ABP and Vesteda launch new partnership for affordable mid rental housing

Over the coming years, ABP and Vesteda will once again join forces to accelerate the development of affordable mid-rent housing in the Netherlands. Operating under the name Affordable Living Venture (ALV), the partners will focus on developing sustainable, affordable rental homes in urban regions facing high housing pressure.

With an initial capital commitment of €400 million, ALV aims to realise more than 1,100 rental homes in the coming years, at least half of which will consist of affordable homes within the mid-rental segment as defined in the Affordable Rent Act, targeting middle-income households. The partnership will focus on new-build developments in urban areas with the highest pressure on the housing market. The first investment decisions are expected in the first half of 2026.

Sustainability

Energy-efficient homes help residents keep their energy costs low and contribute to future-proof living environments. All new developments will meet stringent sustainability standards and will aim for at least BREEAM-NL In-Use Excellent certification and full CRREM alignment.

Vesteda

Vesteda was established in 1998 following the spin-off from ABP's residential portfolio. As a result, Vesteda's origins lie directly in ABP's longstanding role as an institutional investor in Dutch real estate. Since becoming independent, Vesteda has grown to over 28,000 homes, making it one of the largest institutional investors in Dutch rental housing, with a strong focus on the mid-rental segment and sustainability. ABP currently holds approximately 33% of the Vesteda Residential Fund. These investments form part of the Dutch residential mandate managed by APG on behalf of ABP.

Harmen van Wijnen, Chair of the Board of Trustees ABP: “This new partnership for the construction of affordable rental homes represents another important step in ABP's long-term strategy. By joining forces once again with Vesteda, a partnership that goes back decades, we can realise projects that not only contribute to solving the housing shortage, but also generate stable returns in the long term. These investments therefore generate both financial and social returns.”

Astrid Schlüter, CEO Vesteda: “Our partnership with ABP goes back decades and is built on a strong and sustainable relationship with shared core values. Through the new ALV collaboration, we can accelerate the development of affordable mid-rental homes and deliver a real contribution to society. This partnership is fully aligned with our strategy *Housing as a force for good*, in which we invest in affordable mid-rental homes that are both financially and socially valuable.”

Van Lanschot Kempen acted as financial adviser to Vesteda on this transaction; A&O Shearman acted as legal adviser to Vesteda.