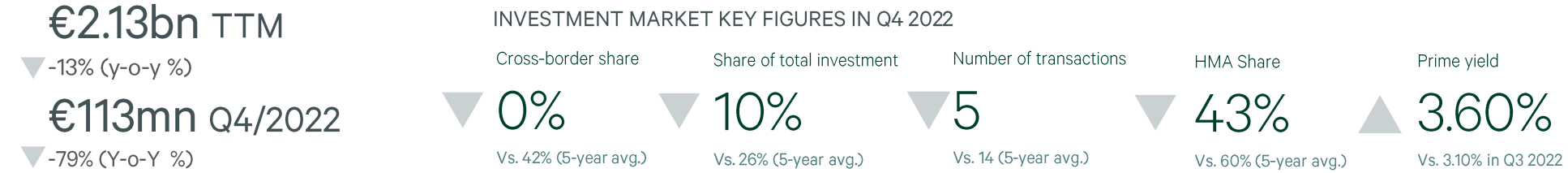


FIGURES | FINLAND MULTIFAMILY | Q4 2022

# Another active year for Finnish residential

MULTIFAMILY INVESTMENT VOLUME IN Q4 2022



## Investment market

- Finnish residential investment volumes were €113 million in the fourth quarter, down 13% (y-o-y). Despite modest volumes in the last quarter, investment volumes in 2022 ended up being the third highest in history and residential was again the largest sector in the Finnish market with 29% of total investment.
- This year's trend in the Finnish residential investment market has been acquisitions of large-scale standing portfolios with 70% of total volume consisting of over €50 million transactions. Largest transaction in the fourth quarter was the Sirius' acquisition of a 200 apartment portfolio from Hartela. Despite increased uncertainty, there are active deals in the pipeline for 2023.
- Increased cost of capital and higher interest rates had their impact for prime residential yields, and the prime yields increased by 50 bps to 3.60% in Helsinki Metropolitan Area and to 4.10% in Tampere and Turku.

## NOTABLE MULTIFAMILY TRANSACTIONS IN Q4 2022

**SALE OF 200 APARTMENTS**

**Sale price:** Conf.  
**Sale date:** 10/2022  
**Buyer:** Sirius  
**Seller:** Hartela  
**Apartments:** 200 apartments  
**Location:** Lahti, Järvenpää, Tuusula

**SALE OF 64 APARTMENTS**

**Sale price:** Conf.  
**Sale date:** 10/2022  
**Buyer:** eQ  
**Seller:** Lehto  
**Apartments:** 64 apartments  
**Location:** Helsinki

Source: CBRE Research.

FIGURES | FINLAND MULTIFAMILY | Q4 2022

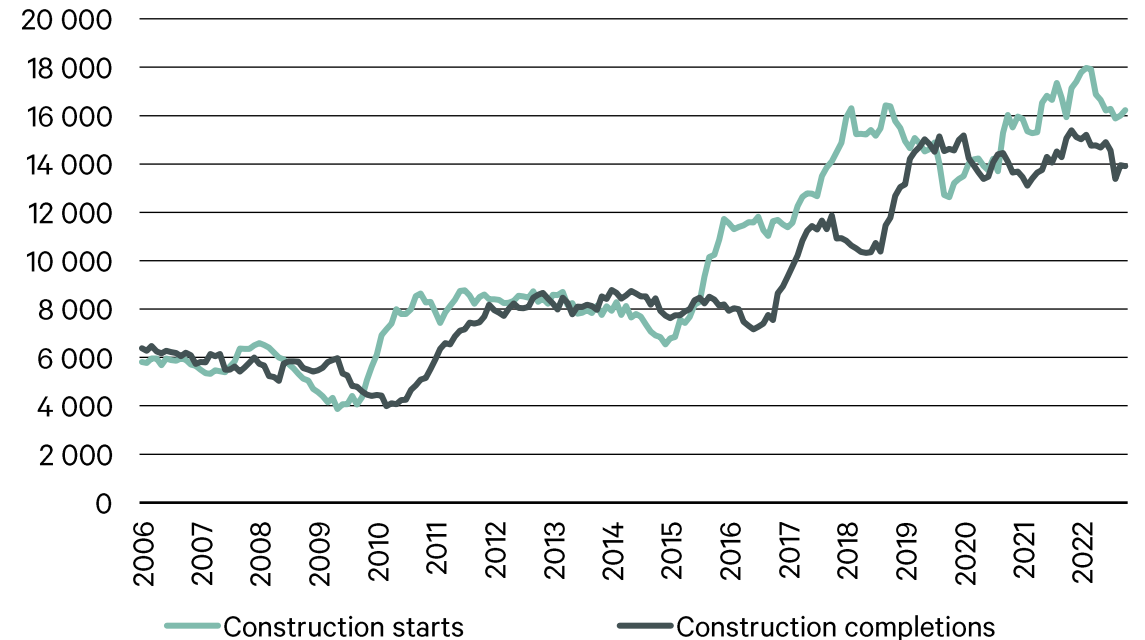
HELSINKI METROPOLITAN AREA KEY FIGURES



Rental market & construction activity

- Average sales prices of old dwellings in HMA decreased by 6.5% in November, while prices saw declines of 4.5% and 4.8% in Tampere and in Turku, respectively. Prices have been more stable in larger dwellings compared to small apartments. Prices are expected to trend slightly lower in the 2023 driven by increased costs and lowered consumer confidence.
- Average rents increased by 0.6% in the capital city region, 2.3% in Turku and 2.8% in Tampere (y-o-y) during the fourth quarter. Rent increases remain smaller than inflation, which creates pressure for rent increases in the future. However, good availability of rental dwellings will moderate the rent increases in the near term.
- New completions are still on high level, however high inflation and rising interest rates are expected to limit construction activity in 2023, and construction starts are expected to decrease to the historical average of 36,000 dwellings per annum.

CONSTRUCTION ACTIVITY IN THE HELSINKI METROPOLITAN AREA



Source: CBRE Research, Statistics Finland, Confederation of Finnish Construction Industries.



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