

FIGURES | FINLAND I&L | Q4 2023

I&L sector had the highest share of investments in 2023

I&L INVESTMENT VOLUME IN Q4 2023

€603 mn YTD
 ▼ -29% (y-o-y %)

€276 mn Q4/2023
 ▲ +74% (Y-o-Y %)

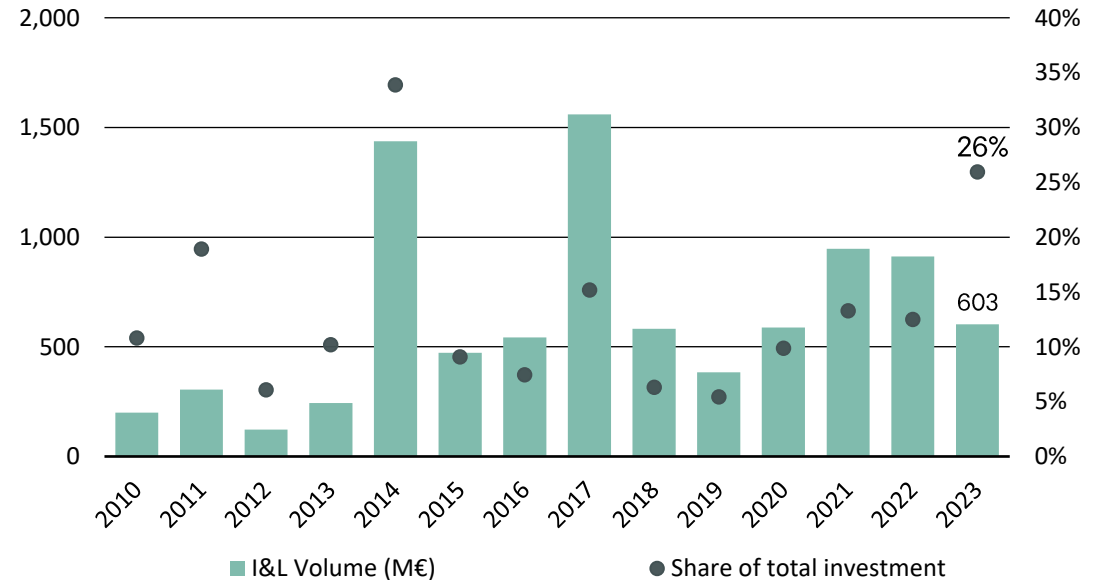
INVESTMENT MARKET KEY FIGURES IN Q4 2023

Cross-border share	Share of total investment	Number of transactions	HMA Share	Prime yield
▲ 79% Vs. 66% (5-year avg.)	▲ 37% Vs. 10% (5-year avg.)	▼ 8 Vs. 12 (5-year avg.)	▼ 8% Vs. 50% (5-year avg.)	▲ 5.50% Vs. 5.00% in Q3 2023

Investment market

- In the last quarter of 2023, I&L investment volumes saw a substantial increase of 74% year-over-year, reaching €276 million. The lion's share of this investment (79%) originated from international investors, while 8% of the total investment volume was concentrated in the Helsinki Metropolitan Area. In 2023, I&L had the highest share of investment volume across all sectors, with a 26% share of the total volume and had the lowest decline in volume since last year compared to other main investment sectors.
- Prime yields increased during the last quarter among all I&L subsectors. The prime logistics yield and prime warehouse yield shifted by 50 bps to 5.50% and 6.75%, respectively, while the prime light industrial yields shifted by 75 bps to 7.75%. The I&L market remains one of the most attractive sectors for investors, and there are ongoing deals in the pipeline for 2024.

I&L INVESTMENT VOLUMES IN M€ AND SHARE OF TOTAL INVESTMENT



Source: CBRE Research.

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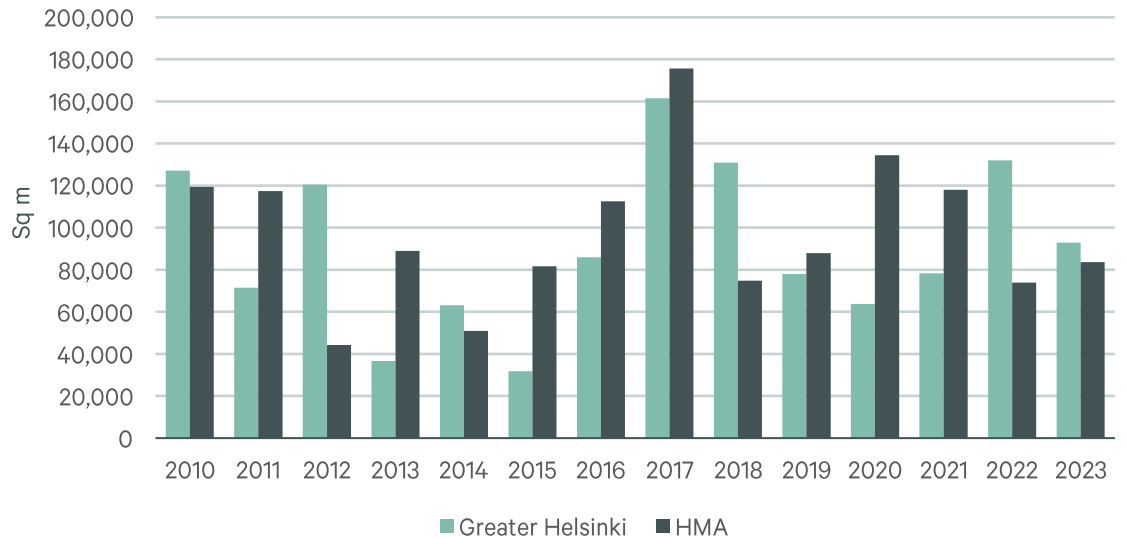
HELSINKI METROPOLITAN AREA KEY FIGURES



Occupier market & construction activity

- Occupier market in 2023 remained active, despite slight increase in vacancy rates during the last quarter. There was a growing interest among occupiers in modern and energy-efficient logistics spaces. However, there is a shortage of such modern stock in the HMA region, which is putting pressure on rent levels.
- Logicenter remained active in the Finnish I&L Market, announcing the acquisition of an 19,000 sqm land plot in Vantaa, near the airport area. The new facility of 8,000 sqm will be developed for Puumerkki, which has signed a long-term lease agreement for the property. MREC, together with Slättö, announced the development of a 6,000 sqm automated and sustainable logistics center in Sula area of Tuusula.
- Construction starts are driven to Greater Helsinki due to land scarcity and lack of zoning permits in HMA. In 2023, until October, 84,000 sqm of new I&L space were started in HMA, as 93,000 new I&L construction took place in Greater Helsinki. The same trend will continue in 2024 as majority of focal logistics developments will take place in main submarkets in Greater Helsinki.

I&L CONSTRUCTION STARTS IN HMA AND GREATER HELSINKI



HMA consists of Helsinki, Espoo and Vantaa, Greater Helsinki includes Sipoo, Tuusula, Kerava, Nurmijärvi, Mäntsälä and Järvenpää. Data coverage in 2023 is until October.

Source: CBRE Research, Statistics Finland.

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