



# Market impacts of COVID-19

Nordic real estate investors





# Introduction

Due to the recent outbreak of the covid-19 disease, we know that many of our community members are facing uncertainty and drastically changed market conditions. We believe that up-to-date information and the use of digital tools will mitigate some of the adverse effects on our economy.

The professional knowledge our members have on the current situation in the Nordic real estate market is valuable. On Friday the 20th of March 2020, we conducted a survey sent to selected community members in the Nordic region.

The results provide an interesting insight into how the Nordic commercial real estate sector might be affected by the recent development.



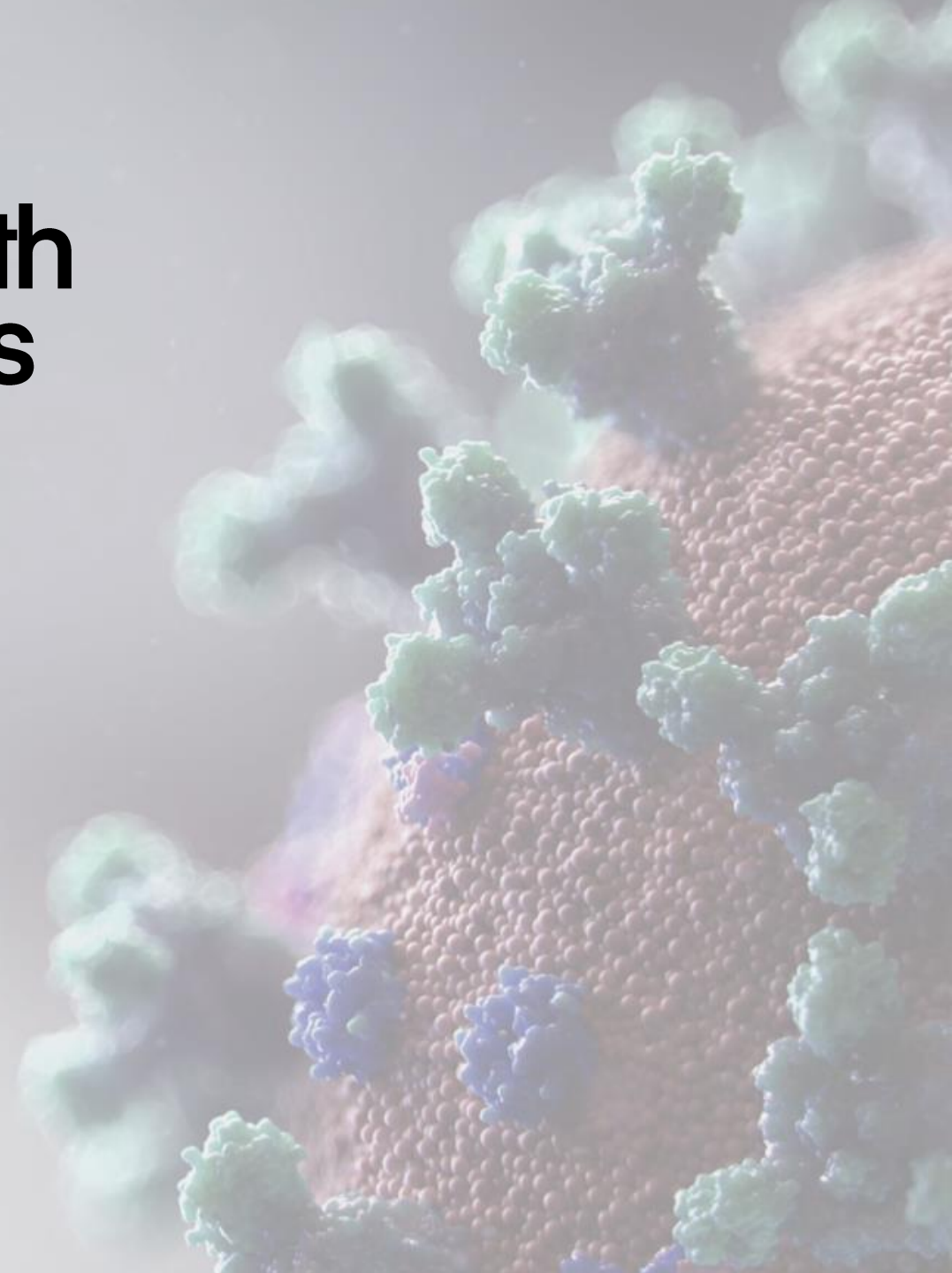
# Key takeaways

- Buyers are still open for investments, vendors more reluctant
- Decreasing cross-border investment activity
- Increased vacancy rates; Retail and Hotel expected to be hit the hardest
- Overall increased yield level expectations in 2020
- Potential rent losses for Retail, Hotel, Office and Industrial-Logistics
- Most investors believe the market will be recovered within 2 years, some expect even longer recovery



# Market update – Q&A's with Nordic real estate investors

2020-03-24

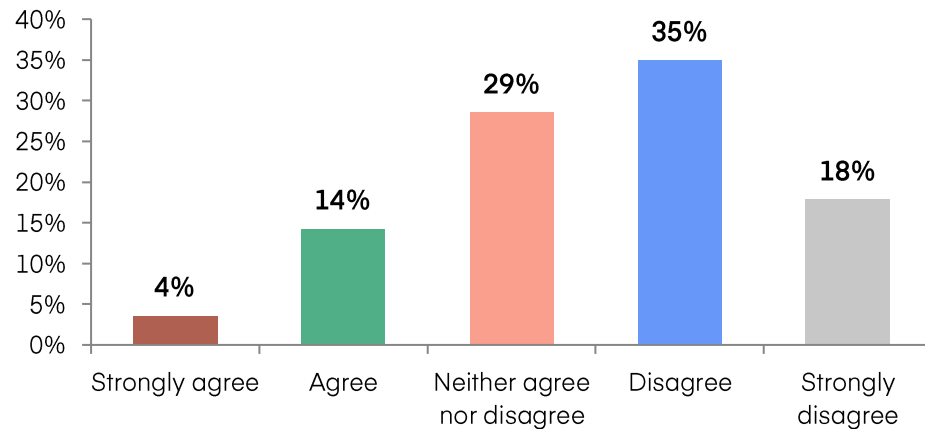




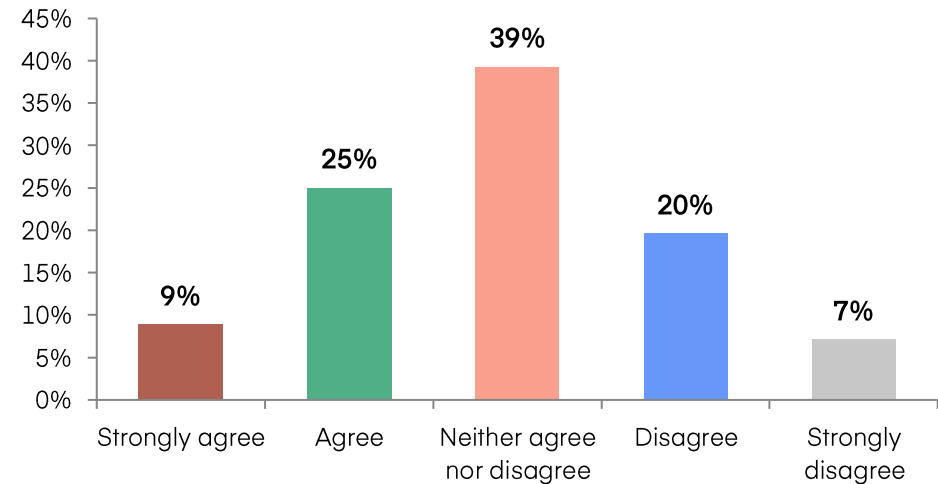
# The transaction market

- Buyers are still open for investments, vendors more reluctant.

## I will currently not consider making any investments



## I will currently not consider making any divestments

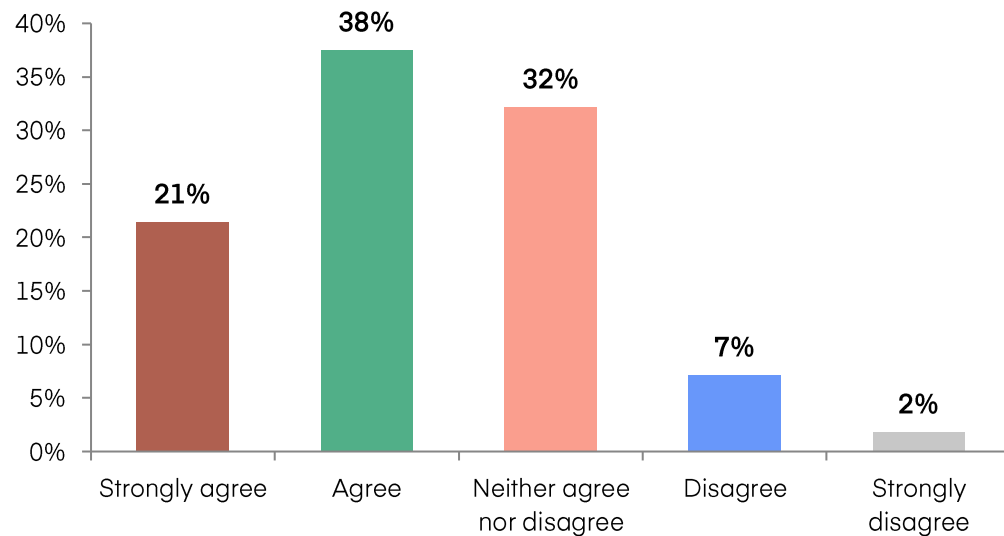




# Cross-border investments

- Decreasing cross-border investment activity.

**I am currently less interested in cross-border investments**

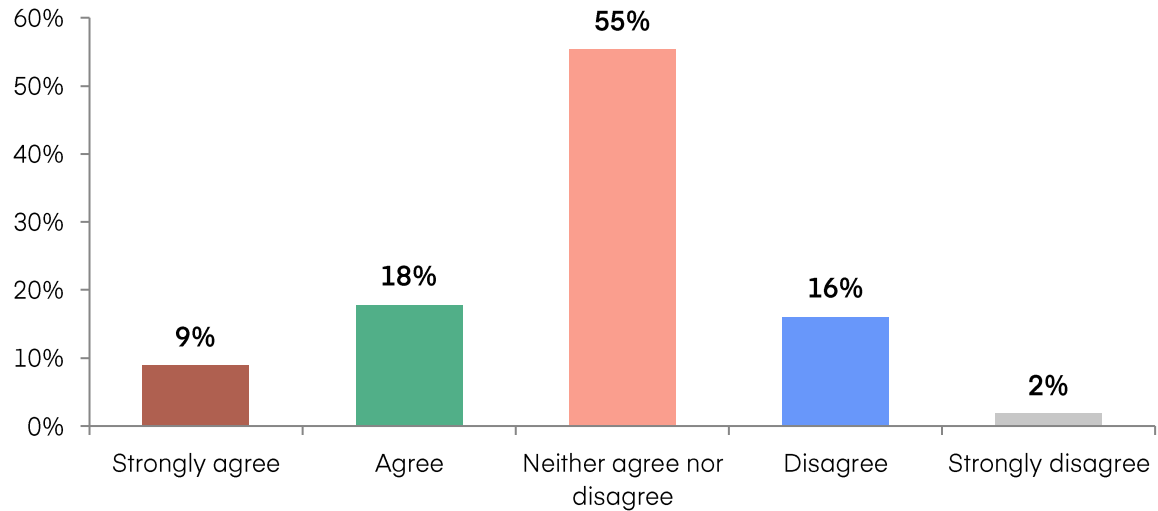




# Bank financing

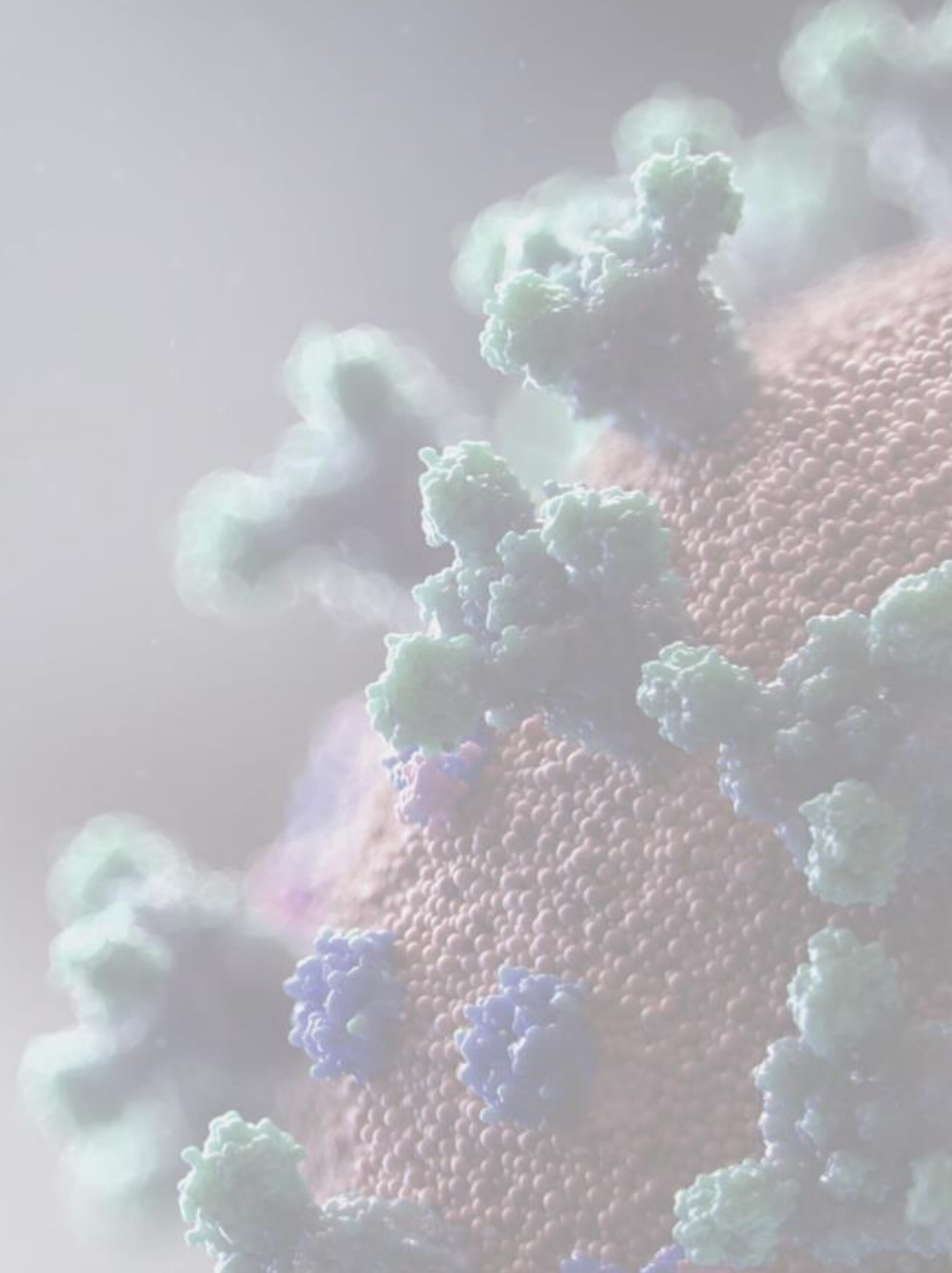
- No obvious effects on bank financing.

**I currently experiencing worse access to bank financing**





# Potential economical consequences



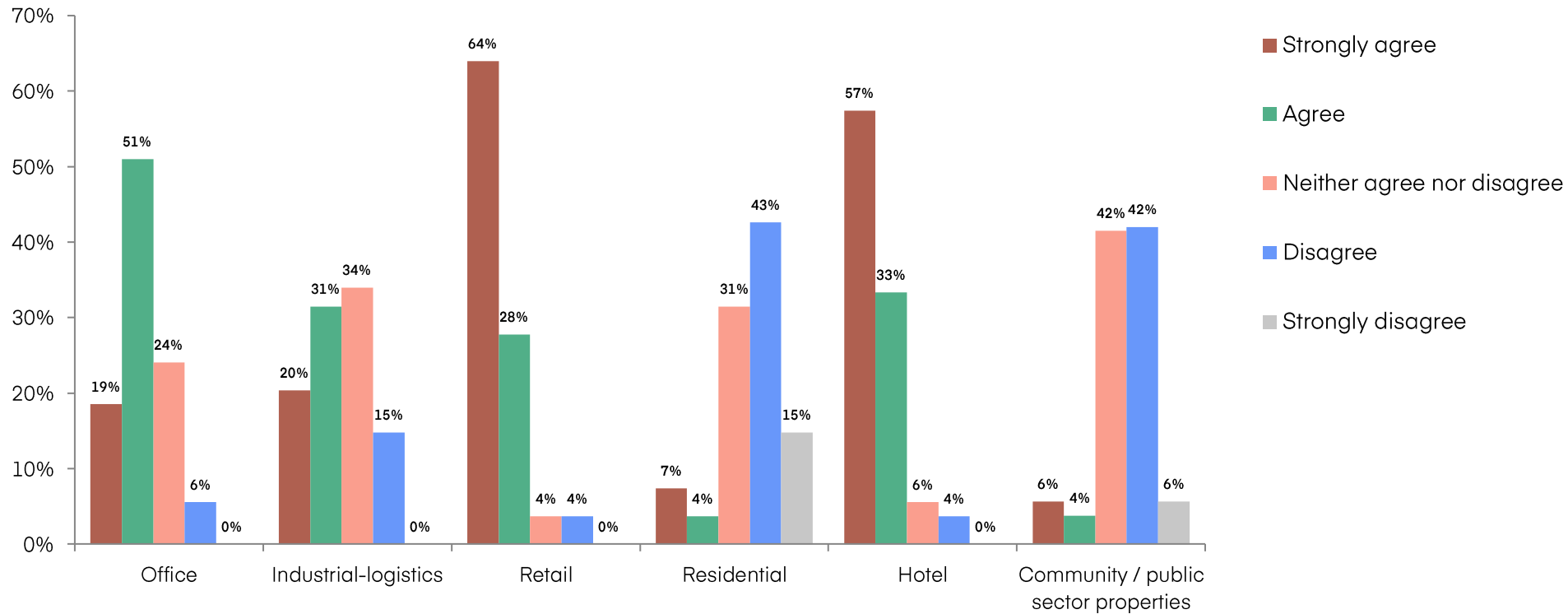
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# Vacancy rates

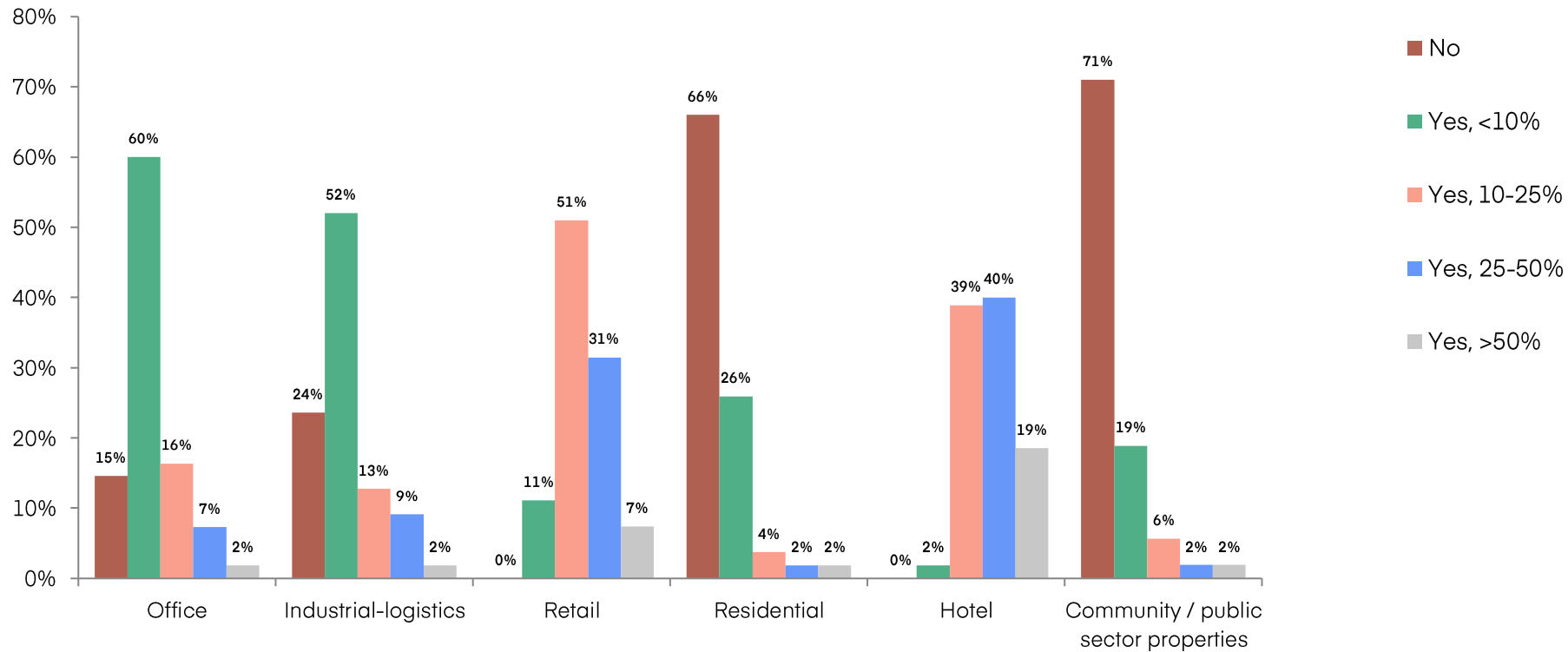
I expect increased vacancy rates in 2020





# Rent losses

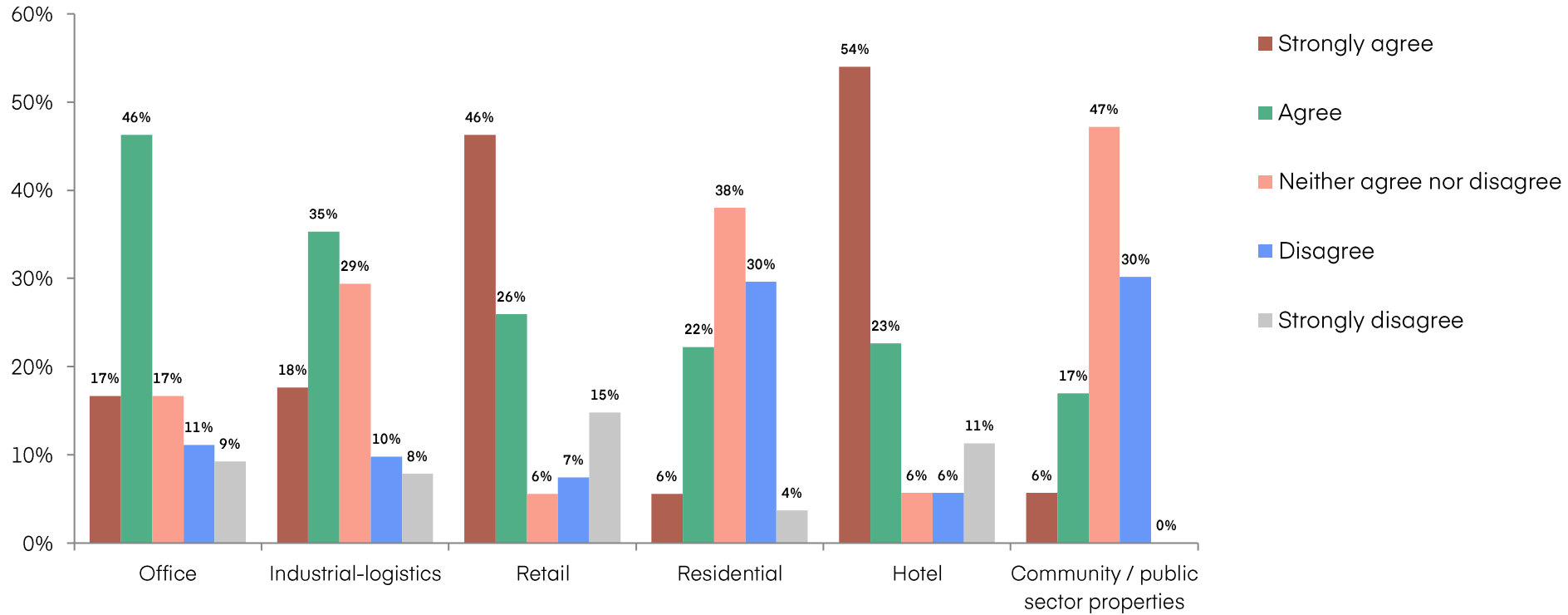
I expect increased rent losses in 2020





# Yield expectations

I expect increased yield levels in 2020





# The future

2020-03-24



# When will the real estate market be recovered from COVID-19?

