



FINLAND
MULTIFAMILY MARKET
Q3/2020

CBRE RESEARCH

NORDICS REAL ESTATE
MARKET SNAPSHOT

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FINNISH MULTIFAMILY MARKET KEY FIGURES IN Q3 2020

MULTIFAMILY CONTINUES TO THRIVE DESPITE COVID-19

The solid demand for rental apartments continues and a growing number of domestic and cross-border investors are looking for investable residential assets.

Despite the investment volumes showing a decrease compared with the previous year, the investor interest remains elevated for the resilient multifamily sector.

The largest transaction in Q3 was YIT's sale of eight development-stage rental apartment buildings with over 600 apartments to OP-Rental Yield fund for €78mn.

Investment Volume

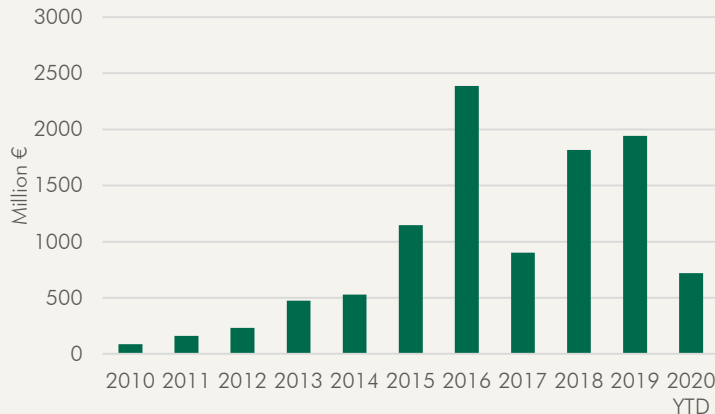
€0.95bn TTM

€0.23bn Q3/2020

▼ -71 % (Y-o-Y %)



Annual Residential Transaction Volume



Key Figures Q3/2020

Cross-border investments
€67mn



Share of total investment volume
34%



Number of transactions
8



Largest single transaction
€78mn



Prime yield
3.25%

Source: CBRE Research

WHAT ARE THE MAIN DRIVERS IN THE FINNISH MULTIFAMILY MARKET

LOOKING AHEAD

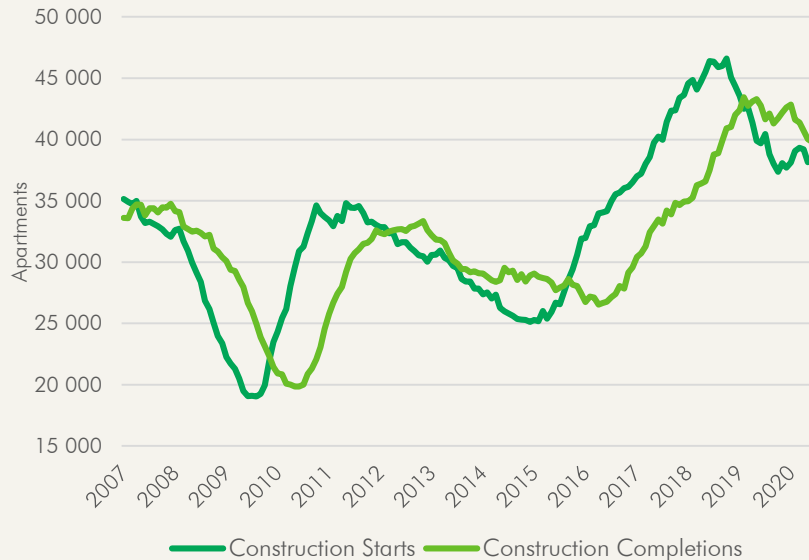
The pandemic has affected construction less than expected and construction output in Finland is estimated to remain close to the 2019 levels this year.

The uncertainty and weaker outlook for the economy will continue to smooth down the number of construction starts during 2021.

Multifamily is expected to remain resilient in the current market environment and the tailwinds for this sector will most likely continue.

Construction growth slowing down

Construction starts and completions in Finland (TTM)



Source: Statistics Finland.

Helsinki Metropolitan Area Latest Key Figures Y-o-Y Change



Construction Starts
August 2020 TTM
15,340 units

▲ +2%



New Completions
August 2020 TTM
14,326 units

▼ -5%



Average Monthly Rent
Q2/2020
20.11 €/sqm

▲ +5%



Average Sale Price
Q2/2020
3,823 €/sqm

▲ +2.1%



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