

A modern, multi-story apartment building with a light-colored facade and dark brown accents. The building features balconies with glass railings. In the foreground, there is a landscaped courtyard with green grass, young trees, and a wooden walkway. The sky is blue with scattered white clouds.

**DENMARK  
MULTIFAMILY MARKET  
Q2 2021**

CBRE RESEARCH  
**NORDICS REAL ESTATE  
MARKET SNAPSHOT**

**CBRE**

# MULTIFAMILY MARKET KEY FIGURES

## STRONG MARKET

COVID-19 has done little to dampen investor appetite for Danish multifamily sector. The sector's growth is expected to continue, cementing multifamily as the leading investment asset class.

With investors confident in performance, pricing is expected to remain firm at a minimum. Prime markets can experience increased pricing and compressed yields.

According to CBRE's 2021 Global Investor Intentions Survey, EMEA investors ranked multifamily the second most preferred investment asset class for 2021; for 26% of investors, it is the most preferred property type.

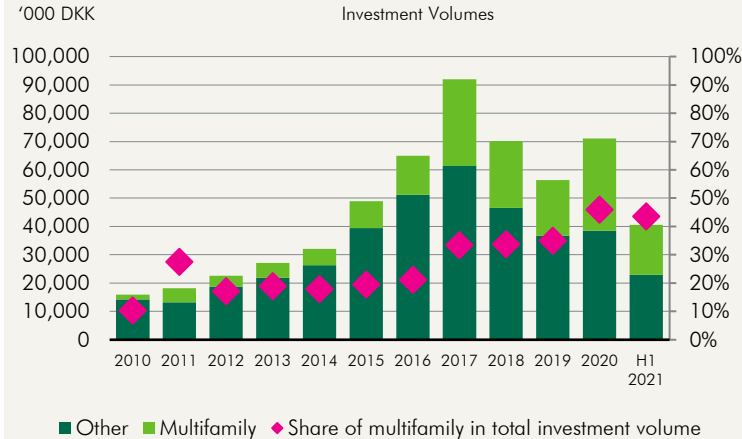
## Investment volume TTM

# DKK 44bn

H1 2021(y-o-y)

▲▼ 175%

TTM = trailing twelve months



Cross-border investments  
**DKK 28bn**



Share of total investment volume  
**51%**



Number of transactions  
**260**  
▲▼ 117%



Largest single transaction  
**DKK 12bn**



Prime yield<sup>1</sup>  
**3.10%**

Source: CBRE Research

## THE INVESTMENT MARKET DURING THE FIRST HALF-YEAR

Some of the largest transactions were the sale of recently completed MFH buildings in Copenhagen S to Orange Capital Partners and Patrizia Nordics; NIAM's acquisition of the MFH portfolio in Jutland; Patrizia Nordics' sale of Marmorvej 19-49 in Copenhagen's Northern Harbour and NREP's acquisition of MFH project The Residence in Copenhagen. Due to limited availability of product, some investors are seeking to increase their exposure in the sector through forward funding deals.

The prime net yield has sharpened on a quarterly basis to 3.10%, being thus 40bps below the prime office yield. One of the main considerations for investors is expected to be around real rental growth prospects.

### SELECTED DEALS DURING H1 2021

Property	City/Region	Buyer	Seller
Bellakvarter – 2 projects	Copenhagen	Orange Capital Partners	Sampension/ Akademikerpension
Portfolio	Jutland	NIAM	Birch Ejendomme
Bellakvarter – 2 projects	Copenhagen	Patrizia Nordics	Sampension/ Akademikerpension
The Residence	Copenhagen	NREP	NRE
Marmorvej 19-49	Copenhagen	CBRE Global Investors	Patrizia Nordics
Postterminalen – residential part (JV)	Copenhagen	Danica Pension	DSB
Amager Strandvej 48-50	Copenhagen	Mitsubishi Europa Capital	Gefion
Portfolio	Zealand	DADES	Coller Capital Partners

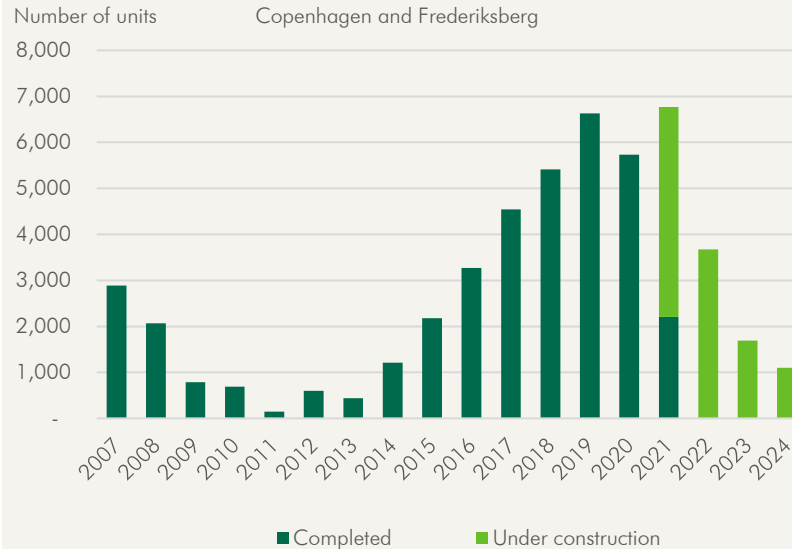
# THE COPENHAGEN MULTIFAMILY MARKET

We expect the competition for prime located development sites or completed assets that are coming on the market to remain strong. Investor intentions indicate that potentially more capital will be allocated to the MFH sector.

COVID-19 has not slowed down construction activity, with the 2021 pipeline being the strongest year on record.

The recently agreed corporate tax for investment properties, due 2023 – which assesses through an ongoing mark to market principle, rather than disposal value - doesn't appear to have dampened investor's enthusiasm for this sector.

## APARTMENTS UNDER CONSTRUCTION AND COMPLETED



2021 Q1  
Copenhagen and Frederiksberg  
Key Figures  
Y-o-Y Change



Construction Starts  
**1,855 units**  
▲▼ 52%



New Completions  
**1,409 units**  
▲▼ 8%



Prime Annual Rent<sup>1)</sup>  
**2,500 DKK/m<sup>2</sup>**  
▲▼ +/- 0%



Average Sale Price<sup>2)</sup>  
**DKK 48,145/m<sup>2</sup>**  
▲▼ 16%

1) Rental apartment buildings, Copenhagen and Frederiksberg. No conversions to co-ops.

2) Subregion Copenhagen City; Transaction price realized, owner-occupied flat.

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