

LOOKING TO THE FUTURE

By means of planning development, we can create conditions for the housing construction of the future. Development projects are long-term processes that engage a large group of authorities, partners, people living in the area and other stakeholders. The aim is to prepare a shared vision of the construction of the area and work together to fulfill that vision.

A major obstacle in Finland is that jobs are created in cities but people do not move for them due to a shortage in low-cost living options. In the long term, only a balance in demand and supply can rein in an increase in living costs. To this end, there must be sufficient land available in growth centres.

SATO's strengths are its own land and plot reserves, and its extensive experience in property development, with which we can continue to increase the range of apartments available. During the reporting year, we acquired new plots for the construction of approximately 270 apartments and made preliminary property agreements for the construction of more than 700 apartments.

Plot reserves	2016	2015
Plot reserves, MEUR	62.0	57.5
Plots purchased, MEUR	13.5	13.2
Total permitted building volume in the plot reserve, floor-m ²	460,472	286,595
Owned plots transferred to production or sold, MEUR	22.4	23.6

NEW RESIDENTIAL AREAS

The positive decisions on the extension of the metro line and the construction of the Raide-Jokeri line in the Helsinki Metropolitan Area will improve the reachability of many currently distant areas and in this way increase the attraction of these areas.

The local plan of Vermonniitty, located south of the Leppävaara centre in Espoo and the future Raide-Jokeri line, became legally valid during the reporting year. Vermonniitty is a new residential area for roughly 4,500 people, and SATO will produce more than 400 apartments in the area. Our first building of 117 apartments is already under construction, and it is estimated to be completed in autumn 2018.

We are working closely with the City of Espoo and different construction companies close to future Länsimetro stations. Several hundred new SATO RentHomes will be built in Niittykumpu, Soukka and Finnoo during the next ten years.

COMPLEMENTARY PLANNING STRENGTHENS EXISTING PLANS

Complementary planning supports not only the objectives of a denser urban structure written in the master plans of cities, but also SATO's objectives to offer new apartments close to comprehensive public transportation routes and various services. **Complementary construction** offers one way to increase the number of affordable apartments. In addition to the production of new buildings, complementary construction allows people already living in the area to move into a new apartment in their familiar neighbourhood.

SATO has pending complementary planning projects in the Helsinki Metropolitan Area to produce a total of 2,000 apartments, and we are also launching projects in Tampere and Turku. During the reporting year, a planning project reached legal validity in Martinlaakso, Vantaa. We will demolish 2 buildings that have reached the end of their life cycle and, together with 2 other companies, build nearly 400 new apartments in their place and on the adjacent plot.

SATO has signed a preliminary agreement with the VR Group on the development and purchase of the VR's block located in Oulunkylä next to the current railway station and the future Raide-Jokeri station once the local planning process has been completed. SATO and VR will develop the area in close cooperation with the City of Helsinki. Their aim is to build a green and

modern residential area for 800 people. The intention is to hold a design competition to support the development of the area.

SATO is also working in close cooperation with the City of Helsinki to find a form of implementation for one of the last unbuilt plots in Herttoniemenranta. We held a design competition to find a design which inspires residents and is of an architecturally high quality for the plots located at a walking distance from the metro station and for the parks situated between the plots. The invitational was won by Arkkitehdit Soini ja Horto Oy with their proposal "Kutteri."