



**FINLAND
MULTIFAMILY MARKET**
Q4/2020

CBRE RESEARCH

**NORDICS REAL ESTATE
MARKET SNAPSHOT**

CBRE

FINNISH MULTIFAMILY MARKET KEY FIGURES IN Q4 2020

INVESTMENT MARKET

Despite the market turbulence from COVID-19, the investor sentiment has remained positive towards the Finnish multifamily sector.

The market for multifamily has become more and more international in recent years and the stable, diversified and resilient cashflows from the Finnish residential apartments are attractive for a wide variety of investors.

The largest transaction in Q4 was the British investor M&G entering the Finnish market with the purchase of 630 rental apartments from the YIT and Ålandsbanken joint venture for €148.5 million.

Investment Volume

€1.09bn 2020

▼ -48% (Y-o-Y %)

€0.47bn Q4/2020

▲ 22% (Y-o-Y %)



SALE OF 138 APARTMENT DEVELOPMENT PROJECT IN HELSINKI

Sale price: Conf.

Sale date: 12/2020

Buyer: ICECAPITAL

Seller: Bonava

Apartments: 138 apartments

Location: Vuosaari, Helsinki

SALE OF 630 APARTMENT RESIDENTIAL PORTFOLIO IN 9 CITIES

Sale price: €148.5 million

Sale date: 12/2020

Buyer: M&G

Seller: JV of YIT & Ålandsbanken

Apartments: 630 apartments

Location: Finland (9 cities)



Key Figures in Q4 2020

Cross-border investments
37%

▲ 30% (5-year avg.)



Share of total investment volume
26%

▲ 18% (10-year avg.)



Number of transactions
17

▼ 24 (5-year quarterly avg.)



Largest single transaction
€148.5mn



Prime yield
3.25%

Source: CBRE Research

FINNISH MULTIFAMILY MARKET KEY FIGURES IN Q4 2020

LOOKING AHEAD

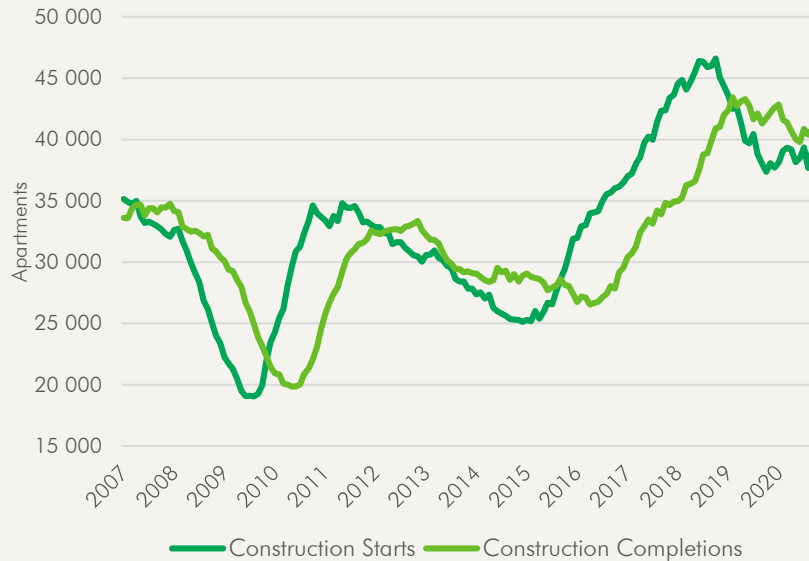
The construction activity continues to be high in Finland despite that the pace of apartment starts and completions has slowed from the peak in 2018-2019.

Helsinki Metropolitan Area saw rental growth of 2.4%, Turku 1.8% and Tampere 1.4%, whereas Finland excluding the capital city region experienced a decrease of 0.8% in 2020 (y-o-y).

The number of single households is on the rise and the overall popularity of rental living is increasing amidst the uncertainty from the pandemic.

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
October 2020 TTM
17,004 units
▲ +30%



New Completions
October 2020 TTM
14,082 units
▼ -3%



Average Monthly Rent
Q4/2020
20.25 €/sqm
▲ +2.4%



Average Sale Price
Q4/2020
3,883 €/sqm
▲ +6.1%



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