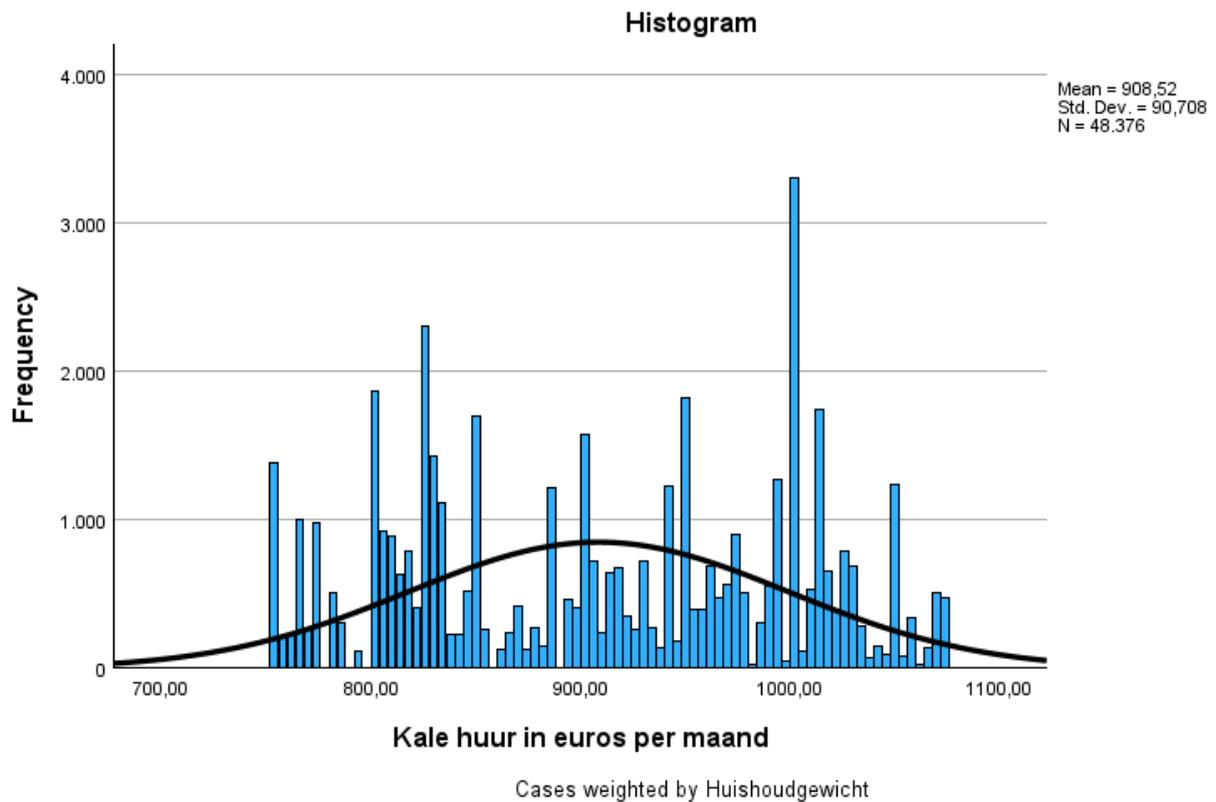
Histogram 4.7: Gross rent paid by household that have moved to the middle rental housing sector (own work)

With an income of €59.232,56 per year, the rent-to-income ratio can be estimated at approximately 18,4%, indicating that housing costs remain within a manageable range for most households. However, variations exist within the dataset, with some households potentially allocating a higher share of their income to rent,

Property characteristics:

Type of dwelling		
	Frequency	Percent
Flat, apartment, storey, upstairs or downstairs flat	34.907	72,2%
Terraced house, townhouse, corner house	10.184	21,1%
Semi-detached house	1.657	3,4%
Detached house	1.196	2,5%
Other	432	0,9%
Total	48.376	100,0%

Table 4.15: Type of dwelling household have moved to in the middle rental housing sector (own work)

This analysis of households that have moved into the middle rental housing sector in the past two years reveals a strong prevalence of multi-family dwellings. Apartments, and similar housing types make up 72,2% of all residences, indicating either a higher availability of such homes or a

preference for this type of living. Terraced houses, including row houses and corner houses, account for 21,1%, positioning them as the second most common housing type. Semi-detached houses represent only 3,4% of the sector, while detached houses make up just 2,5%. Other residential spaces, such as homes with integrated commercial areas, account for 0,9%. These figures highlight that the middle rental housing sector is primarily composed of apartments and terraced houses, with a limited supply of larger, detached homes.

Living area in 7 classes		
	Frequency	Percent
1 less than 50 m2	6.786	14,0%
2 50-69 m2	10.637	22,0%
3 70-89 m2	11.079	22,9%
4 90-119 m2	11.044	22,8%
5 120 -149 m2	5.597	11,6%
6 150- 199 m2	2.339	4,8%
7 200 m2 or more	895	1,8%
Total	48.376	100,0%

Table 4.16: Living area of dwellings household have moved to the middle rental housing sector (own work)

The distribution of living space further supports this trend. The most common dwelling sizes are between 70−89 m² (22,9%) and 90−119 m² (22,8%), which together comprise nearly 46% of all properties. Slightly smaller homes of 50−69 m² account for 22,0%, while the smallest category, dwellings under 50 m², represents 14,0%. Larger homes are relatively scarce, with properties measuring 120−149 m² making up 11,6%, while only 4,8% of homes fall within the 150−199 m² range. Houses larger than 200 m² are rare, comprising only 1,8%. These figures indicate that the middle rental sector is predominantly composed of middle-sized homes, with relatively few options for households seeking larger properties.

When analysing the number of rooms in homes occupied by recent movers, the shows the dominance of smaller to middle-sized dwellings. Three-room homes are the most common, making up 30,9% of the total, closely followed by one- to two-room dwellings at 28,4%. Four-room homes account for 22,0%, while larger properties with five rooms represent 15,0%. Only 3,8% of households moved into homes with six or more rooms. This distribution suggests that the sector mainly caters to smaller households, particularly single-person and two-person households, with a relatively small proportion of larger homes suitable for families.

Conclusion - SRQ 6

Of the 136,153 households that moved into a middle rental dwelling in the two years prior to WoON 2021, only 48,376 (35.53%) belonged to the defined middle-income target group. This indicates that, at the time of the study, there were no effective allocation procedures in place to prioritise access for the intended demographic.

The age distribution of these households reveals that young adults form the majority of the recent inflow. The largest group is aged 25 to 34 years (52.6%), followed by those aged 35 to 44 (19.9%). Older age groups are significantly underrepresented, with only 3.7% aged 45−54, 6.5% aged 55−64, and 5.1% aged 65 and over. This suggests that older households face structural barriers in accessing appropriate middle rental housing.

In terms of household composition, the majority of recently relocated households are small. Single-person households account for 35.4%, and two-person households for 47.3%, while households of three persons or more make up only 17.3% of the total inflow. This implies that

the current supply is largely geared towards smaller households, with limited availability for larger family structures.

The average gross annual income of these households is €59,232.56, and the average net rent is €908.52 per month. This results in a housing cost ratio of approximately 18.4%, indicating a generally affordable rent level within the target group. The housing types are predominantly apartments (72.2%), followed by terraced houses (21.1%). Semi-detached and detached homes represent only a small share of the housing occupied by recent movers.

Most of the dwellings have a surface area between 70 and 119 m², with the largest shares found in the 70–89 m² (22.9%) and 90–119 m² (22.8%) categories. This points to a predominance of compact dwellings, suitable for smaller households and younger age groups.

Overall, the current middle rental sector primarily attracts young, small households with moderate incomes. The limited presence of older and larger households among recent movers underlines the necessity to diversify the housing offer in terms of dwelling size and typology, to better serve the broader needs of the target group and enhance the functioning of the middle rental market.

SRQ 7: How does the supply of middle rental housing compare to the demand for middle rental housing?

To answer this question, we compare the dwellings where the target group have to in the last two years and the dwellings where they would like to move to.

Housing type
A clear contrast can be seen when comparing the preferred housing types of prospective movers with the actual distribution of dwellings occupied by recent movers in the middle rental sector. While 59,7% of households looking to move prefer apartments, the actual share of these dwellings in the sector is significantly higher at 72,2%. This suggests that apartments are more available than their demand would indicate, potentially leading some movers to accept apartments despite a preference for alternative housing types.

Demand for terraced, townhouses, and semi-detached or detached houses is much higher (34,7%) than their actual availability in the middle rental stock (21,1% for terraced houses and only 3,4% for semi-detached homes). This discrepancy indicates a relative shortage of these housing types in the sector.

Detached houses, farmhouses, and properties with a business or office space represent a very small share of the housing stock (3,4% combined). The demand for such dwellings is also limited (5,6%), though slightly higher than the current supply.

These figures suggest that while the supply of apartments is sufficient, there is a mismatch in the availability of single-family and semi-detached homes, which are in greater demand than the sector currently provides.

Area:
There is a notable contrast between the number of rooms preferred by households looking to move into the middle rental sector and the actual distribution of rooms in the homes of recent movers.

Three-room dwellings are the most preferred among prospective movers, with 36,9% indicating this as their ideal home size. This closely aligns with the share of three-room homes occupied by recent movers, which stands at 30,9%. This suggests a relatively balanced demand and supply for this segment.

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Four-room dwellings are the second most desired, with 21,1% of prospective movers favouring this size. In comparison, 22,0% of recent movers live in four-room homes, indicating that availability is generally in line with demand.

Only 4,3% of prospective movers prefer larger five-room homes, yet they make up 15,0% of the homes of recent movers. This suggests an oversupply of larger homes relative to demand.

Smaller homes with 1-2 rooms are in demand among just 7,0% of prospective movers, yet they account for 28,4% of the homes of recent movers. This suggests that smaller homes are more readily available than required by those looking to move into the sector.

Overall, the data indicates a potential imbalance, with a higher supply of smaller and larger homes while the demand is centred around three-room dwellings.

Conclusion – SRQ 7
There is a clear mismatch between the supply and demand in the middle rental housing sector. Apartments are oversupplied, making up 72,2% of the recent movers' dwellings, while only 59,7% of prospective movers prefer this type of housing. In contrast, demand for terraced, semi-detached, and detached houses (34,7%) exceeds their availability in the sector (21,1% and 3,4%, respectively), indicating a shortage of these housing types.

Regarding dwelling size, there is an oversupply of both small (1–2 room) and large (5+ room) homes, while demand is centred on three-room dwellings. Prospective movers most commonly prefer three-room homes (36,9%), closely matching their availability (30,9%), suggesting a relatively balanced supply. However, five-room homes are more available (15,0%) than demanded (4,3%), while smaller one- to two-room homes (28,4% of supply) exceed the demand (7,0%).

Additionally, the average desired rent (€883,16) is slightly below the actual rent paid by recent movers (€908,52), indicating that prospective tenants may have slightly lower price expectations than the market reality. Overall, the middle rental sector provides sufficient smaller apartments but lacks a balanced supply of middle-sized family homes, which are in higher demand.

SRQ 8: Which households in the middle rental housing sector have the most difficulty in finding suitable housing in the middle rental housing sector?

To answer this question, we need to compare households **who have moved** in the past two years with those **who would like to move**.

The difference in age:

		Percent willing to move into the middle rental sector	Percentage moved to the middle rental housing sector
Age in 7 classes			
Valid	17-24 year	9,0%	12,1%
	25-34 year	13,0%	52,6%
	35-44 year	9,7%	19,9%
	45-54 year	16,2%	3,7%
	55-64 year	20,2%	6,5%
	65-74 year	16,1%	4,0%
	75 years and over	15,8%	1,1%
	Total	100,0%	100,0%

Table 4.17: Comparison of the age of households that have moved ands are wanting to move to the middle rental housing sector (own work)

The comparison between those willing to move into the middle rental sector and those who have actually moved reveals a striking contrast across different age groups.

Young adults (17–34 years) are significantly overrepresented among recent movers. While only 22,0% of potential movers fall within this age category, they account for 64,7% of actual relocations. The 25–34 age group, in particular, shows the most pronounced gap, representing just 13,0% of those willing to move but making up 52,6% of those who have relocated. This suggests that younger households find it easier to access middle rental housing or are more flexible in their housing choices.

In contrast, middle-aged households (45–64 years) exhibit the opposite trend. Despite 36,4% of those willing to move falling within this age range, only 10,2% of recent movers belong to this group. The 45–54 age category, for example, comprises 16,2% of those interested in moving but only 3,7% of actual relocations. This discrepancy indicates potential barriers preventing middle-aged households from transitioning to the middle rental sector, such as affordability constraints or a lack of suitable housing options.

Older households (65+ years) also show a notable mismatch. While they constitute 31,9% of those willing to move, only 5,1% have successfully relocated. The most extreme contrast is seen in the 75+ age group, where 15,8% express interest in moving, yet only 1,1% have done so. This may point to structural barriers such as limited supply of age-friendly housing, financial concerns, or reluctance to move later in life.

Overall, these figures highlight a clear imbalance in accessibility to the middle rental sector, with younger households moving in at a much higher rate than middle-aged and older groups, despite significant demand from the latter.

The difference in household composition:

Number of persons in household (5 classes)		Percent willing to move into the middle rental sector	Percentage moved to the middle rental housing sector
Valid	1 Person	30,8%	35,4%
	2 Persons	42,4%	47,3%
	3 Persons	13,0%	9,2%
	4 Persons	7,3%	4,4%
	5 Or more persons	6,4%	3,7%
	Total	100,0%	100,0%

Table 4.18: Comparison of the number of people in a household that have moved ands are wanting to move to the middle rental housing sector (own work)

The comparison between households willing to move into the middle rental sector and those who have actually moved highlights a noticeable shift in household composition.

Single-person and two-person households are the most dominant in both groups, but they are slightly overrepresented among actual movers. While 30,8% of those willing to move are single-person households, they make up 35,4% of those who have relocated. Similarly, two-person households account for 42,4% of those interested in moving but represent 47,3% of recent movers. This suggests that smaller households face fewer barriers in accessing middle rental housing, possibly due to affordability or housing availability.

Larger households, particularly those with three or more persons, are underrepresented among recent movers. Three-person households make up 13,0% of those willing to move but only 9,2%

of actual relocations. The gap is even more pronounced for four-person households (7,3% vs. 4,4%) and households with five or more persons (6,4% vs. 3,7%). This pattern suggests that larger households may struggle to find suitable middle rental housing, likely due to a limited supply of larger dwellings or higher rental costs.

Overall, the data indicate that the middle rental sector is more accessible to smaller households, while larger households, despite their interest, are less likely to relocate successfully. This could signal a need for more family-sized rental options within the sector.

Income and rent:
The incomes of both groups are closely aligned. Households in the target group seeking to move into the middle rental sector have an average income of €59.460,75, while those who have recently moved into this sector report an average income of €59.232,56. This minimal difference suggests that the financial profile of desired movers closely matches that of recent movers, indicating that affordability within the middle rental sector is relatively consistent between those looking to enter and those who have already secured housing.

The comparison between desired and actual rent levels in the middle rental sector reveals also not such a big difference.

The average desired rent of the target group of the middle rental housing wanting to move is €883,16. In contrast, the actual rent paid by the target group households that have moved into the sector in the past two years is slightly higher, with an average of €908,52. This is a difference of €25,36 rent each month or 2,8%.
This small discrepancy suggests that prospective movers have slightly lower rental price expectations compared to the actual market conditions. However, the difference is minimal, indicating that rent affordability aligns relatively well with market rates within the middle rental sector.

Conclusion – SRQ 8
Households facing the greatest difficulty in accessing the middle rental sector tend to be older and larger in size.

Younger households (17–34 years) move into the middle rental sector at a much higher rate than their share among those interested in moving, indicating fewer barriers for this group. In contrast, middle-aged (45–64 years) and older households (65+ years) show a significant gap between willingness and actual relocation, suggesting structural barriers such as affordability constraints or a lack of suitable housing.

Smaller households (one- and two-person) relocate more easily than larger ones. Larger households (three or more persons) are underrepresented among actual movers, indicating that family-sized middle rental housing may be less accessible due to limited supply or higher rental costs.

The financial profiles of prospective and recent movers are closely aligned, with only minor differences in income and rent levels. This suggests that affordability within the middle rental sector is relatively stable. However, a small gap between desired and actual rent levels implies that prospective movers may have slightly lower price expectations than the market reality.
Overall, the middle rental sector appears more accessible to younger, smaller households, while middle-aged, older, and larger households face greater challenges in securing suitable housing.

4.1.4 Conclusion quantitative research

This chapter provides a overview of the current state and dynamics of the Dutch middle rental housing sector, based on analyses of the WoON 2021 dataset using SPSS. The findings offer

insights into the profile of current residents, the target group aspiring to move into the sector, and the degree of alignment between supply and demand by an analyses of recent moved target group households into this sector.

Current Stock and Residents

The existing middle rental housing stock is primarily composed of apartments (60,2%), with terraced houses making up a significant portion (33,5%). These homes have typically 3–4 rooms and a living area between 70–119 m². The average rent is €891,86 per month, and most tenants live in one- or two-person households.

The typical resident is 47 years old—older than the national average—and most tenants fall within the 25–44 age range. Interestingly, the average income of current residents (€56.352) includes many below the intended threshold for the sector, suggesting that a considerable number of residents could technically qualify for social housing. This indicates that the sector is not fully serving its intended middle-income target group and that affordability issues may exist for lower-income households.

Target Group Preferences and Characteristics

The target group that expresses interest in moving into middle rental housing differs significantly from current residents. It is composed largely of older adults (68,3% are 45 years or older) on average 58 years old and smaller households, with a dominant share of two-person (42,4%) and one-person (30,8%) households. This group also has a average income of €59.460, aligning with the intended income range for the sector.

They express a strong preference for three-room dwellings (52,1%), with apartments and terraced houses being the most desired housing types. Their housing decisions are primarily driven by the quality of the dwelling, followed by location and price.

Supply-Demand Mismatch

The comparison between supply and demand highlights several structural imbalances. There is a shortage of all types of dwellings in the middle rental housing sector. Apartments are the most available housing type, the shortage of terraced and semi-detached homes is even greater, because those dwelling are also in higher demand among potential movers. Likewise, while there is an mismatch in of both very small and very large dwellings, the greatest demand lies in three-room homes (middle sized dwellings), suggesting a need to refocus development efforts toward this dwelling type.

In terms of affordability, the average desired rent (€883,16) is slightly lower than the average rent paid by recent movers (€908,52), indicating that households may find the sector marginally less affordable than expected.

Mobility and Accessibility

Analysis of recent movers within the target group show that younger adults (especially 25–34 years) dominate the inflow, while older adults (especially 45+) are significantly underrepresented, despite being the majority of those interested in moving. This disparity suggests that older households face barriers that prevent them from accessing middle rental housing, those can be lack of suitable housing, affordability constraints, or limited availability

Similarly, larger households (3+ persons) are underrepresented among recent movers, pointing to a shortage of family-appropriate dwellings. Yet, income differences between those wanting to move and those who have moved are minimal, indicating that financial capacity is not the key barrier. Instead, the main challenges likely relate to mismatches in housing demands, and availability of those houses.

Overall Synthesis

The quantitative research clearly reveals that the middle rental housing sector is misaligned with the evolving needs and preferences of its intended target group. The current stock favours younger, smaller households, while the majority of demand comes from older adults and families. It can also be caused by more flexibility in housing demands of the younger and smaller households. Resulting in more movement in this part of the target group. All types of houses are needed to minimise the housing stress in this sector, the focus needs to be on mid sized apartments, those are most in demands, but also terraced houses needs to be added to the current housing stock.

To ensure the middle rental sector functions effectively and equitably, future policy and development strategies must aim to correct these imbalances by improving access for older and larger households, aligning dwelling types with demand.

4.2 Qualitative research

The qualitative research for this thesis builds on the established methodology and research questions, aiming to provide deeper insights into housing preferences, needs, and compromises within the middle rental housing sector in Rotterdam region. Additionally, it explores the perspectives of real estate professionals operating in the middle rental housing market.

The goal is to identify the housing preferences and needs of the target group within the middle rental sector in Rotterdam. This research contributes to answering the central question of the thesis: How can the middle rental housing market in the Netherlands be optimised to better meet the needs of the target group and alleviate market pressure?

The study involves interviews with households seeking middle rental housing in Rotterdam and real estate professionals active in this sector. These interviews will provide valuable insights into the expectations, challenges, and decision-making processes of potential residents, as well as professional viewpoints on the current market conditions and possible solutions to address housing shortages, with a specific focus on the mid-rent sector.

In this study, interviews were conducted with 2 different groups. The target group middle renters and professionals, the main stakeholders in the field of project development.

The target group interviewed consists of 10 households. This research focuses on households in the target group who might want to move in the short term. Within this group a distinction was made between young households, up to 35 years old, and older households, over 55 years old. This target group was chosen because the quantitative survey showed a very large difference in removals between these groups. Through qualitative research, this study aims to find out what causes this difference in removals.

Respondents were found using the snowball method. The snowball method (snowball sampling) is a non-random sampling method in which researchers start with a small number of initial contacts (called seeds) who meet the selection criteria. These individuals are asked to recommend other people who also meet the criteria. Those newly introduced individuals can in turn recommend others. This creates a chain reaction - like a rolling snowball - where the number of respondents grows through networking. This method is especially suitable for; Hard-to-reach target groups. (Limont et al., 2024)

The professionals interviewed were the property developer, a real estate investor, the municipality of Rotterdam and a housing association. The municipality of Rotterdam is contacted by the office the alderman of Climate, Construction and Housing, Chantal Zeegers. The developer and housing association are contacted true the network of Sustay, and Sustay will represent the developer.

4.2.1 Interviews with the target group of middle rental housing

The quantitative research was validated through qualitative interviews with the target group. In the quantitative research it is discovered that older households are also in big quantities looking for middle rental housing, but they do not move as often as younger households. Why this does not happen is explored through these interviews. Half (5) of the respondents in the target group consist of house seekers younger than 35 and half (5) of house seekers older than 55. All respondents fall into the target group of middle rental housing and are to varying degrees looking for a new home in or around Rotterdam.

Younger households in the target group

Younger households move by far the most, this can be seen in the results of the quantitative research, chapter 5.1.3. It is assumed that young households, like other households, have a clear housing preference. So why is it that this group moves by far the most, is it because of a certain degree of flexibility in adjusting their demands to secure housing more quickly?

This chapter examines the motivations, preferences, and challenges faced by young households under the age of 35 searching for mid-rental housing in Rotterdam. Based on a series of interviews, this analysis explores key aspects such as reasons for relocation, the urgency of moving, housing characteristics, flexibility in preferences, and the significance of the surrounding environment.

Reasons for relocation
Among the respondents, various motivations for moving came up. Three of the five interviewed tenants are currently sharing a residence with housemates but seek to transition living with a partner. This marks a significant personal milestone and was frequently mentioned as a primary reason for relocation. One respondent is currently living with their parents and wishes to move out in order to gain independence, particularly due to a starting working career. Another respondent expressed dissatisfaction with their current living conditions, citing limited space, poor natural light, and a lack of safety in their neighbourhood as key factors driving their decision to search for alternative housing.

Urgency of moving
The urgency with which respondents seek new housing varies. Two households expressed a strong need to relocate within a few months. Three respondents, however, are still in the exploratory phase, they expect that in the upcoming times the urgency will grow, that is why they are already exploring. If a very suitable property comes along it would be an option right away, even its not necessary yet. The level of urgency is often tied to personal circumstances, such as the desire to live independently or the desire of living together with a partner.

Desired Housing Characteristics
All five respondents emphasized the importance of having at least two room apartments, not only for living and sleeping purposes but also to accommodate a home office. Four out of five would also prefer a separate office space / guest bedroom. This will also provide more flexibility on the long term, for example when they will start a family. This was especially relevant for those who sometimes work from home. Three respondents expressed a strong preference for outdoor space, they consider this an essential element of comfortable living. Energy efficiency also was an important factor, with four respondents preferring housing with at least an energy label B, citing concerns about rising energy costs. Two respondents specifically highlighted the importance of ample natural light and spacious living areas, as these contribute significantly to their overall well-being.

Flexibility in Housing Preferences
While the respondents initially had specific requirements, four acknowledged that they were willing to make concessions in order to secure a suitable rental property. Two households indicated that although they preferred central locations, high rental prices forced them to expand their search area to include suburban areas such as. Another respondent mentioned that while they ideally wanted a two-bedroom apartment, they were open to considering a smaller unit if it met other important criteria. Similarly, two respondents stated that although space was valued, a smaller apartment in a prime location was sometimes considered preferable to a larger apartment in a less desirable area.

Importance of the Surrounding Environment
Four respondents identified accessibility to public transportation, particularly proximity to a major train station, as a key priority, which was essential for those commuting for work. Three respondents expressed a strong preference for neighbourhoods with ample green spaces, as

parks and open areas were seen as important for leisure and well-being. Four respondents emphasized the importance of safety, favouring locations that offered a sense of community and an active social environment.

Future planning

A key consideration for many respondents was how their current housing search aligns with their future plans. Three respondents indicated that they intend to live in their next rental home for at least two to five years before considering homeownership. For these households, finding a rental property that allows for potential life changes, such as career advancements or starting a family, was an important factor. Two respondents mentioned that they are actively saving for a future home purchase and view mid-rental housing as a temporary but necessary step before entering the housing market as buyers. Additionally, some respondents expressed concerns about long-term affordability, emphasizing the need for rental agreements that provide stability and predictable rent increases. Ensuring that their next home offers the flexibility to accommodate life changes, such as an extra room for remote work or a growing family, was also a recurring theme in their planning process.

Challenges in the Rental Market

All five respondents cited the limited availability of mid-rental properties, which resulted in a lot of competition between potential tenants:

"Houses are in such high demand that landlords can choose who gets the property. Sometimes, around 80 households show up for a single viewing. With that many people interested, you really need some luck to be the one who gets selected."

One respondent even told me that this results in overbidding on rents:

"What also seems to be a thing these days is that you can overbid on rental properties. So that, for example, the estate agent says: 'Yes, look, the rent is 1500, but who knows if you bid 1800, you could get the house right away'. For us, that goes way too far."

Four households expressed frustration over the strict financial requirements imposed by landlords, such as earning three to four times the monthly rent, which can make it difficult for young households to secure a lease: "Sometimes you have to earn three or four times the rent. Guarantee holders are often no longer accepted."

Solutions and market improvements

Four respondents suggested increasing the supply of mid-rental housing to alleviate market pressures. Three households also called for greater transparency in the selection process, expressing frustration that properties were often rented out before they were publicly listed. Two respondents proposed that stricter eligibility criteria should be introduced to ensure that mid-rental properties are allocated to those who genuinely need them rather than to households with higher incomes who could afford housing in the free rental market.

Conclusion

Young households in Rotterdam's mid-rental sector face challenges in securing housing that meets their needs. Their preferences centre around well-connected, energy-efficient apartments with sufficient living space. While many are willing to compromise on certain aspects, the overarching issue remains the shortage of available properties. Potential solutions, such as regulatory interventions, enhanced transparency, and increasing the housing supply, could help address the structural challenges within the mid-rental market and provide better access to housing for this group.

Older households in the target group

The middle rental housing market is in high demand. From the quantitative research in chapter 5.1.2 in this research it is shown that a big proportion of the housing seekers among the mid-

rental housing target group are older households, 52,1% are older than 55. But if this is compared to the movers into the middle rental housing sector, we see that only 11,6% of the recent movers comes from this age category. This chapter analyses the main motivations, housing preferences, and challenges faced by this demographic, based on interviews conducted with five respondents actively considering or searching for mid-rental housing.

Reasons for Relocation
Three out of five of respondents currently reside in owner-occupied homes that have become too large for their needs. Three out of five interviewees stated that their children had moved out, leaving them with excess space and maintenance that is or possible would become a burden:
"We now live in a big house with many rooms. That requires a lot of maintenance. In time, we want to live smaller, more comfortable, preferably closer to the city."

Additionally, two respondents cited a desire to return to the city after years of suburban living, emphasizing the convenience of urban amenities such as theatres, shops. One interviewee explicitly mentioned that their current home, located in a suburban area without a train station, was no longer practical.

Urgency of Moving
Unlike younger households, most 55+ respondents expressed no immediate urgency to relocate. Four out of five stated that they are currently in an exploratory phase, taking time to assess their options before making a final decision. However, one interviewee indicated that they would move as soon as they found a suitable property, particularly if it met their location and comfort requirements.

Desired Housing Characteristics
The housing preferences of the 55+ demographic reflects their evolving needs. Most respondents no longer require large homes but still want enough space:
"We want something smaller, but not too small. It must be possible for children to stay over"

Three out of five interviewees stated that they would need at least two bedrooms: one for themselves and one for guests, visiting family, or use as a home office. Another respondent preferred three bedrooms, allowing for more flexibility when hosting family.

Energy efficiency and sustainability were also common concerns. Four respondents expressed a strong preference for properties with high energy ratings, solar panels, or underfloor heating, citing both financial savings and environmental responsibility as primary motivators: "A good energy label is important to me, both for environmental reasons and monthly costs."

One interviewee regretted past housing choices that lacked such features and was now prioritizing energy efficiency in their search.

Outdoor space was highlighted as a critical factor: "A sunny garden or balcony is really a must. Not something small with just a bin in it."

Two respondents specifically mentioned preferring a garden, while another emphasized the importance of a well-positioned balcony that receives sunlight throughout the day. Another interviewee pointed out that having balconies on multiple sides of a building was particularly desirable.

Flexibility in Housing Preferences
While all respondents had clear housing preferences, they also recognized the need for compromise. Three out of five stated that they were willing to adjust their expectations, particularly regarding square footage, if other priorities such as location and energy efficiency were met. However, two interviewees were unwilling to compromise on having outdoor space,

even if it meant a longer search. What was also notable was that this group was less eager to adjust their housing needs if this was needed to find a house in a short term. They are also al lot less flexible, staying closer to their initial demands.

Importance of the location
Fout of five mentioned the importance of proximity to public transport, particularly train stations, as a means of maintaining independence. Additionally, three respondents stressed that they preferred living in an area with established communities rather than newly developed neighbourhoods with no social infrastructure.
Safety and green spaces were also recurring themes. Two interviewees specifically mentioned wanting to live in a well-maintained, aesthetically pleasing neighbourhood with parks or natural surroundings. One respondent noted that they avoided areas with high-rise buildings and preferred a location with an open view. Also, two respondents mentioned good access to parking facilities as an important point.

Challenges in the Rental Market
All respondents encountered difficulties in finding suitable mid-rental housing that met their needs. The most frequently mentioned challenge was the limited availability of appropriately sized rental properties in desirable locations: "There are few houses that meet our requirements. Maybe our list of demands is too high."

Three interviewees reported struggling to find listings that fit their criteria and noted that rental options were often scattered across multiple platforms, making it difficult to maintain an overview of the market.

Future Planning and Considerations
Unlike younger renters, many 55+ households see their next move as a long-term decision. Four out of five respondents indicated that they were looking for a home they could live in for the near future. However, one respondent expressed uncertainty about remaining in the Netherlands after retirement, opting for a rental over homeownership to maintain flexibility.
Accessibility and futureproofing were also important considerations. Three interviewees specifically mentioned the need for step-free access or an elevator to accommodate potential mobility issues in later years. Additionally, one respondent pointed out that they were considering co-living or alternative housing models like a "Knarrenhof" to maintain social connections while securing a practical living arrangement.

Proposed Solutions and Market Improvements
To better serve the 55+ demographic, respondents suggested several improvements to the mid-rental housing market. The most frequently mentioned recommendation was increasing the supply of rental properties that cater to their needs, particularly in well-connected and desirable locations.
A unique recommendation came from one respondent, who proposed encouraging co-living or shared housing arrangements for older adults. They suggested that this could not only improve housing availability but also reduce loneliness and enhance community engagement.

Conclusion
Older households express a desire to move but do not experience the same urgency as younger households. They are generally satisfied with their current living situations, which allows them to maintain higher housing demands. Unlike younger movers, they are less inclined to compromise on their preferences, even if doing so would accelerate the process of finding suitable housing. This reluctance to adjust housing demands may contribute to the lower moving rates as found in the quantitative research.

Comparison Between Younger and Older Mid-Rental Tenants

The interviews reveal clear differences between younger and older mid-rental households in terms of their motivations for moving, housing preferences, and flexibility in their demands. Younger households mainly seek rental properties due to life transitions such as moving out of shared housing or their parental home, often motivated by career opportunities and the desire for independence. Their primary housing preferences include affordability, a location with access to public transport, and a dynamic urban environment, with many expressing a willingness to compromise on their housing demands. This is partly because in, the transition to a mid-rent house is seen as a temporary option before looking at an owner-occupied house or larger rental house that also fits future plans such as family expansion. Should it be possible to find a mid-terrace house that already offers this space so with an extra bedroom/office space would be preferred. In contrast, older households are often motivated by downsizing, often transitioning from owner-occupied homes that have become too large or maintenance intensive. Their primary concerns revolve around accessibility, comfort, and energy efficiency, they have more strict housing demands than the younger generation, such as a second bedroom for guests, and outdoor space. Unlike younger households, who are more flexible regarding location and amenities, older households demonstrate less willingness to compromise on aspects they deem essential for long-term living, such as quiet surroundings and high energy performance. While younger households view mid-rental housing as a stepping stone, older households approach it as a more long-term housing solution. They are also often not in a hurry to move, they currently have a stable housing situation and do not need to move right away, this is a contrast with the younger generation who would like to move more urgently.

4.2.2 Interviews with real estate professionals

In this chapter we delve into the last sub research question.

SRQ 9: What policies or actions can the middle rental housing suppliers and municipalities developer or investor undertake to optimize the middle rental housing sector?

SRQ 9 is answer by interviewing important stakeholders in the field of real estate development.

Municipality of Rotterdam

This interview is conducted with a housing policy advisor from the Municipality of Rotterdam. The contend focused on the municipality's objectives, challenges, and strategic measures within the middle rental housing sector. The findings highlight the evolving policy landscape, market dynamics, and collaborative approaches necessary to ensure an adequate supply of affordable housing in Rotterdam.

The municipality operates within the framework of the latest housing vision, approved in March 2024. A primary objective is the realisation of more affordable housing, with an emphasis on expanding the middle rental segment. This goal aligns with the broader strategic target of ensuring that 65% of newly constructed housing remains affordable. However, this percentage applies to the citywide production rather than individual projects, allowing for flexibility in urban planning and development: "It is not a blueprint we impose. But we want to ensure per area that supply is balanced."

One of the principal challenges in the middle rental housing sector is diversity in the supply of housing in this sector. Developers mainly make a similar product, small apartments. The municipality tried to manage this by setting rules that for every small apartment a lager one in the same sector needs to be build. But the result from this was that all the developers delivered

medium sized apartments, so less construction of small and large dwellings. Still not contributing to the diversity in housing typologies in the middle rental housing sector.

Another challenge is the stagnation of affordable owner-occupied housing, which has become increasingly unaffordable. The municipality seeks to promote long-term affordability, advocating for policies that extend price controls beyond initial years of delivery. At the moment there is a shift in market preferences, with developers favouring homeownership over rental properties due to more favourable financial returns.

The municipality maintains a degree of flexibility in negotiations with developers but emphasises the need for commitment at an appropriate stage in the planning process is needed. While programme adjustments are possible, such as converting rental units into owner-occupied homes, changes must not result in financial losses for the municipality. Developers often seek to keep their options open, which can lead to uncertainties in the execution of housing projects.

Efforts to streamline the housing development process include a set of "Doorbouw maatregelen" and an upcoming municipal construction code aimed at deregulation and process optimisation. The municipality aims to minimise bureaucratic layering, which can slow down projects, and facilitate more efficient contract formation but also finds some issues in deregulation: "What we can influence on our side lies in the contract formation, to ensure a faster process and to try and reduce the stacking of regulations, which remains a significant challenge for this organisation(municipality of Rotterdam), given the various policy goals and aldermen with differing objectives."

Additionally, a dedicated fund is available to financially support the realisation of affordable housing projects when necessary. The municipality of Rotterdam offers a subsidy for starting developments to encourage the construction of affordable rental and owner-occupied housing in the middle segment. Property developers and housing associations can apply for subsidies for this purpose. A total of €14 million is available, with a maximum of €7,500 per house and €750,000 per project (*Subsidie Startbouw Aanvragen*, n.d.). This grant can be applied for until June 2025, after which time it can be seen whether it has been effective.

Unlike social housing, middle rental housing is not subject to strict income-based allocation requirements. While private developers are encouraged to prioritise middle-income households, there are currently no enforceable regulations mandating income-specific allocations. The lack of consensus among regional municipalities on income thresholds has hindered efforts to introduce such measures, although the legal framework allows for their implementation not all. With a housing permit, the municipality can ensure that these houses are only rented out to people with low and middle incomes and In some municipalities like Dan Haag, they also do this.

The interview highlights the Municipality of Rotterdam's initiative-taking approach to promoting a diverse and sustainable middle rental housing market. While challenges persist, particularly regarding affordability, allocation, and housing diversity, strategic policy adjustments and collaborative efforts with developers, investors, and housing associations are integral to achieving long-term success in the sector. Continued engagement with national regulatory frameworks and innovative architectural solutions will be crucial in shaping Rotterdam's future housing landscape.

Developer

Sustay is a real estate developer focusing on the mid-rental housing sector. The interview focused on the approach of housing development, the evolving regulatory landscape, and challenges associated with financing and construction costs. These findings contribute to a broader understanding of the role of developers in ensuring the supply of affordable mid-rental housing.

Sustay was established in 2012 with the goal of bridging the gap in the mid-rental housing market. Unlike social housing and owner-occupied properties, mid-rental housing lacks direct government subsidies, making it highly dependent on market conditions. Sustay's strategy is to develop projects that balance affordability and financial feasibility/stability. This approach reduces investment risk and enables the company to deliver housing at scale.

There has been little consensus on what constitutes a mid-rental home. Initially, there was no formal definition, and the concept evolved based on market feasibility. Sustay prioritises compact yet functional apartments, typically around 63 square metres, designed as three-room dwellings: "Our ideal housing product is: a house as small as possible, but with three rooms. Around 63m² usable space. That offers quality and affordability". This configuration balances affordability and usability, making them attractive to investors and a large group of tenants. Although municipalities increasingly impose minimum size requirements. Sustay emphasises that smaller units are often more affordable for renters, aligning with affordability constraints.

The growing regulatory framework for mid-rental housing presents both challenges and contradictions. While the government has imposed stricter rent controls, these measures do not always align with institutional investor requirements. Investors have demand for the housing product they want, sometimes with also more strict rules than the government. In some cases, regulatory frameworks encourage the construction of smaller units, despite institutional investors' preference for slightly larger apartments. Furthermore, municipalities frequently impose additional restrictions beyond national regulations, leading to fragmented and unpredictable market conditions. This is why Sustay advocates for clearer and more consistent policies to provide more clarity. Also, the stacking of regulations by different parties; national government, regional government and the buyer make development extra difficult: "The stacking of requirements by the municipality and the state makes it increasingly difficult to make a sound business case."

There are several financial and operational hurdles affecting the feasibility of mid-rental developments. Construction costs have risen significantly in recent years. Meanwhile, municipal policies often delay projects by requiring extensive zoning and regulatory approvals. Sustay highlights that the discrepancy between regulated rental income and rising construction costs makes it increasingly difficult to achieve sustainable returns.

Additionally, financing for mid-rental housing remains complex. Institutional investors are cautious, and many international investors have withdrawn from the Dutch market due to regulatory uncertainty and insufficient return on investment. While national pension funds remain active, their investment appetite is limited to projects that meet stringent environmental, social, and governance (ESG) standards. This further restricts development feasibility and complicates securing capital.

To address the limitations of traditional mid-rental projects, Sustay has explored alternative housing models such as the "Friends" concept, where two tenants share a three-room apartment with separate bedrooms and a shared kitchen and bathroom. This format allows for higher rental yields per square metre while maintaining affordability. However, this model presents risks, as it depends on maintaining consistent occupancy and requires specific contractual agreements between tenants.

Another strategy under consideration is a shift towards mixed developments that integrate mid-rental housing with owner-occupied units. Given the financial constraints in mid-rental housing, Sustay is increasingly looking at "mid-buy" developments, where units are sold at accessible price points, below the national mortgage guarantee limit. This approach aligns with shifting investor preferences and provides more financial stability compared to purely rental-based projects. However, this requires more risk-bearing capacity from a developer, allowing it to run fewer

projects than if the projects are sold to an institutional investor offering the properties in the mid-rent market.

A key barrier to more mid-rental developments is the inconsistency in municipal policies. Sustay states: "We need 'boterbriefjes': a quick, clear commitment from municipalities on programme and capacity". Sustay emphasises the need for municipalities to provide clearer and more predictable regulatory frameworks. This includes eliminating excessive local requirements that go beyond national regulations and ensuring streamlined zoning procedures. Additionally, the company supports municipal initiatives that facilitate pre-approved development capacity, allowing projects to move forward without prolonged delays. To improve feasibility, Sustay recommends that municipalities offer greater flexibility in zoning and pricing mechanisms.

Investor

In this interview a real estate investment company is asked about their engagement in the mid-rental housing sector. It covers the company's investment strategy, motivations for focusing on mid-rental properties, financial considerations, regulatory challenges, and future outlook. These findings contribute to a broader understanding of the role of investors in shaping the mid-rental housing market.

This real estate investor manages investments across multiple asset classes, including real estate. The company's real estate portfolio was traditionally focused on supermarkets and neighbourhood centres but has, since 2015, expanded into (mid-rental) housing. The firm primarily acquires turn-key projects from developers and maintains a long-term investment horizon of 15–20 years.

The decision to invest in mid-rental housing is based on several strategic considerations. The demand for mid-rental housing, particularly for properties is substantial. The company also finds the target group of mid-rental housing financially stable, as they offer relatively stable rental income with lower tenant turnover rates compared to higher-end rental markets.

While social housing remains heavily regulated and offers lower returns, mid-rental housing is a more flexible investment option. However, increasing government intervention has reduced the distinction between mid-rental and social housing, affecting the flexibility of pricing strategies. To maintain affordability while ensuring long-term occupancy stability, this investor implements a restrained pricing and rental increase policy, striking a balance between durability and financial feasibility.

Despite strong demand, several barriers influence investment success in the mid-rental sector. One of the challenges is regulatory constraints. The introduction of stricter regulations has increased administrative burdens, requiring mandatory energy performance certifications and rental point system calculations. Additionally, some municipalities impose regulations that exceed national requirements, adding complexity and limiting flexibility in rental pricing. Despite housing and spatial planning minister Mona Keizer stating during the presentation of the housing deal that this is no longer allowed, it is still perceived that way by Sustay.

Another significant challenge is the rising cost of construction and development. The cost of developing new housing has increased from €2.500 per m² to sometimes over €5.000 per m² in recent years according to this investor. As a result, achieving financial feasibility requires higher rental prices, which often conflict with the aim to rent the dwellings for affordable prices, what also brings abovementioned benefits. These rising costs make it difficult for investors to maintain sustainable rent levels while ensuring a reasonable return on investment.

Municipal delays and policy inconsistencies further complicate the development process. Local governments frequently revise regulations and zoning requirements, leading to extended project

timelines and increased investment uncertainty. Additionally, municipal housing visions often change within short periods, sometimes as frequently as every three years, complicating long-term planning and making it challenging for investors to adapt to shifting policy landscapes. This investor stated: "The increase in regulations increases costs, but revenues do not increase with them. The business case comes under pressure."

The investor prioritises the development of three-room apartments of at least 60 m² to meet tenant needs and optimise portfolio performance. The company has found that three-room apartments are the most versatile, accommodating young professionals, couples, and older households, which in turn provides long-term housing stability. Larger units also offer greater flexibility for tenants, reducing frequent relocations and with that vacancy rates.

Sustainability is a key factor in the company's investment decisions. They invest in energy-efficient properties, which help reduce tenant utility costs and enhance the long-term asset value of the housing stock. This strategy aligns with the company's broader goal of ensuring both financial sustainability and environmental responsibility.

Due to increasing regulatory pressures and higher development costs, this investor has reduced its acquisition of turn-key projects and is instead focusing more on self-development within its existing portfolio. They are still trying to add new objects to their portfolio but by developing projects internally, the company retains greater control over pricing.

At the same time, they avoid investing in small dwellings (below 50 m²), as these are perceived as less attractive for long-term occupancy and resale value. The company believes that providing well-designed, reasonably sized apartments contributes to a lower tenant turnover rate and a more stable investment portfolio.

Policy recommendations from the company include the need for more consistent municipal policies to reduce uncertainty and facilitate long-term investment planning. The simplification of layered regulations would help improve the efficiency of housing development and project approvals. Additionally, a balanced regulatory framework that supports both affordability and investment feasibility would provide a more stable environment for investors and developers.

Housing association

This interview is conducted with a representative of housing association, involved in the middle rental housing market in and around Rotterdam. The discussion centred on financial constraints, housing policies, and strategies for the development and allocation of middle rental housing. The findings provide valuable perspectives on the role of housing associations in addressing the challenges of affordable housing within the urban context.

Housing associations can only invest in middle rental housing if they meet financial stability criteria: "We are only allowed to invest in middle rental if we are financially sound. It should not hamper the core business." Associations under financial strain must prioritise social housing over middle rental housing investments. The housing association where in matter, is financially sound, strategically invests surplus funds into middle rental housing, often through redevelopment projects. One such example involved demolishing 182 outdated units and constructing 305 new residences, balancing social and middle rental housing.

A fundamental motivation behind middle rental development is to diversify housing supply in socioeconomically homogenous areas. Additionally, these developments aim to retain economically and socially stable residents "dragers" or carriers who contribute to neighbourhood cohesion: "We are adding mid-rent housing to strengthen neighbourhoods with a one-sided social profile and enable people to move on." Approximately 10% of households in such areas are

classified as carriers, and their presence is vital for sustaining social structures within communities.

This housing association prioritises allocating middle rental units to her existing social housing tenants, the regulatory framework does not impose strict income requirements. Therefore, allocation is market-driven, but efforts are made to ensure accessibility for middle-income earners who lack affordable housing options in the free market.

This association sets rents between €876 and €1.150 per month, aligning pricing with market affordability rather than maximising rental potential under the Housing Valuation System (WWS). In many areas, the upper middle rental threshold (€1.235) exceeds local affordability, making adjustments necessary to ensure financial sustainability.

Redeveloping existing housing stock poses significant financial challenges: "The funding is bloody. We often don't make up the value of the demolition with the new construction, even with densification." Costs associated with demolishing and rebuilding exceed the book value of the existing stock, requiring increased housing density to achieve financial viability. For example, existing properties valued at approximately €20.000 per unit may have redevelopment costs exceeding €63.000 per unit. Despite the lower interest rates available for housing association loans, financing middle rental projects remains complex.

This association adopts a strategic approach to housing typologies, balancing ground-level housing with apartments to cater to demographic demand. The predominant unit size ranges from 65–75 m², with some projects including larger 100 m² units. Additionally, specialised housing such as senior co-housing (e.g., Knarrenhof) is explored to support specific community needs. Those units often exceed the maximum WWS points allowing the association to ask higher, free market rents. Since this is not the goal of a housing association, they do not do this the really aim for a nice neighbourhood with a healthy mix of housing supply and residents.

Municipal cooperation is essential for the feasibility of middle rental projects. However, financial limitations within local governments pose a risk to ongoing development. The anticipated budget cuts in 2026, referred to as the 'Ravijnjaar,' could further strain municipal support for middle rental (and social housing) initiatives. Additionally, financing regulations for mixed buildings (with social rent and other sector dwellings) present difficulties; current laws require separate financial structures for social and other sectors such as middle rental housing within the same development, complicating project execution. This housing association advocates for more flexible financial regulations to enable more mixed sector housing project. They are convinced this will result in better, more successful projects realised by housing associations.

The association maintains a long-term perspective on housing development, with a planning horizon of 30–50 years. Key priorities include increasing housing density through redevelopment, ensuring financial sustainability, and promoting diverse, well-functioning neighbourhoods. Future expansion may require partnerships with private developers or other associations to manage financial risks and maintain a balanced housing portfolio.

Housing associations plays a crucial role in addressing the middle rental housing shortage. Through strategic investment and redevelopment, they are an important stakeholder who can add a lot of new dwellings. Their main focus is social housing, but they can also add middle rental dwellings in their new developments. Despite financial and regulatory challenges, collaboration with municipalities and commercial businesses can enable continued progress in this sector. According to this housing association future policies should focus on improving regulatory flexibility and financial sustainability to enhance the long-term viability of middle rental housing projects.

4.2.3 Conclusion Qualitative research

The qualitative research provides a nuanced understanding of the dynamics within the middle rental housing sector from the perspectives of both residents and professionals. Interviews with potential tenants confirm the trends found in the quantitative analysis and further reveal how different age groups approach the housing market. Younger households demonstrate higher mobility and urgency, driven by life transitions such as forming new households or seeking independence. They are more willing to compromise to find a rental home. Older households, move less frequently due to satisfaction with their current housing and higher demands. Their lower flexibility contributes to their underrepresentation among recent movers.

Professionals in the sector highlight major obstacles to creating an adequate supply of middle rental housing. Developers and investors point to inconsistent regulations, high construction costs, and complex planning procedures as key barriers. Housing associations, while focused primarily on social housing, express willingness to contribute to the mid-rental segment but are constrained by financial regulations and redevelopment costs. Municipalities are trying to encourage a diverse and affordable supply of medium-rent housing, but are running into regulatory limits in oblige the market, also market players do not always follow the municipality's wish in this. This also does not match the guidelines of the new Affordable Rent Act. According to this law, you can get the maximum number of WWS points for a mid-rent property on a property of about 50 m². They also aim to minimise the building procedures to speed up the development process but are bound in their capacity.

Together, these insights highlight the importance of a coordinated approach. A more diversified housing stock that addresses the needs of various household types, supported by consistent regulations and streamlined development processes, is essential for improving access and affordability in the middle rental sector. The integration of perspectives from both supply and demand sides provides a comprehensive basis for targeted interventions and future policy adjustments.

5 Discussion

The findings of this research provide insights into the current state of the middle rental housing market in the Netherlands and the challenges it faces. This discussion addresses the validity of the research and the interpretation of results.

The quantitative and qualitative research methods employed, including the analysis of the WoON 2021 dataset and interviews with key stakeholders and the target group of the middle rental housing sector, provide a view of the middle rental market. The applied methodology enables the identification of trends and patterns in the demand and supply of middle rental housing. The combination of literature review and empirical data enhances the reliability and generalisability of the findings.

The demand for middle rental housing exceeds the current supply, and the number of dwellings currently under construction is insufficient to bridge this gap in the short term. This imbalance is driven by policy changes in taxation and rent regulation, rising construction costs, and shifting market conditions like interest rate increases.

5.1 Market context

The challenges faced in the Dutch middle rental housing market cannot be viewed in isolation from the broader housing system, particularly the dynamics between the social rental sector and the private rental market. The social rental sector has long served as a safety net for low-income households but is now under pressure due to long waiting lists, stagnating new development, and an increasing number of higher-income tenants who lack sufficient options to move elsewhere. This so-called 'scheefwonen' phenomenon has contributed to market inefficiencies and hinders the natural flow between housing segments (WoonOnderzoek Nederland et al., 2022).

Simultaneously, the private rental market has become a critical component in absorbing unmet demand. However, investor confidence has deteriorated in recent years due to a combination of rising construction costs, increasing interest rates, and new tax and rental regulations, such as the Affordable Rent Act. These developments have led to a significant decline in new rental housing investments, with nearly 50% less invested in the months following the law's announcement in 2022 compared to the same period in previous years (Westerhof & CBRE B.V., 2022). Moreover, recent figures show that private investors have started selling off rental properties at a rapid pace, 10.070 units were sold in the third quarter of 2024 alone, further shrinking the rental housing supply (Vastgoed Insider, 2025).

These dynamics raise important questions regarding the long-term role of the private sector in providing affordable rental housing. At the same time, the broader housing discourse increasingly emphasises the importance of housing mobility. The Council for the Environment and Infrastructure (Rli, 2020) highlights that enabling seniors to downsize into appropriate rental units can free up larger dwellings for younger households, creating a domino effect that improves overall housing allocation. Yet, as Geuting and Timmen (2022) argue, this potential remains untapped due to the lack of suitable and affordable housing options for older adults—especially in the middle rental segment.

The findings of this study also align with previous research by Gijzel (2018) and Blijie et al. (2019), who underscore the systemic importance of the middle rental sector. Positioned between social housing and private rental or home ownership, middle rental dwellings enable upward and downward mobility, serving both as a stepping stone for young professionals and a sustainable solution for elderly or lower-income households who cannot access other segments. As such,

strengthening the middle rental sector does not only benefit middle-income households, but improves the functionality, fairness, and flexibility of the entire Dutch housing market.

5.2 Comparison of results with theory

The results of this study offer valuable insights into the middle rental market and can be compared with existing theories and models within the housing market and urban development.

According to the literature from (van Gijzel, 2018) the middle rental market fulfils a crucial role as a transition segment between social renting and the free sector. This research confirms this, as the results show that households that do not qualify for social rent, but also cannot afford to buy a house, rely heavily on this segment. From the interview it can be concluded that younger household often see the middle rental housing sector as a temporary solution. Also, older households want to move to this segment, making room on the free market or market for owner-occupiers.

The '5 A's' of affordable housing (Ayala et al., 2019) - Availability, Accessibility, Affordability, Acceptability and Adaptability - provide a theoretical framework for analysing housing markets. The results of this study confirm that Availability and Affordability in particular are bottlenecks in the Dutch middle rental market. The current shortage, combined with declining building permits, indicates a mismatch between available housing and actual household needs. This is in line with the findings of Geuting and Timmen (2021), which show that a lack of suitable housing for certain target groups restricts flow in the housing market.

In addition, the results support the theory that Adaptability of mid-rent housing (life-cycle housing) can be a factor to promote flow. In line with the literature, it is argued that more variation in housing types is desirable, for instance for seniors who want to move to smaller dwellings (Geuting & Timmen, 2022).

The findings on the impact of the Affordable Rent Act are consistent with existing research on the effects of rent regulation (Kreijne, 2024; Rajasekaran et al., 2019). The results confirm the theory that rent regulation has both positive and negative effects:

Positive: regulation increases the affordability of mid-rent housing for renters, allowing more households to access this segment. The physical characteristics of a property are assessed to provide tenants with a clearer understanding of what they are entitled to in relation to the rent they pay.

Negative: the research shows that market players, in particular developers and investors, are becoming increasingly reluctant to invest in middle-rent projects. This is in line with Westerhof & CBRE (2022), who show that strict rent regulation worsens the investment climate and potentially leads to a contraction of the middle rental segment. Also, can rent regulations promote housing for groups not in need of those support, which then continue to occupy homes when they could be better released for people who really need them.

These findings underline the complexity of policy interventions in the housing market and confirm that government interventions must be carefully balanced to keep both tenants' and investors' interests in balance.

5.3 Discussion of the market research results

Housing preferences and the demand
The middle rental housing sector faces a mismatch between supply and demand. Apartments dominate the market, these dwellings are offered at a higher percentage than demanded, while

ground-level family homes are percentage-wise more in demand than offered. However, in absolute terms, all housing is needed and desired so include more apartments and terraced houses. Many households prefer terraced or semi-detached houses, yet these are not widely available, limiting options for those seeking more space. A similar imbalance exists in dwelling size. While mid-sized three-room homes are in demand, there is an oversupply of both very small and very large dwellings. Smaller apartments are more readily available than needed, whereas larger homes exceed demand. This suggests that while housing is available, it does not fully align with what middle-income households are looking for.

In this research it is mentioned that larger apartments are not financially feasible to build for developers and investors. An optimum lies in a dwelling of approximately 60 m². In this can fit a small tree room apartment. Which is also the most ideal product for the market. On the other hand, this product does not align with the WWS system because it generates more points than bounded to the middle rental sector.

Market inefficiencies and occupancy patterns
A notable finding of this study is the income discrepancy between current middle rental tenants and those seeking to enter the sector. While the intended middle-income group struggles to access suitable housing, lower-income households currently occupy a substantial share of middle rental dwellings. This indicates that households that might otherwise qualify for social housing remain in the middle rental sector due to a lack of alternatives, reducing availability for the intended target group.

Furthermore, the study highlights the stagnation of housing mobility, particularly among elderly Households. The absence of suitable senior-friendly middle rental housing contributes to market stagnation, preventing the turnover of family-sized and owner-occupied homes. This aligns with previous research suggesting that insufficient housing flow exacerbates shortages across all segments of the market (Crutzen et al., 2020). Addressing this issue requires targeted interventions to facilitate mobility within the housing market, particularly through the provision of suitable downsizing options.

A big issue is that new apartments are often smaller but more expensive for downsizers, indicating a less for more, which is net very appealing. This is likely to be offset by greater comfort in a new home due to better housing features like energy efficient.

This research indicates that older households move less easy than older households. Van Duren (2024) conducted research into facilitating a move of young elderly households, By which he means households aged 55 to 75. The motivation of young elderly to relocate can be enhanced by addressing three interrelated dimensions that influence their decision-making process: willingness, ability, and awareness. His research identifies that relocation is often hindered by strong emotional attachment to the current home, satisfaction with the living environment, and proximity to social networks, which function as 'stay' factors. However, several 'leave' factors, such as deteriorating health, mismatches between dwelling size and household composition, and increasing maintenance burdens, can trigger the consideration of a move. To stimulate such transitions, it is recommended to introduce both push and pull factors, with an emphasis on attractive incentives rather than restrictive policies. Pull factors include the development of suitable, elderly-friendly housing in familiar environments, preferably in the form of 3- to 4-room apartments located near essential services and recreational facilities. (Van Duren, 2024).

Investment challenges and the role of policy interventions
Despite the growing demand for middle rental housing, investment in new developments has declined. This study finds that regulatory interventions (rent control and new tax regulations), have imposed financial constraints that discourage investment. While rent control policies aim to enhance affordability, they simultaneously reduce the potential returns for investors, leading

to hesitancy in financing new projects. This regulatory impact is further exacerbated by macroeconomic conditions, including rising interest rates and increased construction costs. Getting investment back on track and building more requires clarity and certainty from the government. Investors need certainty that they can count on pre-calculated returns and that this will not change due to sudden policy changes.

Government projections estimate that the middle rental housing shortage will range between 70.000 and 100.000 units by 2030. However, given the declining issuance of building permits and the reduction in investment, the actual shortfall may exceed these estimates. The rise in de-investment, or *uitponden*, in the Netherlands has led to a significant decline in the rental housing stock, particularly in major cities. In 2024 alone, over 37,000 rental dwellings were sold by landlords, marking a sharp increase from the previous year (Manduzai, 2025). As more rental properties are sold to owner-occupiers, this trend reduces the availability of affordable and mid-segment rental homes, threatening rental supply and accessibility, especially for middle-income households (Tiekstra, 2025).

5.4 Recommendations for promoting the middle rental market

Based on the findings of this research, several concrete recommendations are proposed to address the challenges in the middle rental housing market in the Netherlands. These recommendations focus on improving the availability, affordability, and sustainability of middle rental housing while considering current policy frameworks and market conditions.

Increase incentives for middle rental housing development
To encourage private and institutional investors to develop more middle rental housing, the government should introduce (financial) incentives such as tax benefits, subsidies, or reduced land lease costs. Those can be needed if middle rental housing project are not feasible on their own. On the other hand, developers and investors can take a little less return on middle rental housing, but than it is a market so if the return is not enough those parties will take their money somewhere else where they can make the demanded returns. An example of this is the municipality of Amsterdam, which uses specific land prices for mid-rent housing. These prices are determined according to the 'standardised residual method', in which the value of the land is calculated by reducing the potential yield of the property by the construction costs. For mid-rent homes, which have a bare rent between €900.07 and €1,184.82 per month (price level 2025), land prices are set in such a way as to encourage the development of this housing segment. In addition, as of 1 January 2024, the municipality has introduced a temporary crisis measure, allowing developers to request a one-off recalibration of previously agreed land price agreements. If the updated land price is lower than the original agreement, the lower price will apply. This measure is intended to promote the construction of housing, including middle rental, during economically challenging times. Whether this will work in practice remains to be seen. (Gemeente Amsterdam, n.d.)

Match new housing construction with demand.
Given the diverse needs of the target group, municipalities and developers should promote houses that are fit for the needs of households now but also in the future. This can be done by making buildings where the floorplans can easily be changed, this approach allows housing units to be adapted over time to meet the needs of different tenant groups, enhancing long-term housing market stability. But also, by diversifying housing supply, making apartments that are fit for a wide range of different households, like three or four room dwellings. The challenge in this is that those dwellings; with a flexible floorplan or three rooms apartments are more expensive to build. Therefor those dwellings need a higher rental price which will most probably not fall in the middle rental housing sector. Especially not according to the WWS points. So whether this is really feasible with the current regulations is hard to say, but then it will take a lot from

governments financially (lower land prices or subsidies) to make this possible. This is mainly because regulations prevent the market from making a healthy return on these properties without this help.

Streamline planning and permitting procedures
The stacking of national and regional requirements and regulations together with the duration of planning and permitting procedures delay housing projects resulting is more costs, making it harder to build (affordable) dwellings. Municipalities should consider introducing fast-track approval processes for middle rental projects that meet predefined criteria, reducing bureaucratic barriers for developers.
Also, swift handling of objections would remove a risk for investor/developers that may make them more inclined to embark on projects. Of course, the right of objection cases cannot be taken away from a 3rd party. But swift handling and nullification of unfounded objections will already help a lot.

Stimulating Investment
Investors are hesitant to commit to middle rental housing due to regulatory uncertainties. Clear and fixed regulations so investors can predict their returns could provide long-term security for investors, ensuring that their rental income remains stable while keeping housing affordable for tenants.

A major concern among institutional and private real estate investors is the so-called earnings stripping measure. Introduced in 2019, this rule limits the deductibility of interest on debt to 30% of fiscal EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) or a threshold of €1 million, whichever is higher (Belastingdienst, n.d.). In the 2025 Tax Plan, the Dutch government proposed eliminating the €1 million threshold for property-owning entities that lease out real estate to third parties, in an attempt to combat "fragmentation structures" (Blankestijn, 2024). This proposed amendment was met with strong opposition from the real estate sector due to its potentially negative effects on project financing and investor liquidity (Accountancy Vanmorgen, 2024).

In the *Vastgoed Gezocht* podcast, Maarten Feilzer, director at Zadelhoff described the proposal as "a historic mistake of unprecedented proportions", emphasising that nearly all major development projects rely heavily on external financing (Feilzer, 2024). As a result of widespread criticism, the government ultimately decided not to proceed with the proposed change (Blankestijn, 2024)

While rent control aims to maintain affordability, excessive restrictions may discourage investment. Policymakers should implement a dynamic rent control system that considers inflation, market conditions, and property maintenance costs to balance tenant protection with investment viability. The New affordable rent act is new, so the result of this law is still to be seen, but good monitoring is essential to make a decision in adjusting this law in the future. Next to this it can be a very good idea to look into the tax regulations which has discourage investor to invest in the Dutch housing market. The Government needs to make regulations balancing the return on investment for investors in comparison to other market and state income on the other hand. If the return on investment is to low investors will choose to put their money somewhere else to give them a better return.

These recommendations align with the research findings and provide actionable steps to improve the middle rental housing sector. Effective implementation will require coordinated efforts from the government, developers, investors, and municipalities to create a well-functioning and sustainable housing market.

6 Conclusion

This study aimed to optimise the middle rental housing market in the Netherlands to better serve its intended target group and alleviate market stress. By systematically addressing the research questions, this study has gained insights into the current state of the market, the groups of current and prospective households in the middle rental sector, and potential strategies for improvement.

SRQ 1: What is the middle rental housing stock now in terms of price and type of dwelling?

The housing stock consists mainly of apartments (60,2%), followed by terraced houses (33,5%). Other housing types, such as semi-detached (3,2%) and detached houses (2,3%), form a minor share. In terms of size, 90–119 m² homes are the most common (35%), with three-room (33,1%) and four-room properties (28,8%) being the dominant layouts.

In 2021, the average rental price for the middle rental dwelling was €891,86. With an average of 179,7 WWS points. Connecting the two reveals a discrepancy between the rental price and WWS points, since the rental price associated with 180 WWS points was €948,46 in 2021 (*Uitvoeringsregeling Huurprijzen Woonruimte*, n.d.). In 2021 the middle rental housing sector was bound to rent prices between: €752,33 and €1.075,83.

SRQ 2: Who are the residents that live in the current housing stock of the middle rental houses?

The age distribution in the middle rental sector shows that young adults (25–34) are the largest group, making up 29,8% of residents. Other significant groups include 35–44 (16,1%) and 55–64 (15,5%), indicating a diverse tenant base. Other age groups are fairly evenly represented. The group aged between 17 and 24 stands out as it seems unrepresented. However, this makes sense as many people in this age category still live with their parents.

The middle rental sector is dominated by smaller households, with single-person households making up 43,7% and two-person households 34,3%. Family households make up only 22%. If we compare those household witch the average dwelling in this sector we can conclude that people currently living in the middle rental housing sector live in rather large houses.

The average gross income of residents in the middle rental housing sector is €56.352,21. The average rent is €891,86. In 2021 the middle rental housing sector was bound to rent prices between: €752,33 and €1.075,83.

SRQ 3: Who are the residents that would like to live in the current housing stock of the middle rental houses?

The majority of those seeking middle rental housing are older adults, with 68,3% aged 45 or older. The largest share belongs to the 55–64 age group (20,2%), followed by 45–54 (16,2%), 65–74 (16,1%), and 75+ (15,8%). From those households only 13,0% consist of the 25–34 age group and 9,0% in the 17–24 age group. This suggests that demand is strongest among older households.

The majority of those seeking middle rental housing are smaller households. Two-person households make up 42,4%, followed by single-person households at 30,8%. Larger households are less common, with three-person households at 13,0%, four-person households at 7,3%, and five or more people at just 6,4%. This suggests that demand is primarily driven by smaller households, particularly individuals and couples.

The target group seeking middle rental housing has an average gross income of €59.460,75 and the average preferred rent is €883,16.

SRQ 4: What kind of housing needs and housing preferences do households wanting to live in the middle segment have?

Most households seeking middle rental housing prefer an apartment (59,7%), especially single-person and two-person households. Terraced, townhouses, or semi-detached homes are favoured by 34,7%, mainly among families. Three-room homes are the most desired (52,1%), followed by four-room properties (29,8%). Smaller one- or two-room homes are less popular (9,8%). This indicates strong demand for dwellings with three or more rooms,.

SRQ 5: Is there a disbalance between the households who wants to live in the middle rental housing and the current residents of the middle rental housing stock?

The comparison between current and prospective middle rental sector residents reveals mismatches and trends in age distribution, household composition, income levels, and housing preferences.

Age Distribution: While the current tenant base is dominated by younger households (25–34 years), the majority of prospective movers (68,3%) are 45+ years old. This suggests a growing demand from older adults, possibly due to downsizing or seeking more suitable housing.

Household Composition: Both current and prospective tenants are primarily smaller households, but demand from larger households (three or more persons) is slightly higher among those looking to move. This indicates a need for more housing options suitable for larger households.

Income Levels: The current tenant base has an average income (€56.352,21), prospective tenants earn not significantly more (€59.460,75), aligning better with the sector's original income criteria.

SRQ 6: Who are the households that have moved into the middle rental housing sector in the last to years?

The recent inflow into the middle rental sector consists predominantly of younger, smaller households, with a limited presence of older or larger households. The majority of movers are aged 25–34 years (52.6%), followed by 35–44 years (19.9%), while older age groups such as 45–54 (3.7%), 55–64 (6.5%) and 65+ (5.1%) are significantly underrepresented. In terms of household composition, single-person (35.4%) and two-person households (47.3%) dominate, indicating that the current supply is primarily tailored to compact households. Furthermore, only 35.5% of recent movers fall within the defined middle-income group, which highlights the absence of effective allocation mechanisms for the intended target group.

To strengthen the functioning of the middle rental segment, it is necessary to diversify the housing supply in terms of dwelling size and typology. By increasing the availability of larger and more adaptable units, the sector can better respond to the needs of families and older households. This will contribute to a more inclusive and balanced middle rental housing market, and support improved mobility within the wider housing system.

SRQ 7: How does the supply of middle rental housing compare to the demand of middle rental housing?

There is a clear mismatch between supply and demand in the middle rental housing sector. Apartments are oversupplied (72,2% of recent movers) compared to demand (59,7%), while terraced and detached houses are in short supply. Regarding dwelling size, three-room homes have a balanced supply and demand, but there is an oversupply of small (1–2 room) and large (5+ room) homes. Additionally, households wanting to move to the middle rental sector want to

pay a rents of €883,16, that is less than the actual average rate of €891,86 and less than the average rent households moved to the mid-rental sector in the last two years, this was €908,52. But this difference is not that big. The sector needs better alignment, particularly by increasing the availability of mid-sized family homes to meet demand.

SRQ 8: Which households have the most difficulty in finding suitable housing?

This additional sub-question identifies which groups face the greatest challenges in securing appropriate housing in the middle rental sector.

From the analyses it can be concluded that Access to the middle rental sector is easier for younger (17–34 years) and smaller (one- and two-person) households, while middle-aged (45–64 years), and older (65+ years), and larger households face greater challenges.
Older households struggle to relocate despite high interest, probably due to lack of suitable housing, and mostly because of higher demands when looking for new housing. This is confirmed in the interviews with this group. Larger households are also underrepresented among recent movers, suggesting a shortage of family-sized rental homes.

While financial profiles of prospective and recent movers are similar, a small gap between desired and actual rent levels indicates slightly lower price expectations among prospective tenants. Overall, the sector is more accessible to younger, smaller households, while older and larger households face greater barriers, such as not finding homes that meet their expectations.

SRQ 9: What policies or actions can the middle rental housing suppliers and municipalities developer or investor undertake to optimize the middle rental housing sector?

Optimising the middle rental housing sector requires a coordinated effort between municipalities, developers, investors, and housing associations to address supply shortages, affordability constraints, and investment barriers. A key priority for local and national governments is establishing a long-term housing vision that provides clarity and stability for developers and investors. Municipalities can create a predictable regulatory framework that reduces uncertainty and facilitates smoother development processes. To accelerate housing production, municipalities should streamline building permits and zoning approvals, allowing middle rental projects to move forward without unnecessary delays. The implementation of financial support measures, such as "Doorbouw Maatregelen" as the municipality of Rotterdam describes in their report (Gemeente Rotterdam, 2023), can further stimulate housing development by ensuring that viable projects continue despite economic downturns.

Income-based allocation policies are also essential to ensure that middle-income households can access rental properties, preventing displacement by higher-income tenants. Additionally, municipalities can help stabilise the market by limiting excessive taxation on rental income, encouraging landlords to retain rental properties rather than selling them, which would further shrink the available rental stock.

Developers play a crucial role in addressing the mismatch between supply and demand by delivering diverse and adaptable housing solutions. The construction of a mix of dwelling types, including ground-level homes and multi-room apartments, is essential to better meet tenant preferences. Additionally, developers must balance affordability with quality, while maintaining liveability. Close collaboration with municipalities is also necessary to streamline zoning procedures, ensuring that new developments align with housing policies and move forward without regulatory bottlenecks.

Investors are willing to invest if they know where they stand. For this, they need clarity from the various authorities. In addition, investors can make demands the products made by developers. These requirements should correspond to current market demand to alleviate the greatest

market pressure. Housing that allows housing flow to emerge will also relieve a lot of market stress. These should preferably be homes with at least one but preferably two bedrooms.

Housing associations also have a role in strengthening the middle rental market. Expanding investment in mixed-income developments can ensure a more inclusive and integrated housing stock, while the redevelopment of underutilised properties can help increase residential density and make efficient use of available land. By advocating for zoning flexibility, housing associations can push for policies that allow seamless integration of social and middle rental housing, ensuring accessibility for a broader range of tenants. Also more regulatory freedom in building DEAB an not DEAB dwellings in one project will stimulate more development of middle rental dwellings. In principle, housing associations must allocate 92.5% of their homes to the DAEB target group. The remaining 7.5% may be freely allocated, which can be increased to 15% if agreed upon with the municipality and tenants' organisation and recorded in performance agreements. In that case, at least 85% must still go to the DAEB group (Van As, 2024). The dwellings that are not allocated to the social housing target group will alleviate housing pressure on middle rental target group but the social housing target group will also look for a dwelling, most likely in the middle segment thus eliminating this effect.

Ultimately, the optimisation of the middle rental housing sector depends on a multi-faceted approach that enhances investment conditions, accelerates housing production, and aligns supply with tenant demand. By working together, municipalities, developers, investors, and housing associations can create a more sustainable, balanced, and accessible middle rental market, ensuring stable and affordable housing options for middle-income households.

MRQ: How can the middle rental housing market in the Netherlands be optimised to better serve its intended target group and relieve market stress?

Optimising the middle rental housing market requires a comprehensive and multifaceted approach that addresses supply challenges while promoting long-term stability.

A fundamental aspect of this strategy is supplying enhancement, which involves increasing the availability of middle rental housing through targeted development. This is particularly crucial for underserved groups, households aged 45 and older. Expanding the housing stock in these areas will help create a more balanced and equitable rental market.

Also important is the diversification of housing types, matching the demand to accommodate varied household needs and preferences. This includes the development of a well-balanced mix of larger homes, apartments, and single-family houses, ensuring that different demographic groups can access suitable accommodation. In particular, the construction of three-room apartments and slightly larger units is recommended, as these cater to a broad range of housing seekers and ensure long-term suitability. For investors, these dwellings are also attractive because they typically lead to lower housing turnover, reducing vacancy rates and offering a higher residual value.

To sustain growth in the sector, encouraging investment is essential. The recent decline in investment due to economic uncertainty necessitates policy interventions to make middle rental housing a more attractive asset class. This may include financial incentives, tax benefits, or regulatory adjustments that help mitigate investment risks and ensure continued development.

Policymaking plays an important role in aligning the efforts of key stakeholders, including municipalities, developers, investors, and housing associations. Strengthening cooperation between these actors allows for better coordinated planning, and the efficient addressing of market needs. By ensuring regulatory consistency and streamlining development processes, a more cohesive and effective approach to housing provision can be achieved.

This includes collectively ensuring more housing development by taking measures that ensure (financially) feasible housing projects. This can be done by adjusting/flexing regulations such as abolishing requirements on percentages of social and middle dwellings if a project otherwise threatens to come to a complete standstill. Care must then be taken to ensure that affordable housing is still built. Gives financial benefits to affordable housing projects (social and middle) such as lower tax rates or lower land prices so that these houses become profitable to build again. Align national and regional regulations so that there is clarity on rules and what can be built.

Additionally, encouraging homeowners and investors to rent out properties rather than sell them is crucial in maintaining the supply of middle rental housing. In the current financial climate, renting out homes is often perceived as less financially rewarding, leading to a reduction in rental stock. Implementing policies that improve the attractiveness of rental investments can prevent further shrinkage in the middle rental segment and enhance market stability.

By addressing these areas, the middle rental housing market can become more responsive to the needs of its intended target group, improving accessibility and affordability. This, in turn, will alleviate market stress and contribute to a more efficient and balanced housing sector that accommodates diverse household requirements. Close cooperation among key stakeholders, combined with improvements in regulatory consistency, housing diversity, streamlined development processes, and financial viability, is essential to create a, stable, and accessible middle rental market.

7 Limitations and recommendations

7.1 Limitations

Despite the comprehensive approach taken in this study, several limitations must be acknowledged. One of the primary constraints is the reliance on existing data sources, particularly the WoON 2021 dataset, which, although the most recent available at the time of research, is only conducted once every three years. Given the rapid changes in the housing market, including fluctuations in supply and demand, rental price developments, and policy interventions, there is a possibility that certain dynamics have shifted between 2021 and the start of 2025. However, it is expected that the broader trends identified in the dataset remain representative of the structural issues within the middle rental sector.

Another methodological limitation concerns the selection bias in the interview process. Accessing the target group households seeking middle rental housing proved challenging, as real estate agents and housing associations were unwilling to facilitate contact with potential participants from their client databases. An open invitation via LinkedIn also failed to yield responses. Consequently, participants were identified through snowball sampling, relying on personal networks to reach households within the target demographic. While this approach allowed for some degree of representation, the limited number of interviews may have affected the overall accuracy and generalizability of the findings.

A further limitation is the shifting regulatory landscape and its impact on the housing market. Policies such as the Affordable Rent Act, increased taxation, and additional regulatory measures are expected to significantly influence market conditions in the short term. Since this research primarily relies on WoON 2021 for quantitative analysis, it does not fully capture the immediate effects of these policy changes. As a result, the findings should be interpreted within the context of ongoing regulatory adjustments that may further alter the availability and affordability of middle rental housing.

Additionally, the geographical scope of the qualitative research is concentrated primarily on Rotterdam, an urban setting where housing dynamics may differ from those in other cities or less urbanized regions. This urban focus may limit the applicability of the findings to the broader Dutch housing market, particularly in suburban and rural areas where housing pressures and rental trends may vary. However as indicated in this study in chapter 2.3, by far the majority of middle rental housing is located in large/urban municipalities.

Secondly, the qualitative component relied on a relatively small number of semi-structured interviews. While the sample included a diverse set of stakeholders (developers, municipalities, investors, housing associations, and future residents), the number of interviews per group was limited top one per market stakeholder and ten for the future residents. This may introduce some selection bias, as the findings might reflect the perspectives of the most vocal or available participants rather than the full breadth of views in the sector.

Future research could address these limitations by incorporating data collected over a longer period of time, or more recent data depending on the research to track market developments over time, conducting a larger and more geographically diverse sample of interviews, and assessing the short- and long-term effects of recent policy changes on the middle rental sector. Despite these limitations, the results of this study indicate that a revision of current housing policies is necessary to strengthen the middle rental market and ensure its sustainability in meeting the needs of middle-income households.

7.2 Recommendations

7.2.1 Recommendations for future research

Future research should focus on several key areas to further optimise the mid-rental market and enhance understanding of policy impacts and market developments.

One crucial area of study is the reassessment of the housing market during periods of lower demand. Conducting a similar analysis in a stabilised market where rental demand is less intense could provide valuable insights into the factors influencing tenant decision-making. Currently, exceptionally high demand ensures that nearly all newly constructed dwellings in sought-after areas are rented out immediately. However, in a market with more balanced supply and demand, the specific characteristics of newly built dwellings will become more critical. Such findings would enable developers and policymakers to better align housing supply with long-term market conditions.

Another important focus is the analysis of the impact of rent regulation on investment decisions. Rent control measures play a significant role in shaping investor behaviour, and further research is needed to determine how such policies affect institutional and private landlords. Understanding the balance between tenant protection and investment attractiveness is essential for designing regulations that both maintain housing stock expansion and safeguard affordability.

Additionally, the evaluation of the long-term effects of the Affordable Rent Act is necessary to assess its structural impact on the mid-rental market. A longitudinal study could track how rental price controls influence investor confidence, housing supply, and affordability over time. Identifying unintended consequences such as potential disinvestment or reduced housing development would provide policymakers with the necessary insights to refine the regulatory framework.

Economic factors are also pivotal in shaping the mid-rental sector. Research on the impact of economic fluctuations, interest rate changes, and labour market trends could offer a more nuanced understanding of demand shifts within the sector. By analysing economic cycles alongside housing market developments, researchers can pinpoint key drivers of demand and propose strategies to enhance the sector's resilience to external shocks.

A further area of inquiry is the role of housing types in promoting mobility within the market. Identifying which housing typologies facilitate the highest levels of mobility by freeing up space in high-demand segments would offer valuable insights for future housing development strategies. Such an approach could ensure that new construction effectively alleviates pressure within the mid-rental market and beyond.

Effective collaboration models in the mid-rental sector also warrants closer examination. Assessing successful partnerships between governments, investors, and developers could highlight best practices applicable to the mid-rental market. By identifying the most efficient collaboration structures, policymakers and market actors could improve coordination and streamline housing delivery.

Lastly, research should explore alternative explanations for challenges in the mid-rental housing market, beyond regulatory barriers and investment constraints. Factors such as rising construction costs and increasing interest rates may also significantly contribute to supply shortages. A comparative analysis of these influences could provide a more comprehensive understanding of the barriers to market growth.

By investigating these research themes, the mid-rental market can be further refined to better meet the needs of tenants and market participants. A more in-depth understanding of these dynamics will contribute to a stable, efficient, and well-functioning housing sector that balances affordability with sustainable investment.

8 Reflection

8.1 Reflection on research

This research has provided an analysis of the middle rental housing market in the Netherlands. One aspect of this study has been the combination of quantitative and qualitative methods to obtain a good understanding of the middle rental market. The analysis of the WoON 2021 dataset provided valuable statistical insights, while the interviews with industry stakeholders offered nuanced perspectives on market developments and policy implications. This mixed-method approach is effective in capturing both the broad trends and the more specific factors influencing the sector.

The research also reinforced the complexity of the middle rental market, where multiple factors, including policy changes, economic conditions, and demographic shifts, interact. The introduction of the Affordable Rent Act is expected to have profound implications for the market, yet its full impact remains uncertain. This emphasises the importance of continuous monitoring and adaptive policymaking to ensure the sector remains viable and meets the needs of its target group.

Changing policies
A challenge encountered during the research was the changing policies, which made it difficult to assess the current situation because it changes during this research. The dynamic nature of the housing market suggests that further studies will be necessary to track the effects of new regulations and evolving market conditions over time.

Limited data on ongoing middle rental housing developments
One of the key challenges was the lack of publicly available data on what is currently under construction in the middle rental housing sector. While data on completed projects and housing stock was accessible, tracking developments in progress proved difficult due to inconsistencies in reporting and variations in municipal and private sector transparency. This limitation made it challenging to analyse future supply accurately, potentially impacting the research findings on expected market trends.

Difficulty in finding the target group for qualitative research
Another significant challenge was identifying and reaching the target audience for qualitative research. Middle rental housing tenants are a diverse group, and there is no centralised registry of potential respondents. This made recruitment for interviews more time-consuming and required alternative outreach methods, such as working through housing associations, real estate agencies, and social networks, to ensure a representative sample.

Composition of the interview group
The qualitative research with the stakeholders consists of one interview for each stakeholder, to get a broader picture of the opinions of these stakeholders, several parties with the same function could have been interviewed. This also applies to tenants from the middle rental segment. Here, 10 people from the target group were interviewed, which could have been larger. The first goal was also to get together in groups with the target group. However, this did not succeed due to not being able to find suitable candidates.

Market conditions and their influence on research outcomes
The study was conducted during a period of extremely high demand for affordable housing, which affected the interpretation of results. In such market conditions, nearly all newly built middle rental dwellings are rented out quickly, making it difficult to determine the actual preferences of tenants in a less pressured environment. If demand were lower, more critical choices could be made by tenants, offering better insights into which housing types truly meet

market needs. Future research conducted under different economic and market conditions could provide a more nuanced understanding of tenant preferences and market behaviour.

Despite these challenges, the research has provided valuable insights into the middle rental housing market. However, acknowledging these limitations is crucial for refining methodologies in future studies. Addressing issues such as data availability, recruitment strategies for qualitative research, sample size, and market timing will contribute to a more robust and comprehensive analysis in subsequent research efforts

8.2 Personal reflection

At the beginning of this research, I initially struggled to choose a suitable topic. However, I was drawn to the housing market, as it is one of the most pressing issues in the built environment today. The housing shortage is frequently in the news and is a widely discussed topic, which made it a compelling focus for my research. Additionally, I connected with Sustay early on, and their input played a significant role in shaping my research direction.

Being the only student in the housing graduation group meant I missed out on some valuable peer consultation sessions. In retrospect, joining another group could have provided helpful opportunities for collaboration, especially in structuring my research and addressing key challenges during the graduation process. At the same time, I benefited from the focused guidance of my supervisors, whose support was very helpful throughout the project.

Looking back, I see opportunities where even closer collaboration with Sustay could have added extra value. Although they were involved from the start, a more active partnership might have allowed for more input throughout the process. This could have further aligned the outcomes of the research with their interests and enhanced the benefits they could draw from the conclusions. That does not take away from the fact that the cooperation was very pleasant and I learnt a lot from my colleagues at Sustay.

I've come to realize the value of seeking support early on when facing challenges, such as during the SPSS analysis. In hindsight, this phase could have progressed more smoothly with timely guidance. Similarly, the preparation and development of interviews might have been more efficient had I consulted others earlier. Setting up these interviews also took a lot of time, mainly because I had difficulty reaching the target group I wanted to interview. Initially, in wanted to organise focus groups, however, due to not finding enough respondents in time, this was cancelled and replaced by interviews. These experiences have taught me valuable lessons that I will certainly carry forward into future projects. Nevertheless, I have gained experience in adapting my research design when unforeseen challenges arise. For example, when recruiting suitable participants proved more difficult than expected, I learned to implement alternative strategies while maintaining the integrity and relevance of the study

Throughout this process, I have developed the ability to design and conduct research in a structured, methodical way. This includes setting clear research objectives, selecting appropriate methodologies, and ensuring the reliability and validity of my findings.

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10 Appendix

Appendix 1: Affordable rent act

The new "affordable rent act" is designed to keep rental housing in the Netherlands affordable and accessible. This law aims to lower the rent prices of about 300.000 households, with an average drop of €190 per month. In addition, the law introduces comprehensive rental price protection by setting rental ceilings up to €1123,13 (186 WWS points) price level July 2024, with tenants able to request a rental pricing review at any time from the Rental Commission.

To ensure compliance with the law, municipalities are given the authority to take enforcement measures against tenants who exceed the maximum rental price, with possible fines for the offenders. This will contribute to a fairer and more transparent rental market. The law also encourages the development of the middle rental segment. An incentive to encourage the build of more middle rental houses is an 10% rent increase for project where the construction starts before 2028, this will give a maximum rental price of €1235,44 price level July 2024.

By modernising the Housing Valuation System (WWS) and applying a 10% new building inventory to projects starting before 2028, 100.000 new middle rental homes are expected to be built between 2022 and 2030. This improves the flow on the housing market, allowing more people to find a suitable home that matches their income. Moreover, according to the Kadaster, the sales figures for rental houses have not fallen, which means that the availability of rental homes remains stable. This is crucial forming a balanced and accessible rental market.

The affordable rent act is a response to the increasing pressure on the housing rental market, which makes it difficult for essential staff, such as teachers and care workers, to find affordable housing near their workplace. This law reduces the disturbance of local communities and allows more people to enjoy quality and affordable living space. (Volkshuisvesting en Ruimtelijke Ordening, n.d.)

To conclude the middle rental house price for 2024 is set on a rent from €876,66 to €1123,13 price level July 2024, but if a middle rental project is built before 2028 the maximum rental price is €1235,44 price level July 2024. There is a 10% surcharge to stimulate the market to build more projects, the surcharge on rent may be maintained for 20 years. The rent price indexation in the middle sector may be done according to the maximal rent increase according to the COA +1% (Capital Value, 2024). Here the middle rent is defined on the basis of the rent price. In the study "Function of and demand for middle rental housing." by Blijie et al. (2019), they assume the upper end of the liberalisation limit plus approximately 43% gives the range of the middle rental sector. This corresponds to the rental values mentioned above if looked at the rice with the 10% surcharge. (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2024)

Appendix 2: Which dwellings there are in the middle rental housing sector

Figures from the report: "Functie van en vraag naar middenhuurwoningen" of Blijie et al. (2019)

Tabel 3-2: Aandeel woningen naar woonoppervlakte per segment, 2016; bron: CBS-microdata

Segment / Woonoppervlakte	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
< 50 m²	9%	2%	1%	2%	0%	5%
50 - 69 m²	24%	4%	5%	9%	1%	11%
70 - 89 m²	32%	17%	9%	21%	4%	18%
90 - 119 m²	29%	41%	28%	44%	23%	30%
120 -149 m²	5%	24%	20%	19%	29%	18%
150 - 199 m²	1%	9%	21%	4%	25%	11%
≥ 200 m²	0%	3%	15%	1%	17%	7%
Totaal	100%	100%	100%	100%	100%	100%

Table A2.1

Tabel 3-3: Aandeel woningen naar bouwjaar per segment, 2016; bron: CBS-microdata

Segment / Bouwjaar	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
< 1945	15%	12%	28%	20%	21%	19%
1945 - 1959	14%	3%	1%	10%	6%	9%
1960 - 1969	18%	11%	4%	17%	9%	14%
1970 - 1979	18%	15%	4%	21%	15%	17%
1980 - 1989	18%	14%	1%	16%	12%	15%
1990 - 1999	9%	16%	15%	9%	18%	12%
> 2000	8%	28%	46%	7%	19%	14%
Totaal	100%	100%	100%	100%	100%	100%

Table A2.2

Tabel 3-4: Aandeel woningen naar WOZ-waarde per segment, 2016; bron: CBS-microdata

Segment / WOZ-waarde	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
< €150.000	68%	16%	1%	46%	0%	35%
€150.000 - €180.000	17%	27%	3%	42%	0%	16%
€180.000 - €220.000	9%	30%	8%	13%	24%	16%
€220.000 - €280.000	4%	22%	35%	0%	31%	14%
€280.000 - €365.000	1%	4%	27%	0%	22%	9%
> €365.000	0%	1%	27%	0%	23%	9%
Totaal	100%	100%	100%	100%	100%	100%

Table A2.3

Tabel 3-5: Aandeel woningen naar WOZ-waarde per vierkante meter per segment, 2016; bron: CBS-microdata

Segment WOZ-waarde per m2	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
< € 1250 per m2	20%	11%	2%	25%	6%	15%
€ 1250 - 1500 per m2	21%	18%	10%	27%	10%	18%
€ 1500 - 1750 per m2	21%	25%	12%	24%	18%	21%
€ 1750 - 2000 per m2	15%	18%	13%	13%	20%	17%
€ 2000 -2250 per m2	10%	11%	13%	6%	16%	11%
Vanaf € 2250 per m2	14%	17%	50%	6%	31%	19%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.4

Tabel 3-6: Aandeel woningen naar stedelijkheid buurt per segment, 2016; bron: CBS-microdata

Segment Stedelijkheid buurt	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
Zeer sterk stedelijk	36%	31%	45%	22%	14%	25%
Sterk stedelijk	29%	37%	29%	29%	22%	27%
Matig stedelijk	17%	21%	11%	19%	21%	19%
Weinig stedelijk	11%	10%	7%	16%	21%	15%
Niet stedelijk	6%	2%	7%	14%	22%	14%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.5

Tabel 3-7: Aandeel woningen naar woonmilieu (ABF-typologie) per segment, 2016; bron: CBS-microdata

Segment Woonmilieu (buurt)	Gereguleerde huur	Middenhuur	Dure huur	Goedkope koop	(Middel)dure koop	Totaal
Centrum-stedelijk (plus)	8%	11%	29%	3%	3%	6%
Stedelijk vooroorlogs	23%	17%	19%	14%	6%	14%
Stedelijk naoorlogs compact	8%	12%	7%	11%	8%	9%
Stedelijk naoorlogs grondgebonden	5%	11%	6%	6%	7%	6%
Groen-stedelijk	12%	17%	12%	12%	10%	11%
Klein-stedelijk	17%	13%	15%	16%	12%	15%
Dorps of landelijk	28%	18%	12%	39%	54%	39%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.6

Tabel 3-8: Middenhuurwoningen naar type segment (combinatie stedelijkheid van buurt en grootte van gemeente), 2016; bron: CBS-microdata

	Aantal	%
(Zeer) sterk stedelijke buurt in gemeente 250.000+	81.000	20%
(Zeer) sterk stedelijke buurt in gemeente 150-250.000	70.000	17%
(Zeer) sterk stedelijke buurt in gemeente <150.000	129.000	31%
Matig of weinig stedelijke buurt in gemeente 100.000+	31.000	7%
Matig of weinig stedelijke buurt in gemeente < 100.000	104.000	25%
Totaal	**415.000**	**100%**

Table A2.7

Tabel 3-9: Aandeel middenhuurwoningen naar woningtype per type buurt, 2016; bron: CBS-microdata

Woningtype	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Totaal
Appartement	76%	50%	46%	22%	32%	47%
Hoekwoning	5%	14%	15%	22%	20%	14%
Twee-onder-een-kapwoning	0%	1%	2%	8%	5%	3%
Tussenwoning	19%	35%	36%	47%	40%	34%
Vrijstaande woning	0%	0%	1%	1%	4%	1%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.8

Tabel 3-10: Aandeel middenhuurwoningen naar woonoppervlakte per type buurt, 2016; bron: CBS-microdata

Woonoppervlakte	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Totaal
< 70 m²	18%	4%	3%	1%	3%	6%
70 - 89 m²	30%	15%	16%	13%	12%	17%
90 - 119 m²	40%	44%	42%	40%	39%	41%
120 - 149 m²	10%	21%	27%	31%	30%	24%
> 150 m²	2%	16%	11%	15%	17%	12%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.9

Tabel 3-11: Aandeel middenhuurwoningen naar WOZ-waarde per type buurt, 2016; bron: CBS-microdata

WOZ-waarde	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Totaal
< €150.000	17%	17%	15%	12%	15%	16%
€150.000 - €180.000	26%	28%	32%	25%	22%	27%
€180.000 - €220.000	21%	30%	33%	33%	33%	30%
€220.000 - €280.000	24%	22%	17%	24%	26%	22%
> €280.000	11%	3%	3%	6%	4%	5%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.10

Tabel 3-12: Aandeel middenhuurwoningen naar WOZ-waarde per type buurt, 2016; bron: CBS-microdata

WOZ per vierkante meter	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Totaal
< € 1500 per m2	16%	31%	32%	28%	34%	29%
€ 1500 - 2000 per m2	27%	53%	41%	56%	48%	43%
> € 2000 per m2	57%	15%	27%	16%	18%	28%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A2.11

Tabel 3-13: Aandeel middenhuurwoningen naar bouwjaar per type buurt, 2016; bron: CBS microdata

Bouwjaar	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Totaal
< 1969	43%	37%	25%	12%	13%	27%
1970 - 1979	4%	12%	19%	11%	24%	15%
1980 - 1989	10%	11%	15%	14%	18%	14%
1990 - 1999	22%	10%	14%	23%	16%	16%
> 2000	20%	30%	28%	41%	30%	28%
Totaal	100%	100%	100%	100%	100%	100%

Table A2.12

The distribution of different housing types within the middle rental sector are shown in Figure A2.12. Apartments make up by far the largest share of the middle rental housing sector, mainly because most middle rental homes are located in highly urbanised areas. Notably, detached and semi-detached houses are rare in the middle rental sector. These housing types are typically larger and more expensive, making it more likely that they are rented out in the free housing market or have been sold as owner-occupied properties.

Housing types in the mid rental sector [%]

- Appartement: 47
- Hoekwoning: 14
- Twee-onder-een-kapwoning: 3
- Tussenwoning: 34
- Vrijstaande woning: 1
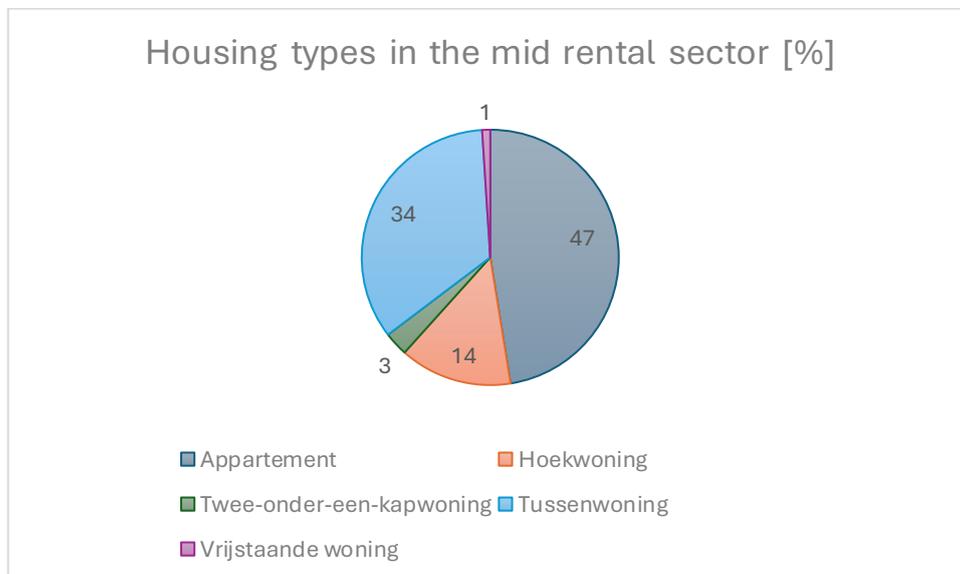
Figure A2.13: Division of housing types in the middle rental sector (own illustration with information of (Blijie et al., 2019))

The floor space of the houses in the middle rental sector viruses, see figure A2.13, but by far the biggest part of the current stock is between the 90 and 119 m² with two large adjoining categories of 70 to 89 m² and 120 to 149 m².
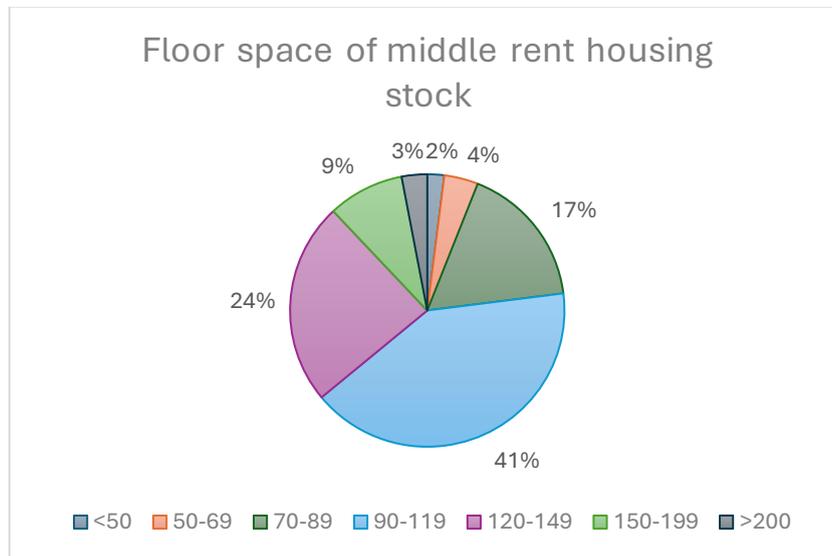
Figure A2.14: Floor space of middle rent housing stock (own illustration with information of (Blijie et al., 2019))

Appendix 3: Who lives in the middle rent

Figures from the report: "Functie van en vraag naar middenhuurwoningen" of Blijie et al. (2019)

Tabel 3-14: Aandeel huishoudens in middenhuur naar leeftijd, per type buurt, 2016; bron: CBS-microdata

Leeftijd huishouden	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Middenhuur totaal	Nederland totaal
Tot 25 jaar	6%	7%	6%	1%	2%	5%	4%
25 -34 jaar	33%	27%	17%	17%	13%	21%	14%
35 - 44 jaar	18%	15%	14%	20%	14%	15%	16%
45 - 54 jaar	16%	15%	16%	17%	17%	16%	20%
55 - 64 jaar	11%	13%	14%	15%	17%	14%	18%
65 - 74 jaar	8%	13%	16%	13%	20%	15%	16%
75+ jaar	8%	10%	17%	16%	18%	14%	13%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Figure A3.1

Tabel 3-15: Aandeel huishoudens in middenhuur naar type huishouden, per type buurt, 2016; bron: CBS-microdata

Type huishouden	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Middenhuur totaal	Nederland totaal
Alleenstaand <30 jaar	12%	9%	9%	3%	2%	7%	6%
Alleenstaand 30-64 jaar	19%	17%	19%	14%	14%	17%	18%
Alleenstaand 65+ jaar	8%	12%	15%	11%	15%	13%	13%
Paar < 30 jaar	9%	11%	4%	3%	3%	6%	3%
Paar 30-64 jaar	16%	16%	10%	14%	14%	13%	14%
Paar 65+ jaar	6%	9%	16%	15%	20%	14%	14%
Gezin < 35 jaar	5%	4%	3%	7%	4%	4%	3%
Gezin 35+ jaar	16%	13%	15%	21%	17%	16%	23%
Eenoudergezin	10%	8%	8%	12%	10%	9%	7%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Figure A3.2

Tabel 3-16: Aandeel huishoudens in middenhuur naar kwintiel besteedbaar huishoudinkomen*, per type buurt, 2016; bron: CBS-microdata

Besteedbaar huishoudinkomen	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Middenhuur totaal	Nederland totaal
< € 17.359	13%	11%	18%	7%	12%	14%	20%
< € 25.897	13%	15%	16%	15%	18%	16%	20%
< € 37.523	28%	31%	30%	32%	31%	30%	20%
< € 53.726	25%	28%	23%	28%	25%	25%	20%
> € 53.726	21%	15%	13%	18%	15%	16%	20%
Totaal	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

*Huishoudinkomen 2015 geïndexeerd naar 2016.

Figure A3.3

Tabel 3-17: Aandeel huishoudens in middenhuur naar EC-doelgroep, per type buurt, 2016; bron: CBS-microdata

EC-doelgroep	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Middenhuur totaal	Nederland totaal
Geen EC-doelgroep	54%	56%	50%	58%	53%	53%	48%
EC-doelgroep laag	40%	36%	43%	36%	40%	40%	47%
EC-doelgroep hoog	6%	8%	7%	7%	7%	7%	5%
Totaal	100%	100%	100%	100%	100%	100%	100%

Figure A3.4

Tabel 3-18: Aandeel huishoudens in middenhuur naar niet/wel woning delen, per type buurt, 2016; bron: CBS-microdata

Woningdeler	(Zeer) sterk stedelijke buurt in gemeente 250.000+	(Zeer) sterk stedelijke buurt in gemeente 150-250.000	(Zeer) sterk stedelijke buurt in gemeente <150.000	Matig of weinig stedelijke buurt in gemeente 100.000+	Matig of weinig stedelijke buurt in gemeente < 100.000	Middenhuur totaal	Nederland totaal
Geen woningdeler	84%	89%	84%	95%	95%	88%	94%
Woningdeler met een of meer andere huishoudens	16%	11%	16%	5%	5%	12%	6%
Totaal	100%	100%	100%	100%	100%	100%	100%

Figure A3.5

Tabel 3-19: Huishoudens in middenhuur naar geen/wel woning delen, per type huishouden, 2016; bron: CBS-microdata

Type huishouden	Geen woningdeler	Woningdeler	Totaal
Alleenstaand <30 jaar	31%	69%	100%
Alleenstaand 30-64 jaar	77%	23%	100%
Alleenstaand 65+ jaar	98%	2%	100%
Paar < 30 jaar	91%	9%	100%
Paar 30-64 jaar	96%	4%	100%
Paar 65+ jaar	99%	1%	100%
Gezin < 35 jaar	93%	7%	100%
Gezin 35+ jaar	95%	5%	100%
Eenoudergezin	95%	5%	100%
Totaal	88%	12%	100%

Figure A3.6

Figure A3.7 shows the changes in composition of tenants by household types. The majority of tenants, specifically 58%, are single. There is a representation of couples (21%), followed by single-parent families (11%) and couples with children (10%). Since 2015, there has been a small increase in the proportion of households living in rental dwellings.
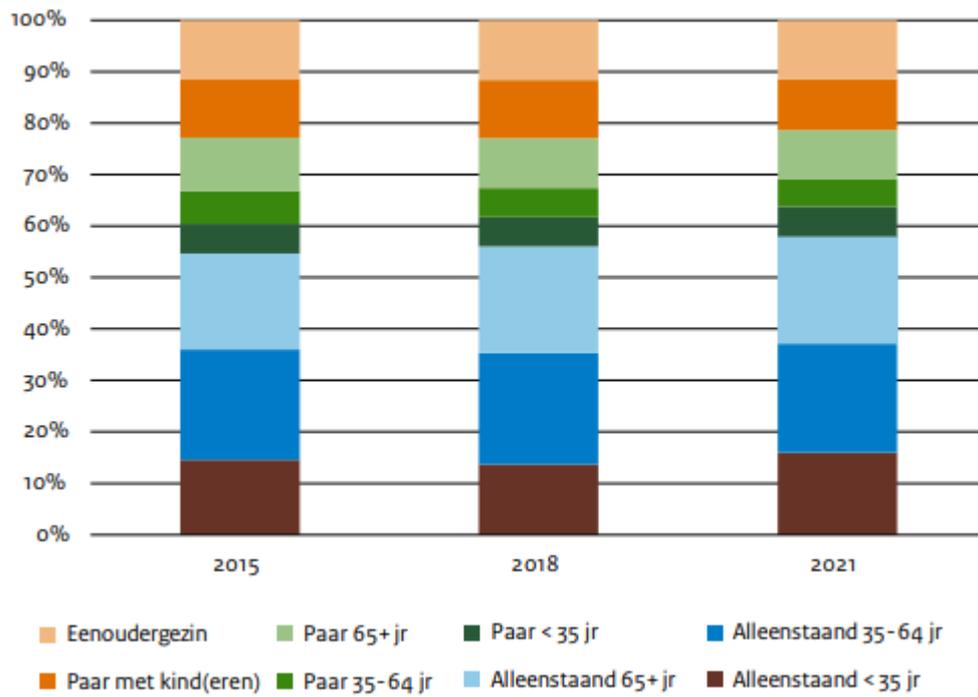
Figure A3.7: Composition of tenants by household type; 2015 to 2021 (WoonOnderzoek Nederland et al., 2022)

Appendix 4: Recently moved into middle rent

Figuur 2-3: Recent verhuisde huishoudens naar een middenhuurwoning, naar leeftijd; bron: WBO 1998 – WoON 2018
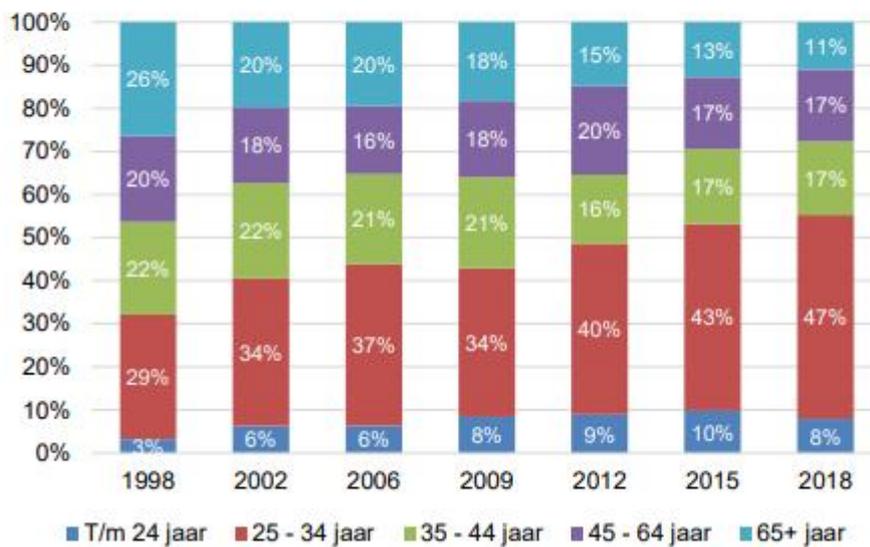

Figure A4.1

Figuur 2-5: Recent verhuisde semi-starters en doorstromers naar een middenhuurwoning, naar vorige woning (voor verhuizing); bron: WBO 1998 – WoON 2018
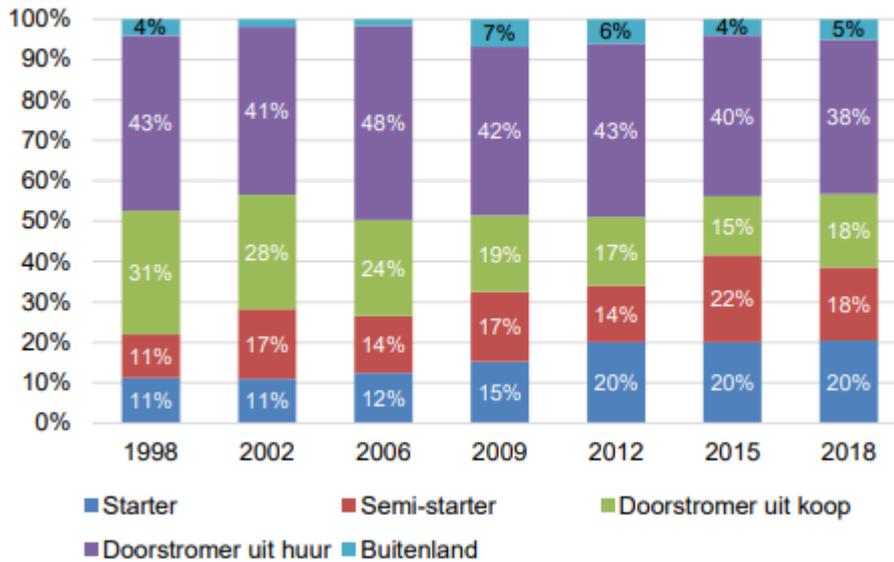

Figure A4.2

Figure A4.3

With the research of Blijie et al. (2019), it is possible to identify and examine a set of households that have recently relocated into a middle rental house. In each case, these are households that have moved into a middle rental house during the two years preceding the WoON survey. The people participating in this research moved recently, they may also have lived in a middle rental house before moving (see appendix 3).

In the recent analysis of the middle rent housing market, it has been observed that the demographic and income characteristics of new tenants have undergone a shift. The group who has recently moved into middle rent housing, 36% are singles and 38% are couples, families make 17% and single-parent families 8% of the whole. Over time, there has been a slight decline in the proportion of families, whereas single-parent families have seen an increase. The composition of singles and couples has remained stable without notable changes.

Income distribution among these newcomers has also evolved. Since 2002, there has been a noticeable decrease in the proportion of new entrants from the highest income quartile, dropping from 19% to 13%. Meanwhile, those within the middle-income quintile have increased to 35%. This shift likely results from the 2011 introduction of income caps for social housing eligibility. Furthermore, the proportion of newcomers with lower earnings has declined, accounting for only 7% in 2018.
The percentage of new entrants relying on pensions has decreased since 2009, whereas those earning from wages have dramatically risen, reaching 77% in 2018.

The age distribution of the middle rent housing market is becoming more youthful. In 1998, only 32% of households in middle rent housing were under 35 years old; by 2018, this figure had risen to 55%. In contrast, the proportion of elderly persons aged 65 and up has dropped significantly, from 26% to 11% within the same time period. This demographic shift highlights a growing trend of younger households shifting into middle rent housing, which reflects larger changes in housing needs and preferences.

Of all recent movers, 20% were starters, 18% were semi-starters, 18% moved on from buying, 38% moved on from renting, and 5% moved from abroad. Since 1998, the share of starts and semi-starters has almost doubled. The percentage of people who leave their purchases home has reduced. Relocations within or to the middle rental therefore increasingly involve first-time buyers

and semi-starters. Particularly for these groups, the middle rental housing has therefore become more important.

People who moved to middle rent housing have a variety of moving motives. For 30%, living together or ending a relationship is the main reason for moving. For 18% the house or living environment is the main reason and for 12% study or work.

According to Blijie et al. (2019) 44% of households looking to move to a middle rental home are single households after the desired move, 44% are two-person households, and 12% consist of households with three or more people. There have been no significant changes in these proportions over time.

Almost half of the prospective movers (46%) are in the age group up to 35 years, a share that has remained relatively stable over time. Of those seeking middle rental housing, 42% are moving from another rental property, 30% are first-time renters, 4% are semi-starters, and 24% are moving from owned dwellings. During the housing market crisis of 2012, a larger proportion of seekers (30%) were moving from owned homes. As the housing market recovered and the popularity of owning homes increased, this proportion has decreased. Thus, middle rental housing serves as a viable alternative for some homeowners when buying becomes unattractive due to market conditions, such as the risk of depreciation.

The reasons for moving among those preferring middle rental housing are varied: 10% cite cohabitation or separation as the main reason, 32% mention the house and/or living environment, 16% want to live independently, and 17% cite health reasons. No clear trend is observable in these motives.

28% of seekers wish to move to a different municipality than their current one, a proportion that has not significantly changed since 2009/2012. Additionally, in the WoON survey, prospective movers also indicated why they have not yet found a suitable home. For 16% of those seeking a middle rental home, the high prices are a major barrier.

Appendix 5: Interview questions

Om meer inzicht te verkrijgen in de onderzoeksvraag, zullen semigestructureerde interviews worden afgenomen met diverse belanghebbenden. Hierbij wordt gedacht aan stakeholders zoals beleidsmakers, projectontwikkelaars, investeerders, huurders en vertegenwoordigers van gemeentelijke instanties. Deze interviews zullen gericht zijn op het verzamelen van kwalitatieve data om verschillende perspectieven en ervaringen in kaart te brengen. Door gebruik te maken van een semigestructureerde aanpak wordt flexibiliteit geboden om dieper in te gaan op relevante onderwerpen, terwijl tegelijkertijd consistentie tussen interviews wordt gewaarborgd door middel van een vooraf opgestelde vragenlijst.

- Projectontwikkelaars actief in het middenhuur segment
- Woningcorporaties die ook actie ondernemen in het middenhuur segment
- Investeerders die investeren in vastgoed, waaronder ook het middensegment
- Gemeentelijke vertegenwoordigers betrokken bij stedelijke ontwikkeling, huisvesting en beleidsmakers
- (Toekomstige) huurders van middenhuur woningen met verschillende sociaaleconomische achtergronden

Voorafgaand aan de interviews zal aan de deelnemers een beknopte samenvatting van het onderzoek worden toegestuurd in de vorm van een two-pager welke aan het begin van het interview zal worden toegelicht. Deze samenvatting zal kernachtig de context, doelstellingen en relevante achtergrondinformatie van het onderzoek bevatten, zodat de respondenten goed op de hoogte zijn van de focus en scope.

Daarnaast worden de interviewvragen meegestuurd om de deelnemers in staat te stellen zich inhoudelijk voor te bereiden. Dit draagt bij aan een efficiënter verloop van het interview en bevordert diepgaandere en beter geïnformeerde antwoorden, wat de kwaliteit van de verzamelde data ten goede komt.

Appendix 5.1: Participants in the interviews

Om een verdiepingsslag te maken ten aanzien van het kwantitatieve onderzoek, wordt ervoor gekozen om vijf individuen uit de doelgroep te selecteren voor semigestructureerde interviews. Deze interviews bieden de mogelijkheid om dieper in te gaan op de bevindingen uit het kwantitatieve deel van het onderzoek en aanvullende contextuele informatie te verkrijgen. De geselecteerde respondenten worden gekozen op basis van relevante kenmerken die representatief zijn voor de doelgroep, zodat hun perspectieven een waardevolle aanvulling vormen op de al verzamelde data.

Om een beter beeld te verkrijgen en onderzoeksvraag 7 te beantwoorden, zullen interviews worden afgenomen met belangrijke stakeholders, waaronder een ontwikkelaar, een woningcorporatie, een investeerder en een beleidsmaker. Deze interviews vormen de eerste ronde van het kwalitatieve onderzoek en dienen om diverse perspectieven en inzichten te verzamelen. (Om de input van stakeholders optimaal te benutten zal ik vragen of ze eventueel met meer dan 1 persoon aanwezig kunnen zijn bij het interview.)

Appendix 5.2: Target group

Voornamelijk achterliggende motovatie achter keuzes in kaart brengen; waarom maken ze bepaalde keuzes.

1. Kunt u iets vertellen over uw huidige woonsituatie? (woningtype, locatie, huurprijs)

2. Wat zijn uw belangrijkste wensen en eisen bij het zoeken naar een middenhuur woning?
   i. Wat was uw vorige woonsituatie?
   ii. Waarom wilt u verhuizen?

3. Wat zijn uw prioriteiten in uw woningkeuze?
   i. Locatie; Welke faciliteiten of voorzieningen vindt u belangrijk in een woonomgeving?
   ii. Prijs
   iii. Woningeigenschappen
   iv. Wat is hierin uw prioriteit en **waarom**?

4. Welke uitdagingen ervaart u bij het vinden van geschikte woonruimte in het middenhuur segment?
   i. Aanbod, prijs, concurrentie, eisen verhuurder
   ii.

5. Zou u concessies doen aan uw woonwensen om eerder een woning te krijgen
   i. Welke concessies zouden dit dan zijn en **waarom**?

6. Wat zou volgens u moeten worden verbeterd om middenhuurwoningen toegankelijker te maken?
   i. Suggesties voor hoe gemeenten, ontwikkelaars of investeerders de middenhuur markt kunnen verbeteren?

7. Heeft u ideeën of suggesties om doorstroming op de woningmarkt te bevorderen?

8. Is er iets anders dat u graag wilt delen over uw woonervaring of woonwensen?

Interviewvragen voor een woningzoekende

Algemene Informatie:
1. Kunt u iets vertellen over uzelf (leeftijd, gezinssituatie, beroep)?
2. Wat is uw huidige woonsituatie?
3. In welke regio of stad bent u op zoek naar een middenhuurwoningen?

Woonwensen:
4. Wat vindt u belangrijk in een woning (aantal kamers, buitenruimte, energiezuinigheid)?
5. Welke voorzieningen in de buurt zijn voor u essentieel (scholen, winkels, openbaar vervoer)?
6. Heeft u een voorkeur voor nieuwbouw of bestaande bouw? Waarom?

Financiële Aspecten:
7. Wat is uw gewenste huurprijs en wat is het maximale bedrag dat u bereid bent te betalen?
8. Hoe belangrijk is de verhouding tussen huurprijs en kwaliteit van de woning voor u?

Duurzaamheid en Energie:
9. In hoeverre vindt u duurzaamheid en energiezuinigheid belangrijk bij de keuze van een woning?
10. Bent u bereid meer huur te betalen voor een energiezuinige woning?

Flexibiliteit en Contractvoorwaarden:

11. Wat vindt u belangrijk in de huurvoorwaarden (duur van het contract, flexibiliteit)?
12. Heeft u behoefte aan aanvullende diensten, zoals onderhoudsservice of gedeelde voorzieningen?
13. Kunnen uw wooneigenschappen minder zijn als er goede gedeelde voorzieningen zijn?

Toekomstvisie:

13. Hoelang verwacht u in de nieuwe woning te blijven wonen?
14. Ziet u een huurwoning als een tijdelijke oplossing of als een langdurige woonoplossing?

Ervaringen en Verwachtingen:

15. Hoe bent u opzoek naar een huurwoning
16. Welke uitdagingen ervaart u momenteel bij het vinden van een middenhuurwoning?
17. Wat zou volgens u verbeterd kunnen worden op de woningmarkt voor middenhuur?

Slotvragen:

18. Heeft u nog aanvullende opmerkingen of wensen die we niet hebben besproken?
19. Wat zou voor u de ideale middenhuurwoning zijn?

Appendix 5.3: Developers

1. Voorstellen, functieomschrijving.
    1. Waar focust Sustay zich op
    2. Welke woningproducten ziet Sustay als middenhuur producten
    3. Waarom
    4. ….

2. Wat ziet u als de **belangrijkste uitdagingen** binnen het middenhuur segment?
    1. Bouwprijzen
    2. Zijn middenhuur woningprojecten financieel haalbaar?

3. Hoe beïnvloeden **huidige trends** (regelgeving, marktbehoeften) uw werkzaamheden of strategie?
    1. Hoe speelt u als ontwikkelaar in op de **woonbehoefte** van de markt en waar laat u zich hierin door leiden (gemeentelijke wensen/beleid, projecthaalbaarheid/ winstgevendheid, marktbehoefte)?
    2. Hoe zorg je ervoor dat je projecten voldoen aan de uiteenlopende behoeften van huurders, specifiek degenen die op zoek zijn naar betaalbare woningen of grotere huizen voor gezinnen? **Diversiteit aan woon producten?**

4. Welke rol speelt **samenwerking** met andere stakeholders (gemeenten, investeerders, ontwikkelaars, huurders) in uw aanpak?
    1. Welke strategieën gebruikt u om investeerders aan te trekken voor middenhuur projecten?
    2. Hoe werk je met andere stakeholders samen om ervoor te zorgen dat je projecten aansluiten bij de woningvraag?

5. Extra's
    1. Hoe zou de krapte op de markt en specifiek middenhuur het beste opgelost kunnen worden volgens u.
    2. Hoe zorgen jullie ervoor dat middenhuur woningen **terecht komen** bij huishoudens met een middeninkomen?
    3. Mijn onderzoek wijst uit dat voornamelijk de jongere huishoudens verhuizen. Waardoor komt dit denkt u en voor welke doelgroepen zijn de woonproducten die u bouwt voornamelijk geschikt?

6. Wat zijn volgens u de belangrijkste stappen om voldoende middenhuur woningen te realiseren?
    1. Heeft uw organisatie innovaties woon ideeën toegepast in middenhuur projecten, en wat waren de resultaten?

Appendix 5.4: Woningcorporatie

1. Consent vragen
2. Voorstellen, samenvatting van afstuderen. Doel van onderzoek benoemen.

3. Kunt u een overzicht geven van uw rol als woningcorporatie en doelstellingen binnen de middenhuur sector?
   i. Wat ziet u als de belangrijkste uitdagingen binnen het middenhuur segment?
   ii. Hoe zou de organisatie waar u werkt de krapte op de markt en specifiek middenhuur het beste opgelost kunnen verminderen volgens u
   iii. Hoe speelt uw organisatie in op de veranderde regelgeving voor middenhuur?

4. Hoe beïnvloeden huidige trends (bijvoorbeeld demografische veranderingen, regelgeving, marktbehoeften) uw werkzaamheden of strategie?
   i. Hoe speelt een woningcorporatie in op de woonbehoefte van de markt en waar laat u zich hierin door leiden?
   ii. Hoe zorgt u ervoor dat middenhuur woningen worden toegewezen aan huishoudens met een passend inkomen?
   iii. Hoe zorg je ervoor dat je projecten voldoen aan de uiteenlopende behoeften van huurders, specifiek degenen die op zoek zijn naar betaalbare woningen of grotere huizen voor gezinnen?

5. Welke rol speelt samenwerking met andere stakeholders (gemeenten, investeerders, ontwikkelaars, **huurders**) in uw aanpak?
   i. Hoe werkt u samen met gemeenten, investeerders en ontwikkelaars om het tekort aan middenhuur woningen aan te pakken?

6. Hoe monitort u het succes van uw projecten/beleid in het middenhuur segment?
   i. Welke strategieën hanteert u om doorstroming op de woningmarkt te bevorderen?

7. Wat zijn volgens u de belangrijkste stappen om voldoende middenhuur woningen te realiseren?
   i. Heeft uw organisatie innovaties woon ideeën toegepast in middenhuur projecten, en wat waren de resultaten?
   ii. Wat zijn de grootste uitdagingen voor uw organisatie bij het ontwikkelen of beheren van middenhuur woningen?
   iii. Welke trends of uitdagingen voorziet u in de markt voor midden huurwoningen in de komende tien jaar en hoe bereidt u zich daarop voor?

8. Heeft u ideeën of suggesties om doorstroming/de druk op de woningmarkt te verbeteren?

toelating

prijsniveau middenhuur

Appendix 5.5: Investor

1. Introductie; Wat zijn jullie voornaamste focus sectoren als investeerder

2. Wat ziet u als **de belangrijkste uitdagingen** binnen het middenhuur segment?
    i. Wat **motiveert** uw organisatie om door te gaan of zich terug te trekken uit investeringen in het middenhuur segment?
    ii. Wat is jullie langetermijnstrategie voor investeringen in het middenhuur segment?
    iii. In hoeverre speelt maatschappelijk, duurzaam investeren een rol?

3. Hoe beïnvloeden huidige **trends** (bijvoorbeeld demografische veranderingen, regelgeving, marktbehoeften) uw werkzaamheden of strategie?
    i. Hoe beïnvloedt **regelgeving** uw investeringsbeslissingen in het middenhuur segment?
    ii. Wat doen renteverhogingen en stijgende bouwkosten met jullie investeringen?
    iii. Welke delen van Nederland zijn voor jullie interessant als investeerder?

4. Welke rol speelt **samenwerking** met andere stakeholders (gemeenten, investeerders, ontwikkelaars, huurders) in uw aanpak?
    i. Hoe draagt dit bij aan het ontwikkelen van middenhuur woningen?
    ii. Hebben jullie een bepaald type **woonproduct** dat jullie graag afnemen?
        i. Hebben jullie hier analyses voor?

5. Wat is jullie **verwachte rendement** op investeringen in dit segment?
    i. Wat is jullie **exit strategie** bij middenhuur projecten?

6. Hoe monitort u het succes van uw projecten/beleid in het middenhuur segment?
    i. Welke **belemmeringen** ondervindt u bij het investeren in middenhuur projecten, en hoe kunnen deze worden opgelost?
    ii. Hoe gebruikt u gegevens over woningstromen, zoals downsizing van ouderen of stedelijke verhuistrends, om **investeringskansen** te voorspellen?
        i. Wordt hier dan op ingespeeld?

7. Wat zijn volgens u de belangrijkste stappen om voldoende middenhuur woningen te realiseren?
    i. Wat ziet u als de grootste **kansen** en **risico's** in de middenhuur markt?
    ii. Zijn er **nieuwe woonvormen** die jullie hebben onderzocht en misschien al gebruiken in jullie portfolio?
    iii. Welke beleidsveranderingen of stimulansen zouden u aanmoedigen om meer te investeren in midden huurwoningen?

8. Heeft u zelf nog toevoegingen?

Appendix 5.6: Municipality/Policy makers

Woonvisie Rotterdam (middenhuur)

De Rotterdamse Woonvisie legt een sterke nadruk op de middenhuur sector als een belangrijk onderdeel van het aanpakken van de woningnood in de stad. Hieronder volgt een samenvatting van de maatregelen die specifiek gericht zijn op de middenhuur:

1. Nieuwbouw en uitbreiding van middenhuur woningen
   - **Prioriteit aan middenhuur**: Het vergroten van het aantal middenhuur woningen heeft topprioriteit in de nieuwbouwprogramma's van de gemeente.
   - Percentage betaalbare nieuwbouw verhogen: **Vanaf 2026 moet bij nieuwbouw 65% van de woningen betaalbaar zijn, waarvan 40% middenhuur en -koop** betreft.
   - Versnellen van bouwprocessen: De gemeente introduceert flexibiliteit in regelgeving via de nieuwe Rotterdamse Bouw wet om sneller betaalbare woningen, waaronder middenhuur, te realiseren.
2. Borging van betaalbaarheid
   - **Toewijzingsregels**: De gemeente ziet erop toe dat middenhuur woningen worden bewoond door huishoudens met een bijpassend inkomen.
   - Instrumenten voor betaalbaarheid: Het inzetten van publieke en privaatrechtelijke instrumenten om de huurprijzen in het middenhuur segment betaalbaar te houden.
3. Samenwerking met partijen
   - Afstemming met **woningcorporaties**: Er worden afspraken gemaakt over de bouw van nieuwe middenhuur woningen, ondersteund door financiële middelen.
   - Stimulering van **marktpartijen**: De gemeente stimuleert private ontwikkelaars en beleggers om middenhuur projecten te realiseren, inclusief **innovatieve woonconcepten**.
4. Gebiedsgerichte aanpak
   - Gemengde wijken creëren: In buurten waar sociale woningen domineren, wordt meer middenhuur toegevoegd. In andere buurten wordt juist ingezet op een mix van hogere segmenten.
   - Kwaliteit van bestaande woningen verbeteren: De verduurzaming en verbetering van bestaande woningen wordt ondersteund, zodat ze toegankelijk blijven als betaalbare middenhuur woningen.
5. Monitoring en innovatie
   - Jaarlijkse rapportage: Er wordt jaarlijks gerapporteerd over de voortgang op de woningmarkt, inclusief de realisatie van middenhuur woningen.
   - Experimenteren met woonconcepten: Er wordt ruimte geboden aan innovatieve oplossingen, zoals woningdelen of flexibele huurconcepten, om aan de vraag in de middenhuur te voldoen.

Deze maatregelen moeten ervoor zorgen dat er meer middenhuur woningen beschikbaar komen, zowel door nieuwbouw als door het beter benutten van bestaande bouw. Dit draagt bij aan de doorstroming op de woningmarkt, zodat Rotterdammers met een middeninkomen een passende woning kunnen vinden.

Interview

1. Consent vragen
2. Voorstellen, samenvatting van afstuderen. Doel van onderzoek benoemen.

3. Kunt u een overzicht geven van uw rol binnen de gemeente en de doelstellingen binnen de middenhuur sector?

1. Wat ziet u als de belangrijkste uitdagingen binnen het middenhuur segment?
   i. Welke maatregelen neemt de gemeente om vertragingen in woningbouwprojecten te verminderen/voorkomen en juist tractie te creëren?

2. Hoe beïnvloeden huidige trends (bijvoorbeeld demografische veranderingen, regelgeving, marktbehoeften) uw werkzaamheden of strategie?

3. Welke rol speelt samenwerking met andere stakeholders (gemeenten, investeerders, ontwikkelaars, huurders) in uw aanpak?
    i. Hoe waarborgt de gemeente de toegankelijkheid op lange termijn voor mensen die permanent op middenhuur woningen zijn aangewezen?

4. Hoe monitort u het succes van uw projecten/beleid in het middenhuur segment?
    i. Hoe kunt u als gemeente ervoor zorgen dat middenhuur woningen ook terecht komen bij de doelgroep van de middenhuur? (Gemeenten kunnen via de huisvestingsvergunning toewijzingsregels stellen aan de gereguleerde middenhuur woningen. Op die manier komen de woningen terecht bij woningzoekenden met maximaal een middeninkomen.) Gebeurt dit ook?

5. Wat zijn volgens u de belangrijkste stappen om voldoende middenhuur woningen te realiseren?

Appendix 6: Data Management Plan

Appendix 6.1 Plan Overview

A Data Management Plan created using DMPonline

Title: Msc MBE Thesis Pim Schalkwijk

Creator: Pim Schalkwijk

Affiliation: Delft University of Technology

Template: TU Delft Data Management Plan template (2025)

Project abstract:
The middle rental housing sector in the Netherlands faces significant challenges due to a mismatch between supply and demand, rising affordability pressures, and regulatory changes. This research addresses the core question: *How can the middle rental housing market in the Netherlands be optimised to better serve its intended target group and relieve market stress?*
To answer this question, the study explores several sub-questions:

What is the current state of the middle rental housing stock in terms of price, location, and type of dwelling?

Who are the current residents of middle-rental housing, and what are their characteristics?

Who are the households aspiring to live in middle-rental housing, and what are their preferences?

Is there a disbalance between current residents and those seeking middle-rental housing?

What are the housing needs and preferences of the target group in terms of size, layout, location, and affordability?

How does the current supply compare to the demand for middle-rental housing?

What policy measures and strategies can developers, municipalities, and investors undertake to optimise the middle rental housing sector?

The research adopts a **mixed-methods approach**, integrating both quantitative and qualitative methods to provide a comprehensive understanding of the market dynamics.

- **Quantitative Analysis**:

- **Qualitative Analysis**:

The results indicate a significant disbalance between existing housing stock and the needs of middle-income households. Specific preferences, such as flexible housing layouts, urban proximity, and affordability thresholds, emerged as critical factors. The study also identifies the key demographic groups most affected by the market stress, including young professionals, small families, and elderly "empty nesters."
The findings lead to practical recommendations for aligning housing supply with demand, including promoting mixed-use developments, enhancing housing flow, and implementing targeted municipal policies. By offering evidence-based insights and solutions, this research contributes to addressing housing shortages and improving the functionality of the middle rental housing market in the Netherlands.

ID: 166998

Start date: 19-02-2024

End date: 17-04-2025

Last modified: 06-01-2025

Msc MBE Thesis Pim Schalkwijk
0. Adminstrative questions

1. Provide the name of the data management support staff consulted during the preparation of this plan and the date of consultation. Please also mention if you consulted any other support staff.

The DMP has been shared with my TU Delft supervisors Peter Boelhouwer and Joris Hoekstra via DMPonline, and the data and DMP for this project have been discussed with them on 19-12-2024.
Janine Strandberg, Data Steward at the Faculty of Architecture and the Built Environment, has reviewed this DMP on 03-01-2025

2. Is TU Delft the lead institution for this project?

- Yes, leading the collaboration – please provide details of the type of collaboration and the involved parties below

In this project, TU Delft is leading the research design and developing the research hardware.
During this thesis, an internship at Sustay is conducted. The partnership with Sustay provides professional guidance. This collaboration is set out in a graduation agreement, with intellectual property rights and confidentiality guaranteed.

I. Data/code description and collection or re-use

3. Provide a general description of the types of data/code you will be working with, including any re-used data/code.

Type of data/code	File format(s)	How will data/code be collected/generated? *For re-used data/code: what are the sources and terms of use?*	Purpose of processing	Storage location	Who will have access to the data/code?
Quantitative survey data on housing and living conditions from the Netherlands	.dat/.dta	The **WoON 2021 dataset**, sourced from DANS, will be analysed using SPSS to generate insights, with code and syntax created for reproducibility while adhering to ethical data use and licensing guidelines. A DANS licence is used, provided by the TU Delft. Source: Ministerie van Binnenlandse Zaken en Koninkrijksrelaties (BZK);	Analysis of middle rental housing stock Identification of middel rental housing sector target group characteristics	TU Delft Onedrive	The project team: Researcher/student: Pim Schalkwijk TU Delft supervisors: Peter Boelhouwer and Joris Hoekstra. Sustay supervisor: Shanice van der Meer

		Centraal Bureau voor de Statistiek (CBS), 2022, "Woononderzoek Nederland 2021 - woningmarktmodule-release 1.0", https://doi.org/10.17026/dans-xaa-mrra, DANS Data Station Social Sciences and Humanities, V3, UNF:6:Bk3mtZifJ62axN3e05h4tw== [fileUNF]	Identification of housing preferences, demand gaps and housing flow		
Personally identifiable information (PII); participant's name, email/phone number	.pdf, .xlsx	Online interview (teams), with automatic transcription if possible. If not, the interview is transcribed by hand. The contact with the respondents will be done via email or phone. The participants are found by asking around within the researchers own network and network of Sustay.	Capturing the opinions of the target group of middle rental housing, real estate developer, investor and policy maker on middle rental housing	Project data storage drive at TU Delft	The project team
Audio-recordings of interviews (PII and PIRD)	.mp3	Interview recordings via Teams and a backup via telephone recording. Informed consent is asked in the beginning of the interview about recordings and the use of anonymised information from the interview in this research.	Capturing the opinions of the target group of middle rental housing, real estate developer, investor and policy maker on middle rental housing	Project data storage drive at TU Delft, temporary recordings on mobile phone, directly stored on the Project data storage drive at TU Delft, and deleted from the phone after the	The project team

				interview.	
Anonymous summaries of interviews (PIRD)	.txt	Transcriptions of the interviews will be made automatically, using a transcription tool (teams) as much as possible. After the interview, this transcription will be corrected using the audio recording, and the transcript will be made anonymous before being used for this research.	Capturing the opinions of the target group of middle rental housing, real estate developer, investor and policy maker on middle rental housing	TU Delft Onedrive	The project team

4. How much data/code storage will you require during the project lifetime?

- < 250 GB

5. Where will the data/code be stored and backed up during the project lifetime? (Select all that apply.)

- Project Data Storage (U:) drive at TU Delft

- Another storage system – please explain below, including provided security measures

- TU Delft OneDrive

Temporary storage of audio recordings on mobile phone as a backup recording. After the interview, this recording will be saved on the Project data storage drive at TU Delft and deleted from the mobile phone.

6. What documentation will accompany data/code? (Select all that apply.)

- Data – Methodology of data collection

7. Does your research involve human subjects or third-party datasets collected from human participants?

If you are working with a human subject(s), you will need to obtain the HREC approval for your research project.

- Yes – please provide details in the additional information box below

I intend to apply for ethical approval from the Human Research Ethics Committee, but have not yet done so.

8. Will you work with personal data? (This is information about an identified or identifiable natural person, either for research or project administration purposes.)

- Yes

9. Will you work with any other types of confidential or classified data or code as listed below? (Select all that apply and provide additional details below.)

If you are not sure which option to select, ask your Faculty Data Steward *for advice.*

- No, I will not work with any other types of confidential or classified data/code

10. How will ownership of the data and intellectual property rights to the data be managed?

For projects involving commercially-sensitive research or research involving third parties, seek advice of your Faculty Contract Manager *when answering this question.*

The intellectual property rights are framed by a graduation agreement between Delft University of Technology, myself, and Sustay.
This agreement states: The author's rights on the achieved results lie with the student unless explicitly regulated otherwise. Both the student and the faculty may use the results for internal purposes without consultation of the host organisation. Because of the input of the mentors, in case of publications, e.g., an article based on the thesis, it is strongly recommended to inform the mentors and to involve them as a co-author.
There will be no personal data shared with external partners (outside the TU Delft). All the information shared with Sustay will be anonymised.
Considering the WoON 2021 dataset from DANS:

The researcher will act in accordance with the Netherlands Code of Conduct for Research Integrity, the GDPR and other applicable laws and regulations.

The user of the dataset will always cite the dataset in the research results they publish, in whatever form, when it has been used in the research.
This source reference will at least consist of:
● The names and/or organisations of the producers of the dataset;
● The year in which the dataset was produced;
● The title of the dataset;
● The name of the organisation managing the archive in which the dataset is stored: DANS;
● The persistent identier of the dataset as a full URL.

11. Which personal data or data from human participants do you work with? (Select all that apply.)

- Proof of consent (such as signed consent materials which contain name and signature)

- Names and/or geolocation information as part of research data

- Audio recordings

- Date of birth and/or age

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- Names as contact details for administrative purposes

12. Please list the categories of data subjects and their geographical location.

Households are the target group of the middle rental sector in Rotterdam. Professionals working in the real estate sector include real estate developers, investors, housing associations, and municipalities.

13. Will you be receiving personal data from or transferring personal data to third parties (groups of individuals or organisations)?

- No

16. What are the legal grounds for personal data processing?

- Informed consent

18. Please describe the informed consent procedure you will follow below.

All participants will be asked for their consent to participate in the study and for data processing before the start of the interview/experiment. Consent is obtained verbally, whereby the participant positively affirms their participation in the study and their understanding of what the Participation Information Sheet states and expressly agrees to the conditions of the data collection and processing. The consent will be recorded as follows: The verbal consent will be **audio-recorded** at the start of the interview and stored securely as part of the research records.

18. Where will you store the physical/digital signed consent forms or other types of proof of consent (such as recording of verbal consent)?

The proof of consent will be preserved on the TU Delft Project Data Storage (U:) drive.

19. Does the processing of the personal data result in a high risk to the data subjects? (Select all that apply.)

If the processing of the personal data results in a high risk to the data subjects, it is required to perform a Data Protection Impact Assessment (DPIA). *In order to determine if there is a high risk for the data subjects, please check if any of the options below that are applicable to the processing of the personal data in your research project.*

- None of the above apply

23. What will happen with the personal data used in the research after the end of the research project?

- Anonymised or aggregated data will be shared with others

The data will be anonymised and stored on the TU Delft Onedrive. The concent statements will be stored on the TU Delft Project Data Storage (U:) drive.

24. For how long will personal research data (including pseudonymised data) be stored?

- Other – please state the duration and explain the rationale below

Personal data will be stored until the end of the research project + 1 month

25. How will your study participants be asked for their consent for data sharing?

- In the informed consent form: participants are informed that their personal data will be anonymised and that the anonymised dataset is shared publicly

V. Data sharing and long-term preservation

27. Apart from personal data mentioned in question 23, will any other data be publicly shared?

Please provide a list of data/code you are going to share under 'Additional Information'.

- All other non-personal data/code produced in the project

Housing preferences of the target group of the middle rental housing sector, found in the data research and interviews.
The opinion of real estate professionals (municipality, developers, investors, and housing corporations).

29. How will you share research data/code, including those mentioned in question 23?

- I am a Bachelor's/Master's student at TU Delft and I will share the data/code in the body and/or appendices of my thesis/report in the Education Repository=

31. When will the data/code be shared?

- As soon as corresponding results (papers, theses, reports) are published

VI. Data management responsibilities and resources

33. If you leave TU Delft (or are unavailable), who is going to be responsible for the data/code resulting from this project?

My supervisor, Peter Boelhouwer, with the email address p.j.boelhouwer@tudelft.nl.

34. What resources (for example financial and time) will be dedicated to data management and ensuring that data will be FAIR (Findable, Accessible, Interoperable, Re-usable)?

During the research, the date will be stored on the TU Delft One drive and the TU Delft Project Data Storage drive. After this research, all the data from the TU Delft OneDrive will be shared with the supervisor before the TU Delft OneDrive is deleted.
The other resource is time invested by the researcher.

Appendix 6.2 Data Management & Ethical considerations

Data management planning requires careful consideration of the context in which the research data is

situated. When designing a research project, a researcher must take into account the processes for data collection, methods for data storage and description, and strategies for sharing data with both current and future researchers. Data management plans provide support and help streamline the researcher's thought process. This chapter reviews and reflects on the ethical considerations and decisions made in this research and the management of its data.

Blaikie and Priest (2019) emphasize that ethical treatment of research participants, along with various facets of the research process and the involvement of sponsors and funders, is fundamentally embedded in research activities. They outline essential ethical standards that researchers must follow. Researchers are responsible for ensuring that participants voluntarily engage in experiments without any form of pressure. Obtaining consent is a fundamental ethical principle that requires full disclosure of research details. Additionally, researchers must provide participants with the explicit right to withdraw from the study without facing any repercussions. Another crucial ethical obligation is to protect participants' privacy, ensuring both their anonymity and confidentiality.

Data management involves risks, as this research makes use of a non-publicly accessible dataset that contains personal information. The non-public data set must not be at risk of being accessed by unauthorized individuals. Considering and minimizing risks is essential, particularly when dealing with sensitive personal data that must be handled with care. A data breach could have consequences for the research participants. Data is collected on a voluntary basis, with participants providing consent through a signed form before taking part in the study. The consent form informs participants about the research topic and the nature of the questions, providing legal permission to collect their data. Ensuring the protection and availability of data is crucial. The collected data will be securely stored in the TU Delft Project Storage, with a storage location on SURFdrive, which is specifically designed for the secure storage of sensitive information. Initial interview data will be stored on SURFdrive and will only be accessible to the researcher, with the participant's name being the only personal data stored there. The data management plan, detailed in appendix 7, outlines the specific procedures for managing data.

Efforts are made to effectively mitigate the risk of compromising participant anonymity during data analysis and presentation. Personal data collected will be anonymized in the transcripts, ensuring that participants are not personally identified in the analysis and presentation. Personal data will not be shared outside the research group.

Appendix 7: Consent forms

Appendix 7.1: Openings statement for the interviews of the target group

U bent uitgenodigd om deel te nemen aan een onderzoek: "De toekomst van de middenhuur sector."

Dit onderzoek wordt uitgevoerd door P.J.J. Schalkwijk van de TU Delft, faculteit Bouwkunde, onder supervisie van Prof. dr. P.J. Boelhouwer en Dr. J.S.C.M. Hoekstra, in samenwerking met Sustay, een vastgoedontwikkelaar die zich richt op betaalbare woningen.

Doel van dit onderzoek is om inzicht te verkrijgen in de voorkeuren en behoeften van individuen binnen de middenhuur sector. En hoe de markt hier het best op kan anticiperen. De informatie die wordt opgehaald in het interview zal worden gebruikt om beleidsaanbevelingen en strategieën te ontwikkelen om de beschikbaarheid en geschiktheid van middenhuur woningen in Nederland te verbeteren, en om de marktdruk te verlichten. Deelname aan dit onderzoek zal ongeveer 15-20 minuten duren.

De gegevens zullen worden gebruikt voor het afronden van een masterthesis. Ik zal u vragen stellen over uw woonvoorkeuren, uw huidige woonsituatie, en eventuele uitdagingen die u heeft ervaren bij het vinden van een geschikte woning.

Zoals bij elke onlineactiviteit is er altijd een risico op een data-lek. We doen echter ons uiterste best om uw antwoorden in dit onderzoek vertrouwelijk te houden. We minimaliseren de risico's door uw gegevens te anonimiseren, veilige opslag op een beveiligde server te garanderen en toegang te beperken tot geautoriseerde onderzoekers. Persoonlijk identificeerbare informatie, zoals IP-adressen, wordt niet verzameld tenzij dit expliciet noodzakelijk is. Dergelijke gegevens zullen ook worden geanonimiseerd.

Uw deelname aan dit onderzoek is volledig vrijwillig, en u kunt op elk moment stoppen. U bent vrij om vragen over te slaan. Houd er rekening mee dat als uw gegevens anoniem verwerkt zijn, het niet meer mogelijk is om specifieke antwoorden na indiening te verwijderen.

Voor meer informatie over dit onderzoek kunt u contact opnemen met de verantwoordelijke onderzoekers:

- **Prof. dr. P.J. Boelhouwer** E-mail: p.j.boelhouwer@tudelft.nl

- **P.J.J. Schalkwijk** E-mail: pim.schalkwijk@tudelft.nl Telefoon: +31 639781004

Aan het begin van ons interview zal ik vragen of u dit openingsstatement heeft ontvangen en begrepen, en of u hiermee akkoord gaat.

Bedankt voor uw overweging om deel te nemen aan dit onderzoek.

Appendix 7.2: Openings statement for the interviews of the real estate professionals

U bent uitgenodigd om deel te nemen aan een onderzoek: "De toekomst van de middenhuur sector."

Dit onderzoek wordt uitgevoerd door P.J.J. Schalkwijk van de TU Delft, faculteit Bouwkunde, onder supervisie van Prof. dr. P.J. Boelhouwer en Dr. J.S.C.M. Hoekstra, in samenwerking met Sustay, een vastgoedontwikkelaar die zich richt op betaalbare woningen.

Doel van dit onderzoek is om inzicht te verkrijgen in de voorkeuren en behoeften van individuen binnen de middenhuur sector. En hoe de markt hier het best op kan anticiperen. De informatie die wordt opgehaald in het interview zal worden gebruikt om beleidsaanbevelingen en strategieën te ontwikkelen om de beschikbaarheid en geschiktheid van middenhuur woningen in Nederland te verbeteren, en om de marktdruk te verlichten. Deelname aan dit onderzoek zal ongeveer 15-20 minuten duren.

De gegevens zullen worden gebruikt voor het afronden van een masterthesis. Ik zal u vragen om uw professionele perspectieven te delen over ontwikkelingen, uitdagingen en kansen in de middenhuur sector.

Waarom uw bijdrage belangrijk is: Vanuit uw beroep bent u betrokken bij woningbouw (in de omgeving van Rotterdam). Ik ben heel benieuwd hoe u en de organisatie waar u werkt kijken naar de huidige woningbouwopgaven en dan voornamelijk de opgaven in de middenhuur sector.

Graag zou ik het interview opnemen om ervoor te zorgen dat er een nauwkeurig verslag kan worden gemaakt. De opname wordt uitsluitend gebruikt voor het uitwerken van het interview en zal direct na het transcriberen worden verwijderd. Zoals bij elke onlineactiviteit is er een klein risico op een data-lek. We nemen maatregelen om uw gegevens te beschermen. Uw antwoorden worden geanonimiseerd, veilig opgeslagen, en alleen toegankelijk voor geautoriseerde onderzoekers. Persoonlijke gegevens, zoals IP-adressen, worden niet verzameld tenzij strikt noodzakelijk en worden in dat geval geanonimiseerd.

Uw deelname aan dit onderzoek is volledig vrijwillig, en u kunt op elk moment stoppen. U bent vrij om vragen over te slaan. Houd er rekening mee dat als uw gegevens anoniem verwerkt zijn, het niet meer mogelijk is om specifieke antwoorden na indiening te verwijderen.

Voor meer informatie over dit onderzoek kunt u contact opnemen met de verantwoordelijke onderzoekers:

- Prof. dr. P.J. Boelhouwer E-mail: p.j.boelhouwer@tudelft.nl
- P.J.J. Schalkwijk E-mail: pim.schalkwijk@tudelft.nl Telefoon: +31 6 39781004

Aan het begin van ons interview zal ik vragen of u dit openingsstatement heeft ontvangen en begrepen, en of u hiermee akkoord gaat.

Bedankt voor uw overweging om deel te nemen aan dit onderzoek.

Met vriendelijke groet,

Pim Schalkwijk

Appendix 8 Transcriptions interviews

Appendix 8.1: Target group households 55+

Interview_Doelgroep_55+_01.docx   Interview_Doelgroep_55+_02.docx   Interview_Doelgroep_55+_03.docx   Interview_Doelgroep_55+_04.docx   interview_Doelgroep_55+_05.docx

Appendix 8.2: Target group households 35-

interview_Doelgroep_35-_01.docx   Interview_Doelgroep_35-_02.docx   Interview_Doelgroep_35-_03.docx   Interview_Doelgroep_35-_04.docx   Interview_Doelgroep_35-_05.docx

Appendix 8.3: Stakeholders middle rental housing sector

Interview Gemeente Rotterdam.docx   Interview Woningcorporatie.do   Interview Sustay.docx   Interview Investeerder.docx