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Increased demand for housing is transforming the property market in our major cities

Due to continued good market conditions Newsec predict the total Swedish transaction volume to reach new record levels at SEK 180-190 billion for 2016, according to the autumn edition of Newsec Property Outlook published today. A powerful population-growth and increased demand for housing is transforming the property market in our major cities.

"The shortage of housing and people's desire to live more centrally means that all types of property that are suitable for residential use are being converted. More or less all suitable office buildings in the inner cities, apart from parts of the CBD, have great potential to be converted into housing sooner or later", says Max Barclay, MD Newsec Sweden.

The city of Stockholm has set itself the target of building 140,000 housing units up to 2030, of which 37,000 is planned to be built in the inner city. As a result, the whole urban landscape is being changed and is placing new demands on the types of service functions that are needed in the inner city - services that are more suited to the needs of residents than to office-workers. Many major cities in Europe face the same transformation of the property market.

The Swedish central bank, Riksbanken, announced in September that the repo rate would remain unchanged at -0.5%. The low-interest-rate environment is expected to continue until 2017/2018. Good access to financing and lack of high-yielding alternatives is forecast to contribute to a continued high interest in properties. Newsec predicts the total Swedish transaction volume to reach new record levels at SEK 180-190 billion during the full year 2016.

Download Newsec Property Outlook at www.newsec.com/npo

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Every year Newsec carries out thousands of successful assignments and manages over 2,000 properties. Through this great volume, and the breadth and depth of its various operations, Newsec acquires superior knowledge of the property market.