

FIGURES | FINLAND MULTIFAMILY | Q4 2021

Record year for residential investment

MULTIFAMILY INVESTMENT VOLUME IN Q4 2021



Investment market

- Finnish residential investment reached a record high in 2021, and investment volumes, €2.37 billion, more than doubled from the previous year. Last quarter of 2021 saw continued high activity, and the quarterly volumes were €550 million, up 17% from the same period in 2020. Prime yields have decreased to 2.90% in Helsinki Metropolitan Area and 3.40% in Tampere and Turku, marking an all-time low for residential prime yields in Finland.
- Notable transactions in the last quarter were Patrizia’s €101 million acquisition of the T7 residential tower in Kalasatama and Union Investment purchasing a 288-apartment residential tower in Vuosaari for €100 million.
- Finnish residential sector will remain in strong growth territory, and the outlook for 2022 is looking positive. There continues to be high number of investors looking into deploying more capital into residential apartments in Finland, and the competition for prime assets in the largest cities (HMA, Turku and Tampere) will remain intense.

NOTABLE MULTIFAMILY TRANSACTIONS IN Q4 2021

SALE OF T7 TOWER IN KALASATAMA

Sale price: €101 million
Sale date: 12/2021
Buyer: Patrizia
Seller: SRV
Apartments: 240 apartments
Location: Kalasatama, Helsinki

SALE OF ATLAS TOWER IN VUOSAARI

Sale price: €100 million
Sale date: 10/2021
Buyer: Union Investment
Seller: Skanska
Apartments: 288 apartments
Location: Vuosaari, Helsinki

Source: CBRE Research.

FIGURES | FINLAND MULTIFAMILY | Q4 2021

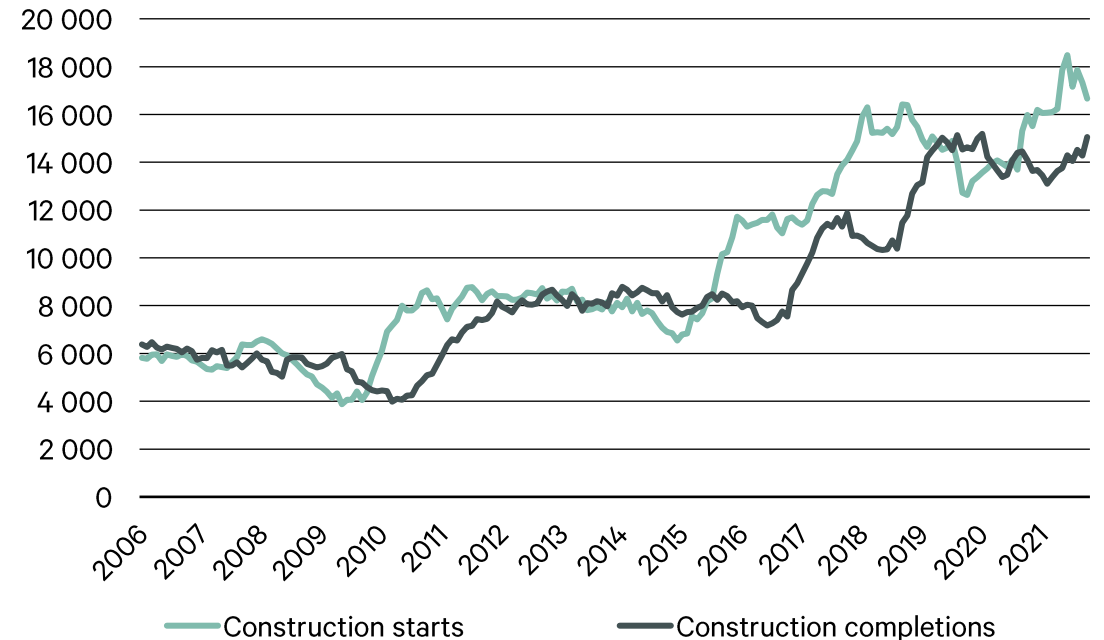
HELSINKI METROPOLITAN AREA KEY FIGURES



Rental market & construction activity

- Average sales prices increased 5.4% in the Helsinki Metropolitan Area, 9.2% in Turku and 5.8% in Tampere (y-o-y).
- During the last quarter, average rents increased by 0.6% in the capital city region, 1.4% in Turku and 1.3% in Tampere (y-o-y). There remains a large number of available rental apartments on the market, especially in the Helsinki Metropolitan Area, which may limit rental growth in the short-term.
- Construction activity continues to be high in the capital city region, but growing costs and supply and material problems slow down the construction and may further delay new development projects. Cost inflation has been surging in recent months, and the price increases have been high in both materials and services.

CONSTRUCTION ACTIVITY IN THE HELSINKI METROPOLITAN AREA



Source: CBRE Research, Statistics Finland.



Jussi Niemistö

Head of Research

CBRE Finland
m +358 40 537 5760

jussi.niemisto@cbre.com



Olli Kantanen

Head of Valuation
& Research

CBRE Finland
m +358 50 540 0805

olli.kantanen@cbre.com



Henrik Calton

Head of Capital Markets

CBRE Finland
m +358 40 820 8235

henrik.calton@cbre.com



Linda Anttila

Associate Director
Residential Capital Markets

CBRE Finland
m +358 40 535 6490

linda.anttila@cbre.com

© Copyright 2021 All rights reserved. Information contained herein, including projections, has been obtained from sources believed to be reliable, but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, warranty or representation about it. Any reliance on such information is solely at your own risk. This information is exclusively for use by CBRE clients and professionals and may not be reproduced without the prior written permission of CBRE's Global Chief Economist.

Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.

CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such logos does not imply any affiliation with or endorsement of CBRE.