



FINLAND
OFFICE MARKET
H1 2020

CBRE RESEARCH
NORDICS REAL ESTATE
MARKET SNAPSHOT

CBRE

FINNISH OFFICE MARKET KEY FIGURES IN H1 2020

SIGNS OF RECOVERY AFTER THE REOPENING IN JUNE

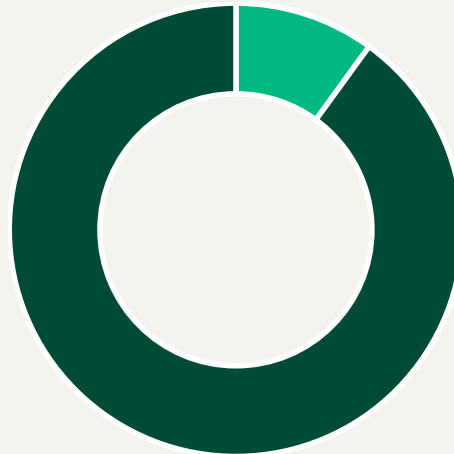
Finnish office market investment slowed down in the second quarter and the weaker investment volumes in Q2 (-91% y-o-y) reflect the impact and uncertainty caused by COVID-19.

Strong first quarter led to a 24% (y-o-y) increase in H1 2020 investment volume. The second quarter may have marked the low point as the activity is recovering after the reopening as evidenced by deals proceeding after being put on hold.

Gradual recovery is expected during the second half of 2020 as investor queries and available capital remains high. Lack of product continues to define the market as there is still a strong element of wait-and-see.

Investment Volume
€2.66bn TTM
€1.28bn H1/2020

▲ +24 % (Y-o-Y %)



HELSINKI (HMA)
EUR 1.14bn

OTHER FINLAND
EUR 0.14bn



Cross-border investments
€0.9bn



Share of total investment volume
36%



Number of transactions
21



Largest single transaction
€0.48bn



Prime yield
3.35%

Source: CBRE Research

THE CURRENT TRENDS IN THE OCCUPIER MARKET

FLEXIBILITY IS HERE TO STAY

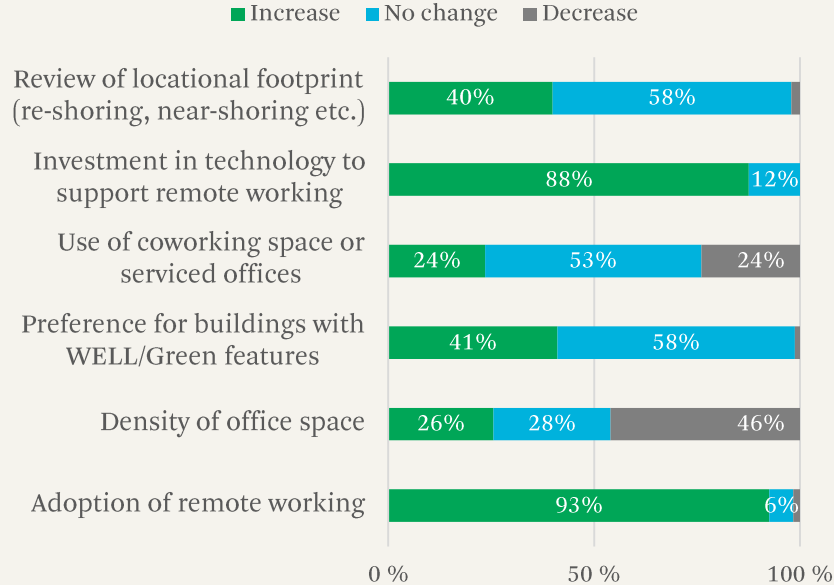
Occupiers are returning to the market after the cautious lockdown months of April and May with a growing interest for finding more flexible spaces and adjusting to the new hybrid way of working.

Finland has been quick to adapt to remote working with the highest share of the workforce in EU working from home (59%¹) during the pandemic.

Occupiers are currently active in discussions about the possibilities in diversified networks of hub and satellite offices, the density of their office spaces and the overall space efficacy.

¹Eurofound (2020)

Expected shifts in long-term occupier strategy



Source: EMEA Occupier Flash Survey, CBRE Research, June 2020

Helsinki Metropolitan Area Key Figures



Development Pipeline
FY20
233,000 sq m



New Office Completions
Q2 2020
61,700 sq m



Prime Rent
Q2 2020
42 €/sq m



Vacancy rate
12.6%



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