

FIGURES | DENMARK MULTIFAMILY | Q3 2023

Positive investor sentiment despite challenges

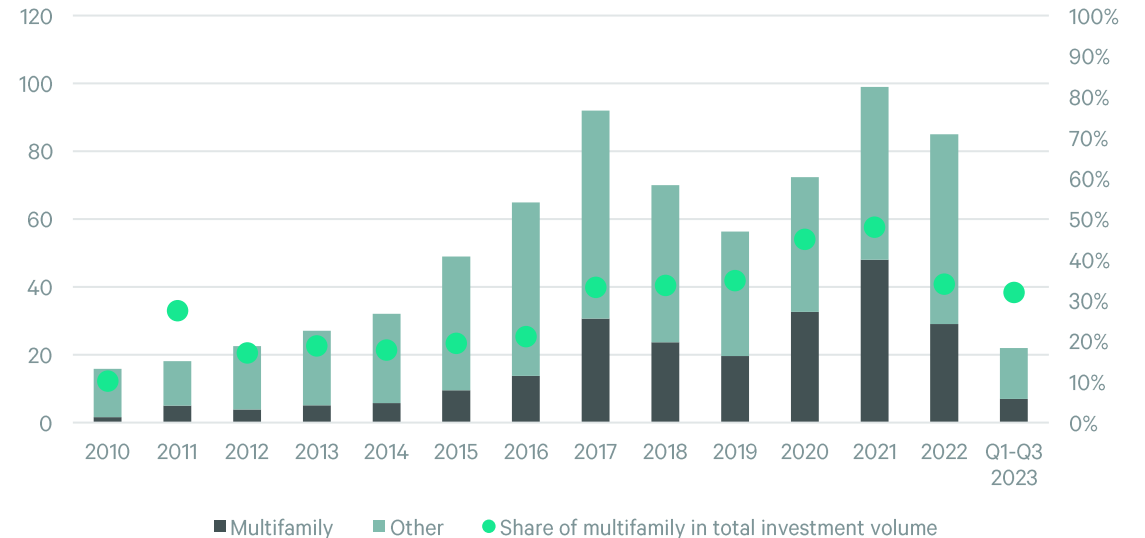
MULTIFAMILY INVESTMENT MARKET KEY FIGURES Q1-Q3 2023



Note: Arrows indicate change y-o-y, except for prime yield (q-o-q); * estimate

- Investors’ interest in Danish MFH has contracted in Q1-Q3 2023, resulting in total investment activity in this segment landing more than 70% below the result recorded in Q1-Q3 2022. This is in line with the situation in Europe, where, on a regional level, residential investment volumes recorded a 62% contraction YoY for the Trailing Twelve Months (Q4 2022 to Q3 2023).
- Cross-border investment remains limited. This relates, in particular, to allocations from Swedish Listed Property Companies but also Asset Managers and Investment Funds from Germany, UK and the Netherlands.
- Prime Yield is expected to move further out during Q4 2023 by at least 5bps. On back of this, further shift in pricing and investment volumes could be expected in the short term.

INVESTMENT VOLUME (DKK billion)



Source: CBRE Research

The largest transaction was Quantum Immobilien KVG first acquisition in Denmark – comprising 196 residential units in the Carlsberg City District, Copenhagen. The project will be completed in H1 2025 and will consist of more than 20,000 sq m.

Other large transactions include Round Hill Capital Netherlands B.V. acquisition of portfolio from Pareto Securities. Properties total 13,000 sq m and are located in Tilst, a suburb of Aarhus. CBRE acted as a by-side advisor.

PKA invested in Herning+ project; ECE Group's acquired 111 residential units located in Njalsgade, Copenhagen S; and Sampension invested into residential project Amalieparken in Vallensbæk, with 65 units to be delivered in 2024.

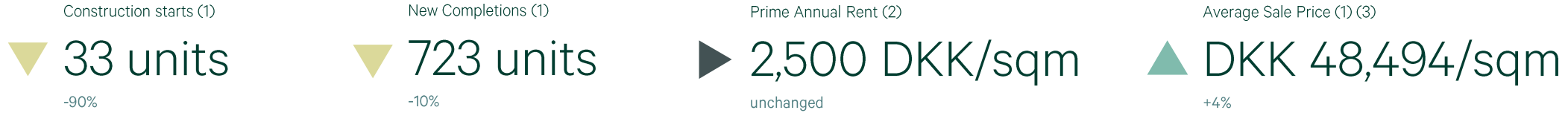
The prime net yield moved by 50 bps in Q4 2022, 20 bps in Q1 2023, 10 bps in Q2 2023, and then a further 10 bps to 3.90% during the last quarter, Q3 2023.

SELECTED DEALS DURING Q1-Q3 2023

PROPERTY/PORTFOLIO	CITY/REGION	BUYER	SELLER
Beckmanns Tårn, Vilhelm Hus	Copenhagen V	Quantum Immobilien KVG	Carlsberg Byen
Portfolio	Tilst/Jutland	Round Hill Capital Netherlands B.V.	Pareto Securities
Herning +	Herning/Jutland	PKA	Nordstern
Njalsgade	Copenhagen S	ECE Group	Bach Gruppen
Amalieparken	Vallensbæk	Sampension	Scandinavian Property Development
Roskildevej 33A-B	Frederiksberg	Viga Real Estate	Citybyg
Nørre Søgade 43 m.fl.	København K	K.W. Bruun Ejendomme A/S	Ejendomsselskabet Pile-Bo A/S
Dantes Plads 1, Vester Voldgade 92	København K	HL Management A/S	/

DENMARK MULTIFAMILY

COPENHAGEN AND FREDERIKSBERG KEY FIGURES Q3 2023



(1) Q2 2023;
 (2) Rental apartment buildings. No conversion to co-ops;
 (3) Subregion Copenhagen City; Transaction price realized, owner-occupied flat;
 Note: Arrows indicate change q-o-q, except for Construction Starts and New Completions (y-o-y)

The population in Copenhagen Municipality continues to increase. During 2023, the city population is expected to increase by additional 7,550 individuals, bringing thus the total population to 661,200. By 2050, approx. 753,700 citizens should be residents in Copenhagen, corresponding to an increase of 100,000 individuals from 2023 to 2050. This corresponds to 3,650 residents moving to Copenhagen every year.

The municipality's population projection shows that there is a need to build 64,000 new residential units by 2050. In addition, provided the construction backlog needs to be rectified from the financial crisis years of especially small and medium-sized residential units, there is need for even more housing.

APARTMENTS UNDER CONSTRUCTION AND COMPLETED



Copenhagen and Frederiksberg; Source: CBRE Research

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