



## Reflationary monetary policy supports the property market in Finland

The reflationary monetary policy introduced by the European Central Bank – and low interest rates in particular – strongly support part of the property market. Last year, the Finnish transaction volume exceeded EUR 4 billion, compared to the more or less EUR 2 billion in the previous five years.

“It is interesting to see that the weak economy creates pressure to lower rents, but at the same time there is strong demand for high quality premises. Prime yields of the best office areas in the Helsinki Metropolitan Area have continued to decline. With an uncertain economy, investment features that are considered safe add to the appeal of properties. Safe features – or the lack of them – are overemphasised”, says Erkki Hakala, Head of Advisory Services in Finland.

### Year 2015: record amount of capital looking for return

According to Catella’s study, the amount of capital looking for European investment properties has doubled since 2007 and has reached record figures.

“We predict the Finnish transaction volume in 2015 to rise again above EUR 3 billion and prime yields to continue declining – at the same time the amount of vacant office, retail, industrial and warehouse space will grow. Ahead lies an interesting year with an exceptionally large amount of investment capital looking for investment properties – and return”, says Erkki Hakala.

The report “Property Market Trends Spring 2015, Finland” has now been published. Read more about the report and order the it from [Catella.fi](http://Catella.fi).

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