

## Catella: Real estate transaction volume still at record level in Finland

In Finland, last year's transaction volume was EUR 5.2 billion, which is the third highest volume ever, and not far from the 2007 record of 6 billion euro. Major transactions by foreign investors and Finnish housing investors had a significant impact on the transaction volume. We predict that the real estate transaction volume will also remain high in 2016 as interest rates will remain low for a long time and capital still flowing.

The difference in yield requirements between Helsinki CBD and other areas has been increasing for an exceptionally long time. As an investment, properties in Helsinki CBD are low risk and offer a yield of 4.7 per cent on average. Moving from the CBD to other prime office districts in the Helsinki Metropolitan Area, the yield increase can exceed two percentage points and, in the central districts of growth centres, three percentage points.

At a certain point, the increased profit outweighs the increased risk in the investor's opinion. This year will offer an exceptionally wide range of interesting opportunities for investors who pursue yields higher than in the CBD of Helsinki and manage the increased risk.

The new report "Catella Market Indicator - Finland, Spring 2016" is now available and can be ordered at no cost by email: <u>info@catella.fi</u>.

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Catella is a financial advisor and asset manager with in-depth knowledge of property, fixed income and equities. Catella is a leader in the property sector, with a strong local presence in Europe, and employs some 500 professionals in 12 countries. Catella is listed on First North Premier on Nasdaq Stockholm. Read more at <u>catella.com</u>.