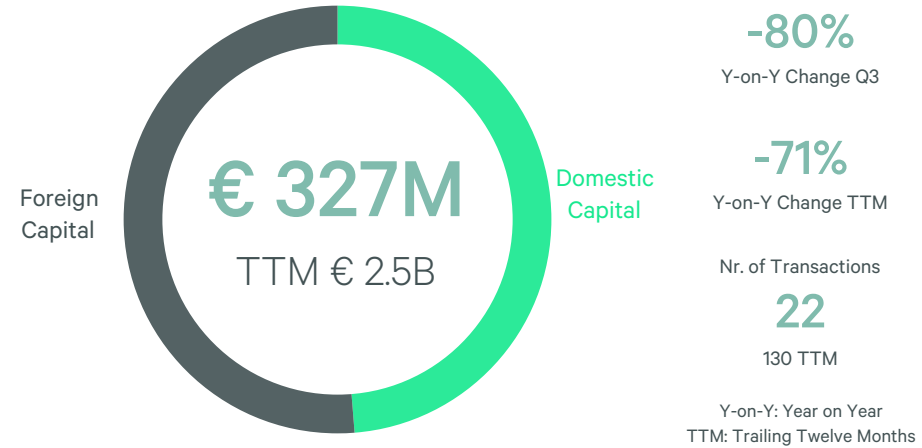


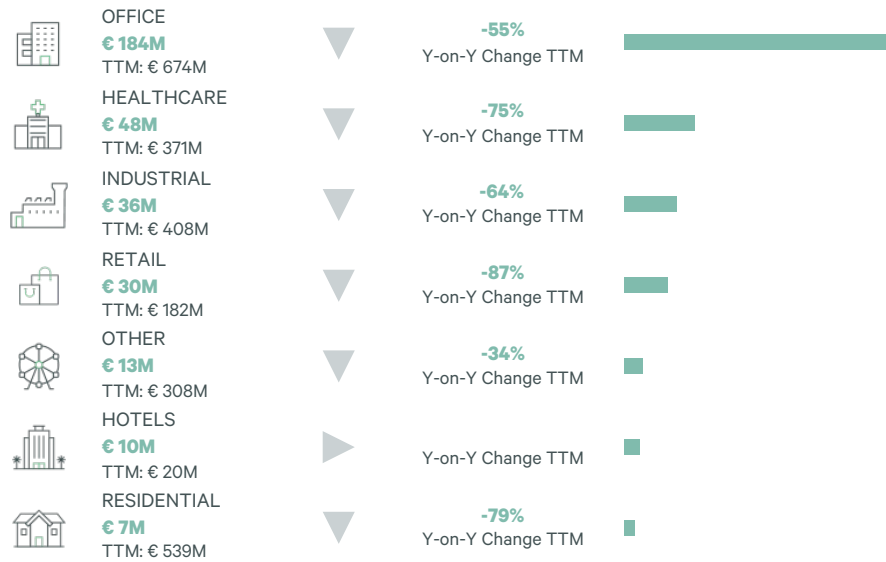
Finland Real Estate Investment Volumes Q3 2023

No signs of a quick recovery in the Finnish investment market in the third quarter

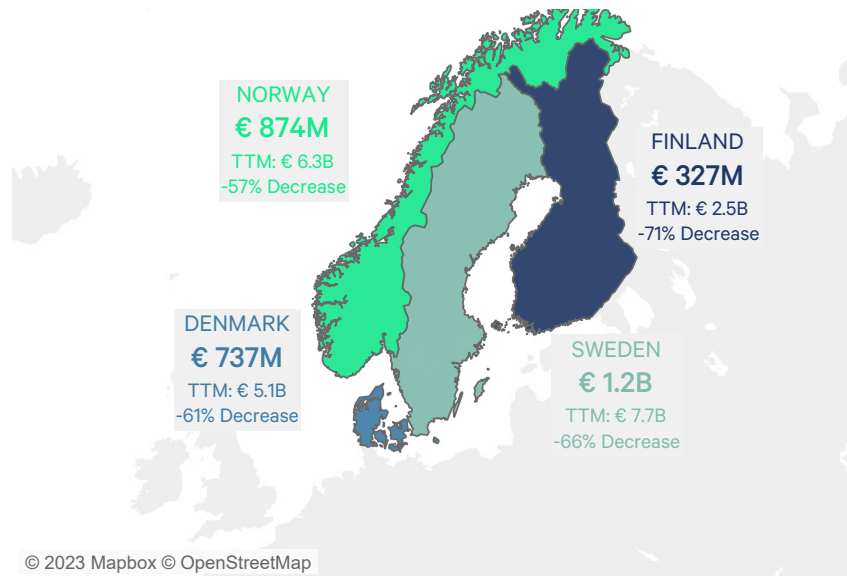
Continued high inflation, decreasing business demand and tighter financial conditions remained the key themes for the Finnish economy in the third quarter. On the back of these headwinds, the Finnish real estate investment did not show signs of recovery in the third quarter, and the total investment reached only €327 million in the third quarter, down 80% (y-o-y). The trailing-twelve-month investment volume has decreased more than 70% to levels last seen in early 2010s with €2.5 billion. Offices was the largest sector with €184 million in the third quarter followed by healthcare (€48 million) and I&L (€36 million). Most notable transactions in the third quarter were in the office sector, where Genesta acquired a 9,300 sqm Voimatalo office property from Schroders in Helsinki and Fennia purchased a recently refurbished office property from YIT in Pasila in September. Schroders also divested a 10,400 sqm office building to NIAM in Turku in August. While the transactional market evidence is very limited, the investment market activity and deal pipeline remains high and buyers and sellers' view on the current pricing of real estate has been seen to inch closer to each other.



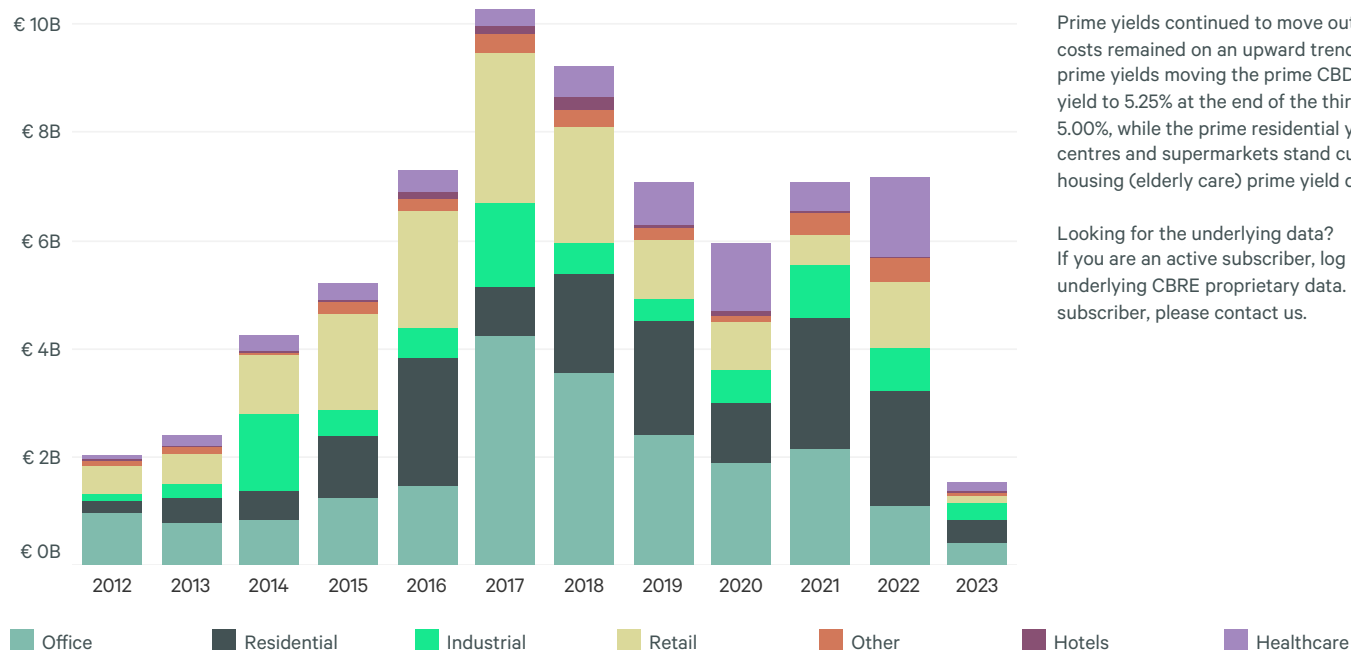
Investment Volumes by Sector (Finland)



Investment Volumes in Nordics region



Investment Volumes Annual by Sector (Finland)



Note: 2023 annual numbers account till 9/30/2023

Refinancing and repricing continue to be top of mind for the real estate market

Prime yields continued to move out across all sectors, while interest rates and financing costs remained on an upward trend. Offices saw another 25 bps of decompression in prime yields moving the prime CBD office yield to 4.50% and prime outside CBD office yield to 5.25% at the end of the third quarter. Prime logistics yield remained flat at 5.00%, while the prime residential yield moved out by 10 bps to 4.10%. Prime shopping centres and supermarkets stand currently at 5.75% and 5.50%, respectively. Senior housing (elderly care) prime yield decompressed by 25 bps to 5.00% in the third quarter.

Looking for the underlying data?

If you are an active subscriber, log in to the CBRE ERIX platform and access the underlying CBRE proprietary data. For more information on becoming a CBRE ERIX subscriber, please contact us.

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