



 AF Bostäder

# Development of building costs in Sweden

- Over a ten year period we can see an overall development of the building costs with just over 30 %. The development has been stable and predictable.
- During the last year we can see a sharp increase and we predict a rise with approximately 10 % | one year. This phenomena is undoubtedly related to the pandemic.
- What is not accounted for however is the war in Ukraine. We predict a further sharp increase related to delivery problems and shortage of material.

# Reasons for cost increases

- Higher ambitions related to climate change. The cost for building materials such as wood, concrete, metal e t c has gone up.
- Delivery problems caused by the pandemic. Shipping costs is one example.
- The war in Ukraine and financial sanctions on Russia. We get a lot of raw materials from Ukraine and Russia in the building process. Consequently there has developed a shortage of certain materials.

# Subsidies, grants, loans e t c

- Investment grants up to 30 % of the building cost on certain conditions. Due to the political situation with a minority government those grants are no longer valid.
- No government loans exist. The municipal companies has municipal bail at some student resorts.
- Normally financing happens through bank loans. In some cases (big projects) the bond market can be applicable.