



Amsterdam's 'Williamsburg' Lures Hipsters With Cheap Waterfront

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- ▶ Construction rising in Noord, city's fastest-growing district
- ▶ Hipsters, office workers brave increasingly crowded ferries



When Vincent Vollenbronck was living in Amsterdam's northern harbor as a teenager, it was a derelict expanse of potholed streets and abandoned docks where he'd sometimes throw bricks through the windows of empty warehouses. Now he's helping developers transform it into the city's fastest-growing area.

"Growing up there was fun, but most of the former shipyards were vacant or occupied by squatters," said the 33-year-old adviser for BNP Paribas Real Estate, which this year brokered the sale of 403 student homes being built on a former shipbuilding wharf to a Dutch asset manager. "Now the area's booming."



■ Construction workers stand on an upper floor of a new condominium in the Noord district Photographer: Jasper Juinen/Bloomberg

The district of Amsterdam Noord is taking off as soaring housing costs across the city and the promise of a new subway line tempt residents to brave the bottlenecked journey across the IJ river in search of better values or lower rents. Firms including Blackstone Group LP and Hilton Worldwide Holdings Inc. have recently invested in condominiums, hotels and a shopping mall there.

Growth Leader

Home prices in Amsterdam Noord jumped by 26 percent to 2,849 euros a square meter in the last 12 months, rising twice as fast as the city as a whole, according to data compiled by Colliers International. Even so, they're still well below the Amsterdam average of 4,049 euros. Values in the district -- which at 63 square kilometers (25 square miles) is slightly bigger than Manhattan -- could rise by about 10 percent this year, the broker predicts.

The number of homes in Noord is expected to grow by 30 percent over the next two decades, the biggest increase in the city, Amsterdam's statistics office estimated. Its population is seen rising 26 percent, tied for first with the east district.

Working-class houses in the "tuinwijken" -- quaint villages built in the 1920s and 1930s for Noord's wharf workers -- attract hipsters and their families these days. They come for the quiet green spaces that are a bike ride from fashionable restaurants and cultural events. Rents stand at about 895 euros a month, around half the city's average, according to Colliers.

‘Williamsburg of Amsterdam’

Dutch asset manager Bouwinvest is among the companies building the first condos in an area known as NDSM, which once housed Europe’s biggest shipyard. Within view is a maritime crane that’s been turned into a luxury hotel.

“I call it the Williamsburg of Amsterdam,” said Michiel de Bruine, head of residential asset management at Bouwinvest, which started investing in Noord homes three years ago and now has 1,141 apartments built or under construction. The area’s music festivals, inventive restaurants and breathtaking views of the city remind him of the Brooklyn neighborhood. “Ten years ago, you wouldn’t walk in this area after sunset.”

Unlike Williamsburg, getting to Noord isn’t easy. Commuters rely on ferries to cross the river and the area’s growing population means longer waits for increasingly crowded boats. Last month, the city said a long-awaited train connecting Noord with both the center and the Zuidas financial district would be delayed until 2018. Investors are pinning their expectations on the new train.

“You have to be able to stand the crowds,” said Imke Kok, a 37-year-old entrepreneur who spent five years convincing her boyfriend to move across the river. The packed ferries were the biggest obstacle for him. Now, they enjoy the area’s calm.

“Noord is not a city, with trendy shops and coffee bars around every corner, but it is green, children can play on the streets, everybody knows everybody,” said Kok.

Noord’s transformation mirrors Amsterdam’s former red light district, where the city is overseeing a 300 million-euro (\$339 million) makeover that’s turning bordellos into homes and marijuana-selling “coffee shops” into more conventional cafes.

Across Europe, governments are zoning homes in former industrial areas to meet soaring demand as more people move to large cities. In Berlin, 1,500 apartments are being built in Europacity, a new district that’s slowly replacing an inner-city harbor destroyed during World War II. High home prices in the center and improved rail links in London are driving buyers to formerly down market eastern neighborhoods such as Shoreditch and Hoxton.

Ship Yards

The number of businesses in Amsterdam Noord has grown 14 percent over the last two years and most are domestic media and consulting startups with fewer than five employees, government data show. Growing commerce is pushing up office rents, which could rise as much as 10 percent this year, according to an estimate by property adviser NL Real Estate.



■ Sightseers take in the city skyline from a viewing platform of the A'DAM Toren Photographer: Jasper Juinen/Bloomberg

The district got a new tourist attraction this year when a 22-story office tower previously occupied by Royal Dutch Shell Plc reopened as A'DAM Toren. The renovated building includes a boutique hotel and a rotating restaurant on the top.


Viacom's MTV moved to the area in 2007. French spirits distiller Pernod Ricard SA transferred staff there a couple of years ago. In June, a shopping center built by Blackstone's Multi

Corporation and subsequently acquired by Bouwinvest opened to meet growing local demand for supermarkets, hairdressers and pharmacies. In July, Sony Music became the latest international employer to bet on the area's potential, announcing a plan to move its Dutch staff there.



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“There’s a strong business community that’s emerging,” said Heijligers. About 60 percent of Hilton’s guests at that hotel are professionals, many of whom have business with the companies in the area, or are involved in real estate development, he said.

Before Hilton acquired the property, he said, it was run by a local hotelier who’d made an early bet on Amsterdam Noord. The hotel was called “Brooklyn.”

Hilton last year opened an upscale DoubleTree hotel with 88 rooms on the site of a former shipbuilding foundry, said David Heijligers, the company’s senior director of development. The U.S.-based hotel operator has its eye not only on the stroller-pushing hipsters and growing number of tourists, but also on the young office workers who spill off the ferries each day clutching iPhones and pushing bikes.