Q2 investment activity moderates following record-breaking first quarter

INVESTMENT MARKET KEY FIGURES Q2 2026

€1.9bn TTM

▲ +199% (Y-o-Y)

€90mn Q2 2026

▼ -73% (Y-o-Y)

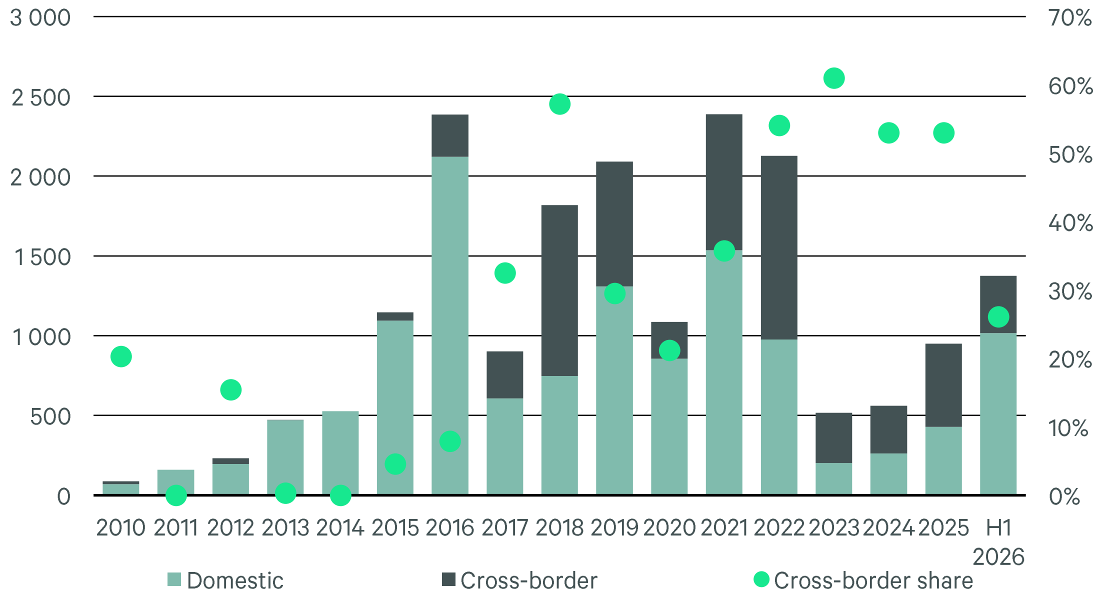
RESIDENTIAL INVESTMENT VOLUME YTD

Cross-border share	Share of total investment	Number of transactions	HMA share	Prime yield
▲ 48%	▼ 10%	▼ 6	▲ 94%	▲ 4.50%
Vs. 46% (5-year avg.)	Vs. 25% (5-year avg.)	Vs. 7 (5-year avg.)	Vs. 54% (5-year avg.)	Vs. 4.40% in Q1 2026

Investment market

- Residential investment volume totalled approximately €90 million in Q2 2026 after the record first quarter* and accounted for 10% of total investment. Cross-border capital provided 48% of the volume, and the Helsinki Metropolitan Area (HMA) drew 94% of investment activity. Volume for the first half reached €1.4 billion, more than twice the level of a year earlier.
- Residential prime yields moved out 10 basis points to 4.50% in the HMA, while Turku and Tampere saw a similar shift to 5.10%. Sentiment remains cautiously positive, though expectations of interest-rate increases cloud the outlook.
- Investment market activity shifted to smaller lot sizes: Veritas sold five residential properties in the HMA to Slättö. Unity Living, backed by Brookfield, acquired the Domus Academica C and D buildings on Hietaniemenkatu in Töölö from Ylva. The two buildings comprise 229 apartments. Premico Asuntorahasto III bought a 73-apartment project in Puistola from Toivo Group, and ICECAPITAL acquired a 42-apartment project in Pasila from JM Suomi.

Residential investment volume by investor origin and share of total investment since 2010



Source: CBRE Research

*Kojamo's acquisition of Varma's residential portfolio is included in Q1 investment volume

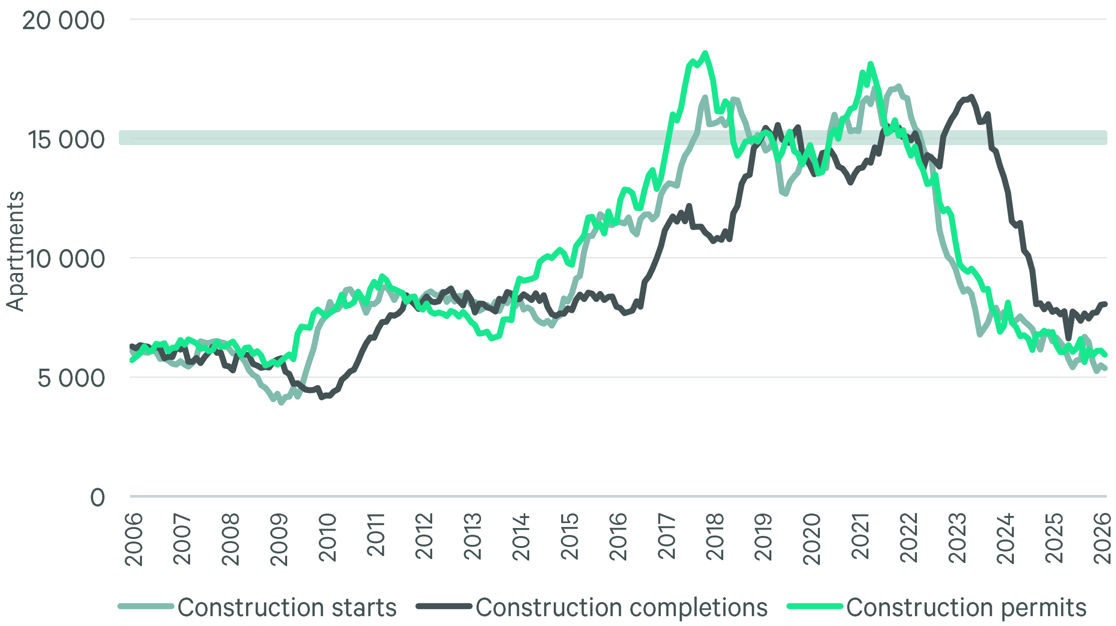
THE HELSINKI METROPOLITAN AREA KEY FIGURES

Construction starts TTM (May 2026)	New completions TTM (May 2026)	Average monthly rent (Q2 2026)	Average sales price (Q2 2026*)
▼ 5,371 units	▲ 8,059 units	▼ 20.11 €/sqm	▼ 4,234 €/sqm
-19% (Y-o-Y)	+3% (Y-o-Y)	-0.3% (Y-o-Y)	-4.2% (Y-o-Y)

Rental market & construction activity

- Average sales prices* of old dwellings in the HMA fell 4.2% year-over-year in Q2, with Turku and Tampere down 3.4% and 3.3%. The Federation of Real Estate Agency reported that HMA sales of old apartments fell 9.4% year-over-year in H1. A June regulatory change extending the maximum mortgage term to 40 years, alongside a lower down-payment requirement, could give transaction activity a modest boost.
- Rents fell 0.3% year-over-year in the HMA in Q2 2026 and rose 0.7% in Turku and 1.0% in Tampere. Landlords often prioritise occupancy over headline rent. With the low level of new supply, current vacancy is expected to be transitory.
- In the HMA, construction starts continued to fall, dropping below 5,400 apartments (-19% year-over-year). The pipeline will be materially tighter from 2027 onward. Although no quick recovery is expected yet, the Confederation of Finnish Industries' construction confidence indicator has started to improve, reaching its highest level since early 2022.

HMA residential construction permits, starts and completions - TTM



Source: CBRE Research, Statistics Finland, Federation of Real Estate Agency, Confederation of Finnish Industries, VTT estimated long-term demand highlighted for 2025-2045.

*Preliminary Statistics Finland figures for nonsubsidised apartments

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