

# **Flexibility in corporate office real estate**

A leasehold occupier's perspective

# Colophon

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# Abstract

Today's corporations operate in a context of uncertainty, shaped by geopolitical instability, economic volatility, organizational change and evolving workplace practices. Within Corporate Real Estate Management (CREM), flexibility is increasingly relevant for managing the recurring mismatch between organizational demand and building supply. Although the literature on flexibility in the built environment has predominantly focused on the physical adaptability of buildings, this emphasis does not fully reflect the reality of conventional leasehold occupiers, whose ability to alter the asset itself is limited.

As a response, this research examines how corporate office occupiers under conventional leaseholds understand and operationalize flexibility at the asset level within CREM. It adopts a qualitative research design combining a literature review with semi-structured interviews conducted across three phases: at the market level, with industry consultants; at the case level, within a multi-tenant office building in Amsterdam; and at a comparative level, interviewing occupiers in other multi-tenant office settings. The empirical material was analyzed through thematic analysis using a primarily deductive coding framework, refined with inductive insights from the interviews.

The findings show that flexibility is driven primarily by uncertainty, but that occupiers do not treat it as a single concept. Instead, flexibility is understood through five interrelated dimensions: Legal, Financial, Physical, Organizational and Building Offering flexibility. Among these, Legal and Financial flexibility emerge as the dominant mechanisms through which occupiers manage risk, secure incentives and respond to changing business conditions, often through trade-offs between lease length and financial contributions. Physical flexibility is mainly understood at the level of the leased premises through layout, floor distribution, and Activity-Based Working, while Organizational and Building Offering Flexibility help occupiers absorb fluctuations in attendance and changing space requirements.

By moving beyond a building-centric view, this research contributes to an occupier and asset-level perspective of flexibility in leased office environments. It shows that flexibility is not a fixed property of the building, but a context-dependent combination of contractual, financial, spatial, organizational and service-based mechanisms shaped by business characteristics, building conditions and market context. These insights support more informed CREM decision-making for occupiers, advisors and landlords working with existing multi-tenant office stock.

Keywords: Corporate Real Estate Management (CREM); Flexibility; Office Occupiers; Leasehold; Asset Level; Corporate Real Estate Strategy

# Preface

This thesis constitutes the final project of the MSc Architecture, Urbanism and Building Sciences at Delft University of Technology, within the Management in the Built Environment track.

The completion of this two-year program marks an important expansion of my perspective on the built environment, building upon a previous five-year professional degree in Architecture and Urban Planning. While my earlier education focused primarily on design and construction, this program has deepened my understanding of the managerial dimensions that shape how buildings and spaces function in everyday life.

Similarly, this thesis reflects a shift in focus from the physical aspects of office buildings to the processes and decisions that influence the performance, use and long-term value of office Corporate Real Estate, exploring how management practices and strategic decisions help align the built environment with users' evolving needs.

I hope you enjoy reading this report!

*Carolina Oliveira*

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# List of Abbreviations

ABW	Activity-Based Working
AI	Artificial Intelligence
CapEx	Capital Expenditure
CRE	Corporate Real Estate
CREM	Corporate Real Estate Management
CRES	Corporate Real Estate Strategy
CWS	Coworking Spaces
DMP	Data Management Plan
DPIA	Data Protection Impact Assessment
EMEA	Europe, Middle East and Africa
FAIR	Findable, Accessible, Interoperable and Reusable
FM	Facilities Management
FTE	Full-Time Equivalent
G5	Five largest Dutch office markets: Amsterdam, Rotterdam, The Hague, Utrecht and Eindhoven
GDPR	General Data Protection Regulation
HQ	Headquarters
HREC	Human Research Ethics Committee
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
M&A	Mergers and Acquisitions
NVM	Nederlandse Vereniging van Makelaars
NWW	New Ways of Working
NWPs	New Working Practices
PII	Personally Identifiable Information
PIRD	Personally Identifiable Research Data
R&D	Research and Development
RE	Real Estate
RICS	Royal Institution of Chartered Surveyors
ROZ	Raad voor Onroerende Zaken
SLB	Sale-Leaseback
SQ	Sub-question
UK	United Kingdom

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# Introduction

# 1. Introduction

## 1.1 Research Context

Today's organizations operate in a competitive and uncertain environment (CBRE, 2026b; Echeverri et al., 2021). Forces such as digitalization, environmental pressure, and demographic changes are among the factors transforming the criteria corporations must consider when conducting their business activities (Toivonen, 2025; Van Der Voordt, 2017). In practice, these dynamics are translated into shorter business cycles (Gibson, 2000), evolving occupier needs (Cushman & Wakefield & Core Net Global, 2025) and new working practices and labor relations (Lizieri, 2003).

In response to these changes, Corporate Real Estate (CRE) must rapidly and continually transform its strategies to succeed in its primary goal: supporting the core business (Core Net Global, 2015). In this context, a growing need for flexibility surges as a means to counterbalance business risks (Lizieri, 2003). Flexibility is described as a proactive rather than a reactive component of CRE (Verhoeff et al., 2014), and a better understanding of how it can be conceptualized and operationalized within Corporate Real Estate Management (CREM) is essential for an organization's prosperity.

## 1.2 Research Problem

While flexibility is increasingly recognized as a means for CRE to support organizational adaptation in uncertain environments, both academics and industry professionals employ different interpretations of the term (Pinder et al., 2017). As a result, flexibility remains an inconsistently defined concept, lacking an operational definition (Pinder et al., 2017). What is clear, however, is the primary focus of existing research on the topic from the perspective of developers and designers, exploring how buildings can be designed or transformed to become, themselves, more adaptable (Arge, 2005; Gibson, 2000; Schmidt et al., 2010). While this line of research is of utmost importance for improving the current property market, it implicitly positions the building itself as the primary carrier of flexibility.

In the context of CRE, however, the building and its physical characteristics constitute only one of several mechanisms through which Corporate Real Estate Management (CREM) can respond to organizational and societal change, particularly in a society that seeks to limit additional production (Lizieri, 2003). This broader approach to flexibility is particularly relevant for office occupiers operating in existing buildings under conventional leasehold agreements, where interventions to physical characteristics are limited. This is particularly the case in the Amsterdam office market, where 64% of offices larger than 500 m<sup>2</sup> are occupied by leasehold corporate users (TNO, 2023). As a result, understanding what flexibility means in this context becomes not merely desirable but necessary to keep pace with business functions and organizational change.

### 1.3 Research Goal

The goal of this research is to expand the body of knowledge on how corporate office occupiers under conventional lease structures understand and deploy flexibility as a strategic response to organizational and contextual change within Corporate Real Estate Management (CREM). Focusing on the asset level, the study investigates the main flexibility dimensions and mechanisms available to leasehold occupiers throughout the occupier-building lifecycle.

The research primarily draws on qualitative interviews with occupier consultants and occupiers, who provide practice-based insights into how different forms of flexibility are interpreted, prioritized and applied in relation to their contextual characteristics. By contributing to this body of knowledge, the study aims to support corporate real estate managers and consultants in developing a clearer understanding of flexibility in this context, as well as of the strategic options available to align real estate decisions with organizational needs.

### 1.4 Research Questions

In response to the research context, problem statement and research goal, this master's thesis addresses the following main research question:

**How do corporate office occupiers under conventional leaseholds understand flexibility within their Corporate Real Estate Management context?**

The main research question is further specified through the following sub-questions:

*Sub Research Question 1:* Why is flexibility important for corporate office occupiers under conventional leaseholds?

*Sub Research Question 2:* Which flexibility mechanisms are applied by leasehold office occupiers, and through which flexibility dimensions are they operationalized?

*Sub Research Question 3:* How do organizational and building characteristics shape the flexibility mechanisms occupiers pursue?

### 1.5 Scientific and Societal Relevance of Research

In line with its goals, this research contributes to the academic debate by building on studies that have started to broaden the understanding of flexibility in Corporate Real Estate Management beyond the physical characteristics of buildings, including functional, financial, contractual, technical, legal and organizational dimensions (Den Heijer, 2025; den Heijer & de Jonge, 2004; Gibson & Lizieri, 1999; Halvitigala & Reed, 2015).

As noted by Gibson (2000), the existing literature lacks differentiation between flexibility at the asset and portfolio levels. Since then, scholars have broadened the discussion of flexibility in corporate real estate, but often either reproduce this lack of differentiation or maintain a physically oriented focus at the asset level. This study responds by adopting a multi-dimensional asset-level perspective, focused on corporate occupiers operating under leasehold conditions within multi-tenant office buildings. This unit of analysis, while highly common in the office market, remains underrepresented in academic research, making the study a relevant and timely addition to the existing literature.

In addition, the societal relevance of this research lies in its potential to support more informed and sustainable decision-making in the management and use of existing office buildings. A clearer understanding of flexibility from the occupier's perspective can improve landlord-tenant dialogue and lead to better-aligned arrangements. This, in turn, has direct implications for workplace, lease and asset-level discussions, affecting decision-making at both the organizational and individual levels, including how people work and experience the office environment.

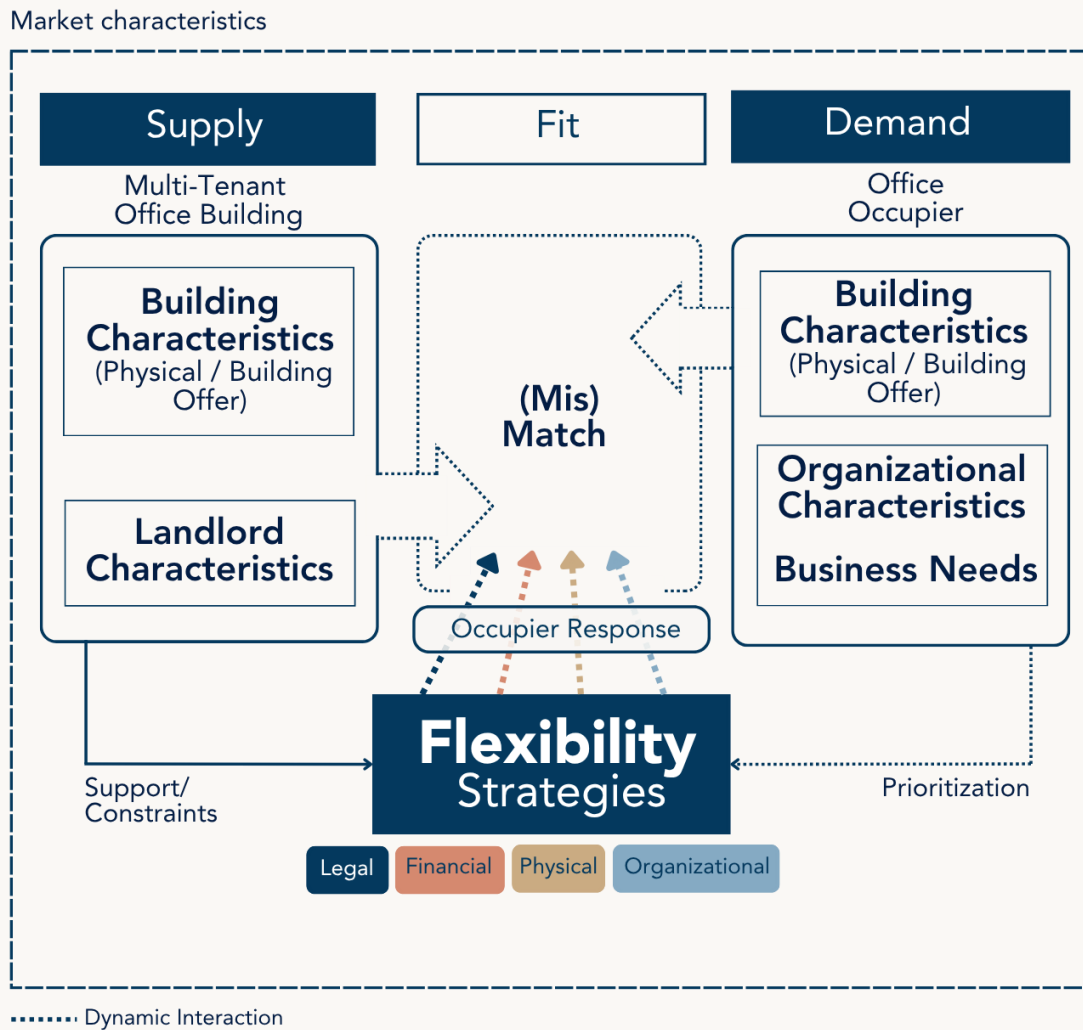
## 1.6 Deliverables

This master's thesis is structured around its deliverables and academic milestones to ensure feasibility and academic quality. The main deliverables of this research include a working definition of flexibility as understood by corporate office occupiers under conventional leaseholds, grounded in scientific literature and refined in the empirical research phase through insights from semi-structured interviews and an illustrative case study. Building on these inputs, the thesis develops a flexibility framework that organizes the identified flexibility dimensions and their respective mechanisms along the occupier building lifecycle, connected to the relevant stakeholders.

## 1.7 Conceptual Model

The conceptual model in Figure 1 illustrates the main concepts that will be discussed throughout this report. While doing so, it illustrates the relationship between Building Supply and Occupier Demand, where a (mis)match between these two forces represents a dynamic state within the CREM Office context. Building Supply is shaped by both the physical and managerial characteristics of the multi-tenant office building, while Occupier Demand is driven by evolving business needs, organizational traits, as well as building characteristics. This dynamic is further constrained by broader Market Characteristics, over which the parties have no influence.

**Figure 1** *Conceptual Model*



To address this misalignment, this research positions flexibility as a response, approached from the occupier perspective. The flexibility strategies that support a better fit between supply and demand, categorized through legal, financial, physical and organizational lenses, are themselves influenced by building and business characteristics. By operationalizing these flexibility dimensions in line with organizational priorities and the possibilities within the building, leasehold occupiers seek to bridge the gap and continuously adapt their space to changing needs, ensuring that real estate remains a strategic resource that supports organizational goals in an uncertain market.

## 1.8 Structure of the Thesis

This research is structured into nine chapters. Chapter 1 introduces the research, while Chapter 2 reviews the literature on office buildings and workplaces, corporate office real estate, Corporate Real Estate Management and flexibility. Chapter 3 presents the research methodology, including the research design, data collection methods and analysis approach. Chapter 4 reports the empirical research and Chapter 5 presents and discusses the findings, connecting the empirical study to the theoretical framework. Chapter 6 presents the conclusions, limitations and recommendations, followed by a reflection on the research process in Chapter 7. The report closes with the acknowledgments on Chapter 8, the reference list in Chapter 9 and the appendices.

# Literature Review

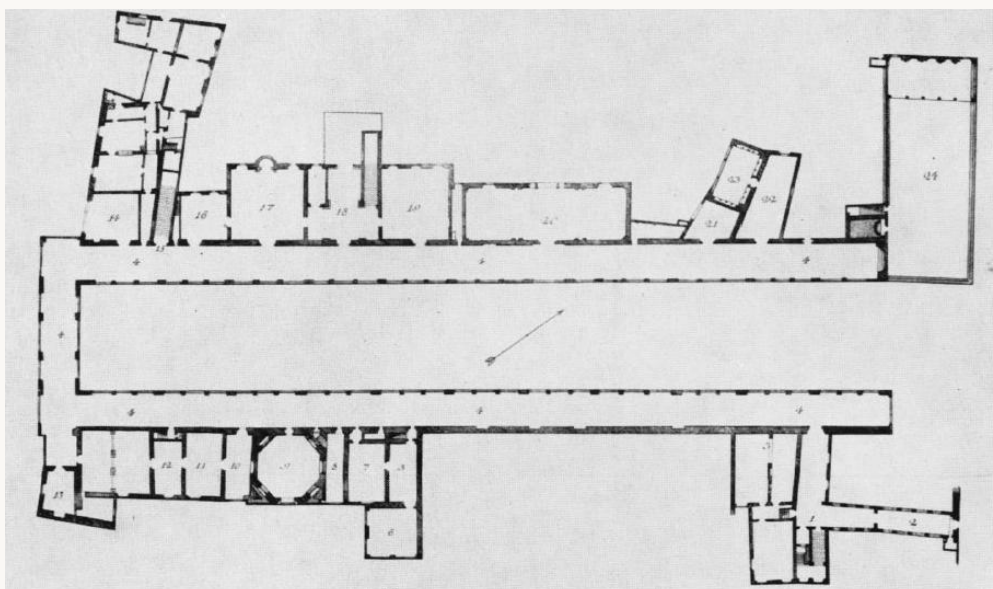
## 2. Literature Review

This chapter situates the study within existing literature, focusing on four main concepts that contextualize and guide the research: Office Building and Workplace, Office Corporate Real Estate, Corporate Real Estate Management and Flexibility. As a starting point, the office building and its units (the office/workplace) are explored. Following this, the concept of Office Corporate Real Estate is presented, including real estate holding types and current market trends. Corporate Real Estate Management is also presented, with a discussion of strategies, and finally, flexibility is investigated as a concept, highlighting the focus on physical flexibility in this context and presenting other possible lenses for flexibility strategies.

### 2.1 The Office Building and Workplace

Work has always required space, and as society's modes of work evolved, so did the environments that accommodate them. Although the concept of office work can be traced back to ancient times, it was in the fifteenth century, with the expansion of international trade and early commercial organizations, that the need for administrative activities significantly increased, leading to a wider need for office work and the emergence of spaces dedicated to performing it (Rassia, 2017). At this stage, offices were mainly linked with governmental administration (Niezabitowska & Winnicka-Jasłowska, 2011). An illustrative example is the Uffizi in Florence, commissioned by the Medici family in 1560 to bring the city's administrative departments and magistrates under one dedicated space, helping centralize administrative control (Museums Florence, n.d.).

**Figure 2** *Uffizi Gallery of Florence, plan of second floor*



Note. From "The cabinet and the gallery: Introspection and ostentation in early collection history," by A. MacGregor, 2015, *La Rivista di Engramma*, 126 ([https://www.egramma.it/eOS/index.php?id\\_articolo=2347](https://www.egramma.it/eOS/index.php?id_articolo=2347)). Copyright by La Rivista di Engramma.

Administrative structures continued evolving, catalyzed by the establishment of early European central banks and their headquarters (Rassia, 2017). In this context, the typology of departmental offices emerged, characterized by long rows of office desks arranged in sequence, a model that remained dominant for centuries (Rassia, 2017). The Industrial Revolution and the nineteenth century further expanded levels of employment in industry and commerce, accelerating the growth of clerical work and, as a consequence, leading to the rise of the office building (Niezabitowska & Winnicka-Jasłowska, 2011).

The phenomenon of the office building, however, did not unfold uniformly across the world. Technological advancements, such as the steel frame and the elevator, enabled the skylines of cities such as New York and Chicago to be shaped by high-rise buildings (Rassia, 2017). It was during this stage in time that considerable advances in real estate practice were made, described by Duffy and Powell (1999) as a time when the value of land was multiplied, and that innovation in investment practices took place to make financing for these new constructions possible.

At the opposite end of the Atlantic, the European office scene also evolved, although not to the same heights as in North America (Rassia, 2017). That can be explained by the fact that European cities are older and shaped by different urban characteristics than those in North America (Duffy & Powell, 1999). In addition, van Meel (2000) describes that the European office market was less developed and professionalized, in comparison to the North American. Despite these differences, the late nineteenth and early twentieth centuries marked, across different parts of the world, the consolidation of industrial civilization. This period was accompanied by a growing number of administrative buildings, scientific and research institutes, and headquarters for expanding companies and corporations (Niezabitowska & Winnicka-Jasłowska, 2011). By the late twentieth century, office buildings were consolidated as landmarks of big cities across the world (Niezabitowska & Winnicka-Jasłowska, 2011).

Building on this development over history, the office building can be understood not only as a physical outcome of economic and technological change, but also as a spatial response to the changing nature of work itself. Its development within the built environment was driven by the need to plan, coordinate, and master knowledge-processing activities such as strategizing, design, supervision, monitoring, decision-making and interaction (Hassanain, 2010). More than just supporting those tasks, office buildings and their spaces have the ability to add value by improving the accomplishment of work through the environment (Hassanain, 2010).

Beyond their operational and financial roles, office environments increasingly serve as spatial representations of the organizations they host. In this sense, the workplace becomes a medium for communicating corporate values, culture, and identity, serving as a “physical manifestation of an intangible corporate ethos” (Harris, 2016, p. 11). The role of

the office expands to being a space that fosters innovation, community and social interaction (Niemi & Lindholm, 2010).

As seen throughout history, office buildings can be understood as products of their time (Blakstad, 2001). However, that does not mean that they are hostages of their time. The activities and organizational practices taking place within them continuously shape or demand from the building itself, linking the physical environment to the social structures it accommodates (Blakstad, 2001). Consequently, what is recognized as “office space” is not static but dynamic, evolving in response to changing cultural, organizational, and economic contexts (Blakstad, 2001).

## 2.2 Corporate Office Real Estate

While the office building and workplace were introduced in the previous section from an architectural and functional perspective (Section 2.1), in the field of Corporate Real Estate, the focus is shifted to the building as an asset. From this point of view, office buildings are not only environments where work takes place, but also organizational resources that influence business operations and financial performance.

In this context, Corporate Real Estate refers to the real properties where an organization's core business activities take place (Core Net Global, n.d.). Its scope can be extensive, encompassing all facilities that support a business's daily operations (Core Net Global, 2015). Examples of CRE assets include manufacturing plants, distribution centers, and the office buildings discussed previously (Section 2.1) (Core Net Global, 2015).

Property costs constitute one of the largest overhead expenses for corporations, typically second only to wages, highlighting the financial relevance of office space and the decisions related to it (Cock & French, 2001). At the same time, as previously mentioned, offices contribute to organizational identity and workplace performance, reinforcing their operational and symbolic importance. Together, these operational, financial and cultural dimensions position the office as a critical component for organizations. In light of this perspective, the following subsections examine the characteristics of Corporate Real Estate, including property tenure and occupancy, the relationships involved and current trends.

### 2.2.1 Property Tenure and Occupancy Arrangements

The right to access and use real property, such as an office building or a workplace within it, can be derived from various legal and contractual mechanisms. Each agreement has its specific considerations regarding financial commitments, time-bound specifications, liability, balance sheet considerations and ownership. Understanding the different possibilities is needed when discussing corporate real estate, as distinct arrangements permit different options for a business.

While the distinctions among property tenure forms, ownership structures and office provision models could be a thesis topic in its own, an introduction to the predominant forms of office occupancy is sufficient to illustrate how different configurations shape strategies within the scope of this research. In light of that, the following table (Table 1) and paragraphs briefly introduce the main forms of tenure, including freehold and leasehold and discuss alternative arrangements available to office occupiers.

When analyzing different types of tenure and occupancy arrangements, an increasing service-dominant logic becomes clear, in which corporations seek to servitize the office and are willing to invest in the experience and use value associated with the workspace (Petrulaitiene et al., 2018).

**Table 1** *Property Tenure and Occupancy Arrangements*

Arrangement	Description	Implications	Sources
<b>Freehold</b>	Purchase of physical space, transferring ownership rights and legal title to the buyer.	(+) Complete control over use, asset appreciation and disposal through sale. (-) Liability risk and tied-up capital	Core Net Global (2015)
<b>Leasehold</b>	Transfer of an asset for a limited time in return for rent	(+) Sustained liquidity, reduced debt and the prevention of high initial investments. (-) Limited control over use, low solvency position and limited upside from market appreciation	Merrill (2020); Verhoeff et al. (2014); Remøy et al. (2019)
<b>Sale-Leaseback</b>	A transaction where a company sells an asset and immediately leases it back.	(+) Strategy frees up capital, properties sold at price premium (-) Loss of ownership and control	Grönlund et al. (2008); Sanderson et al. (2019); Wilson (n.d.)
<b>Coworking Spaces</b>	Shared non-home, nonconventional offices where individuals, teams, or organizations work alongside others.	(+) More flexible overall terms, access to community, services and multiple locations (-) Less control over space	Johns et al. (2024), Echeverri et al. (2021), RICS (2019)
<b>Serviced Offices</b>	Fully equipped office facilities operated by a provider who rents offices or floors on a serviced basis.	(+) Ready-to-use space with service and amenities, more flexible overall terms (-) Higher occupancy cost, less control fitout	Petrulaitiene et al. (2018), Cooke et al. (2022)

### 2.2.1.1 Freehold

Freehold is characterized by the purchase of physical space, transferring ownership rights and legal title to the buyer (Core Net Global, 2015). Owning a property/floor as the premises of your business grants the organization complete control over use, the opportunity for asset appreciation and a return on investment upon disposition (Core Net Global, 2015). However, it brings increased liability risk, tied-up capital and potentially higher occupancy costs (Core Net Global, 2015).

### 2.2.1.2 Conventional Leaseholds

A lease is defined by Merrill (2020) as "a transfer of an asset for a limited time in return for periodic payments called rent" (p.1). Firms that value short-term flexibility or want to avoid having capital locked into property assets typically opt to lease their corporate real estate (Core Net Global, 2015). In addition to a potential preference, Gibson (2000) indicates that, in markets with scarce options for occupiers, the vast majority of vacant property is predominantly offered on a leasehold basis.

Leaseholds can improve financial conditions by avoiding substantial upfront investment, preserving liquidity, reducing reliance on debt and allowing capital to remain available for core business activities (Lasfer, 2007, as cited by Remøy et al., 2019). However, as noted by Remøy et al. (2019), leaseholds cannot be sold and, therefore, are harder to dispose of in comparison to freehold. Additionally, leasing may result in lower solvency, because the company does not hold the real estate as an owned asset that strengthens its balance sheet, lessees have limited possibilities to make changes to an asset, and asset appreciation is not captured by the lessee (Verhoeff et al., 2014).

In relation to financial positioning, organizations that are subject to IFRS (International Financial Reporting Standards) must follow IFRS 16, requiring most real estate leases to be recognized on the lessee's balance sheet as a right-of-use asset and a corresponding lease liability. As a result, leasehold arrangements become more visible in financial reporting, increasing the size of organizations' balance sheets and potentially impacting credit ratings and borrowing costs, which can affect the core business of an organization (PWC, 2016).

### 2.2.1.3 Sale-Leaseback (SLB)

In a sale-leaseback agreement, a company sells an existing real estate asset to another party and simultaneously enters into a lease agreement to continue occupying that space (Grönlund et al., 2008). As a result of this transaction, ownership of the asset is transferred to the buyer, who typically assumes responsibility for the management of the property and bears the residual risks associated with its ownership (Grönlund et al., 2008).

Research by Sanderson et al. (2019) suggests that properties involved in this type of transaction are often sold at a price premium compared with conventional real estate transactions, with a difference of approximately 20%. The higher premium is justified by a

guaranteed tenant, long lease terms and the fact that the tenant is usually a large corporation with strong credit quality, reducing the risk of the investment for the investor (Sanderson et al., 2019).

Following the sale, the former owner becomes the tenant while maintaining operational use of the space. In practice, these leases are typically long-term agreements, with rental payments structured so that, over the duration of the lease, the investor can recover the acquisition cost of the property while obtaining a stable return on investment (Wilson, 1953). From the point of view of corporate finance, this strategy is chosen by many companies because it frees up capital that would otherwise be tied up in real estate (Sanderson et al., 2019).

#### 2.2.1.4 Coworking Spaces and Serviced Offices

In addition to freehold, leasehold and transitional arrangements such as sale and leaseback, office occupiers also make use of arrangements that offer service-oriented occupancy solutions, such as coworking spaces and serviced offices.

Coworking Spaces (CWS) are defined by Johns et al. (2024) as "nonhome, nonconventional office sites where individuals, teams, or even entire organizations engage in work, with the aim of benefitting from synergistic encounters with a community of other coworkers" (p.1). These premises aim to cater to diverse user needs, offering spaces for activities ranging from confidential work to informal areas (Echeverri et al., 2021). Arrangements to use CWS are usually arranged on an hourly, weekly, monthly, or yearly basis and, upon subscribing, users typically have access to various types of community events and work-related services (Echeverri et al., 2021). This membership scheme can take many forms, with users being able to choose from a range of properties nationally or even internationally, according to the agreed terms (Royal Institution of Chartered Surveyors - RICS, 2019).

Serviced offices represent another model of workspace provision, which consists of fully equipped office facilities, managed by an operator who rents out individual spaces or floors to organizations (Petrolaitiene et al., 2018). This typology offers a "traditional" office space, licensed to organizations on a serviced basis, together with building and business support services, facilities and technologies (Cooke et al., 2022). Tenants are commonly provided reception services, lounges, meeting rooms, refreshments and office equipment. Compared with conventional leaseholds, serviced offices can offer more flexible terms overall (Boge & Pedersen, 2026).

The motivation for selecting this type of space can vary, especially given its higher cost compared to a traditional office on a standard lease, however, researchers reveal a pattern of coworking spaces and serviced offices being selected by occupiers seeking agility within their portfolio (Cooke et al., 2022). An example can be large corporate occupiers for short-term projects or new product development teams, as well as

organizations that are entering a new city, or would like to test the solution before making longer-term commitments through a conventional lease.

A study by the Royal Institution of Chartered Surveyors (RICS) demonstrated acceptance of these models, showing how it has evolved from a small niche product into a significant and increasingly mainstream segment of the office market. However, because of the rapid expansion of this sector, and the product being still evolving, its long-term resilience remains uncertain (Royal Institution of Chartered Surveyors - RICS, 2019).

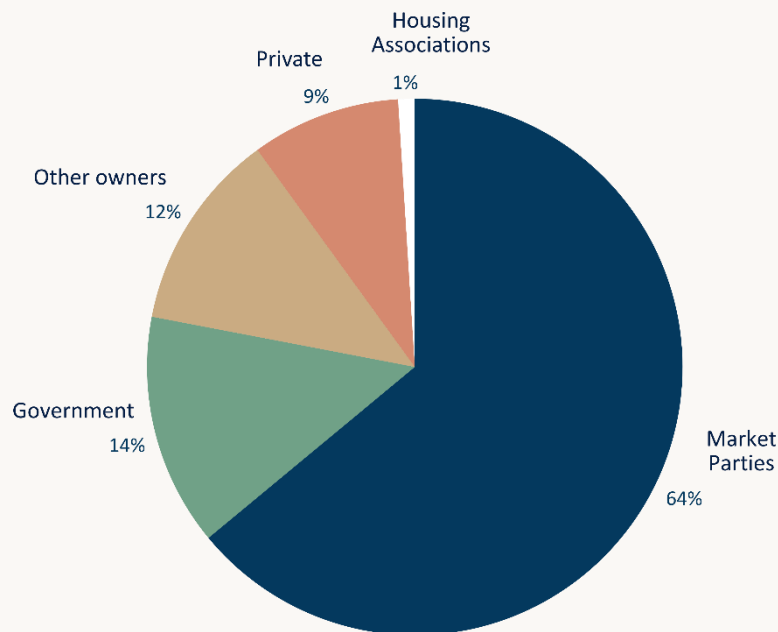
### 2.2.2 Occupier-Landlord Relationship in a Leasehold

In addition to the nature of the space provision, another factor influencing a business's office space options is the relationship between the occupier and the landlord. Looking specifically at conventional leaseholds, landlords and tenants have a standard set of responsibilities. The landlord is typically required to provide the property in good condition, maintain specific parts of it (such as the façade and roof), repair defects, and, since 2023 in the Netherlands, provide an office space with an energy label of at least C (BakerMckenzie, n.d.). Tenants, on the other side of the agreement, must pay rent, maintain the property, including installations and other internal work, and provide a guarantee (concern guarantee/bank guarantee) or pay a cash deposit (BakerMckenzie, n.d.).

In addition to these standard agreements, a changing landlord-tenant dynamic has recently been observed. Where previously long-lease structures created a remote relationship for the landlord, who would treat the building as a pure financial asset with less concern for the quality of the space (Lizieri, 2003), today's office market sees landlords working closely with clients to improve workplaces (Savills, 2025a). Furthermore, a large portion of the occupiers seeking support from the landlord to provide better amenities are prepared to pay the premiums for them (Cushman & Wakefield & Core Net Global, 2025).

Moreover, the landlord-tenant dynamic is influenced by the type of landlord. A private landlord rents the premises at their own account and risk, whereas real estate owned by institutions is typically managed by asset managers (Dröes et al., 2017). Differences can be seen between these two classes regarding liquid assets, investment horizons, and decision-making freedom, affecting the agreements that can be made between occupier and landlord, such as a private landlord lacking sufficient liquid assets to offer rent incentives (Dröes et al., 2017). In the Netherlands, office stock is primarily owned by market parties (64%), while private players account for only 12% of ownership (Figure 3) (TNO, 2023).

**Figure 3** Share of ownership for office stock Netherlands



Note: Adapted from TNO (2023)

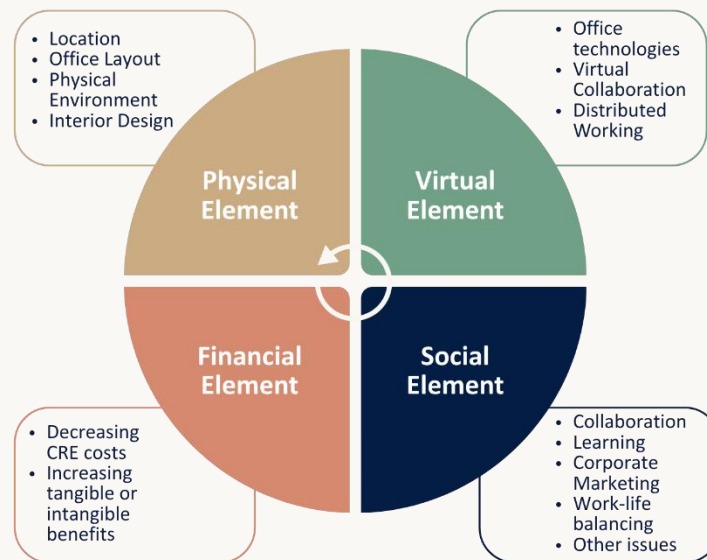
### 2.2.3 Trends in Office Real Estate

As introduced earlier in this report, the function of the office is molded by structural changes in society, which continuously redefine organizational needs, the nature of work and employee expectations. Macroeconomic conditions, changing political systems, shifting demographics, technological developments and tighter sustainability standards influence how companies grow, shrink and merge (Core Net Global, 2015; Van Der Voordt, 2017). The COVID-19 pandemic illustrates this impact chain, having temporarily displaced office work, forced the adoption of remote and hybrid practices and instilled new employee preferences regarding the purpose and value of office space (Fiorentino et al., 2022).

Although discussions about the nature of work and the workplace have increased since the COVID pandemic, debates about how people work are not new. The concept of New Ways of Working (NWW) emerged in the early 1990s and, to this day, explores topics such as flexible working hours, workplaces, working relations and Information and Communication Technology (ICT) (Renard et al., 2021). Next to the concept of New Ways of Working (NWW), related acronyms such as New Working Practices (NWP) have emerged. These approaches similarly explore strategies for organizing work, with the aim of a better utilization of space, lower occupancy costs and better support to the business functions (Oladinrin et al., 2023).

To support diverse and evolving modes of work, the office must provide for and engage its users in different ways and at different levels. Niemi and Lindholm (2010) conceptualize the various roles of the office through four elements (Figure 4): the Physical Element, the Virtual Element, the Financial Element and the Social Element.

**Figure 4** The elements of the office space



Note: Adapted from Niemi and Lindholm (2010)

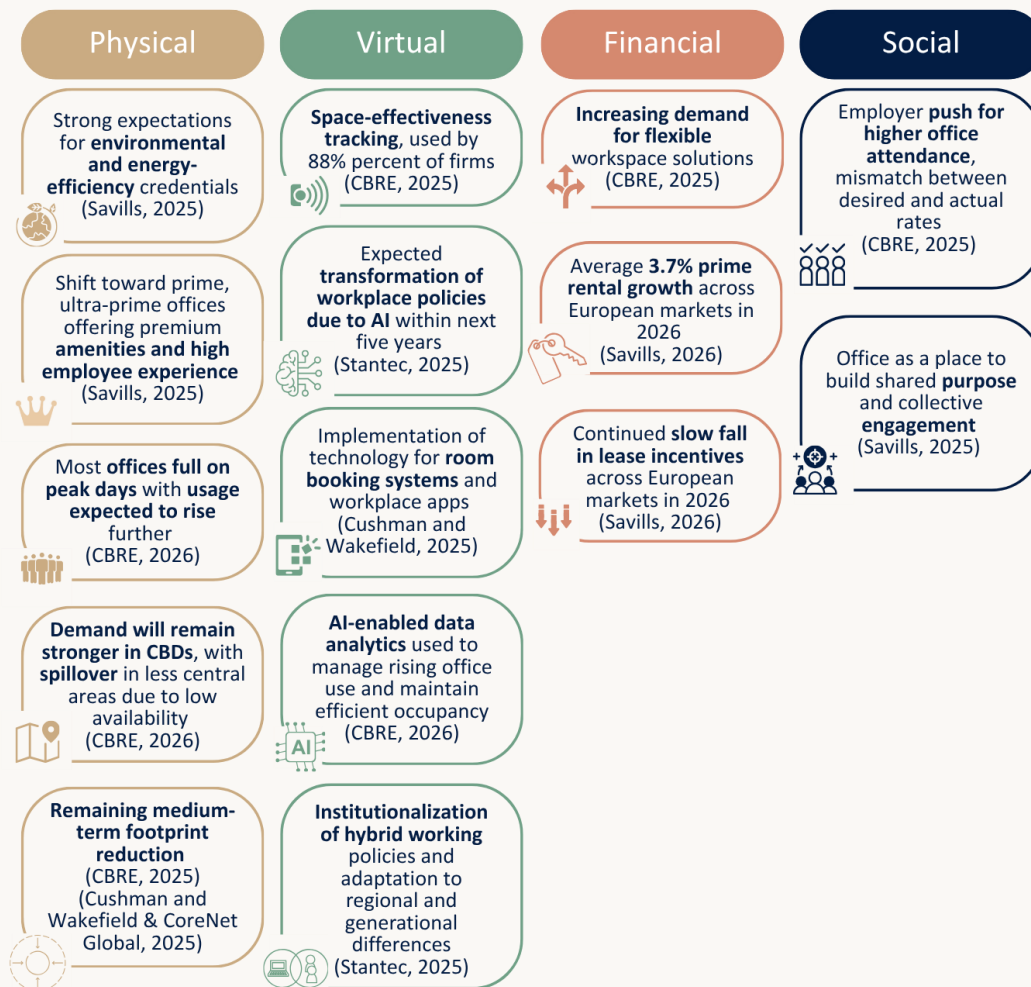
Trends regarding the office space can be mapped onto Niemi and Lindholm's (2010) four elements of office functionality (Figure 5). Within the Physical Element, mapped trends show an increased demand for sustainability credentials (Savills, 2025a), prime amenity and experience-rich offices (Savills, 2025a), full office capacity on peak days and expected increase (CBRE, 2026a), higher demand for space in Central Business Districts with spillover in less central areas due to availability (CBRE, 2026a) and medium-term footprint reduction at the portfolio level (Cushman & Wakefield & Core Net Global, 2025).

In the virtual environment, space is being optimized through tracking (CBRE, 2025), hybrid working is evolving to meet the balance between benefits and culture (Stantec, 2025), AI is expected to shape policies (Stantec, 2025) and technology upgrades are increasingly seen in the form of room booking and workplace apps (Cushman & Wakefield, 2025b).

In the Financial element, a growing appetite for flexible workspace solutions is seen to decrease financial commitments (CBRE, 2025). Savills (2026) predicts prime rents to continue growing, as they did in the year of 2025, combined with a decrease in lease incentives. Regarding the Social element, a push is observed toward increased office

attendance and engagement (CBRE, 2025), with the aim of fostering a workplace that brings employees together around shared objectives (Savills, 2025a).

**Figure 5** Trends in office real estate



### 2.2.4 Dutch Office Market

In line with previously observed trends focused on environmental efficiency, amenities, and high employee experience, the Dutch Office market is currently characterized by companies prioritizing high-quality office spaces with premium fitouts, even at higher cost (Cushman & Wakefield, 2025a). This strong demand for prime spaces clashes with the limited development of high-quality office space (ASR Real Estate, 2025; JLL, 2025). This context drives up prime market rental values, especially in the "G5 cities": Amsterdam, Rotterdam, The Hague, Utrecht, and Eindhoven (ASR Real Estate, 2025).

This supply-demand mismatch benefits landlords in high-pressure environments (JLL, 2025). Occupiers, faced with limited alternatives regarding the property they seek and amid global economic uncertainty, see relocation as financially prohibitive, positioning them in a "locked-in" dynamic in which renewing contracts is favored over relocation (JLL,

2025). While on one end of the market, these prime properties are in high demand and seeing rising prices, less competitive properties struggle to keep pace, characterized by limited accessibility, fewer amenities, or lower-quality specifications (ASR Real Estate, 2025; JLL, 2025), creating a highly segmented office market.

In the Netherlands, Amsterdam has the largest office market and is home to a large number of national and international companies, especially in the ICT and financial sectors (Dröes et al., 2017). The city has long been considered a prominent business hub (Dröes et al., 2017). The business district of Amsterdam Zuid is highlighted in terms of performance for its proximity to the client and the market, and is currently benefiting from demand for premium spaces due to the high-quality of its real estate (Hello Zuidas, 2025)

Following is an overview of take-up, vacancy rates, prime rents and lease characteristics that introduces the figures that make up the current Dutch Office market.

#### 2.2.4.1 Take Up

Recent Q3 2025 market reports suggest an increase in office letting activity in the Netherlands, though reported growth rates vary across sources. Cushman & Wakefield (2025) describes a 19% rise, amounting to a take-up of 667.000 sqm in the first nine months of 2025, while Savills (2025b) estimates a growth of 7,8% over the same period. The majority of office take-up is focused within the G5 cities (ASR Real Estate, 2025). The limitation of take-up is driven by the previously mentioned shortage of high-quality spaces, rather than weak occupier demand (Cushman & Wakefield, 2025a).

#### 2.2.4.2 Vacancy Rate

The take-up dynamics described are directly reflected in vacancy levels reported across the Dutch office market, which range from 5,4% to 12,1% in market reports (ASR Real Estate, 2025; Cushman & Wakefield, 2025a; JLL, 2025). In the report indicating the higher overall vacancy level, vacancy rates in Q5 intercity locations are nevertheless comparable to the lower end of the reported range, at approximately 6.4%, with particularly low vacancy observed in Amsterdam and submarkets such as Amstel Station, Southeast Arena, and the South Axis (ASR Real Estate, 2025). In these prime locations, low vacancy constraints further take-up, limiting availability of suitable space (ASR Real Estate, 2025).

#### 2.2.4.3 Prime Rents

Regarding prime rents, the numbers seen between market reports are similar. Cushman & Wakefield (2025a) shows a prime rent of 600 sqm/year, and JLL (2025) and ASR Real Estate (2025) highlight Amsterdam with a market-leading position, with a specific focus on the South Axis as a national benchmark for top tier pricing.

#### 2.2.4.4 Lease Characteristics

Leasing is prevalent in the Dutch Office market, with 64% of offices larger than 500 m<sup>2</sup> being under leasehold contracts (NVM, 2011, as cited by TNO, 2023). When speaking of lease terms, the typical lease term for office real estate is described in industry reports as 10 years long (Colliers, n.d.).

## 2.3 Corporate Real Estate Management

### 2.3.1 CREM of the Office

Corporate Real Estate Management (CREM) is the discipline responsible for managing corporate real estate assets, ensuring that at strategic, tactical, and operational levels, these premises are continuously aligned with the corporation's needs and objectives, making the highest and best use of the property (Kaluthanthri\* & Osmadi, 2019).

These properties are essentially designed and constructed for the occupiers, requiring the supply side to understand the needs and preferences of those who will use the premises (Niemi & Lindholm, 2010). Blakstad (2001) conceptualizes this relationship between the building and its users as dialectical, in which both sides mutually affect one another. On the one hand, the physical building must adapt to changes in users' organizations. On the other hand, organizations themselves will adapt to the building's possibilities and constraints (Blakstad, 2001). Because both the organization and the building evolve over time, a mismatch between what the building can provide (supply) and what an organization requires (demand) is a constant (Blakstad, 2001).

However, maintaining this necessary alignment between supply and demand is complicated by two main issues. Firstly, the institutional structure of the market, inflexible and inert, acts as a constraint to the provision of appropriate commercial space (Lizieri, 2003). Secondly, rapid changes in society constantly drive new needs and business forms, faster than the built environment can adapt to. This is further intensified by the fact that organizations often find it challenging to project their needs more than one year ahead, and rarely do so more than three, as noted by Gibson (2000), making it hard to forecast needed changes.

In this context, Corporate Real Estate can play a greater strategic role in corporations (Core Net Global, 2015), reducing the gap between the high speed of business and how the real estate adapts to it (Arkesteijn, 2019), as well as redefining the "when", "how" and "where" questions that now surge related to workplace and result in new office concepts (Van Der Voordt, 2017). As responsibilities expand, workplace management is increasingly seen as a business function, shifting from managing buildings to broader people management (Harris, 2016).

### 2.3.2 Corporate Real Estate Strategy (CRES)

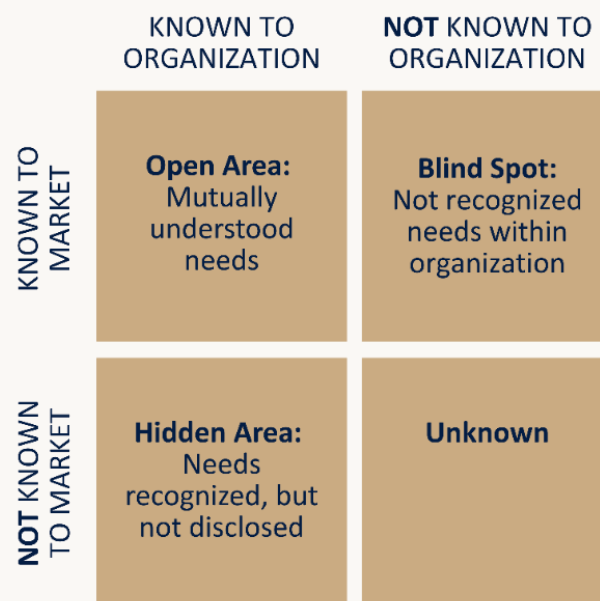
In many organizations' decision-making processes, real estate-related choices are often reduced to acquisition and location, overlooking the fact that real estate itself is a

business activity strategy (Nourse & Roulac, 1993). This illustrates the distance between real estate and business strategies, even revealing the occasional absence of an explicit real estate strategy (Nourse & Roulac, 1993). In these circumstances, many real estate operating decisions tend to be made in a vacuum (Nourse & Roulac, 1993). Although this reveals a worrying situation, it also presents an opportunity for CREM alignment, especially at a time when the discipline is receiving increasing attention as a business function, with CRE shifting from a reactive, cost-focused posture to a proactive, strategic approach to the business (Core Net Global, 2015).

To take advantage of this momentum, returning to first principles and definitions is necessary. Corporate Real Estate Strategy (CRES) can be understood as a coordinated set of corporate real estate-related decisions and actions designed to support and achieve an organization's long-term objectives (Appel-Meulenbroek & Haynes, 2014). Although the scientific literature presents different strategies through lists and discussions, the steps and tools for implementing an aligned strategy are, in practice, less widely discussed (Appel-Meulenbroek & Haynes, 2014).

Niemi and Lindholm (2010) make use of the Johari Window framework to approach real estate needs (Figure 6), which, in turn, can lead to objectives. These needs exist, whether they fall within the open, blind, hidden or unknown areas. Even when not identified, these needs persist (Niemi & Lindholm, 2010). Once identified by the organization or external parties, these needs become requirements that can be acted upon (Niemi & Lindholm, 2010). A similar approach is taken by Blakstad (2001) in the researcher's "Strategic Approach to Adaptability", where the stage of recognizing, interpreting and understanding signals and situations that either become an opportunity or a problem, is referred to as "Awareness" phase.

**Figure 6** Discovering the Needs of the Organization



Note: Adapted from Luft (1969)

However, an organization's resources are usually limited and responses to these requirements must be guided by priorities (Niemi & Lindholm, 2010). As noted by Veale (1989), prioritizing demands is central to shaping CREM policies and strategies. This prioritization phase transforms requirements into preferences, reflecting both external and internal factors affecting the organization, such as the firm's primary activities, company culture and its competitive positioning (Niemi & Lindholm, 2010).

The reports "What Occupiers Want" by Cushman & Wakefield and Core Net Global (2025) and "Reimagining Workplaces" by Cushman & Wakefield (2025b) identify key drivers influencing office real estate decisions (Figure 7). In the EMEA region, the most recurring are: Talent Sourcing & Retention, Cost Pressure, Corporate Brand, Growth/M&A and Operational Excellence (Cushman & Wakefield & Core Net Global, 2025). Other common drivers are higher office attendance expectations, improvement in employee experience and engagement, increase in productivity and performance, reduced space requirements, redesign of the workplace for new ways of working and better support for hybrid work (Cushman & Wakefield, 2025b).

**Figure 7** Common Drivers for Real Estate Decisions



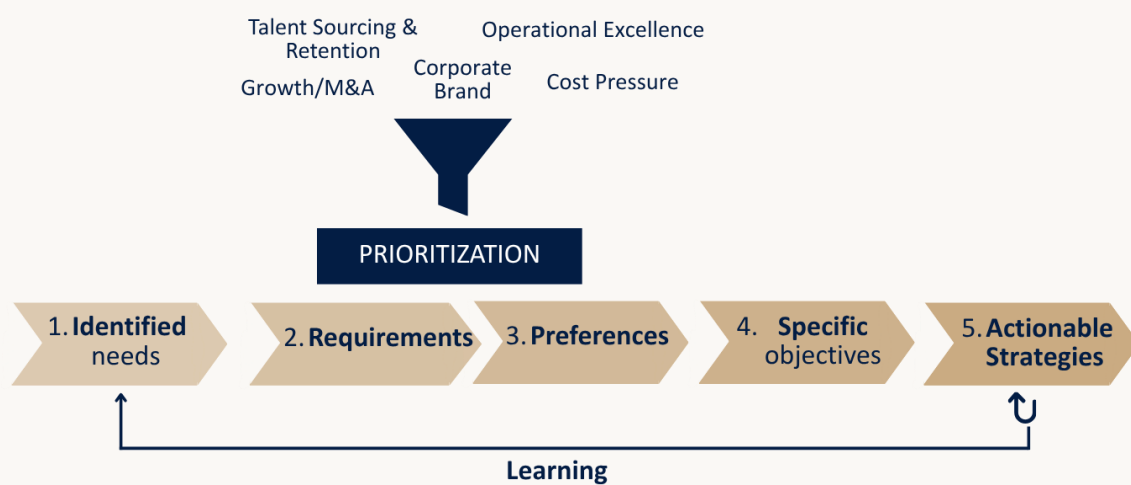
Once organizational needs are identified and selected through such drivers, they become specific objectives. This phase is referred to by Blakstad (2001) as "Analysis". At this stage, goals and options are formulated iteratively to respond to the identified need. The iteration in this process ensures that the eventually chosen action is rooted in a deep understanding of the context and future uncertainty, rather than a rushed response to a perceived crisis (Blakstad, 2001).

Goals and options are then translated by the CREM function into actionable strategies, thereby concluding the steps in the figure below (Figure 8). At this stage, organizations commit to a course of action and allocate the necessary resources to implement the chosen solution in practice. The process requires managerial coordination to organize administrative tasks, mobilize actors involved, and ensure that the intended strategy is effectively executed (Blakstad, 2001). Even so, a Cushman & Wakefield (2025b) report shows that the process of defining specific objectives and applying strategies

consistently is rare in practice, with only 4% of consultants describing their workplace clients as having "very clear" workplace strategy objectives.

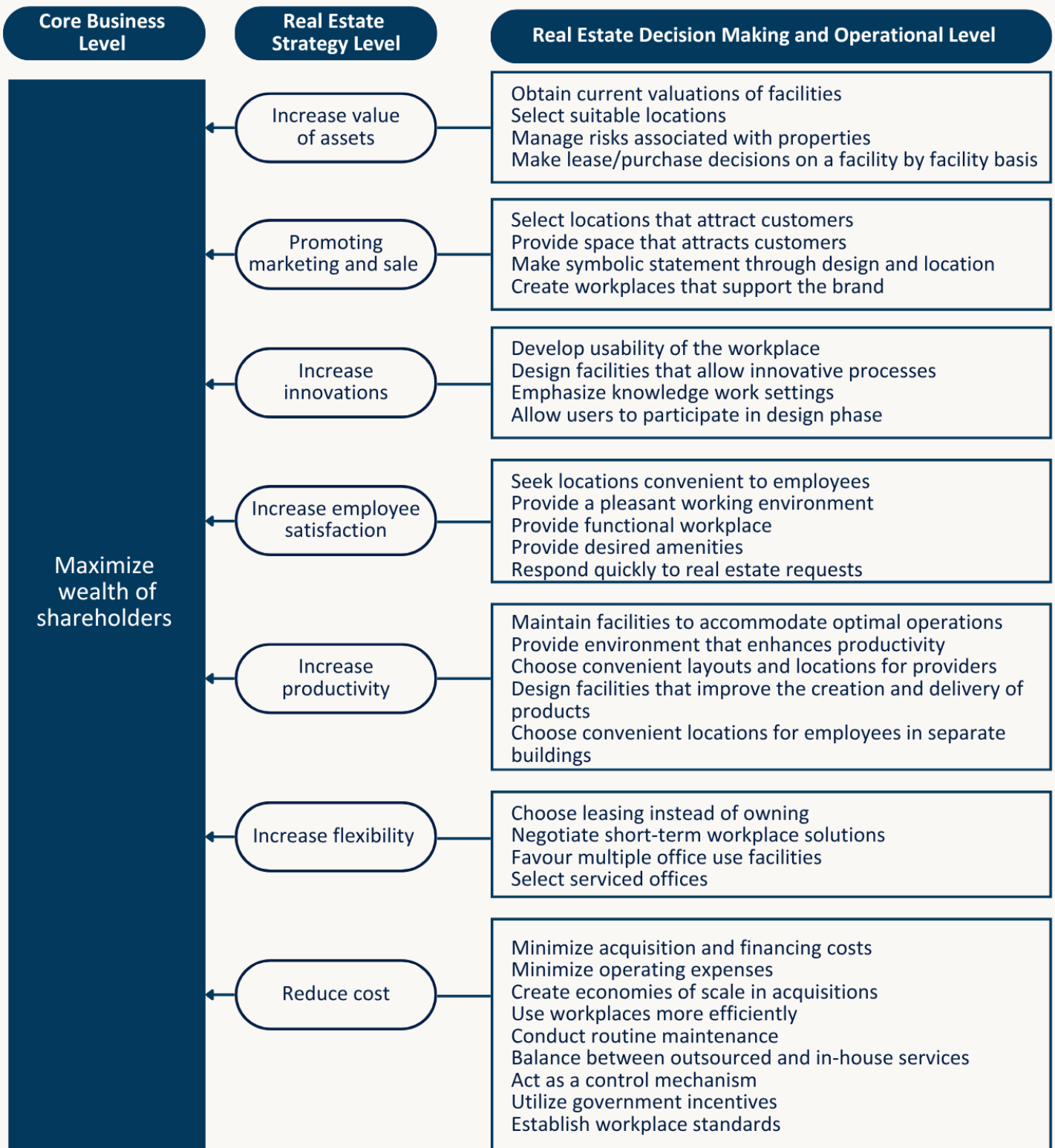
After taking action, a "Learning" stage turns this process into a cycle (Blakstad, 2001). This stage involves two distinct levels of response: one that adjusts immediate strategies to improve performance while maintaining core goals, and another that returns to earlier stages to re-evaluates values and assumptions, leading to major adaptations (Blakstad, 2001). By incorporating feedback from past experiences, this stage allows an organization to draw lessons that lead to continuous improvement (Blakstad, 2001).

**Figure 8** Steps for a CRE strategy



The following model (Figure 9), adapted from Lindholm et al. (2006), showcases the link between business and real estate strategies that guide operating decisions. In businesses where this link does not exist, the "vacuum" mentioned at the start of this section prevails. When CRE fails to identify the core business's needs, confidence across business units is not built, and decision-making at the real estate level is hampered. In addition, even when CRES leads to value adding, the lack of cooperation makes it difficult to communicate these improvements to the executive leadership team (Lindholm et al., 2006).

**Figure 9** Real estate strategies and decision making



Note: Adapted from Lindholm et al. (2006)

## 2.4 Flexibility in Corporate Real Estate

### 2.4.1 What is flexibility

The term "Flexibility", according to Oxford Advanced Learner's Dictionary (n.d.), means "the ability to change to suit new conditions or situations". From the same source, "Adaptability" holds a similar description: "the quality of being able to change or be changed in order to deal successfully with new situations" (Oxford Learners Dictionaries, n.d.). In the built environment, words that convey change and transformation are frequently employed, to the extent of being considered a "buzzword" (Carthey et al., 2011, as cited by Pinder, 2015). The meaning associated with these terms is as scattered as their use, with "Adaptability" and "Flexibility" appearing in literature as both synonyms and distinct concepts (Pinder et al., 2017).

Within scientific literature, researchers such as Blakstad (2001), Pinder et al. (2017) and Askar et al. (2021) have explored the differences in terminology. Citing Leaman and Bordass (2004), Pinder et al. (2017) note the use of "flexibility" when describing short-term changes, while adaptability is used when changes are less frequent but more intensive. Blakstad (2001) classifies adaptability as a "top-down" approach, whereas flexibility is seen as solution-oriented, where changes are limited to a set of alternatives. In line with that, Askar et al. (2021) observe that flexibility is seen in literature as a means to achieve a certain level of adaptation. Overall, these authors position adaptability as the broader concept, with flexibility representing one of the practical means through which adaptation is realized.

By contrast, Schneider and Till (2005), as cited in Pinder et al., (2017) distinguish adaptability and flexibility based on the type of change involved. In their view, adaptability refers to a building's capacity to accommodate different social uses, while flexibility concerns the ability to modify its physical configuration. Askar et al. (2021), drawing on Gu et al., propose a different interpretation in which adaptability refers to changes initiated by external actors, such as users or designers, whereas flexibility describes internal changes to respond to external demands. In addition, Askar et al. (2021) cite Frickle and Shluz, who conceptualize adaptability as the ability to cope with changing environmental conditions without physical alterations, whereas flexibility involves physical changes made in response to external factors.

As can be observed in the previous paragraphs, the forms in which these terms are defined and used vary widely. However, a number of scholars consider that concepts carry similar meanings and are used interchangeably, particularly in practice (Askar et al., 2021). In addition to "flexibility" and "adaptability", other terms are employed for similar purposes, such as "Future-Proofing", or the Dutch term "Beter benutten", referring to a better utilization of existing buildings and spaces (Ministry of Housing and Spatial Planning, n.d.).

Analyzing the wide range of interpretations applied to these terms, Pinder et al. (2005) reached three main conclusions. First, there is no consensus on the meaning of adaptability, leading to misalignments between identified problems and design solutions. Second, definitions tend to be context-specific, reflecting specific market norms and client

priorities. Third, the authors argue that clients often use terms such as adaptability and flexibility without a clear understanding of their practical implications, leading to vague requirements that hinder the delivery of an appropriate level of adaptability in the built environment. The research by Pinder et al. (2005) makes clear the necessity of clarifying the meaning attached to the word, even if context-specific, to move the concept beyond a buzzword and into application.

For the purpose of this research, the terms adaptability and flexibility are used interchangeably, as the focus is not on the distinction between the terms but on understanding the range of mechanisms and practices they describe.

#### 2.4.2 Flexibility as a strategic resource in office CREM

As discussed throughout this literature review, the modern workplace demands a high degree of adaptability (Almajid et al., 2021, as cited in Atef et al., 2024). When speaking of it as a strategic resource in office CREM, it is usually seen as part of the real estate strategy, serving as a supporting force that enables the organizational strategy to succeed. Following the COVID-19 pandemic, the interest in flexibility for the office space rose, both in terms of the use of space and the flexibility included in lease agreements (Meester, 2025). Because the institutional structure of the real estate market constrains the provision of adequate office space (Gibson & Lizieri, 1999), adopting greater flexibility in the managerial aspects of office real estate becomes even more crucial.

*“Incorporating flexibility and adaptability in new and existing buildings and scenario analysis are nowadays widely used strategies to cope with an uncertain future. Within this dynamic context, CRE managers have to steer on usability, effectiveness, efficiency and ways to express corporate identity in a well-balanced way.”*

*(Van Der Voordt, 2017, p. 250-251)*

One common approach to flexibility when discussing office portfolios is through a layered logic. Gibson and Lizieri (1999) divide an organization's spatial footprint between the Core Portfolio and two layers of a Periphery Portfolio. The Core Portfolio accommodates long-term strategic functions and core staff, therefore requiring greater control, while the Peripheral Portfolio layers respond to more uncertain, temporary or fluctuating needs through shorter-term or on-demand arrangements. Although this is analyzed at the portfolio level, it demonstrates how flexibility is strategic and the action must be aligned to a specific need. This logic is also present in the works of Echeverri et al. (2021), which describes different co-working strategies in response to the different flexibility demands of an organization, ranging from short-term support functions, such as temporary project space, to more strategic portfolio arrangements, such as expansion space or testing markets.

The strategic use of flexibility within CREM is therefore described not as a one-time solution, but rather allowing for various possibilities over time, contemplating long-term changes against a time perspective (Askar et al., 2021). The following sections examine the different categories within flexibility strategies in the existing literature.

### 2.4.3 Dominant focus on physical flexibility

Physical flexibility, according to Gibson (2000) reflects the extent to which a building can accommodate alternative layouts, based on its structural characteristics, floor plate form and scale and the adequacy of the building services (Gibson, 2000). Arge (2005), when describing adaptability for office buildings, uses the three concepts of adaptability defined by the Norwegian Building Research Institute: generality, flexibility and elasticity. *Generality* is defined as the ability to meet changing user or owner needs without altering the building's properties, through the characteristics it already possesses (Arge, 2005). Examples include building width, floor-to-floor height, and the technical grid (Arge, 2005). *Flexibility* is defined by aspects of the building that can be easily changed to meet user demands, such as modularity, plug-and-play building elements, and suspended ceilings (Arge, 2005). Lastly, *elasticity* is described as the ability of a building to be extended or partitioned to respond to changing needs, made possible through building form, the organization of space, functional organization, and fire sprinkling, to cite some examples (Arge, 2005). Notably, these concepts refer solely to the buildings' physical design.

Schmidt (2010) also understands adaptability in terms of the physical aspect and describes it similarly to Arge (2005): the capacity to change the built environment to respond to and fit changing needs, maximizing (use-)value. Based on this definition, the researcher identifies six types of adaptability related to the types and frequencies of changes in the physical aspects of buildings. *Flexible* adaptability is modifying internal spaces for various uses; *refitable* adaptability is changing, replacing or removing components; *scalable* adaptability is increasing/decreasing the building size; *movable* adaptability is changing configurations/locations; *reusable* adaptability is being used again in its original form, and *available* adaptability is accessing a ready set of components (Schmidt, 2010).

Den Heijer (2025) follows a similar line of research, defining physical flexibility as the degree to which the built environment can be altered in terms of size, structure, or layout. To make these alterations possible, the author points to technical measures such as building extensions and the removal or addition of walls or floors (Den Heijer, 2025). Going further, the scholar divides physical flexibility into two forms, spatial flexibility, which encompasses the alterations on the outside of the existing structure, such as expanding buildings with temporary tents and rooftop supplements, and technical flexibility, which refers to changes in the inside structure, such as mechanical room dividers (Den Heijer, 2025). Atef et al. (2024), alternatively, refers to the strategy of modular design for easy reconfiguration or use of materials and technologies that permit easy adjustments as "Architectural Flexibility".

Gibson (2000) distinguishes between physical and functional flexibility in the researcher's classification. Within the functional flexibility category, the academic discusses the activities an office can support. This aligns with the "Flexible adaptability" category of

Schmidt (2010), as the examples given by the author regarding the ability of the space to support alternative workplaces (such as team space, meeting areas, and free areas) refer to how the space is physically designed and used.

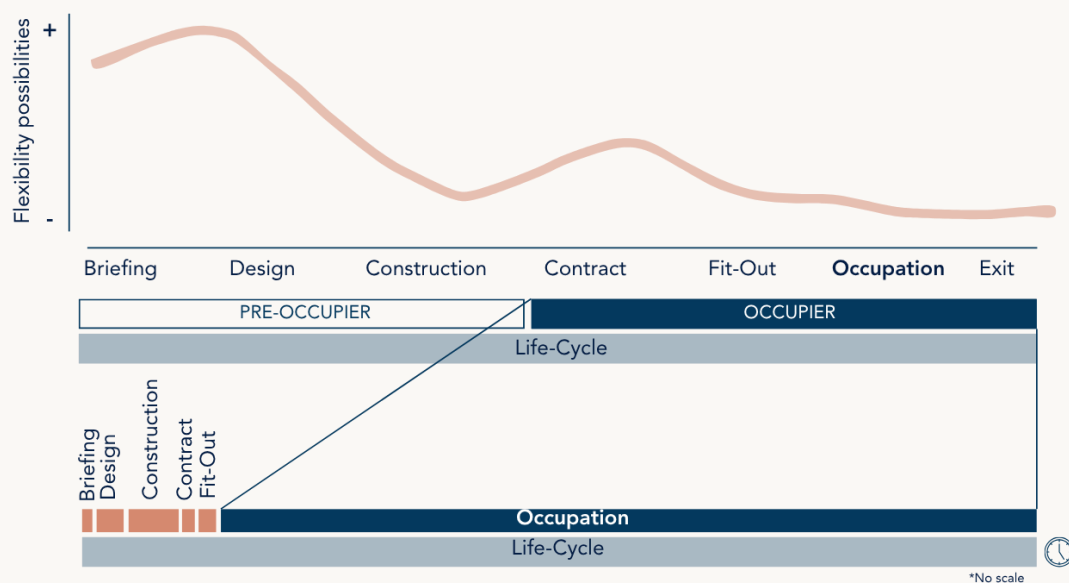
In addition, regarding how the space is organized, Gibson (2000) takes into consideration policies such as hot-desking, as well as a standard office layout and equipment that allow employees to move, rather than furniture, highlighting the focus on the physical features (Gibson, 2000). Echeverri et al. (2021), making use of a similar rationale, discusses Activity-Based-Working (ABW) environments, enabling a layout that can cater to multiple activities and working preferences.

#### 2.4.4 Limitations from occupier/leasehold perspective

As seen above, published work on flexibility in the built environment has a strong focus on physical aspects, discussing it in terms of changes in use, physical layout and size (Blakstad, 2001; Pinder et al., 2017). Pinder et al. (2017) discuss how a clearer view of these aspects during the briefing and design process leads to more alignment in terms of flexibility needs. However, this approach is building-centric and focuses on the way buildings, rather than management, can accommodate change (Pinder et al., 2017).

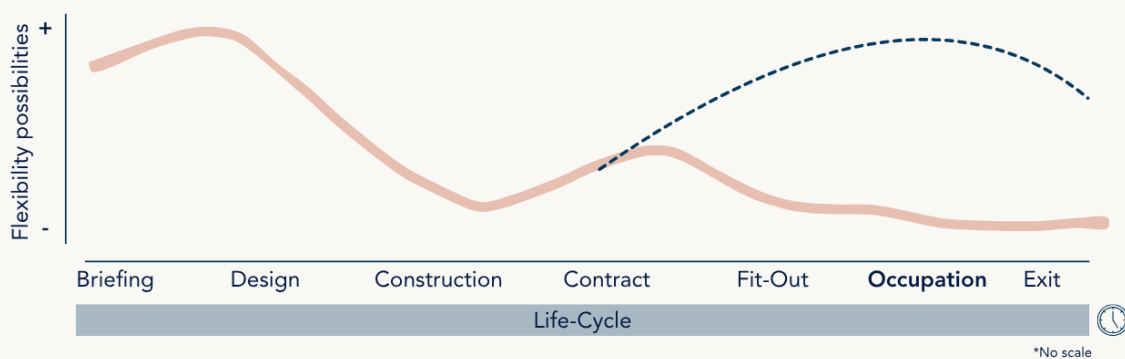
The concentration of flexibility measures during the briefing, design and construction phase implicitly assumes that corporations have control over layout, configuration and functional form of the building (Gibson & Lizieri, 1999), which, as mentioned throughout this research, is not the reality for many office occupiers under leasehold contracts. This imbalance becomes even clearer when a life-cycle perspective of the building is introduced. The pre-occupation phase, during which most design-related flexibility decisions are made, represents only a relatively short period in the building's overall life span, whereas the use-phase can extend over a decade (Figure 10).

**Figure 10** Flexibility strategies over a building life-cycle



Consequently, there is a clear need to understand flexibility from various dimensions, in order to identify strategies that are also applicable from an occupier/leasehold perspective. As Gibson (2001) observes, "there are ways of gaining flexibility even from an inflexible asset" (p.44). Building on this premise, the following section broadens the discussion to other dimensions of flexibility, focusing on how the literature describes mechanisms through which corporations, at later stages of the building lifecycle, beyond briefing and design, can still adapt and respond to changing needs and circumstances (Figure 11).

**Figure 11** Increasing flexibility during use of the building by occupiers



## 2.5 Other Dimensions of Flexibility

### 2.5.1 Legal Flexibility

The literature discussing flexibility within lease agreements is labeled differently by researchers: Halvitigala and Reed (2015) refer to it as "Contractual Flexibility", den Heijer and de Jonge (2004) frames it as "Juridical-Financial" and Gibson and Lizieri (1999) and Crosby et al. (2006) name it "Tenure Flexibility". Despite differences in terminology, the common denominator is the legal measures described as instruments enabling CREM to adapt to changing business conditions. To differentiate these instruments from other sections in this research, the strategies related to lease commitment structures and exit strategies will be referred to as "Legal Flexibility".

A first intersection between legal agreements and flexibility is the lease term. To align lease durations with planning horizons, CREM can seek shorter lease terms, balancing the increasing rent levels they may generate with the financial benefits of leasing mentioned in Section 2.2.1.2, such as not having capital tied up, sustained liquidity and preventing high initial investments (Remøy et al., 2019a). The literature refers to these arrangements being 5+5-year contracts or even three-year lease agreements (Remøy et al., 2019a). However, the lease length does not exhaust the discussion of legal flexibility.

In situations where an office no longer fulfills its functional or strategic role, flexibility may take the form of exiting the space altogether. The typical cost for leaving an agreement

early is the remaining lease obligation (Colliers, n.d.-c). As time progresses and the residual lease commitment diminishes, the financial burden associated with the exit decreases, increasing the level of flexibility (Verhoeff et al., 2014). In addition to paying the residual lease commitment, there are other options to bring leases to an end: early termination right. These mechanisms are, in principle, unattractive to the landlord, making it common for there to be strong resistance to strategies aimed at achieving them (Crosby et al., 2006). That is supported by the fact that early termination is not a statutory right under Dutch law (Colliers, n.d.-c). Nonetheless, Crosby et al. (2006) present three mechanisms for exiting a lease: break clauses, assignments and subletting.

The option to break a leasehold is a way to make longer leases more flexible, providing a safety net in case operations do not go to plan (Crosby et al., 2006). Break clauses are increasingly common in commercial leases, and are recently appearing earlier in contracts, with the most frequent break point being after three years (Crosby et al., 2006). The reason behind break clauses being increasingly early in contracts may be because landlords feel that early breaks are less likely to be operated than later ones, especially if they are in leases where there is substantial tenant fitout (Crosby et al., 2006).

However, the right to break is usually accompanied by a set of rules that can make the presence of a break option not automatically grant more flexibility to an agreement (Crosby et al., 2006). If the tenant does not have an option to break, alternative paths to uncommit to the lease can be assignment or subletting (Crosby et al., 2006). Negotiated subletting and assignment are also not typically included in the Dutch office lease agreement and must be agreed upon separately, as they are not statutory rights (Colliers, n.d.-c).

An assignment happens when another organization takes over the premises at the rent or on the terms of the existing lease (Crosby et al., 2006). An occupier who wishes to make use of this exit strategy must investigate the extent to which their liability on the lease remains, and who chooses the assignee (the occupier or the landlord) (Crosby et al., 2006). In parallel, another path is the right to sublet, increasingly common, containing the same terms as the head lease and at the higher of either the rent passing under the head lease or open market rental value (Crosby et al., 2006). The right to sublet, under the ROZ template lease agreement, is only granted after written consent from the landlord (BakerMckenzie, n.d.). If that is the case, under the Dutch Civil Code, the tenant of an office space has the right to sublet all or part of the leased property, unless the tenant had reasons to assume the landlord will have reasonable objections to the relevant sublease (BakerMckenzie, n.d.).

In addition to exit strategies, flexibility for occupiers in legal terms is also seen in additional contractual provisions, such as a right to expand or contract according to the business situation (Core Net Global, 2015). Meester (2025) describes agreements in which organizations define a minimum rental area, with a clause that allows the exact number of

square meters to be specified in a later year, enabling the area to be adjusted up or down as business needs change. Other terms that may appear in an agreement are options such as the right of first refusal, which can give the tenant the right to lease additional space as well (Core Net Global, 2015).

An important aspect when discussing flexibility is the scale at which a given strategy can be applied. Within the legal flexibility literature, most strategies and actions here discussed are defined at the asset level. Further consideration concerns the temporal placement of these strategies. In the context of contracts, this implies that most flexibility-related decisions must be made before the rights to the space are signed. Consequently, the options enabled by legal flexibility tend to be agreed at the time of contract signing. This indicates that an organization must already possess, at the time of signature, the mindset and strategic intent required to achieve a desired level of flexibility.

### 2.5.2 Financial Flexibility

Financial flexibility is referred to in literature as the capacity of an organization to adjust its real estate costs and commitments in response to future changes in space demand (Gibson, 2000, as cited in Remøy et al., 2019). Accordingly, this type of flexibility is influenced by occupier tenure, lease terms and service level provision of the property provider (Gibson, 2000). Den Heijer (2025), in recent research, describes financial flexibility in a similar manner, exemplified by the ability to rent additional space, on-demand, or also to terminate lease contracts. When compared with the description of Legal Flexibility in the previous section (2.5.1), one can easily see many overlaps regarding occupier tenure and lease terms.

To distinguish between these dimensions of flexibility, the scope of Financial Flexibility in this research does not concern the duration of financial commitments or the termination of lease contracts, which are classified here as Legal Flexibility. Instead, Financial Flexibility refers to mechanisms through which occupiers can reduce real estate expenses or free up financial resources related to their workspace, such as lease incentives or other financial arrangements embedded in the leasing structure.

To begin with, lease incentives are considered a strategy used by landlords to sign tenants into long-term rental contracts (Dröes et al., 2017). These incentives can include rent-free periods, rent discount, fitout contribution, no re-delivery conditions, relocation allowance, among other agreeable clauses (Dröes et al., 2017). These arrangements typically involve a large amount of money (Dröes et al., 2017) and thus, have the ability to free up resources for an organization through direct financial savings (Dröes et al., 2017). These have, of course, to be balanced against the long-term commitment they typically come with. In Amsterdam, fitout concessions are reported by Colliers (n.d.-b) as €100/sqm, varying on the size of the space, area and type of lease, while the rent-free period appears as 6 months, varying also according to the same terms.

Lease incentives, as explained, are included in the contract. For a typical contract involving a single asset, the possibilities are at the asset level. Regarding the time component, the amount of financial flexibility these agreements generate is again defined at the time of signing.

### 2.5.3 Organizational Flexibility

Organizational flexibility is less discussed in literature in comparison to the other types. It is defined in the work of Den Heijer (2025) as the extent to which an organization can be adjusted to match activities and people with available resources. This type of flexibility involves actions such as scheduling space use at alternative times, allowing demand to be absorbed through extended use rather than through additional construction or leasing (Den Heijer, 2025). Alternatively, organizational flexibility also comprises an organization's work-from-home policy, guiding the use of space and preventing crowds, resulting in a lesser demand for space (Den Heijer, 2025). Den Heijer (2025) stresses that these examples depend on users' willingness, making the usefulness of these strategies dependent on bottom-up behavior.

### 2.5.4 Summary of flexibility lenses

The following table (Table 2) presents the summary of the analyzed literature on flexibility lenses, considering how different authors classify flexibility, the types of actions associated with each category, the temporal dimension of when these actions can be implemented, whether they operate at the asset (building) or portfolio level and which actors are involved in the decision-making process leading to their implementation. Due to the plurality of definitions and categories, the final column of the table groups them according to how they are understood in this research, as categorized earlier in this subchapter.

In line with the discussion in Section 2.4.3, the table shows that most authors emphasize the building's capacity to change, including Arge (2005), Gibson (2000) and Schmidt (2010). Within this physical lens, decisions are predominantly made by building owners and technical experts and are typically taken during the pre-use phase. Gibson (2000), Remøy et al. (2019) and De Jonge and Den Heijer (2004) broaden the discussion of flexibility by including tenure structures, lease lengths and the ability to rapidly reduce real estate costs or exit agreements. In addition, Den Heijer (2025) explicitly addresses organizational adaptation, such as time-sharing space or implementing work-from-home policies to optimize the use of scarce resources.

Across the existing literature, both asset-level and portfolio-level strategies are discussed. However, the distinction between strategies intended for a single building and those applicable to multiple buildings is not always explicit, as noted by Gibson (2000). Finally, the time dimension of these strategies demonstrates a gap in their applicability. Most flexibility options identified are determined before an occupier enters the space or are agreed upon during the contractual phase. This highlights the scarcity of tools available

to leasehold occupiers to make their CRE more flexible, and underscores the critical role of more holistic, management-based flexibility strategies

**Table 2** Summary of Flexibility Lenses

Source	Classification	Definition	Example	Time of strategy	Level		Decision-level	Framed in this research as
					Asset (Building)	Portfolio		
Norwegian Building Research Institute / Arge (2005)	Generality	"The ability of a building to meet changing functional Occupation or Landlord needs without changing its properties." (Arge, 2005, p. 121)	Building width, floor to floor height net and technical grid	Pre-Occupier, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
	Flexibility	"Flexibility is the ability of a building to meet changing functional Occupation or Landlord needs by changing its properties easily." (Arge, 2005, p. 121)	Building form, organization of space and fire sprinklers	Pre-Occupier, Fit-Out, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
	Elasticity	"Elasticity is the ability of a building to be extended or partitioned related to changing Occupation or Landlord needs." (Arge, 2005, p. 121)	Modularity, plug and play building elements	Pre-Occupier, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
De Jonge and Den Heijer (2004)	Spatial Flexibility	"The spatial and legal possibilities to develop the surrounding area more intensively" (de Jonge & den Heijer, 2004, p. 76)	Increase density, and expand buildings, both vertically and horizontally.	Pre-Occupier, Renovation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Landlord + Experts	Portfolio Level
	Technical Flexibility	"The structural and technical installation possibilities to adapt the building form and layout." (de Jonge & den Heijer, 2004, p. 76)	Space in the building to make them adaptable.	Pre-Occupier, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
	Legal and Financial (Or Juridical-Financial)	The ability to quickly reduce real estate costs or increase real estate income in response to changes in quantitative space requirements. Flexibility in the legal structures of rental, letting and lease contracts.	Renting part of the real estate portfolio through short-term leases, owning marketable buildings that can be sold or leased relatively quickly on the real estate market.	Contract, Occupation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier + Landlord	Portfolio Level
	Organizational Flexibility	The extent to which the organization is able to adapt itself and thereby better occupy and utilize the available space over time.	Using the space in alternative times to extend Occupation period	Occupation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier	Organizational Flexibility
Gibson (2000)	Physical	"Evaluates the way the internal space can be used (Gibson, 2000, p.41)	"Range of layouts a building might support, the positioning of the columns, the shape and size of the floorplates, the adequacy of the building services" (Gibson, 2000, p.41)	Pre-Occupier, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
	Functional	"The activities an office can support" (Gibson, 2000, p.41). "Alternative workplace" (Gibson, 2000, p.41)	"Physical issues, such as the IT infrastructure that a building could house" "Location of the building" "Potential planning restrictions" "Team space, meeting areas, free address areas and enclosed offices" (Gibson, 2000, p.41)	Pre-Occupier, Fit-Out	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
	Financial	"Concerns organizations need to manage the financial risk and exposure of any real estate decision" (Gibson, 2000, p.41)	"Type of tenure and the terms of any agreement" "How quickly can an organization exit a property? At what cost?"(Gibson, 2000, p.42)	Contract	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Occupier	Legal Flexibility
Den Heijer (2005)	Physical Flexibility	"The degree in which the built environment can be changed in size, in structure or in lay-out, which requires technical measures" "This can be outside or inside the existing structure" "The first form (outside) is referred to as "spatial flexibility" "the second form (inside) "technical flexibility"" (den Heijer, 2005, p.113)	Expanding buildings through temporary tents and rooftop supplements (spatial flexibility). Lecture halls with mechanical "room dividers" (Technical flexibility)	Pre-Occupier, Fit-Out, Occupation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
	Functional flexibility	"The degree in which the built environment can be changed in function". "Compared to physical flexibility, it does not require construction work, but it does need facilities services." (den Heijer, 2005, p.113)	Altering interior design, equipment or services in a room. Allowing different activities to take place in the same classroom (at different times)	Fit-Out, Occupation, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Occupier	Physical Flexibility , Organizational Flexibility
	Occupation flexibility	"The degree in which Occupiers are willing to share (and be less territorial) or time-share: the degree in which they are flexible in time." (den Heijer, 2005, p.113)	Employee's willingness to share the workplace with others or to have a different work schedule (work late).	Occupation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier	Organizational Flexibility
	Organizational Flexibility	"The degree in which an organization can reshape to align its activities and people with the (scarce) resources." (den Heijer, 2005, p.113)	Alternative use of space (in the evenings, for example) to avoid having to acquire extra space. Policies, such as working from home.	Occupation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier	Organizational Flexibility
	Financial Flexibility	"The degree in which the organization can easily align the costs and benefits (of the built environment) with demand" (den Heijer, 2005, p.113)	Renting additional space, on-demand, and ending lease contracts according to the need for space. For owned space, how easily you can find tenants for subutilized space.	Contract, Occupation, Renewal/Exit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier + Landlord	Legal Flexibility
Gibson and Lizieri (1999)	Physical	Responsiveness of physical form to change	Building size and layout adaptability	Pre-Occupier, Fit-Out	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
	Functional	Ability to support different work processes	Multiple workplace typologies	Fit-Out, Occupation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Occupier	Physical Flexibility , Organizational Flexibility
	Financial/Tenurial	Flexibility derived from tenure structures	Leasing vs freehold, lease length	Contract	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Occupier + Landlord	Legal Flexibility
Schmidt (2010)	Flexible	Modifying internal spaces for different use	Reconfigurable workspaces	Fit-Out, Occupation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord, Occupier	Physical Flexibility
	Refitable	Changing, replacing or removing building components	Upgrading services or interiors	Pre-Occupier, Fit-Out, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts + Occupier	Physical Flexibility
	Scalable	Increasing or decreasing building size	Expanding or shrinking floor area	Pre-Occupier	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
	Movable	Changing spatial configuration or location	Relocatable building elements	Pre-Occupier	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
	Reusable	Reuse of a building in its original form	Reuse without major changes	Fit-Out, Renovation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Occupier	Physical Flexibility
	Available	Access to ready-to-use components	Pre-designed modular elements	Pre-Occupier	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Landlord + Experts	Physical Flexibility
Remøy et al. (2019)	Financial flexibility	Ability to adjust real estate costs to future space demand	Shorter leases, disposal strategies	Contract	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Occupier + Landlord	Legal Flexibility
Echeverri et al. (2021)	Functional flexibility	Capacity of a workplace to support different types of activities and varying levels of spatial use over time.	Activity Based Working	Occupation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Occupier	Physical Flexibility
Dröes et al. (2017)	N.a.	Using lease incentives as a strategy to "free up resources" for an organization through direct financial savings	Rent-free periods, rent discounts, fit-out contributions, no re-delivery conditions, and relocation allowances	Contract	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Occupier + Landlord	Financial Flexibility

## 2.6 Theoretical Conclusions

The existing body of literature analyzed in this study demonstrates the endurance of the office space, which has evolved from an administrative environment into a more complex workplace that supports, in addition to individual work tasks, collaboration, social interaction, learning and company culture. At the same time, within the field of Corporate Real Estate Management, the office must also be understood as a strategic asset, associated with costs, commitments, risks and opportunities. As a result, decisions regarding office space are not only operational but also connected to broader organizational objectives.

With the evolution of office space offerings, service-oriented business models such as coworking spaces and serviced offices have appeared and spread in the market. These initiatives respond to a demand for agility and lower commitment; however, there remains a limited understanding of the extent to which such models could replace or accommodate the functions of the conventional office (Cooke et al., 2022). In parallel, traditional leasehold arrangements remain part of the portfolio of organizations and account for a high percentage of office space agreements in the Netherlands. This reinforces the importance of examining how flexibility is understood and approached within the context of the conventional leasehold office.

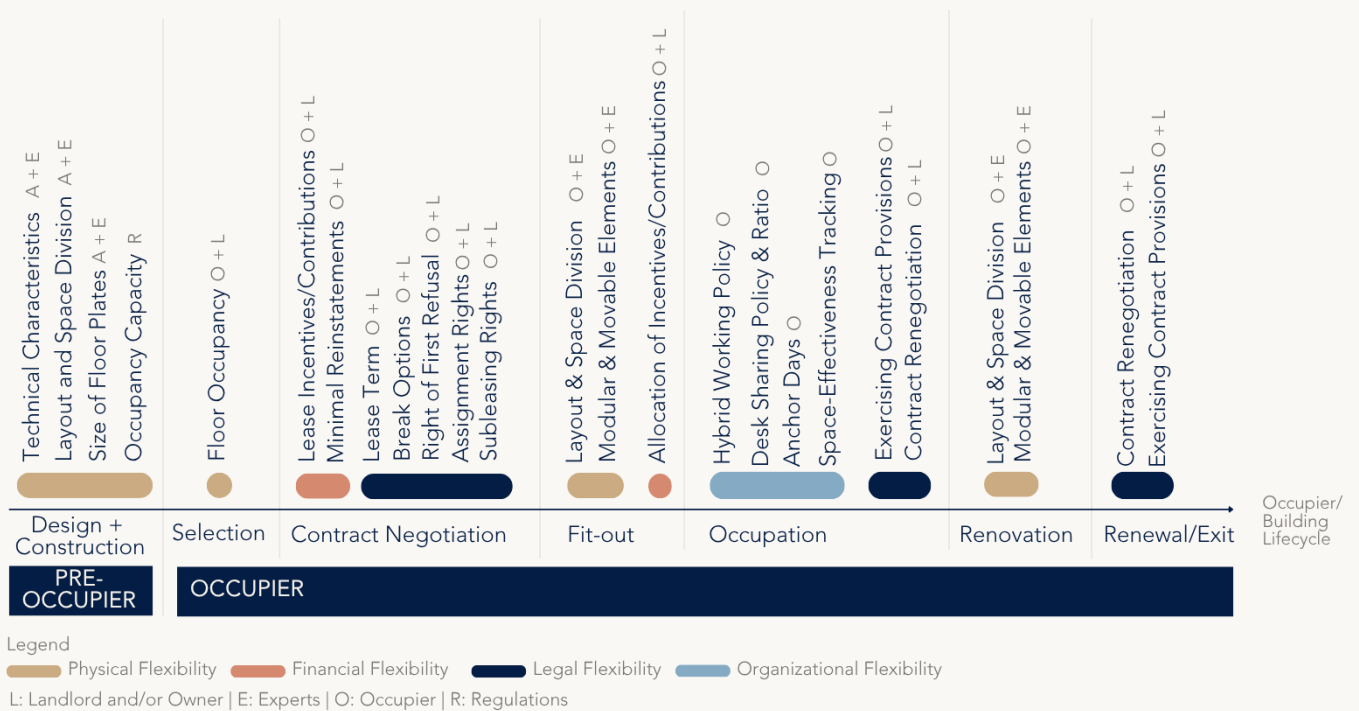
Given that conventional leasehold arrangements remain widely used, Corporate Real Estate Management must fulfill its role in managing the persistent mismatch between organizational demand and real estate supply. Organizational requirements change over time due to growth, contraction, workplace transformation, technological shifts and broader uncertainty, whereas office buildings are comparatively fixed and slower to adapt. In the current context, marked by geopolitical and economic instability, flexibility is especially important for aligning changing business needs and circumstances to relatively rigid spatial and contractual terms.

The literature review, however, demonstrates that flexibility in corporate real estate is an under-theorized concept, with a predominant focus on physical flexibility, which is misaligned with the reality of leasehold corporate occupiers who have no control over the building asset and only limited control over their own leased space. In response to this limitation, academics shift from a building-centric model to a multidimensional one, considering a spectrum of measures to bridge the supply-demand misalignment across different levers of control. Examining the options that remain within the occupier's reach reflects a broader shift in focus toward this stakeholder, aligned with a wider trend in the literature indicating that the landlord-tenant relationship is no longer purely distant and transactional.

The literature also suggests that flexibility strategies are strongly context-dependent. Its meaning and relevance are influenced by business characteristics, workplace strategies, market conditions, building characteristics, and the relationship

between landlord and occupier. The conclusions drawn from the literature provide the basis for the theoretical framework in Figure 12, which positions flexibility as a bridge between building supply and organizational demand in a context of continuous misalignment. The framework begins with one axis, representing the leasehold lifecycle, categorizing flexibility mechanisms through the stage in time where they take place, the category, according to literature (legal, financial, physical and organizational), and mapping the main actors involved for each strategy.

**Figure 12** Flexibility Strategies Framework



It is necessary to note that, within the theoretical study, a temporal factor within the existing literature stands out: the majority of the literature on flexibility in the built environment dates from the late 1990s and early 2000s. Given the major events over the last 5 years, including the COVID-19 pandemic, its effects on building use, hybrid working, and the current geopolitical landscape, uncertainty is high, thereby reinforcing the need for research on flexibility within contemporary built environment contexts. This discussion will be expanded through the empirical research.

# Methodology

## 3. Methodology

Following the theoretical background outlined in the previous chapter, this chapter explains the methodology used in this study. It describes the research design, data collection methods, analysis and management of the collected data.

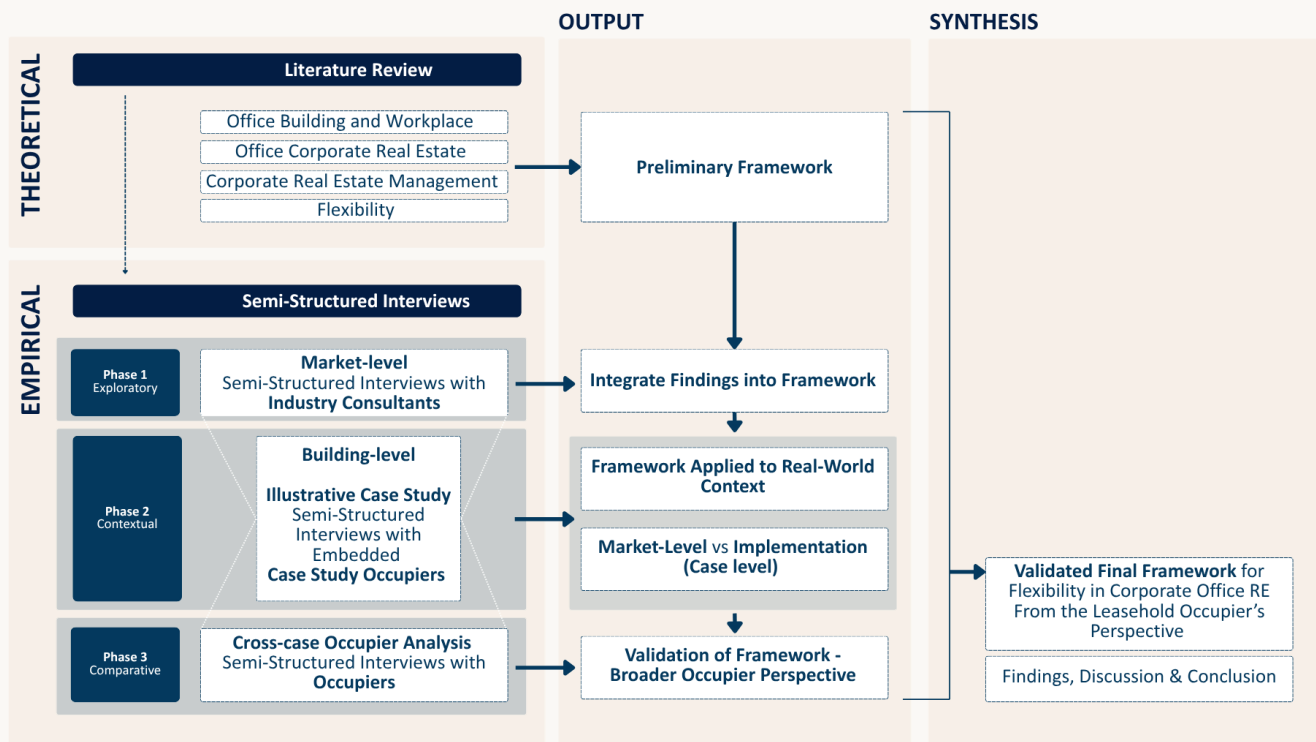
### 3.1 Research Design and Logic of Inquiry

The research adopts a qualitative approach to examine how flexibility in corporate office real estate is understood and addressed by conventional leasehold occupiers within the context of Corporate Real Estate Management (CREM). Qualitative methods are a particularly suitable choice in the context of this research because they support the exploration of real-world scenarios and the perspectives of stakeholders involved. This is especially valuable when the objective is to understand complex practices and to achieve an in-depth understanding of their meanings (Blaikie & Priest, 2019; Hoepfl, 1997).

The study follows a deductive logic of inquiry, informed by the existing literature on offices, CREM and flexibility. These theoretical foundations build the basis for the conceptual framework of this research, guide the development of the interview structure and shape the initial analytical categories. Following, the empirical research engages with practice to explore how flexibility is manifested from the perspective of leasehold occupiers. During the empirical phase, the research also draws on abductive reasoning, using findings that did not fully fit the initial framework to refine the interpretation of flexibility and identify additional mechanisms emerging from practice.

Empirically, the research relies on semi-structured interviews and unfolds in three distinct, but sequential, phases. Phase one consists of exploratory interviews with industry experts acting as occupier consultants. This phase provides a broad, practice-based perspective on the topic, identifying recurring patterns, strategic considerations and market interpretations of flexibility. Following, phase two consists of an illustrative single-case study conducted within a multi-tenant office building. This phase enables an in-depth examination of how flexibility is understood and enacted by occupiers within a specific building context (the specifics of the case study are discussed in Section 3.2.2). Finally, phase three involves semi-structured interviews with occupiers located in multi-tenant office buildings outside the case study. This phase supports the validation of findings across different contexts, allowing patterns identified in earlier phases to be compared and further elaborated. The overall research process is illustrated in Figure 13.

Figure 13 Research Methodology Framework



As with qualitative research more broadly, the aim of this study is not statistical generalization or the production of standardized findings (Hoepfl, 1997). Rather, the objective is to generate in-depth insight into how flexibility is understood and operationalized in practice. The value of the study, therefore, lies in its analytical contribution: it develops a richer understanding of the topic by interpreting the perspectives of industry professionals and relating these to an illustrative office context.

## 3.2 Data Collection

### 3.2.1 Semi-Structured Interviews

Semi-structured interviews were chosen as a method due to their characteristic of granting closer access to social actors' meanings and interpretations of a situation (Blaikie & Priest, 2019). In semi-structured interviews, the interviewer makes use of an interview guide with general guidelines for the implementation and management of the interview (Grønmo, 2024). According to the research of Morris (2015), in-depth interviews provide an opportunity to explore topics of interest and understand the reality examined, being a productive method to explore the drivers and procedures within an organization.

Accordingly, semi-structured interviews constitute the primary data source for this research, allowing respondents to articulate how flexibility is understood, prioritized and implemented within their organizational context. Given the qualitative nature of this research, purposive sampling is used (Hoepfl, 1997), with the aim of reaching participants

who can provide information-rich, experience-based insights on the topic. Each phase of the empirical research is associated with a distinct participant profile, aligned with its specific analytical objective.

For phase one, participants must be consultants or professionals in comparable roles, with direct professional experience with corporate office occupiers operating under leasehold arrangements. They must be able to reflect not only on one isolated case, but on broader patterns observed across multiple projects, clients or occupier situations. This broader market-based perspective is especially valuable for the objectives of this research, as it enables the study to identify recurring flexibility strategies and contextual influences across practices. To ensure different viewpoints and reduce organizational bias, advisors are selected from different organizations.

In phase two, which focuses on interviews within the selected multi-tenant case study building (further detailed in Section 3.2.2), participants are required to be directly involved in decision-making processes related to their organization's office real estate. This includes roles associated with workplace strategy, lease structuring and renegotiation, facilities management or similar responsibilities. Their positioning within the case allows for an in-depth, situated understanding of how flexibility is interpreted and enacted within a specific context.

The Third and last phase of the empirical research includes participants with a similar professional profile to those in phase two, but operating outside the case study building. These participants are responsible for corporate real estate decisions across other multi-tenant office environments, enabling a broader comparison of practices and the identification of patterns that extend beyond the illustrative case study.

An overview of these phases and corresponding participant groups is presented in Table 3.

**Table 3** Empirical Research Phases

Phase	Interviewee Criteria	Code	Profile
<b>Phase 1</b> Exploratory	<b>Industry Consultants:</b> Advisors, consultants, or similar role with multi-client experience in leasehold office environments	1.01	Tenant Representative @ Advisory Firm A
		1.02	Office Advisor @ Advisory Firm B
		1.03	Tenant representative @ Advisory Firm C
		1.04	Office Advisor @ Advisory Firm D
		1.05	Account Manager @ Advisory Firm E
		1.06	Investment/Asset Manager @ Company F
		1.07	Transaction Manager @ Advisory Firm C
<b>Phase 2</b> Contextual <i>Illustrative Case Study</i>	Case-embedded occupier professionals involved in office real estate decision-making (e.g., workplace, leases, FM).	2.01	Real Estate Professional @ Occupier A
		2.02	Location Manager @ Occupier B
		2.03	Facility Manager @ Occupier C
		2.04	Real Estate Professional @ Occupier D
<b>Phase 3</b> Comparative	Non-case-embedded occupier professionals involved in office real estate decision-making across other multi-tenant offices.	3.01	Project Manager @ Occupier E
		3.02	Real Estate Professional @ Occupier F
		3.03	Project Manager @ Occupier G
			Former Project Manager @ Occupier H

### 3.2.2 Illustrative Case Study

Looking specifically into the second phase of the empirical research, a case example is used to connect interview findings to a concrete office environment and to demonstrate how flexibility-related issues may materialize in practice. Similarly to the purpose of a case study, this approach aids in developing a more comprehensive understanding of the unit being studied (Grønmo, 2024; Yin, 2014).

Regarding the case example, the building was selected based on the following criteria (Table 4): a multi-tenant office building occupied by corporate tenants under conventional lease agreements and located in Amsterdam, as the research investigates the Dutch market. Additionally, since this study looks at corporate real estate strategies, it is desirable that the occupiers of these offices are sufficiently large to have either an internal CRE department or an assigned external party that acts in the strategic planning related to the asset, its transaction, facilities and workplace.

**Table 4** Illustrative Case Study Selection Criteria

Criteria	Reasoning	
<b>Multi-Tenant Office Building</b>	Scope: Enables a cross-occupier comparison within the same building and landlord context	Required
<b>Conventional Lease Agreements</b>	Scope	
<b>Located in Amsterdam</b>	Scope	
<b>Large Corporate Tenants</b>	Sufficiently large tenants are more likely to have an internal RE department who would be able to give more tailored input	Desirable

### 3.3 Data Analysis

The analysis of qualitative data aims to comprehensively understand the context through concepts, categories and typologies (Grønmo, 2024). To achieve this, thematic analysis is applied through identifying, analyzing and interpreting patterns within the interview transcripts and organizing relevant examples of the data according to these themes (Burnard et al., 2008). For this research, analysis and interpretation are performed in parallel with data collection and facilitated by the tool "Atlas.ti".

A deductive coding approach is used to determine the main themes, using a predefined framework to analyze the interview transcripts (Burnard et al., 2008). These codes emerge from the literature study and ensure alignment with the research's conceptual framework and goals. This approach is consistent with the recommendations of Saldaña (2013), that a deductive coding list can support analytical focus by aligning the coding process with the study's conceptual foundations and research goals.

The coding framework used was structured around six main deductive code groups. Flexibility lenses capture the different dimensions occupiers seek flexibility in, including physical, legal, financial and organizational. Strategic drivers represent the business motivations that lead organizations to prioritize flexibility, such as talent attraction, cost pressure, right-sizing, support for new ways of working, and corporate identity. Contextual characteristics refer to the internal and external conditions that shape how flexibility can be

implemented, including building traits (e.g., location and amenities), business traits (e.g., company size, sector, and culture), and market traits (e.g., vacancy rates and rental levels).

In addition, the actors code covers the individuals identified in the context, primarily occupiers, landlords, and advisors. Temporal dimensions acknowledge at what stage of the building or lease lifecycle flexibility strategies take place. Finally, flexibility trade-offs capture the potential costs and risks associated with flexible arrangements, including rent premiums, loss of tenant fitout investments, longer lease commitments, or resistance from landlords and investors.

In addition to the deductive codes, inductive ones, derived from interviews with participants, allow the study to refine the theoretical understanding of flexibility from the perspective of leasehold office occupiers. The code table can be found in Appendix 7.

### 3.4 Data Management and Ethical Considerations

This research is based on the guidelines of a data management plan (DMP) (Refer to the appendix), carefully drafted to minimize risks of its human research participants. Accordingly, during and after the research, the processes involving data follow the FAIR principles (Findable, Accessible, Interoperable and Reusable) (Wilkinson et al., 2016).

The research will adhere to the protocols guided by the TU Delft Human Research Ethics Committee (HREC). Participants in the research will be asked for their informed consent through an information sheet that explains the purpose of the study, its methods, and the risks. Participation is voluntary, and participants may withdraw at any stage without consequence.

Although the study does not investigate sensitive personal matters and is considered low risk, some professional sensitivity may arise because respondents may refer to clients, transactions, buildings, landlords, or negotiation practices. To reduce this risk, the interviews will not seek confidential business information such as lease figures, commercially sensitive clauses or strategic details. The research focuses instead on general practices, interpretations and decision-making mechanisms. All interview material will be pseudonymized during transcription and analysis, and direct identifiers such as names of participants, companies and clients will be removed or generalized where necessary.

Special attention will be paid during Phase 2, with the illustrative case study, regarding the link between the selected building and its occupiers. Complete anonymity cannot be fully guaranteed, however, to mitigate this risk, all personal and organizational data will be pseudonymized, and participants will be made aware of the limits of confidentiality in advance. The research does not engage vulnerable populations, and it does not address sensitive personal matters. It is therefore classified as low risk. By combining informed consent procedures, careful handling of identifiable information, and

secure data management practices, ethical standards are met and participants' privacy is protected throughout the research process.

The Data Management Plan and its Approval can be found in Appendix 1 and 2.

### 3.5 Research Output

The research produces two connected outputs. Firstly, a working definition of how flexibility is understood by corporate office occupiers operating under conventional leaseholds is reached. This definition is grounded in the theoretical framework developed in Chapter 2 and refined through the practice-based insights collected across the three interview phases. The second output is a flexibility framework that organizes the identified flexibility dimensions and their respective mechanisms and maps them across the occupier-building lifecycle. Together, these outputs contribute to an occupier asset-level perspective of flexibility in the analyzed context, addressing the identified gap in the existing literature and offering a structured basis for more informed CREM decision-making.

# **Empirical Study**

## 4. Empirical Study

The following chapter presents the empirical data collected through the methodology described in Chapter 3, using semi-structured interviews as a method. These interviews were conducted with fourteen stakeholders across three phases, each characterized by a specific participant profile and focus. Following, the main themes emerging from each phase are reported, before the findings are interpreted and discussed in Chapter 5.

### 4.1 Phase 1 - Industry Consultants

For the first phase of data collection, semi-structured interviews were performed with real estate professionals acting as consultants, advisors or comparable roles, with professional exposure to office occupiers operating under conventional leasehold agreements. The focus of this first phase was an industry-level approach to how flexibility is understood and approached by office occupiers in the studied context.

During this stage, the following seven professionals, from six different organizations, participated in semi-structured interviews. Their position, organization and the respective code of the interview are displayed in Table 5.

**Table 5** Phase 1 - Interviewees

Phase	Interviewee	Organization	Code
<b>Phase 1</b> Exploratory	Tenant Representative	Advisory Firm A	1.01
	Office Advisor	Advisory Firm B	1.02
	Tenant representative	Advisory Firm C	1.03
	Office Advisor	Advisory Firm D	1.04
	Account Manager	Advisory Firm E	1.05
	Investment/Asset Manager	Organization F	1.06
	Transaction Manager	Advisory Firm C	1.07

The interviews with these professionals provided insights into the following main topics, which will be reported in the following subsections:

- Importance of flexibility and what drives its need
- Dominance of legal and financial flexibility
- Value of building offer
- Trade Offs
- Market and Organizational Characteristics

#### 4.1.1 Importance of flexibility and what drives its need

Industry consultants view flexibility as a necessary factor for conventional leasehold office occupiers to maintain a strategic position in the contemporary Dutch office market. As noted by multiple Industry Consultants during the semi-structured interviews, the foreseeable future is strongly dependent on the current geopolitical issues. This context, combined with its linked economic downturns, technological shifts with the integration of AI into businesses and the impact of COVID-19 on ways of working, makes it challenging for organizations to project their needs beyond a three-year horizon.

In the Dutch office real estate market, with specific focus on the Amsterdam South Axis, the described uncertainty is reflected in the shortening of lease durations, as occupiers are reported to increasingly seek lease terms that align more closely with the planning horizons and future business foresight. As a result, conventional 10-year lease agreements are increasingly being replaced by shorter terms of approximately three to five years (Interviewee 1.04).

"I think there is a lot of uncertainty in the world... There's a lot of uncertainty about how we will be working in a few years... which pushes them (the Occupiers) to make **more conservative decisions**. And signing a traditional conventional lease for 10 years, it's quite a bold decision." (Interview 1.02)

"Where I think 10 years ago a 10-year lease was almost the standard that went down, I think the standard now is 5... **Most of the companies don't want to stick to an office for 10 years**, and so they don't sign contracts that long anymore." (Interview 1.05)

#### 4.1.2 Dominance of Legal and Financial

Although flexibility was described across many mechanisms and categories, industry consultants placed a clear focus on Legal Flexibility as the main strategy used by Occupiers to achieve flexibility, as shown in Table 6. Within Legal Flexibility, interviewees describe that occupiers seek flexibility mainly through shorter lease terms and by obtaining lease provisions such as break options, subleasing and assignment rights.

**Table 6** Code Frequency Table - Flexibility Categories

Flexibility Category	Frequency
Legal Flexibility	58
Financial Flexibility	27
Physical Flexibility	22
Organizational Flexibility	2

Given the current economic situation and declining revenues, organizations find it challenging to secure budget approval for large upfront capital expenditures on office fitouts (Interviewee 1.04). That makes Financial Flexibility appear as the second most-cited category, with

the primary aim of avoiding massive upfront Capital Expenditure (CapEx). Organizations are either described to rely on financial incentives to support the fitout of their space, or are willing to pay more on an operational basis through Turn Key agreements, keeping their capital liquid for the core business or to compete in the “War on talent”.

"I think one of the key issues now is that **occupiers have lower upfront capital available for the fitout**. So, flexibility in ways that landlords can make a contribution to that: either through a turnkey fitout or a cash-out contribution..." (Interviewee 1.04).

"There's a really big demand in the current market for turnkey office space because the **building costs have risen quite a lot**... [companies are] looking for turn key space with a good or well usable fitout... which also allows them to go for shorter leases because if you have to do all the investments yourself, you will need at least 5, preferably 10 year lease term to depreciate all the investments that you made." (Interviewee 1.02)

In addition to Legal and Financial Flexibility, Physical and Organizational Flexibility were also addressed by participants, although Organizational Flexibility was mentioned with a low frequency (Table 6). Within Physical Flexibility, the main topics concerned the size and configuration of building floor plates, the distribution of leased space (across one or multiple floors), the layout adaptability enabled by the spatial configuration and the capacity of spaces to accommodate different functions over time. Regarding Organizational Flexibility, consultants frequently mentioned hybrid work policies and desk-sharing ratios as primary mechanisms, along with the struggle to “stabilize” office occupancy.

"[Flexibility in] how people use or **utilize the office with the same amount of space**. You can do different things basically, but then **you need to make sure that people follow your rules and guidelines**." (Interviewee 1.07)

"We [Consultants] make sure that we **train the people** [employees] on how to use the office, which sounds quite weird, but it's another way to help them." (Interviewee 1.07)

#### 4.1.3 Value of Building Offering

Building Offering Flexibility emerged as an additional theme among Industry Consultants (Table 7), making up the fifth flexibility dimension adding to the four highlighted in the literature review (Legal, Financial, Physical and Organizational).

**Table 7** Code Frequency Table - Addition of Buildings Offering Flexibility

Flexibility Category	Frequency
Legal Flexibility	<b>58</b>
Financial Flexibility	27
Physical Flexibility	22
Organizational Flexibility	2
Building Offering Flexibility	19

Landlords, especially in premium locations such as the Amsterdam South Axis, are increasingly incorporating "flexible scenarios" into their offering, such as communal boardrooms, auditoriums and meeting rooms. This makes it possible for tenants to use shared building amenities for "peak moments" or large meetings. In addition, having a restaurant or café in the building's common spaces, relieve occupiers of the need to meet these program requirements within their own leased square meters. Furthermore, most buildings in this region currently have a "flex operator" as a tenant, enabling occupiers to use this service and increasing their flexibility at the asset level.

"So you see that tenants tend to only go for an office suite that is basically suitable for the majority of the week. But when you have your peak moments, **you can actually make use of the flexibility within the rest of the building.**" (Interview 1.01)

"So here in *Zuidas*, basically every building has a business center, has a coworking space, I think. I think actually all of them, all of them have that... **all landlords accommodate flexibility by having co-working in there.**" (Interview 1.07)

Because when you'd like to have a lunch area within your own space, but that building has its own lunch area, then you can remove that from your current fitout." (Interview 1.03)

#### 4.1.4 Trade Offs

Flexibility, described by Industry Consultants across different categories, was also frequently referred to as a "trading coin" in negotiations (Interviews 1.01 to 1.07), where achieving one mechanism can be directly related to sacrificing another. This was constantly emphasized when speaking of the lease term, demonstrating a strong clash between Legal and Financial Flexibility. Occupiers were reported as either taking on longer leases in exchange for more financial incentives, or reducing incentives in exchange for exit options such as break clauses to compensate the risk this brings to the landlord.

"If you really want to have the break within your lease... then most definitely a letting broker... will then say 'OK, well we will insert the escape (the break option)', but that will come with a cost. So, for instance, you will lose two months of incentives" (Interviewee 1.01)

"Nowadays a break option is always possible. And most of the time with a penalty... if you sign a five-year contract, you want to break after three, you get a penalty of X month's rent to pay if you make use of that." (Interviewee 1.05)

"When we ask for flexibility, **it will also affect the final financial result for my clients**" (Interviewee 1.03)

"Usually an incentive package is calculated as a percentage of the total lease. So, for example... if you sign 10 years, it will be 12 months [rent free]." (Interviewee 1.06)

#### 4.1.5 Market and Organizational Characteristics

In high-demand areas like the Amsterdam South Axis, where vacancy is extremely low, Consultants describe how flexibility is harder to negotiate and can only be achieved to a certain extent. In that sense, having your office in this location also configures a trade-off, as it is harder to achieve good financial results.

"If you are in an area that is performing really well... **landlord is way less keen on inserting a break option because they know they will rent it out anyway**, right?" (Interviewee 1.01)

"It really depends: is it a tenant-favored market or is it a landlord-favored market?" (Interviewee 1.07)

"If you look at the South Axis here in Amsterdam... the rents only went up, and I think a landlord here is really happy if you leave because then you can have a new tenant with a higher rental price." (Interviewee 1.05)

Within this market context, organizational characteristics represent an opportunity, but also a constraint in the negotiation process. On the one hand, larger organizations generally require a greater spatial footprint and benefit from bargaining power due to their financial capacity and brand recognition, enabling them to negotiate more favorable terms with landlords. In contrast, within the Amsterdam South Axis office market, the combination of low vacancy rates and the physical limitations of existing building stock restricts the availability of large office spaces. As a result, occupiers with larger space requirements face a more limited set of building options than smaller tenants.

"The more square meters you have, the more influence you have in the negotiation." (Interviewee 1.04)

"If I have a client that's looking for 5.000 square meters on the South Axis, it is already very challenging because there's not easily 5.000 square meters available." (Interviewee 1.04)

"Flexibility in the lease term is mainly there for the smaller tenants and there's a mismatch between the larger tenants, so let's say 1000 square meters or more and shorter lease terms directly with the landlord here in Zuidas, where it's mainly institutional Investors, there's not really a lot of room for that." (Interviewee 1.02)

In addition, consultants emphasized that flexibility requirements are strongly influenced by the specific characteristics of different business sectors and the tasks employees perform. For example, organizations such as law firms and notary offices tend to operate within more predictable business models, thereby being exposed to lower levels of uncertainty and reducing the risk of committing to long-term agreements. Moreover, such businesses require higher levels of privacy and confidentiality, stepping away from the contemporary open-plan design.

Another example of industry-specific requirements can be seen in sales-oriented organizations. In these organizations, a significant part of employees' work involves working externally, frequently visiting clients or traveling. This results in different workplace occupancy patterns and spatial utilization needs compared to organizations with predominantly office-based employees.

#### 4.1.6 Phase 1 Overview

Phase 1 provided a market-level perspective on flexibility, based on interviews with industry consultants, discussing their insights regarding the occupier perspective. Flexibility was mainly described as a response to uncertainty, as occupiers have limited ability to predict future headcount, business needs and ways of working. In this context, Legal Flexibility was the most dominant dimension, especially through shorter lease terms, break clauses and assignment and subleasing rights. Financial Flexibility was also strongly emphasized, mainly as a way to reduce upfront capital expenditure through incentives, rent-free periods or turnkey fitouts. Consultants also highlighted the increasing value of the building offer, as shared amenities allow occupiers to absorb peak demands without leasing additional permanent space.

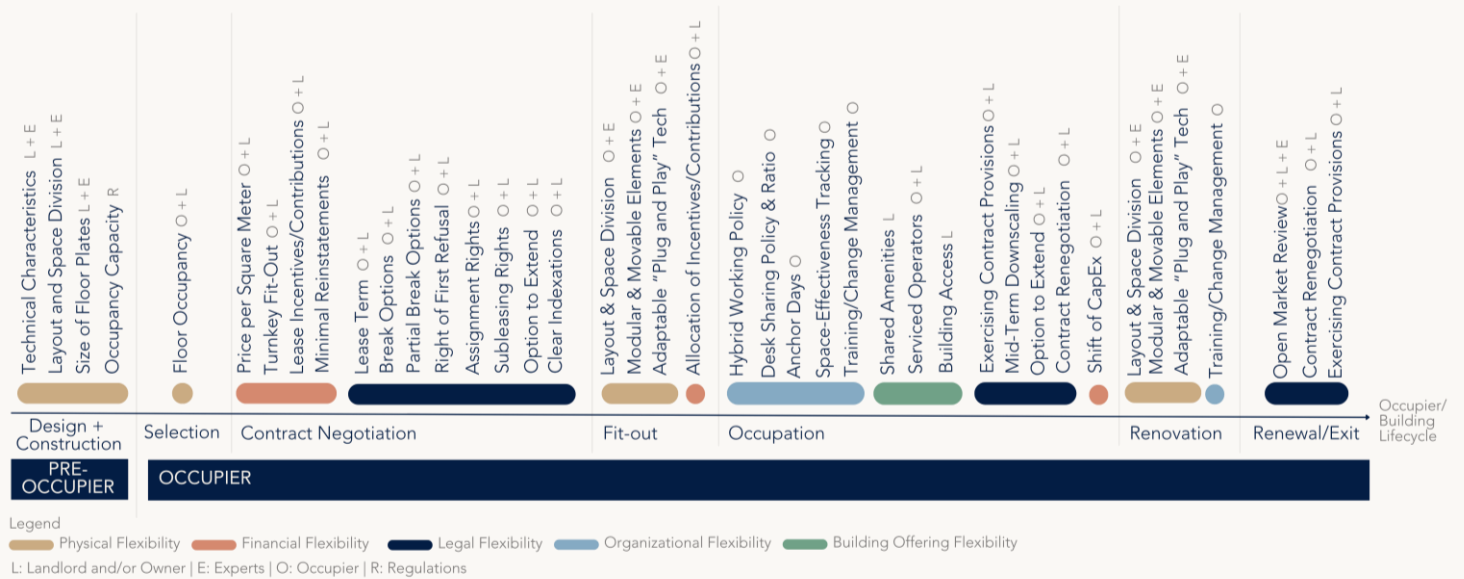
The mechanisms described are shaped by negotiation trade-offs, particularly between longer lease terms and higher financial incentives or between fewer incentives and stronger exit options. Regarding market characteristics, the high demand and low availability of office spaces in the Amsterdam South Axis area further limit what occupiers can negotiate. This is the case even for large organizations with high demands for space, that may have a strong bargaining power, but are constrained due to the low number of suitable space options. In addition, although the need for flexibility has increased, consultants indicated that the mechanisms to achieve it have not changed substantially.

The flexibility categories and their respective mechanisms identified by the industry consultants were mapped and integrated into the flexibility framework developed from the literature review, according to their position within the occupier-building lifecycle and the main stakeholders involved in the decision-making process, presented in Figure 14 and 15.

Figure 14 Flexibility Categories and Mechanisms - Phase 1

<p><b>Legal Flexibility</b></p>	<p><b>Physical Flexibility</b></p>
<p><b>Lease Term</b> Shorter terms to manage future uncertainty.</p>	<p><b>Technical Characteristics</b> Technical grid, floor-to-floor height, modularity and other characteristics that maximize layout possibilities.</p>
<p><b>Break Options</b> Contractual rights to terminate a lease early, with or without penalty.</p>	<p><b>Size of Floor Plates</b> Seeking large single floors to increase connection and support reconfiguration.</p>
<p><b>Partial Break Options</b> The contractual right to dispose of a specific percentage or separate floors.</p>	<p><b>Floor Occupancy</b> Strategic selection/division in multiple floors to facilitate possible future division/sublease.</p>
<p><b>Right of First Refusal</b> Contractual rights to have the first offer on vacant space</p>	<p><b>Layout &amp; Space Division</b> Spaces that permit multiple uses, functions and changes.</p>
<p><b>Assignment Rights</b> Provisions allowing tenants to transfer their lease to another party under the same terms.</p>	<p><b>Modular &amp; Movable Elements</b> Using modular furniture and movable partitioning to reconfigure the office without structural changes.</p>
<p><b>Subleasing Rights</b> A sublease allows the current tenant to rent out all or a portion of their space to a third party while the original lease remains in effect</p>	<p><b>Adaptable "Plug and Play" Tech</b> Implementation of technology that can easily adapt to changing layouts.</p>
<p><b>Option to Extend</b> Tenant right to prolong the lease agreement.</p>	<p><b>Occupancy Capacity</b> Working within the building's occupancy limits.</p>
<p><b>Clear Indexations</b> Clear indexations to protect against sudden financial increases.</p>	<p><b>Organizational Flexibility</b></p>
<p><b>Open Market Reviews</b> Agreement for external parties to review rent to ensure it reflects current market rates.</p>	<p><b>Hybrid Working Policy</b> Rules and guidelines for work-from-home to reduce the total number of desks needed relative to staff size.</p>
<p><b>Mid-Term Downscaling</b> Decreasing the footprint during the lease.</p>	<p><b>Desk Sharing Policy &amp; Ratio</b> Strategy to accommodate a headcount that exceeds the physical desk count.</p>
<p><b>Contract Renegotiation</b> Negotiate better terms without physically leaving.</p>	<p><b>Anchor Days / Mandates</b> Use of anchor days to manage attendance and maximize efficiency.</p>
<p><b>Financial Flexibility</b></p>	<p><b>Space-Effectiveness Tracking</b> Use of data to manage office use and efficiency.</p>
<p><b>Turnkey Fit-Out</b> Avoidance of Capital Expenditure.</p>	<p><b>Training/Change Management</b> Teaching employees how to use environments to ensure compliance with workspace strategy.</p>
<p><b>Lease Incentives/Contributions</b> Rent-free periods, rent discounts, fit-out contributions, or cash-out contributions from the landlord to offset initial costs.</p>	<p><b>Building Offering Flexibility</b></p>
<p><b>Shift of CapEx</b> Renegotiating leases to shift responsibilities to the landlord.</p>	<p><b>Shared Amenities</b> Using shared spaces to address occasional spatial demands, optimizing leased space and absorbing attendance peaks.</p>
<p><b>Price per Square Meter</b> Cost of space per leased area</p>	<p><b>Serviced Operators</b> Use of in-building serviced operator for overflow, temporary peak needs or smaller teams.</p>
<p><b>Minimal Reinstatement</b> Reduced requirements for returning the office to its "shell" state</p>	<p><b>Building Access</b> Facility is accessible at all times to accommodate hybrid and non-traditional working schedules.</p>

**Figure 15 Flexibility Mechanisms in relation to Building/Occupier Lifecycle**



## 4.2 Phase 2 – Contextual – Illustrative Case Study

For the second phase of this research’s empirical study, the interview profile shifts from a broader perspective provided by industry consultants to a specific context. The insights are now shared by the occupiers themselves, through professionals involved in real estate processes within an organization that occupies a specific multi-tenant office building. The unit of analysis is the occupier’s understanding of flexibility and its application to their leased space, considering the same building and landlord context. That specific context is **Building X**, a multi-tenant office building in Amsterdam’s South Axis, which serves as the illustrative case study applying the framework to a real-world context.

Building X distinguishes itself with its bold architecture and has become a landmark in the Amsterdam South Axis (Interview 2.02). The building has recently undergone a major renovation, enabling it to meet modern energy-efficiency standards and offer premium amenities and services in its common space, such as meeting rooms, a café and the presence of a serviced office operator (Interview 2.02). In addition, there has been a shift in the building’s operational concept, which now revolves around a combination of "architectural expression, flexibility and high-quality office functionality" all complemented by five-star hospitality and a fostered sense of community (Interview 2.02).

In the case context, four organizations were interviewed, comprising both current and future occupiers. Future occupiers are here considered as organizations which have signed the lease agreement and are currently in the construction phase, but have not yet relocated to Building X. The interviewees’ roles, organizations and the respective codes of the interviews are displayed in the table below (Table 8).

**Table 8** Phase 2 - Interviewees

Phase	Interviewee	Organization	Code
<b>Phase 2</b> <b>Contextual</b> Illustrative Case Study	Real Estate Professional	Occupier A	2.01
	Location Manager	Occupier B	2.02
	Facility Manager	Occupier C	2.03
	Real Estate Professional	Occupier D	2.04

#### 4.2.1 Occupier A

Occupier A is a consumer goods organization, in the stage of becoming profitable, with its headquarters in Building X, where approximately five hundred employees work across multiple floors. The organization is a current tenant of the building, whose space consists of a legacy environment that was "not the way the company intends to work". The interviewed real estate professional noted that their current space promotes limited collaboration and lacks support to the core business, stating there are "no showrooms, there is no display of elements... it's just a legacy space which was never really tailored".

Faced with the approaching end of the lease period, the "stay" decision was based primarily on the building's location and the opportunity to secure adjacent, connected floors. A new fitout of the space would then "enhance innovation, collaboration and connectivity in a very well-connected location". In the negotiations, the bargaining power of Occupier A was characterized as "not very strong", primarily because they are not the main tenant in the building nor a "very big name" that landlords would prioritize for reputation alone. However, their position was improved by an existing relationship with the landlord and by beginning the negotiation process "fairly early", which provided "sufficient time to really consider all the points internally".

Flexibility for Occupier A is viewed in this context primarily through Financial Flexibility, driven by cost pressure. For Occupier A, "it's also important that we manage the household budget well", which meant that, during the negotiation of their new lease, a deliberate decision was made to trade Legal Flexibility for Financial Flexibility, offsetting the high CapEx of a brand-tailored renovation through financial incentives. While the organization agreed to a longer-term lease, an amount of Legal Flexibility was maintained through securing subleasing and assignment rights. Because Occupier A is "spread over several floors" of Building X, the interviewee noted it would be simple to separate floors if there is an intention to downsize or upsize.

Furthermore, Occupier A considers Building Offering Flexibility to optimize their footprint, viewing the landlord's introduction of a ground-floor catering provider as a "limitation turned into an advantage". Instead of allocating space to an in-house restaurant, the occupier can now rely on shared building amenities, reducing the requirements within their own leased square meters. In addition, the occupier considers the building's serviced office provider a "great addition" for

"confidential or overflowing meetings", which would otherwise require dedicated space within their own lease.

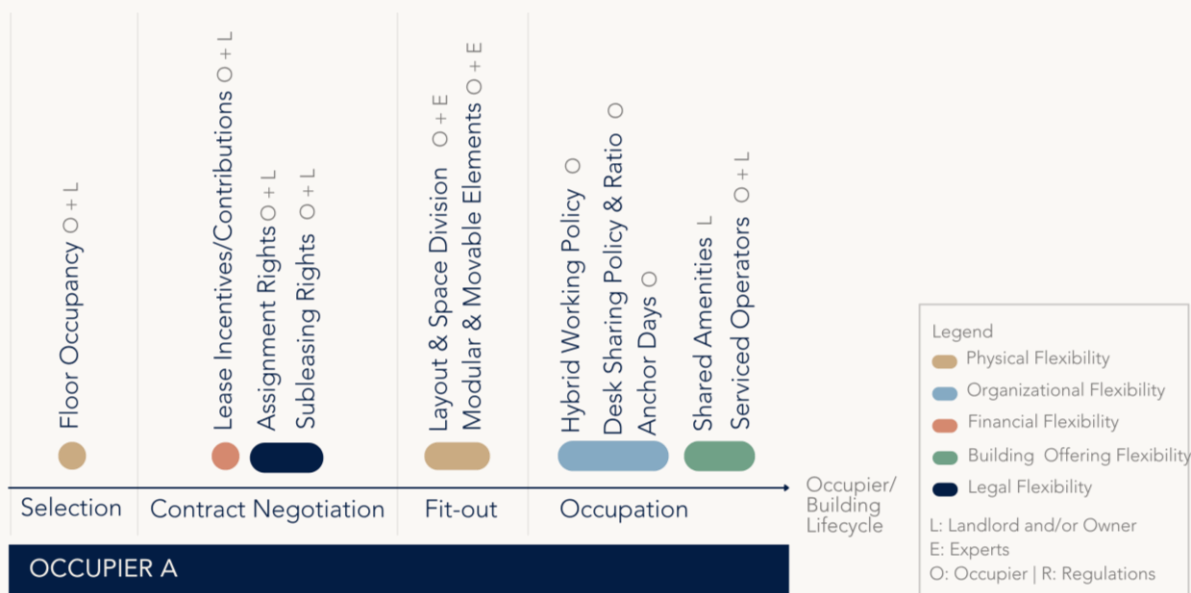
In addition to Legal, Financial and Building Offering, the interviewee mentions the layout guided by Activity-Based Working as a way to maintain Physical Flexibility, as well as their flex-desk policy. By moving away from designated team spaces and ensuring that "neighborhoods are not specifically tailored for a team", the organization can "easily reallocate people or expand one section, make it bigger or smaller" without major reconfigurations.

Regarding strategies within Organizational Flexibility, Occupier A has no mandate for office attendance; however, employees are expected to attend at least twice a week, with individual teams given the "freedom to choose" their own anchor dates. The leased floors are described as "generally rather empty", in alignment with the general trend and challenge of having employees return to the office. The interviewee, however, shared that workplace policies to address this are not driven by the real estate department.

#### 4.2.1.1 Flexibility Framework Occupier A

Based on insights from the semi-structured interview, Occupier A's approach to flexibility was applied to the Flexibility Framework. First, the flexibility mechanisms cited by participants were mapped according to their flexibility category, the phase of the occupier-building lifecycle in which they are primarily established and the main stakeholders involved in defining each mechanism (Figure 16).

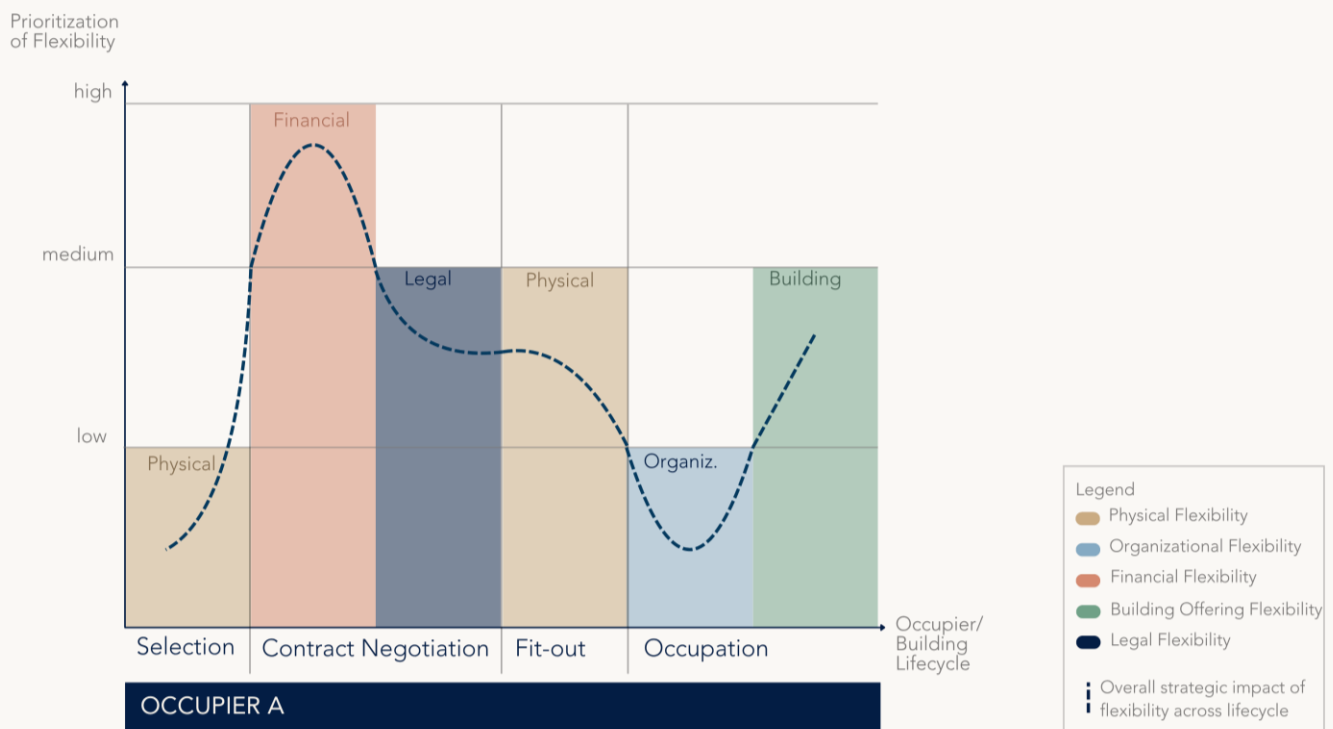
**Figure 16** Flexibility Framework - Occupier A



Second, the framework incorporates the occupier's prioritization of flexibility strategies by ranking the flexibility categories according to their relative strategic importance within the

organizational context (Figure 17). For Occupier A, Financial Flexibility emerged as the primary priority, with the aim of securing landlord incentives. To achieve that, Legal flexibility was the “trading coin”, resulting in a longer term. However, subleasing and assignment rights were agreed as a provision to balance risk for the occupier. Physical and Building Offering Flexibility were identified as secondary but operationally relevant priorities, operationalized through Activity-Based Working and the use of shared building amenities to support internal office functions. Although organizational mechanisms such as hybrid working and desk-sharing practices were present, Organizational Flexibility was not described as a priority within real estate decision-making and therefore occupied a lower level within the framework.

**Figure 17** Flexibility Framework - Prioritization Occupier A



#### 4.2.2 Occupier B

Occupier B represents a unique tenant in Building X, being a serviced office operator for small and medium-sized enterprises within the building. The organization will occupy two floors of the building under a long-term lease, offering fully furnished spaces and "turnkey solutions" for companies seeking to avoid long-term commitments. Thus, unlike the other occupiers in the study, their leased square meters are not used by the company's employees but represent the company's core business. In this sense, the terms and possibilities related to the space are not only a risk-mitigation strategy but also directly affect their office offerings and profit margins.

It is important to note that Occupier B participated in this research through written responses to interview questions rather than a semi-structured interview and did not disclose lease characteristics or financial details. Consequently, the information available regarding this occupier's situation is comparatively limited.

Another particularity of Occupier B is evident in the bargaining power described, given their operational role within the building. While the representative noted that negotiations for leasing their own two floors did "not differ significantly from those of conventional tenants", their overall leverage was increased by being an operational partner of the landlord, taking over the building's reception services.

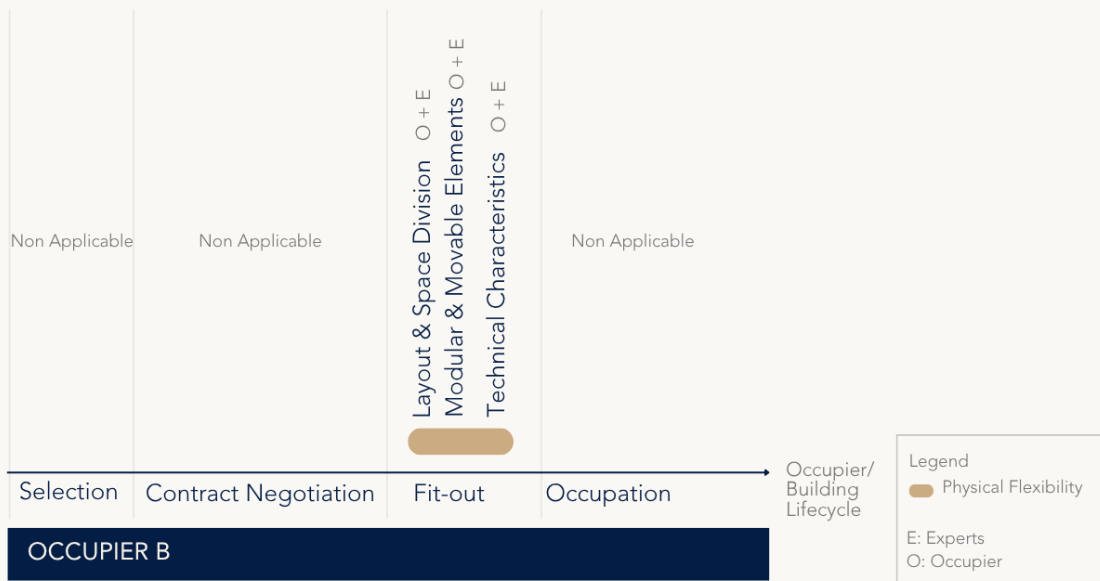
Physical flexibility was the primary flexibility mechanism described by Occupier B. Their leased floors are intentionally divided into "spaces of varying sizes" to "accommodate tenants ranging from 1-2 people up to 30 people". To maintain agility in adapting its floor plan to clients' needs without high costs, the organization prioritized the space's technical adaptability during the fitout phase. The representative highlighted that the "climate system and electrical infrastructure have been designed in such a way that adjustments, such as adding partition walls or doors, can be realized without major modifications". This strategy allows them to respond to "last-minute requests" from prospective tenants while maintaining office functionality.

Furthermore, because the users of the serviced office are primarily clients rather than employees of Occupier B itself, Organizational Flexibility does not influence the occupier's real estate decisions in the same manner as observed among the other tenants in the building. Similarly, the Building Offering Flexibility primarily benefits the clients using the space rather than Occupier B's own internal organizational operations.

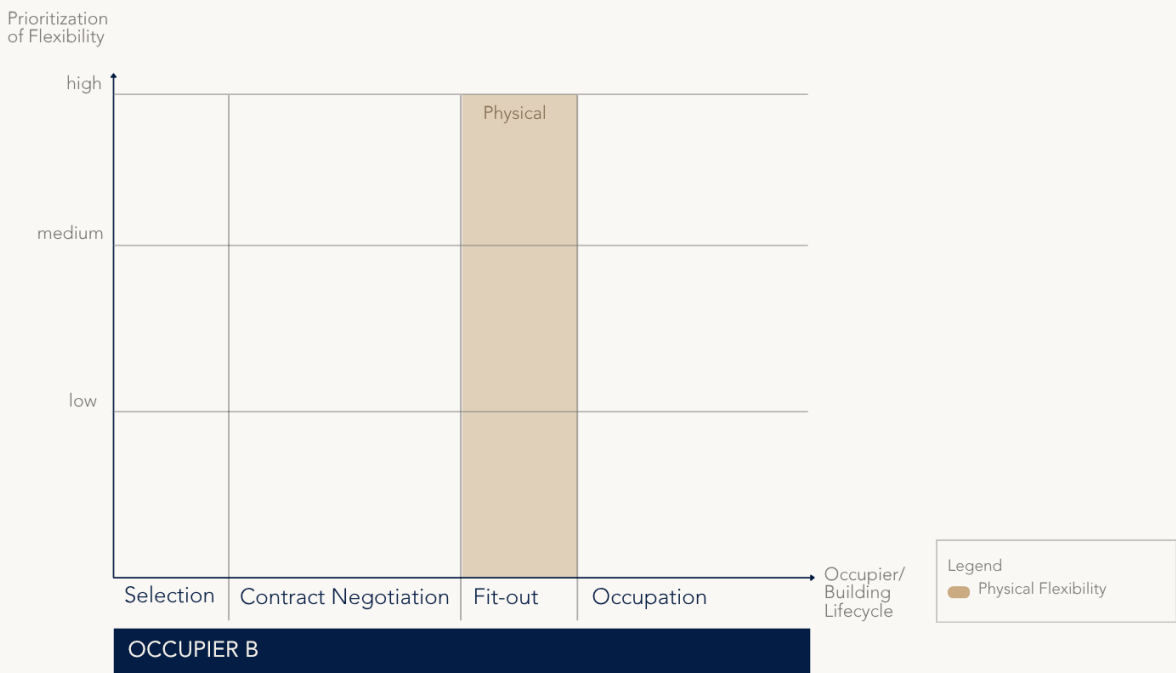
#### 4.2.2.1 Flexibility Framework Occupier B

The Physical Flexibility mechanisms identified are mapped in the framework (Figure 18), configuring the highest-priority flexibility category for Occupier B, as illustrated in Figure 19. Due to the lack of direct mention of other flexibility mechanisms, the other flexibility dimensions were considered non-applicable in this context.

**Figure 18** Flexibility Framework - Occupier B



**Figure 19** Flexibility Framework - Prioritization Occupier B



### 4.2.3 Occupier C

Occupier C is a consolidated organization from the banking sector, with the Building X office serving as its European hub. Their space houses approximately 100 employees on a single floor under a medium-term lease. Their current context was described in the semi-structured interview, highlighting two major misfits: attendance misfit and layout/use misfit.

Firstly, Occupier C describes peak attendance moments on Tuesdays and Thursdays, where the office space is "pretty much full". On the remaining days, management is pushing for bigger office attendance. Their peak moments are often intensified by external demands, such as regulatory audits, which require reserving entire areas of the office for visiting staff and forcing the bank's own employees to "squeeze in". The Occupier examined how to address these spatial pressures through different flexibility categories. Regarding Legal Flexibility, the organization had the right of first refusal to adjacent floors. While this right allowed them to expand when the floor above became vacant, the organization declined the extra space, considering that at that moment the opportunity arose, some employees were working from home.

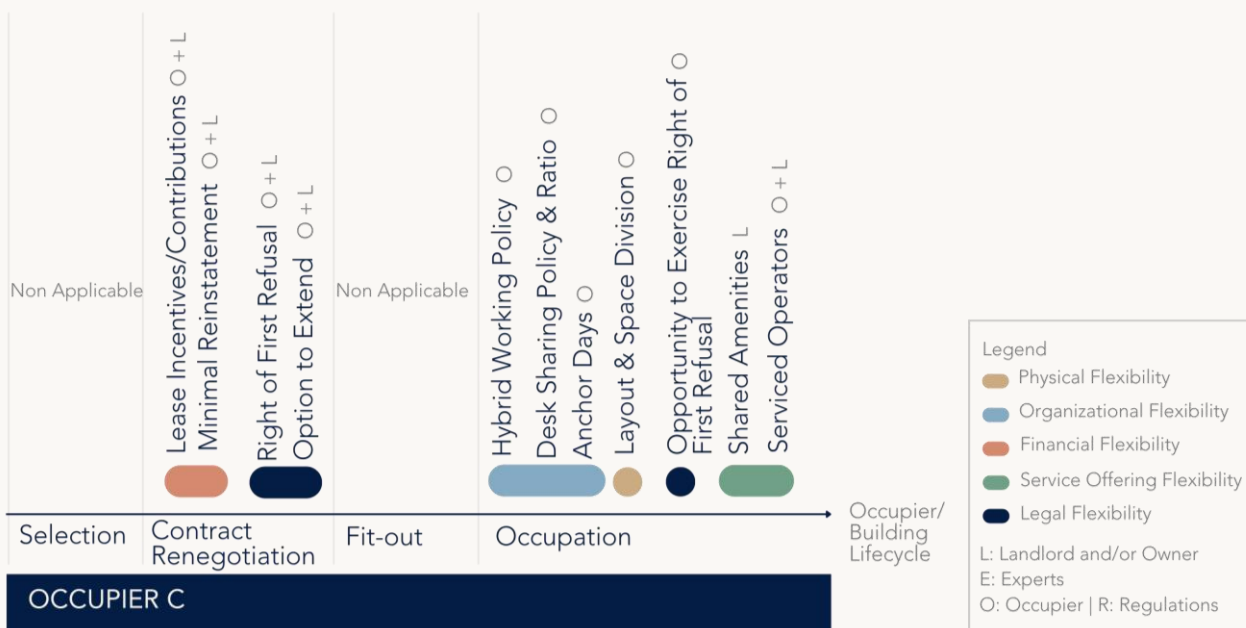
The organization also investigated using Building Offering Flexibility by temporarily relocating staff to another building to mitigate attendance stress, especially for temporary projects or external space demands. In line with that, Occupier C is interested in the building's new shared offerings for handling attendance peaks; however, attention is necessary due to the business's confidentiality requirements. More recently, Occupier C also turned to Organizational Flexibility to manage the attendance gap, implementing a group policy requiring managers to work in the office at least three days a week, with specific "anchor dates" to "stimulate a spread" across the week. However, Occupier C notes that, even with policies, it is difficult to ensure that employees attend the office as intended.

In addition to attendance, the interviewee highlighted layout and furniture adaptations in their space to accommodate changing ways of working. During the pandemic, the bank invested heavily in high tables and standing places to support "New Ways of Working". However, this intervention was not successful because it did not align with employee behavior, as the representative observed: "Now Corona is gone and we see that these high tables, nobody wants to sit there. People want to come, they want to have a desk". This led to the new desks being sold and to the original desk setting being returned to the space.

#### 4.2.3.1 Flexibility Framework Occupier C

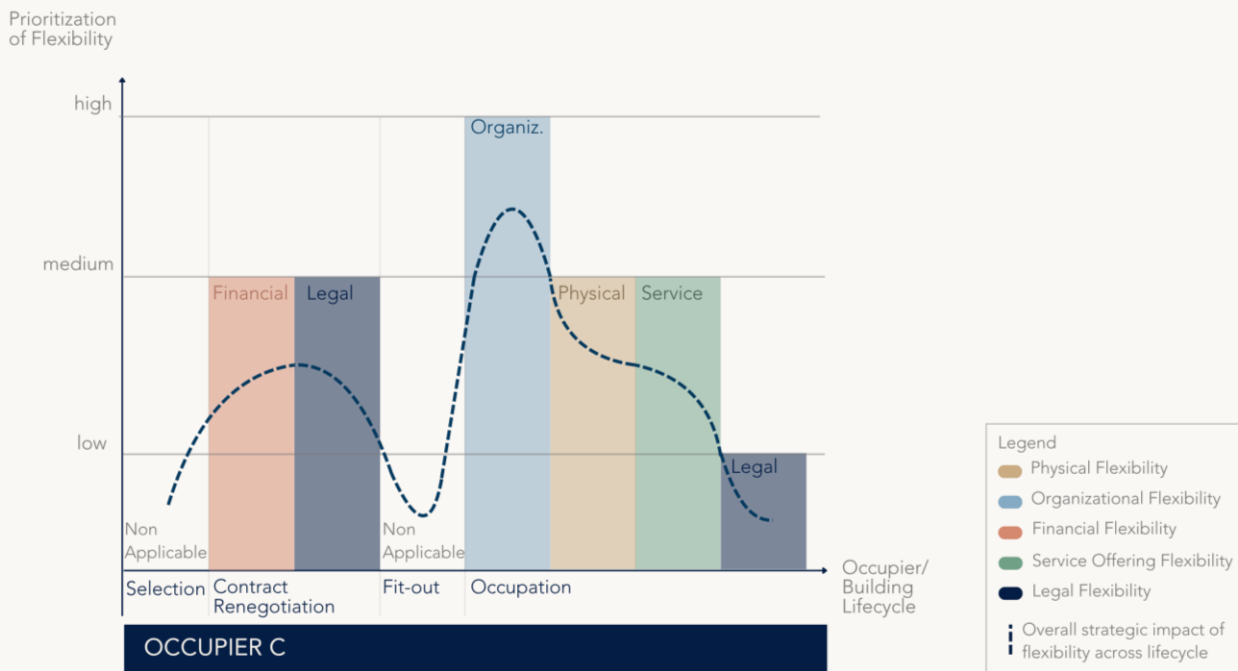
The applied Flexibility Framework below represents the strategies presented by Occupier C (Figure 20). Notably, the Selection and Fitout phase is marked as “Non-Applicable” because it was not described by the occupier, who focused primarily on the Occupation phase.

**Figure 20** Flexibility Framework - Occupier C



Regarding the prioritization of flexibility dimensions demonstrated in Figure 21, Occupier C places Organizational Flexibility at the High Priority level, as it was described as the primary tool for managing daily spatial overflows. However, the interviewee described it as having a limited impact. Physical, Building Offering and Financial Flexibility are considered Medium Priority, with Physical being the category that realigns the furniture and layout with the current Way of Working, Building Offering supporting spatial needs and Financial Flexibility guaranteeing rent discounts to the occupier. Legal Flexibility is a Medium Priority during the Contract Renegotiation phase, but a Low Priority in the Occupation phase. This is because the Right of First Refusal was negotiated into the contract, but the Occupier chose not to exercise it, prioritizing other forms of flexibility.

**Figure 21** Flexibility Framework – Prioritization Occupier C



#### 4.2.4 Occupier D

Occupier D is a fast-growing global technology company with 1.000 employees in the Building X office and around 10.000 worldwide. Their future space in Building X will function as the most important office in the EMEA region. Before signing the lease in the case study building, Occupier D occupied an office in another location in Amsterdam. The choice of relocation was driven primarily by support for talent recruitment and branding, providing an advantage in the "war on talent" in the sector.

This organization is the main tenant of Building X, occupying multiple non-adjacent floors. As the "largest tenant in the building", they successfully negotiated benefits from the landlord, which was characterized as "super flexible". The deal made was considered by Occupier D as "very favorable", including exclusive roof signage and competitor clauses that prevent the landlord from leasing space to competitor companies. Flexibility is considered a "huge priority" to the organization, however, the interviewee describes it as "driven by the market".

The organization's growth is characterized as fast and volatile. To respond to that, Legal Flexibility is this organization's primary mechanism. Occupier D is under a medium-term fixed lease of approximately five years, in which the company can forecast headcount up to a three-year horizon. To manage potential growth, they have included certain lease events in their contract that allow them to expand, such as the right of first refusal on every vacant floor in the building. Although they have no break clause, the relatively short lease term mitigates their risks through this expansion agility, as well as the right of assignment and sublease.

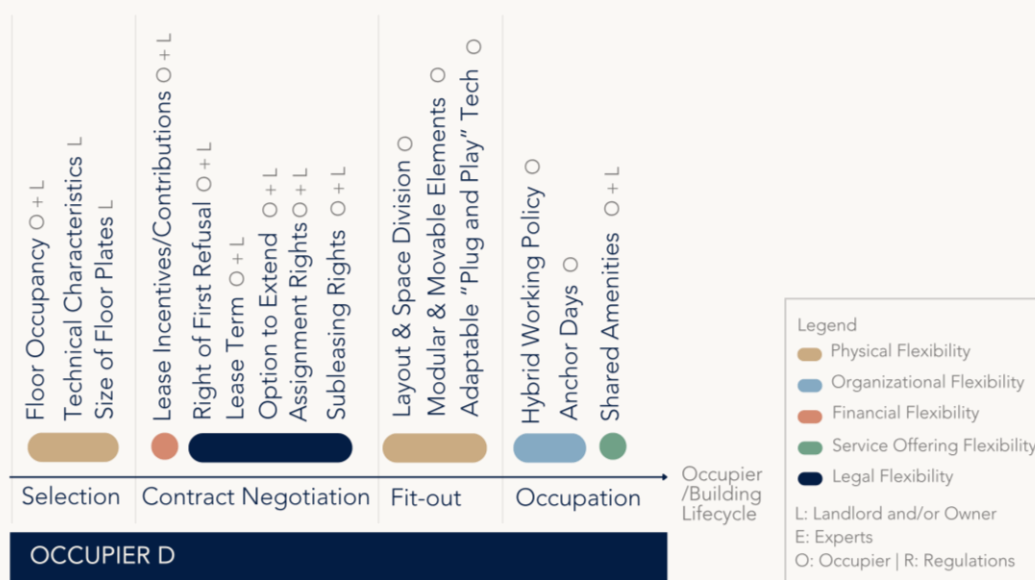
In terms of Financial Flexibility, Occupier D negotiated a one-year rent-free period, with the option to partially convert this benefit into a cash contribution from the landlord to fund their fitout. Physical flexibility, in contrast, is understood by Occupier D by tailoring the space to its specific workforce. As an engineering and R&D site, their office in Building X prioritizes acoustics and focus work, with "lots and lots of phone booths" and the use of "curtains to keep the space open" while allowing for acoustic privacy. Because they are "always running out of space", they work proactively with architects to plan for "Day 2" scenarios, ensuring the furniture and layout can adapt as working styles evolve.

Regarding Organizational Flexibility, the company views policies as a tool for managing space mismatch. If they run out of space before a new floor becomes available, they "change how we use the space," for example, by mandating that specific teams come in only on certain days. Building Offering Flexibility, alternatively, is described as not necessary in Occupier D's context. Due to being "very strict on confidentiality" and requiring specialized internal technology, they "probably won't" use the building's shared meeting spaces, prioritizing keeping all activities "contained within our office".

#### 4.2.4.1 Flexibility Framework Occupier D

Based on the data provided by the occupier, the Framework in Figure 22 displays the flexibility mechanisms discussed by Occupier D.

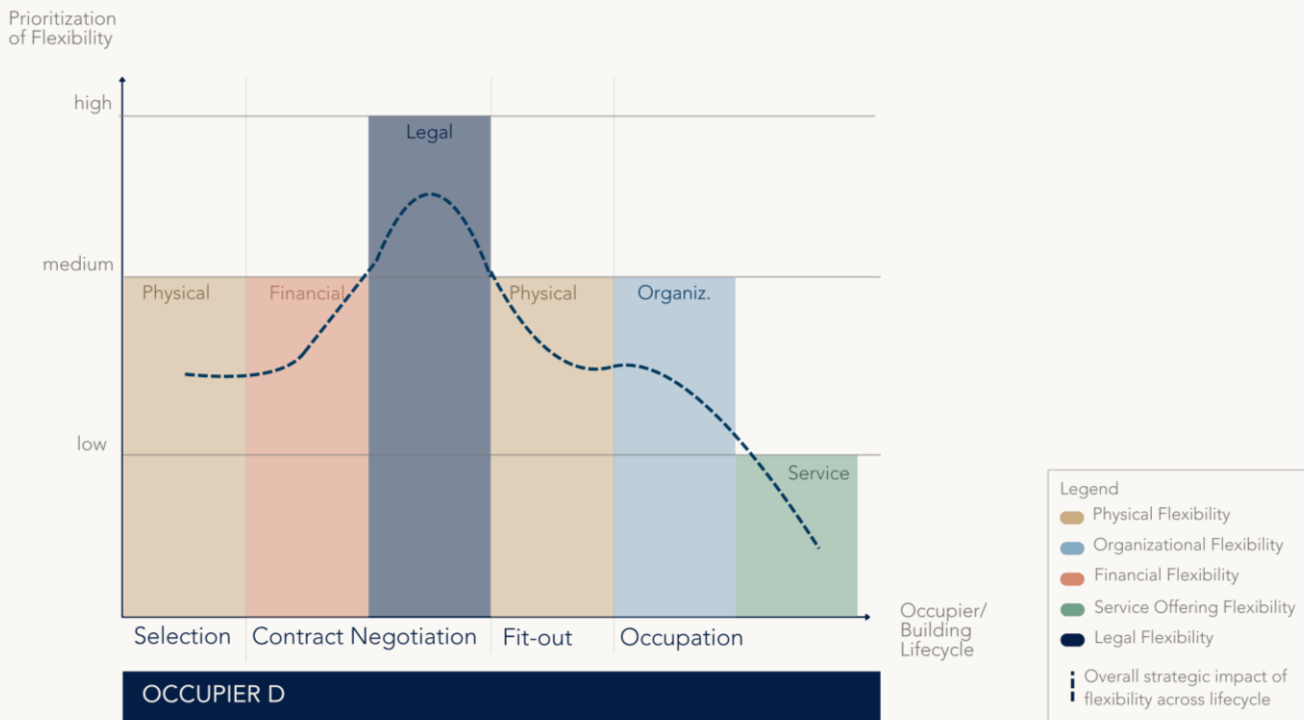
**Figure 22** Flexibility Framework - Occupier D



Alternatively, Figure 23 classifies the mechanisms according to their prioritization by Occupier D. The interview demonstrates that the occupier's strategy is dominated by Legal Flexibility, using its status as the main tenant to secure expansion rights on every floor. Physical, Financial and Organizational Flexibility are middle priorities, used to optimize the environment in accordance with its function, secure rent-free periods and fitout contributions and to manage "peak" headcount until

more space is acquired. Building Offering Flexibility is considered a Low Priority, as the firm's leased premises already accommodate all required functions internally. In addition, the need for strict confidentiality and hosting of technology-specific events limit the use of shared building amenities, with the preference of the occupier being to operate in self-contained premises.

**Figure 23** Flexibility Framework - Prioritization Occupier D



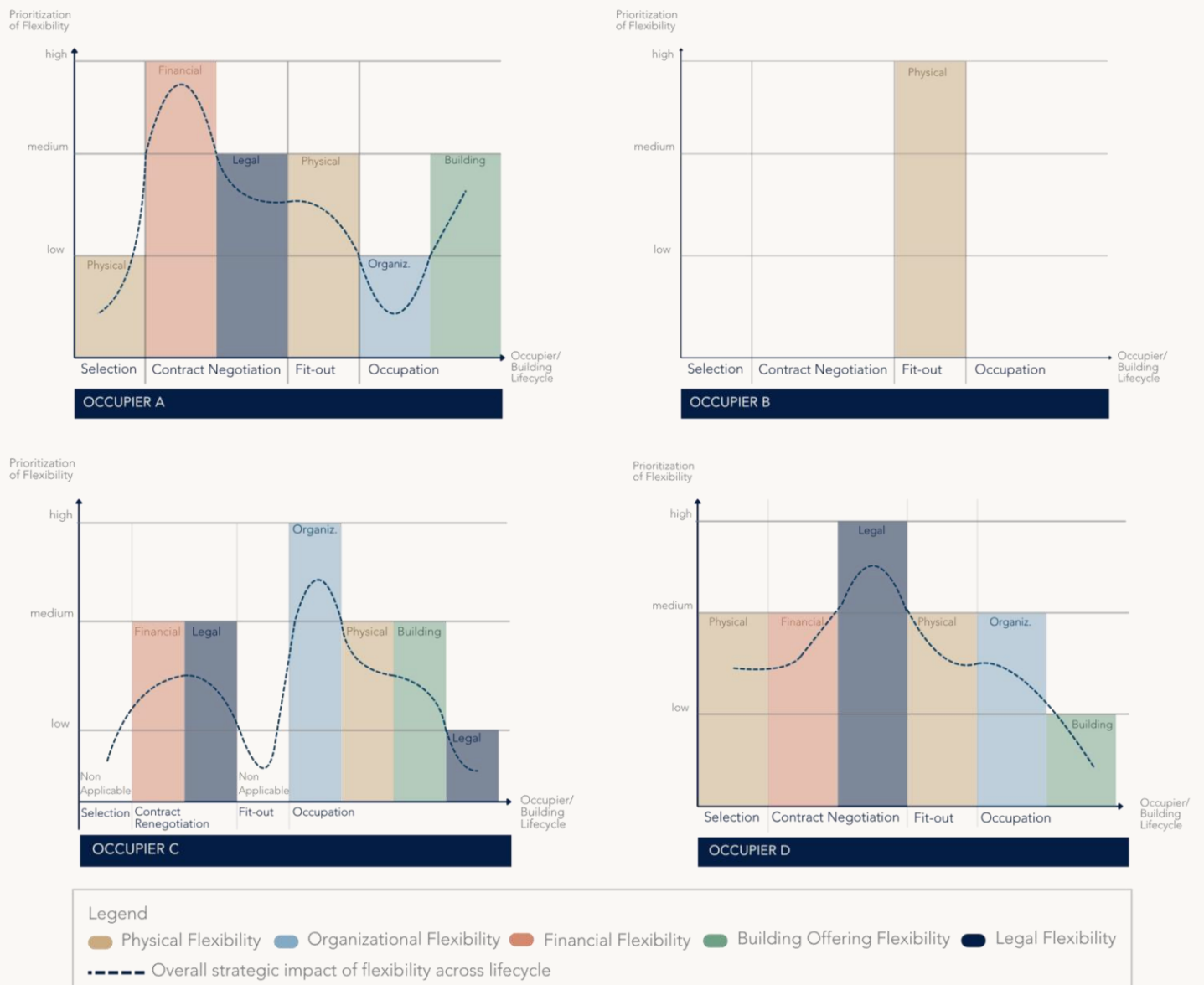
#### 4.2.5 Phase 2 Overview

Phase 2 demonstrates that all occupiers in Building X require flexibility, but that this need is interpreted and prioritized differently according to each organization's context. Occupier A, a headquarters in the process of becoming profitable, prioritized Financial Flexibility, accepting a longer lease term in exchange for stronger financial incentives. Occupier B, as a serviced office provider, prioritized Physical Flexibility, since the organization and adaptability of its leased space directly affect its core business model. Occupier C, a consolidated bank facing limited space and attendance peaks, relied primarily on Organizational Flexibility to manage the mismatch between office capacity and workplace use. Occupier D, a fast-growing data organization, prioritized Legal Flexibility, especially through mechanisms that preserve opportunities for future expansion within the building.

In Building X, the tenant mix is composed of occupiers with different organizational contexts and spatial needs. This contributes to a certain equilibrium within the building, as the occupiers are not necessarily competing for the same spaces or contractual rights. As a reflex, the comparison between the four occupiers shows that no single flexibility dimension dominates within the case study building. Assignment and subleasing rights were overall more present provisions than break clauses, which may indicate a more risk-averse position from the landlord side. Building Offering Flexibility also appeared as a relevant form of spatial relief, particularly for occupiers that can use shared

amenities to reduce pressure on their own leased square meters, although this was less relevant for the main tenant. Finally, the distinction between bargaining power from the occupiers changes how the same landlord is experienced by each tenant, making the landlord-tenant relationship relative to each organization's position within the building.

**Figure 24** Flexibility Prioritization - Phase 2



### 4.3 Phase 3 - Comparative

Lastly, in the third and final phase of empirical data collection, the study examines office occupiers outside the case study building to compare findings and assess whether the identified themes are specific to Building X. In doing so, three built environment professionals were interviewed,

describing four different organizations occupying leased office spaces within multi-tenant office buildings. Their roles, organizations and corresponding interview codes are presented in Table 9.

**Table 9** Phase 3 - Interviewees

Phase	Interviewee	Organization	Code
<b>Phase 3</b> Comparative	Project Manager	Occupier E	3.01
	Real Estate Professional	Occupier F	3.02
	Project Manager	Occupier G	3.03
	Former Project Manager	Occupier H	3.03

### 4.3.1 Occupier E

Occupier E is a consolidated global software development organization with an extensive portfolio, including offices in multi-tenant office buildings. Flexibility is described by the interviewee as the priority for the organization's global real estate strategy, driven by uncertainty and a short forecasting horizon. The main mechanism through which this flexibility is achieved is at the portfolio level, by relocating smaller offices below a certain headcount into dedicated suites within serviced offices.

At the asset level, Legal flexibility is considered the organization's primary "safety net" for managing change, with break options being the most important provision. During negotiations, the occupier does not consider subleasing provisions an exit strategy because internal policies prevent the company from acting as a landlord. In terms of Physical Flexibility, Occupier E primarily associates it with the ease of adapting the office layout, particularly through the addition or removal of partition walls to accommodate changing spatial requirements.

Regarding Organizational Flexibility, the real estate team is directly involved in setting policies, such as those for hybrid work. However, the interviewee explained that, in certain situations, it is strategically easier for the organization to relocate to another office space than to modify a global organizational policy in response to the limitations of a specific location.

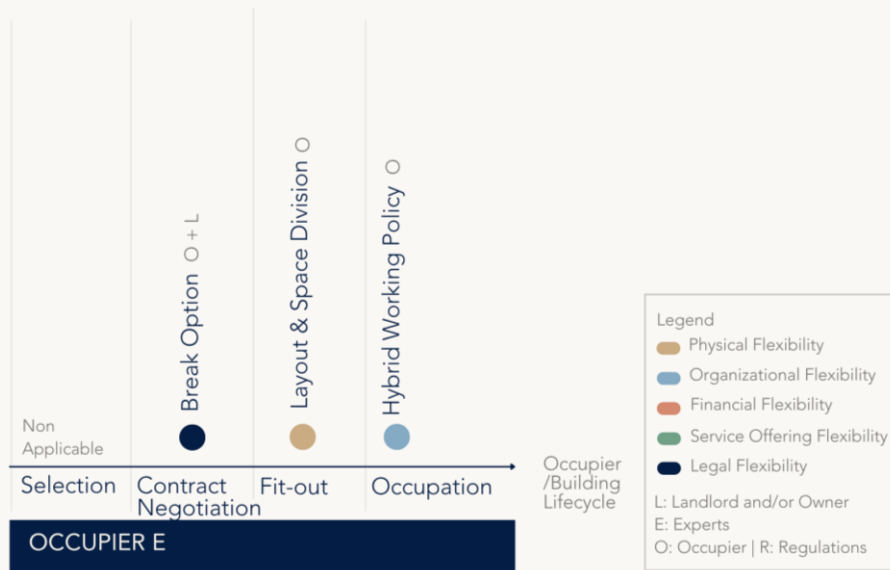
Finally, Building Offering Flexibility and Financial Flexibility are primarily addressed by Occupier E at the portfolio level through dedicated suites in serviced office environments. No specific mechanisms to achieve these forms of flexibility at the individual asset level were explicitly identified in the interview.

#### 4.3.1.1 Flexibility Framework Occupier E

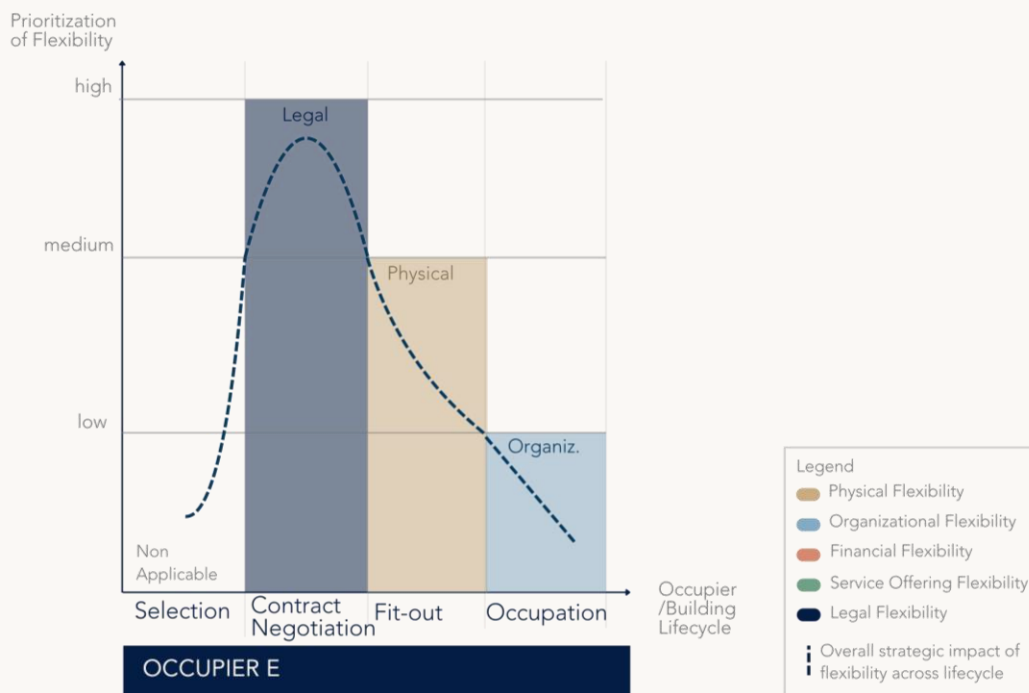
Figure 25 positions the mentioned flexibility mechanisms in the Occupier/Building Lifecycle, according to their respective dimension, while

Figure 26 ranks said mechanisms according to the prioritization given to it by the Occupier, being the highest priority Legal Flexibility, materialized by break options, followed by Physical and Organizational Flexibility.

**Figure 25 Flexibility Framework - Occupier E**



**Figure 26 Flexibility Framework - Prioritization Occupier E**



### 4.3.2 Occupier F

Occupier F is a consolidated global data analytics organization, originally in the publishing sector, with an international portfolio of approximately 200 offices. While the company's main corporate headquarters is located in the United Kingdom, each business line operates from a specific headquarters, one of which is in a multi-tenant office building in Amsterdam.

Their Amsterdam location has undergone significant changes over the past two decades, reflecting the business's transformation. Initially, the organization was the building's single tenant, leasing more than 20 floors under one lease agreement. As business evolved, the occupier experienced a significant reduction in space requirements, resulting in its current situation: a lease of approximately five floors, of which three are actively occupied.

The interviewee describes the organization's real estate decision-making process as strongly data driven. Dashboards and occupancy reports are used to monitor space utilization and support headcount forecasts, which can be projected approximately two to three years ahead. Although cost-effectiveness is an important factor, the organization emphasizes making the "right decisions" over meeting saving targets. The interviewee also notes that the organization's ability to negotiate flexibility with the landlord is linked to its market positioning: since the Amsterdam HQ is not in a prime location, with demands such as those of the Amsterdam South Axis, the landlord is able to offer more flexible options.

Flexibility became a strategic topic for Occupier F approximately 15 years ago, a shift intensified by the introduction of IFRS 16 and its impact on the organization's balance sheet. Legal Flexibility is considered a key priority for the organization, with particular emphasis placed on exit options through lease structures such as 5+5 and 3+3+3 agreements without automatic renewals. In addition, the occupier negotiates lease agreements that treat a single floor as multiple independent "units," enabling specific sections of a floor to be carved out and returned to the landlord as spatial demand fluctuates. The right to sublease also provides flexibility at the asset level.

Financial Flexibility is closely connected to these legal arrangements, since shorter lease agreements with break options reduce long-term liabilities reported on the balance sheet. Furthermore, taking advantage of the the relatively less competitive office market conditions in Amsterdam-West, the occupier expects the landlord to provide financial incentives during lease renegotiations. In terms of Physical flexibility, the occupier aligns their fitout with their legal opportunities to downsize. In doing so, they identify units they certainly want to retain and, when designing a floor, strategically place "fixed" elements such as server rooms and receptions in these units. In addition, the interviewee mentions adaptations in the layout to fit changing user needs.

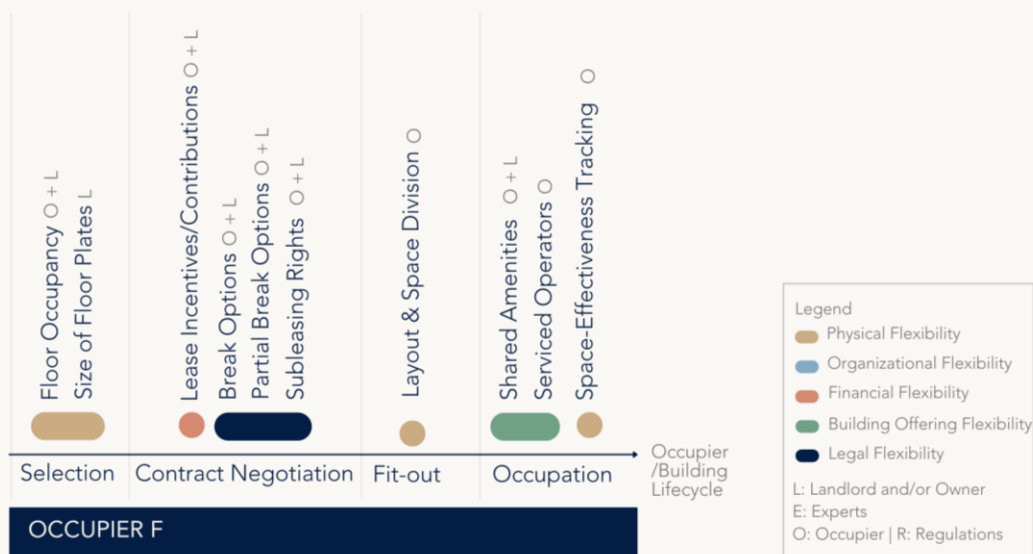
Within Organization Flexibility, the main challenge described is to encourage office attendance, however, the organization does not maintain a global attendance mandate, except for specific functions such as technology and software development. Finally, Building Offering Flexibility is considered to manage potential "overflow" through the serviced office provider in the building as well as shared amenities in the common areas such as a restaurant.

#### 4.3.2.1 Flexibility Framework Occupier F

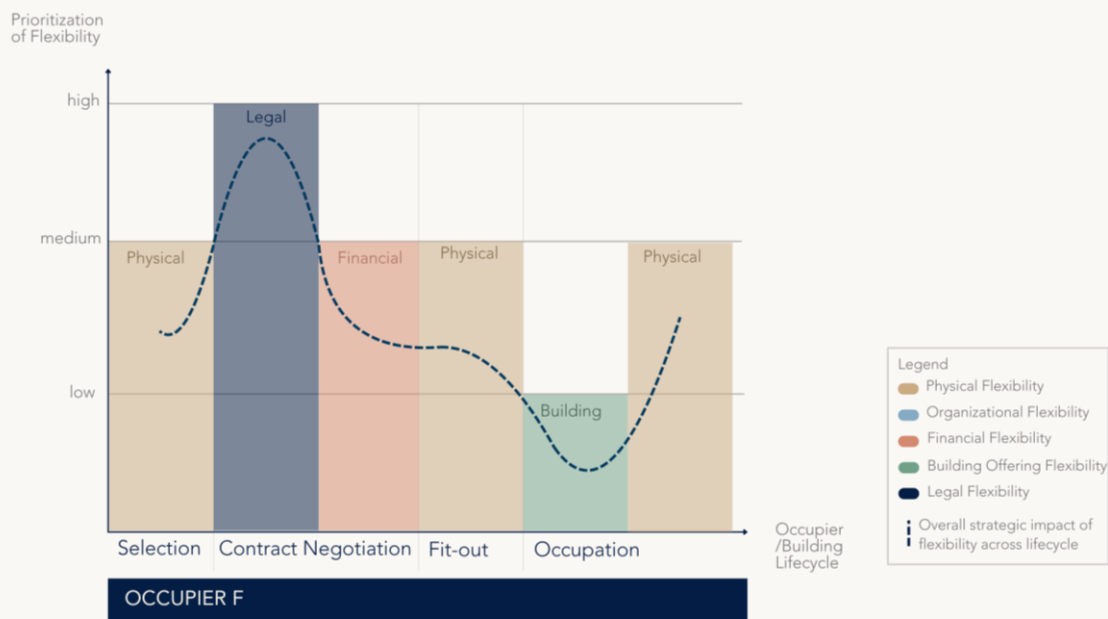
The flexibility mechanisms considered by Occupier F are mapped in the framework in Figure 27 and ranked according to their prioritization in

Figure 28. The framework shows a strategy primarily structured around Legal Flexibility, supported mainly by Financial and Physical Flexibility. Legal mechanisms, such as shorter lease terms and the possibility to return specific units to the landlord are central to managing the organization’s long-term reduction in spatial demand. These legal options are closely connected to Physical Flexibility, as the fitout is organized to make certain areas easier to separate or retain. When analyzing tradeoffs, the interviewee mentions that “if you really look at optimization of the spaces, we could do a further reduction of our lease area if we go to one big floor plate, but then we lose so much of flexibility as an organization that we don't want to do”, showing the prioritization of being able to partially dispose of leased space (Legal Flexibility) over the optimization of the layout (Physical Flexibility).

Figure 27 Flexibility Framework - Occupier F



**Figure 28** Flexibility Framework - Prioritization Occupier F



### 4.3.3 Occupier G

Occupier G is a fast-growing tech company with approximately 3.000 employees globally, of whom 500 are based at the Amsterdam headquarters. The interviewee identifies constant headcount changes and difficulty predicting future occupancy as the main causes of the organization’s real estate challenges. This is evident in the company’s current Amsterdam footprint, which is divided between two office buildings, as its original space no longer provided sufficient capacity for its growth. To address this, a second, larger office was leased and fitted out. However, by the time the organization occupied the new space, it had already outgrown it again. To address this misfit, the organization makes use of different flexibility dimensions, strengthened by a good relationship with the landlord.

Currently, Legal Flexibility in relation to their smaller space consists of break options and right of first refusal on one of the floors. Specifically for their Amsterdam locations, flexibility in lease length is not the organization’s highest priority, given the office’s role as an anchor location in the company’s portfolio. In line with that, the occupier intends to propose an extension of the contract in exchange for financial incentives and renegotiation of specific terms such as minimal reinstatement costs.

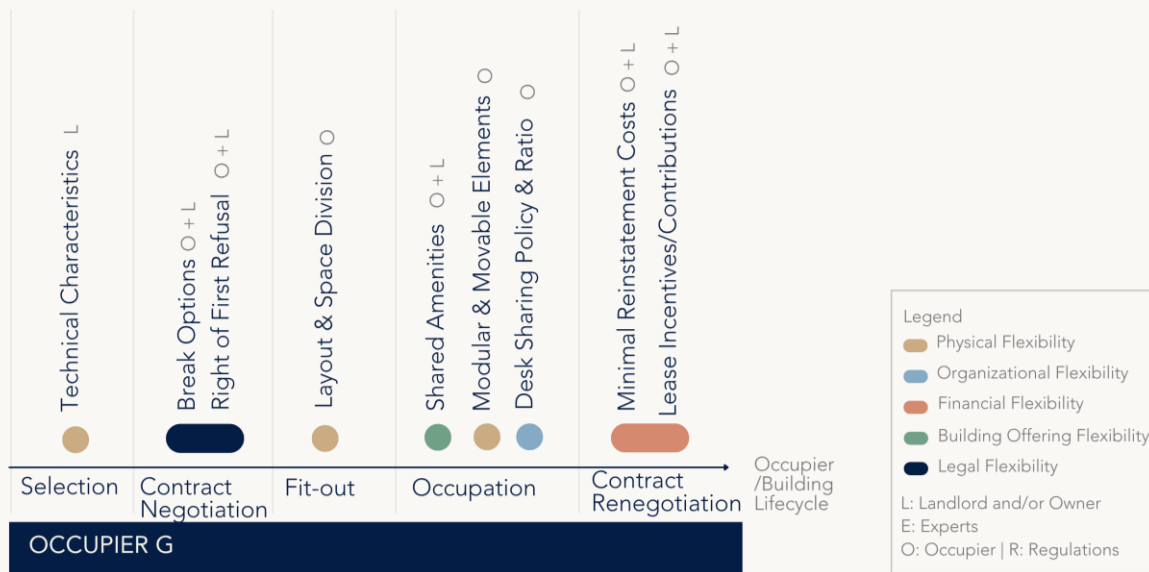
In terms of Physical Flexibility, the occupier fitout process considers both the initial move-in and projected growth scenarios. However, as previously explained, the organization’s rapid growth has been difficult to forecast, and adapting the space for growth was made challenging due to the many enclosed walls that limit spatial reconfiguration. To respond to the increased demand, additional desks have been introduced as flexible workstations and modular phone booths have been added to support capacity needs.

Regarding Organizational Flexibility, the company maintains a highly flexible approach to workplace attendance, with no formal office mandate. Employees are allowed to work at different times and choose when to attend the office, resulting in the need for 24/7 building access. At the same time, the interviewee explains that workplace policies related to “flex desks” are defined by the Real Estate team, however, they are “making it up as they go along, because it’s still not really clear on how that should work”. Building Offering Flexibility is primarily associated with access to shared amenities, particularly a ground-floor event space that is frequently used by the organization.

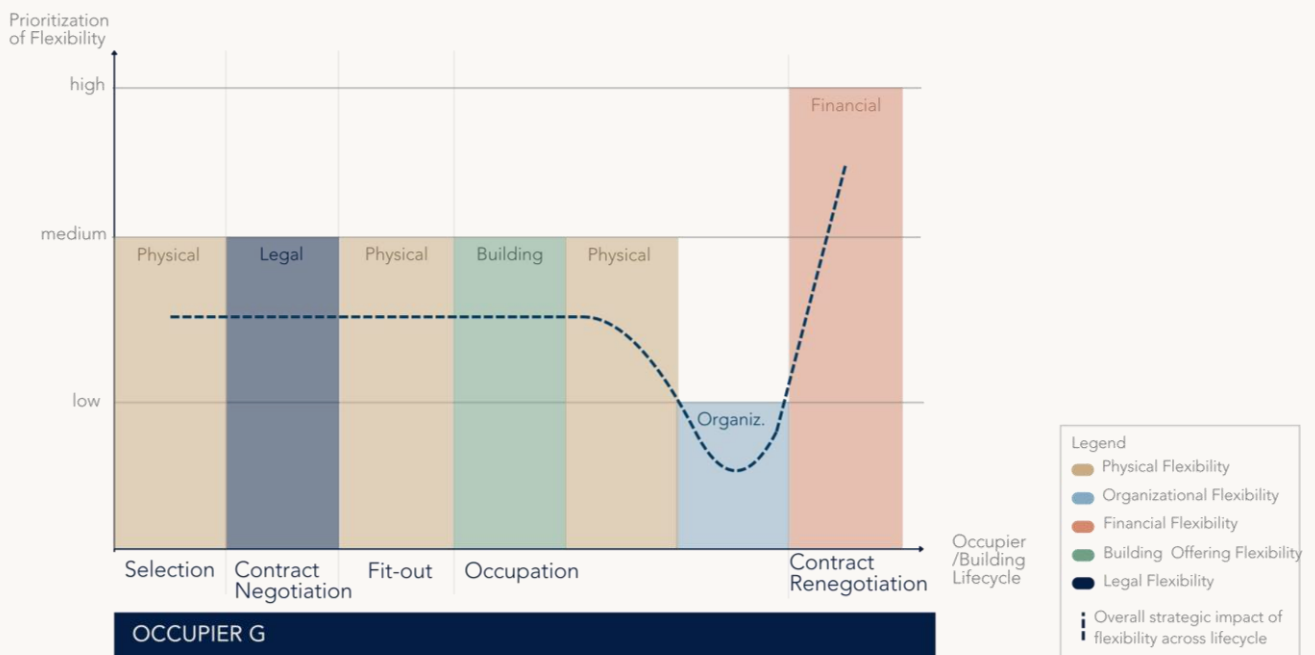
#### 4.3.3.1 Flexibility Framework Occupier G

The flexibility framework for Occupier G (Figure 29) depicts a strategy mainly shaped by rapid growth and difficulty forecasting future space requirements. When focusing on one of their two Amsterdam buildings, Financial Flexibility appears as a main priority in Figure 30, as the occupier considers extending the lease in exchange for incentives and renegotiated conditions. Their position is further supported by Legal Flexibility, through mechanisms such as break options and a right of first refusal, although lease length itself is less central because the Amsterdam office functions as an anchor location. Physical Flexibility is also relevant, as the occupier attempts to adapt the space through growth scenarios, additional desks and modular phone booths. However, the interviewee explains that the confidential nature of their business requires a fitout with many enclosed rooms and internal walls, which limits the flexibility to alter the layout over time. Organizational and Building Offering Flexibility appear as supporting mechanisms during occupation, especially through flexible attendance practices and the use of shared event spaces.

**Figure 29** Flexibility Framework - Occupier G



**Figure 30** Flexibility Framework - Prioritization Occupier G



#### 4.3.4 Occupier H

Occupier H is a consolidated technology organization that occupies a single floor in a multi-tenant office building on Amsterdam South Axis as its headquarters. Although the organization is not currently experiencing significant growth, the interviewee explains that the office, despite being only one year old, is already too small to meet current spatial needs. Now that the organization is experiencing spatial pressure, the interviewee explains that its position as a smaller tenant limits its bargaining power compared to larger anchor tenants, leaving the company “stuck between a rock and a hard place” regarding future spatial growth opportunities.

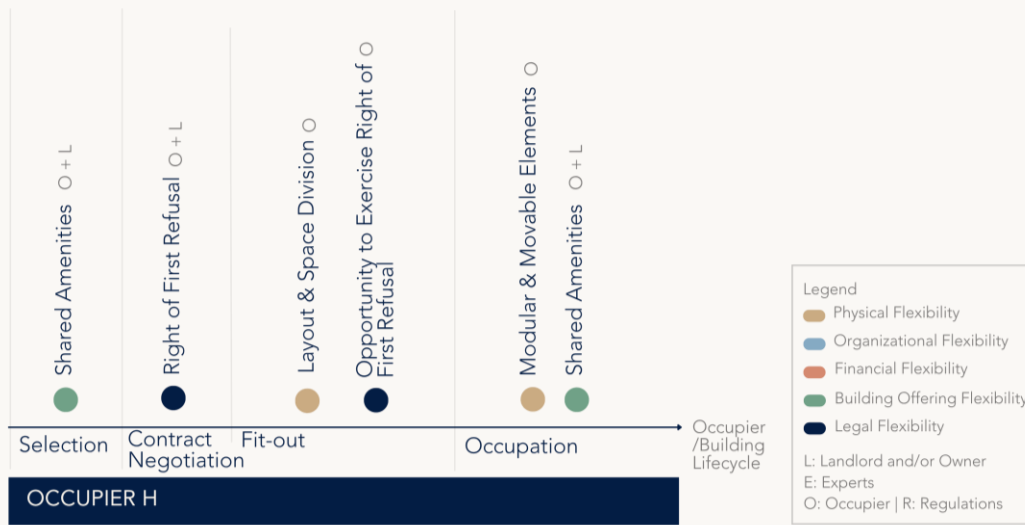
To address this misfit, Building Offering Flexibility is considered highly important for the organization’s workplace strategy. The interviewee explains that one of the primary reasons for selecting the building was the presence of a dedicated meeting center, which allows the organization to host larger meetings and events that do not fit in the leased office space. In addition, the organization occasionally uses serviced office providers to support specific project-based activities, allowing temporary spatial needs to be accommodated without requiring additional permanent leased space.

Regarding Physical Flexibility, the interviewee highlights lessons learned from the office fitout process. Certain technical characteristics of the building, such as the climate ceiling system, substantially limited where internal walls could be added, also hampering future reconfiguration. In addition, the interviewee reflects on decisions carried over from previous workplace experiences. In a former office location, the organization maintained a 20-person boardroom that was only used a few times per year. In response, the new office was designed with two smaller 10-person meeting rooms instead. However, because the new office space attracted employees, the use of the space was more intense than anticipated. In that sense, installing a folding wall within a large boardroom would have increased physical flexibility in the space.

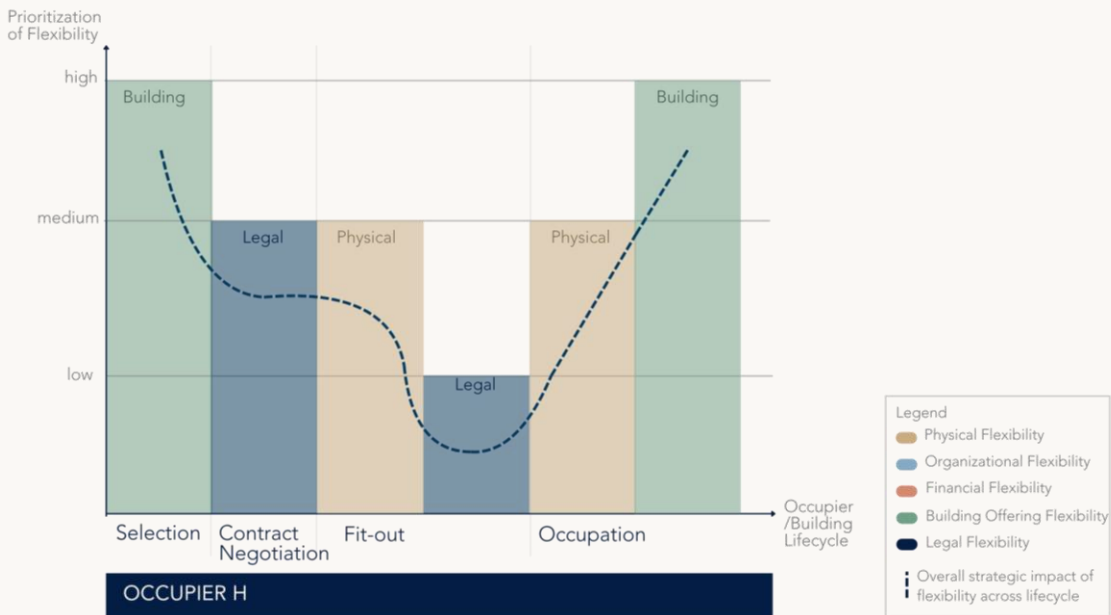
##### 4.3.4.1 Flexibility Framework Occupier H

Occupier H’s context is characterized by a limited leased footprint and weak bargaining power as a smaller tenant. Within this context, flexibility mechanisms such as the use of shared amenities and the layout and space division are applied (Figure 31). Among the flexibility dimensions discussed by the interviewee, Building Offering Flexibility is given the highest priority, as the organization relies on the building's amenities to host larger meetings, events and could make use of these spaces for temporary project-based needs. Physical Flexibility appears as a medium priority, mainly through lessons learned from the fitout process regarding layout modifications and movable elements. Lastly, Legal Flexibility represents a medium priority during contract negotiation, where the right of first refusal provision was secured, however, during the fitout, the decision to not exercise it was made, positioning it in a lower priority in comparison with other dimensions

**Figure 31 Flexibility Framework – Occupier H**



**Figure 32 Flexibility Framework – Prioritization Occupier H**

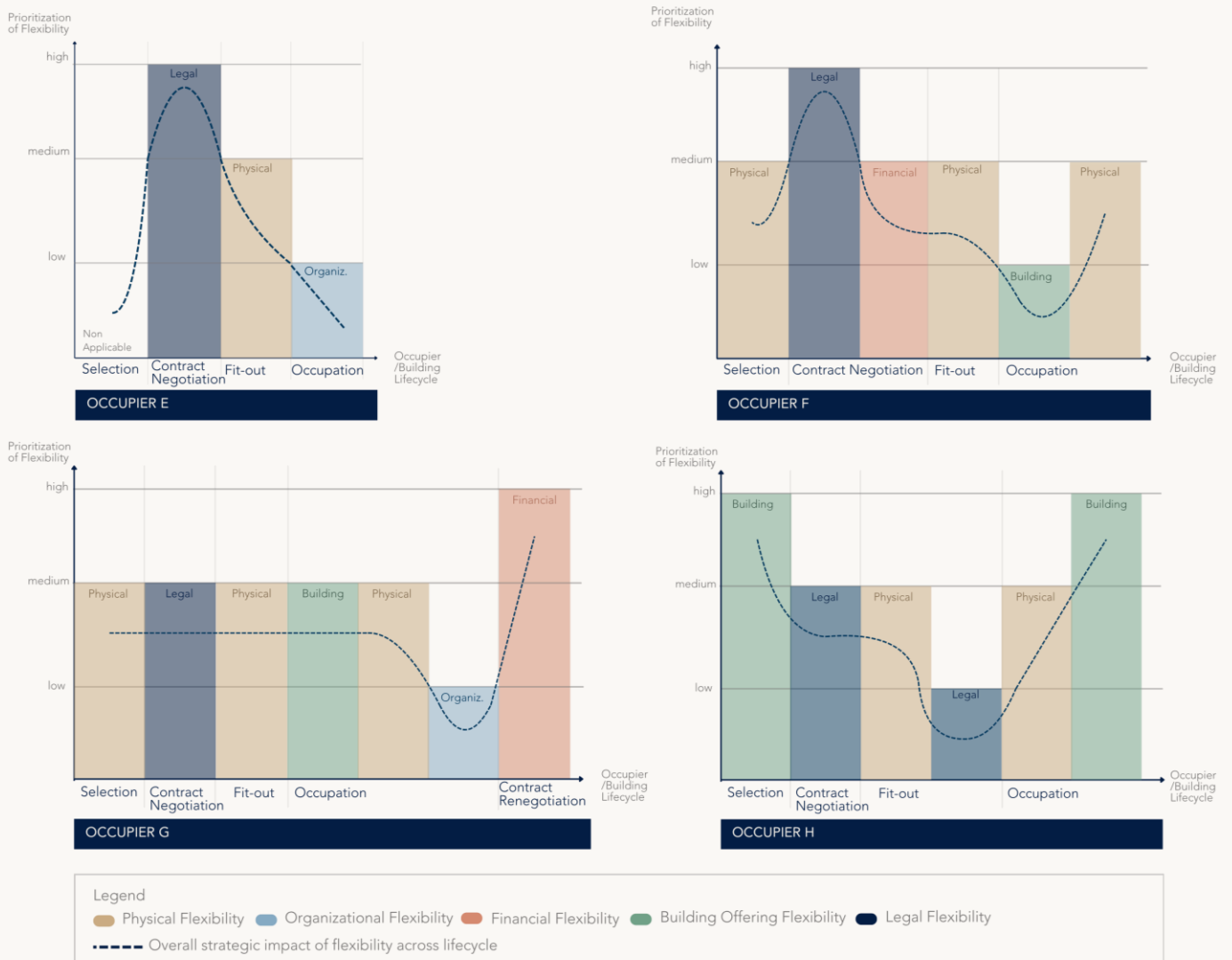


#### 4.3.5 Phase 3 - Overview

Phase 3 expands the analysis beyond Building X to examine the situation of occupiers in other multi-tenant office buildings. Because the building is not a common denominator between occupiers, the emphasis shifts more to the organizational factors and their influence on the Occupier’s approach to flexibility. During this phase, occupiers displayed different flexibility priorities, with Legal Flexibility being the only dimension identified twice as the highest priority (Figure 33). Occupier E, a global software company, approaches flexibility mainly at the portfolio level, while using Legal

Flexibility as an asset-level safety net through break options. Occupier F, a consolidated data analytics organization, also prioritizes Legal Flexibility to support downsizing through shorter lease structures and the possibility to break the contract on a per-floor basis. Occupier G, a fast-growing tech company, focuses on Financial Flexibility by considering a longer lease commitment in exchange for incentives. Finally, Occupier H primarily makes use of Building Offering Flexibility, using shared facilities to compensate for limited leased space.

**Figure 33** Phase 3 - Occupier Overview



# **Findings and Discussions**

## 5. Findings and Discussions

The following chapter presents the empirical findings and discussions across the three different phases of this research. The findings are organized around the key themes identified throughout the data collection process. Rather than treating the empirical findings, discussions and existing literature in isolation, they are brought into dialogue, allowing for an evaluation of where practical perspectives align with or diverge from theoretical concepts.

### 5.1 Importance of flexibility, driven by uncertainty

Across the three phases of the empirical research, flexibility emerged as a significant concern for leasehold office occupiers, functioning as a means to manage mismatches between organizational demand and spatial supply. This finding aligns with the theoretical discussion presented in Chapter 2, where flexibility is framed as an increasingly relevant topic in Corporate Real Estate Management (Meester, 2025). The literature demonstrates that organizations continuously change in response to business, technological, economic and social developments, while office buildings and lease agreements are comparatively slower to adapt (Gibson & Lizieri, 1999, Van Der Voordt, 2017). Within this context, flexibility becomes an important strategic tool for occupiers, enabling them to respond to changing requirements without necessarily relocating, overcommitting to space, or carrying unnecessary spatial and financial risk.

The empirical research shows that the overarching driver behind the need for flexibility is uncertainty. Across the interviews, this uncertainty was associated with the current geopolitical instability, economic volatility, technological change, the rise of artificial intelligence and the impact of COVID-19 on ways of working. These external conditions directly impact internal business needs, particularly through cost pressure and the difficulty in forecasting future headcount, workplace use and business requirements with confidence. However, while uncertainty explains why flexibility is important, the findings also show that occupiers differ in how they approach and prioritize it. These differences in prioritization are discussed in the following sections.

### 5.2 Occupier Flexibility - Five Dimensions

While the literature reviewed in Chapter 2 includes multiple interpretations of flexibility, the empirical phase of this research demonstrates that, from the point of view of leasehold occupiers in multi-tenant office buildings, flexibility is understood through five different dimensions: Legal, Financial, Physical, Organizational and Building Offering Flexibility. However, these dimensions should not be understood as isolated categories. The empirical findings indicate that flexibility mechanisms frequently overlap, interact and reinforce one another, with certain mechanisms contributing to more than one dimension of flexibility. These interrelations are highlighted throughout this chapter as the dimensions are discussed across the three phases of data collection.

#### 5.2.1 Focus on Legal and Financial Flexibility

Legal flexibility emerged as the most emphasized flexibility mechanism over the three phases of the research, followed by Financial Flexibility. Although occupiers in phases 2 and 3 prioritized different flexibility strategies depending on their organizational contexts, the empirical research

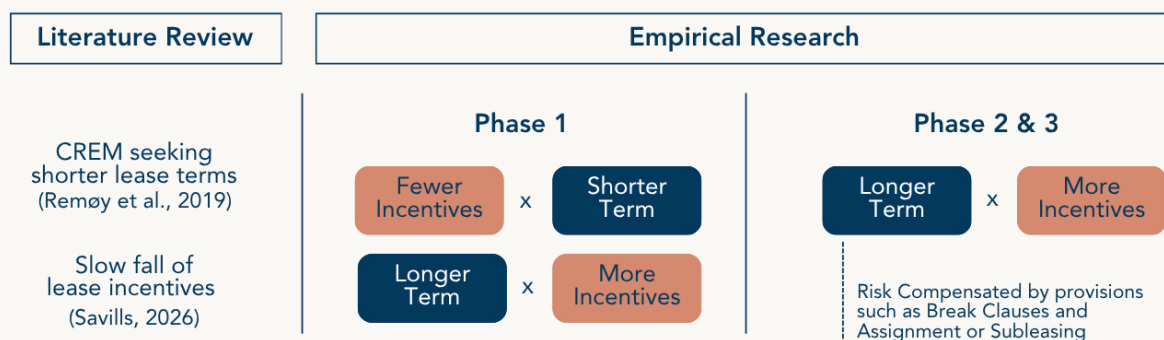
identifies legal mechanisms as the most common means occupiers use to manage uncertainty and reduce exposure to future spatial risks. These mechanisms include break clauses, assignment and subleasing rights, rights of first refusal and lease term length.

Financial Flexibility was also identified as an important mechanism, particularly for reducing upfront capital expenditure and improving the financial feasibility of office commitments. Examples included turnkey fitouts, rent-free periods and landlord cash contributions. While Legal Flexibility concerns the occupier’s ability to adapt, exit, expand or transfer obligations over time, Financial Flexibility concerns the distribution of costs, risks and investment burdens associated with the office commitment.

The findings also show that these two dimensions are closely interrelated. Consultants in Phase 1 emphasized that “flexibility costs money”, exemplifying that occupiers often face a trade-off between legal optionality and financial incentives. Two main situations were illustrated: an occupier may accept fewer incentives in exchange for more exit options or, alternatively, commit to a longer lease term to secure a larger financial contribution from the landlord.

Although the literature review and Phase 1 of the empirical research indicate that lease terms in the market are becoming shorter and that occupiers increasingly seek shorter commitments, the interviewed occupiers did not express a willingness to give up financial incentives in exchange for shorter lease terms. On the contrary, two occupiers either accepted longer lease terms from the outset or were negotiating lease extensions in return for financial incentives. This finding also contrasts with the trend identified in the literature, which points to a decline in lease incentives (Savills, 2026). Together, these findings suggest that shorter lease terms may be desirable from a legal flexibility perspective, but they are not always prioritized when they undermine the financial feasibility of the transaction (as illustrated in Figure 34).

**Figure 34** Trade-Offs Legal and Financial Flexibility



In addition, Financial and Legal Flexibility are also linked when discussing cost amortization. Even when occupiers receive financial incentives, they still face pressure to amortize or depreciate fitout costs over the lease term. This creates an internal financial logic that works against short-term lease commitments, since it leaves less time to recover the value of the investment. However, this

constraint can be partly reduced when the landlord funds the fitout through a turnkey arrangement, rent-free period, cash contribution or other financial incentives.

### 5.2.2 Physical Flexibility

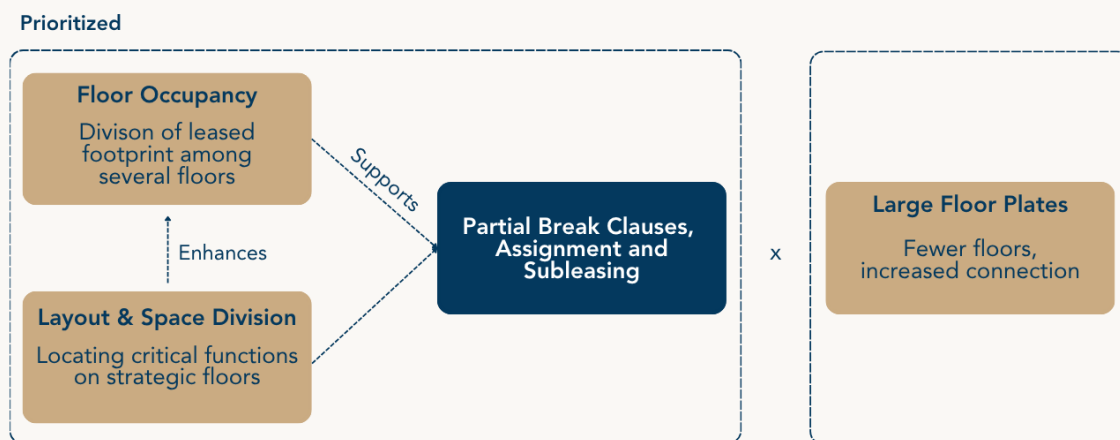
While much of the literature in the built environment field focuses on flexibility through the physical characteristics of the multi-tenant building itself, the scholars cited in the literature review discuss elements that focus on the leased office space, such as room dividers (Den Heijer, 2025) or adapting space for multiple uses (Schmidt, 2010). This perspective aligns with the empirical findings, in which occupiers understand Physical Flexibility primarily through the configuration and layout of the leased premises, the range of uses it can accommodate and the extent to which the building's technical specifications enable or constrain adaptation.

A recurring topic across all phases of the empirical research, at the level of the leased space, was the distribution of leased square meters within the building as an important factor in enhancing Physical Flexibility. This takes into consideration both the size and configuration of the available floor plates and the way the occupier's total footprint is spread across one or more floors. For some occupiers, distributing the leased footprint across the building was seen as a form of facilitating future space disposal without requiring major adaptations. In this sense, Physical Flexibility becomes closely linked to Legal Flexibility, as the physical separation of floors can support the use of partial break clauses, assignment or subleasing rights.

A deliberate internal layout organization can support this strategy. Taking into account opportunities to dispose of floors during the lease term, occupiers may locate specific parts of the program of requirements that are more challenging or costly to relocate, such as server rooms, in areas they are most likely to retain. During "Phase 2" of data collection, this strategy was reported by Occupier A and also appeared in "Phase 3", described by Occupier F.

Although a multi-floor footprint can strengthen an occupier's ability to downsize in the future, larger floor plates were generally associated with greater possibilities for reconfiguration and stronger spatial connection. Occupiers A and F acknowledged this trade-off, explaining that fewer and larger floor plates would have been preferable from the perspective of layout quality and internal connectivity. However, within their organizational context, securing exit options was considered more important, leading to its prioritization, dynamic which is illustrated in Figure 35.

**Figure 35** Relationship between Physical and Legal Flexibility Aspects



In addition to the characteristics and distribution of the leased space within the building, occupiers from Phases 2 and 3 cited Activity-Based Working (ABW) as a relevant mechanism to increase Physical Flexibility. Its resulting layout can support various work activities and spatial configurations, keeping the office functional even as organizational needs change. When discussing layout changes during the occupation phase, Occupiers A and D noted that events such as team restructuring would have a limited impact on daily operations and space configuration, as their workplace does not revolve around specific teams but rather around activities. In this sense, within the occupier's layout, ABW is described as a method for enabling a more efficient and adaptable use of space, aligning with the literature of scholars such as Echeverri et al. (2021). Still regarding layout design, occupiers also discussed modular furniture as a way to support adaptation over time, since it can be more easily replaced, rearranged or adjusted to fit current working preferences.

At the same time, the empirical findings show that Physical Flexibility is not determined only by the occupier's internal layout choices, but also by the technical characteristics of the building. Occupiers mentioned occupancy capacity as an important constraint, as it can limit the number of users and activities that a space can accommodate. Similarly, technical specifications, such as climate ceilings, can dictate where walls and enclosed rooms may be placed, thereby limiting future adaptation options. This issue was especially impactful for Occupier H, whose layout options were strongly constrained by the building's technical limitations.

### 5.2.3 Organizational Flexibility

Organizational Flexibility was demonstrated in the empirical research as encompassing policies and workplace management strategies that affect how the office is used, such as hybrid work policies, desk-sharing ratios, attendance mandates and anchor days, confirming the approach of Den Heijer (2025). Compared to other flexibility dimensions, it was, however, not frequently referenced by industry consultants in Phase 1. The reason for this could be that consultants often have a more transactional view of occupiers' real estate situations, while professionals working directly for

occupiers tend to have a broader understanding of the day-to-day and operational functioning of the organization.

Although Organizational Flexibility was not among the most frequently prioritized dimensions of flexibility, the empirical findings suggest that it serves as an important mechanism for managing misfits, especially during the occupation phase. Organizational mechanisms appeared as flexibility mechanisms in more than 60% of occupier strategies, although their perceived importance varied across organizations. In this sense, Organizational Flexibility can be understood as a lever that occupiers can activate during occupation, particularly when the existing workspace no longer fully aligns with organizational needs, occupancy patterns or working practices. However, as discussed by Den Heijer (2025) and illustrated by Occupier C, an important distinction must be made: organizational measures depend heavily on bottom-up adherence. Therefore, the existence of policies does not necessarily mean that they are followed in practice.

In line with that, despite its potential impact, Organizational Flexibility was not described by occupiers as a very strategic real estate tool. Many of the interviewees indicated that workplace policies, such as hybrid work mandates or attendance expectations, were often described as being determined at higher level, outside the real estate function. Even when real estate teams were involved, these measures appeared to be more reactive than strategic, with one occupier describing the process as “making it up as we go”. Connecting this to the literature, it indicates that, although more than three decades have passed since the work of Nourse and Roulac (1993), their description of real estate decision-making in a vacuum remains very much current.

Although Organizational Flexibility was not consistently framed as a strategic tool, it directly influences the performance of the physical workplace. Desk-sharing ratios, hybrid work policies, attendance mandates and anchor days affect how the leased space is occupied and experienced. For example, a higher desk-sharing ratio can reduce pressure on the physical workplace, while anchor days can create occupancy peaks that strain the office's capacity and layout. In this sense, Organizational Flexibility is closely connected to Physical Flexibility.

#### 5.2.4 Building Offering Flexibility

In the reviewed literature, works by Gibson and Lizieri (1999) and Echeverri et al. (2021) demonstrate that, at the portfolio level, organizations use short-term or on-demand arrangements to meet uncertain or temporary needs. In this research, occupiers revealed the use of similar strategies, however, within their multi-tenant office building. At the building level, this type of flexibility is approached through the amenities a building offers, such as the presence of a serviced office operator, on-demand meeting rooms and event spaces, as well as in details about how the building functions, such as access hours.

Interviews with industry consultants during Phase 1 demonstrated that the Dutch market, especially in the Amsterdam South Axis, has recognized and incorporated occupiers' demand for amenities into the building offer. During Phase 2, however, occupiers showed that the need for such

amenities varies according to their organizational context and the characteristics of their leased space. Limited take-up of space, or a lack of diversified amenities within the leased premises were identified as factors that can increase reliance on the building offer. However, for occupiers with a substantial spatial footprint, such as Occupier D, Building Offering Flexibility was considered to add limited value. This perception was also shaped by the tenant's need for privacy and confidentiality, which can hinder the possibility of using shared building amenities.

During Phase 3, occupiers outside the case study building mostly described frequent use of shared spaces and amenities within the building. For Occupier H, the presence of these spaces was even one of the main drivers of the decision to locate in its current building. The occupier described on-demand spaces and building amenities as particularly important for supporting specific projects and temporary spatial needs. In this case, Building Offering Flexibility became more relevant as the occupier-building lifecycle advanced, as the occupier quickly outgrew its leased premises and had limited bargaining power to secure additional space within the building.

In contrast, for Occupier E, the real estate strategy involves terminating conventional leasehold contracts below a specific Full-Time Equivalent (FTE) threshold and relocating these offices to dedicated spaces within serviced office providers. In doing so, Occupier E focuses more on the portfolio level, while Occupier H seeks flexibility within a specific multi-tenant building.

### 5.3 Strategic prioritization of flexibility mechanisms

Although this research classifies flexibility dimensions and lists the mechanisms within them, empirical findings across all phases indicate that occupiers do not seek to use the maximum number of flexibility mechanisms or aim to achieve flexibility in all dimensions. Rather, they prioritize specific mechanisms according to their organizational context and requirements. This distinction is important because flexibility is not neutral in lease negotiations. When flexibility options become a bargaining coin, securing one mechanism may require giving up leverage elsewhere. Therefore, the value of each flexibility mechanism needs to be interpreted on a case-by-case basis, aligning with the context-dependent framing of flexibility in the Literature Review.

This is particularly relevant because, despite Legal and Financial Flexibility having appeared as the most frequently prioritized dimensions, they are not necessarily the most suitable mechanisms for every occupier, as demonstrated in Chapter 4. Depending on the organization's needs, other dimensions of flexibility may be more effective at addressing specific misfits. For instance, Organizational Flexibility may be more relevant when the challenge concerns changing attendance patterns, while Building Offering Flexibility may become more important when the occupier has limited leased space and needs access to shared or on-demand facilities. This reinforces the importance of an organization identifying its real needs, translating them into real estate requirements, shaping them into preferences according to business drivers and developing them into actionable strategies, as discussed by Blakstad (2001) and presented in Chapter 2.3.2 of this report.

However, the empirical research also shows that this strategic process is made more difficult by the uncertainty organizations are immersed in. As interviewees reported, organizations have significant difficulties in forecasting future headcount, workplace attendance and possible business changes. As a result, even when certain flexibility mechanisms are prioritized, these choices do not always prove accurate over time. This creates the risk of securing mechanisms during negotiations that are never exercised, representing a loss of bargaining leverage. This was observed in both Phase 2 and Phase 3, where occupiers negotiated break options but later chose not to exercise them when the opportunity arose.

## 5.4 Flexibility across the Occupier/Building Lifecycle

When analyzing flexibility across the occupier/building lifecycle, the empirical findings show that flexibility decisions are strongly concentrated around the contractual negotiation phase. In Phase 1, Legal and Financial Flexibility were the most frequently highlighted flexibility categories, and these same dimensions were also the most prioritized in Phases 2 and 3 jointly. This indicates that many of the most valued flexibility mechanisms are defined before occupation, through contractual provisions and financial arrangements.

Although contracts can be renegotiated and some provisions are only exercised later in the occupier-building lifecycle, the fact that many flexibility mechanisms are largely determined at a single point in time can represent a challenge for occupiers. This is particularly relevant because the occupation phase is the longest stage of the relationship between the occupier and the building. During this phase, organizational needs, occupancy patterns, headcount and business conditions may continue to change, while the main Legal and Financial Flexibility mechanisms were set at the signing of the lease.

That being said, the empirical study demonstrates that Physical, Organizational and Building Offering Flexibility have the greatest potential to increase flexibility possibilities during occupation. This is because the mechanisms involved can be activated or adjusted during use, through changes in workplace policies, desk-sharing ratios, small layout adaptations, access to shared amenities, on-demand spaces or serviced office solutions, among others. With the exception of Building Offering Flexibility, which depends on what the building and landlord provide, these mechanisms mainly involve decisions made internally by the occupier, making decision-making easier and enabling actions to be implemented more quickly.

## 5.5 Absence of new mechanisms

Even though interviewed parties highlighted a growing need for flexibility, the mechanisms used to achieve it seem to have remained relatively unchanged over the last decade. During Phase 1, consultants emphasized the absence of entirely new flexibility mechanisms, while noting that existing mechanisms have been applied in more creative ways. This was described primarily in relation to break options, including partial break options and different penalty structures, such as the repayment of rent-free periods or other incentives. In Phases 2 and 3, the mechanisms described by occupiers were not substantially different from those described in Phase 1. One exception, however,

was the growth of Building Offering Flexibility, as discussed in Section 5.2.4, which appeared across all phases as a market response to changing occupier needs.

The absence of new mechanisms reflects an imbalance, suggesting that the market has recognized the need for flexibility, but still relies mainly on traditional contractual and financial tools to provide it. Beyond the literature review and the empirical findings, examples from practice show how alternative approaches are used to deal with change. One example is the headquarters of a software company that uses furniture through a subscription model, allowing the workplace to adjust more easily to changing headcount and different forms of work.

## 5.6 Patterns Identified

When the occupiers are compared across Phases 2 and 3, no single industry category or growth stage consistently corresponds to the prioritization of one flexibility dimension. Instead, the prioritization of flexibility appears to be shaped by the interaction of several factors, including sector, growth stage, business model, strategic importance of the location, spatial footprint, bargaining power, amenities within the building and the specific mismatch faced between organizational demand and building supply (refer to Table 10). Although no overarching pattern was identified, the following paragraphs present the main similarities and tendencies observed across the eight occupiers in Phases 2 and 3.

**Table 10** *Occupier Characteristics - Phase 2 and 3*

Phase	Occupier	Sector	Growth Stage	Location Importance	Employee # in location	Take-up	Lease Term	Prioritized Flexibility Category
<b>PHASE 2 (CASE STUDY)</b>	Occupier A (2.01)	Consumer Goods	Becoming Profitable	Headquarters	~500	Multiple Floors	Long	Financial
	Occupier B (2.02)	Serviced Office Operator	I.I.	n.a.	n.a.	Two Floors	Long	Physical
	Occupier C (2.03)	Bank	Consolidated	European Hub	~100	One Floor	Medium	Organizational
	Occupier D (2.04)	Tech	Fast Growing	Most important office (EMEA)	~1000	Multiple Floors (Main Occupier)	Medium	Legal
<b>PHASE 3</b>	Occupier E (3.01)	Software Development	Consolidated	I.I.	I.I.	I.I.	I.I.	Legal
	Occupier F (3.02)	Data Analytics	Consolidated	Headquarters (of one of the business lines)	I.I.	Multiple Floors	I.I.	Legal
	Occupier G (3.03)	Tech	Fast Growing	Headquarters	500	Multiple Floors	Medium-Long	Financial
	Occupier H (3.03)	Tech	Consolidated	Headquarters	I.I.	One Floor	I.I.	Building-Offering

Note. I.I. indicates that the available interview data was insufficient to determine this characteristic.

Both occupiers categorized as fast-growing are tech companies with substantial space requirements and a recurring pattern of outgrowing their leased premises. The two parties also described having a relatively strong bargaining power in their respective negotiations. Despite these

similarities, each prioritized a different dimension of flexibility (Legal Flexibility for Occupier D and Financial Flexibility for Occupier G). Notably, both prioritized dimensions are contractually defined, meaning that their mechanisms were secured during the negotiation stage rather than activated only during occupation. This suggests that fast-growing organizations tend to front-load their flexibility strategy, as they are aware that their requirements may change substantially, even when the specific mechanisms they pursue differ.

A similar pattern was identified in relation to spatial footprint, as all occupiers with multiple floors, namely A, D, F and G, prioritized Legal or Financial Flexibility. This can be explained by the greater financial exposure associated with a larger footprint, which increases the relevance of incentives, and by the connection of these dimensions with the possibilities to upsize or, similarly, dispose of space.

By contrast, smaller occupiers, such as B, C and H, prioritized dimensions that are more applicable during the utilization phase. This may be related to their limited leverage to shape flexibility at the contractual level, leading them to rely on mechanisms within Physical, Organizational and Building Offering Flexibility. These dimensions represent more accessible means of adaptation for occupiers with smaller footprints or less influence within the building.

Several occupiers also described their office as a headquarters, European hub or anchor location. In these cases, flexibility was not necessarily about being able to leave the building, but about remaining adaptable while staying. These cases suggest that, when the location is highly important, exit flexibility becomes less central. Instead, occupiers seek mechanisms that allow them to remain in place while adapting to future change, such as expansion or contraction options that enable right-sizing without requiring relocation.

The last pattern observed concerns the impact of functions and the nature of the work taking place within the occupier's space on the possibilities for achieving flexibility. This was discussed by consultants and illustrated by Occupiers C, D and G, whose activities involve higher levels of confidentiality. This directly affects the layout and the degree of Physical Flexibility it permits, as these offices tend to require a greater number of enclosed spaces. In addition, it limits the potential for Building Offering Flexibility, because sensitive discussions, confidential activities and technology-specific functions cannot easily be accommodated outside the leased premises.

## 5.7 Multi-Tenant Office Building as an ecosystem

Phase 2 of the empirical findings brought forward an interesting perception of the multi-tenant office building as an ecosystem. Just as in nature, where living organisms interact with one another and with their physical environment, in a multi-tenant office building, each occupier's position is constantly dependent on the other "organisms" within the building. In the illustrative case, the two occupiers with multiple floors, Occupier A and Occupier D, can coexist because their flexibility needs differ: Occupier D is a fast-growing organization, focusing on the possibility of expanding through the right of first refusal for the remaining floors, while Occupier A has as its main priority the possibility of

subleasing and assigning. If both organizations were fast-growing, it would be difficult to reach equilibrium in the building.

This relativity of the occupier's position is also evident in Phase 3. Occupier G maintains a strong relationship with the landlord, further strengthened by the landlord's strained relationship with the second-largest occupier. This highlights that what matters is not only the quality of one's own relationship with the landlord, but how an occupier's situation is shaped by the relationships of those around them. It also underscores that, even though occupiers in the same building share the same landlord, each tenant holds a distinct perception of them, shaped by their own context and negotiating position.

These factors point to the importance of a balanced tenant mix within the building, composed of occupiers with different characteristics, needs, and the different flexibility priorities that they lead to. This is essential not only for occupiers to coexist within the same building, but also for the landlord, as it contributes to a more stable and functional asset. It also suggests that, when assessing relocation or renovation decisions, occupiers should consider not only the building itself and their own requirements, but also the context of other tenants in the building. Their position, priorities and spatial needs may influence the availability of future flexibility options and affect how well the occupier's own objectives can be accommodated over time.

## 5.8 Revisiting the conceptual diagram

The findings of this research broadly confirm the conceptual model developed in Chapter 1, which positions flexibility as the mechanism through which the mismatch between Building Supply and Occupier Demand is addressed within the CREM context. The empirical data, however, invite refinement to that framing, through the factors presented in the following subsections.

### 5.8.1 Dynamic Interaction between Supply and Demand

The mismatch between supply and demand should not be understood as a single state to be resolved. The empirical findings show that occupiers are not managing one identifiable misalignment, but continuous mismatches that change as the organization moves through its growth cycle, as market conditions shift and as ways of working evolve. Flexibility is therefore not a one-time alignment mechanism, but an ongoing adaptive capacity that needs to be maintained, renegotiated and re-operationalized throughout the occupier-building lifecycle. In this sense, representing this live relationship through a still image is a challenge.

### 5.8.2 Addition of Building Offering as a Flexibility Dimension

The empirical findings refine the positioning of the building offer in the conceptual model. In the original model, the building offer was already included as part of "Building Characteristics", shaping "Building Supply". This remains valid, as shared amenities, serviced office providers, meeting facilities, catering, event spaces and access arrangements are characteristics of the multi-tenant office building.

However, the findings show that these elements are not only perceived as characteristics of the space. Occupiers also use them as mechanisms to achieve flexibility. Shared meeting rooms support peak moments, serviced office providers can absorb temporary overflow and shared amenities can compensate for the lack of functions within the leased premises. In this sense, the building offer becomes a flexibility dimension when occupiers make use of it to manage an identified misfit.

### 5.8.3 Flexibility across the occupier-building lifecycle

The findings also acknowledge that flexibility is established and activated across several stages: space selection, contract negotiation, fit-out, occupation, contract renegotiation and exit. These stages are not independent, as decisions made earlier in the occupier-building lifecycle can constrain or enable the flexibility available at later stages. In addition, some mechanisms are established at one point in the lifecycle but only activated later. The lifecycle factor is therefore added beneath the flexibility dimensions to illustrate the time factor.

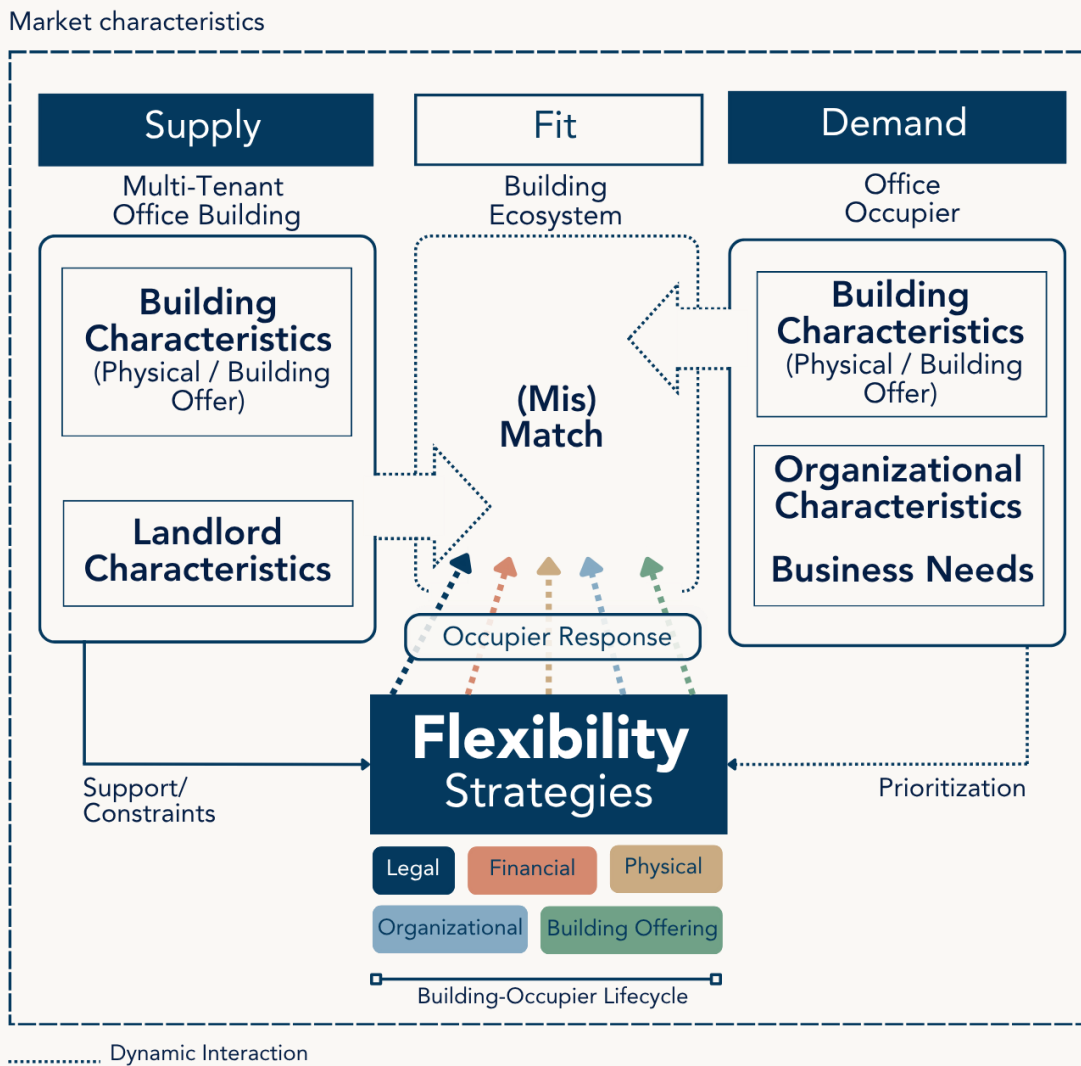
### 5.8.4 The multi-tenant office building as an ecosystem

Finally, the notion of the building as an ecosystem is incorporated into the conceptual diagram under “fit”, as it encompasses not only the physical space, but also all the stakeholders involved within it. In this sense, the ecosystem ties together the supply and demand sides, since it is within the multi-tenant building and its stakeholder relations that misfit can be transformed into fit through flexibility mechanisms.

### 5.8.5 Refined Conceptual Model

These refinements do not reject the original conceptual model, but complement it. With these additions, the refined model strengthens the positioning of flexibility as a response to the mismatch between Building Supply and Occupier Demand, as illustrated in Figure 36 on the following page.

Figure 36 Refined Conceptual Model



**Conclusion**

## 6. Conclusion

This thesis examined how flexibility in corporate office real estate is understood and operationalized by occupiers when discussing conventional leasehold in multi-tenant office buildings in the Dutch market. This research developed a strategic overview of flexibility from the occupier perspective, structured as a framework to support decision-making across the leasehold lifecycle. To achieve this, the literature review was combined with a three-phase empirical study involving consultants and occupiers. This chapter answers the research questions in light of the theoretical and empirical findings, discusses how the study's aim was addressed and presents the limitations and recommendations for future research and practice.

### 6.1 Research Questions

The main research question of this thesis asked how corporate office occupiers under conventional leaseholds understand flexibility within their Corporate Real Estate Management context. The sub-questions approached this issue from the relevance of flexibility, the mechanisms through which it is pursued and the way organizational and building characteristics shape the prioritization of strategies. Together, the answers to these questions form the basis for the flexibility framework developed and its visualization.

#### **SQ1. Why is flexibility important for corporate office occupiers under conventional leaseholds?**

For corporate office occupiers under conventional leaseholds, flexibility is a strategic response to the recurring mismatch between organizational demand and building supply, driven by market volatility, changing business needs and the uncertainty these forces generate. While organizations continuously change in response to business cycles, headcount fluctuations, evolving ways of working and broader macroeconomic conditions, the built environment and its lease structures lack the same agility. Under a conventional lease, occupiers have limited control over the building's physical characteristics while committing to fixed space and financial obligations for a defined period.

The empirical findings demonstrate that the current geopolitical scenario, economic volatility, the impact of AI and technological change and the effects of COVID-19 on workplace behavior create challenges for organizations to forecast headcount, workplace utilization and business requirements. Because the conventional leasehold does not allow the organization to easily adjust its spatial commitment as these factors evolve, flexibility becomes a strategic tool for managing risk and adjusting how the office space supports the core business.

## **SQ2. Which flexibility mechanisms are applied by leasehold office occupiers, and through which flexibility dimensions are they operationalized?**

Conventional leasehold office occupiers approach flexibility through five dimensions: Legal, Financial, Physical, Organizational and Building Offering Flexibility.

**Legal Flexibility** refers to the use of contractual rights and lease provisions that allow occupiers to adapt their lease commitments over time. Its primary mechanisms include lease term lengths, break clauses, rights of assignment or subletting and rights of first refusal on vacant floors. These provisions define the occupier's ability to adapt, exit, expand or transfer obligations over time and are predominantly established during the contract negotiation phase. Legal Flexibility is the most exercised flexibility dimension among leasehold office occupiers.

**Financial Flexibility** is the second-most-pursued flexibility dimension, primarily aimed at reducing upfront capital expenditure and distributing financial risk. The main mechanisms include rent-free periods, turnkey fitouts and landlord contributions toward the fitout. Similarly to Legal Flexibility, its mechanisms are predominantly guaranteed by contract during the negotiation phase.

**Physical Flexibility** is understood through the configuration and layout of the leased premises, the range of uses it can accommodate and the extent to which the building's technical specifications enable or constrain adaptation. Key mechanisms include the distribution of leased space within the building, Activity-Based Working layouts that reduce reliance on team-specific configurations and modular furniture arrangements.

**Organizational Flexibility** encompasses workplace policies and management strategies that affect how the office is used. The primary mechanisms within this flexibility dimension include hybrid work policies, desk-sharing ratios, attendance mandates and anchor days. The industry does not always use Organizational Flexibility as a strategic real estate tool, yet it serves as a relevant lever for managing spatial misfits during the occupation phase.

**Building Offering Flexibility** refers to the shared amenities, services and arrangements within a multi-tenant office building that allow occupiers to accommodate short-term or on-demand needs beyond their own leased office space. Through shared amenities and services, including serviced office operators, on-demand meeting rooms and event spaces, this dimension of flexibility enables occupiers to absorb spatial peaks, accommodate temporary requirements and compensate for functions that cannot be housed within their own premises.

The five dimensions and their respective mechanisms are listed in Appendix 8, and mapped across the occupier-building lifecycle in the Flexibility Framework in Appendix 9, illustrating at which stage each mechanism is typically pursued and which stakeholders are involved.

### **SQ3. How do organizational and building characteristics shape the flexibility mechanisms occupiers pursue?**

Organizational and building characteristics shape flexibility mechanisms by influencing both the type of flexibility occupiers need and the extent to which it can be achieved. The findings show that occupiers do not seek flexibility equally across all dimensions. Instead, they prioritize mechanisms according to the specific mismatch they face between organizational demand and building supply. Organizational characteristics, such as sector, business model, growth stage, spatial footprint, strategic importance of the office, activities performed in the space and bargaining position influence which flexibility dimensions become most relevant. For example, larger occupiers and fast-growing organizations were shown to prioritize Legal and Financial Flexibility during contract negotiation, while smaller occupiers tended to rely more on mechanisms available during occupation, such as Physical, Organizational and Building Offering Flexibility.

Concurrently, these organizational priorities are constrained or enabled by the building context. Floor plate size, technical specifications, presence of shared amenities, location, market pressure, landlord position and tenant mix influence whether a preferred mechanism can be pursued. Therefore, flexibility is not shaped by organizational or building characteristics in isolation, but by their interaction. Even when an occupier identifies a clear need, such as expansion possibilities or access to shared amenities, this need can only be translated into flexibility when the building ecosystem and market context allow it. The main finding is therefore that flexibility is a strategic prioritization process, in which occupiers assess their own needs against the possibilities and constraints of the building context to select the mechanisms most suited to address the specific mismatch they face.

## **6.2 General Conclusion**

This research demonstrates that occupiers of multi-tenant office buildings understand flexibility as a means of managing uncertainty and maintaining their leased space aligned with changing organizational needs. Rather than being limited to physical terms, flexibility is approached through a wider set of dimensions that allow occupiers to reduce risk, manage commitments, accommodate changing patterns of use and respond to spatial misfits over time.

Within the conventional leasehold context, Legal and Financial Flexibility occupy a central position, as they determine both the occupier's legal ability to respond to change and the financial feasibility of doing so. These mechanisms are largely defined during the contract negotiation phase. However, flexibility does not end once the contract is signed. The occupation phase remains equally relevant, as this is when mismatches between the organization and the space become visible in practice. During this phase, Physical, Organizational and Building Offering Flexibility can support adaptation through layout adjustments, workplace policies, shared amenities and on-demand spaces.

Flexibility should therefore be understood as an ongoing adaptive capacity, rather than as a one-time alignment mechanism. As organizational needs, market conditions and ways of working

change, flexibility remains relevant throughout the occupier-building lifecycle. By bringing together Legal, Financial, Physical, Organizational and Building Offering dimensions, this research positions flexibility as a strategic tool for conventional office leaseholds. The proposed framework supports this understanding by organizing the mechanisms available to occupiers and positioning them across the occupier-building lifecycle, helping clarify how flexibility can support corporate office real estate from a leasehold occupier's perspective.

## 6.3 Limitations

Several limitations should be considered when interpreting the findings of this research. They are presented in topics in the following subsections.

### 6.3.1 Context, Sample Size and Generalization

This research focuses on the Dutch office market, with particular emphasis on Amsterdam's South Axis. This is a high-demand, landlord-favorable market, where low vacancy and strong demand for prime locations affect the flexibility occupiers can negotiate. Within this context, the sample size of fourteen interviewees further limits the representativeness of this study's outcomes. The findings, therefore, represent specific occupiers within this geographic scope and have a constrained scope for statistical generalization.

### 6.3.2 Qualitative Nature

The present study is based on qualitative data, using semi-structured interviews to provide in-depth insights into how flexibility is understood in practice. Because of the chosen methodology, data is shaped by participants' perspectives and may reflect their different roles and personal experiences. Moreover, during interviews, participants referred to situations and decisions at different points in time, which may have affected the accuracy of their insights, particularly when describing past events. In addition, in Phase 2, Occupier B participated via written responses, rather than a semi-structured interview. This limited the consistency of data collection, as written answers did not allow for follow-up questions or clarifications.

### 6.3.3 Access to Data

No partnerships with occupiers, landlords or any external organizations were formed for this research. Although this reduced the risk of bias in the findings, it also limited access to internal documents and processes. A formal partnership could have created more trust with participants, which may have been useful when discussing more sensitive topics such as lease negotiations.

### 6.3.4 Illustrative Case Details

Specifically regarding the illustrative case study, the landlord's perspective was not directly included due to the inability to reach the stakeholder. Since many flexibility mechanisms depend on the landlord's position, their relationship with tenants and their business strategy, the absence of this perspective limits the interpretation of the building's full context. In addition, some interviews included occupiers who were still at the fit-out stage and had not yet experienced the full occupation

phase. Therefore, findings on mechanisms activated during use may be underrepresented, particularly regarding Organizational Flexibility and Building Offering Flexibility.

## 6.4 Recommendations for Further Research

Future research could build on this thesis by further developing, testing and expanding the understanding of flexibility from the leasehold occupier perspective. Four specific focuses are highlighted as recommendations for future research.

### 6.4.1 Testing the Flexibility Framework

The flexibility framework developed in this research should be tested with a larger sample of occupiers to examine whether the identified flexibility dimensions and mechanisms appear consistently across different office markets, sectors, organizational types and growth stages. This would help assess whether the framework is applicable beyond the qualitative sample used in this study. In addition, a larger sample could support the identification of stronger recurring patterns, helping to refine the findings. Alternatively, future research could follow a specific organization throughout the occupier-building lifecycle. This would generate in-depth insight into how an occupier's requirements and flexibility priorities change over time in relation to its office space.

### 6.4.2 Landlord Perspective

The inclusion of the landlord's perspective is important, even for understanding the occupier's point of view. Exploring landlord decision-making and linking landlord characteristics and objectives to specific approaches in granting flexibility to occupiers would provide a more holistic view of flexibility at the asset level, contributing to the view of the building as an ecosystem. Doing so would position flexibility as a negotiated relationship between occupier and landlord, rather than as an occupier-side strategy alone.

### 6.4.3 Governance and Flexibility Prioritization

Findings describe an underexplored flexibility dimension: Organizational flexibility. Analyzing the governance structure of the occupiers and the positioning of their real estate department could lead to interesting insights on how the real estate function collaborates with different departments to align workplace policies, attendance expectations, desk-sharing ratios and other real estate decisions that impact this and other flexibility dimensions.

### 6.4.4 Emerging Flexibility Instruments

Although this study found that most flexibility mechanisms remain relatively traditional, future research could focus on emerging market approaches and innovative mechanisms. Alternatively, a specific focus on the mechanisms available during the use phase could lead to insightful findings. These paths would expand the current understanding of flexibility and of the ways it can be achieved beyond conventional lease provisions. Potential areas of investigation include furniture subscription models, flexible service bundles and data-driven occupancy agreements.

## 6.5 Recommendations for Practice

### 6.5.1 Consultants

For consultants advising conventional leasehold office occupiers, the findings indicate the importance of approaching flexibility in a multidimensional manner. While Legal and Financial Flexibility remain central in lease negotiations, occupiers would benefit from more holistic support in identifying their specific needs and translating them into the flexibility dimensions that best address them. In addition, consultants can help occupiers understand how different mechanisms can be established or activated at different stages of the occupier-building lifecycle. Making these possibilities clear early in the process, including those that remain available during the occupation phase, can support more strategic, better-aligned decisions about space use.

Consultants can also assist occupiers by making trade-offs explicit during the decision-making process. The research shows that mechanisms such as break options, rent-free periods, landlord contributions and subleasing rights are often negotiated against each other. In practice, this means that occupiers need support in understanding what is gained and what is sacrificed when one form of flexibility is prioritized over another. These trade-offs are also shaped by bargaining power. Consultants can therefore support occupiers in understanding the building as an ecosystem, including how the client is positioned in relation to other tenants, the landlord's priorities and the availability for future spatial expansion or contraction.

To support this process, consultants can use the Flexibility Framework as a strategic discussion tool. It can help clients compare flexibility dimensions and mechanisms across the occupier-building lifecycle, while clarifying which options are most relevant to their context, requirements and negotiation position.

### 6.5.2 Internal real estate departments of occupiers

Internal real estate departments of occupiers are well-positioned to identify and translate the organization's needs into concrete spatial and lease requirements. In addition to market understanding, these professionals witness the daily requirements of the business and its employees regarding the occupied space, and have a longer relationship with the organization than a partner consultant or broker. Since flexibility is highly context-dependent, internal teams should first clarify the specific mismatch the organization is facing, such as growth, contraction, attendance peaks, cost pressure or changing work practices, before deciding which flexibility mechanisms are most relevant. Following this, the use of the Flexibility Framework can aid the team in identifying the relevant mechanisms to address the mismatch in a given space and time within the occupier-building lifecycle.

The findings also suggest that Organizational Flexibility can better support office space when real estate policies are developed within or in close alignment with the real estate department. In this sense, alignment between the real estate department, Human Resources and the Executive Leadership Team can facilitate the approval and implementation of policies, while also increasing adherence to them. As policies such as desk-sharing ratios, attendance expectations and anchor days

directly affect how the office is used, this alignment can help office space support the business more effectively.

### 6.5.3 Landlords

For landlords, the findings reinforce that flexibility is not only an occupier-side concern, but an important aspect of asset positioning and tenant retention and satisfaction. In multi-tenant office buildings, occupiers choose different mechanisms to achieve flexibility depending on their characteristics and identified needs. When landlords intentionally create a balanced tenant mix, the building ecosystem becomes more likely to accommodate flexibility at different levels, reducing pressure on individual occupiers and limiting competition between tenants.

The research also shows that Building Offering Flexibility is increasingly relevant, particularly for occupiers with limited leased space or fluctuating demand. Landlords should therefore treat amenities not only as quality upgrades but also as part of the building's flexibility offering that can contribute to the balance of the building's ecosystem.

# Reflection

## 7. Reflection

My personal goals with the thesis were, naturally, an extension of what I aimed to accomplish with the master's program. Coming from an academic and professional background in architecture, my goal in pursuing Management in the Built Environment at TU Delft was to understand which paths within the built environment would allow me to build on the knowledge I had acquired while gaining new insights from broader, different perspectives. This exploratory path has so far led me to Corporate Real Estate Management as a specific area of interest.

In line with that, as the thesis topic selection approached, I naturally focused on topics in the real estate management field. With the updated graduation curriculum of the Management in the Built Environment track, students were presented with a list of predefined topics or, alternatively, with the option to propose their own. Due to the shortened timeframe of the graduation process, we were strongly encouraged to select from the predefined topics.

Drawing from exposure to practice through visits to interesting office projects, as well as an internship experience in the real estate department of a multinational organization operating within a multi-tenant office building, I was intrigued by the challenges associated with changing business needs in contrast to the rigidity of the spaces they occupy. I was aware of the rise of “flex spaces”, but I wondered what flexibility remained for the many tenants who occupied their space under conventional leaseholds.

I discussed these interests with Vitalija, who had previously been my tutor for Research Methods I during the first quarter of the MBE program. From the list of available topics, “Stakeholder Responsiveness and Flexible Buildings” stood out, as it addressed how management practices can be adapted to enable the long-term functional flexibility of buildings. With the support of a now-complete team, including my second supervisor, the topic was subsequently refined in line with my interests, resulting in the focus of this thesis.

My personal objective with this research was to further familiarize myself with the CREM field and to understand the tools and concepts applied in everyday practice. The category-based approach to flexibility adopted in this study facilitated this objective by engaging with multiple dimensions of office CREM, ranging from organizational strategies, such as hot-desking, to legal mechanisms, such as break clauses. Additionally, interaction with CRE professionals provided valuable exposure to roles I aspire to pursue in the future.

I consider this graduation project an intensive learning process. From an early stage, I encountered numerous concepts and ideas that were previously unfamiliar to me. As I progressed through the numerous interviews, my increasing familiarity with the concepts

learned became evident. I consider this development particularly valuable as I prepare to transition into professional practice.

Maintaining flexibility throughout the research process was needed. The initial plan to conduct a single, in-depth case study had to be reconsidered because organizations were reluctant to share detailed information about their real estate contexts. During the early stages, I made extensive efforts to find a multi-tenant building that would support, or even allow access for, its tenants, through door-to-door attempts or online outreach. The difficulty of finding a case study building with a large number of tenants led to the adoption of a three-phase research approach. In retrospect, this adjustment added value to the study by enabling comparative insights across phases.

The ability to adapt approaches, with the support of my supervisors, was crucial in bringing this thesis to completion. Although my work progressed steadily, combining the thesis with a parallel internship made this a demanding phase. Nevertheless, I am pleased to have gained insights from both practice and theory over the past months and look forward to applying this knowledge in my future career.

## 7.1 AI Use Reflection

Artificial intelligence played a supporting role in this research. Tools such as Research Rabbit helped identify relevant academic sources, Grammarly corrected spelling and enhanced clarity, while Perplexity was used to provide suggestions to improve the text's flow and coherence. These tools proved particularly useful during the initial stages of the research, serving as a means to test ideas and at the final stage, to suggest refinement of my writing. However, these tools did not replace my own analytical thinking or even "analogical" methods. Throughout the process, I maintained two notebooks, a tip shared by my bachelor's thesis supervisor, in which I recorded thoughts, references and notes.

# Acknowledgments

## 8. Acknowledgments

*In loving memory of my grandfather, José Eduardo Dutra de Oliveira, who emphasized the importance of “learning to learn, and becoming an eternal apprentice”.*

I would like to thank my supervisors, Vitalija Danivska and Hilde Remøy, for their guidance and support throughout this process. Thank you for your insights, for the opportunities to take part in discussions with visiting scholars, for the introductions made and for being available whenever I needed your input.

I am also grateful to all the experts who took time off their busy schedules to participate in this study. Your insights and willingness to share your experiences made this research possible.

I would also like to thank my family, who made it possible for me to pursue my dreams. Beyond making this journey possible, they gave me the strength, through countless phone calls, to continue on my path, even when there were pebbles along the road.

In addition, I would like to thank the friendly people I met along my journey in the Netherlands, whom I hope to carry with me into the future, as well as the friends who have accompanied me through earlier chapters of my life.

Lastly, and certainly not least, I would like to thank Kevin, without whom these past two years would not have been as special. Your love and belief in me have made me feel stronger. I am deeply thankful for your support and that of your family. I have gained much from the classrooms of TU Delft over the last two years, but you are, for sure, the most valuable thing.

Carolina Oliveira  
Delft, May 2026

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# Appendices

# Appendix 1 – Data Management Plan

Plan Overview

*A Data Management Plan created using DMPonline*

**Title:** Flexibility in corporate office real estate: A leasehold occupier's perspective

**Creator:** Carolina Oliveira

**Principal Investigator:** Carolina Oliveira

**Contributor:** Vitalija Danivska

**Affiliation:** Delft University of Technology

**Template:** TU Delft Data Management Plan template (2025)

## **Project abstract:**

This research examines how corporate office occupiers operating under operational lease agreements understand and operationalize flexibility within their Corporate Real Estate Management (CREM) context. Consequently, this thesis addresses the main research question: How do corporate office occupiers under operational leases understand flexibility within their Corporate Real Estate Management (CREM) context? In addition, it explores which drivers and characteristics influence the prioritization of physical, financial, legal, and organizational flexibility strategies. The research is conducted in the Netherlands and adopts an embedded single-case study design focused on a multi-tenant office building in Amsterdam. Data collection consists primarily of semi-structured interviews with corporate office occupiers and occupier advisors involved in corporate real estate decision-making. In addition, relevant documents such as lease characteristics and spatial allocation information are consulted to support and triangulate interview findings. The data collected are qualitative in nature and include interview audio recordings, interview transcripts, pseudonymized interview notes, and supporting documentary data. Interview data are transcribed, pseudonymized, and analysed using qualitative coding software to identify patterns, priorities, and relationships between flexibility lenses and contextual drivers.

**ID:** 197061

**Start date:** 09-02-2026

**End date:** 18-06-2026

**Last modified:** 21-02-2026

## Flexibility in corporate office real estate: A leasehold occupier's perspective

### 0. Administrative 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.**

Vitalija Danivska, first supervisor of this research, from the Management of the Built Environment department of the Architecture and the Built Environment Faculty has reviewed this DMP on 23 of February, 2026.

<b>Type of data/code</b>	<b>File format(s)</b>	<b>How will data be collected/generated?</b> <i>For re-used data/code: what are the sources and terms of use?</i>	<b>Purpose of processing</b>	<b>Storage location</b>	<b>Who will have access to the data?</b>
Personally Identifiable Information (PII) of participants: name, email, role	.xlsx file	Contact information for participants taking part in survey, received from participant sign-ups.	For administrative purposes: obtaining consent and communicating with participants.	TU Delft OneDrive	Carolina Oliveira, Vitalija Danivska and Hilde Remøy
Informed consent forms	.docx PDF	Informed consent forms signed digitally.	To obtain and document informed consent.	Project Data Storage	Same as above
Audio-recordings of interviews with participants	.mp3	Interviews are conducted online or in on-site visits to the case-study building. Audio-recordings are made on an external device, before being moved to OneDrive. Recordings are deleted after transcription	Capturing the opinions on occupier flexibility from participants experts on CREM from the occupier side.	External recording device (temporary storage) + TU Delft OneDrive (primary storage)	Same as above
Pseudonymized Transcriptions of interviews	.docx	Pseudonymized transcriptions created manually based on audio-recordings.  Participants are asked to review the transcriptions of their interview before the transcript is finalised.	Privacy-preserving data on occupier flexibility from participants experts on CREM from the occupier side.	TU Delft OneDrive	Same as above
Company documents (lease-related information)	PDF	Provided by participating organizations as existing documents.	To analyze lease structures, contractual provisions, and	TU Delft OneDrive	Same as above

		Documents are shared voluntarily for research purposes and relevant information is pseudonimized by the researcher for use in the report.	flexibility mechanisms relevant to corporate office occupiers.		
Thesis Report	.pdf .docx	Serves as a record of the process as well as documentation	Long-term documentation	TU Delft OneDrive	Same as above

**2. Is TU Delft the lead institution for this project?**

Yes, the only institution involved

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.**

II. Storage and backup during the research process

**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.)**

- Another storage system - please explain below, including provided security measures
- TU Delft OneDrive

**OneDrive:** Primary research data storage. Only TU Delft team members (Master's student and

**External recording device:** Used as a temporary storage location for recording on-site interviews.

III. Data/code documentation

**6. What documentation will accompany data/code? (Select all that apply.)**

- Data - Methodology of data collection

The dataset will not be shared in a data repository, but the methodology of data collection will be explained in the MSc thesis, which is made publicly available in the TU Delft Repository.

IV. Legal and ethical requirements, code of conducts

**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

The research data collected in the project will be pseudonymized, but processing personal data is required to conduct the research.

**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.**

This is an internal TUD research project, with no external partners involved.

**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)
- Audio recordings
- Telephone number, email addresses and/or other addresses as contact details for administrative purposes
- Names as contact details for administrative purposes

Personally Identifiable Information (PII): interviewee name, company name, email address, role, and mobile phone number are processed for administrative reasons (to obtain informed consent and communicate with participants)

Personally Identifiable Research Data (PIRD): Personal research data processed for interview

participants include:  
audio-recordings  
professional opinion on occupier flexibility  
occupation (consultant, internal corporate real estate manager, etc).

**12. Please list the categories of data subjects and their geographical location.**

Interview participants are CREM professionals in the Netherlands. All participants are located in the European Union.

**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

The HREC informed consent guide and templates will be used to create the Participant Information

Sheet and the Explicit Informed Consent Form.

**17. Please describe the informed consent procedure you will follow below.**

The researcher will inform the potential participants about the goals and procedures of the research project. The researcher will also inform them about the personal data that are being processed and for what purpose. This information will be provided to the potential participants as follows: a digital copy of the information will be emailed to participants before the interview. All participants will be asked for their consent for taking part in the study and for data processing by signing a physical informed consent form before the start of the interview.

**18. Where will you store the physical/digital signed consent forms or other types of proof of consent (such as recording of verbal consent)?**

Digital informed consent forms and contact information are stored in the TU Delft OneDrive and encrypted separately from research data to minimise risk of re-identification.

**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?**

- Other - please explain below

The pseudonymised research data consist of interview transcripts used in the body of the thesis and included the appendix, but will not be shared in a data repository.

**24. For how long will personal research data (including pseudonymised data) be stored?**

- Personal data will be deleted at the end of the research project

Audio-recordings of interviews are destroyed after completion of anonymised interview transcriptions.

All other personal research data will be destroyed at the latest two months after the end of the project.

## **25. How will your study participants be asked for their consent for data sharing?**

- In the informed consent form: participants are asked to give their explicit consent for sharing their (pseudonymised) personal data with restricted access with specific recipients for specific purpose(s)

All participants will be asked for their consent for data to be shared pseudonimized in the body of the MSc thesis, which is made publicly accessible in the TU Delft Repository. Participants who do not consent to their data being included publicly in the thesis will not be included in the research project.

## 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'.***

- I do not work with any data other than personal data

### **29. How will you share research data/code, including those mentioned in question 23?**

***Select all that apply and provide additional details below.***

- 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 TU Delft Repository

Pseudomized data collected during the project will be included in the body and appendix of the MSc thesis, made available in the TU Delft Repository. The dataset is not shared in a data repository

### **30. How much of your data/code will be shared in a research data repository?**

- Not applicable - No data/code will be shared in a repository

### **31. When will the data/code be shared?**

- Other - please explain

Pseudonymized data collected during the project will be included in the body and appendix of the MSc thesis, made available in the TU Delft Repository. The dataset is not shared in a data repository.

### **32. Under what licence(s) will the data/code be released?**

- Other - please explain below

The thesis is made publicly available in the TU Delft Repository under copyright. The data are not shared in a data repository with a data licence.

## 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?**

Thesis supervisor, Vitalija Danivska of Management in the Built Environment, V.Danivska@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)?**

Research data are only shared within the MSc thesis: no additional resources are required.

### **35. Which faculty do you belong to?**

- Faculty of Architecture and the Built Environment (ABE)

## Appendix 2 – HREC Approval

### Lab Servant

**Dear Carolina Couto Rosa Dutra de Oliveira,**

From: HREC

Date: 24-Feb-2026

Application number: 6620

Your application titled "*Flexibility in corporate office real estate: A leasehold occupier's perspective*" is **Approved**.

View the approval letter and the details of your application (after log-on to Lab Servant).

[View application](#)

Kind regards,  
Lab Servant

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If you're having trouble clicking the "View application" button, copy and paste the URL below into your web browser:

[https://labservant.tudelft.nl/index.php/ethics/edit\\_request/6620](https://labservant.tudelft.nl/index.php/ethics/edit_request/6620)

# Appendix 3 – Informed Consent Form

## Informed Consent

You are being invited to participate in a research study titled “Flexibility in corporate office real estate: A leasehold occupier's perspective”. This study is being done by Carolina Couto Rosa Dutra de Oliveira from the TU Delft.

The purpose of this research is to understand how corporate office occupiers operating under leasehold agreements interpret and operationalise flexibility within Corporate Real Estate Management (CREM), at the asset level. Participation will take approximately 45 minutes.

The data collected will be used for academic purposes, culminating in the completion of a Master's thesis at TU Delft, being published in the TU Delft Repository. You will be asked questions related to your role in corporate real estate, your understanding of flexibility, and the drivers and characteristics that influence flexibility strategies. The focus is not on business strategy or competitive positioning.

As with any research activity, there is a minimal risk of data breach. To the best of my ability, I will keep your responses confidential. The interview will be audio-recorded only (no video), and the data will be pseudonymised. Identifiable information (such as name and email address) will be collected solely for administrative purposes and stored separately from research data. All data will be stored securely on TU Delft–approved systems, accessible only to the researcher and supervisors. Results will be presented in a general and thematic manner, without linking statements or findings to identifiable individuals or organizations.

The research data will not be published as open data.

Your participation in this study is entirely voluntary. You may withdraw from the study at any time and may choose not to answer specific questions. You may request removal of your data up to two weeks after the interview, after which the data may have been pseudonymized and incorporated into analysis.

If you have any questions about the study, you may contact:  
Carolina Couto Rosa Dutra de Oliveira  
TU Delft

For questions regarding research ethics, you may contact the TU Delft Human Research Ethics Committee (HREC).

By agreeing to participate and continuing with the interview, you indicate that you have read and understood this information and consent to participate in this study.

## Explicit Consent points

PLEASE TICK THE APPROPRIATE BOXES	Yes	No
<b>A: GENERAL AGREEMENT – RESEARCH GOALS, PARTICIPANT TASKS AND VOLUNTARY PARTICIPATION</b>		
1. I have read and understood the study information dated <i>XX/XX/2026</i> , or it has been read to me. I have been able to ask questions about the study and my questions have been answered to my satisfaction.	<input type="checkbox"/>	<input type="checkbox"/>
2. I consent voluntarily to be a participant in this study and understand that I can refuse to answer questions and I can withdraw from the study at any time, without having to give a reason.	<input type="checkbox"/>	<input type="checkbox"/>
3. I understand that taking part in the study involves participating in a one-on-one, semi-structured interview with the researcher, lasting approximately 45 minutes. The interview will be audio-recorded only and transcribed for analysis. Audio recordings will be deleted after transcription and verification, and only pseudonymised transcripts will be retained. No video recordings, questionnaires, surveys, or observations are involved.	<input type="checkbox"/>	<input type="checkbox"/>
4. I understand that the study will end 18/06/2026	<input type="checkbox"/>	<input type="checkbox"/>
5. I understand that documents I share are on a voluntary basis and pseudonymized data from it can be included in the body of the text.	<input type="checkbox"/>	<input type="checkbox"/>
<b>B: POTENTIAL RISKS OF PARTICIPATING (INCLUDING DATA PROTECTION)</b>		
5. I understand that taking part in the study involves the following risks: minor professional discomfort and perceived pressure due to professional relationships. I understand that these will be mitigated by voluntary participation, the right to withdraw at any time, avoidance of hierarchical recruitment, and a neutral interview approach.	<input type="checkbox"/>	<input type="checkbox"/>
6. I understand that taking part in the study also involves collecting specific personally identifiable information (PII), such as name and email address (for administrative purposes only) and associated personally identifiable research data (PIRD) such as audio-recorded interviews containing professional views with the potential risk of my identity being revealed.	<input type="checkbox"/>	<input type="checkbox"/>
7. I understand that PIRD concerns only professional views, and not what is considered as sensitive data within GDPR legislation, such as religion or political views. Participants are instructed not to disclose sensitive or confidential information.	<input type="checkbox"/>	<input type="checkbox"/>
8. I understand that the following steps will be taken to minimise the threat of a data breach and protect my identity in the event of such a breach, such as data being minimized, pseudonymised, and stored on TU Delft–approved secure systems. Access is restricted to the researcher and supervisors only.	<input type="checkbox"/>	<input type="checkbox"/>
9. I understand that personal information collected about me that can identify me, such my name, email and role will not be shared beyond the study team.	<input type="checkbox"/>	<input type="checkbox"/>
10. I understand that the (identifiable) personal data I provide will be destroyed at the latest two months after the research ends, on the 18 <sup>th</sup> of August, 2026.	<input type="checkbox"/>	<input type="checkbox"/>
<b>C: RESEARCH PUBLICATION, DISSEMINATION AND APPLICATION</b>		
11. I understand that after the research study the de-identified information I provide will be used for the completion of a TU Delft Master’s thesis and its publication in the TU Delft institutional repository, using pseudonymised data, with no identifiable personal information or recognisable images included.	<input type="checkbox"/>	<input type="checkbox"/>

12. I agree that my responses, views or other input can be quoted anonymously in research outputs	<input type="checkbox"/>	<input type="checkbox"/>
<b>D: (LONGTERM) DATA STORAGE, ACCESS AND REUSE</b>		
13. I understand that access to this master's Thesis is publicly available through the TU Delft Repository.	<input type="checkbox"/>	<input type="checkbox"/>

### Signatures

Name of Participant

Signature

Date

I, as a researcher, have accurately read out the information sheet to the potential participant and, to the best of my ability, ensured that the participant understands what they are freely consenting to.

Carolina Couto R. D. de Oliveira

Name of Researcher

Signature

Date

Study contact details for further information:

Carolina Couto Rosa de Oliveira

+31 6 XXXXXXXXX

C.CoutoRosaDutraDeOliveira@student.tudelft.nl

# Appendix 4 – Interview Guide Phase 1

## Interview Guide - Phase 1

**Study Title:** Flexibility in Corporate Office Real Estate: A Leasehold Occupier's Perspective

**Researcher:** Carolina Couto Rosa Dutra de Oliveira

**Institution:** TU Delft

**Duration:** 45 minutes

### Opening Script

Thank you for agreeing to participate in this research.

As stated in the Informed Consent sheet, this study investigates how corporate office occupiers operating under leasehold agreements understand and operationalize flexibility within Corporate Real Estate Management (CREM), at the asset level.

Before we begin, I would like to state the following:

- Your participation is entirely voluntary.
- You may refuse to answer any question and stop the interview at any time.
- You may request withdrawal of your data within two weeks after this interview.
- The interview will be audio-recorded only (no video).
- The study does not seek confidential business information, lease figures, or competitive strategy details.

Do you confirm that you are comfortable proceeding?

### Section A - Professional Background

1. Could you briefly describe your current role and how you are involved with corporate office occupiers?
2. What proportion of your advisory work concerns leasehold occupiers?

### Section B - Understanding of Flexibility

3. In your professional experience, when occupiers speak about "flexibility" in the context of leased office space, what do they typically refer to?
4. Has the interpretation or demand for flexibility changed in recent years? If so, how?

### Section C - Flexibility Strategies

5. What building-related characteristics are most relevant for occupiers seeking adaptability during the lease term?
6. Within lease contracts, what mechanisms are most commonly used to enable flexibility?
7. How do financial arrangements, such as incentives or fitout contributions, influence occupiers' perception of flexibility?

8. To what extent do occupiers rely on own organizational strategies and policies (e.g., hybrid work, desk sharing) rather than changing contract details or physical space to achieve flexibility?

### **Section D - Drivers and Logics**

Now we will discuss the general drivers influencing occupier decisions.

9. What are the strongest external drivers currently pushing occupiers to seek flexibility?

10. Are flexibility decisions typically proactive and embedded in strategy, or reactive to events such as restructuring or cost pressure?

11. Do you observe differences between sectors, company sizes, or growth stages in how flexibility is approached?

### **Section E - Market and Building Constraints**

12. In tight office markets such as the one in Amsterdam, how realistically can occupiers negotiate or create contractual flexibility (or ask for physical space changes), both at contract signing and during the lease term?

### **Closing Script**

Those were my questions, thank you very much for your participation.

Is there anything about flexibility in leasehold office CRE that we have not discussed but that you believe is important from a market perspective?

Based on our conversation, is there anyone else you would recommend I speak to who has strong insight into leasehold flexibility from the occupier side?

As part of my data validation procedure, I will send you the pseudonymized transcript of this interview for review. You are welcome to correct factual inaccuracies or request removal of any statements you would prefer not to include.

I will follow up by email shortly. Thank you again.

# Appendix 5 – Interview Guide Phase 2

## Interview Guide - Occupiers

**Study Title:** Flexibility in Corporate Office Real Estate: A Leasehold Occupier's Perspective

**Researcher:** Carolina Couto Rosa Dutra de Oliveira

**Institution:** TU Delft

**Duration:** 45 minutes

## Opening Script

Thank you for agreeing to participate in this research.

As stated in the Informed Consent sheet, this study investigates how corporate office occupiers operating under leasehold agreements understand and operationalize flexibility within Corporate Real Estate Management (CREM), at the asset level.

Before we begin, I would like to state the following:

- Participation is voluntary.
- You may decline to answer any question.
- We are discussing real estate decision processes, not competitive strategy.
- The interview is audio-recorded only and will be pseudonymized.

Do you confirm you are comfortable proceeding?

## Section A - Context

1. Could you briefly describe your role and your involvement in decisions related to this office asset?
2. Can you describe your organization in terms of sector, size and growth stage?

## Section B - Ways of Working and Flexibility

3. How would you describe your organization's current ways of working (e.g., hybrid policy, desk sharing, team structure)?
4. During the time the organization has been in this building, have your ways of working changed, and if so, how has that affected how the office is used?
5. To what extent is flexibility in this office part of your RE strategy to manage uncertainty or organizational change?
6. What does flexibility mean in practical terms at the asset level?  
Does this relate more to space, contracts, costs, or internal work practices?  
How important is flexibility compared to other real estate priorities?  
What factors most strongly influence your need to adjust your office use over time?

## **Section C - The Building**

8. Since occupying this space, have you adapted or reconfigured the physical layout? What triggered that?
9. What would you say is the biggest limitation you face in this building?

## **Section D - The Lease**

10. How long is the lease agreement to the space, and what are the lease provisions included?
11. In negotiations with the landlord, do you feel your organization has strong bargaining power? Why or why not?
12. Do you think you were able to get everything you wanted in terms of your needs when signing the contract? Has anything changed in the meantime?
13. Looking at the overall picture, what is the single most important way your organization maintains room to adjust over time in this office?

## **Closing Script**

Those were my questions, thank you very much for your participation.

Is there anything about flexibility in leasehold office CRE that we have not discussed but that you believe is important from your perspective?

As part of my data validation procedure, I will send you the pseudonymized transcript of this interview for review. You are welcome to correct factual inaccuracies or request removal of any statements you would prefer not to include. I will follow up by email shortly. Thank you again.

# Appendix 6 – Interview Guide Phase 3

## Interview Guide - Occupiers

**Study Title:** Flexibility in Corporate Office Real Estate: A Leasehold Occupier's Perspective

**Researcher:** Carolina Couto Rosa Dutra de Oliveira

**Institution:** TU Delft

**Duration:** 30 minutes

### Opening Script

Thank you for agreeing to participate in this research.

As stated in the Informed Consent sheet, this study investigates how corporate office occupiers operating under leasehold agreements understand and operationalize flexibility within Corporate Real Estate Management (CREM), at the asset level.

Before we begin, I would like to state the following:

- Participation is voluntary.
- You may decline to answer any question.
- We are discussing real estate decision processes, not competitive strategy.
- The interview is audio-recorded only and will be pseudonymized.

Do you confirm you are comfortable proceeding?

### Section A - Context

1. Can you describe your organization in terms of sector, size and growth stage?
2. Could you briefly describe your role and your involvement in decisions related to your organization's office assets?

### Section B - Flexibility at the asset level

3. Within your organization, how is "flexibility" typically understood in the context of leased office space? And how important is flexibility compared to other real estate priorities?
4. Has the interpretation or demand for flexibility changed in recent years? If so, how?

### Section C - Flexibility Strategies

5. What building-related characteristics are most relevant for your organization when thinking of flexibility during the lease term? (Building form, floor to floor height, technical grid, etc.)
6. Do you consider that the current layout of your space provides flexibility? Why or why not?
7. Within the lease contract of your Amsterdam office, what mechanisms are used to enable flexibility?
8. Speaking of flexibility in the lease contract, were you able to get every provision you wanted in terms of your needs when signing the contract? Were there any major trade-offs and, if so, what were they?
9. How do financial arrangements, such as incentives or fitout contributions, influence occupiers' perception of flexibility?
10. Do you also rely on organizational strategies and policies (e.g., hybrid work, desk sharing) rather than changing contract details or physical space to achieve flexibility?

#### **Section D - Drivers and Trade-Offs**

11. What factors most strongly influence your need to adjust your office use over time?
12. Between the strategies discussed to achieve flexibility, what is the single most important way your organization maintains room to adjust over time in this office?

#### **Closing Script**

Those were my questions, thank you very much for your participation.

Is there anything about flexibility in leasehold office CRE that we have not discussed but that you believe is important from your perspective?

As part of my data validation procedure, I will send you the pseudonymized transcript of this interview for review. You are welcome to correct factual inaccuracies or request removal of any statements you would prefer not to include.

I will follow up by email shortly. Thank you again.

# Appendix 7 – Code Book (Closed and Open)

Code Category		Definition	Source	Subcode	Description	Type
Flexibility Lenses	Physical	The extent to which the physical space can accommodate changes to the business needs.	Gibson (2000); Arge (2005); Schmidt (2010); Den Heijer (2025)	Functional	The capacity of space/building to support alternative different work settings/functions.	Closed
				Division of Space	How the space is organized in terms of layout, modulatory and division of space between floors.	Closed
				Technical	The structural and technical possibilities of the space/building.	Closed
	Legal	Legal mechanisms and lease commitment structures that allow CREM to adapt to changing conditions.	Halvitigala & Reed (2015); Crosby et al. (2006); Verhoeff et al. (2014)	Lease Term	Length of the leasehold.	Closed
				Break Options	Contractual options for tenants to terminate a leasehold early at a specific point in time.	Closed
				Option to Extend/Renegotiate	Extending, renewing, or renegotiating the lease terms before or at the end of the contract.	Closed
				Assignment or Sublease	Paths to uncommit via Assignment (new tenant takes over) or Subletting the space.	Closed
				Adjustment Rights	Provisions to expand or contract square meterage or a "right of first refusal" for more space.	Closed
	Financial	Mechanisms through which occupiers reduce real estate expenses or free up resources related to workspace.	Gibson (2000); Dröes et al. (2017)	Lease Incentives	Landlord offerings such as rent-free periods or fit-out contributions used to sign tenants	Closed
				Resource Freeing	Avoidance of CapEx	Closed
	Organizational	The degree to which an organization adjusts its people and activities to match available resources.	Den Heijer (2025)	Policies	Policies guiding people and space use.	Closed
				Space Tracking	Use of technology and data to monitor space use	Open
Flexibility Definition	-	Definition of flexibility in the built environment context	Blakstad (2001), Pinder et al. (2017), Askar et al. (2021)	Flexibility Definition	How flexibility is described and understood	Open
Drivers	-	The underlying motivations that lead to the prioritization of specific flexibility strategies.	Cushman & Wakefield (2025a, 2025b); Core Net Global (2025); Gibson (2000)	Talent Sourcing	The need to attract and keep employees through the space.	Closed
				Cost Pressure	Financial constraints requiring reduced overhead or higher operational efficiency.	Closed
				Right Sizing	Changes in space needs driven by business expansion or retraction.	Closed

				Support to New Ways of Working	The requirement to adapt the space because of changes in the way of working.	Closed
				Corporate Brand/Identity	Using the office as a physical manifestation of culture and values.	Closed
				Lack of Organizational Foresight	Organizations find it challenging to forecast their requirements	Closed
				Market Entry	The requirement for flexibility to navigate uncertain markets	Open
				Misfit in Office Attention	Challenge in managing the spread of employees for adequate office use	Open
Contextual Characteristics	-	Internal and external traits that influence how flexibility is understood and applied.	Gibson (2000); Arge (2005); Nourse & Roulac (1993); Lizieri (2003); Petrulaitiene et al. (2018)	Building Traits	Location, size, age, multi-tenant structure, and amenity level.	Closed
				Servitization of Workplaces	Increasing service-dominant logic	Closed
				Business Traits	Company sector, culture, size, and specific organizational needs.	Closed
				Market Traits	External factors like vacancy rates, prime rents, and the current supply-demand mismatch.	Closed
Actors	-	Stakeholders involved	Open Code	Occupier	The representative of the corporate tenant operating under a lease agreement	Open
				Landlord	The property owner who provides and manages the building	Open
				Advisor	External CRE consultants assisting the occupier with strategy and transactions	Open
				ELT/Board	Executive leadership /Board of the organization	Open
Temporal	-	The specific stage in a building's life span where flexibility options or actions take place.	Open Code	Briefing		Open
				Design		Open
				Construction		Open
				Contractual		Open
				Fit-Out Phase		Open
				Occupation Phase		Open
				Renovation		Open
				Exit Phase		Open
Trade-Offs			Open Code	Financial Consequences	The "higher cost" paid for flexibility compared to traditional leases.	Open
			Open Code	Longer Lease Terms	Lease length compromises.	Open
			Open Code	Landlord Resistance/Risks	The resistance from stakeholders and the risks they associate with flexible contractual mechanisms	Open

# Appendix 8 – Flexibility Mechanisms List

## Legal Flexibility

Adaptation of lease commitments through contractual rights

### Lease Term

Shorter terms to manage future uncertainty.

### Break Options

Contractual rights to terminate a lease early, with or without penalty.

### Partial Break Options

The contractual right to dispose of a specific percentage or separate floors.

### Right of First Refusal

Contractual rights to have the first offer on vacant space

### Assignment Rights

Provisions allowing tenants to transfer their lease to another party under the same terms.

### Subleasing Rights

A sublease allows the current tenant to rent out all or a portion of their space to a third party while the original lease remains in effect

### Option to Extend

Tenant right to prolong the lease agreement.

### Clear Indexations

Clear indexations to protect against sudden financial increases.

### Open Market Reviews

Agreement for external parties to review rent to ensure it reflects current market rates.

### Mid-Term Downscaling

Decreasing the footprint during the lease.

### Contract Renegotiation

Negotiate better terms without physically leaving.

## Financial Flexibility

Reducing or redistributing the financial burden of office commitments

### Turnkey Fit-Out

Avoidance of Capital Expenditure.

### Lease Incentives/Contributions

Rent-free periods, rent discounts, fit-out contributions, or cash-out contributions from the landlord to offset initial costs.

### Shift of CapEx

Renegotiating leases to shift responsibilities to the landlord.

### Price per Square Meter

Cost of space per leased area

### Minimal Reinstatement

Reduced requirements for returning the office to its "shell" state

## Physical Flexibility

Reconfiguring or adapting physical aspects of the leased space

### Technical Characteristics

Technical grid, floor-to-floor height, modularity and other characteristics that maximize layout possibilities.

### Size of Floor Plates

Seeking large single floors to increase connection and support reconfiguration.

### Floor Occupancy

Strategic selection/division in multiple floors to facilitate possible future division/sublease.

### Layout & Space Division

Spaces that permit multiple uses, functions and changes.

### Modular & Movable Elements

Using modular furniture and movable partitioning to reconfigure the office without structural changes.

### Adaptable "Plug and Play" Tech

Implementation of technology that can easily adapt to changing layouts.

### Occupancy Capacity

Working within the building's occupancy limits.

## Organizational Flexibility

Managing how the office space is used by employees

### Hybrid Working Policy

Rules and guidelines for work-from-home to reduce the total number of desks needed relative to staff size.

### Desk Sharing Policy & Ratio

Strategy to accommodate a headcount that exceeds the physical desk count.

### Anchor Days / Mandates

Use of anchor days to manage attendance and maximize efficiency.

### Space-Effectiveness Tracking

Use of data to manage office use and efficiency.

### Training/Change Management

Teaching employees how to use environments to ensure compliance with workspace strategy.

## Building Offering Flexibility

Using building-level amenities beyond leased space

### Shared Amenities

Using shared spaces to address occasional spatial demands, optimizing leased space and absorbing attendance peaks.

### Serviced Operators

Use of in-building serviced operator for overflow, temporary peak needs or smaller teams.

### Building Access

Facility is accessible at all times to accommodate hybrid and non-traditional working schedules.

# Appendix 9 – Flexibility Framework

