

Hotspot Guide

Finland

A Sample of what's on Offer

Hot Spot

Introduction



Why invest in Finland?

Finland has a growing tourist market, seeing a 30% increase last year alone from Russian tourists

World class ski resorts

Up to 6 months snow a year, providing a very viable buy to let market

No restrictions on foreign property purchases

Relatively low purchase costs, averaging less than 10% of the purchase price

Affordable purchase prices



Fast Facts:

- **Location:** Northern Europe, bordering the Baltic Sea, Gulf of Bothnia, and Gulf of Finland, between Sweden and Russia
- **Capital City:** Helsinki
- **Climate:** The weather in Finland is variable and can change very quickly, which is common for weather in Scandinavia. When there are winds from the west, the weather is generally warm and clear in most part of Finland.
- **Finland's winters** are long and cold. Especially in northern parts of Finland you can find snow on the ground for 90 - 120 days each year
- **The summer** offers great weather in Finland. In the Finnish South and central Finland, summer weather is mild and warm.
- **Average Temperature:** In winter, the mean temperature remains below 0°C, but warm airflows can raise the daily high above 0°C at times
- In summer, the mean daily temperature is consistently above 10°C.
- **Total Land Area:** 338 000 km²
- **Official Language:** Finnish and Swedish
- **Total Population:** 5.3 Million
- **Population Density:** 16/km²
- **Major Religion:** Christianity
- **Currency:** Euro
- **GDP:** 188.4 Billion
- **GNI per capita:** 37,530 US\$
- **Inflation:** 3.8%
- **Annual Growth:** 2.60%
- **Main Exports:** Electronics, Machinery, Ships and Boats, Paper and Paperboard, Refined petroleum products.
- **Main Sources of Income:**
- **Unemployment:** 6.8%
- **Population Below Poverty Line:** NA%
- **Literacy:** 100%
- **Life Expectancy: at birth** male: 75.8 years female: 82.8 years
- **Time Zone:** EET (GMT+2)
- **Internet Domain:** .FI
- **International Dialling Code:** +358 FI



Geography

- The most predominant influences on Finland's geography were the continental glaciers that scoured and gouged the country's surface.
- When the glaciers receded about 10,000 years ago, they left behind them moraines, drumlins, and eskers.
- Other indications of their presence are the thousands of lakes they helped to form in the southern part of the country



Economy

- The Finnish electronics and electrotechnics industry relies on heavy investment in R&D, and has been accelerated by the liberalisation of global markets
- Finland has an abundance of minerals. Companies now tend to focus on high added-value processing of metals.
- The chemical industry is one of the Finland's largest industrial sectors with its roots in tar making in the 17th century. In addition, it produces plastics, chemicals, paints, oil products, pharmaceuticals, environmental products, Biotech products and petrochemicals. Biotechnology is regarded as one of the most promising high-tech sectors in Finland and it is growing rapidly.

Politics

- Finland has a semi-presidential system with Parliamentary. The President of Finland is formally responsible for foreign policy.
- Most executive power lies in the cabinet (the Finnish Council of State) headed by the prime minister.
- Responsibility for forming the cabinet out of several political parties and negotiating its platform is granted to the leader of the party gaining largest support in the country.

A Brief Guide to Purchasing Property in Finland

- The average price of dwellings in Finland rose 4.5% in 2008 from a year earlier.
- The slowdown in house price growth is therefore definitely established. In 2007, the average price of dwellings in Finland rose 6.4% (4.75% in real terms) and in Helsinki by 7.9% (6.3%).



Property market

- Finland investment property is a relatively new phenomenon. But as skiing and outdoor adventure holidays grow in popularity, Finland property will continue to become more and more popular with holiday home buyers and investors.
- Finland investment property is most popular in places like Lapland, where the range of year round activities as well as ski resorts like Levi and its ability to guarantee six months of world class skiing conditions, give Finland property all year round rental potential.
- Finland investment property in the new emerging markets like Lapland is looking at growing in value by around 250% in the next ten years.

Fees and taxes

Corporation Tax

The standard rate of corporation tax in Finland is 26%.

Capital Gains

Subject to corporation tax at the standard rate of 26%.

Property Tax

Property tax is charged at 0.5% - 3% (depending on the municipality where the property is located) on the value of the property which must be determined by a fixed formula. It is collected annually by the relevant municipality. Farming land and forests are exempt.

Property Transfer Tax

The purchase of Finnish land is subject to transfer tax at 4% on the purchase price or other consideration.



Hot Spots

Birding at Hanko -

Finland's National Parks - Treasures of Finnish Nature -

Nature Protection is the primary function of national parks. Birders should pay particular attention to:

Eastern Gulf of Finland

Ekenäs Archipelago

Kauhaneva-Pohjankangas

Liesjärvi

Oulanka

Puurijärvi-Isosuo

Torransuo

