



FINLAND
MULTIFAMILY MARKET
Q2/2021

CBRE RESEARCH

NORDICS REAL ESTATE
MARKET SNAPSHOT

CBRE

FINNISH MULTIFAMILY MARKET KEY FIGURES IN Q2 2021

INVESTMENT MARKET

Positive tailwinds continue for the residential sector and the Finnish market witnessed yet another active quarter with investment volumes of €841 million and 22% year-over-year growth. Prime yields have seen new lows in the second quarter and decreased to 3.10% in Helsinki and 3.65% in Tampere and Turku. Finnish residential investment market is not showing any signs of slowing down during the second half of 2021.

Largest transactions in the second quarter were Capman's acquisition of a nationwide residential portfolio from IceCapital for over €500 million and Sirius purchasing a 700 apartment development project from YIT for €170 million.

Investment Volume

€1.89bn TTM

▲ 22% (Y-o-Y %)

€841 mn Q2/2021

▲ 22% (Y-o-Y %)



SALE OF NATIONWIDE RESIDENTIAL PORTFOLIO

Sales price: +€500 million

Sale date: 6/2021

Buyer: Capman

Seller: IceCapital

Apartments: 1,584 apartments

Location: Finland (Several)

SALE OF 700 APARTMENT DEVELOPMENT PROJECT

Sales price: €170 million

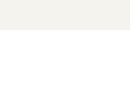
Sale date: 6/2021

Buyer: Sirius

Seller: YIT

Apartments: 700 apartments

Location: Finland (Several)



Key Figures in Q2 2021

Cross-border investments

2%

▲ 30% (5-year avg.)

Share of total investment volume

45%

▲ 18% (10-year avg.)

Number of transactions

15

▼ 24 (5-year quarterly avg.)

Largest single transaction

>€500mn

Prime yield

3.10%

▼ -10 bps from Q1 2021

Source: CBRE Research

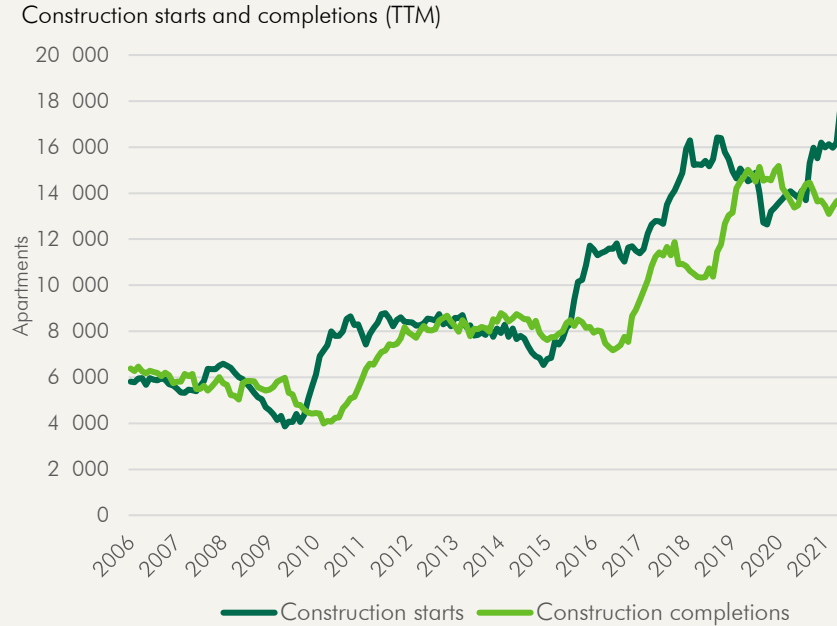
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LOOKING AHEAD

Residential construction activity remains on a high note in Finland and construction starts have continued to tick higher in the second quarter. The level of construction starts reached the highest level in history in the Helsinki Metropolitan Area in May with 17,730 units.

The fundamentals are well in place for the residential market with both rents and sales prices recording new highs. During the second quarter, Helsinki Metropolitan Area saw average sales price growth of 6.5%, Turku 6.2% and Tampere 7.6% (y-o-y). Average rents increased by 0.9% in the capital city region, 1.6% in Turku and 1.4% in Tampere (y-o-y).

Construction activity remains high



Source: Statistics Finland.

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



Construction Starts
May 2021 TTM
17,730 units
▲ +27%



New Completions
May 2021 TTM
13,752 units
▼ +3%



Average Monthly Rent
Q2/2021
20.24 €/sqm
▲ +0.9%



Average Sales Price
Q2/2021
4,107 €/sqm
▲ +6.5%



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