



# Catella Market Indicator

FINLAND  
SPRING 2022

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The services of the Valuation and Consulting unit now include valuation reports based on the valuation standards of RICS (Royal Institution of Chartered Surveyors).

**Cover photo:** HGR Property Partners, YIT and Ilmarinen have signed a transaction agreement with the aim of establishing a joint venture for the development of significant real estate projects in Keilaniemi. The parties have agreed to transfer both Regenero's, which is HGR's and YIT's current joint venture, and Ilmarinen's current development projects in Keilaniemi to the new joint venture under establishment. Establishment of the joint venture is expected to be completed during the first half of 2022.

# About Catella

Catella is a financial advisor and asset manager specialized in property, fixed income and equities markets. Catella holds a leading position in the property sector and has a strong local presence in Europe. Our property advisory services in Finland consist of Transactions, Capital Markets, Valuation and Consulting, Letting in Growth Centres, and Asset Management. Catella employs more than 550 persons in 14 countries. Catella is a leading advisor in the Finnish real estate market, employing 45 professionals in four locations.

## Transactions

- Single and portfolio transactions
- Sale-and-leaseback transactions
- Acquisition advisory
- Real estate development projects

## Capital Markets

- Debt advisory
- Equity raising
- Restructuring

## Valuation and Consulting

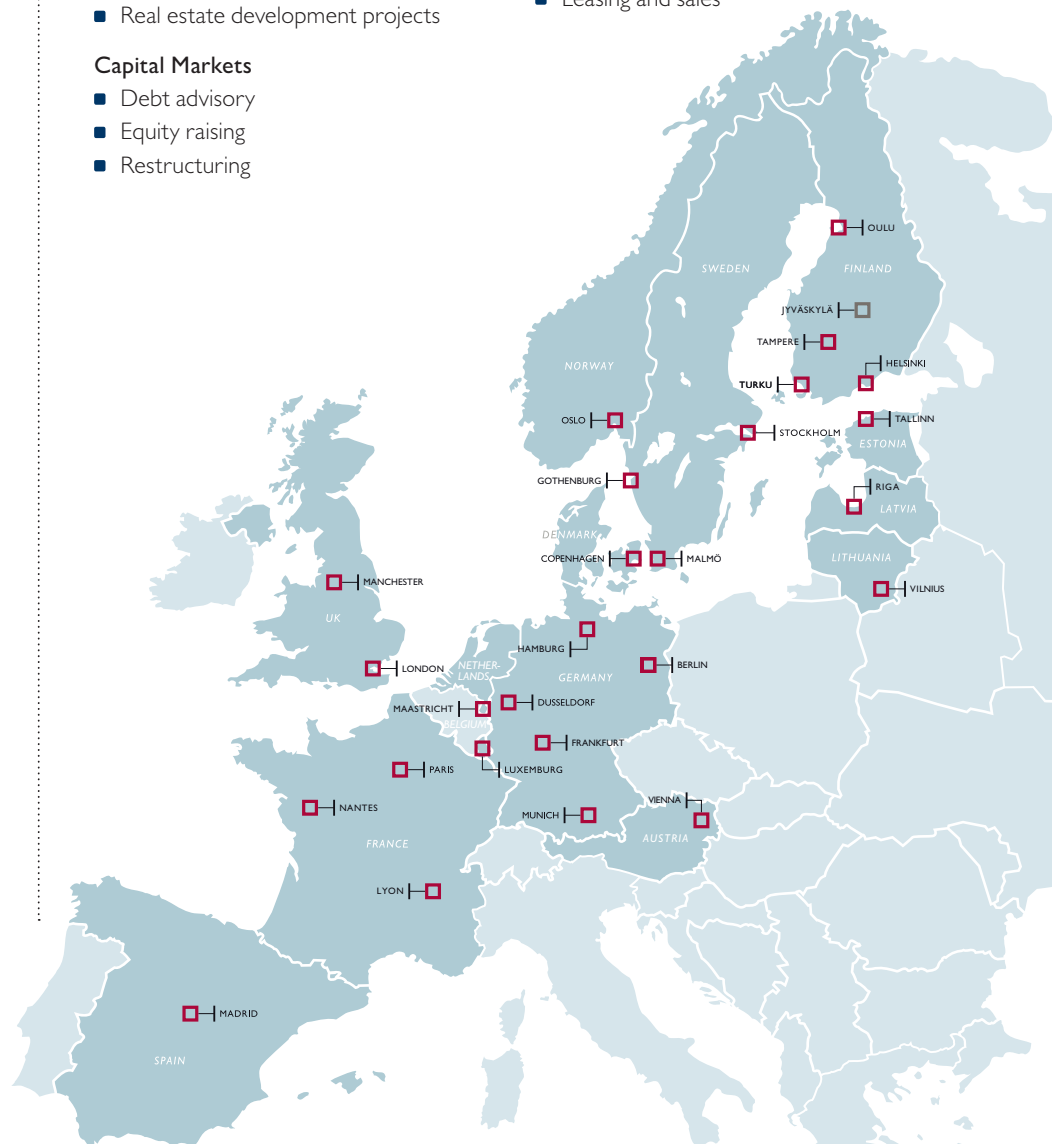
- Authorised valuation reports
- Authorised single asset valuation
- Authorised portfolio valuation and analysis
- Strategic and financial analysis
- Market rent analysis
- Market area analysis

## Letting in Growth Centre

- Letting of commercial properties
- Letting advisory and space comparisons
- Project letting and campaigns
- Tenant representation

## Asset Management

- Customised asset management services
- Real estate development
- Investment management
- Leasing and sales



# The pandemic's impact on the property market remained low

Covid-19 continued to affect the property market last year. In the beginning of the year, the restrictions caused by the second wave of the pandemic kept the transaction volume low, but improved situation in the summer and brisk economic growth throughout the year eventually increased the volume to a level clearly above the year before. Despite the pandemic continuing, properties have maintained their position as a very attractive investment alternative, as interest rates have kept on a very low level and the impact on the rental market, too, eventually remained surprisingly low.



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Despite the pandemic-related constraints and challenges, the property investment market saw another strong year of transactions with volumes eventually reaching around EUR 6.9 billion, which is well above the volume level of the previous year and the pre-pandemic level of 2019. Last year, investments focused on the categories not directly affected by the pandemic, such as residential, logistics and community properties. In these categories, we indeed saw an unusually rapid decline in yield requirements during the year as investors competed for the most attractive properties. Residential properties eventually turned out to be the largest category in terms of transaction volume. Foreign investor demand remained very good throughout the year, and measured in euros, well over half of the investments were made by foreign investors.

## Pandemic impact on vacancy rates small for now

The impact of the pandemic on the office and retail market seems small – at least for the time being. The office vacancy rate of the HMA increased somewhat last year and is now at 13.7%. It is interesting that despite the rise in vacancy rates, prime rents for offices began to rise already during the autumn. Although the overall office vacancy rate of the HMA is very high, there is relatively little office space vacant in some sub-markets, such as in the vicinity of the CBD and in Keilaniemi and Pasila. Indeed, division into successful and challenging office markets seems to continue in the HMA. Regarding retail space, too, it seems that the worst may have been avoided and the situation is surprisingly good in terms of vacancy rates. The vacancy rate of retail space in the Helsinki CBD – which

has perhaps been affected the most by the pandemic – did not increase during last autumn either.

## Inflation on the rise after a long break

After the gloomy 2020, economic growth in Finland was rather brisk last year. According to the Bank of Finland, our GDP grew circa 3.5% last year. For this year, too, the Bank of Finland expects a fairly good growth of about 2.6%. It seems therefore that economic growth and low interest rates continue to support the property market.

However, inflation is entering into debate after a long break. The annual change in consumer prices in Finland accelerated to 3.5% in December. In the eurozone, the change in consumer prices was up to 5.0% in December. The combination of higher inflation and exceptionally low interest rates creates a very interesting situation for the property market this year. In the short term, the situation is unlikely to weaken the position of properties in relation to other investment categories, as out of the most important investment categories, they may be the one that can do well even during inflation.

# Investment market

TEXT: ARJA LEHTONEN



© Kuvio Oy

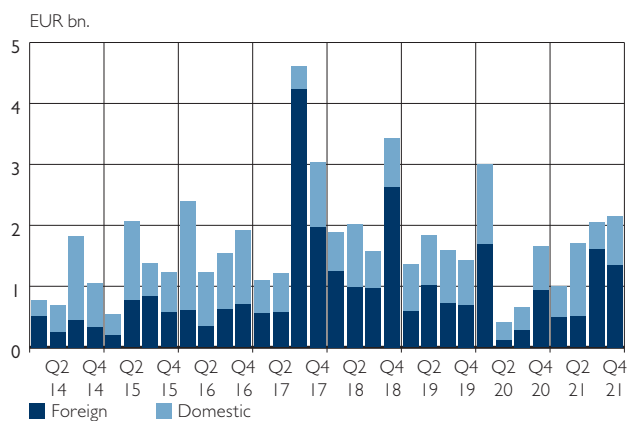
## Transaction volume on the rise

Property market transaction volume increased to approximately EUR 6.9 billion last year, which is 21% more than in the previous year and 10.4% more than in 2019. The impact of the pandemic on the transaction volume has indeed been smaller than expected. The property sector has continued to benefit from low interest rates, and a scarce supply combined with a

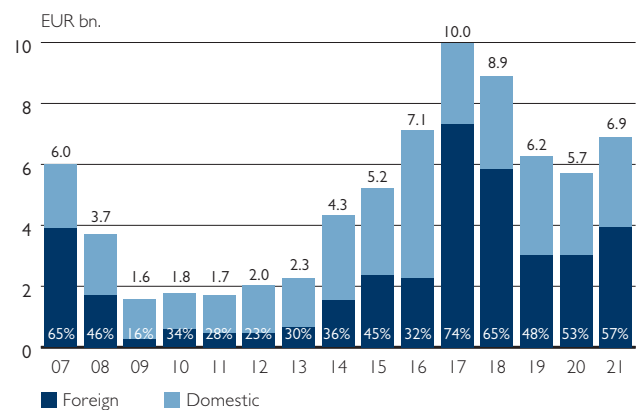
strong demand has reduced the yield requirements to a record-low level, particularly regarding the properties where investment risks are considered low due to their good condition, location and long, reliable lease agreements.

During the last three years, the share of international investors on the Finnish market has been about 50%, and last year it was 57%. Several new investors entered the Finnish market,

Transaction volume in Finland by quarters 2014–2021



Transaction volume in Finland 2007–2021



including ICG (Thermo Fisher HQ), Slättö AB (retail centre in Tammisto, Vantaa) and German REAL I.S. (office property in the southern part of the Töölö district, Helsinki). Transaction volume increased compared to the previous year in all Nordic countries. In other Nordic countries, record-high volumes were achieved: in Sweden MEUR 35.0, in Norway MEUR 15.2 and in Denmark MEUR 14.0. The increase was the most modest in Finland compared to last year.

**Residential properties the largest investment category**

Residential properties became the largest investment category with a volume of EUR 2.26 billion, but the 2016 record of EUR 2.65 billion was not exceeded. The largest single transaction was worth approximately EUR 500 million, as IceCapital sold a portfolio of 29 residential properties in the HMA to CapMan. Four other large portfolio transactions of EUR 100–150 million in total were made last year.

At present, a record number of rental housing projects are under construction, both in the HMA and in other large growth centres, and the risk of residential vacancy and the potential of rental development are now being analyzed more than usual. However, investment demand is strong and investors' yield requirements are declining; at best to 3.0% or even below.

**Interest in offices is recovering**

The pandemic caused uncertainty on the office rental market when it began in 2020, and it also weakened investment demand. However, uncertainty has diminished, and the transaction volume of offices increased last year by 34% to EUR 2.08 billion. The largest single transaction was the sale of the Kielo portfolio to Castellum for EUR 640 million. The transaction continued as Castellum sold part of its portfolio to Nyfosa. These two transactions accounted for 41% of the total volume in the category.

Division between good and bad investment properties is strongest in the office category. The highest demand concerns the best office districts where high-quality, well-connected

premises are available. Yield requirements for the best properties have fallen distinctively to the level of 3.2% and even below, but this level requires long lease agreements and buildings in excellent condition.

**Logistics focus on central warehouses and local distribution**

The logistics sector has traditionally been relatively small in volume, mainly including transactions of individual properties. Last year, transaction volume was EUR 1.02 billion, an increase of almost 83% compared to previous year. The largest individual transactions were the sale of the Onninen logistics centre to Barings and the sale of the HKScan property in Vantaa to Sagax. Together, these accounted for almost 16% of the total volume.

Growing e-commerce has boosted the logistics sector and is changing its structure. Interest in small, close-to-store distribution centres has grown. Amazon has been developing its operations in Sweden for a couple of years, and if it expands to Finland, the efficiency of local distribution will become a strong competitive factor. However, rental demand for large central warehouses has also increased, and their long, investor-safe lease agreements have lowered the yield requirements to record lows, at best close to 4%.

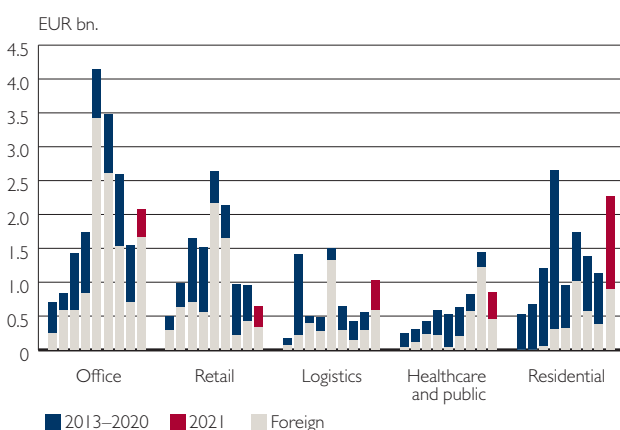
**Community properties of interest to investors**

Last year, the transaction volume of public and healthcare properties was approximately EUR 854 million, of which the sale of educational and fire-station properties in Jyväskylä accounted for almost 17%. The transaction volume has traditionally consisted of small care properties and portfolios of care properties, but the sector's offering has expanded to all types of service properties. In this sector, too, long-term lease agreements are boosting investor demand, and yield requirements have fallen below 4% for the best properties. Finland's new regional organization and the problems of the municipal economy will make municipalities actively consider their property holdings. The sale of Espoo Hospital to LocalTapiola's community property fund for EUR 295 million is the latest example of the impact of Finland's social and healthcare reform on the property market. We expect the sector to attract more investment interest this year, too.

**Grocery stores the most attractive among retail properties**

Retail sales started to grow last autumn, but as the pandemic intensifies, official restrictions will again affect business. In 2017–2018, the retail property transaction volume peaked at EUR 2.4–2.8 billion, but last year it was only EUR 639 million. The three largest transactions that accounted for about 37% of the volume included the sale of 72 grocery stores to Cibus, the sale of the Columbus shopping centre to NREP, and the sale of Oulu Ideapark to a United Bankers fund. Regarding retail

Transaction volume by purpose and share of foreign investors 2013–2021



properties, the strongest interest is still in grocery stores, but bulky-goods properties and grocery-driven local centres have also attracted investment interest.

**Investment demand in the property sector likely to remain good this year**

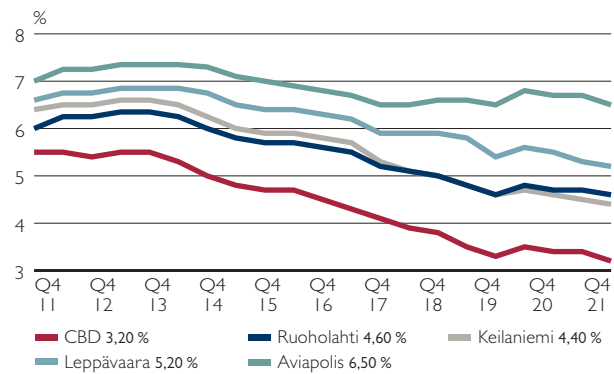
Overall, the investment market’s outlook is still very much affected by the ongoing battle against the pandemic, the low interest rates, accelerating inflation, rising public debt, and more critical geopolitical situation. The world economy seems to be growing briskly, and Finland’s economic growth is also expected to continue, albeit at a slightly weaker pace than last year.

We expect property investment demand to remain good this year and at least on the same level as last year. The strongest sectors are residential, community and logistics properties,

which can be classified as lower-risk investments. They also offer geographical diversification to investors. More secure supply chains have increased the attractiveness of logistics properties, in particular. With office properties, the location, condition of the building, and long-term lease agreements are the decisive factors, and investment interest is particularly focused on the metropolitan area as well as the Tampere and Turku regions. Retail properties are divided into several sub-sectors, of which grocery stores are still in the highest demand. Hotels’ difficulties will continue as the pandemic continues and business travel declines perhaps permanently.

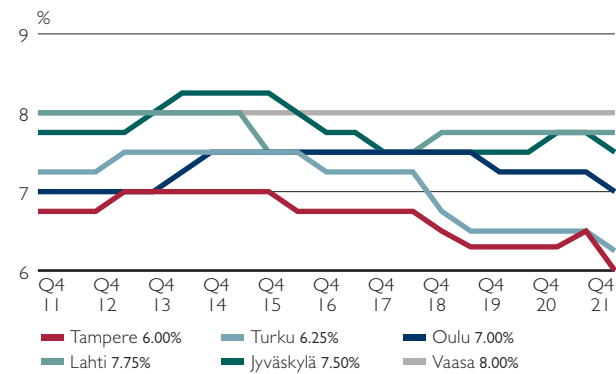
The investment trend is to strategically diversify portfolios with various property categories to reduce the risk and to invest in value-added properties. Reducing properties’ carbon footprints and making responsible investments will be further emphasized.

Office yields in the Helsinki Metropolitan Area Q4 2021



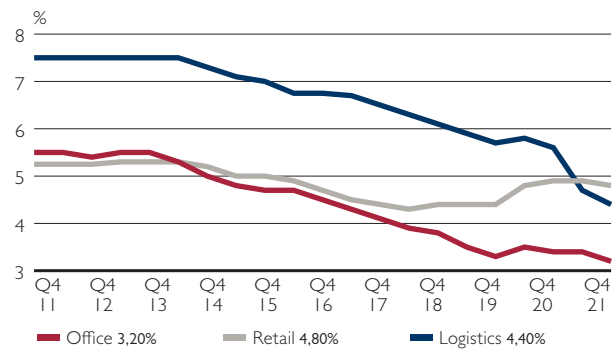
Particularly long lease agreements currently decrease yields by approximately 0.1–0.5% points in the Helsinki CBD and 0.1–0.7% points in other submarkets.

Prime yields in growth centres Q4 2021



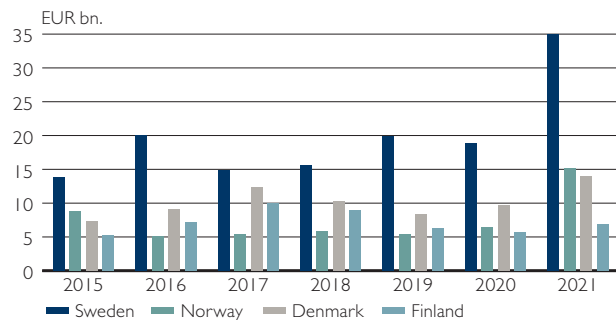
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Prime yields in the Helsinki Metropolitan Area Q4 2021



Particularly long lease agreements currently decrease yields by approximately 0.1–0.5% points in the Helsinki CBD and 0.1–0.7% points in other submarkets.

Transaction volumes in the Nordics 2015–2021



Lähde: Catella, RCA

# Transactions in Finland 2021

## Selection of portfolio transactions in Finland 2021

Building / Property	City / Location	Seller	Purchaser	Price (EUR mil.)	Date	Category
5 light industrial properties	Many	Cromwell Property Group	Elite Finland Value Added Fund II Ky	n/a	Q1	Industrial
Hyperion residential tower (216 apartments)	Helsinki	Skanska Oy Ab	Union Investment Real Estate GmbH	74	Q1	Residential
400 apartments	Many	FIM Asuntorahasto I Ky & FIM Asuntotuotto (AIF)	Avara Residential Fund II	n/a	Q1	Residential
Care properties	Many	Social Infrastructure Invest AS	Kinland AS (Whitehelm Capital portfolio company)	n/a	Q2	Care
1 854 apartments	HMA	ICECAPITAL Housing Fund IV Ky	CapMan Nordic Residential Real Estate Fund	500	Q2	Residential
72 retail properties	Many	AB Sagax	Cibus Nordic Real Estate AB	71.6	Q2	Retail
Kielo AB (22 office properties)	Many	Blackstone Tactical Opportunities & Brunswick Real Estate	Castellum	640	Q3	Office
9 office properties and 1 project property	Jyväskylä	Castellum	Nyfosä	208	Q3	Office
Taaleri Housing Fund VI Ky (461 apartments)	HMA	Taaleri Private Equity Funds Ltd	PATRIZIA AG	145	Q3	Residential
257 apartments	HMA	SRV Oyj	DWS Real Estate GmbH	82	Q3	Residential
301 apartments	HMA + Tampere	Pohjola Rakennus Oy	eQ Finnish Residential Fund	71	Q3	Residential
6 public properties	Jyväskylä	City of Jyväskylä	eQ Community Properties	141	Q4	Public
Finnish share of logistics portfolio	n/a	NREP Logicensers	AXA IM Alts	n/a	Q4	Logistics
T7 residential tower (240 apartments)	Helsinki	SRV Oyj	PATRIZIA AG	101	Q4	Residential
Atlas residential tower (288 apartments)	Helsinki	Skanska Oy Ab	Union Investment Real Estate GmbH	100	Q4	Residential
IVH-Kampus Ky	Jyväskylä, Lappeenranta	Investors House Oyj & Private investors	Nyfosä	56.3	Q4	Office
186 apartments	Tampere	Tampereen Asunnot Ky	Elo Mutual Pension Insurance Company	n/a	Q4	Residential
9 commercial properties	Many	Majalis Oy	AB Sagax	47	Q4	Retail

## Selection of transactions in the Helsinki Metropolitan Area 2021

Building / Property	City / Location	Seller	Purchaser	Price (EUR mil.)	Date	Category
HQ of Metsä Group and Mela	Espoo	Metsäliitto Cooperative and Farmers' Social Insurance Institution Mela	NREP	90	Q1	Office
Logistics and industrial property	Vantaa	HKScan Oyj	AB Sagax	77	Q1	Industrial
HQ of Ramboll Finland Oy	Espoo	Keva Pension Insurance Company	Altaal AB	70	Q2	Office
Leipätehdas office property	Helsinki	Investors represented by Cobbleyard & Revcap	NREP	n/a	Q3	Office
PostNord's logistics center	Vantaa	YIT Oyj	n/a	n/a	Q3	Logistics
Shopping centre in Kivistö	Vantaa	Lehto Tilat Oy	eQ Commercial Properties	n/a	Q3	Retail
Shopping centre Columbus	Helsinki	Citycon Oyj	NREP	106.2	Q4	Retail
Fredriksberg D	Helsinki	NCC Property Development	Fund managed by Abrdn	75	Q4	Office
Office and healthcare property	Vantaa	Sponda Oy	eQ Commercial Properties & eQ Community Properties	n/a	Q4	Office + Care
HQ of MSD	Espoo	MSD Finland Oy	Skanska Oy Ab	22.6	Q4	Office
HQ of Thermo Fisher	Vantaa	Niam AB	Intermediate Capital Group (ICG)	n/a	Q4	Office
Retail property	Vantaa	NV Property Fund I Ky	Slättö AB	n/a	Q4	Retail
Metso Outotec's office campus	Espoo	Union Investment Real Estate GmbH	Corum Eurion	n/a	Q4	Office
HQ of CGI	Helsinki	Niam AB	Altaal AB	n/a	Q4	Office

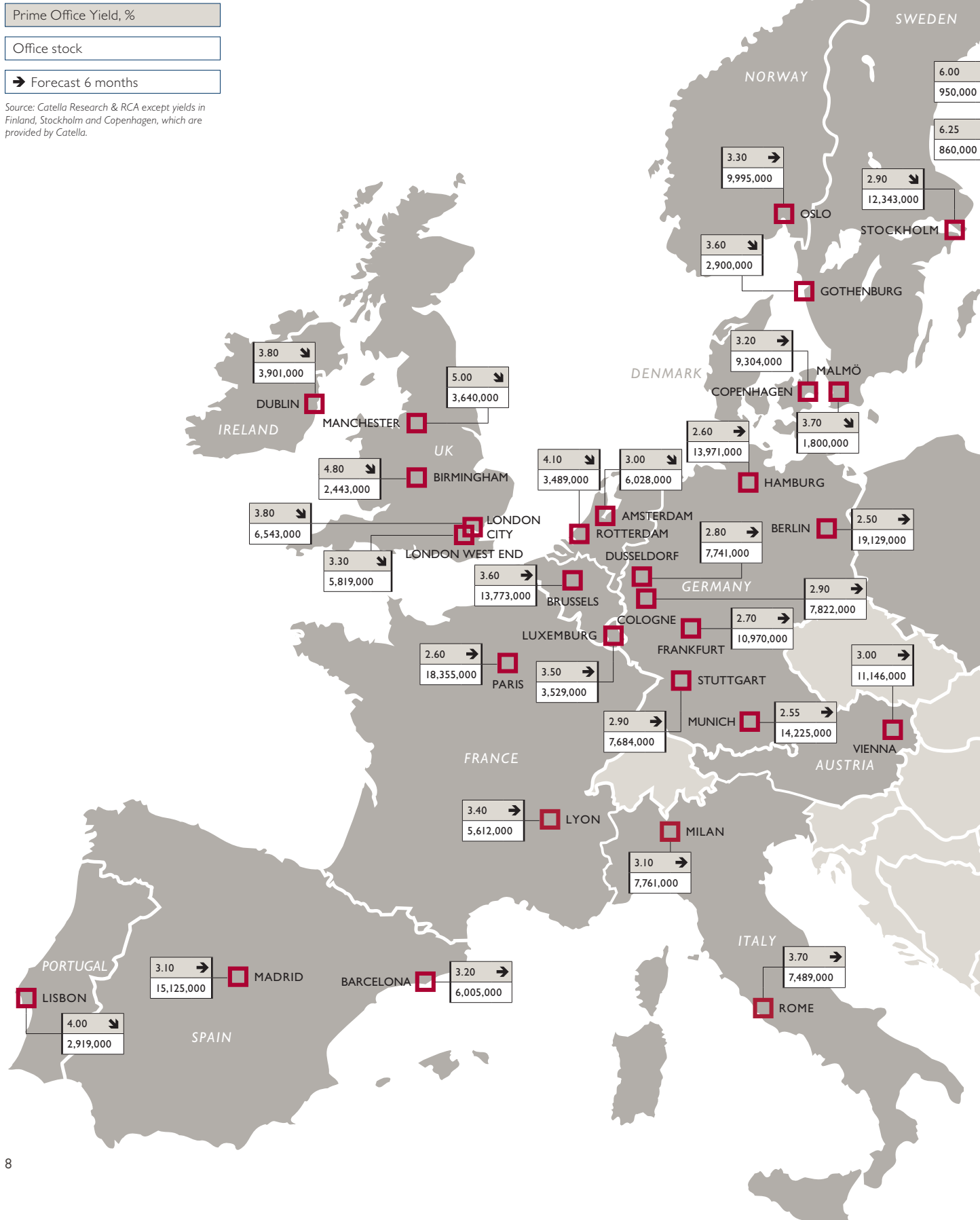
## Selection of transactions in other cities 2021

Building / Property	City / Location	Seller	Purchaser	Price (EUR mil.)	Date	Category
Paavola campus	Lahti	City of Lahti	Hemsö Fastighets AB	85	Q1	Public
Go2I office property	Tampere	Jatke Pirkanmaa Oy	A.Ahlström Real Estate Ltd	n/a	Q1	Office
Residential property	Lahti	Bankruptcy estate of the company	Niam AB	n/a	Q1	Residential
Onninen's logistics centre	Hyvinkää	NRP	Barings	86	Q2	Logistics
Office property	Järvenpää	YIT Oyj	Quadoro	32	Q3	Office
PostNord's logistics centre	Turku	Private investors	HANSAINVEST Real Assets GmbH	n/a	Q4	Logistics
Logistics property	Tuusula	Jatke Oy	LocalTapiola Group	n/a	Q4	Logistics
Hospital properties	Jyväskylä	Central Finland Health Care District	Apitare Oy	24.6	Q4	Public
Warasto Finland Ltd's logistics centre	Turku	SRV Oyj	VVT Property Fund II Ky	n/a	Q4	Logistics
Shopping centre Ideapark Oulu	Oulu	Alma Property Partners I AB	UB Nordic Property Fund	60	Q4	Retail
Tunturi's logistic centre	Turku	YIT Oyj	MEAG	n/a	Q4	Logistics
Logistic centre	Tuusula	Oy Interior Invest Ab	eQ Commercial Properties	n/a	Q4	Logistics

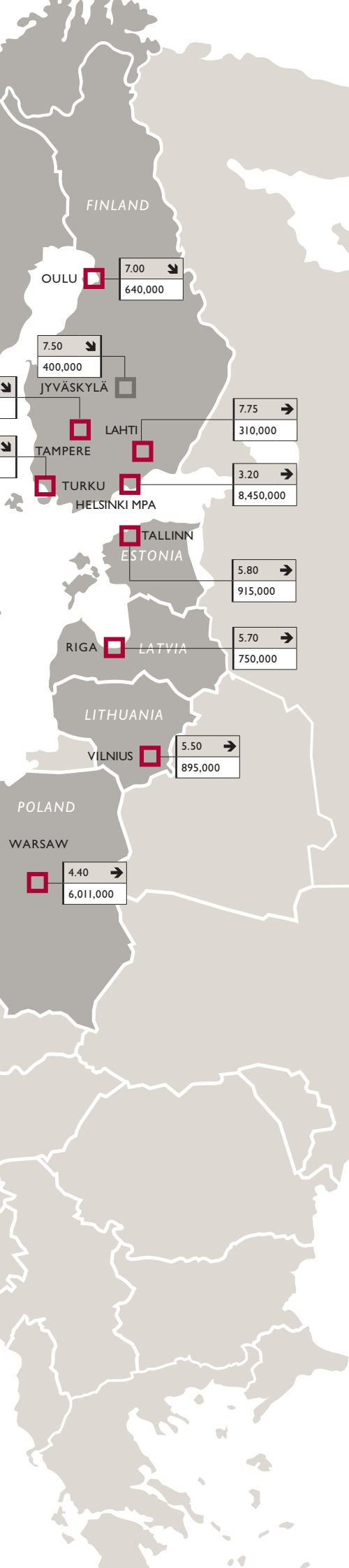
# European office market Spring 2022

- Prime Office Yield, %
- Office stock
- Forecast 6 months

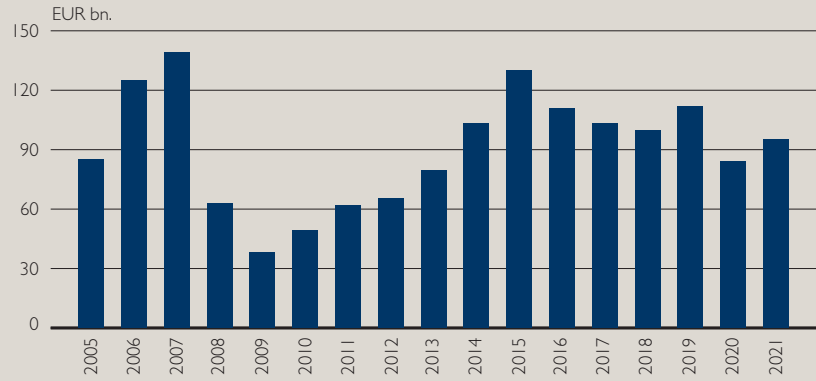
Source: Catella Research & RCA except yields in Finland, Stockholm and Copenhagen, which are provided by Catella.



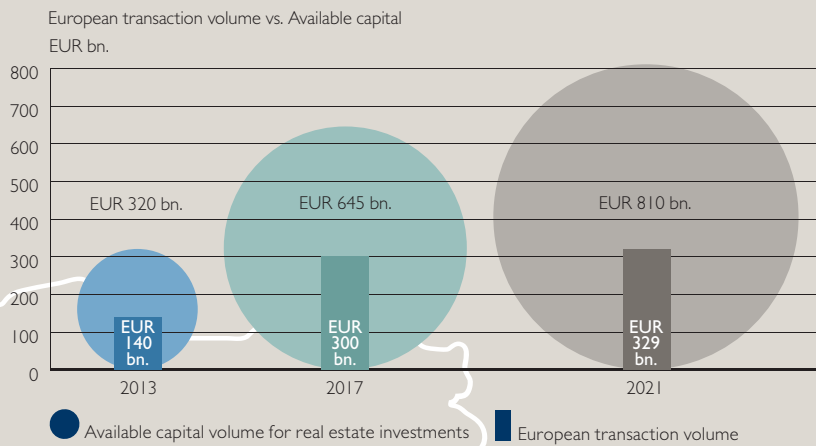




Office transaction volume in Europe 2005–2021



Global investment capital volume\* entering Europe in 2021



\* All assets classes: office, retail, industrial/logistics, care, hotel and residential

Source: Catella Research 2021, IMF, FED, BIZ, Bloomberg, Deutsche Bundesbank, Thomson Reuter, INREV, PMA



CATELLA REAL ESTATE  
DEBT INDICATOR

# Catella CREDI Real Estate Debt Survey – Spring 2022

TEXT: LAURI HOFFREN

Catella CREDI is a survey of real estate investors and financiers' views on the real estate debt market. In summer, the main index hit a record high for Finland since 2015. However, by the end of the year the main index declined to where it was one year ago.

## CREDI main index

In the Q4 21 survey, the main index declined 8.1 points compared to last summer's survey, ending up at 51.1 points. This indicates a more uncertain financial market. The newest virus variant as well as rising inflation are making financiers more cautious. The difference between financiers and investors' views, which had narrowed down in Q2, widened into what is the largest since 2015 in the latest survey. Financiers believe uncertainty to continue during the spring, while investors see the financial market picking up.

## CREDI sub-indices

Banking sector has remained stable, and large banks still provide a large share of the market's financing. The survey respondents considered the availability of financing to have improved slightly in the autumn, and they believe availability to improve further this spring.

The respondents considered the margins to have decreased during the autumn, and most of them believed that the margins will remain at their current level this spring.

The respondents believed the loan-to-value ratio to decline during the spring. Also, the respondents' views on maturity

were lower than forecasted for the autumn, and maturity declined below neutral level.

The share of non-bank financing is expected to continue to grow, which will enable greater leverage.

## Summary

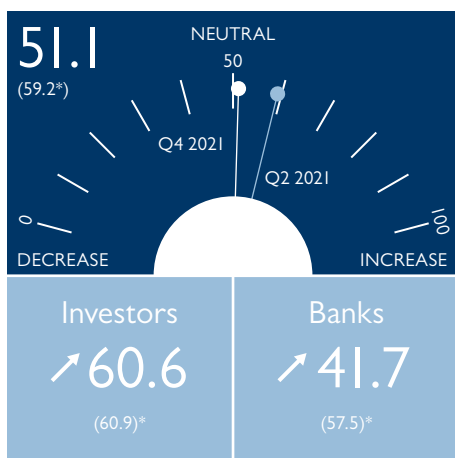
Overall, the survey response reflects growing uncertainty on the market. The spring forecast for almost every sub-index is weaker than in the autumn.

Sudden rise in inflation and the change in inflation expectations force the central banks to reassess their policies. There seems to be an upward pressure on the interest rates, which have kept at record lows, and the market expects the US to raise its interest rates this year and waits to see whether the ECB will do the same.

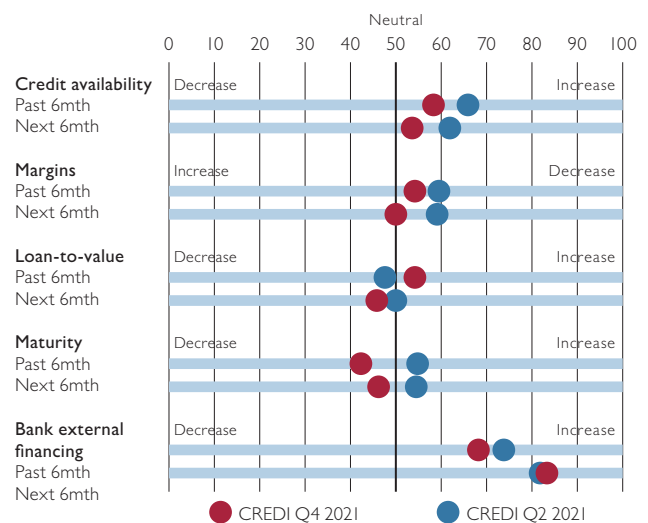
Interest in non-bank financing has grown steadily in recent years, and there is demand for new financiers on the Nordic market. The growing interest in bond financing is reflected on the market, and companies are more interested in applying for credit rating to obtain better financing terms.

In general, the EU taxonomy reform is expected to steer more funding towards sustainable investments. Investors' interest and requirements are already geared towards meeting the ESG criteria in investments. The Nordic countries have been at the forefront of sustainable financing by offering many ESG products to the market on attractive financing terms.

## CREDI Main index



\* = Q2 2021



Catella CREDI (Catella Real Estate Debt Indicator) is a market sentiment indicator for the real estate financing market in Finland. CREDI consist of two indicators: an indicator reflecting the change of the real estate financing market during the past six months and a forward-looking indicator reflecting the expectations of the short term future situation of the real estate financing market. CREDI is based on a survey answered by real estate investors and real estate debt financiers and on public market information. The CREDI indices are generated based on the survey responses with the neutral level standing at 50, which indicates a stable market.

# Helsinki Metropolitan Area

TEXT: PETTERI HEIKKINEN AND JERMI KUJANPÄÄ



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## Uncertain expectations for the third pandemic year

In the first year of the pandemic, companies monitored the impact of remote work on space efficiency and held back their decisions. Due to a blurry outlook, they only went ahead with the most necessary solutions regarding business premises. Lessors granted rent leaves or discounts and even forgave some of the rents. These measures and the temporary law to prevent bankruptcies helped service providers, in particular, and the feared wave of bankruptcies was avoided.

Although the pandemic situation got worse at the end of last year and reversed the trend of returning to the office, positive signals, too, were seen on the market. After deliberation, large companies mustered up to commit to properties with slightly longer lease agreements. Although the pandemic will continue to affect the need for space and the ways of working, tenants will continue to require high-quality premises. Key factors still include a good location, functional and efficient premises, easy access, ecology, comfortability and the ESG criteria.

## Helsinki CBD office rents held up

Not counting the slight decline last year, office rents in the Helsinki CBD have grown steadily. There are several buildings

in the CBD and close by where new-construction-type major renovation is kicking off or high-profile renovation is nearing completion this year. Such large-scale investments firmly indicate that owners continue to trust the CBD and its attractiveness. There has been no need to check down the rents in the best locations. Once remote work becomes a permanent part of company culture, the need for space is reduced, and this will reflect on the amount of vacant space. Some of corporate office space has been outsourced to home offices. However, when leasing premises, companies are not ready to compromise on functionality or quality.

## More of vacant office space, few new premises completed

The amount of vacant office space increased from the previous year by 116,000 sq. m. and is now approximately 1,156,000 sq. m. Vacancy rate ended at 13.7%, an increase of 1.5 percentage points from the previous year.

Approximately 47,000 sq. m. of new office space was completed last year, which is 71,000 sq. m. less than in the previous year. Completed major projects included NCC's Next offices and the Elon Swing House in Keilaniemi as well as the first phase of the OOPS office campus sold by NCC to Varma in

Leppävaara, Espoo. Approximately 65,000 sq. m. of office space will be completed this year.

In recent years, most new construction has taken place in Keilaniemi and Leppävaara in Espoo as well as in Kalasatama and Pasila in Helsinki. Major new projects are under construction in Ruoholahti and Vallila in Helsinki; approximately 20,000 sq. m. of office space is to be completed in each district. However, project take-offs are being considered more carefully than before, and efforts are being made to convert some of the planned offices into apartments. Old premises are decommissioned, particularly in areas of weaker demand.

**Vacancy rates went up in Helsinki and Espoo**

Office space vacancy rate in the CBD increased by 1.8 percentage points from one year ago to 10.6%. Vacant office space in Helsinki increased by 100,000 sq. m. and was approximately 790,000 sq. m. at the end of last year, the vacancy rate being 13.1%. For example, in the Vallila-Kalasatama area, vacant space increased by more than 28,000 sq. m. Vacant space increased in Pasila, too, by 14,000 sq. m, and the vacancy rate was 6.7%.

In Espoo, there was 250,000 sq. m. of vacant space at the end of last year with the vacancy rate landing at 16.0%. Vacant space has been decreasing for a few years, but it increased by circa 25,000 sq. m. compared to previous year. In Keilaniemi, the vacancy rate rose in one year from 4.1% to 5.9%; yet its vacancy rate is the lowest in Espoo. Last year's largest office deals in Espoo comprised the move of software company Trimble from North Tapiola to the OOPS campus in Leppävaara and VTT's move to Innopolis. Early this year the Fiskars headquarters are to move to the new Next building in Keilaniemi.

At the turn of the year, there was 119,000 sq. m. of vacant office space in Vantaa, and the vacancy rate was 13.3%. Regarding the larger Vantaa area, vacant office space decreased by

9,000 sq. m. compared to one year ago when the vacancy rate was 13.9%. However, vacant space in the Aviapolis area increased by approximately 5,000 sq. m. from the previous year, and the vacancy rate was 14.8%.

**Retail space vacancy rate remained low**

Approximately 39,000 sq. m. of new retail space was completed last year. Major projects included Veho's new utility car centre in Vehkala, Vantaa, and the HOK Elanto commercial centre in Pukinmäki, Helsinki. The largest projects under construction are Citycon's shopping centre Lippulaiva in Espoonlahti and the Kivistö local service centre sold by Lehto to eQ.

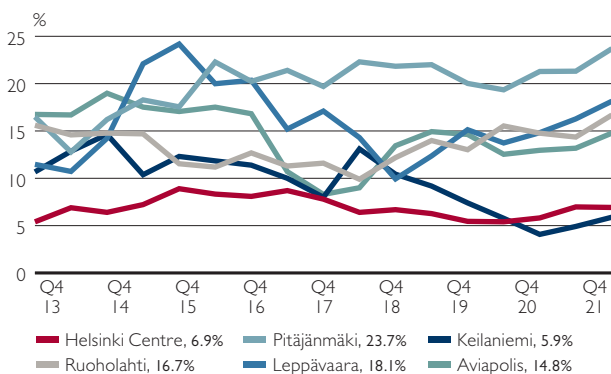
At the end of last year, there was 117,000 sq. m. i.e. 3.0% of vacant retail space in the entire HMA. Surprisingly, the vacancy rate of retail space has not increased but kept at the level of one year ago. In the Helsinki CBD, too, retail space vacancy rate has remained nearly the same as one year ago. This is partly explained by the city plan development of Aleksanterinkatu 13; the four top floors of the building will be converted from retail to office use.

**Vacant space continued to decrease in the industrial and logistics category**

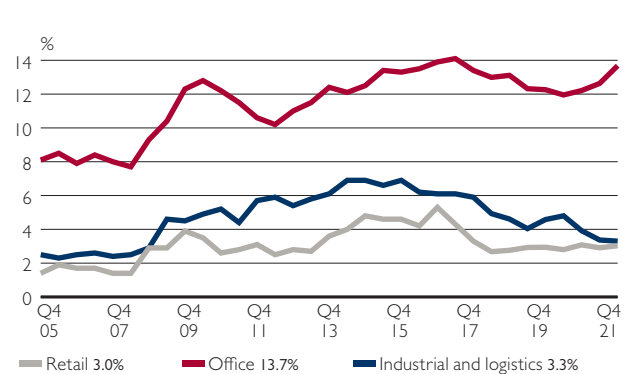
In the industrial and logistics category, vacant space in the HMA decreased from previous year by about 50,000 sq. m. to circa 262,000 sq. m. Vacancy rate was 3.3%. E-commerce accelerated by the pandemic is still going strong, which has kept the demand for logistics space high.

Sale-and-lease-back arrangements are popular among companies who want to focus on their core competence instead of property management. The popularity of logistics facilities is also explained by the global logistics bottlenecks that have led companies to pay more attention to their supply chains. There is still need for modern logistics facilities.

Vacancy rates in selected districts in the Helsinki Metropolitan Area Q4 2021



Vacancy rates in the Helsinki Metropolitan Area Q4 2021



Helsinki Metropolitan Area real estate market



Major office, retail, logistics and industrial projects in the HMA, Spring 2022

- HELSINKI**
- 1 NCC We Land
  - 2 Stora Enso HQ
  - 3 Lyyra project in Hakaniemi
  - 4 Ilmalanlinna
  - 5 Pembroke Vallila
  - 6 Fredriksberg D-building

- ESPOO**
- 7 eQ Open Innovation
  - 8 Niam LSC Keilaniemi
  - 9 Innopoli IV 2<sup>nd</sup> phase
  - 10 Kesko retail building for Supermarket and Onninen
  - 11 Shopping centre Lippulaiva

- VANTAA**
- 12 Aviapolis logistics hub
  - 13 STUK (radiation and nuclear safety authority) new office premises
  - 14 Datacentre HE10x
  - 15 Kivistö city centre
  - 16 Ansatie 4 extension
  - 17 Pressi-B building
  - 18 PostNord logistics hub

	Vacancy rate and vacant space in the Helsinki Metropolitan Area		Vacancy rate (%)		Vacant space (sq. m.)	
	Q4 21	Q2 21	Q4 21	Q2 21	Q4 21	Q2 21
<b>HELSINKI</b>						
Retail	3.6	3.3	73,000	68,000		
Office	13.1	11.9	787,000	711,000		
Indust./Logistics	2.9	2.9	102,000	100,000		
<b>ESPOO</b>						
Retail	1.5	1.7	14,000	15,000		
Office	16.0	15.3	250,000	234,000		
Indust./Logistics	4.0	3.9	52,000	50,000		
<b>VANTAA</b>						
Retail	3.4	3.2	30,000	28,000		
Office	13.3	13.2	119,000	119,000		
Indust./Logistics	3.4	3.7	109,000	118,000		

Helsinki Metropolitan Area office market	Upper gross rental level	Prime yield	Vacant space	Vacancy rate	
	Q4 21	Q4 21	Q4 21	Q4 21	Q4 21-Q2 21
	€/sq. m./month	%	sq. m.	%	change%-points
Helsinki City Centre					
- Helsinki CBD	37.00	3.2	72,000	10.6	0.0
- Helsinki Centre	27.75	3.8	131,000	6.9	-0.1
Hakaniemi – Sörnäinen	27.50	4.7	66,000	14.3	2.3
Vallila – Kalasatama	24.00	4.8	121,000	19.5	4.2
Pasila	24.00	4.5	38,000	6.7	1.4
Ruoholahti	24.00	4.6	67,000	16.7	2.3
Keilaniemi	26.00	4.4	13,000	5.9	1.0
Otaniemi	21.00	5.2	39,000	31.8	4.6
Tapiola	21.00	5.2	10,000	9.4	0.3
Matinkylä - Niittykumpu	19.75	5.9	39,000	23.2	0.8
Leppävaara	21.00	5.2	49,000	18.1	1.9
Aviapolis	20.00	6.5	37,000	14.8	1.6
Helsinki Metropolitan Area			1,156,000	13.7	1.1

- Particularly long lease agreements currently decrease yields by approximately 0.1–0.5% points in the Helsinki CBD and 0.1–0.7% points in other submarkets.  
 - Effective gross rent €/sq. m./month (VAT 0%), new leases

- The definitions of certain areas have been adjusted during 2020.  
 - Rents and yields of the Helsinki Centre exclude CBD and Kamppi-Töölönlahti areas, but in vacant space and vacancy rates these areas have been included.

# Tampere

TEXT: LEENA SMEDS JA ILKKA NISSINEN



©Visit Tampere / Skyfox Marko Kallio

## A fast-developing city

The completion of the Tampere Tram and the Nokia Arena revitalized the cityscape. Fast development continues when the first alterations to the Travel & Service Centre begin this year. The tram line is planned to continue to Härmälä and Partola and onward to Koilliskeskus in the northeast and to Ylöjärvi in the west.

## Pandemic steers the need for offices

The "hybrid" model that involves working both remotely and at the office causes companies to rationalize office use, and many have announced to develop a more flexible way for achieving this. Office design now focuses on quality and safety, and there will be high demand for modern offices, in particular. New modern offices are mainly located by the track in the city centre where accessibility is key. New office space has been completed in Ratina and by the Nokia Arena.

## Tram completion recovered retail space demand

Retail premises on Hämeenkatu and west of the city centre suffered from tram construction and limited access. Now after the tram line has been completed, demand for retail space has recovered. Demand for old retail premises located between the Prisma center in Kaleva and the city centre along Sammonkatu has also grown. On the west side of the city in Lielähti, Puuilo announced to move to the former Kodin Ykkönen property

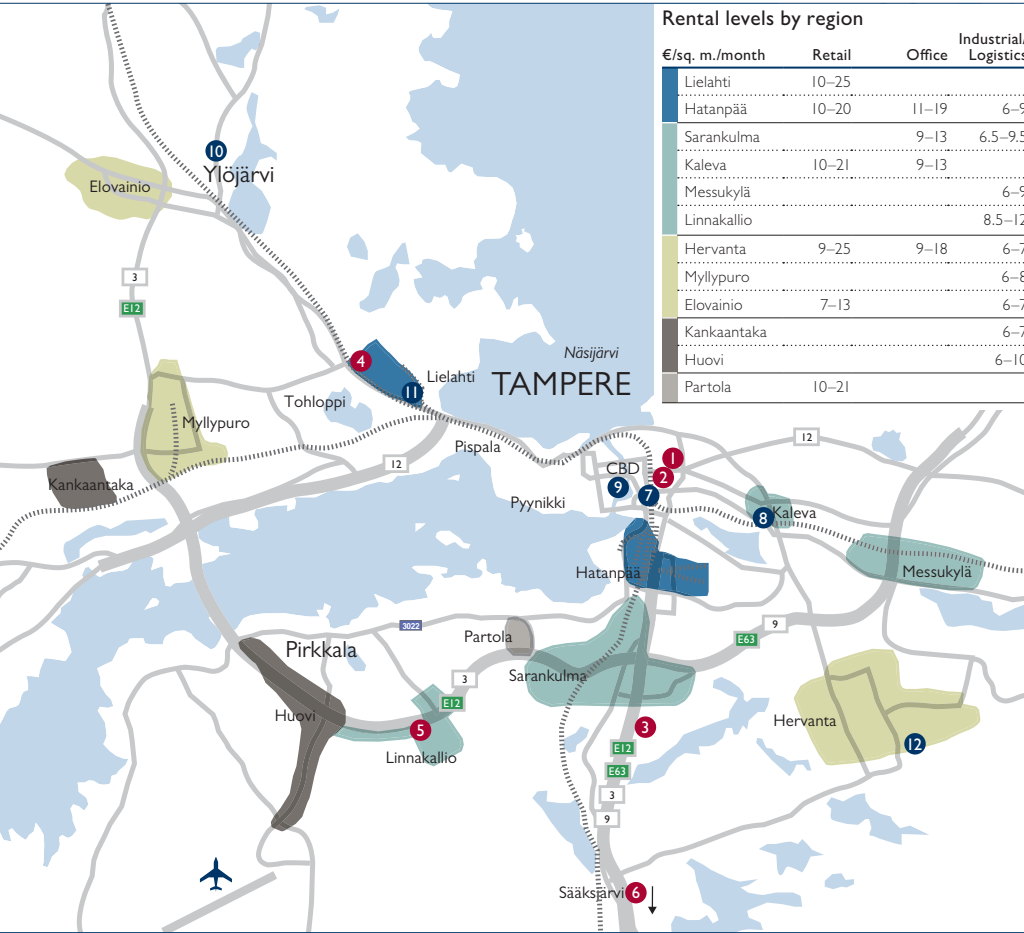
that was vacant for five years. This was good news for the district, as also Elixia started and Veke is starting business in the property. Nextdoor Gigantti will move to new premises in Lielähti.

## Industrial and logistics' vacancy rate remains low

Due to strong demand, it is difficult for growing companies to find turnkey facilities. However, there has been no significant increase in rents, and rents for industrial and logistics premises typically remain stable. Yield requirements for logistics properties have reached a record low level in the Pirkanmaa region, too. The demand for logistics space is strong, but the market is narrow and the category location-critical. Therefore, a massive increase in the logistics offering is not expected even if online trade is growing. The largest project under construction consists of Metso Outotec's new facilities in the Lahdesjärvi district.

## Investment market attracted transaction activity

Quality properties in the city centre attract buyers, and Tampere is becoming the most internationally attractive property market in Finland right after the HMA. Outside the city centre, investors are particularly interested in logistics properties but also in industrial facilities. Nyfosa Finland Ky bought two properties: one from Tamware and another from ATA Gears. UM Kiinteistöt sold two industrial properties, one located in



**UNDER CONSTRUCTION**

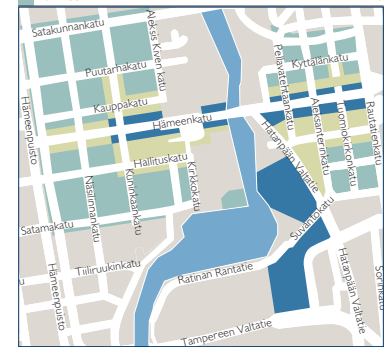
- 1 Tammela stadion, retail, apartments
- 2 GO2I-office building
- 3 Technology center of Metso Outotec
- 4 Commercial building
- 5 Linnakallio development
- 6 DB Schenker's terminal in Marjamäki

**IN PLANNING**

- 7 North Deck
- 8 Extension of Kaleva Prisma
- 9 Prisma Sokos
- 10 Prisma Ylöjärvi
- 11 Development of Hiedanranta
- 12 Logistic centre of Kesko

**City Centre**

€/sq. m./month	
Retail	65
Office (modern office/renovated)	22.5
Retail	25
Office	17
Retail	20
Office	16



Pirkkala and another in Lempäälä. AB Sagax acquired several industrial properties from Pirkkala.

**Major construction projects continue**

The Arena project in the CBD was completed and event production is underway. The Transport & Service Centre project next-door is to kick off next year with the construction of the northern deck, which will create circa 60,000 sq. m. of floor area for offices, retail and apartments. Next to the centre, GoFore's new headquarters are under construction with circa 11,000 sq. m. of floor space for modern offices primarily. In the area of the Prisma centre in Kaleva and Hakametsä, a new business centre and apartment houses were completed, and residential construction is to continue.

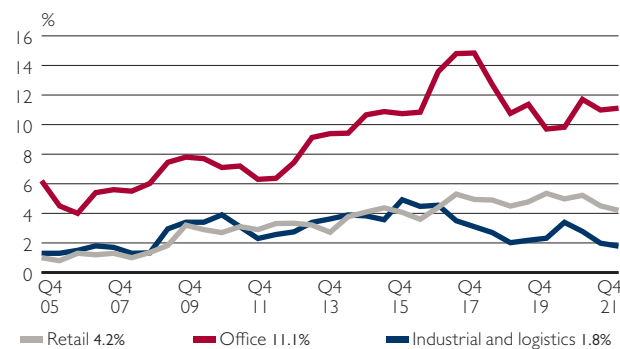
Residential construction is well underway in Tampere. Hiedanranta is becoming a district with apartments for circa 20,000 residents as well as retail space and business premises.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	48,000	106,000	38,000
Prime yield, %	6.85	6.00	6.00
Prime rent, €/sq. m./month	65.00	22.50	8.00

Rental levels excluding the first leases of new constructions

**Vacancy rates in Tampere Q4 2021**

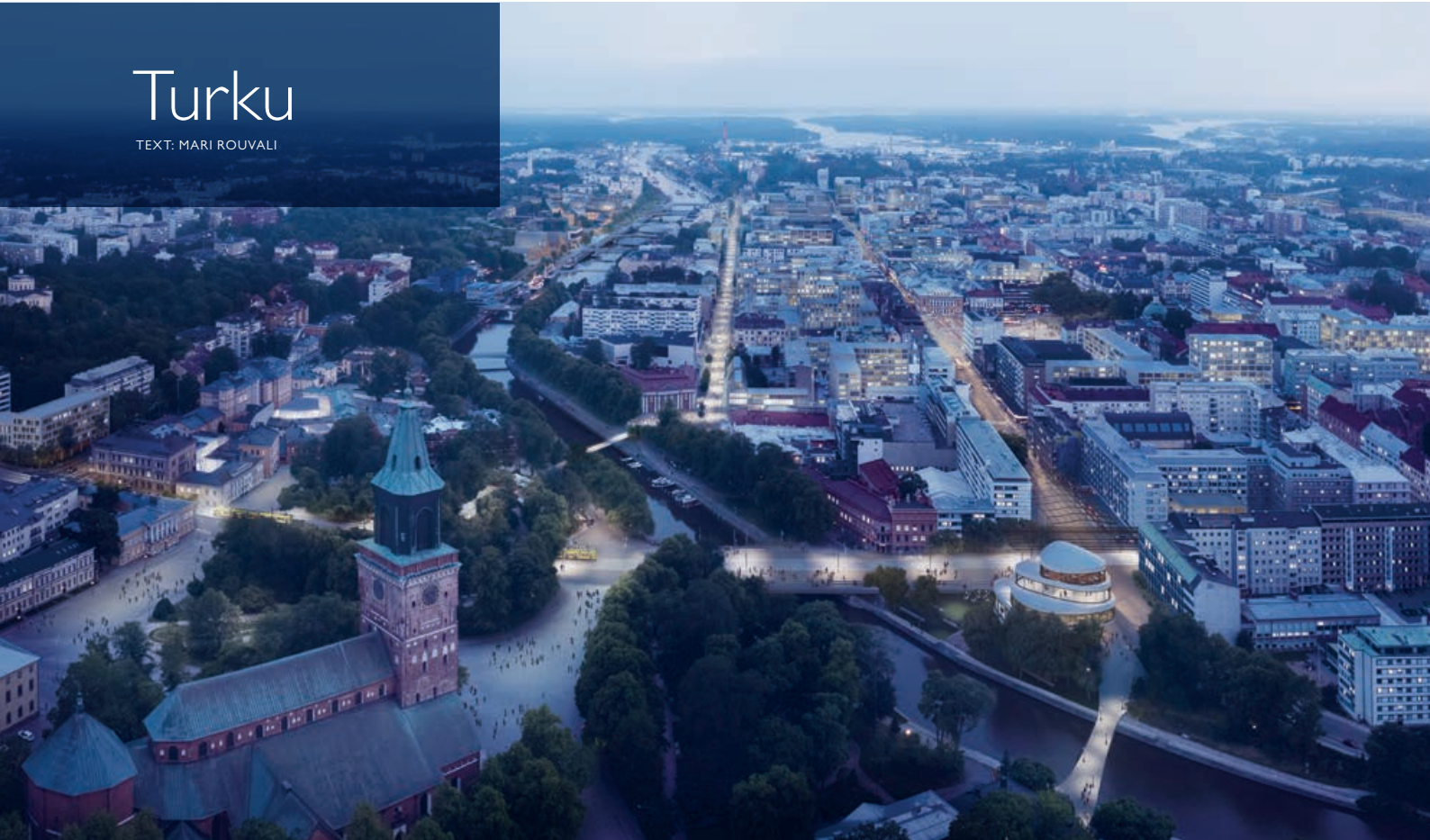


**Selection of transactions in Tampere 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
Go2I office property	Jatke Oy	A. Ahlström Kiinteistöt	n/a	Q1	Office
Frenckell building	City of Tampere	Aare Invest Oy	14.3	Q2	Public
Industrial property	Oy Tamware Ab	Nyfosa	13.5	Q3	Industrial
Care- and nursing home	n/a	Aedifica	n/a	Q3	Care
Industrial property	Tampereen liikekiinteistöt Oy	Nyfosa	14	Q4	Industrial
Commercial premises of Tammela Stadium	YIT Oyj	Terrieri Kiinteistöt Ky	n/a	Q4	Retail
186 apartments in Ranta-Tampella	Tampereen Asunnot Oy	Elo Mutual Pension Insurance Company	n/a	Q4	Residential

# Turku

TEXT: MARI ROUVALI



© City of Turku / Keskustavisio / Lundén Architecture Company

## More activity on the office market

The office market became more active after the pandemic-related restrictions were eased. Several major projects were completed last year, including the Hotel Hamburger Börs. Rental demand, too, has revived, and there are needs in every property category, particularly for industrial and logistics space.

Office vacancy rate remained virtually unchanged throughout the year. Regarding the office category, the Kupittaa district remains very attractive, but the city centre is clearly becoming stronger as the major construction sites there are reaching their final stages. The most important office projects under construction are located in the Kupittaa-Itäharju district. In Itäharju, the Turku Energy headquarters were completed at the end of 2021, and the CivilCity office building to be owned by the Turku Technology Properties is to be completed this year. In addition, retail and office project Arctos kicked off next to the old railway station in Kupittaa.

## Retail space market seems to revitalize

There are positive signs of a recovery in retail space demand, and the vacancy rate has declined slightly. The completion of long-running major projects has great impact in the city centre. The Toriparkki car park and Hotel Hamburger Börs were completed last year, and the market square is expected to be finalized this summer. Bulky goods outlets have not suffered from

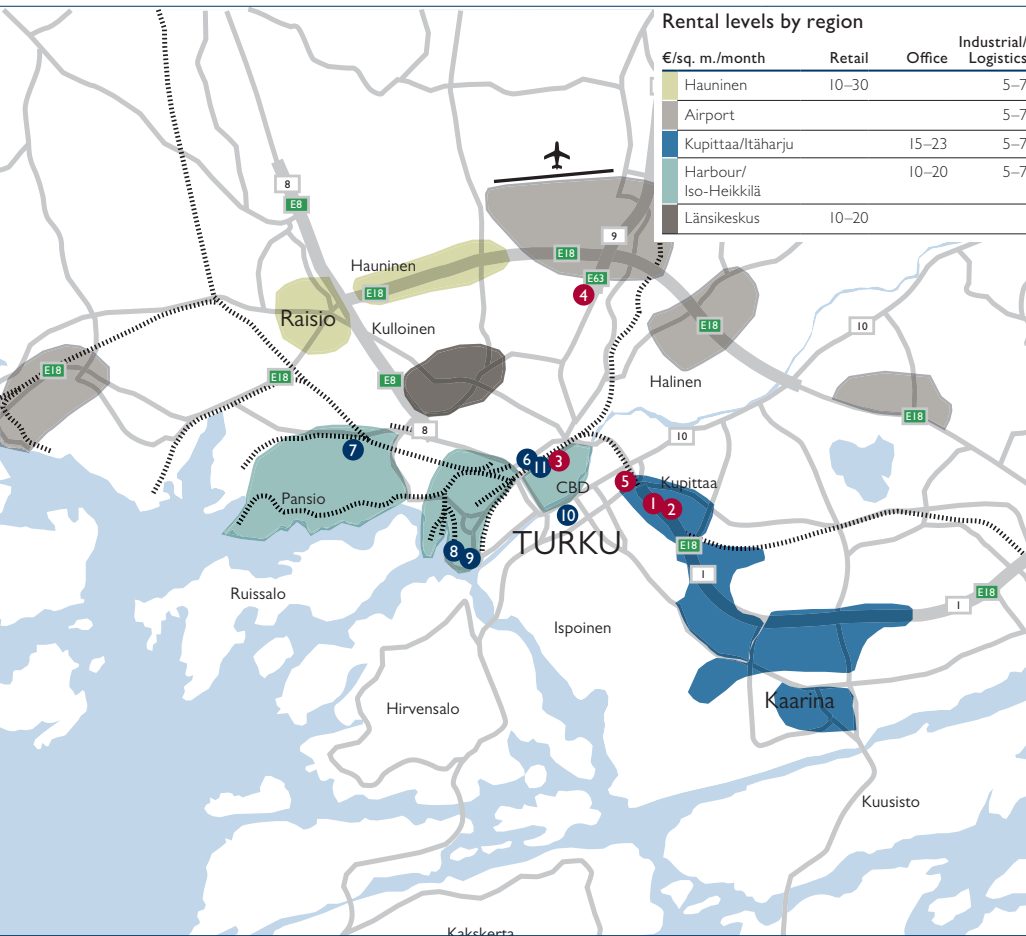
the pandemic as much as smaller service-sector retail premises. One after the other the shopping centres in the Turku region have announced that new operators are opening stores in their premises; one of these is Finnkino whose cinema theatre is to open this year in the shopping centre Mylly in Raisio.

## Industrial and logistics' vacancy rate fell compared to last spring

New properties have been built to meet not only the demand but also the new functional requirements. A second major logistics project was completed in the airport district as Kauokkiito was joined by Finnish Design Shop's new logistics property of circa 10,000 sq. m. Plots have been sold in this area and more operators are expected to locate there in the near future.

YIT is building new premises of 8,800 sq. m. for the Tunturi brand which is to move in this summer. The Avanti district in Lieto is known as an attractive submarket because DB Schenker's new logistics terminal was completed there about a year ago. At the moment, there are several major sites under construction; for Inex Partners, Warasto Finland and Rengas Turku, among others. A Puuilo store is also to open soon. New traffic arrangements are close to completion, and major road access solutions now serve the logistics operators better than before.





**UNDER CONSTRUCTION**

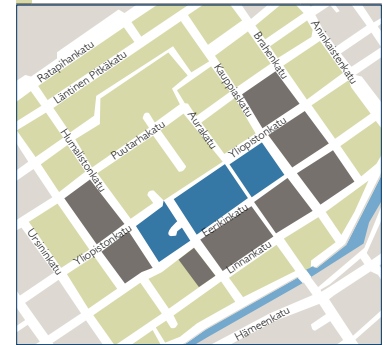
- 1 CivilCity office building
- 2 Turku Energia's HQ
- 3 Market Square
- 4 Logistic property of Tunturi
- 5 Arctos residential project

**IN PLANNING**

- 6 Ratapiha Experience centre
- 7 Blue Industry Park
- 8 Joint passenger terminal
- 9 Museum of History
- 10 Concert hall
- 11 New construction of the Wiklund block

**City Centre**

€/sq. m./month	
Retail	55
Office (modern office/renovated)	22
Retail	30
Office	16
Retail	20
Office	13



**Care and residential properties in demand on the transaction market**

Care and residential properties are in high demand on the Turku transaction market, and the transaction volume in these holdings was strong last year. The rental level of apartments in Turku has risen in recent years, and confidence in rising rents and rental housing is still high, as evidenced by the brisk construction and trading activity of rental houses. The industrial and logistics category is also very attractive on the Turku transaction market. Among recent transactions, SRV sold a logistics property to be completed next year in the Avanti district in Lieto to VVT Property Fund II. The property has been leased to Warasto Finland. YIT sold a Tunturi logistics property under construction in Runosmäki to MEAG.

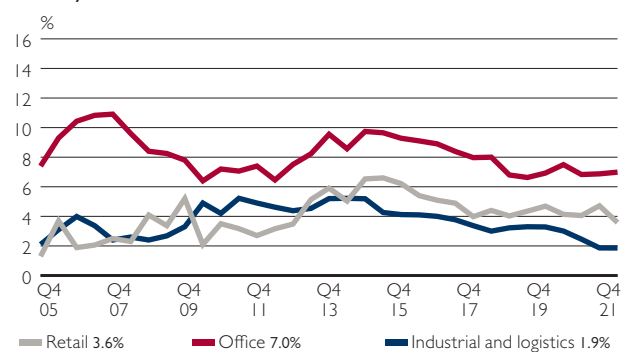
The Åbo Akademi University Foundation sold the former Rettig tobacco factory to the City of Turku for EUR 12 million.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	35,000	60,000	42,000
Prime yield, %	7.00	6.25	6.00
Prime rent, €/sq. m./month	55.00	22.00	7.50

Rental levels excluding the first leases of new constructions

**Vacancy rates in Turku Q4 2021**



**Selection of transactions in Turku 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
64 apartments	Lapti Oy	Taaleri Vuokratkoti Ky	n/a	Q1	Residential
Industrial property	Private investors	AB Sagax	6.4	Q3	Industrial
Care home	Fincap Kiinteistökehitys Oy	Cofinimmo	15	Q3	Care
Former Rettig tobacco factory	Åbo Akademi University Foundation	City of Turku	12	Q4	Office
Warasto Finland Ltd's logistics centre	SRV Oyj	VVT Property Fund II Ky	n/a	Q4	Logistics
Tunturi's logistic centre	YIT Oyj	MEAG	16.6	Q4	Logistics
Logistics centre of PostNord	Private investors	HANSAINVEST Real Asset	n/a	Q4	Logistics

# Oulu

TEXTI: AIMO TYYPÄKINÖJÄ



© Sanna Krook / Oulun kaupunki

## Demand for rental offices remained stable

Rental demand continues to focus on modern, high-quality offices. Nearly all vacant offices represent old, obsolete space that is not suitable for users despite low rent. Renovated, newish offices are easy to lease but they are scarcely available. Retail space, however, is still available in the CBD, and rents have remained virtually unchanged. Regarding industrial and logistics space, the trend has for a few years favoured small halls which are being built and occupied abundantly.

## Many retail property transactions last year

At the end of last year, a major transaction took place in Oulu when Alma Property Partners sold the shopping centre Ideapark's property located in Ritaharju. The buyer was UB Nordic Property Fund (AIF) at a price of about EUR 60 million. In the beginning of November, Majalis sold a portfolio of nine retail properties, six of which are located in Oulu. The buyer was AB Sagax at a price of EUR 47 million. Three other properties are located in Kokkola, Ylivieska and Rovaniemi. Most of the properties are car dealerships, the tenant in which is Wetteri.

In the second half of last year, a property investment company founded by Brunswick Real Estate and Nyfosa bought seven properties in Oulu from various owners. In August, a LähiTapiola fund bought one of the Kastelli research centre's properties located at the Kontinkangas health campus from private investors. The building of circa 7,000 sq. m. of floor

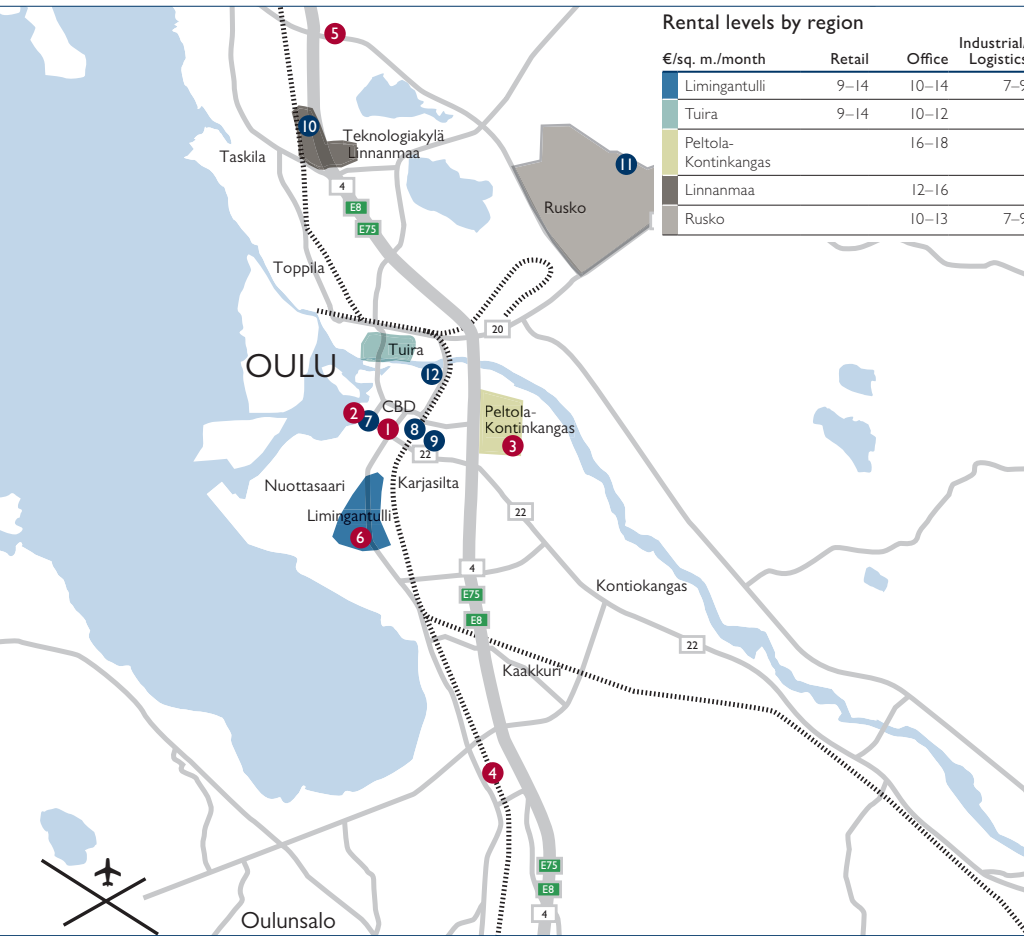
area houses several tenants, and the plot encompasses plenty of unused building right.

## Major projects under construction and in planning

Several public-sector buildings are under construction in Oulu. The largest project is the renewal of the university hospital that is to take 10 years and cost a billion. New courthouse is being built on Torikatu ordered by Senate Properties. The town hall is being renovated, and the hotel under construction by the market square is to be completed this year.

The construction of Nokia's new product development and production facilities is to begin next summer in the area between Linnanmaa and Ritaharju where building right allows a floor area of 72,000 sq m. The objective is to complete the project in 2025. It is financed by American LCN Capitals, and Nokia is to lease the property on a 20-year contract. The cost estimate for the building is EUR 180 million. Junnikkala is building a new sawmill in the industrial area of Laanila next to the bioplant of Oulu Energy. Costing about EUR 75 million, the plant is to be commissioned in the beginning of 2024.

Other major projects are being planned. Senate Properties is building a new "Security Campus" in Ruskonselkä to house the main police station, a prison and district court functions. Plan alteration was approved for the area at the end of last year with potential floor area of circa 31,000 sq. m. The construction of the Linnanmaa swimming pool may begin later this year



**UNDER CONSTRUCTION**

- 1 Courthouse in the city centre
- 2 Hotel in Toriranta
- 3 Reconstruction of university hospital
- 4 Oulunportti retail center
- 5 S-Market in Ritaharju
- 6 Retail and office building in Limingantulli

**IN PLANNING**

- 7 Development of Toriranta: Terwa Tower and spa
- 8 Asemakeskus project in Raksila
- 9 Raksila market area
- 10 Nokia building in Linnanmaa
- 11 Police station and prison
- 12 Office project in Kasarmintie

**City Centre**

€/sq. m./month	
Retail	55
Office (modern office/renovated)	22.5
Retail	18
Office	15
Retail	15
Office	15



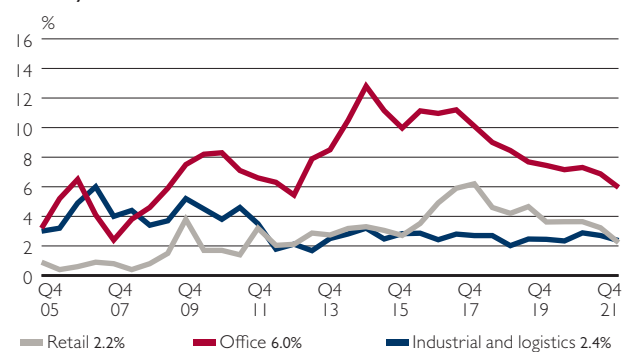
if the budget proposal is approved by the City council. Terwa Tower is planned to rise by the market square and the University of Oulu campus in Raksila. Several apartment buildings have been built or are under construction in the city centre by the railway tracks. The annual housing fair of Finland will be held in Oulu in 2025, and its houses will be built in the district of Hartaanselkä and Toppilansaari. The office building used by Oulu Energy will be demolished on Kasarmintie, and approximately 18,000–20,000 sq. m. of office and residential building right is planned for the area. Demolition is scheduled to begin this spring. In addition, several retail buildings are under construction in the Oulunportti district by the crossing of the motorway and Lentokentäntie.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	17,000	38,000	35,000
Prime yield, %	7.00	7.00	7.00
Prime rent, €/sq. m./month	55.00	22.50	8.50

Rental levels excluding the first leases of new constructions

**Vacancy rates in Oulu Q4 2021**



**Selection of transactions in Oulu 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
68 apartments	Pohjola Rakennus Oy	Asuntoyhtymä Group Oy	n/a	Q1	Residential
54 apartments	Pohjola Rakennus Oy	Oulun Moniasunnot Oy	n/a	Q3	Residential
Kastelli Research centre	n/a	LähiTapiola Yhteiskuntakiinteistöt Suomi Ky	n/a	Q3	Office + Laboratory
School and day care	Hoivarakentajat Oy	LähiTapiola Yhteiskuntakiinteistöt Suomi Ky	n/a	Q3	Public + Care
Shopping centre Ideapark	Alma Property Partners I AB	UB Nordic Properties	60	Q4	Retail
Mixed-use property	n/a	Nyfosa	15	Q4	Industrial + Office

# Lahti

TEXT: LAURI HOFFREN



© Visit Lahti / Antti Mäkijärvi

## Renkomäki attracts retailers

There seems to be a demand for modern offices in Lahti. The construction of the new Business Park Aisti of 7,500 sq. m. to replace the old courthouse began in the summer after a sufficient number of tenants had been secured. The property complex developed by Kinso Property Investment is to be completed at the end of this year.

Customer frequency has decreased in the centre as retail stores have relocated outside the centre expedited by the growth of online sales. Leasing in the centre focuses on small retail premises.

In recent years, Renkomäki has strengthened its role with new operators. New retail premises have been built in the shopping concentration, and more is in the planning. Next to Puuilo, a modern retail property was built, the tenants of which include XXL and Gigantti which moved its store from Laune to Renkomäki. The premises left vacant in Laune explain the rise in the retail vacancy rate. The largest retailer in the concentration, Kärkkäinen, applied for rezoning to expand operations to a new building with a floor area of 27,000 sq. m. next to and joined with the existing department store to meet the increasing demand of online sales. The new building is to add to the amount of both retail and logistics space in the property. A new retail property is being planned for the Holma shopping concentration, too.

Lahti is well located and offers affordable plots, which

attracts logistics operators and is reflected in the industrial and logistics space occupancy rate of the region. Thanks to the southern thoroughfare in use for a year already, Lahti has improved its connections and the City is now developing and extending the Pippo-Kujala business district. The construction of a new Viking Malt malthouse began last summer and of a biogas plant for Hartwall and Lahti Energy at the end of the year. Both projects are to be completed next year.

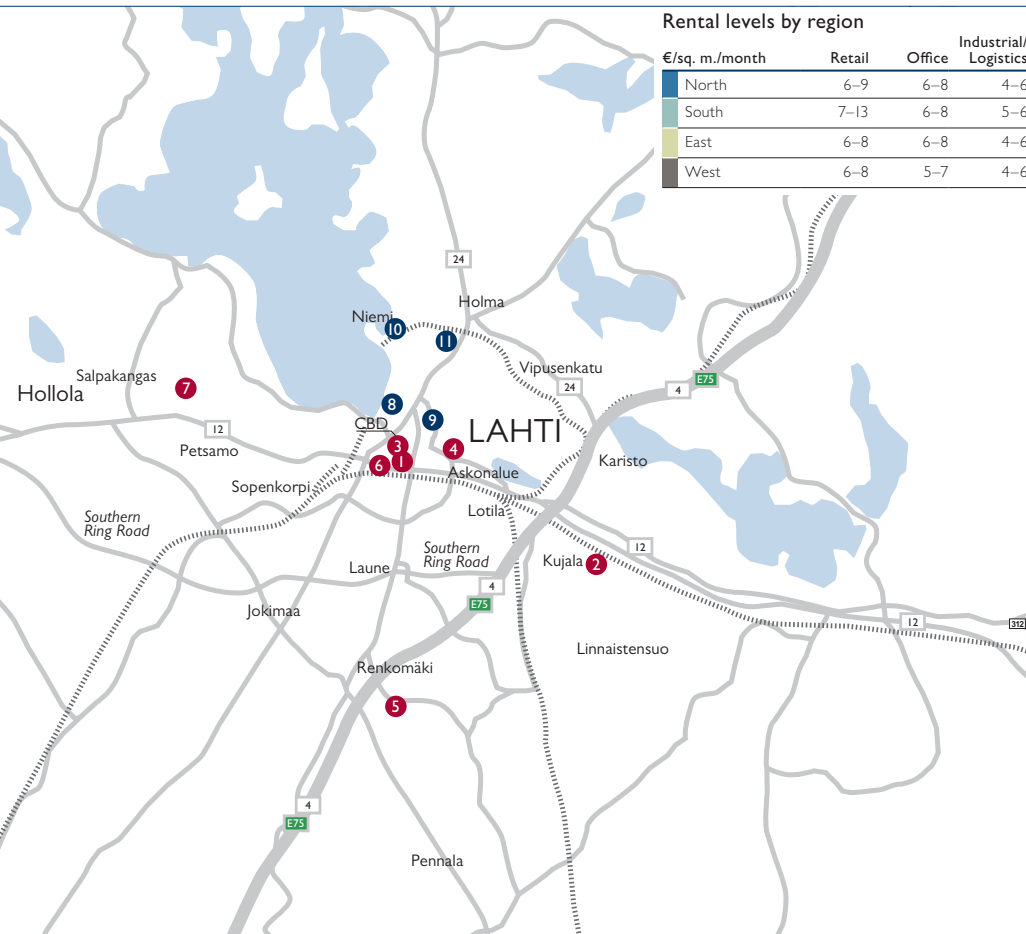
## Rather quiet on the transaction market

It was rather quiet on the transaction market last year with just a few major property deals closed. The Paavola educational campus was sold to Hemsö by the City of Lahti at about EUR 80 million, and the City is to remain a tenant in the premises on a 20-year contract. Niam bought an apartment house built by Nuorisosäätiö on Aleksanterinkatu from a bankruptcy estate.

Kemppi Group bought production facilities of 10,300 sq. m. from Fennia for its Kempower company which is to lease the premises from Kemppi. After the Kiolo transaction in July, the business and cultural centre Malski and an office building on Vapaudenkatu both changed owners.

## Renewed city centre and waterfronts

Revamping the city centre is one of the City's strategic flagship projects. The construction of Ranta-Kartano continued with a new residential block to be completed at the end of this year.



**UNDER CONSTRUCTION**

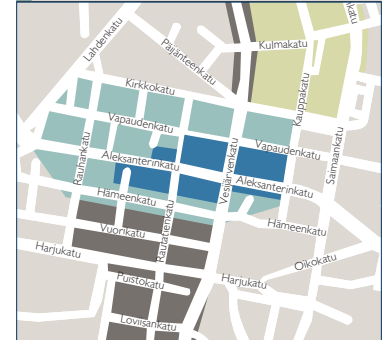
- 1 Business Park Aisti
- 2 Viking Malt malthouse
- 3 Refurbishment of the city hall
- 4 Paavola Campus
- 5 Renkomäki multipurpose building
- 6 Development of the Trakside
- 7 Extension of Central Hospital

**IN PLANNING**

- 8 Entertainment centre of Rantakartano
- 9 High-rise buildings of Luhta, Isku, Kela and City of Lahti
- 10 Niemi residential area
- 11 Holma commercial centre

**City Centre**

€/sq. m./month	
Retail	40
Office (modern office/renovated)	18.5
Retail	12
Office	9
Retail	12
Retail	15



The construction of a residential, entertainment and service complex for Kinos Property Investment in Ranta-Kartano has not yet began, however. Kinos announced in the spring that most of the future office premises had secured tenants. The construction of the parking garage included in the project was transferred to the City and is to be completed before the renovation of Kisapuisto.

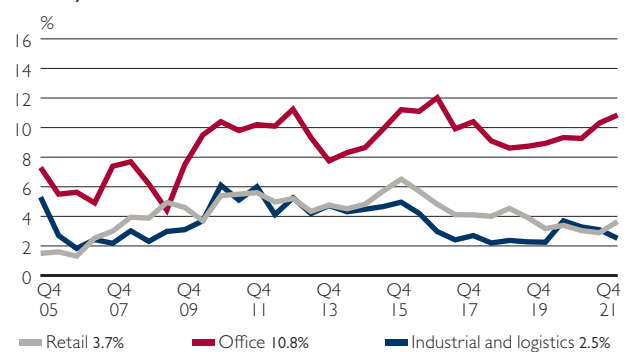
An open architectural competition concerning the Niemi waterfront was published in the autumn. The current industrial area of circa 15.5 hectares occupied by Viking Malt and UPM is to transform phase by phase into a recreational and residential area during the next decades while current operators move out. This former industrial area will extend the City centre in the form of a unified residential and cultural stretch all the way to the Niemi harbour.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	29.000	33.000	49.000
Prime yield, %	8.00	7.75	7.25
Prime rent, €/sq. m./month	40.00	18.50	7.00

Rental levels excluding the first leases of new constructions

**Vacancy rates in Lahti Q4 2021**



**Selection of transactions in Lahti 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
Paavola campus	City of Lahti	Hemsö Fastighets AB	85	Q1	Public
Residential property	Bankruptcy estate of the company	Niam AB	n/a	Q1	Residential
112 apartments	Lahden Talot Oy	JHS-Kiinteistöt Oy & Sibvest	n/a	Q1	Residential
Industrial property	Fennia Group	Kempfi Group Oy	n/a	Q3	Industrial

# Jyväskylä

TEXT: MIKKO HIRVI



© Suomen Ilmakuva Oy

## Active on the office market

Although pandemic uncertainty affects the market and companies' decision-making ability is somewhat limited, there was a positive change on the rental market in the second half of last year as companies started to survey for new premises.

Demand for retail premises after some quiet years indicates a revitalization of the CBD. In the future, the food, restaurant and service businesses are likely to dominate the CBD. However, lack of parking space will be a challenge in the CBD.

## New office space at Kangas and Tourula

The long-lasting recommendation to work remotely has kept the office market dominantly quiet. Since last autumn, the situation has picked up, although not close to the pre-pandemic level. On a general level, there is a need for modern, tidy and versatile offices. In the CBD, in particular, there are few premises that meet tenants' requirements, which is why renovating old offices is justifiable. New office space will be built in the developing districts of Kangas and Tourula which are certainly attractive areas regarding the Jyväskylä office market.

## Changes on the consumer market affect the demand for retail space

Changes on the consumer market including the growing e-commerce impact retail space demand, and consumption increasingly focuses on restaurant and entertainment services.

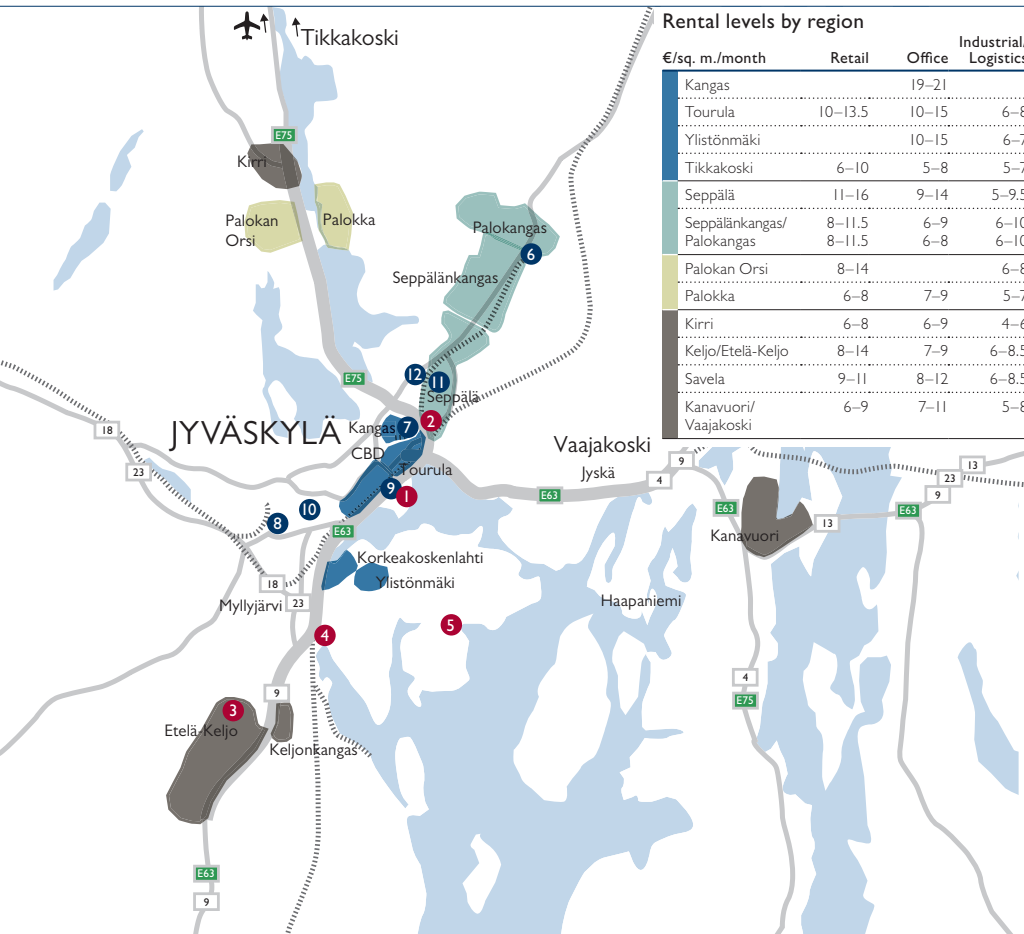
There is a stable demand for smaller retail premises in the Sepälä district. This creates pressure to renovate the old properties in the area originally intended for industrial use. In the CBD, the biggest demand clearly involves restaurants. Many of the CBD shopping centres are forced to carefully plan alternate use for their retail space.

## A clear demand for consumer-accessible warehousing

There is a clear demand in Jyväskylä for high-bay logistics space that is easy to access by consumers. Many logistics operators have been looking for facilities suitable for both heavy transport and local distribution. It seems there is a demand on the market also for a high-quality cross-docking terminal, and many operators could benefit from flexible space sharing. The demand for industrial and logistics space has continued strong, and tidy, modern facilities are sought in this category, too.

## One of the largest transactions in the Nordics closed last summer

One of the largest real estate property transaction in the Nordic countries was made by Castellum who bought Kielo with EUR 640 million and immediately after that sold the properties located in Jyväskylä to Nyfosa. At the end of last year, Nyfosa published another acquisition, that of IVH Kampus Ky including buildings with EUR 56.3 million. Four of the properties are located in Jyväskylä and one in Lappeenranta. The sale of the



**UNDER CONSTRUCTION**

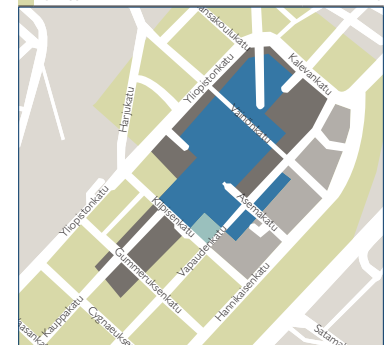
- 1 Restaurant/sauna – Sataman Viilu
- 2 ETRA wholesale
- 3 Spinnova
- 4 Padelcenter
- 5 Hämeenpohja light industrial area

**IN PLANNING**

- 6 Several logistics and industrial projects
- 7 Optimes Business Garden 2<sup>nd</sup> phase
- 8 Hippos
- 9 Innova 3
- 10 Kukkula development project
- 11 Gummerustalo II
- 12 Ammattiopisto Spesia (vocational school)

**City Centre**

€/sq. m./month	
Retail	42.5
Office (modern office/renovated)	21
Retail	15
Office	15
Retail	14
Office	12.5



City-owned real estate company Education Facilities amounted to EUR 141 million at the end of the year. The buyer was eQ Community Properties, and the transaction included three educational campuses and three fire stations.

**New construction visible all around the city**

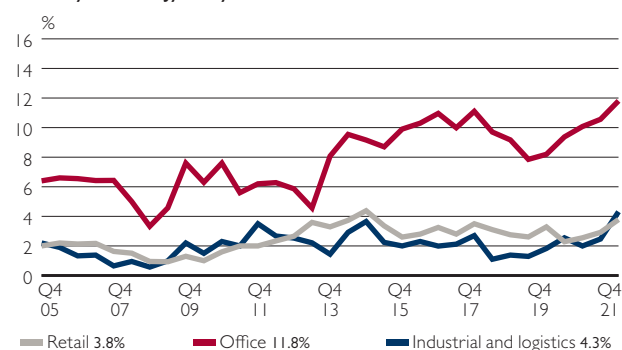
New projects have been and will be completed at Eteläportti, which will advance this new, developing district. At the end of this year, the facilities of circa 11,500 sq. m. developed by Jyväskylä will be completed for the wood pulp joint venture Spinnova-Suzano. New properties are under construction in the Seppälä district, too, and new projects are likely to kick off this year in the zones planned for industrial use in Seppälänkangas. The Hippos project advanced at the end of last year with the first building permit received for its urban centre for exercise, sports and well-being. The anchor tenants in the centre will be the University of Jyväskylä and the JAMK University of Applied Sciences.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	36.000	47.000	53.000
Prime yield, %	7.75	7.50	7.50
Prime rent, €/sq. m./month	42.50	21.00	8.00

Rental levels excluding the first leases of new constructions

**Vacancy rates in Jyväskylä Q4 2021**



**Selection of transactions in Jyväskylä 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
Care home (22 residents)	Rehabilitation Foundation Peurunka	Aedifica	4	Q1	Care
Industrial property	UPM Kymmene Oyj	Redeve Oy	n/a	Q2	Industrial
9 office properties and 1 project property	Castellum	Nyfosa	208	Q3	Office
3 educational properties and 3 fire station properties	City of Jyväskylä	eQ Community Properties	141	Q4	Public
IVH Kampus Ky (4 office properties in Jyväskylä CBD and 1 campus in Lappeenranta)	Investors House Oyj & private investors	Nyfosa	56.3	Q4	Office
Grocery store	Private investors	Osuuskauppa Keskimaa	n/a	Q4	Retail

# Vaasa

TEXT: OSKARI ISOLAURI



© Vaasan kaupunki / Antti Flander

## No major changes in office vacancy rates

The stock of office space in Vaasa is fairly small compared to many other growth centres. Vacancies concern the older premises in the city centre with rather weak rental demand. There were no major changes in the vacancy rates last year despite the pandemic, and the demand for modern office space, in particular, has been stable. One example is the transfer of TietoEVRY's user and consumer services from Estonia to Vaasa Airport Park's Futura II office building in the Runsor district, thanks to which circa 160 tasks move from Estonia to Vaasa.

## Commercial construction has been active

Several commercial construction projects have kicked off in recent years, of which the Prisma centre in Liisanlehto is about to open. In October, WasaCon and Airaksinen signed a contract to build a 1,500-sq-m commercial property in Klemettilä, the construction of which is about to start. Clas Ohlson will be one of the tenants in the new property.

## Increasing demand for industrial and logistics properties

In the Vaasa area, too, the increasing demand for industrial and logistics space has reflected as a decline in yield requirements. The rent levels of the best logistics properties have also risen. In recent years, many modern properties have been completed, and most recently a logistics centre for Wärtsilä's Smart Tech-

nology Hub program, which was handed over to Wärtsilä in October.

The city plan revision for the Laajametsä industrial area that is part of the GigaVaasa area was completed and brought to force in May. The right to build in Laajametsä can now be increased by significantly increasing the plot ratio. The right to build in the area has been quadrupled compared to the original plan.

## A calm year regarding transactions

Once again the transaction market kept fairly quiet, as only a few major deals were closed in Vaasa last year. ABB Pension Fund sold all the shares of the joint-stock property company Sähkökoti to Olo Asunnot, the deal consisting of 289 apartments in six different buildings. The apartments are located in the districts of Korkeamäki, Suvilahti and Ristinummi.

In April, one property changed owner on Tarhaajantie in the Runsor district. VP Facilities Oy Ab, Kvadraten Ab and Famdell Oy Ab bought a complex consisting of 12,000 sq. m. of industrial space and 16,000 sq. m. of Wärtsilä's former office buildings. The office buildings are to be demolished and replaced by production facilities designed to meet local business needs.

## Battery technology projects accelerate business

In the beginning of 2021, the City of Vaasa signed a letter of intent with British science and chemicals company Johnson



**Cooperating partners:**

Oy Vaasa Parks Ab  
 City of Vaasa  
 Vaasa Region Development Company VASEK

**Rental levels by region**

€/sq. m./month	Retail	Office	Industrial/Logistics
Kivihaka	8–14		
Klemettilä/Strömb.	6–12	6–13	5–7
Airport Park		7–15	4–8
Vaskiluoto			4–7
Palosaari		6–12	
Sepänkylä	7–13		
Lintuvuori			4–7

**UNDER CONSTRUCTION**

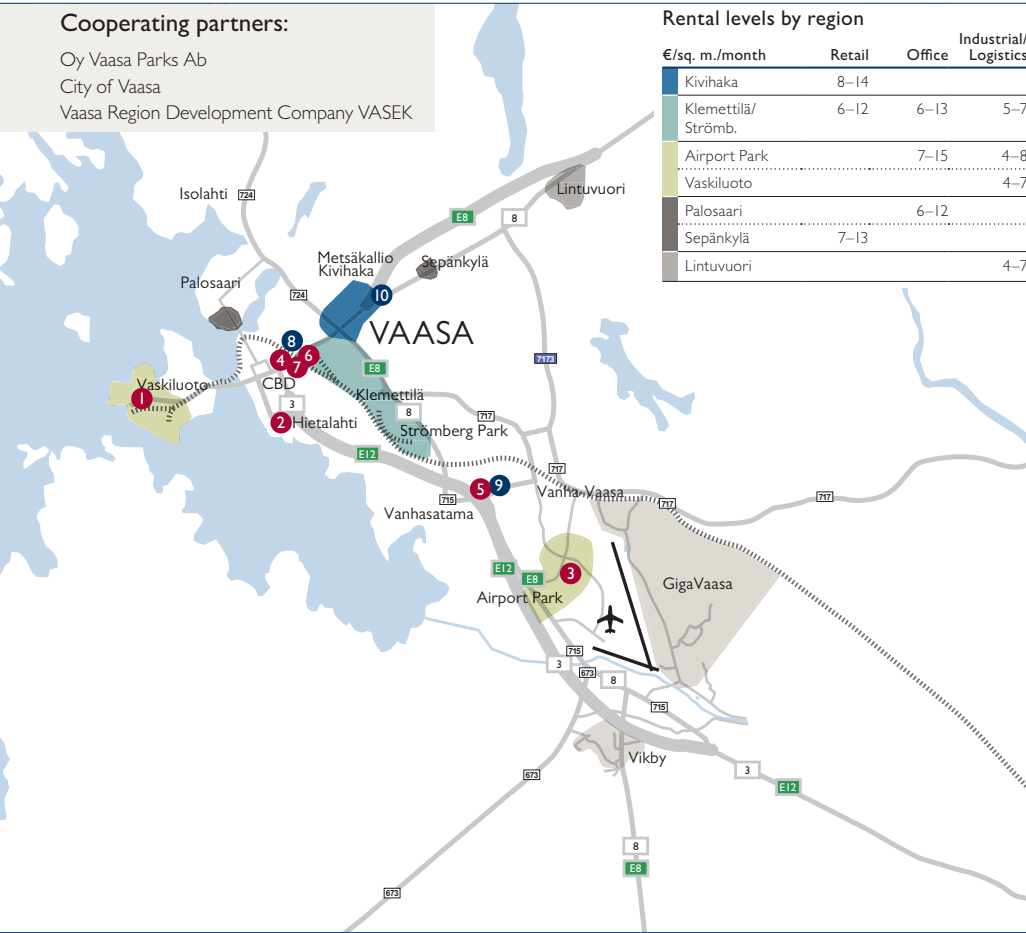
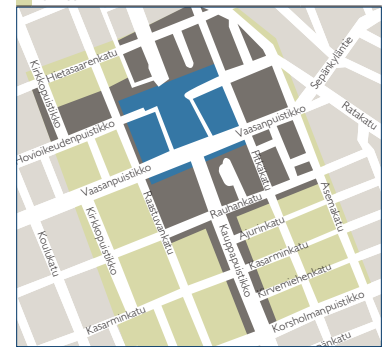
- 1 Wärtsilä Smart Technology Hub
- 2 Vaasa Central Hospital's new building
- 3 Futura V
- 4 Mehiläinen's medical centre
- 5 Prisma Liisanlehto
- 6 Puילו Klemettilä
- 7 Office and retail space in HalpaHalli's former premises

**IN PLANNING**

- 8 Wasa Station
- 9 Citymarket
- 10 Kivikiila office building

**City Centre**

€/sq. m./month	
Retail	45
Office (modern office/renovated)	17
Retail	18
Office	13
Retail	13
Office	12



Matthey to build a cathode plant on a plot of 50 hectares. However, the launch of the project was called into question when Johnson Matthey announced in November that it would sell its battery business. According to the City, negotiations are to continue with another operator.

GigaVaasa gained a new entry as Norwegian FREYR Battery signed letters of intent with Finnish Minerals Group and the City of Vaasa regarding strategic cooperation to potentially develop industrial-scale battery technology and production in Finland. This letter of intent gives FREYR an exclusive right until 22 July 2022 to build a battery cell production plant on a 90-hectare plot.

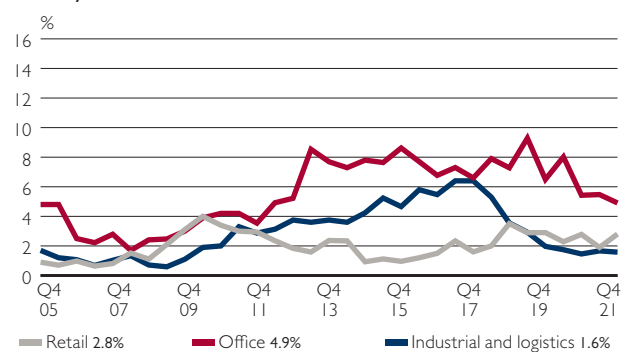
The Wasa Station project leaped forward and will include a new music hall. The City of Vaasa decided on how to finance it in June. A City-owned company is to take a loan of EUR 52 million in total to finance the music hall part of the multipurpose city block to be built.

**Vacant space, prime yields and prime rents**

	Retail	Office	Industrial/Logistics
Vacant space, sq. m.	15.000	14.000	13.000
Prime yield, %	8.00	8.00	7.75
Prime rent, €/sq. m./month	45.00	17.00	7.00

Rental levels excluding the first leases of new constructions

**Vacancy rates in Vaasa Q4 2021**



**Selection of transactions in Vaasa 2021**

Building / Property	Seller	Purchaser	Price (EUR mil.)	Date	Category
Industrial property	n/a	VP Facilities Oy Ab, Kvadraten Ab ja Famdell Oy Ab	n/a	Q2	Industrial + Office
289 apartments	ABB Pension Fund	Olo Asunnot	n/a	Q2	Residential

# Other growth centres

TEXT: LAURI HOFFREN



© City of Seinäjoki

## Several logistics projects underway in Kuopio

A fund managed by Aberdeen Standard Investment bought the recently completed B section of Kuopion Portti from construction company Lapti. In the autumn, the headquarters building of OP Pohjois-Savon was sold to the construction company at EUR 3.9 million. OP remains a tenant in the premises until early next year when their new headquarters will be completed on Maljalahdenkatu. After a long search, the Kuopio Parish Union bought premises in the former Posti building. The selling price was EUR 6.3 million, and they will move in the spring of next year.

The construction of a logistics centre for Savon Kuljetus began in the summer, and the building of more than 7,000 sq. m. is to be completed this year. Kesko and Kaukokiito reserved plots in Hiltulanlahti to build logistics terminals after the Matkus logistics projects were delayed due to valuable nature resources.

## Major tourism project advanced in Rovaniemi

In the autumn, University Properties of Finland sold its property at Siljotie 2 to Rakennusteho and Temotek of the Oulu Consortium. Apartments with floor area of 10,000 sq. m. are to be built in the property and completed in the spring of next year.

Several hotel projects are in planning, the largest of which, the Valionranta congress and spa hotel, took a step forward after the city signed a letter of intent with Lapland Hotels. The

new city plan proposal was published at the end of last year. At the same time, the City organized a competition to give up a plot on the slope of Ounasvaara to which an investor and hospitality operator are needed. The total investment is estimated at EUR 30–40 million.

Regarding industrial construction, Norrhydro is investing EUR 15 million in new premises to be completed this year. A new retail property of 2,800 sq. m. for Rusta will be completed on Vierustie in the autumn.

## Pandemic delayed Prisma extension in Pori

Last year, special investment fund UB Finnish Property carried out two transactions in the centre of Pori. The fund acquired an office property, in which tenants include the City and ELY Centre, as well as a grocery store property, in which S-Market is the tenant. Enersense Group sold at EUR 8 million and then leased back a shipyard property in Mäntyluoto from the City's Suisto Kiinteistöt.

Construction work on the new building for the psychiatric hospital of Satasairaala began last spring, and the final cost is estimated at nearly EUR 60 million. The building, with a gross floor area of 20,000 sq. m, will be completed next year.

Consumer cooperative Satakunnan Osuuskauppa postponed the 18,000 sq. m. extension project of its Prisma market in Mikkola due to changes in shopping behavior during the pandemic. No new schedule has been set for the project.

**Selection of transactions in other growth centres 2021**

Building / Property	City / Location	Seller	Purchaser	Price (EUR mil.)	Date	Category
3 logistics properties	Lappeenranta	Pontos Group	Idän Liikenteenvälitys IL Oy & MMK Kuljetus Oy	n/a	Q1	Logistics
Office property	Pori	n/a	UB Finnish Property	n/a	Q2	Office
Educational property at Siljotie 2	Rovaniemi	SYK University Properties of Finland Ltd	Oulun Rakennusteho & Temotek Oy	1.7	Q2	Public
Grocery store	Pori	n/a	UB Finnish Property	n/a	Q2	Retail
Office property	Kuopio	OP Northern Savonia	Rakennuspeto Oy	3.9	Q3	Office
Office property	Kuopio	n/a	Kuopio Parish Union	6.3	Q4	Office
Care home	Kuopio	Fincap Kiinteistökehitys Oy	Cofinimmo	17	Q4	Care
Former Fenestra's window factory	Kuopio	L-house Oy	Nyfosa	13.6	Q4	Industrial
Care home	Rovaniemi	Fincap Kiinteistökehitys Oy	Cofinimmo	8	Q4	Care
Shopping centre Ostoskulma	Seinäjoki	Varma Mutual Pension Insurance Company	EAB Value Added Fund III Ky	n/a	Q4	Retail
University property	Lappeenranta	Research Foundation of Lappeenranta University of Technology ja VITAKO ry	Hemsö Fastighets AB	n/a	Q4	Public

**Building projects in other growth centres 2022**

Building	Location	Developer	Main contractor	Completion	Category
Kuopion Portti (C-section)	Kuopio	Lapti Oy	n/a	Q2	Residential + Office + Retail
Logistics center	Kuopio	Savon Kuljetus Oy	Rakennusliike Pohjonen Oy	Q2	Logistics
Sofiantorni	Seinäjoki	FinCap Kiinteistökehitys Oy	FinCap Pohjanmaa Oy	Q2	Residential
Retirement home	Rovaniemi	FinCap Kiinteistökehitys Oy / Kuusikkoaho Oy	Pallas Rakennus Lappi Oy	Q3	Care
Production facility	Rovaniemi	Norrhydro	Lehto Toimitilat Oy	Q4	Industrial
Data center	Seinäjoki	Rittal Oy	n/a	Q4	Data center
Fire station	Lappeenranta	Hemsö Fastighets AB	Skanska Oy Ab	Q4	Public

**Construction and planning of industrial projects continued in Seinäjoki**

The construction of the first phase of a long-planned data center began in Seinäjoki. German Rittal Group joined this EUR 100 million investment and took charge of the construction.

A plan for a new concentration of food companies was announced in the summer. The construction costs of the project of approximately 20,000 sq. m. are estimated at EUR 15–20 million.

In addition to industrial projects, the development of the station district progressed after the city plan became final. The first phase of 25,000 sq. m. consists of both commercial and residential space. The construction is set to begin this spring.

At the end of last year, a new six-screen cinema was completed for Biorex Cinemas on Kauppakatu while Biorex ceased its operations at Maakuntatalo. In addition, the tallest apartment building in Seinäjoki will be completed in the complex developed by Fincap Kiinteistökehitys.

**New property investor to Lappeenranta**

Hemsö Fastighets AB made its first investments in Lappeenranta after investing EUR 11 million in a new fire station and purchasing Tieto-Sähköitalo from the LUT university campus. The properties are leased long-term to the City and the university. At the end of last year, Nyfosa acquired the premises located on the LUT university campus from Investors House

as part of the IVH-Kampus transaction.

City centre's appearance continued to change when the old shopping centre and the parish union's building were demolished in the summer. They will be replaced by apartments, retail space and a hotel.

Due to the strong demand for offices in Armilanlinna, a new office building is planned in its vicinity, the construction of which will start when a sufficient number of tenants has been secured.

© Seinäjoki / Riitta Weijola / Vastavalo.net



# Real estate market Finland Spring 2022



Helsinki  
(HMA)



Tampere



Turku



Oulu



Lahti



Jyväskylä



Vaasa

## OFFICE MARKET (Q4 2021)

➔ Forecast (Q2 2022)

Stock (sq. m.):	8,450,000	950,000	860,000	640,000	310,000	400,000	290,000
Vacancy (%):	13.7 ↗	11.1 ➡	7.0 ↗	6.0 ➡	10.8 ➡	11.8 ➡	4.9 ➡
Prime yield (%):	3.20 ➡	6.00 ↘	6.25 ↘	7.00 ↘	7.75 ➡	7.50 ↘	8.00 ➡
Prime rent (€/sq. m./month):	37.00 ↗	22.50 ↗	22.00 ➡	22.50 ➡	18.50 ➡	21.00 ➡	17.00 ➡

## RETAIL MARKET (Q4 2021)

➔ Forecast (Q2 2022)

Stock (sq. m.):	3,860,000	1,140,000	970,000	770,000	790,000	940,000	530,000
Vacancy (%):	3.0 ↗	4.2 ↘	3.6 ➡	2.2 ➡	3.7 ➡	3.8 ↘	2.8 ➡
Prime yield (%):	4.80 ➡	6.85 ➡	7.00 ➡	7.00 ➡	8.00 ➡	7.75 ➡	8.00 ➡
Prime rent (€/sq. m./month):	120.00 ➡	65.00 ➡	55.00 ➡	55.00 ➡	40.00 ➡	42.50 ➡	45.00 ➡

## LOGISTICS/INDUSTRIAL MARKET (Q4 2021)

➔ Forecast (Q2 2022)

Stock (sq. m.):	7,930,000	2,140,000	2,250,000	1,480,000	1,970,000	1,220,000	830,000
Vacancy (%):	3.3 ↘	1.8 ➡	1.9 ➡	2.4 ➡	2.5 ➡	4.3 ➡	1.6 ➡
Prime yield (%):	4.40 ↘	6.00 ↘	6.00 ↘	7.00 ➡	7.25 ➡	7.50 ➡	7.75 ➡
Prime rent (€/sq. m./month):	11.00 ➡	8.00 ↗	7.50 ➡	8.50 ➡	7.00 ➡	8.00 ➡	7.00 ➡

### Prime yield levels are based on the following criteria:

- Initial yield. Good location in the target market. High quality building. New development excluded.
- **Retail:** For example shopping centre or other retail property with well-known domestic or international tenants. 3–5 years' weighted average unexpired lease term.
- **Office:** Stable anchor tenants. 3–5 years weighted average unexpired lease term.
- **Industrial and logistics:** Medium-sized property. One user. Stable tenant with a 5–7 years' lease agreement.
- Particularly long lease agreements currently decrease yields by ca. 0.1–0.5 percentage points in the Helsinki CBD and 0.1–0.7 percentage points in other submarkets.

### Prime rental levels are based on the following criteria:

- Effective gross rents. Good location in the target market. High quality premises. New development excluded.
- **Retail:** Street level retail premises. Approx. 150 sq.m.
- **Office:** Approx. 500 sq.m. in the HMA, approx. 300 sq.m. in the growth centres.
- **Industrial and logistics:** Medium sized premises.

Transaction volume does not include daily real estate companies stock trading.

# Some of Catella's transactions in 2021

## Sale of a significant community property portfolio

Catella acted as City of Jyväskylä's exclusive financial advisor in the sale of three educational properties and three fire station properties. The buyer was eQ Community Properties Fund. Educational properties have excellent locations in the Jyväskylä city centre. Fire stations are situated logistically in key locations in Ristonmaa, Seppälä and Vaajakoski districts. The lettable area of the portfolio is approximately 55,000 sq.m. The properties are leased with long lease agreements to Jyväskylä University of Applied Sciences, Jyväskylä Educational Consortium and Central Finland Rescue Department. The purchase price was 141 million euros.



## Sale of three modern residential properties in Tampere city centre

Catella acted as exclusive financial advisor to Tampereen Asunnot Ky (LähiTapiola, OP and Ilmarinen) in the sale of three new residential properties. The buyer was Finnish pension insurance company Elo. The properties are located on the impressive Ranta-Tampella area, where a completely new residential area is about to be constructed. One of the properties is already completed and two other properties will be completed during 2022. The properties consist of 186 apartments and three retail premises. Total lettable area is about 6,900 sq.m.



## Sale and leaseback arrangement of Metsä Group's HQ

Catella acted as Metsäliitto Cooperative's and Farmers' Social Insurance Institution Mela's advisor in the sale of their headquarters in Espoo, Tapiola to NREP. The transaction was carried out as a sale and leaseback arrangement, in which Metsä Group and Mela will continue as the anchor tenants with long lease maturities. The property is located in centre of Tapiola near to shopping centre Ainoa and Tapiola metro station. The lettable area of the property is approximately 20,000 square metres, and it is almost fully leased. The purchase price was approximately 90 million euros.



## Sale of a major office property in Helsinki inner city

Catella acted as an advisor to the investors represented by Cobbleyard Real Estate and Revcap in the sale of a major office property in Sörnäinen, Helsinki. The property was acquired by NREP. The divested asset was the architecturally and historically significant building called Leipätehdas in Sörnäinen. The unique red-brick building consists of approximately 13,500 sq.m. of lettable area on seven floors and three intermediate floors. The building has a unique layout providing flexibility and convertibility for a variety of needs and exceptional ceiling height of over 5 metres. Leipätehdas accommodates several companies in the field of technology and culture among others.








## Arrangement of green financing for eQ Community Properties Fund

Catella acted as exclusive financial advisor to eQ Community Properties Fund in structuring and securing a financing facility of EUR 700 million to allow eQ to refinance existing debt and supporting the future growth strategy of the fund while providing the fund with a higher level of flexibility. To ensure eQ's high standards for ESG criteria the financing is provided as a green structured financing. The syndicated loans are provided by a consortium of leading Nordic Banks (Nordea, Swedbank, Danske Bank and Aktia).



# A selection of references

## TRANSACTIONS & CORPORATE FINANCE

<p>FINLAND   DECEMBER 2021</p> <p>Advisor to the City of Jyväskylä in the sale of 3 educational and 3 fire station properties in Jyväskylä</p> <p><b>JYVÄSKYLÄ</b></p>  <p>EUR 141 MILLION</p>	<p>FINLAND   DECEMBER 2021</p> <p>Advisor to Tampereen Asunnot Ky in the sale of three new residential properties in Tampere city centre</p> <p>Tampereen Asunnot Ky</p>  <p>186 apartments</p>	<p>FINLAND   DECEMBER 2021</p> <p>Advisor to MEAG in the acquisition of a prime logistics property with a lettable area of 8.800 sq.m. in Turku</p> <p><b>MEAG</b></p> <p><b>YIT</b></p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   DECEMBER 2021</p> <p>Advisor to Oy Interior Invest Ab in the sale of a logistics center with a lettable area of 6.600 sq.m. in the Helsinki region</p> <p>Oy Interior Invest Ab</p>  <p>AMOUNT NOT DISCLOSED</p>
<p>FINLAND   NOVEMBER 2021</p> <p>Advisor to private investors in the sale of an industrial and warehouse property with a lettable area of 3.900 sq.m. in Pirkkala</p> <p>PRIVATE INVESTORS</p> <p><b>AB   SAGAX</b></p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   NOVEMBER 2021</p> <p>Financial advisor to eQ Community Properties Fund in securing 700 million euro green financing</p>  <p>EUR 700 MILLION</p>	<p>FINLAND   OCTOBER 2021</p> <p>Advisor to FinCap in the sale of a modern care property in Helsinki</p>  <p>FINCAP</p> <p>Cofinimmo  Mirabel  PARTNERS</p> <p>EUR 19 MILLION</p>	<p>FINLAND   AUGUST 2021</p> <p>Advisor to Cobbleyard Real Estate and Revcap in the sale of an office property with a lettable area of 13.500 sq.m. in Helsinki inner city</p> <p> COBBLEYARD REAL ESTATE <b>REVCAP</b></p> <p> <b>NREP</b></p> <p>AMOUNT NOT DISCLOSED</p>
<p>FINLAND   JULY 2021</p> <p>Advisor to EKE-Construction in the sale of a new office property with a lettable area of 4.200 sq.m. in the Helsinki area</p> <p><b>EKE</b></p> <p> <b>QUADORO</b> A Doric Group Company</p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   MAY 2021</p> <p>Advisor to Helsinki University Properties in the sale of a university property in the Helsinki city centre</p>  <p>EUR 16 MILLION</p>	<p>FINLAND   MAY 2021</p> <p>Advisor to SRV in the sale of an office property with a lettable area of 5.200 sq.m. in the Helsinki area</p> <p><b>SRV</b></p> <p> <b>TALLBERG</b></p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   APRIL 2021</p> <p>Advisor to Paulo Foundation in the sale of two care properties with an area of 1.700 sq.m. in the Helsinki area</p>  <p>PRIVATE INVESTORS</p> <p>AMOUNT NOT DISCLOSED</p>
<p>FINLAND   MARCH 2021</p> <p>Advisor to private investors in the sale of an office property with a lettable area of 2.300 sq.m. in the Helsinki centre</p> <p>PRIVATE INVESTORS</p> <p> <b>Real I.S.</b></p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   MARCH 2021</p> <p>Advisor to Varma Mutual Pension Insurance Company in the sale of an office property with a lettable area of 10.600 sq.m. in Helsinki</p> <p><b>VARMA</b></p> <p>PRIVATE INVESTORS</p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   FEBRUARY 2021</p> <p>Advisor to Cromwell Property Group in the sale of 20,000 sqm light industrial property portfolio in Finland</p> <p> <b>CROMWELL</b> PROPERTY GROUP</p> <p> <b>ELITE</b> ALFRED BERG</p> <p>AMOUNT NOT DISCLOSED</p>	<p>FINLAND   JANUARY 2021</p> <p>Advisor to Metsäliitto Cooperative and Farmers' Social Insurance Institution of Finland in the sale of a major HQ property in the Helsinki area</p> <p> <b>Mela</b>  <b>Metsä</b></p> <p> <b>NREP</b></p> <p>APPROX. EUR 90 MILLION</p>

## VALUATION

<p>FINLAND   2021</p> <p>Annual valuation of property portfolio in Finland to Ilmarinen</p> <p><b>ILMARINEN</b></p> <p>800,000 sq.m.</p>	<p>FINLAND   2021</p> <p>Annual valuation of real estate portfolio of 47 sites in Finland to OP Tonttirahasto</p>  <p>110,000 sq.m.</p>	<p>FINLAND   2021</p> <p>Valuation of office and industrial portfolio in Finland to Julius Tallberg-Kiinteistöt</p>  <p>100,000 sq.m.</p>	<p>FINLAND   2021</p> <p>Valuation advisory services in Finland to Turun TeknologiaKiinteistöt</p>  <p>TURUN <b>TEKNOLOGIAKIINTEISTÖT</b></p> <p>150,000 sq.m.</p>
<p>FINLAND   2021</p> <p>Valuation of residential portfolio to Toivo Group for IPO</p>  <p><b>TOIVO</b></p> <p>24 ASSETS AND 30 UNBUILT SITES</p>	<p>FINLAND   2021</p> <p>Valuation of zonal pricing of residential, commercial and public plots to the City of Tampere</p> <p> <b>TAMPERE</b></p>	<p>FINLAND   2021</p> <p>Valuation of zonal pricing of residential, commercial and public plots to the City of Ylöjärvi</p>  <p><b>YLÖJÄRVI</b></p>	<p>FINLAND   2021</p> <p>Valuation of a large industrial plot to the City of Kemijärvi</p>  <p><b>KEMIJÄRVI</b> LAPLAND</p> <p>1,290,000 sq.m.</p>

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