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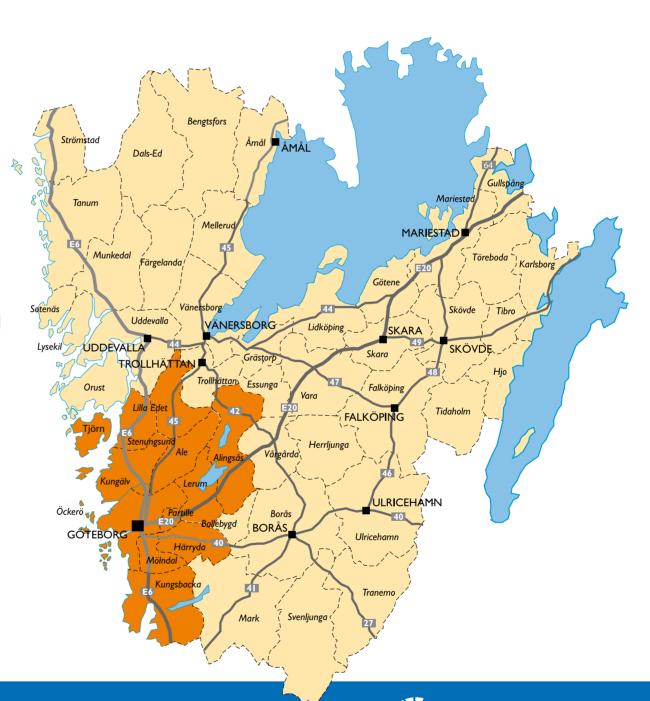
Business Region Göteborg AB is dedicated to strenghtening and developing trade and industry in the Göteborg Region.

We are a non-profit organisation representing 13 member municipalities. Our goals is to contribute to sustainable economic growth, a high level of employment and a diversified economy.

# The Region of Sustainable Growth

Business Establishment & Relocation is a "onestop-shop" which aims at simplifying the establishment process by offering:

- Database for available land and premises
- \* International Schools
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- Recruitment Consultants and much more!





# The summer is at an end, so it's time for the hot Expo Real

It cannot be denied – the summer is over for this year, at least for those of us who live in northern Europe. There are obvious advantages to this; you don't have to swim in the company of jellyfish, eat with wasps around you and walk with adders. The disadvantages aren't that difficult to interpret either – it becomes darker, colder and rainier, which is not exactly a good combination if you ask me.

I find it very difficult to understand the Swedes who complain when we get a brief spell of warmth up here north of the ice belt. Personally, I enjoy it to the full - the warmer, the better.

**We hope that** the hot summer is a sign of good things to come that can be transferred to the property market as well. Things have certainly started to look up a bit, although at the same time, the prophets of woe are talking about a second recession. I hope and believe they are wrong.

This year's Expo Real will definitely be a good indicator of which way the market is going. This is usually evident from the number of exhibitors, visitors and the overall size of the trade fair. And, as I understand it, people reckon that the fair will be as big as it was in 2009. On that occasion there were 1580 exhibitors from 34 countries and 21430 visitors from 73 countries. According to a statement from Messe München's MD, Eugen Egentmeier, there were positive noises at the start of August:

"We receive requests every day from companies who want to exhibit at the trade fair. We can already say right



now that we'll at least match the previous year's figures if not beat them."

There should be sweet music for all those who are active in Europe's property industry, particularly us at Fastighetssverige. At this year's Expo Real, we will be more visible than ever before: not only will you see us at all newspaper racks and in the press booth, we will also be supplying daily news and giving slide presentations and interviews directly from the trade fair floor through our newsletter. Should you against expectation miss us there, you will see us on the trade fair floor.

See you at Expo Real!

Eddie Ekberg Editor in Chief

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# IN THE LONG RUN

To see beyond the horizon is a matter of course for us and a part of the responsibility we take as community developers.

A typical NCC project is a well-planned area in which various needs and life situations prevail. There are homes and offices where people enjoy being, and green spaces which enrich life. A typical NCC project also takes account of future generations by minimizing the impact on the climate.

For example, energy use in our self-developed buildings is now 20 percent below the norm for housing and 25 percent below the norm for office buildings. Often, significantly lower. The aim is to create a sustainable relationship between humans and the environment.

A society which lasts in the long run.















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# Macro analysis

Swedbank's Chief Economist Cecilia Hermansson gives here her view on the situation in Sweden.

Sweden on the right track but must look out for barriers in its surroundings

n paper, Sweden is one of the countries that have been hit hard by the global financial crisis and recession. The GDP fell by a good five per cent last year, unemployment approached ten per cent and the Swedish krona lost almost one quarter of its value against the Euro during the autumn of 2008 and early spring of 2009. It is the manufacturing companies that have been hit by the crisis and where people have lost their jobs.

It is also possible to adopt brighter views when measuring the Swedish development. New statistics show that the recovery started as early as the second quarter last year and that the GDP had grown by 3.4 % in the first six months of this year compared with the same period last year. Exports were fortified and households had more money left in their wallets, so consumption is on the increase and companies are increasing their investments once more. Unemployment is falling faster than expected in that service production has been kept buoyant while the production companies have started taking on new staff.

**DOES THIS MEAN** that we can now breathe a sigh of relief? No, not yet! Substantial contributions to the growth come from the companies building up their stocks and from financial and monetary policy stimulations whose effects we believe will decrease. Our economy is also vulnerable to new threatening clouds in the global sky. In the USA, the low pressure is spreading and the pessimism is returning. In spite of massive stimulations, the economy is not self-propelled. Instead, problems are seen to remain on the labour, housing and credit markets. In Europe there is still anxiety about the public finances of many countries such as those in Southern Europe, Ireland and the UK, and about the problems that the banking system may experience if payments are adjusted and debts have to be renegotiated. The banks' stress tests and the rescue package for Greece and the Euro zone have in any case temporarily calmed the financial markets somewhat.

Export countries such as Sweden, Germany and Japan are benefitting from the strong development in China, India, Brazil and other growth countries. These are suffering none of the western world's debt problems and weak banks. Instead, the tendencies to overheat have meant that the countries need to tighten their purse strings and try to give their economies a "soft landing". There is a risk that they will not succeed in doing so, but that risk is relatively small.

WE HAVE GOOD OPPORTUNITIES of avoiding a new recession in the world economy because of the support provided by stimulations and the handling of the financial institutions. On the other hand, there is an increasing risk that the growth will not gain impetus in spite of all the stimulations. These will not have the same impact in the future, the interest rate is already low and restrictions are now being applied to improve the weak public finances. In addition to stagnation, there is a risk that the USA and Europe will also deflate in a similar way to the way Japan



NAME: Cecilia Hermansson.

**AGE:** 47.

**OCCUPATION:** Chief Economist. AT SWEDBANK SINCE: 1999.

**HOBBIES:** Meets friends, practices yoga

and does oil painting.



has over the past two decades. A Japanese scenario of that sort is not as alien as it was previously and must be prevented through stimulations where these are possible, and structural reforms that increase the growth potential.

What does this mean for Sweden? We have big advantages in that our public finances are in order. We do not need to lay down restrictions but must take care to ensure that there is space to move if we see new recessions in the world economy. While other countries have a leaking roof to repair, we need do no more than simply look after ours. This means that we can adopt more long-term thinking and plan for investments in the infrastructure, training and other factors that improve the conditions for enterprises, innovations and employment because even if Sweden grows strongly this year, that growth will diminish and greater emphasis will need to be placed on the long-term challenges of demography, globalisation and the increase in competition. Advice to Sweden: Prepare yourself for the worst but hope for the best!



# market is on the right track

The transactions volume has recovered, the banking system is back to functioning almost normally, there are strong foundations and there is an increasing level of interest from international investors.

Lennart Schuss and Thomas Persson at Catella now draw a bright picture of the Swedish property market.

> atella is the leader on the Swedish transactions market and is behind approximately one third of the Swedish transactions volume.

When Fastighetssverige meets Lennart Schuss, Deputy MD of the whole of the Catella Group, and Thomas Persson, the new MD for Catella Corporate Finance, at the start of autumn, they are a duo who have a very positive view of the Swedish market. The worst fears from 2009 never came to fruition, and the market is instead well on the way back to a normal position.

"More and more segments on the market are now back to functioning more or less normally. In some segments, demand's actually much greater than supply, and then for the absolute best properties. There's a huge demand for good, core properties, irrespective of type, a demand that's not matched by supply," says Thomas Persson, and mentions transactions in central Stockholm where the yields have been below five per cent.

> There are several different sorts of player who have increased their activity in Sweden recently. Many Swedish institutional investors are now choosing to relocate even more properties.



Lennart Schuss and Thomas Persson at the marketleading transaction consultant Catella think that the Swedish property market has recovered well following the crisis and that the future is bright.

☑ "After the stock exchanges rose so far during 2009, they had a surplus of shares and a deficit of properties. They're now making allocations to properties, which means a relatively secure cash flow and a high yield at low risk," says Lennart Schuss, who simultaneously points out that, seen in the rear view mirror, properties have been a much better investment than shares in recent years."

"The index for the 50 biggest European shares has fallen by around 20 per cent. During the same period, properties have risen in value and also seen a stable cash flow. The institutional investors have ultimately understood that a greater share of their portfolio should consist of properties."

HOWEVER, THIS IS WHERE THEY FACE A PROBLEM. The institution has traditionally invested in secure core properties in the big cities, but since supply is and has been limited, they have been forced to broaden their horizons. One route they have taken is to buy into newly-formed property companies such as Hemfosa and Roxanne, in the formation of which Catella was involved.

"By going into these companies, the institutional investors have been able to participate in market segments in which they traditionally don't get involved as direct owners. These companies alone have taken in more than three billion in capital and bought properties for up towards ten billion Swedish kronor, which has also benefitted the whole of the market since they acted in a segment that was in need of investors. One advantage compared with traditional property funds is also that in companies that have four or five strong owners, these can be active and influential in a completely different way from in a property fund," says Thomas Persson.

"If you're in a property fund, you can't do much when the wind gets up, plus I also believe that they're tired of paying high charges to the unit trusts," says Lennart Schuss.

It is their belief that the trend of new companies with partially institutional owners will continue.

"We know that's what they're going to do. We're currently working with companies that will be launched this autumn," says Thomas Persson.

"Provided the differences between the yields and the "risk-free" interest rates are at the level they're at now, the trend will continue," says Lennart Schuss.

"There are no problems finding investors for these companies. The problems are instead finding suitable properties and good management."

Foreign players are also on their way back to Sweden, and then it is primarily Norwegian investors and German property funds.

"The core buyers are back. There are plenty of German funds among the buyers, even if the German funds show a mixed picture; some have substantial net inflows while others are battling with major problems, but those who have problems have no or little activity in Sweden," says Thomas Persson.

"The opportunistic buyers haven't returned, though. They're sticking to countries like England and Spain where the prices have fallen much more than they have here. If the prices have fallen by 40 per cent in London, it's difficult to tempt them when our prices have fallen by 8-10 per cent."

#### So what does attract people to the Swedish market? Persson and Schuss believe there are several factors:

· Good foundations.

"We have good public finances and extremely diverse trade and industry with a good future outlook that's exposed to industries with a high added value such as telecoms," says Thomas Persson.

Functioning banking system.

"We have a banking system that is functioning again. All banks ≥

#### **CATELLA FACTS**

This year, Catella has a new ownership structure in that listed Scribona has bought the company for SEK 417 billion and intends to change its name to Catella (whose share is now being traded on the Stockholm Stock Exchange's First North list, the objective being to place the share on the exchange's

In conjunction with the deal, Catella's management bought 29 per cent of the company through subscription options.

"We've become a financially strong and independent finance group. The ability to offer co-ownership enables us to attract the best forces on the market," says Lennart Schuss. Catella is divided into a capital management section, with a management volume of around SEK 45 billion, and an advisory section. The Scribona transaction meant that Banque Invik became part of the Group. Around 250 of the Group's 400 employees in twelve European countries work with

property-related matters, primarily with sales advice. Over the past ten years, Catella has been involved in transactions to the magnitude of SEK 500 billion in Sweden alone. "Our strength is that we have knowledge in the property and the capital market. Being able to work with complex financing proposals is becoming more and more important," says Lennart Schuss.

Johan Ericsson is Catella's Group Manager.



# **FACTS**

Official name: The Kingdom of Sweden.

Capital: Stockholm.

Political system: Constitutional Monarchy.

Head of State: King Carl XVI Gustaf.

Population: 9.3 million.

Religion: 80 % belong to the Evangelical Lutheran Church of Sweden.

Average life expectancy: Men 78 years. Women 82 years.

The proportion of adults aged 25-64 with higher education: 34,5 per cent.

Population density: 22 per square kilometre.

Area: 450 000 square kilometres. Third largest country in Western Europe. Forests: 53 %. Mountains: 11 %. Lakes and rivers: 9 %. Cultivated land: 8 %.

Language: Swedish. 85 per cent of Swedes aged over 15 also speak

English, at least to conversational level.

Time zone: GMT + 1 hour (end October-end March)GMT + 2 hour (end Marchend October).

**GDP per capita:** \$ 51,804 (SEK 398,490/€ 35,864)Source: IMD 2009.

Exchange rates: SEK 1 = € 0.09SEK 1 = \$ 0.13(Average 2009).

Currency: 1 krona = 100 öre.

Largest cities (population\*): Stockholm (1,958,884) Göteborg (915,062) Malmö

\* Greater metropolitan area.

#### Share of total transactions 2004-2009, percent

UK	36%
Germany	17%
France	11%
Sweden	7%
Netherlands	4%
Italy	4%
Spain	3%
Norway	3%
Others	15%

Source: Cushman Wakefield/ ISA





Economic Indicators*	2007	2008	2009	2010F	2011F
GDP growth	2.8	-0.5	-5.1	3.0	2.6
Consumer spending	3.1	-0.4	-0.8	2.6	2.3
Mining & manuf. pro- duction	4.1	-3.8	-19.3	4.3	5.7
Investment	8.0	3.1	-15.	-0.2	4.8
Unemployment rate (%)	6.1	6.1	8.5	10.1	10.4
Inflation	2.2	3.5	-0.3	1.3	1.9
SEK/US\$ (average)	6.76	6.59	7.65	7.54	7.66
SEK/Euro (average)	9.25	9.40	10.66	9.78	9.37
Interest rates: 3-month (%)	3.9	4.7	0.9	0.6	2.8
Interest rates 10-year (%)	4.2	3.9	3.3	3.8	4.6

\*annual % growth rate unless otherwise indicated. E estimate F forecast Source: Cushman/Wakefield







#### Foreign ownership of Swedish real estate

SEK billion, by acquisition value

	Nettofs
2002	67
2003	108
2004	131
2005	161
2006	178
2007	213
2008	218
2009	215

Source: Cushman Wakefield/ISA

# STRONG PUBLIC FINANCES, SOUND BANKING SECTOR

The Swedish public finances are strong. The level of public debt in relation to GDP is far below many western peers. Having for many years emphasized the need for strong public finances, Sweden has had the means to introduce measures to counter the effects of the global economic slowdown. For example, strong injections are being made into the local government sector in 2010. Swedish banks are well capitalized and in good shape to support a recovering economy. The GDP outlook foresees a return to solid growth in 2010 and beyond.

Source: ISA

# ONE OF THE WORLD'S MOST COMPETITIVE COUNTRIES

The Swedish economy boasts large numbers of global brand names across a wide range of industry sectors, including information technology, energy and life science. Productivity improvements, low wage and price inflation and Sweden's niche in high technology fields have benefited Sweden's competitiveness. Sweden offers a stable and transparent business environment, great people skills and a high capacity for innovation. Sweden is also noted for high levels of international trade; exports account for nearly 40 percent of GDP.

Source: ISA

#### STABLE INVESTMENT MARKET

Total real estate transactions amounted to some SEK 40 billion ( $\epsilon$  4 billion/ $\epsilon$  5.5 billion) in 2009, down by some 60 percent compared with 2008. Investments by international investors fell to its lowest level in more than a decade. Cross-border transactions, involving a foreign buyer or seller, amounted to 26 percent of total transaction volume compared with 36 percent in 2008. As the year progressed transaction activity picked

up; transaction volumes more than doubled between the third and the fourth quarter. In spite of the reduced investment activity, Sweden remained one of Europe's largest investment markets

The challenging financing environment put a dampering effect on the size of transactions. However, there was still substantial transaction activity. In all, the total number of transactions valued at SEK 100 million ( $\epsilon$  10 million/ $\epsilon$  14 million) or more were down by a relatively modest 25 percent compared with 2008.

Source: ISA



# SUBSTANTIAL OWNERSHIP BY ACTIVE INVESTORS

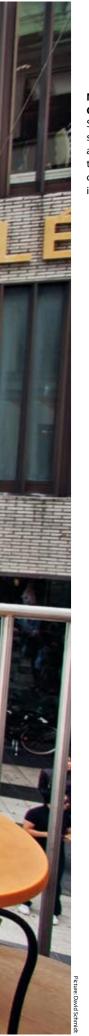
By year-end 2009, international investors owned Swedish real estate assets amounting to more than SEK 200 billion (€ 20 billion/\$ 28 billion) by acquisition value. Among the major international owners are GE Real Estate, ING Real Estate, Klépierre, Unibail-Rodamco, Valad Property Group and London and Regional.

There is great diversity among investors, including property companies, institutional investors and property funds. As a large share of property assets are owned by institutional investors and real estate companies, many of which are active buyers and sellers, there is generally good supply of investment product.

Source: ISA







NUMBER ONE IN THE NORDIC COUNTRIES. Olle Zetterberg, MD of Stockholm Business Region, is able to survey "his" Stockholm with satisfaction and ascertain that the city is at the top of the Scandinavian ranking of towns and cities that succeed in attracting the most investments and head offices.

# Stockholm in the Nordic countries

Stockholm is strongly competitive on the international front. This is demonstrated particularly by topping the Nordic rankings for foreign investments and establishing head offices for the region.

Stockholm's position as northern Europe's economic motor and financial centre has been strengthened even more in recent years. Last year, the Stockholm region represented 46 per cent of all investments in Sweden. At the same time, multinational companies chose Stockholm as their preferred Nordic city for their head office – a full 48.8 per cent of the head offices were located there compared with 34.9 per cent in the number two spot, Copenhagen.

Olle Zetterberg, MD of Stockholm Business Region, gives the following explanation for Stockholm's strong position:

"Stockholm is the biggest economy in Scandinavia. We have plenty of successful companies and a large market here. There are also large numbers of people who possess a high level of competence. These are some of the factors that lead to Stockholm attracting so many foreign investments and so many head offices,"

Other factors that lead to Stockholm's success in the face of the competition for investments and establishing businesses include the fact that the city's inhabitants are a mixture of different cultures and nationalities, which is something that contributes to an open and tolerant attitude. Stockholm is also geographically speaking in the centre of Scandinavia, which can be an advantage in terms of logistics.

"Well, there are already several major companies here such as Ericsson, Scania and Atlas Copco with whom companies who have moved here can do business. We also have a considerable presence of both Swedish and international banks here, as well as other companies in the financial sector. Stockholm also has the Nasdaq Exchange/OMX's Nordic head office. These are also important factors that facilitate a decision to establish your own business here," says Olle Zetterberg.



> THERE ARE SEVERAL positive effects to be gained from the fact that Stockholm is such an attractive Scandinavian place. One of these is that Stockholm has coped comparatively well in the recession from both an international and a Swedish perspective.

"We've always been able to keep working and haven't been paralysed by the financial crisis in the way that many other towns and cities have. Stockholm's economy has definitely been assisted by the low interest rates," says Olle Zetterberg.

The largest share of investments made last year constituted the establishment of new businesses and cooperation within ICT, information and communications technology, life science, cleantech and financial services.

"Then there's the hospitality industry that's growing stronger and stronger. During the first quarter of this year, Stockholm saw a good 1.7 million commercial overnight stays, which means 85 000 more overnight stays than in the same quarter in 2009, and they've increased enormously if we look at the last 15 years. The fact is that Stockholm is the biggest destination north of Berlin where commercial overnight stays are concerned," says Olle Zetterberg.

ANOTHER LEAGUE TOPPED by Stockholm is the incredible number of head offices. When multinational companies establish head offices in Scandinavia, 49 per cent of them choose Stockholm. That is an increase of 3.5 per cent in four years. It has been the reverse for Copenhagen and Malmö over the corresponding period. One thing that bears testimony to the attractiveness of

Stockholm in this respect is that when the Financial Times ranked Europe's most attractive towns and cities in which to invest and establish business last spring, Stockholm was beaten only by London, Moscow and Paris.

Stockholm is the largest economy in Scandinavia.

"The reason why Stockholm tops this league is probably because it's the biggest city and has the largest economy. It's a very important signal for Stockholm in its desire to be the capital city of Scandinavia," says Olle Zetterberg.

WHAT DOES THE future hold? What will Stockholm do to retain and preferably strengthen its position as the capital city of Scandinavia, and what must it do to continue to be the obvious choice of Nordic city in which to invest and establish a head office?

"We'll continue to cultivate the spirit that characterises the inhabitants here, i.e. be open, tolerant, show curiosity and possess a high level of competence. We must also stop being shy and improve at telling people what we're good at," says Olle Zetterberg.

# You can build pyramids in real estate management.



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There are two basic approaches to real estate management. You can see it as part of a bigger picture, or like us, see the big picture with the parts within it. We always look to bring together, not separate, these parts. To create synergies, to ensure our focus stays needs-based, to forge common goals.

Which means we can deliver the right management

solutions in each individual case. We believe you have to be able to see the full picture to make the very best use of all its component parts – whether you do this in-house or you outsource.

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From the series "Myths and reality of outsourcing" www.iss-fs.se

# NEWS IN BRIEF by Eddie Ekberg & Nicklas Tollesson

# Consultation company Catella sold

**COMPANY** Following several months of bidding, it was Scribona, noted on First North, who was able to buy the Catella consultation company. The new company's MD is Johan Ericsson, who formed Catella together with Lennart Schuss. The total purchase price amounts to 417 million SEK. Scribona will be changing its name to Catella in connection with the transaction. The intention is to list Catella on Nasdag OMX, Stockholm's main list.

The new company has 420 employees in 14 countries. Equity for the merged companies amounted to 870 million SEK on 31 March this year.

The new MD, Johan Ericsson, is very pleased that the deal has now been completed.

"Our business operations suit one another perfectly. By merging with Scribona, Catella is able to take an important step in the growth in financial services we're seeing in the stock market and the property sector," says Johan Ericsson, new MD of the new Group.

Lennart Schuss will be deputy MD and Head of Business Development and Catella Financial Advisory's current management will start acting as new management for the whole of the Group.

"In Catella Corporate Finance's Swedish operations, Thomas Persson will replace me as MD. Thomas has worked at Catella for more than 15 years. There are no other changes, which means that Johan and I will remain active in the company," says Lennart Schuss.



Lennart Schuss.

## Kista office was Stockholm's Building of the Year

COMPETITION 1 324 Stockholmers voted in the competition for Stockholm's Building of the Year as advertised by the City of Stockholm last spring. Of the ten finalists that the jury had helped to filter out, a new office building in Kista drawn by Gert Wingårdh was the one that pinched first place.

The jury justifies its decision as follows: "Ericsson's new office building in Kista, where a crack in the façade lends excitement to the whole volume and constitutes the opening to an atrium with completely unique sculptural qualities".

"It's great that so many people have voted. The vision of a living city and a lively debate on the city's appearance is important for Stockholm." says urban construction and property commissioner Kristina Alvendal (M), who awarded the prize at a city hall ceremony this evening.



The jury justifies its decision as follows: "Ericsson's new office building in Kista, where a crack in the facade lends excitement to the whole volume and constitutes the opening to an atrium with completely unique sculptural qualities



Ericsson's new office in Kista

## Mörtstedt buys in London once again

TRANSACTIONS The swedish property magnate Sten Mörtstedt's CLS Holdings made its first acquisition in London for four years at the start of August. It bought Apex Tower in New Malden in West London and the purchase price is 21.5 million GBP, roughly the equivalent of 240 million SEK.

The seller is The Palmer Active Value Fund II.

"Apex Tower is CLS' first acquisition on the London market for four years. We believe there are now opportunities for buyers with strong balance sheets. The rush among institutional investors to buy commercial properties that we saw at the start of the year has fallen away and



Apex Tower in west London.

the market is now quieter so people can reflect more on the fundamentals," says Sten Mörtstedt.

### Coutin is taking over Unibail-Rodamco in the Nordic countries

COMPANY Olivier Coutin has started as the new MD of Unibail-Rodamco in the Nordic countries.

Lars Johansson is instead turning his hand to the task of chairperson of the board for Rodamco Sverige AB.

Olivier Coutin has been the deputy MD of Unibail-Rodamco in the Nordic countries for the past two years and has been responsible for the operative business in the Nordic countries. He started working for Unibail-Rodamco in 1992 and has held positions in leasing, operating management, marketing and development.



Olivier Coutin.

"I'm very pleased about the level of confidence that's been shown in me and I'll be happy to lead the Nordic operations into the next phase. We have several exciting projects that are planned or ongoing, such as the extension and reconstruction of Täby Centrum, the development of Fisketorvet and the Mall of Scandinavia project," says Olivier Coutin.

#### **SHORT NEWS**

# SAVILLS: LOGISTICS PROPERTIES IN SWEDEN ON THE UP

REPORTS The market for warehouse and logistics properties in Sweden has been strengthened in recent times.

"The Swedish property market continues to be characterised by people focusing on properties that have stable cash flows in good locations. We believe that there will be continue to be substantial interest in modern logistics facilities with long lease contracts," says Peter Wiman, Head of Analysis at Savills in Sweden.



Peter Wiman

#### THE DUTCH FUND BUYS IN STOCKHOLM

TRANSACTIONS Bouwfonds European Residential fund is buying seven residential properties in Stockholm's suburbs from Vestigia Properties.

The purchase price is the equivalent of a good 260 million SEK. Bouwfonds has been a part of the Dutch Rabo Real Estate Group since 2006. The properties are located in Nacka, Gubbängen and Vallentuna, and consist of 182 apartments and 20 premises. The acquisition is the fund's third investment in Scandinavia.

#### PROPERTY SHARES HIT THE MARKET

REPORTS Property shares have been one of the most profitable sectors on the Swedish shares market for a long time. Those investors who have invested in property shares with a high level of borrowing, a high level of dividends and a large net discount have obtained the very highest yield. On the other hand, those who have invested in major property companies that have a high level of liquidity have obtained a less favourable yield. This is shown by an analysis from property consultant Leimdörfer.

# STOCKHOLMERS CANNOT AFFORD THEIR HOUSE PURCHASES

HOMES Swedbank's housing index shows the towns and cities in which the Swedes are spending the largest share of their income on a mortgage.





Sergels torg, Stockholm.

The housing index is at 100 when the households are spending 15 per cent of their pre-tax income from employment on mortgage expenses and are thus able to afford their house purchases.

The worst housing index belongs to the Stockholmers, which is at 86.5. According to Swedbank's definition, the Stockholmers have only 86.5 per cent of the income that is required for their house purchase.

**NEWS IN BRIEF** 

**QUOTE** 

all properties."

"The fall in value during 2008 and 2009 has now recovered. The yield requirements have been adjusted by 0.25 per cent for in principle Listed property company Wallenstam's MD Hans Wallenstam.



# New hotel giant formed in major transaction

TRANSACTIONS The hotel company Pandox has bought Norwegian Norgani Hotels AS. The price is almost ten billion SEK. This makes Pandox Europe's leading hotel property company.

Norgani's portfolio consists of 73 hotel properties plus one congress facility which are located in Sweden, Finland, Norway and Denmark with a total of 12 900 rooms.

Following the acquisition, the value of Pandox'hotel property portfolio will be around 22 billion SEK. The rental income is estimated to exceed 1.7 billion SEK pro forma and the cash flow to be around 700 million SEK.

The Pandox hotel property portfolio will include 119 hotel properties with 24 ooo rooms, nine operational businesses plus one congress centre (Helsingfors). In all, there will be 15 different brand names in the portfolio.

The main share of the hotels is situated in growing, dynamic city locations, by airports or close to trade fair and congress



Anders Nissen, vd Pandox.

centres. The ranges of hotels belong principally to the profitable upper, mid and high price segment.

Pandox will run operations in ten countries: Sweden, Finland, Norway, Denmark.

Germany, Belgium, Switzerland, England, Canada and the Bahamas. The company will be operational in 60 places.

Scandic Alvik.



## Sweden closer to the top of the transparency league

**REPORTS** Sweden has the fourth most transparent property market in the world according to Jones Lang Lasalle's Global Real Estate Transparency Index.

When this survey was last carried out two years ago, Sweden was in

"Along with stable macroeconomic and state financial foundations, the openness on the Swedish property market has always been portrayed as one of our most important competitive advantages. This is also one of the main reasons why Sweden, despite its small population, has succeeded in achieving an extremely good position and attracting high quality foreign institutional capital," says Charlotte Strömberg, MD of Jones Lang Lasalle in the Nordic countries.

The survey shows that Australia is the most open property market in the world, with Canada in second place, the UK in third and Sweden and New Zealand occupying joint fourth place.

## **Property company DK Properties sold**

**DEALS** Sagax and Hemfosa have acquired the privately-owned property company DK Properties AB. Sagax and Hemfosa will each own 50 per cent of the votes and capital in the company.

DK Properties owns 33 properties with a leasable area of 368 000 m2. 88 per cent of the leasable area is located in Stockholm, the main share of which consists of industrial and warehouse properties in Årsta and Västberga.

The new owners will increase DK Properties' equity by a total of just over 420 million SEK in order to reduce the company's debts and increase its operating capital.

In connection with this, DK Properties has reached a new financing agreement regarding the company's long-term borrowing.

**Swedbank Corporate Finance** acted as consultant for DK Properties and its owners.

... SEK per m2 and year. That is the average rent for modern office space in Stockholm CBD according to a report from CR. Richard Ellis

## London & Regional on the way into Swedish stock exchange company

**COMPANY** The Swedish listed property company Allokton has submitted a request for bankruptcy regarding two of the Group's companies. At the same time, it is said that owners who control more than 51 per cent of the company are in discussions with London & Regional and its CEO Thomas Lindeborg, who may join as the new principal owner. The negotiations are conditional upon regular due diligence and are estimated to be finished within the next few weeks.

"The fact that we're now in negotiations with L & R is a very positive

thing. The company's a big, serious player on the market with a strong trademark and competence that's well-suited to Allokton," says Jakob Johansson, owner and board member of Allokton.

The companies are being made bankrupt because the companies' cash flows do not cover the continuous operations and the payment of interest and instalments. The decision to bankrupt the companies was made through compromise with the company's largest lender, Deutsche Bank.

### **Fabege and Oscar Properties** form new company

**COMPANY** Listed Fabege and Oscar Properties Invest AB have jointly formed a company to develop tenant owners' rights in Stockholm. Each party owns 50 per cent of the company. The company will acquire properties for construction or the conversion of existing buildings into residential apartments to then transfer these to tenant-owners' associations.

"Stockholm's growing and there's a long-term need for more apartments. Fabege has several existing buildings currently in locations that are more suitable for residences than offices. Converting these buildings is good from both the sustainability and the profitability perspective. We're happy to start this joint project in which the potential of our existing buildings is well com-



Christian Hermelin.

plemented by Oscar Properties' specific competence in developing and selling tenant owners' rights," says Christian Hermelin, MD of Fabege.

#### **EUROPEAN ENVIRONMENTAL PRIZE GOES TO SWEDEN**

**COMPETITION** The Swedish companies Fastighets AB Brostaden and Bengt Dahlgren AB have been awarded the 2010 European Green Building Award. This year, 13 companies are allocated the award across five categories. Fastighets AB Brostaden has won the award as best Green Building Partner at company level, while Bengt Dahlgren AB has been awarded the prize as best Green Building support company.

#### **SHORT NEWS**

#### KLÖVERN LOSES BILLIONS TAX CASE

**LEGAL MATTERS** The Administrative Court of Appeal is not granting the listed property company Klövern exemption from just under five billion SEK in tax losses carried forward. It all originates from the time when the company ran IT operations.

"It's regrettable that the Administrative Court of Appeal is choosing to back the Tax Agency, although the verdict will not lead to any changes where our day-to-day operations are concerned," says Klövern's MD, Gustaf Hermelin.

Klövern is considering appealing against the Administrative Court of Appeal's verdict.

#### **VASALLEN MAKES SALES WORTH BILLIONS**

TRANSACTIONS Vasallen is selling a large part of its portfolio. The purchase price amounts to I 1.15 billion SEK.

Hemsö is a company that is jointly owned with the Third National Pension Fund, and through which Kungsleden is buying four public properties that are divided among 38 buildings for a total purchase price of around 1.15 billion SEK for a direct yield of around 7.5 per cent. The total rental value is around 125 million SEK. The sales have been implemented with the support of the financial consultant Pangea Property

#### **BOULTBEE SELLS FOR 1.4 BILLION**

TRANSACTIONS Boultbee is selling three Swedish shopping centres to one and the same buyer for just over 1.4 billion SEK.

The sale is facilitating new investments in the Nordic countries and the rest of northern Europe.

"We've achieved the goals of our business plans and this sale gives us the opportunity to actively seek new investment possibilities in northern Europe," says Steve Boultbee Brooks, chairperson of Boultbee.

The buyer is the property company Diligentia.

#### **SEB BUYS PROPERTIES WORTH BILLIONS IN LONDON**

TRANSACTIONS The Swedish bank SEB has bought the Condor House office building in London from the Evans Randall Group for the equivalent of almost 1.3 billion SEK.

SEB is buying the property through its SEB Immo Portfolio Target Return fund. Condor House, which is eight storeys high, was completely renovated in 2005 and has 12 221 m2 leasable floor space.

#### SWEDEN'S FIRST OFFICES WITH **PASSIVE BUILDING TECHNOLOGY**

BYGG NCC Construction Sverige is building a new control room/office for Preemraff in Gothenburg. The aim is for the building to be certified as a passive building when it is ready.

The control room (which will be a 2 400 m2 explosionproof office building) will monitor the processing of crude oil into LPG, petrol, diesel and firing oil. The order is worth 40 million SEK to NCC.

# [ Close-up by Eddie Ekberg ]

#### **LIKES ITALIAN FOOD**

Name: Rutger Hans Jarl Arnhult.

Family: Wife and three children, one boy and

two girls.

Residence: House in Stockholm and summer

house in Båstad.

Favourite food and drink: Italian with a good

Amarone wine. Car: BMW. Earns: Well.

Hobbies: Running, skiing and golf. Watches on TV: News and sometimes a

detective story.

Reads: Has just read The Last Templar by

Raymond Khoury.

Bonus info: Is good at table tennis.

#### **COREM PROPERTY GROUP AB...**

... is a property company that owns and manages properties in central and southern Sweden and in Denmark. Today, Corem has property holdings consisting mainly of industrial, warehouse and logistics properties. The total property value on 30 June 2010 is around 4.8 billion SEK. The Corem share is listed on the Nasdaq OMX in Stockholm.

FLAIR FOR BUSINESS. Rutger Arnhult concluded his first shares deal at the age of twelve and his first property deal when he was 20. He has a genuine passion for business and many people describe him as a very competent negotiator.

The stock exchange MD who is as happy in training shoes as he is in smart shoes





WINNER. Rutger Arnhult has loads of sailing prizes from SM, NM and VM. He has run the Stockholm Marathon in under three hours and is brilliant at table tennis. Hardly surprising that he is also a winner where property deals are concerned - he does not let go of a deal until he has brought it to a successful closure. However, he has also learned to deal with adversity and make progress.

He did his first business deals at the tender age of twelve and his first property deal at the age of 20. Today, he is a stock exchange MD and the owner of the M2 Group with properties worth around 4.5 billion SEK. Meet winner Rutger Arnhult – a man who thinks nothing of running a mile in his lunch break to then sit down at the negotiation table.

hen we meet Corem's MD, he has just returned from his holiday. He still has some of the suntan he picked up in Italy and Båstad. He looks relaxed, even though he was not exactly idle during the summer. He has kept things rolling from his summer house in Båstad with the help of the Internet and, his favourite gadget, the mobile phone.

"Mind you, during the week in Italy I turned everything off and was completely relaxed. That was great, and the rest of the family thought so to."

Rutger Arnhult speaks quickly but clearly. He gives a selfassured yet humble impression. Rumour has it that he is a very good negotiator. Some people have called him arrogant; that is probably a classic symptom of jealousy. Rutger Arnhult is nothing other than a hard-working MD who has created his empire himself and who loves property deals.

#### What is Corem's strategy in the near future?

"The company will continue to grow. We've grown by 2.5 billion SEK during the first 2 1/2 years, and I believe we can achieve an equivalent development over the next 2 ½ years."

#### What are your private property investments?

"Those are the properties I have in the M2 Group. It's a fairly large holding of around 4 500 apartments to a value of between four and five billion SEK. The M2 Group also played an essential part in the listings of Din Bostad and I love my job Corem."

#### What are the important considerations to achieve a sound property market development?

"The single most important thing overall to keep the property market on track is for the banks to function. We've seen that at close quarters very recently."

#### How much work do you do?

"I'm always working, apart from when I pick up my children from school. Then I turn off my mobile. The children hate it. Otherwise, it can be said that my work and private life grow together. That's nothing unusual for me. I love my job and am passionate about what I do. Had that not been the case, I would've done something else such as continued with my sailing."

and am passionate

about what I do.

#### 

"It was going pretty well. I was in the national sailing team for several years and have several medals from Swedish, Nordic and World Championships."

#### Is your sporting background of any use in your work?

"In the context of a competition you have to focus on your goal, and it's the same in business. You have to be able to focus on what you're going to do and be stubborn and persistent. Missing a training session now and then isn't on since that's when you stop winning competitions. It's a bit like that in a business context. Another important thing is that I've learned to deal with adversity and make progress."

#### THREE OPINIONS ON RUTGER ARNHULT



#### Erik Selin, Balder

"He's a real character who stands out. He's razor sharp and can master most of the different sections in the property industry. He started from zero and has built up what he has today, and that's impressive. He's always positive and open to new suggestions as well. You never see Rutger with sad expressions on his face."



#### Sven-Olof Johansson, Fastpartner

"I like Rutger. He brings a wonderful enthusiasm to his deals. He also has a slightly unconventional way of looking at deals, which I think is good. He also has great knowledge and a broad contact base, not to mention from his time



#### Erik Paulsson, Backahill

"Rutger came to the fore as a young, well-educated economist and was an extremely competent analyst. He then saw opportunities to earn money from properties, which he has done in an extraordinary way. He's also tongue in cheek and I think he's a very pleasant person."

### 7 QUICK QUESTIONS

- 1. Where do you make your best decisions, at the office or elsewhere? "While running."
- 2. You obtain 100 million SEK and have to invest them right away - what do you do?
- "I buy shares in Corem, half of them ordinary shares and half of them preference shares."
- 3. Who keeps your finances in order? "The M2 Group handles my finances."
- 4. What does it take to become successful?

"You accept the person you are and focus on what you enjoy doing."

- 5. If you were omnipotent for a day, what would be the first thing you changed?
- "Oh goodness all sorts of things environmental degradation, abuse, oppression and
- 6. What has been your best purchase?

"A housing stock of 440 apartments in Johanneshov in 2001, which I bought for a few hundred million SEK. It's worth triple that amount today. I still have it."

#### 7. What has been your worst purchase?

"Shares in HQ Bank two weeks before the crash. I came out the other side but it was a very poor deal."





DnB NOR Bank ASA

If you see the Nordic region as a single market, you need a financial partner that does the same.

The DnBNOR Group is one of the largest financial services groups of the Nordic region. DnBNOR is the leading real estate bank in Norway and with 15 years of local presence and experience in Sweden. For more information contact the Real Estate Team in Stockholm + 46 8 473 41 00.





#### CONSULTANTS

#### Hestia



Hestia is the first property management company in Sweden to combine competence, openness and

flexibility. We explain openly how we work and we are always prepared to change our way of delivering services, when the customers needs

Examples of Hestia customers are Dagon, JP Morgan, Barclays Bank, Jones Lang LaSalle, Colliers and Newsec. Hestia today delivers services in 22 towns and cities in Scandinavia from Vojens in Southern Denmark to Örnsköldsvik in Northern Sweden.

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## ESTIA

#### DT7



Agneta Jacobsson

DTZ is a leading real estate adviser with a team of over 10,000 people operating under the brand across 148 cities in 43

countries providing solutions for occupiers, investors and developers, listed on the London Stock Exchange since 1987. In Sweden, 80 persons in 4 offices deliver valuation, capital markets, retail, agency, consultancy and research, and occupier/tenant services. The company has received multiple awards, such as ranked No 1 in Valuation in 2009 for the fifth year in a row by Euromoney Magazine. The managing director was named

Real Estate Woman of the Year by Fastighetsägarna Stockholm and one of Sweden's leading business women by Veckans Affärer. And it was ranked best workplace for Camaraderie in 2007 by Great Places to Work. The Swedish management team is Agneta Jacobsson, MD; Jan Rosengren, Head of Consulting & Research;

Fredrik Lidjan, Head of Capital Markets: Sven Erik Hugosson, Head of Valuation; Maria Krumlinde, Head of Office Agency; Kevin Havill, Head of Retail Services; Thomas Källström, Head of Occupier Services.

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Catella



Catella is the leading provider of advisory services on the Swedish market as regards property transactions and

property-related services within equity capital markets, financing and restructuring. We provide all of the expertise required for implementing complicated transactions and we are said to be innovative as well as being able to provide both a deep and broad knowledge base. Our fifty-strong staff is based in Stockholm, Gothenburg and Malmö. In Sweden the Catella Corporate Finance property team is lead by Thomas Persson. Recently completed deals include the sale of Paradiset 29 in Stockholm for 842 MSEK, equity raising of 2,350 MSEK for Hemfosa and Roxanne, the restructuring of Landic VIII and the sale and conversion of 446 apartments worth 575 MSEK for Signalisten in Solna.

Since the beginning of 2008 Catella has in Sweden acted as advisor in more than 180 property transactions with a total underlying property value exceeding EUR 8.7 bn.

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#### **Aeternum & Partners**



Marcus H-son Lindfors

Aeternum & **Partners** discretely brings together vendors and purchasers. Many years of experience from property

management as well as transactions has given us a solid network of key persons in the market both in Sweden and Internationally. Aeternum & Partners are represented with office both in Malmö and in Stockolm, but are able to provide our services throughout all of Europe. Please contact us about how we exclusively and effectively can be at vour service.

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AETERNUM & PARTNERS

#### Newsec



Marie Rucht

Newsec is The **Full Service Property House** in Northern Europe with over 20 offices in 8 countries. Newsec offers

services to property investors as well

as corporate clients who lease or own premises for their own use. The company has over 700 professionals and has recently been advisors in transaction deals with a value of over 9 billion euro. Annually they valuate properties for more than 65 billion euro and manage over 1000 properties with a total value of 10 billion euro. In addition to that they have an international network of about 6000 consultants all over the world. This makes them the only Full Service Property House in northern Europe, and gives them a unique capability to predict the future.

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#### Jones Lang LaSalle



Charlotte Strömberg

In the Nordic region and worldwide Jones Lang LaSalle is one of the leading real estate advisors, with specialists

offering strategic services to owners, investors and occupiers. Jones Lang LaSalle unites a strong local presence with world-class knowledge of both the Swedish and international property markets and offers a whole range of high-quality property services, including Capital Markets, Leasing, Corporate Solutions/Tenant Representation, Retail development, Analyses, Valuation and Asset/ Property Management. To give some examples, the firm manages 1.2 million square metres of property in Sweden, of which 700.000 square metres is retail property and shopping centres bringing 'Best in Class' management standards

# This is the Swedish Real Estate industry

including the latest thinking on sustainability and environmental management issues. Jones Lang LaSalle manages sizeable office properties in all major metropolitan areas in Sweden, and is also one of Sweden's most experienced and capable retail property consultancies with full country coverage. The firm is frequently engaged by owners and occupiers as advisor in transactions. With its local specialist and international network, Jones Lang LaSalle draws on its vast transactional experience and powerful analytical tools to ensure that real estate players are always one step ahead of the markets. In the Nordic region, Jones Lang LaSalle has offices in Stockholm, Gothenburg and Helsinki and work closely in collaboration with market leading partners in Norway and Denmark. The Nordic region is headed by Charlotte Strömberg.

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JONES LANG LaSalle\*

Real value in a changing world

#### **Colliers International**



Colliers International is one of the world's largest property consultants present in 61 countries, with

293 offices. In Sweden they have offices in Stockholm, Göteborg and Malmö with about 40 property advisors engaged in increasing value for investors, property owners and tenants in the commercial property market. Colliers International AB is owned by Colliers Hans Vestergaard A/S in Denmark. Colliers specialises in commercial properties and premises in the retail, office, residential and logistics & industrial markets. Their business areas are transaction, tenant ownership conversion, development & leasing, asset management and retail tenant representation. The business areas work closely together and offer expertise with local depth and global breadth. In order to guarantee our clients impartial advice they work independently of banks and credit institutions. During 2009 Colliers started a new business area in tenant ownership conversion. They

offer property owners a unique tool that guarantees the best price for ownership conversions. With many years of knowledge within this area Colliers successfully completed a number of assignments during the year. Colliers also started several new asset management projects, for example an industry portfolio for NIAM and a mixed portfolio for Schroders. Also, in cooperation with the well-known property valuator Alf E Johansson, Colliers now offers property valuation and property analysis.

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#### **NAI Svefa**



Lennart Weiss

NAI Svefa is one of Sweden's leading property consultants with 17 offices throughout the country. Through membership in

NAI Global (consisting of 8000 professionals working out of 350 offices in 55 countries throughout the world), NAI Svefa can also offer a vast array of services on the international property market. Over the past few years NAI Svefa has widened their activity and offer today a broad range of consultancy services on the real estate market. NAI Svefa consists of approximately 130 employees and the Operating Managers are: Lennart Weiss (CEO), Mikael Holmström (Transactions), Lars Haag (Valuation&Analysis), Marianne Carlbring (Property Development), Peter Möller (Digital Services).

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#### NIRAS



With approximately 1,300 employees NIRAS is one of northern Europe's leading consultancies in

property, infrastructure and the environment, with operations in Denmark, Sweden, Poland, Estonia and Finland, In Sweden, NIRAS has around 150 employees in five locations - Stockholm, Gothenburg, Malmö, Norrköping, Linköping and Uppsala. The company has sales of just over € 120 million. The NIRAS mission in Sweden is to create long-term profitability for property owners, investors and tenants through strategic consulting, active project management and environmental expertise. NIRAS in Sweden also offers a wide range of consultancy services in environmental and climate fields. Today NIRAS in Sweden works with all kinds of players in the northern European property market. Our customers include small to medium-sized companies, publicly listed companies, banks and retailers with operations in Sweden or abroad. Our customer list also covers the public sector and includes authorities, municipalities and county councils. NIRAS has become a principal player in the field of integrated consultancy services for property owners, investors and tenants.

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#### **Aberdeen Property Investors**



Aberdeen Asset Management is an independent asset management group, which has been listed on the London Stock

Exchange since 1991. The Company was originally founded in Aberdeen, Scotland in 1983. The Group has 31 offices in 24 countries and over 1,800 staff located around the world. Aberdeen invests worldwide on behalf of clients globally across the four major asset classes of alternatives, equities, fixed income and property. Today the Company has assets under management of €191.6 billion\* (£170.9 bn). In property alone, Aberdeen manages some €25.8 billion\* (£ 23.1 bn) of assets in Europe, Asia and North America through property funds and separate account mandates. Clients are solely third party clients and primarily institutional investors. They are served by some

390 property professionals at offices in 13 European countries, and in Singapore. We provide domestic and international investment exposure to property by offering a wide range of investment products and services. These are all supported by rigorous investment processes, independent inhouse research and local active management.

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#### ISS



Anders Borgaren

**Property owners** and investors seeking new investments, in the Nordic countries, can turn to ISS and get ONE single

point of contact and a homogenous way of reporting the activities. ISS offer scalable solutions that help the investors to move fast on the market. ISS can, as the largest property manager (>32 million sqm) in the Nordic region, provide a long list of services that help the investors to reach their goal to optimize the yield. ISS services range from high end services as asset management and project management, real estate law, letting and due diligence to accounting, building and technical service. The services can be combined in order to fit the needs of the customers. From single services or as a complete solution focused on resource optimization.

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#### Angermann Investment Advisory



Fredrik Östberg

Since 1953, Angermann has been consistently focused on the needs and requirements of major investors, industry and the

medium-sized enterprise sector. Angermann operates within the segments real estate advisory services, investment banking. management consultancy and machinery & equipment. Real estate advisory services include property transactions, valuation & advisory, project development, real estate marketing, letting and strategic advisory. Headquarters of the Angermann-Group is Hamburg. Further locations are Berlin, Hanover, Stuttgart, Prague and Stockholm. The office in Stockholm was opened during spring 2009 and focus on property transaction services. The team offers full range advisory services within all property types, comprehensively supporting and maximising the returns for property owners and investors. The Swedish management team consists of Fredrik Östberg and Knut Waltré.

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# ANGERMANN

**Cushman & Wakefield** 



Maanus Lanae

Cushman & Wakefield assist clients in every stage of the real estate process, representing them in the buying, selling,

financing, leasing, managing and valuing of assets, and providing strategic planning and research, portfolio analysis, site selection and space location, among many other advisory services. By continually seeing past the immediate "deal" and instead determining the highest and best use of property in every situation, in every corner of the world, they provide the greatest maximum opportunity for owners, occupiers, and investors, as well as their communities and society as a whole.

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#### **Tenzing**



Tenzing is a top-ranked advisory firm specialized in significant property and capital market transactions.

Tenzing's business concept is to generate, and assist in the completion of, transactions in the Nordic property and capital markets. Tenzing represents a wall-to-wall assortment of expertise, meaning that we offer all types of transaction advise in the range from stock exchange operations to disposal of single properties - and always with the goal to deliver the best solutions for our clients. They have gathered a team of 20 people with passion for the property business. Tenzing has 12 active partners with professional and complementary backgrounds. They are convinced that through this structure their clients will receive the highest possible drive, management and commitment. Clients are major Nordic and non-Nordic institutional investors, funds, public and private property companies as well as construction companies.

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#### ENZING

#### **Nordier Property Advisors**



Andreas Öberg Eneskjöld

**Nordier Property** Advisors is part of the Nordier Property Group and was founded during 2008. The company's senior partners all have extensive

experience from Sweden's real estate market. Nordier Property Advisors offer high quality services within the real estate advisory business including Transaction, Valuation, Leasing and Investment Advisory services. In close cooperation with their largest owner the Investment Bank ABG Sundal Collier, they also provide one of the Nordic Region's most qualified Investment banking and Corporate Finance services. The Partners and members of the board have completed real estate transactions to a volume of more than FUR 10 bn and have carried out real estate valuations to a volume of

more than EUR 40 bn. During 2009 Nordier Property advisors were exclusive advisors in the disposal of 35 assets and performed ca 1000 valuations of Assets. Nordier Property Group is lead by MD Andreas Öberg Eneskjöld.

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#### **Pangea Property Partners**



Pangea Property Partners is an independent full-service Nordic corporate finance/advisory firm focusing on the property

sector. The company currently covers the Nordics from offices in Stockholm and Oslo. Employees have a variety of backgrounds (finance, law, economics and engineering) all being experience from the property sector in various roles. Pangea Property Partners offers clients genuine and proven transaction skills combined with in-depth commercial expertise (investor network, placing power and negotiation skills). The Nordics is their home market, but their customers are located all over the world. The company's assignments are primarily within property transactions and -development, strategic advice and financial advise (including IPOs, restructuring, equity capital market and debt capital markets).

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#### **Omniagruppen**



Omniagruppen Real Estate Management is an innovative actor within the Nordic real estate business, Given our local

approach, we create business success by developing and optimizing commercial real estate values. We specialize in real estate management and we have developed shopping centers and retail parks all around

Sweden for nearly twenty years. We have four business areas which are Commercial development, Business management, Property management and Business development and financial services. We create value for the property owner by building customer value, store value, and real estate value. Today we manage 170 properties, for swedish and international owners, with an total area of more than 950.000 sq.m. The highly professional team at Omniagruppen is led by Managing Director Anders B Lundh.

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#### **Tenant & Partner**



Torbiörn Eriksson

Tenant & Partner is the tenant's dedicated representative. Our ambition is to help clients minimise the costs of their

premises while maximizing the benefits and returns. We are market leading in the field with a broad offering from all-inclusive solutions to individual services. Tenant & Partner has offices in Stockholm and Gothenburg, but operate throughout Sweden. We can also help our clients overseas via our membership in ONCOR International, one of the world's largest networks for real estate.

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TENANT & PARTNER

#### **AGL**



Linus Ericsson

Since 1994, AGL has been an advisory partner to more than 100 real estate companies in the Nordic region in financing and |>

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inancial risk management. Today we are 20 consultants in Stockholm, Malmö and Copenhagen advising more than 60 clients on a regular

The key to a success for our clients is to adopt a structured approach to financing and risk management. AGL offers services in the entire service chain. We assist with strategic advice as well as the operative implementation. Our advice is always based of the conditions relevant in each individual case. To ensure that best value is achieved we support our clients with ongoing analysis, reporting and benchmarking of their debt and derivative portfolios.

Our independence, strong access to local financial markets and use of real time market information ensure that our clients achieve the best financial solutions available

AGL is authorised to engage in securities operations in accordance with the Financial Markets Act and under the supervision of the Swedish Financial Supervisory Authority.

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#### **Pandomus**



Charlotte Lahaiie Hultman

Pandomus is a Luxemboura based service company, which offers high-end & exhaustive Luxemboura company and fund administra-

tive services for, among others, real estate and private equity clients. The service offering includes company and fund set-ups, domiciliation, directorship, corporate & secretarial and accounting services. Pandomus is owned by resident and active partners and does not have any link with law firms, tax advisors, asset managers or banks. The client base includes listed multinational companies, real estate companies, private equity firms, venture capital firms and high net worth individuals. Pandomus has a Nordic Desk which provides tailor-made services for Nordic clients and international clients investing into the Nordic region. Our Nordic staff speaks the client's language and understands the Nordic culture - ensuring quality

services with a proactive approach. The Nordic desk is headed by Mrs. Charlotte Lahaije-Hultman, and comprises two more Nordic nationals.

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#### Ferax Fastighetskonsult



Along with Ferax Projektstyrning, Ferax Fastighetskonsult offers complete support for property owners and companies

who are seeking premises. Ferax has substantial experience with many years on the property market and understands better than most the property owner's situation and driving forces. Over the years, Ferax has implemented a very large number of leases, and this has also given the company a perspective on the way in which companies searching for premises reason and prioritise. Ferax works on the basis of the following motto: A good transaction has two satisfied parties. Contact us and we'll be pleased to prove it.

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### **CONSULTANT** – RETAIL

#### Centrumutveckling



Centrumutveckling is property development consultancy company for shopping centres with the longest experience in the

Nordic region, with 40 years in the business. Centrumutveckling work from initial concept to project completion with total project management, concept development, market analysis, letting, architecture, design and administration. They are

also a management and specialist consultant that can contribute with their considerable specialist expertise in sub-projects, and offer investment advice when buying and selling shopping centres. Centrumutveckling have a staff of 20 specialists including the management team of Monica Bruvik and Håkan Karlsson. Centrumutveckling s head office is in Stockholm with a branch in Gothenburg. Since 1969 Centrumutveckling has worked with 500 shopping centre projects in 17 countries.

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#### CENTRUMUTVECKLING

#### **NCM Development**



NCM Development has over 40 years' experience of retailing and shopping centre development and management. We are 40

consultants active in the Scandinavian market, with companies in Sweden and Norway and network offices in Denmark and Finland. NCM Development helps investors and property owners in all stages. from advisory services, concept and strategy to the execution of development projects and various types of administration. We have specialist competence in six business areas: Property Advice, Development Consultancy, Asset Management, Leasing and Tenant Representation. Swedish management team: Lars Toll (MD, Asset Management) Christer Larsson (Property Advice), Stefan Lindqvist (Development Consultancy), Marie Hallberg (Leasing) and Anders Einar (Tenant Representation).

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#### ncm · Development

#### RSD Retail & Shopping Centre **Development AB**



**RSD** assists property owners with strategic consultancy for the succesful and secure asset management of retail properties.

They focus on creating Retail experience to optimize the value of the property. RSD illuminate the hidden values with project developments. RSD have a staff of 10 persons and are currently invoved in a recruiting process for all their ongoing projects. The leading consultants at RSD is Anders Ekwall and Eva Hanslin. RSD assists property owners with analyse, implementation, management and transactions.

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### **AUDITING BUREAUS**

#### Deloitte



Andreas Adolphsson

Deloitte is one of Sweden's leading professional services firms, employing 1 000 people in 30 offices throughout

Sweden. Deloitte deliver world-class assurance and advisory, tax, and consulting services. Some of Deloittes prominent advisors are Joachim Agrell, Eva Lindberg and Andreas Adolphsson, Deloittes turnover concerning the real estate market last year was approximately 100 millions Swedish kronor. Deloittes largest real estate clients include among others Akademiska Hus, Atrium Ljungberg, Fabege, GE Real Estate, Vasakronan and Wihlborgs.

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Deloitte.

#### **Svalner**



providing corporate clients with high end tax advice. The

Svalner Skatt & Transaktion is a

tax advisory firm

services are

focused on transaction tax services, e.g. purchase/vendor tax due diligences, and tax structuring. Some of Syalner's prominent advisors within the real estate sector is Jan Kleerup, Hans Tegnander and Viktor Sandberg. Svalner is considered as one of the leading tax advisory firms in Sweden. As a member of the WTS Alliance, an international cooperation of independent tax firms, cross border assignments form an integral part of the range of services offered.

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**SVALNER** SKATT & TRANSAKTION

#### **KPMG**



KPMG Sweden is one of the leading professional services firms in the area of financial information.

KPMG is a global network of professional firms providing Audit, Tax and Advisory services. KPMG operate in 146 countries and have 140,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with **KPMG International Cooperative** ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

In Sweden they are 1500 co-workers at 60 offices spread throughout the country. KPMG Sweden's long lasting and strong presence in the real estate industry is manifested by the fact that KPMG audit major Swedish property companies such as Castellum, Hufvudstaden, Kungsleden and Stena Fastigheter and service a number

of leading international investors such as Aberdeen Property Investors, Union Investment and GE Real Estate. During 2010 KPMG Sweden also advised a number of leading domestic and international real estate investors on transaction-oriented issues. The global KPMG Real Estate network provides instant access to the most current information on important international industry development issues such as the development of REIT regimes and the evolving property derivatives markets.

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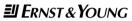
**Ernst & Young, Real Estate** 



Ernst & Young is a global leader in assurance, tax, transactions and advisory services, worldwide 144

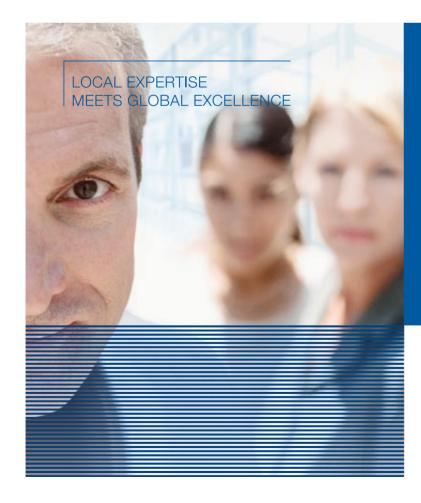
ooo people. Their special industry group focused on real estate, construction and infrastructure embraces more than 6 000 specialists in a seamless organization globally and 300 of them in the Nordic countries. Their services include real estate strategy, analysis and valuation, transaction advice, real estate administration, risk management, corporate real estate, infrastructure advice (PPP), sustainability, due diligence, audit and assurance, financial reporting and property tax, VAT and income tax for real estate businesses.

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Aareal Bank Group

# This is the Swedish Real Estate industry

#### **□ LEGAL FIRMS**

#### **Mannheimer Swartling**



Mannheimer Swartling has the ambition to be the leading firm as regards real estate transactions and related legal issues in

Sweden. By gathering more than 40 lawyers in the real estate group, we provide a combined knowledge of all relevant legal areas, thereby giving our clients access to a team of lawyers with a clear focus on creating business value. The number of transactions we advise on year after year is a guarantee that the lawyers are updated on all the latest developments and challenges in the Swedish real estate market. We also have a strong presence in other European real estate markets, such as the German and the Russian markets. Our client base include major real estate companies, real estate developers, real estate funds and financial owners, states, municipalities and many more. The real estate group is lead by Jesper Prytz (Göteborg, chairman of the group), Klas Wennström (Stockholm) and Johan Granehult (Malmö). During 2009 Mannheimer Swartling advised on real estate transactions to a value of SEK 29 billion, and was listed as the number 1 legal advisor based on transactions.

Two high-profile transactions 2009: 1) Mannheimer Swartling is advising the Stockholm County Council (Stockholms Läns Landsting) in the SEK 14 billion New Karolinska Hospital project a development of a new ultra-modern hospital in Stockholm. This is one of the largest projects ever undertaken by the Stockholm County Council and the largest ongoing property development in Sweden. The responsible partner is Jan Kansmark, who is assisted by Louise Widén, Johan Granehult and Magnus Josefsson

2) Mannheimer Swartling has advised Norrporten in connection with its acquisition of the Flat Iron Building, an ongoing office project in Stockholm, from Skanska for SEK 850 million. The acquisition of the Flat Iron Building, which comprises about 13,400 square meters of modern office space, is the first step in Norrporten's establishment in the Swedish capital. Norrporten is a leading Swedish real estate company. The group owns

over 100 properties along Northern Europe's primary transportation corridor connecting Gemany, Denmark and Sweden. Mannheimer Swartling's team handling the matter was led by Jesper Prytz

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#### Glimstedt



office of Glimstedt, led by managing partner Jan Litborn, has specialized in real estate transac

The Stockholm

tions since many years and that makes Glimstedt one of the foremost and dependable firms in this area of practice

The legal firm Glimstedt is, with its fourteen offices in Sweden, the Baltic State and Belarus, proudly one of the leading business law firms in Sweden. Their overall objective being to continuously supply their clients with appropriate and efficient advice based on the client's specific needs in order to arrive at constructive and useful solutions, leading to successful business deals.

Glimstedt has a total of 250 employees including 30 specializing within the real estate area.

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**GLIMSTEDT** 

#### Lindahl



Lindahl has more than 300 employees in six offices in Sweden. During 2009, Lindahl merged with RydinCarlsten.

creating a leading law firm in Sweden. The real estate team of Lindahl consists of more than 40 lawyers. The real estate team is headed by partner Jörgen Sandquist

(Stockholm), partner Per Bäcklund (Gothenburg) and partner Staffan Brandt (Malmö). Lindahl has established itself as one of the ton three-four firms on the Swedish real estate market, advising during 2009 in transactions with a total transaction value of more than SEK 14 billion. Among these transactions are the purchase by Invesco of Lindhagens Centrum, the sale by RBS Nordic Renting of the Royal Viking Hotel in Stockholm, the sale by Internationales Immobilien-Institut of Centralhuset in Gothenburg and the sale and purchase by NCC Property Development of the Ullevi Park project in Gothenburg (other party Vasakronan), In addition, Lindahl advises international banks, such as Aareal Bank and Deutsche Pfandbriefbank, on a regular basis. Lindahl has also advised in several real estate reconstructions. The firm's success is believed to be based on closeness to the business, with vast industry knowledge and experience, in combination with the full service concept. Lindahl takes pride in providing not only top quality services within transactional work, but also to provide genuine expertise in fields such as lease law, asset and property management, construction law and environmental law.

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#### Grönberg Advokatbyrå



specializes in business and commercial law and are highly experienced with the legal intricacies of

developing and financing properties. Grönberg regularly assist domestic and international clients in property transactions and, where necessary, in related disputes. Property matters often have M&A and financial dimensions, Grönberg's specialists within these areas can provide both the advice and the actions required by the clients. Examples of recent transactions in which Grönberg has advised, are the sale of a property

portfolio from a major retail chain, the acquisition of ground followed by the development and sale of a retail park in greater Stockholm. Grönberg is also highly specialized in handling property related insolvency issues and recently assisted in the financial re-construction of Russian Real Estate Investment Company AB ("Ruric") as administrator and the ongoing liquidation and sale of the Landic VII portfolio.

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# gronberg

#### Vinge



Vinge's property and environmental law group is considered one of the most prominent in Sweden and is consistently

ranked in the top tier in international as well as national surveys, such as Chambers, Legal 500 and PLC Which Lawyer?. Their clients include Swedish and international property companies, traditional industrial companies and governmental authorities. They also represent several international investment funds, financial institutions, rating agencies and others. Vinge have a total of 330 lawyers, with around 30 being specialised in the property and environment field. The leading lawyers of this group are Stefan de Hevesy and Patrick Forslund. During the last year Vinge has acted for GE Real Estate (Sweden) AB on the establishment of and investment in Roxanne Fastighetsfond, KLP Fiendom on the acquisition of Hotel Royal Viking in Stockholm, Balticgruppen AB on the sale to and the establishment of a joint venture with Västerbottens-Kuriren, LB Immo Invest GmbH on the acquisition of a Coop hypermarket from NCC, in addition to a host of other premium mandates.

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#### Cederquist



Cederquist is a leading business law firm in Sweden and is consistently acknowledged as being a top tier legal service

provider. The firm comprises approximately 80 lawyers, of whom about a dozen constitutes the commercial real estate practice. As in the rest of the world the real estate transaction market in Sweden has drastically decreased in transaction volume during the last year. Cederquist has however maintained its position in the market and strengthened its position among institutional investors and within the domestic real estate market and has also broadened its practice to actors within the distressed market. Head of the practice is Erika Åslund. Over the past years, our dedicated real estate group has acted for a variety of domestic and international sellers and buyers of real estate in several of the largest and most complex property transactions in Sweden. We

also regularly act for lenders, borrowers, equity investors and also potential purchasers in restructurings and refinancing of public and private property companies facing financial difficulties.

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#### CEDERQUIST

#### **MAQS Law Firm**



dynamic full service firm within business law. Their integrated and tailored

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is a groundbrea-

teams provide concrete total solutions that develop and protect the business affairs of both Scandinavian and international companies. At MAQS there are more than 285 people working in Sweden, Denmark, Estonia, Latvia, Lithuania

and Poland. MAQS offices are located in Copenhagen, Gothenburg, Malmo, Stockholm, Tallinn, Riga, Vilnius and Warsaw. In Sweden there are 145 employees, with 90 of them certified lawyers. MAOS Law Firm is one of the top law firms in Sweden when it comes to advising in large and complex real estate transactions. Examples of recent transactions in which MAQS Law firm has advised are AP Fastigheter's acquisition of the Vasakronan Group, which is the largest real estate transaction in Sweden ever with a transaction value of approx. 4 billion Euros, and Fastighets AB Balder's acquisition on Din Bostad Sverige AB, with a transaction value of approx 550 million Euros.

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#### Kilpatrick Stockton Law Firm



The Stockholm office of the international law firm Kilpatrick Stockton continues to be a leading and trusted firm

within the real estate industry, providing services covering all legal aspects of property acquisitions, building projects, ownership, management and sales. With an experienced and dedicated real estate team Kilpatrick Stockton is instructed on a regular basis by national and international institutional investors, real estate companies and developers and municipalities. Kilpatrick Stockton pride themselves in staffing their project teams with experienced lawyers, who actively participate throughout the transaction process ensuring a high quality service. During 2009, the Stockholm office advised in closed transactions in the real estate market to a value of approx. SEK 12 billion, representing clients such as AXA IM, Credit Suisse, GE Real Estate, ING Real 🗵



ICA Fastigheter is one of the largest retail properties companies in Scandinavia. We own and lease 2.500.000 m2 of premises for ICA's operations and invest in new store construction both Sweden and Norway.

ICA Fastigheter is a wholly-owned subsidiary of ICA AB, the largest food retailer in Sweden. Our business concept is to offer purposebuilt, strategic business sites by developing, buying, selling and actively managing real estate. We offer premises to ICA-related companies and establish retail parks at the most attractive sites.

### Making every day a little easier





# This is the Swedish Real Estate industry

Estate, MEAG, Municipality of Stockholm, Niam Fund IV, RREEF Investment and Sveafastigheter.

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#### **Linklaters Law Firm**



Magnus Lidman

Linklaters is a law firm which specialises in advising the world's leading companies, financial institutions and governments

on their most challenging transactions and assignments. In the Nordics, Linklaters is the only leading global law firm with a significant presence. With 26 offices in major business and financial centres, we deliver an outstanding service to our clients in the Nordics or anywhere in the world. Linklaters' Nordic real estate group is top ranked in international directories Chambers and Legal 500 and has acted on some of the most complex deals recently in the Nordic market, e.g. advising Areim on the acquisition, development and divestment of a residential complex in Västermalmsstrand (224 apartments), Stockholm, advising Commerz Real, German open-ended fund manager, on the acquisition of a retail park in Stockholm-area, advising Valad Property Group on the negotiations of the asset and property management take-over of the entire Kefren Properties IX-group, formerly Landic IX (150 properties), advising Valad Property Group on the refinancing of a multicurrency term facility agreement for Nordic Aktiv Fund (NAPF I) in relation to a Scandinavian property portfolio comprising of assets in the Nordics as well as advising property funds managed by Valad Property Group on the divestments of properties in Sweden, advising Unibail-Rodamco in the development of Täby Centrum (the largest shopping centre in Sweden). Leading lawyers in Linklaters' Nordic office are partner Magnus Lidman and managing associate Mounir Tajiou.

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### Linklaters

#### **Ashurst Law Firm**



real estate

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firm with a leading global practice. The Stockholm office. with leading real

international law

estate lawyer Cecilia Tryselius, advises a number of listed and unlisted Swedish and international clients with real estate transactions. The real estate practice also includes legal advice regarding real estate finance, commercial leases and other rights of use as well as real estate management and real estate development issues. The office currently consists of 30 lawyers and specializes in corporate transactions, finance and real estate.

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#### Wistrand



Lennart Frnstson

Wistrand is a full-service law firm with a strong focus on M&A, corporate, real estate, dispute resolution, energy and environment and banking and

finance.

With a workforce of over 180 in Stockholm, Göteborg and Malmö, Wistrand is acknowledged as pre-eminent on the Swedish market. Solid support in the acquisition, ownership and transfer of real estate. Wistrand's real estate group truly excels is in their ability to advise domestic and international clients on transactions, due diligence and financing, construction and property development as well as commercial leases.

Headed up by Lennart Ernstson, Tommy Grönberg and Fredrik Råsberg, the real estate group in Stockholm has a client base ranging from listed real estate holdings, banks and financial players through to private investors.

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## WISTRAND

#### **Baker & McKenzie**



Jan Alexanderson

Baker & McKenzie Stockholm, part of one of the world's leading and most internationally diverse law firms with a unique

global perspective. Among their clients are many of the leading Swedish and international companies, banks and organisations, as well as public institutions. They are part of an extensive gobal law firm, linking with offices spanning six continents to provide their clients with a seamless combination of local and alobal expertise.

Baker & McKenzie Stockholm offers the benefit of working with local lawyers who have a strong international outlook, operating within an organisation with a distinctive, business friendly culture and a reputation for quality and commercial pragmatism across the world.

Their Global Real Estate Practice includes more than 175 locally experienced, globally knowledgeable lawyers familiar with all aspects of property development, sales, acquisitions, leases, property management and the provision of security in commercial, retail, industrial, residential and mixed-development markets.

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#### BAKER & MCKENZIE

#### Foven



Eva Westberg Persson

Foyens lawyers regularly assist in real estate transactions concerning individual property units as well as entire real estate companies

and large portfolios. They have a vast experience representing clients in substantive real estate transactions. which gives them knowledge and experience that is important also when assisting in matters regarding smaller objects.

Foven represent clients not only with acquisitions but also in restructuring real estate portfolios within corporate entities and groups of companies. The advice in such matters do not

only comprise agreement negotiations but also financial issues, service agreements, take-overs, employed staff, legal issues regarding tenancy rights, dealing with securities and mortgages, contracts with authorities etc. This makes Foyen a long-term valuable partner for improving real estate business.

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#### FOYEN

ADVOKATELRMA

#### **DLA Nordic**



Anders Malmström

**DLA Nordic is** one of the largest fullservice law firms in Sweden. The Stockholm office employs approximately 110 people, of

which 80 are lawyers. DLA Nordic provides a full range of services in commercial law, such as real estate, M&A, corporate, construction. banking and finance. DLA Nordic also has specialist lawyers in IT, intellectual property, tax, private equity, litigation, insurance, maritime and transport, EU and regulatory, insolvency and employment. The law firm is part of DLA Piper Group, an exclusive alliance of international law firms with over 4000 lawyers in 36 countries in Europe, USA, Asia, Australia, Africa and the Middle East. Consistently ranked as the world's top real estate practice by leading industry research firms, DLA Piper Group continues to diversify its real estate practice by expanding its global capabilities through the addition of leading practitioners throughout the world. With more than 550 real estate lawyers throughout the world, the firm provides a full range of transactional and advisory services to real estate-related firms, such as developers, investors, lenders and asset managers. The firm also provides advice relating to acquisitions, dispositions, financing, leasing, entitlements, economic incentives, corporate facilities and related legal services to its clients.

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\*lager - i.e. warehouse in Swedish



#### This is the Swedish Real Estate industry

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Hamilton is one of Sweden's leading full service law firms. Our real estate lawyers are specialized in and dedicated to

real estate law and the real estate business. We form flexible teams to ensure achieving highest quality and efficiency in all assignments Our clients include Swedish and foreign real estate companies, real estate funds, real estate management companies, construction companies and municipalities.

We have extensive experience of assignments in respect of, amongst others, acquisition and transfer of real estate and real estate companies, real estate financing, commercial tenancy issues, real estate development projects, construction works, environmental issues, issues concerning land parcelling and disputes related to real estate and construction work. In close co-operation with Hamilton's lawyers specialized within other business areas we are able to assist our clients in structural issues, capital funding and establishment of funds

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etc. related to real estate.

#### **Hamilton**

#### Trägårdh Advokatbyrå



Trägårdh Law Firm is an independent law firm specialized in Real Estate law, M&A and Insolvency law. We advise e.g. on

real estate transactions, corporate transactions, real estate investments, re-organizations and other real estate and corporate matters. In recent years, our lawyers have been involved in several of the major real estate transactions on the Swedish market. The firm's lawyers have long experience within our core areas and from major international law firms as well as from the private enterprise sector. Our office is located on Citykajen in the central business district of Malmoe and we focus mainly on the

market in southern Sweden. Our experience specialization and network together with our in-depth market knowledge enable us to provide the best possible legal service to our clients.

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Trägårdh ADVOKATBYRA

#### **ARCHITECTURAL FIRMS**

#### ON Arkitekter



Erik von Matern

**ON Arkitekter** was founded 2007 by architects Lars Westerberg and Erik von Matern. Today the company has 13 employees with

competence throughout the whole design process. ON Arkitekter work with: Commercial real estate, Housing and Infrastucture.

Through personal commitment and a transparent work-method their solutions add economical value in the architectural premium layer. ON Arkitekter work with clients who depends on great architectural solutions for the benefit of their own business.

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#### N ARKITEKTER

#### Tengbom



Tengbom is the third largest architectural firm in Scandinavia and employs 320 architects and architectural engineers at

offices in Stockholm, Gothenburg, Malmö, Helsingborg, Uppsala, Umeå and Kalmar, Founded in Stockholm 1906 by Ivar Tengbom the firm is one of the oldest architectural firms in

Tengbom offers a broad spectrum of services; architecture, urban planning, landscape architecture, interior design, building restoration and project management.

They have great experience dealing with complex schemes and solutions for a variety of clients with a wide array of architectural requirements in categories such as; education, health, sports, hotel & spa, offices, commercial, residential, infrastructure, landscape, urban planning, culture, industrial buildings.

Many of these clients are internationally renowned companies such as Astra Zeneca, Ericsson and Canon. Tengbom work also in conjunction with a large number of governmental institutions and authorities including amongst others the Foreign Ministry of Sweden. Tengbom has a strong international focus and has recently been involved in a series of complex architectural and urban planning projects in various parts of Europe, Africa and China.

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#### TENGBOM

#### White



Monica von Schmalensee

White is one of Scandinavia's leading architectural companies, with 500 employees in Sweden and Denmark. White has to its credit

also one of the strongest brands in the industry. The company is employee-owned and has a unique organization for developing ideas and know-how. Whites entire range of expertise includes architecture, urban planning and design, landscaping, interior design and environmental management in the processes of strategy, concept and production. A few of their recent projects are Stockholm Water Front - a new congressbuilding, the new university hospital at Karolinska, Stockholm, a new architecture school in Umeå, a new visitor centres by Vänern. They recently won a competition in Uleåborg, Finland. They are also in the winningteam in H+, a competion to create the Helsingborg of the future.

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#### **Equator Stockholm**



Equator is an architectural firm that combines regional as well as international experience with a strong business focus. The office

has a firm market position in the commercial and residential sectors. and is well-suited to manage complex large-scale and mixed-use projects. With a deep understanding of the conditions of the retail market and the requirements and expectations from investors as well as municipalities, Equator provides clients individual advice and ideas throughout the entire design and building process. With experienced, knowledgeable and creative employees coming from all parts of the world, Equator are well prepared to meet the demands of local as well as international clients. These unique qualities result in architecturally successful projects achieving commonly established goals while maximizing value for our clients. The office has a long history and expertise in working with sustainability in our projects. Recently, Equator completed Liljeholmstorget, a large mixed use project and the first LEED platinum certified project in Europe.

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QUATOR

#### LINK signatur



Linda Marend

LINK signatur AS is one of northern Europe's largest architect companies and with a unique alliance WSP

Sweden AB and Multiconsult AS in Norway, two large multidisciplinary companies, are shareholders in LINK, enabling LINK to offer complex and integrated consultancy services.

Cooperating with WSP and Multiconsult is a great opportunity to work in multidisciplinary teams. delivering edge competence in, for instance, the increasingly important fields of energy and climate. LINK signature AS has a unified staff of around 250 professionals in Sweden and Norway. The size of the company and depth of knowledge enables LINK to handle large scale, advanced projects, whilst the 14 regional offices also work independently on local markets. LINK combines large scale projects with fine detail work: from urban planning to interior design, from airports to kindergartens, from hospitals to residential and from general outlines to business relocation.

In Sweden, the company is called LINK architecture AB, delivering services within architecture, interior design, landscape design, master planning and urban design. The business has a special focus on advanced medical care, schools, residences, offices, interior design, urban planning and project management. The Swedish business including a staff of about 70, is located in 7 places; Stock-

holm, Umeå, Skellefteå, Lidköping, Falköping. Trollhättan and Strömstad.

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#### Scheiwiller Svensson Arkitektkontor



co - v

Ari Leinonen

We work – responsively, creatively, professionally and cost-effectively – with all aspects of architecture. From idea and

visualisation to implementation and follow-up from the exterior and surroundings of the building to its innermost parts. The span of our assignments is one of our greatest strengths. We see our work as a way of realising people's dreams of how they want to live, work, study, be cared for, shop, amuse themselves and move around in the city. We work with humanistic architec-

ture through our 40 or so employees devising solutions for people and their wellbeing. Scheiwiller Svensson is also involved in various projects relating both to research and to the further development of traditional mindsets in architecture. Our ADK fields of development cover Analysis, Design and Construction, which make for a long-term, sustainable working approach including a declared view of the future. We can also offer everything in the way of digital services through ssark medialab, qualified lighting consultation from Light Support, and heritage expertise.

Contact: Ari Leinonen +46 8 5060 1656 ari@ssark.se www.ssark.se



#### BANKS & CREDIT INSTITUTIONS

SBAB



er O Dahlstedt

SBAB, with its 365 employees, is wholly owned by the Swedish Government. The owner s mandate to SBAB is to act to ensure

diversity and competition in the Swedish residential mortgage market whilst obtaining a return on investment in line with market rates. SBAB's market share is about 10 percent within the mortgage market. SBAB also provides corporate clients with loans and credit facilities for the purpose of residential and commercial property financing. Per O. Dahlstedt, Head of Corporate Clients, manages a team of account managers, credit analysts, valuers and lawyers in Stockholm, Gothenburg and Malmö. The team offers specialized expertise, a lean and speedy organisation and tailor-made solutions to clients. SBAB has been instrumental in many of the  $\ oxedsymbol{oxed}$ 

## 

The leading real estate private equity firm in Northern Europe

#### This is the Swedish Real Estate industry

major Swedish property transactions completed in recent years. SBAB also offers competitive deposits to private individuals and corporate clients.

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#### **DnB NOR**



DnB NOR is Norway's largest financial services group with total assets comprising more than NOK 1,400 billion. The Group

includes the strong brands DnB NOR, Vital, Nordlandsbanken, Cresco, Postbanken, Salus Ansvar and Svensk Fastighetsförmedling. Sweden is defined as core market. DnB NOR have over 600 employees in Sweden alone covering the business areas: corporate customers, retail, banking, life and pensions insurance, asset management and leasing products. Ove Juvén is the Head of Real Estate Financing in Sweden.

Contact: Ove Juvén +46 473 41 00 ove.juven@dnbnor.se www.dnbnor.se

#### **DnBNOR**

#### SEB



SEB is a leading Northern European banking group and partner for corporations and financial institutions. Our

activities comprise banking services as well as life insurance operations. SEB's 20,000 employees serve more than five million private individuals and some 400,000 corporate customers and institutions in many parts of the world. The real estate market is becoming increasingly international. SEB has a considerable presence in Northern Europe, with real estate activities focused around the Nordic countries, Germany, Poland and the Baltics. SEB offers financing and other products to professional real estate clients in

SEB's home markets.

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#### CONSTRUCTION **COMPANY**

NCC



Robert Hägg

NCC is one of the leading construction and property development companies in the Nordic region. NCC had in 2009

sales of fully SEK 52 billion, with 18,000 employees. NCC Property Development develops and sells commercial properties in defined growth markets in the Nordic and Baltic regions.

Our extensive experience has resulted in a process where development and construction is faster, better and safer at a lower price, with environmental sustainability in focus. We see our offerings as strategic tools for our customers. The concept Future Office by NCC® is based on extensive studies and experiences of future workplaces and environments. The aim is to promote creativity and reduce stress, which among other things contribute to higher efficiency and fewer days of sick leave. We see environments and facilities as an investment - not as a cost!

Three years in a row, we have been awarded the best property developer in the Nordic countries by the international financial magazine Euromoney.

Contact: Robert Hägg robert.hagg@ncc.se +46 (0)8 585 523 72



#### Midroc Property Development



Midroc Property Development develops and manages commercial premises as well

with a variety of projects ranging from land acquisitions to finished property. Our portfolio currently includes just over 550 000 square meters of building rights for residential and commercial space to an assessed project value totalling SEK 12 billion. The property portfolio is centred in Stockholm and Skåne with the head office located in Malmö. Some current development projects include: 15 000 mg office premises in central Stockholm. 25 000 m2 office premises and 230 residences, Västra Hamnen in Malmö. 28 000 m2 store premises and residences, Malmö. 17 000 m2 exhibition hall and commercial premises and 200 residences in Hyllie, Malmö. 140 ooo m2 commercial premises, offices, hotel and residences, Lund. 1 300 residences, 30 000 m2 commercial and service premises, Kävlinge. 30 000 m2 hotel, residences, cinema complex, offices and store premises, Helsingborg. 12 000 m2 store premises and residences, Lomma.

as residential properties. We work

Contact: Magnus Skiöld +46 10 470 74 05 magnus.skiold@midroc.se mpd.midroc.se



#### Skanska



Jan Odelstam

Skanska is one of the world's leading project development and construction groups with expertise in construction,

development of commercial and residential projects and public-private partnerships. Based on its global green experience, Skanska aims to be the clients' first choice for Green solutions. The Group currently has 49,000 employees in selected home markets in Europe, in the US and Latin America. Headquartered in Stockholm, Sweden and listed on the Stockholm Stock Exchange, Skanska's sales in 2009 totaled SEK 137 billion. Skanska Commercial Development Nordic initiates and develops property projects in offices, logistics centers and retail warehouses. Office operations focus on the four large metropolitan regions in Sweden, the Copenhagen region in Denmark, Helsinki region in Finland and Oslo in Norway. The development of logistics centers and volume retail properties

is conducted in strategic locations in Sweden, Denmark, Finland and Norway.

Contact: Jan Odelstam jan.odelstam@skanska.se www.skanska.com

#### **SKANSKA**

#### OWNER/ **INVESTOR**

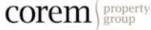
#### Corem



Corem is a listed property company that owns, manages and develops industrial. warehousing, logistics and

retail properties in central and southern Sweden and in Denmark. Our vision is to become the leading property company within these segments. Since the end of 2007/start of 2008, Corem has made acquisitions and supplementary investments worth a total of more than SEK 2 billion. The total property value amounts to around SEK 4.8 billion, with a leasable area of approximately 790 000 m2 divided among 128 properties. We are working actively to combine marketing management within our segments and, in time, to give a market-level yield. Corem has been listed on the NASDAQ OMX Stockholm Stock Exchange as a Small Cap company since June 2009 and has a market value of around SEK 2 billion.

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#### SveaReal



SveaReal is a real estate company that own and develop various types of properties located in the southern and

central parts of Sweden. Our properties are set to contain three various types of business activities: office, logistic and industry. The core of SveaReals business is based on knowledge, commitment and understanding of our customers needs. Through customing our properties we actively assist our customers to achive profitability and to improve their brand. We focus on logistic and warehouse facilities. All properties are situated close to major transport routes and we constantly develop our facilities to meet the requirements of modern logistic companies. SveaReal strive to create and develop logistic facilties of the future. SveaReal have currently over 600 customers, 79 estates and a total space amount of 736 000 m2. We want our customers to take pride in their workplace and to gain profitbility through our properties.

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#### Diligentia



Anders Kups

Diligentia, one of Sweden's largest real estate companies, develops, manages and rents properties throughout

Sweden's three growth regions: Stockholm, Gothenburg and Malmö. We focus on three distinct business areas - Office space, Retail/ Commercial properties and Residential buildings - each of which demands its own specialized knowledge and expertise. Though we run these business segments independently to accommodate their specialized demands, the end result is a unique combination of property portfolios that complement and balance one another. Our mission is to contribute to our commercial customers' husiness success and ensure a safe and comfortable living environment for all residential tenants. We supply about 1 300 000 m<sub>2</sub> lettable space, including offices and commercial properties as well as attractively situated flats. Our

expertise consists of 130 employees. Members of the management team are Anders Kupsu, Marita F Hellsten, Torbjörn Hugosson, Bo Jansson, Helena Lundborg, Sven Orefelt, Sven-Åke Persson, Markus Pfister and Michael Wessel.

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Fabege



hristian Harmalin

Fabege is one of Sweden's leading property companies focusing mainly on office premises and property

development. Fabege offers attractive and efficient premises, mainly offices but also retail and other premises. The company's operations are highly concentrated to a number of fastgrowing sub-markets in the Stockholm region, primarily the inner city of Stockholm, Solna and Hammarby sjöstad. Fabege manages a well positioned property portfolio that is continually being developed through improvement projects, sales and acquisitions. The concentration of properties to well contained clusters brings the company closer to its customers, which, coupled with Fabege's extensive local expertise, creates a solid foundation for efficient property management and high occupancy. At year-end 2009, Fabege owned 148 properties with a total market value of SEK 29.2bn. Rental revenues in 2009 were SEK 2.2bn. Fabege's shares are quoted on the Nasdaq **OMX Nordic Exchange Stockholm** in the Large Cap segment. CEO is Mr.Christian Hermelin and Mrs.Åsa Bergström holds the position as Deputy CEO and CFO. Fabege's vision is to be the most proactive, innovative and competent commercial property company in Stockholm as well as an important partner for its clients and society in general.

Contact: Christian Hermelin +46 8 555 148 25



**Pandomus** — a partner-owned Luxembourg based company, is offering high-quality corporate and accounting services to Real Estate structures, including:

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L-1511 Luxembourg

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Nordic Desk

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#### This is the Swedish Real Estate industry

christian.hermelin@fabege.se www.fabege.se

#### Klövern



Gustaf Hermelir

The listed property company Klövern shall with closeness and commitment meet the customer's needs

of premises and services in Swedish growth regions. Klövern's business model emphasises orientation toward the development of community strength. Klövern has a vision of creating the communities of tomorrow. Klövern's personnel work according to the motto of "making the customer's day easier every day". Klövern's ten business units ensure the day-to-day management of the properties. The market value of Klövern's properties was at the end of March 2010 SEK 12 billion and the company comprise a staff of 125 co-workers. Klövern's management team is headed by Gustaf Hermelin, Britt-Marie Einar, Hans Lindh, Thomas Nilsson, Elisabeth Norling, Mattias Rickardsson and PG Sabel.

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#### KLÖVERN

#### Kungsleden



Thomas Frséus

Kungsleden is a property company that is always open to new business opportunities regardless of the type of property

or its location. The deciding factor is high and stable returns, with risk diversification being a vital ingredient. Rather than being controlled by geography or property type, Kungsleden's ownership and management is controlled by the business opportunities the company sees in locations, buildings, premises and areas. Thanks to its committed and skilled professionals, Kungsleden produces valuable solutions for customers, which help create high and stable returns for the long term. Kungsleden's objective is always to operate close to the market

and see new patterns that can be developed to benefit customers and shareholders. End of March, 2010 Kungsleden had 556 properties with a booked value of 21,2 billion. Its growth property types are commercial properties, care properties, schools, retirement homes and modules. The management team is Thomas Erséus, Johan Risberg, Eskil Lindner, Göran Linder, Åke Theblin, Cecilia Gannedahl and Per Johansson.

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#### KUNGSLEDEN

möjligheternas fastighetsbolag

#### Castellum



Håkan Hellström

Castellum is one of the major listed real estate companies in Sweden operating solely in this sector. The real estate

portfolio is owned and managed by six subsidiaries with strong local presence in five growth regions. The Castellum share is registered on NASDAQ OMX Stockholm AB Large Cap. Castellum holds a real estate portfolio with a fair value of approx. SEK 30 billion and a total lettable area, commercial premises, of approx. 3.2 million square metres. Operations focus on cash flow and earnings growth, which provide the preconditions for good, long-term growth in the company, while shareholders can be offered a competitive dividend.

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#### CASTELLUM

#### Hufvudstaden



Hufvudstaden has long experience of preserving and developing properties. The company was founded back in

1915 and was listed on the Stockholm Stock Exchange in 1938. From the very outset the Stockholm region has always been a principle market and in 1940 the company owned a total of 68 properties, of which 60 were in Stockholm and the remaining eight located in different provincial towns. The involvement with Gothenburg commenced in 1967 with the acquisition of three centrally located properties. International expansion with an initial focus on Tokyo commenced in 1970, followed by further acquisitions in Paris, London and Berlin. Foreign interests were divested in 1997. NK Cityfastigheter AB was acquired in 1998 and in 1999 the operating focus was on the central parts of Stockholm and Gothenburg. Hufvudstaden's business idea states that in properties in central Stockholm and central Gothenburg offer successful companies high-quality office and retailing premises in attractive marketplaces. By the end of March 2010 the value of Hufvudstaden's properties was SEK 18.3 billion. Hufvudstaden currently has a staff of approximately 90 co-workers. The CEO is Ivo Stopner.

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#### **HUFVUDSTADEN**

#### Sveafastigheter



Simon de Château

Sveafastigheter is a leading Nordic real estate private equity house that has launched three funds since 2003. In March 2010

Sveafastigheter held a first closing in its third fund - Sveafastigheter Fund III. The fund will focus on property acquisitions in primarily Sweden and Finland. The fund's investment strategy is opportunistic with a value-added approach to asset management.

Sveafastigheter Sverige I had a committed capital of SEK 450 million and focused on cash flow generating properties in Sweden, Sveafastigheter Fund II was launched in 2006, with committed capital of SEK 1.2 billion. and closed for new investments in 2009. Fund II is a Nordic opportunistic property fund with focus on properties with high and sustainable yield, irrespective of property type, primarily in Sweden and Finland. Sveafastigheter has been awarded 'Best Real Estate Investment Manager in Sweden' in 2005, 2006, 2007, 2009 and 2010 as well as 'Best Nordic and

Baltic Real Estate Investment Manager' in 2009 and 2010.

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sveafastigheter

#### Akademiska Hus



**Environments for** higher education. research and innovation. That is what we are involved in. Pure and simple. By focusing solely

on the academic world we have gathered experience that will be of considerable benefit to our customers throughout the country as we join forces to develop Sweden as a nation of knowledge. With a property value of almost SEK 50 billion and net revenue of SEK 5 billion we are the second largest property company in the country. Demand for knowledge environments is increasing steadily and with a project portfolio in excess of SEK 15 billion we have an exciting future ahead of us to say the least. Read more about us and knowledge environments at akademiskahus.se.

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AKADEMISKA HUS

#### Jernhusen



Jernhusen owns, manages and develops one of Sweden's most exciting property holdinas of stations, offices and railway

depots throughout the Swedish railway system. We are a real estate company in the transport industry. Jernhusen will contribute towards a more streamlined transport sector. promoting increased travel by public transport and increasing rail freight volumes, all on a commercial basis. As the natural public transport hub, Jernhusen has a dual role. On the one hand we offer traffic operators and maintenance companies functional stations and railway depots, while on

the other we meet travellers' needs for security and service in stations and the opportunity for efficient travel. Common to all our properties are their attractive locations, their history, and their future potential. Jernhusen's property holdings encompass 270 properties. The total market value of our property holdings is estimated at SEK 9,1 million as at 30 June 2010. The company has 180 employees and the main office is situated in Stockholm.

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Vasallen is a

development

company, Our

company, which

was founded in

property

leading Swedish

#### Vasallen



innovative thinking, from concept to development plans and implementation. Close collaboration with partners and tenants also contributes to our strong position in property development. Our business concept is to buy buil-

1997, specializes in large, complex

projects that demand expertise and

dings or areas, develop them with a mix of services, housing and businesses, and sell when the project is ready for pure administration.

Since its inception, the company has acquired about 1.3 million square meters of floor space, about half of which is fully developed and sold. Current real estate holdings at yearend 2009 had a market value of more than SEK 2.2 billion. Vasallen is active all over Sweden and currently has a presence in nine locations. Our more interesting current projects include new residential areas in Vaxholm, Strängnäs, Borås, Visby

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and Karlskrona.



#### Svenska Bostadsfonden



Svenska Bostadsfonden is Sweden's fastest arowina residential real estate fund with more than 2 000 investors The

company's strategy is to be a long-term owner and manager of residential rental property in Sweden focusing on quality properties in growth regions with attractive yields. According to IPD residential property has a higher, more stable total return than other asset classes thanks to a regulated market which isn't sensitive to market turbulence. Svenska Bostadsfonden has loca property management and is seen as a trustworthy owner by tenants. investors and sellers. The goal is growth through acquisition and collaboration with municipalities by building new property, due to the extensive shortage of housing. The

management/board includes CEO Lars Swahn who has 25 years experience in real estate, Leif Garph (former deputy CEO of Vasakronan), Esbjörn Wincent (former Head of Properties at Folksam) and Tommy Persson (former Market Area Manager at Fastighets AB Förvalta-

Contact: Lars Swahn + 46 (0) 8 518 00 420 + 46 (0) 70 550 99 99 Isn@svenskabostadsfonden.se www.svenskabostadsfonden.se

SVENSKA BOSTADSFONDEN

#### AREIM



**AREIM** develops unique and profitable real estate concepts based on the approach of "how can we achieve more?"This has

resulted in a range of unique real estate projects, including the Waterfront Building, the greenest building in Sweden. Where our competitors baulked at the idea of  $\square$ 



### $V_{\Sigma} = [8.45] (125000^{3} + 3) (47) (43) (47) (125)$

#### The optimal solution for the real estate sector

Matrisen specialise in efficient workflows for accounting and administrative services to meet the demands in the real estate market.

Our optimal and unique solutions include all continuous services such as current accounting, rental notification mailings, electronic supplier invoices and reporting, as well as access to one of the most effective IT platforms on the market. We also provide advisory services on real estate specific VAT and tax issues, consolidated financial statements, mergers, international accounting principles, and much more.

Our clients range from medium sized to large Swedish property companies to international and listed property funds.

Interested? Please contact Gunnar Nyhlén, tel: +46-8-506 591 76 or email: gunnar.nyhlen@matrisen.se

www.matrisen.se



Matrisen is one of the leading Swedish companies within accounting, pay-roll and financial advisory services. The company has approximately 200 employees located in Stockholm, Gothenburg, Uppsala, Malmö, Linköping and Västervik.

#### This is the Swedish Real Estate industry

▶ building a congress hall in central Stockholm, we determined that it could certainly work with a little innovative thinking. The rest is history. The Waterfront Building is much more than a congress hall, with a four star hotel, restaurant and offices - and it was sold before it was even finished. One of AREIM's greatest strengths is our flexibility. We are nimble and agile with a shorter decision process. We are also able to be more creative, innovative and break free of old orthodoxies and traditional real estate concepts. For us, every solution is unique. Why not put us to the test?

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#### Fastighets AB LE Lundberg



Fastighets AB L E Lundberg is one of the major private real estate owners in Sweden. The real estate portfolio consists largely of

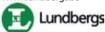
centrally located residential, office and retail properties. With strategic positions in several of Sweden's expansive municipalities, the company is well positioned for continued strong growth. The real estate holdings include 150 wholly and jointly owned management properties in 15 municipalities throughout central and southern Sweden, with particular focus on major metropolitan areas and university cities.

The company's property management is divided into four regions; Gothenburg, Stockholm, Western and Eastern. Most of the holdings in the real estate portfolio were built during the 1960s and 1970s, and consists largely of structures built on a proprietary basis. The division between residential and commercial properties is relatively even, 49 % and 51 %, respectively, of rental value. Several centrally located new construction projects have been studied, and some of these projects may be started in the next few years.In Norrköping, a major new construction project has been in progress since July 2009 in the Lyckan property. The

project will consist of 15,000 square meters of office space, 2,300 square meters of retail premises and about 250 parking places.

The operations of Fastighets AB L E Lundberg have been quality certified in accordance with ISO 9001:2000 since 1998. The company is also environmentally certified in accordance with ISO 14001:2004 and energy certified in accordance with SS-EN 16001:2009. The management team consists of Roger Ekström, Louise Lindh, Pernilla Cronerud, Kiell Johansson, Johan Ladenberg and Peter Lundaren

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#### **Oscar Properties**



Oscar Engelbert

Oscar Properties is a young company, and we see this as a strength. Since 2004 we've built a service-oriented organization

with a strong sense of curiosity and adaptability. For us, this mentality is a necessity in order to build the properties our ambitions call for. Despite its young age, Oscar Properties has amassed a great deal of experience, having now completed more than 500 residences, with an equal number currently in production. We are one of just a few housing developers in Sweden who have chosen to focus on identifying older properties with high potential and, with the help of the country's most talented architects, transforming them into private apartments. This meeting between old and new is true of even our own organization. Fifty percent of Oscar Properties is owned by Skandrenting and Erik Selin, a well-established figure within the Swedish real estate market. The remaining fifty percent is owned by Oscar Properties' CEO, Oscar Engelbert (b. 1976), one of the industry's youngest executives.

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#### Oscar Properties

#### Dagon



Friksson

Dagon is a Swedish developer in the real-estate business with a property portfolio with a market value at over SEK 5.4

billion. Dagon's business concept is the creation of long-term growth and increase in value through the combination of management of commercial property and development of commercial as well as residential real estate. The stock consists of 116 properties, mainly commercial real estate, with an element of project properties, in southern and central Sweden. Dagon focuses on two main branches, Management and Project development. Between these two there are obvious synergies and they can be seen as communicating vessels. The cash flow from management goes into project development to develop and process properties. The profit from the projects is channeled back to management for new property acquisitions. Dagon's executive group consists of Roger Stjernborg Eriksson, Peter Olsson, Per Johansson, Lars Axelsson, and Lars Nihlén. The Dagon share is currently quoted on the OMX Nordic Exchange Stockholm.

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#### Diös



Diös Fastigheter AB is a property management company based in the north of Sweden. established in 2005, with

operations mainly in Borlänge, Falun, Mora, Gävle, Sundsvall, Östersund and Luleå. The property portfolio contains 120 real properties of centrally located retail, office, industrial and warehouse premises and residential properties in all locations, 547 350 square meters in all. The head office is located in Östersund, and the company has a total of 56 employees. The Diös share is listed in the Nordic Small Cap list of the Stockholm Stock Exchange. Diös should acquire, manage, add

value and sell properties with good profitability on the market north of the River Dalälven. The company's overall objective is to create good profitability in the property portfolio, thereby providing the company's shareholders with a long-term high and stable return on equity, and to be one of the leading property players on our chosen geographical market.

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#### AMF Fastigheter



Mats Hederos

**AMF** Fastigheter takes a long-term approach to developing and managing flexible and attractive commercial office

and retail premises. Its properties are primarily located in Stockholm and Gothenburg, with central Stockholm as its main focus.

The 33 properties have a market value of about SEK 20 billion, making AMF Fastigheter one of Sweden's largest property companies. The organisation, which is nonetheless small and personal, has the objective of being the best possible partner for its customers - understanding their business, their needs and finding the right solutions.

AMF Fastigheter is a long-term, financially strong property owner whose entire profit accrues to its owner, pension company AMF, which manages assets totalling SEK 335 billion for some 3.8 million savers.

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#### Vasakronan



Vasakronan is the leading property company in Sweden. The focus is on office and retail premises

supplemented by a wide range of services. The core business activity is commercial property. Vasakronan has operations in Stockholm, Göteborg, Malmö, Lund and Uppsala, The property portfolio comprises 221 properties with a total floor space of 2,746,000 m2. The portfolio is valued at SEK 73 billion (September 2009). Central Stockholm and other prime locations in the Greater Stockholm area such as Kista, Nacka Strand, Solna, Telefonplan and Värtahamnen account for almost 67 per cent of the value of the portfolio. Vasakronan is owned equally by the First, Second, Third and Fourth Swedish National Pension Funds.

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#### VASAKRONAN

Välkommen till en bättre värd

#### Steen & Ström



Wilner Anderson

Steen & Ström is an offensive, professional, commercial and profitable owner, developer and commercial driving force

behind the leading shopping centres, situated in the most attractive centres of commerce in Scandinavia. More than 200 years have passed since 1797 when the wine and colonial merchant Samuel Ström opened his shop in Oslo. Emil Steen came into the picture in 1856, which led to the creation of the company Steen & Ström in the same year. Since then Steen & Ström has developed into a shoppingcenter company with many strong, local trademarks. The group profiles itself therefore as a purely Scandinavian shopping centre company with commercial activity in Norway, Sweden and Denmark and owning more than 50 shopping centres. Our vision is to enrich modern shopping by providing our owners, leaseholders and the visitors to our shopping centres with added value. Our ambition is to provide the best possible quality on every occasion at each of our shopping centers.

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STEEN STRØM SVERIGE AB

#### **HEBA Fastighets AB**



Lennart Karlsson

HEBA Fastighets AB is a Swedish property company focusing on rental residential properties. The business concept

is to offer the tenants a high level of service, an attractive and safe housing with focus on the Stockholm region and with a long-term ownership, engaged property management and active property development.

HEBA Fastighets AB owns 64 properties consists of approximately 3400 housing and 200 premises. Since 1994 HEBAs share are quoted on the Mid-Cap list of the Nasdaq OMX Stockholm.

The management team is Lennart Karlsson CEO, Frank Sadleir CFO, Jan Lundin Property Manager, Marcus Tärnåsen Project Manager and Ann-Marie Severin CEO Assistant.

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### **FASTIGHETS AB**

#### Platzer Fastigheter



Per-Gunnar Persson

Platzer Fastigheter is a Swedish property company that owns, manages and develops a property portfolio of

around 310 000 m2 in the Gothenburg area. Platzer's overall objective is to run long-term commercial operations and, in so doing, create lasting value for the owners. Platzer's organisation is divided into two geographically separate market areas, City and Storgöteborg. Each of the market areas has its own management organisation. Projects and operation/maintenance are run by two operational units. All operations are performed by Platzer's own personnel. Platzer's Group and staff functions consist of the MD. business development, economy, finance, communications and the environment.

Platzer's vision is to be the leading property company within commercial premises in the Gothenburg area - the natural first choice.

Gustavsson On 30 June 2010, the property

portfolio consisted of a total of 48 properties, five of which are project properties, to a book value of 3.5 MDKR.

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#### Genesta



Genesta Property Nordic is an independent real estate fund manager that invests in commercial assets in the

Nordic region. Through our local expertise combined with our international capabilities, investors get the combined benefits of first class asset management and in-depth market knowledge together with solid experience in the capital markets and fund management. Genesta has a hands-on-approach responsibility for the quality of all our key functions - analysis, acquisitions, fund- and asset management services to our clients.

Since our inception in 2003 we have completed commercial real estate transactions with a cumulative value of over 1.1 billion euro. Our current assets have a total investment value of approximately 880 million euro. The portfolio includes a diverse selection of office, retail and logistics assets in Finland, Sweden, Norway and Lithuania. Genesta's offices are located in Stockholm, Helsinki, Oslo and Luxembourg and our management team consists of David C Neil, Jonas Berg and Carl-Henrik Roselius.

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#### **KF Fastigheter**



Bernt-Olof

KF Fastigheter manages and develops a geographically strategic portfolio of retail property of over 500,000 square

metres rentable area with a market value of approximately 7 billion SEK. The property portfolio is concentrated both geographically and to type of property. Prioritized areas are; Stockholm, Gothenburg, Malmö and the Mälardalen region. More than 90% of the total property stock is retail property. Another, and equally important, part of our business is the development and renewal of shops for Coop and other cooperative companies. We supply everything from an identified new location to a fully turnkey and operational shop. When we are creating attractive marketplaces our aim is to be the player that best integrates them with other parts of society as well as contribute to a sustainable development. We can achieve this through our knowledge and competence as builders. managers, property owners and retail centre developers. KF Fastigheter has approximately 110 employees.

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#### KF Fastigheter >

#### Citycon



Citycon is an active owner and long-term developer of shopping centres, laying the foundation for a successful

retail business. Citycon's retail properties serve both consumers and retailers. The company takes into account environmental interests and the wellbeing in the areas surrounding its retail properties. The market leader in the Finnish shopping centre business, Citycon also has a strong position in Sweden and a firm foothold in the Baltic countries. Citycon owns a total of 33 shopping centres and 49 other retail properties. Citycon shares are listed on the NASDAQ OMX Helsinki Ltd.

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#### This is the Swedish Real Estate industry

#### 



Created in 1968. Unibail-Rodamco is Furone's leading listed commercial property company with a portfolio valued

at €23.3 billion on June 30, 2009. Present in 12 European Union countries, the Group is the leading operator, developer and long term investor of large shopping centres in Europe. Its 95 shopping centres, 47 of which receive more than 7 million visits per annum, are generally located in major continental European cities with superior purchasing power and extensive catchment areas. The Group continuously reinforces the attractiveness of its assets by upgrading the layout, renewing the tenant mix and enhancing the shopping experience. The Group is also a key player in the Paris region office market, where it focuses on modern, efficient buildings of more than 10,000 sqm. Finally, in joint venture with the Paris Chamber of Commerce and Industry, Unibail-Rodamco owns, operates and develops the major convention and exhibition centres of the Paris region. Unibail-Rodamco is also the largest developer of commercial real estate in Europe. Its development pipeline represents approximately 6 billion euros of investment and 1.2 million square meters. This portfolio encompasses major projects designed by world famous architects who share Unibail-Rodamco involvement in developing sustainable buildings. Everywhere it operates, Unibail-Rodamco is keen to participate in the economic, social and urban development of the major cities and, for instance, is involved with the City of Paris in the redesign of Les Halles historic centre and of Porte de Versailles with its iconic project of Tour Triangle. Unibail-Rodamco's 1,700 employees create value for shareholders through an integrated approach which combines all aspects of property management, investment and development. The Group's commitment to environmental. economic and social sustainability has been recognised with listings in the DJSI (World) and FTSE4Good indexes. Unibail-Rodamco is listed on Euronext and is a member of the CAC 40, AEX and Dow Jones EURO STOXX 50

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indexes

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#### unibail-rodamco

#### **ORGANISATIONS**

#### **Business Region Göteborg**



Petra Sedelius

**Business Region** Göteborg AB is a non-profit company representing 13 member municipalities. We work to

strengthen and develop trade and industry in the Götebora region. The goal is to contribute to strong growth, a high level of employment and diversified trade and industry. Our focus areas are: business development, projects promoting clusters and industries, marketing the region nationally and internationally, creating and collaborating with international networks and providing service and advice to investors and newly established companies in the region. Business Region Göteborg is a one-stop shop for companies who want to establish themselves in the region. We provide confidential consultancy which is free of charge. In order to help companies, we have produced a toolbox consisting of databases, networks and experts.

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**BUSINESS REGION** GÖTEBORG

#### IPD



IPD is a global information business. dedicated to the supply of independent market indices and portfolio

benchmarks to the property industry. IPD collects full portfolio records from over 500 major property investors across 22 countries - in a database capturing over 72,000 properties with a market value of € 850bn, IPD's system is then used to deliver benchmarking and portfolio analysis services to real estate investors and

asset managers. In 2002, IPD Norden was set up as a subsidiary of IPD in Stockholm. It offers a full range of comparative products to clients. including standard and bespoke benchmark reports. IPD has more than 60 clients in the portfolio analysis service in Sweden, Denmark and Norway. IPD's Pan-Nordic services include Nordic Index with a Nordic overview and a Pan-Nordic Portfolio Analysis Service. In Sweden IPD offers a specialized tool for private and municipal holders of residential portfolios which provides a detailed analysis of property income and costs to report internally and externally. IPD coordinates around ten events in the Nordic countries each year. The type of events held varies from conferences. valuations seminars, briefings, training courses and launches. IPD Norden has a team of eleven in Stockholm The MD for the Nordic Region, based in Stockholm is Christina Gustafsson

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SIPA



Scandinavian International Property Association is an exclusive organization for major property investors with

interests in the Nordic countries and was established in 1989. SIPA offers a unique network, combining the members' outstanding knowledge of the property markets and the excellent experience from the members' investments across the world. The Association is exclusive and open only to those that through their size or their activity type can play a essential role on the North European property markets. SIPA offers a unique gateway for those that are interested in the dynamic property markets in the Nordic countries. The Association and its members works for a more property friendly climate on their respective homemarkets. Throughout the years SIPA has developed to be a natural partner for foreign investors to find their way into the Nordic property

markets. The SIPA members represent the largest and most important players on the Nordic markets. The majority of the members are coming from Denmark, Finland, Norway and Sweden. The total property value represented by the majority of SIPA's members exceeds EUR 60 billion. SIPA has 43 members. SIPA s MD is Elinor Fors.

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#### **The Swedish Property Federation**



Reinhold Lennebo

The Swedish Property Federation is an interest based organization and trade association that promotes a smoothly

functioning real estate market. Our 20,000 members - organized in one of Sweden's 6 regional property associations - are owners of premise and apartment rental buildings, industrial properties and tenant owners' associations. We are by far the largest property owners' organisation in Sweden. This means we can both assist the individual members and have the ability to influence the society to promote private property ownership. The objective of the Federation is to make management of property in private ownership a more efficient and generally better reputed line of business, that offers improving service to tenants. The Federation represents the private property owners' interests by means of contact with politicians and the mass media, courses, conferences and furthered by giving advice on economic, legal and technical issues. One of the primary tasks for the Federation is to educate and improve the members so that they are well prepared for their business. The Federation also initiates and supports research and development activities within the property field. The Swedish Property Federations MD is Reinhold Lennebo.

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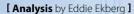






#### Navigating the seas of change.

Colliers International is charting the course as the first true alternative to real-estate-as-usual. As an investor, owner or occupier, your real estate strategy will never feel adrift. Our local specialists, throughout 480 offices in 61 countries worldwide, allow you to tap hidden opportunities, moving your business forward. Welcome aboard.



What is happening to the rates, the vacancies and the return levels on the Swedish market? In short, how is the market affected by the financial situation? We asked three experts on the field to give their opinions.

### How will the market develop in the coming year?

- 1. How will the real interest rate develop in the coming year?
- 2. How will the vacancy levels develop in the coming year?
- 3. How will the rents develop in the coming year?
- 4. How will the yield levels develop in the coming year?
- 5. How will the international investments develop in the coming year?



THOMAS PERSSON

1. "During the second quarter, a number of international economic indicators that are significant to Sweden's growth have degenerated. In spite of the Swedish economy's rapid recovery, inflation has remained low and the krona is at its

highest level for 24 months. The belief is also that Riksbanken will raise the repo interest more slowly over the next twelve months than what was indicated in the bank's July forecast."

- 2. "Where commercial properties are concerned, we are principally positive about the development for offices in attractive locations where the vacancy level should fall significantly. The change in demand, i.e. the increase in office jobs, is judged to clearly exceed the increase in the office properties."
- 3. "With the support of the vacancies development that we are forecasting, office rents are set to rise again, although negative news from the surrounding area may disturb the fundamental support from the increase in office jobs and belief in the Swedish

economy that tenants and property owners are currently taking with them into their rent negotiations. Fundamentally speaking, there is room for office rents to generally increase by 5-10 per cent for offices over the space of a year in addition to the approximately 5 per cent increase we have already seen since the low level at the end of 2009."

- 4. "The yield requirements have fallen for principally all property types over the past six months. It is a natural development, bearing in mind improvement in the outlooks for the rental market and the way the financing market has been strengthened. In one year's time, we will probably see that the yield requirements are continuing to fall somewhat since the yield on properties exceeds the yield on many alternative investments. The competition is also increasing in most segments and the number of attractive properties on the market is limited."
- 5. "Foreign investors have represented as little as 10-15 per cent of the Swedish transaction volume during 2009-2010, which is the lowest rate since 2002. The expectation is that interest will increase in the future because Sweden appears to be relatively strong compared with many other markets. However, we will primarily attract what is known as core capital, although core plus and value added are also meant to be on the up."





PERNILLA ARNRUD MELIN
CB Richard Ellis

I. "The repo interest rate will help to achieve the inflation target of 2 % and will be raised in the coming year from the 0.5 % low of today. I believe that Riksbanken will follow its interest rate path. On the other hand, the economy

and recovery around us will play a part in the development of the repo interest at the end of next year. My current belief is that the repo interest will be closer to 1.75 per cent at the end of 2011, i.e. somewhat below Riksbanken's forecast."

2. "We are seeing an increase in confidence in the future among companies, yet still a certain amount of caution. Since the economy is being jump-started and the companies are doing better, the vacancy levels will obviously fall in a number of areas. Office tenants are mainly out to find the modern and efficient premises, which is why vacancies in the poorer performing segments are still being sluggishly filled. Property owners are starting to take another look at their dormant office projects, and most of them may begin at relatively short notice. In spring of 2009, the retail

### Svenska Bostadsfonden Institutional A low risk high return asset

Svenska Bostadsfonden is Sweden's fastest growing residential real estate fund with more than 2 000 investors. According to IPD Swedish residential property has had a higher, more stable total return and a lower risk level than virtually every other asset class for decades. This stability is due to the massive shortage of housing in Sweden in combination with a regulated residential market that isn't sensitive to market turbulence. Property owners are by legislation compensated for higher costs, including operational and interest rate costs.

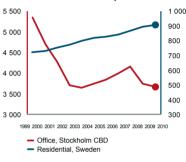
To take advantage of the fact that an increased number of large and attractive residential property portfolios are available on the Swedish market the company recently launched an institutional fund. 6 well-known Nordic institutions are already committed to the new fund, Svenska Bostadsfonden Institutional I and the first acquisition will take place in the near future.



Office, Stockholm CBD

 Municipal housing companies, Sweden
 Municipal housing companies, Stockholm, Gothenburg and major Swedish cities > 75 000

#### Rents SEK/sqm



#### Strong demand and low building activity leads to stable growth

The residential rental market in Sweden is characterized by government rent control and structural shortage of housing which creates long term rental growth, secure cash flows and ensures long term capital growth. Existing properties can be acquired at a third of the replacement cost of a new building which creates barriers to entry for building companies. This has lead to an exceptionally low level of constructional activity which further limits the supply of available apartments on the market. There is also an ongoing trend of conversions from rental to owner-occupied apartments which further increases the potential of the Fund.

#### The Institutional Fund - Characteristics

Svenska Bostadsfonden Institutional fund is a core fund with an investment strategy that focuses on acquiring and managing residential properties in Swedish cities, especially in areas with long term shortage of housing, a steady population growth and a healthy business structure. The return target of the fund is 10-15 % IRR net after performance fees and taxes of which 4-7 % is annual distributions. The fund is aiming at creating a highly attractive and stable income return from day one combined with significant long term capital growth.

#### Strong and quality driven pipeline

The new Institutional Fund will take advantage of Svenska Bostadsfondens strong dealflow which includes access to an attractively priced off market investment pipeline exceeding 400,000 sqm in the Funds' target cities. The company also has excellent and long-lasting relations with Swedish municipalities which are divesting large parts of their property portfolios.

#### Fund manager with a proven track record

Svenska Bostadsfonden has a proven track record and long-term experience in finding, acquiring and managing residential real estate. The company has already launched and is currently managing 10 residential closed-end funds.

#### Svenska Bostadsfonden - An independent and focused fund manager

- Established in 2003
- Dedicated management team focusing entirely on Swedish residential funds
- Market leader in managing indirect fund products investing in the Swedish residential sector
- Strong skill set and experience the team consists of 30 professionals combining
  experience from asset and tenant management to finance and fund management
- The management team and board members includes, among others, CEO Lars Swahn who has 25 years experience in real estate, Leif Garph (former deputy CEO of Vasakronan) and Esbjörn Wincent (former Head of Properties at Folksam).

For more information, please contact Lars Swahn (CEO) lars.swahn@svenskabostadsfonden.se mobile: +46 (0) 70-550 99 899 or Linda Hallén (Head of Institutional Sales) linda.hallen@svenskabostadsfonden.se mobile +46 (0) 702-66 82 03



- Deltting was limited as almost all retail chains put their expansion plans on hold. Since the beginning of 2010, the take-up as well as demand has gone back to normal levels as the market has regained confidence and retail chains have continued their expansions. This will contribute to the fall in retail vacancy levels in the next year."
  - 3. "Retail rents in prime locations have been fairly stable while rents in retail parks have been more affected by the downturn in the economy. The average rent for modern office premises increased in Stockholm CBD during the second quarter and is estimated to be 4 100 SEK per m2 compared with the previous 4 000 SEK per m<sup>2</sup>, which had remained unchanged since the third quarter of 2009. There is great demand for these office premises and the shortage of office projects in CBD has helped to sustain the increase. In Stockholm's other office areas, the toplevel rent is estimated to remain unchanged. Improvements in the economy and greater confidence among companies will help to push up the rents, but the first thing that will happen is that rent discounts will subside. Shop rents in the best locations have remained relatively stable while retail rents have been affected more by the recession. With consumption holding its own and sales increasing for retail companies, the coming year will see a gradual rise in the rents. Today's legislation means that shop premises have a lock-in effect, which means that attractive premises rarely become available to the property owner for re-leasing, i.e. without transferring a contract."
  - 4. "The improvement in the economy and the increase in the transaction volume during the first six months are positive indications for the price levels. The prime yield for offices and retail has already fallen back and it is thought that it will continue to fall slightly. I would not be surprised if we were to see some rates at below 5 % in Stockholm CBD during the next year, and then it is primarily domestic buyers who are looking for a specific property and who take the opportunity when it comes."

5. "During 2009, just a few foreign investors invested in the Swedish property market. Now, the majority of these have started to show interest in investing, mainly in prime properties. Our Capital Markets department is in contact on a daily basis with foreign investors who are interested in investing in Sweden. We will probably have to wait another few years for the opportunists to start coming out of the woodwork."



**KNUT WALTRÉ** 

1. "The Swedish economy has developed strongly after the recession. However, the confidence indicator for the business sector fell in August and there are sign of weakness in the US economy. The Riksbank considers these

are reasons why the repo rate is needed to be held at a rate lower than normal over the coming period with a gradual increase of around 100-125 bps in one years' time."

- 2. "The recovery in the labour market is expected to continue, with employment gradually beginning to rise in the private sector. Overall this will lead to an increasing demand for office space, especially in Stockholm. However, companies still have excess space after the recent downturn and we expect overall office vacancy levels to remain relatively stable and start to decrease slightly in the end of the coming 12-month period."
- 3. "Overall in Stockholm, average rents are expected to remain stable and start to increase in the end of the 12-months period. In Stockholm CBD, rents for modern premises have started to rise slightly with a limited supply of modern premises in the very best location entering the market. This development is expected to continue, spilling over to other submarkets in Stockholm."



4. "Yield levels for prime object within the respective submarket and property type have decreased during the last six months period. The capital target high quality investments whilst the supply of such assets has been relatively limited. There is a more sound market sentiment as regards price expectations from buyers and sellers, and prime yields are expected to continue to decrease slightly. An improving rental market also give momentum to value add investments. For secondary assets yields have stabilized and are expected to remain stable."

5. "Core investors such as German open ended funds are very active. Investment opportunities for value add and opportunistic investors have been limited compared to other markets in Europe. A number of foreign investors are anticipated to reduce its exposure to Sweden but overall international investors are expected to remain net buyers."



## We look after your interests in Sweden

The Swedish Property Federation is a highly pro-active trade organization promoting a very efficient real estate market in Sweden. Our 20,000 members represent the entire spectrum of the property industry, owning or managing premises and rental apartment buildings, industrial properties and tenant-owners' associations.

Order our brochure from info@fastighetsagarna.se and find out how we can help you in the Swedish real estate market!

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## Nordic property funds in Luxembourg on the up

Over the past ten years, Luxembourg has built up its position as one of the most popular domiciles for regulated property fund structures, although funds initiated from the Nordic countries have thus far constituted a relatively small share. However, there will be considerably more within the near future according to fund manager Pandomus, one of few players in Luxembourg with a special Nordic department using Nordic personnel.

According to the ALFI (Association of the Luxembourg Fund Industry), 15 regulated Luxembourg property funds (Luxembourg Real Estate Investment Funds, "REIF") were launched in 2009, which has meant that a total of 128 property funds (with 150 subfunds) have been set up and are run from Luxembourg, with total net assets of around SEK 200 billion. With regard to their external influence, Luxembourg REIFs probably actually hold more than double this amount of assets.

Thus far, initiators from the United Kingdom and the USA launched most of the property funds in Luxembourg while Nordic representatives constitute only around two per cent of the initiators for the Luxembourg direct property funds.

"But I do believe the figure will increase to 5-6 per cent within a few years. We have contact with several players and there is a relatively substantial amount of interest. A Swedish solution is no good if you're looking to attract global capital," says Charlotte Lahaije-Hultman, partner at Pandomus.

A significant part of the group that is simply called "European" promoters does have a strong link to the Nordic region though, and already today there are some players in Luxembourg who have Swedish and Nordic connections, e.g. Genesta, Cordea Savills, Aberdeen and CapMan.

THERE ARE SEVERAL ADVANTAGES, both functional and finan-



Pandomus is an independent company in Luxembourg that offers services for establishing and managing funds and companies plus book-keeping and independent board members.

The cooperation with Langham Hall, winner of Specialist Professional Service Firm of the Year **BVCA Private Equity Awards** 2009, has given Pandomus privileged exposure for their

confirmed expertise within the alternative funds field. Langham Hall has successfully established good relations with a number of leading property funds and fund managers.



cial, of establishing a property fund in Luxembourg.

"There's political stability here in Luxembourg and there's continuous political support for the development of the financial services industry. There is a high level of protection in an extremely flexible system for whoever invests, plus here you also have access to a well-functioning banking system. It's also easy to obtain various types of subsidy if you establish something such as a property fund that is environmentally orientated, which is something that's very popular at the moment. However, perhaps the most important advantage is that more of the major international investors are looking at Luxembourg, so if you're looking to attract global capital, establishing the fund here rather than somewhere like Sweden is almost a must," says Charlotte Lahaije-Hultman.

2007 SAW THE INTRODUCTION of the SIF (Special Investment

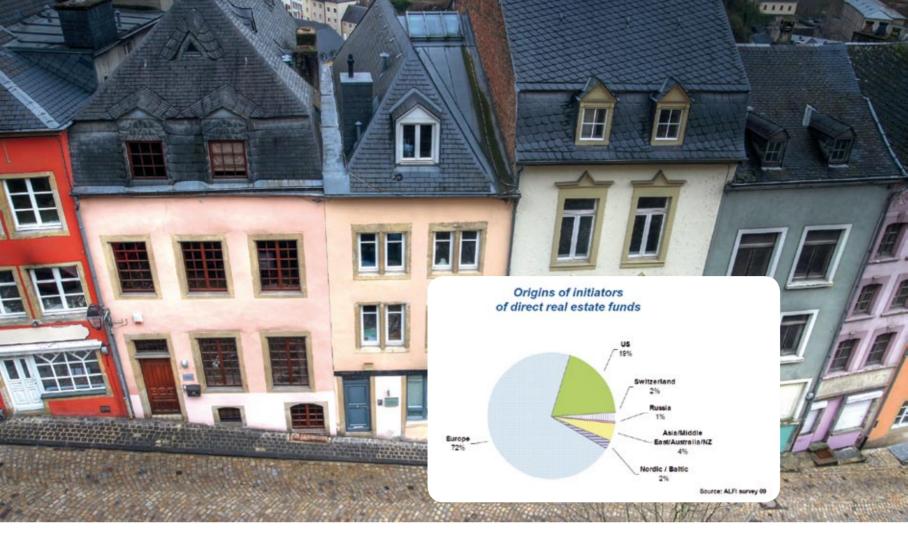
Fund), a structure that has become an international reference for European and global property funds.  $\triangleright$ 

A Swedish solution is no good if you're looking to attract global capital.





FUND LIFT. There are several advantages to be gained from establishing a property fund in Luxembourg rather than somewhere like Sweden. Perhaps the most obvious thing is that it opens up significantly greater possibilities of attracting international capital to your fund. Charlotte Lahaije-Hultman and John Wantz at Pandomus think that Nordic players' interest in establishing funds in Luxembourg will considerably increase over the next few years.



☑ "The main advantages of an SIF, which accepts only "well-informed" investors, are its broad range of acceptable assets, the level of influence permitted, the diversity of available legal forms (structured as a fund in the form of a company (SICAV) or as an agreement-based co-ownership (FCP)), the type of security it can issue, its flexibility as regards the valuation of its assets and its simple supervision rules from Luxembourg's finance inspectorate, Commission de Surveillance du Secteur Financier (CSSF)," says John Wantz, partner at Pandomus.

THERE ARE A FEW OTHER FACTORS to indicate that more funds will choose Luxembourg:

• The EU Directive aimed at managers of alternative investment funds (Alternative Investment Fund Managers, "AIFM"). This aims to create rules and regulations for managers of alternative investment funds (Alternative Investments Funds, "AIF") within the European Union and is expected to offer Luxembourg substantial options. This has caused several offshore funds to already start moving their head offices to Luxembourg.

"Alternative fund managers really would benefit from having an EU passport for cross-border dividends to professional investors and simultaneously participating in the profit through the endorsed and regulated terms in Luxembourg," says Charlotte Lahaije-Hultman.

• Soparfi. The unregulated Luxembourg structure Soparfi, which is often used to structure so-called club deals and which continues to enjoy a bright future, since the AIFM Directive is expected to make it possible to market unregulated funds within EU Member States by using national rules for private investments.



There's political stability here in Luxembourg and there's continuous political support for the development of the financial services industry.

Sweden is far from China, Tanzania and India.

Still people in these countries choose to



MIMMAN

## "I've given away everything

The Swedish property giant Roger Akelius has built up a wealth of ten billion SEK, but he is now in principle giving away the whole of that wealth to charity.

Today, Akelius Fastigheter is Sweden's biggest private property company with around 30 000 apartments - 22 000 in Sweden and 8 000 in Germany. The value of the property is around 30 billion SEK and the loans 20 billion.

Instead of living a life of luxury, Roger Akelius has chosen to give his money to vulnerable children around in the world.

"I've wondered for many years about what I'd do with the money. I don't think it does any good to give your children (he has one daughter and two sons from two different, now broken, relationships) many billions. They'll manage perfectly well on a few hundred million. The Nobel Prize already exists so that idea was out. It was extremely difficult to find a way of donating it so that the money would not already be spent 20 years after my death. I decided that the way I'm donating it now is the most sensible; at least a thousand "adopted children," says Roger Akelius.

So, Akelius Fastigheter is now owned by a foundation, the Akelius Foundation, and the dividends from the foundation will go to nobody other than vulnerable children.

ROGER AKELIUS SAYS that he cannot withdraw money for himself from the foundation.

"The foundation's work is controlled by a number of noble statutes that clearly state where the money will go, and I'm not included in the list. I've given away everything I own to the foundation.

#### How much money can you say is yours today?

"20 million, maybe 25. I can manage well on that."

Five people who are linked to the Akelius company make up the foundation's board, and behind these are five auditors who will ensure that the board does things properly.

"I can be involved and have an influence though. If I want to have a children's home in India rather than in Africa, that's what I get".





A GIVER. Roger Akelius has built up a wealth of around ten billion but now says that he no longer has access to it. His company, Akelius Fastigheter, is now owned by a foundation and the dividends from there will go to vulnerable children. "I've given away everything I own to the foundation. Our dividends are controlled by a number of noble statutes and I'm not one of the recipients," says Roger Akelius.



**SIMPLE.** Roger Akelius spends most of his time on the Bahamas, but prefers to spend the summers in Sweden, and preferably in the summerhouse where there is no sign of the luxurious life of a billionaire at all. "I could of course have bought a luxury yacht like Abramovich, but I doubt he's any happier on the seventh floor of his yacht than I am in my rowing boat here," says Akelius.



HOLIDAYS. 65-year-old Roger Akelius is still involved in "most things" where Akelius Fastigheter is concerned. He says that, while he does do a lot of work, he has holidays all the time and has plenty of time to play with his Alsatian, Vicky.

THERE WERE BIG HEADLINES in Sweden last winter when the Akelius Foundation donated 100 million SEK to the earthquakebattered Haiti. Said headlines were partly due to the exceptionally large amount, but also due to the subsequent quarrel between Akelius and the Red Cross' Swedish chairman, Westerberg.

Akelius chose to donate the money via SOS Barnbyar, and Roger Akelius strongly criticised the Red Cross and Westerberg for high administration costs and high wages for the leading people.

"I said that any of my top managers would be able to take over the Red Cross and save 100 million SEK per year, which could instead to go charity. I've offered to lend them a manager."

#### If you yourself were offered the opportunity to take over the Red Cross, would you say yes?

"Yes, in one year. If I'm given the task of saving 100 million SEK, and am given the mandate to do so."

WHEN FASTIGHETSSVERIGE MEETS Roger Akelius, the meeting takes place at his summerhouse in Western Sweden. He lives otherwise lives in the Bahamas for most of the year, and for a few months in Germany.

The summerhouse has a nice location by a small lake, but there is nothing really to indicate that a billionaire lives here – quite the opposite in fact. The panelling is rotting and when we visit, the flushing mechanism on the toilet has not worked for a few weeks.

"I'll look into it in a while, but it's not all that important. I had an outside toilet when I was small. At the moment I fetch the flush water from the lake as it's only a few metres away. We're going to demolish the house next year and build another one, although nothing modern because that wouldn't fit in here," says Roger Akelius.

"I could of course have bought a luxury yacht like Abramovich, but I wouldn't have been any the happier for it. I enjoy myself just as much in my rowing boat as does in the seventh floor of his boat. I got my money too late in life to start being extravagant."

He is 65 and is no longer the chairperson of the company. That position has been taken over by Leif Norburg, former MD of Danske Bank in Sweden. Akelius Fastigheter has also gained a new MD this year, Pål Ahlsén, who went the long way thorough the company.

"He started as a seller in 2004. He was a good student at Akelius University and climbed rapidly in the company. It's nice to see blokes who just carry on upwards," says Roger Akelius.

#### You are "only" a board member today. How much work do you do?

"That's difficult to answer. It can be said that I do a great deal of work if you count everything I read. I'm also involved in a great deal. At the same time, it can be said that I take holidays all the time. They run into one another.

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The trend is towards an ever increasing differentiation in the pricing between good and inferior properties.

The transaction volume has steadily increased since the lows around the end of 2008 and the start of 2009, but Daniel Gorosch, Head of Property Transactions at Jones Lang Lasalle, believes that the rate of increase is declining now.

## There's plenty of money - for the right properties

Since the complete deflation of the transaction market at the start of 2009, the transaction volume for commercial properties in Sweden has shown a steady increase and, during the second quarter of this year, it amounted to SEK 28 billion according to Jones Lang Lasalle's assessment. The volume has almost tripled compared with the same period in 2009.

The foreign players are returning to the Swedish market and the transaction volume for cross-border transactions has increased by 135 per cent.

"It's primarily about German funds and Norwegian pension



RISING. Jones Lang Lasalle's Head of Property Transactions Daniel Gorosch thinks that the transaction volume for the year will be between SEK 70 and 80 billion, which is in parity with the levels for 2004 and 2005.

capital, players who were in principle invisible during 2009," says Daniel Gorosch.

"There's also been a continued influx into the systems. This is where there's money to invest, and they're still underexposed in properties. They're now looking to increase their exposure. The main demand is for prime properties."

"There seems to be any amount of capital for really good products, good properties in good locations with stable tenants who have long contracts. There's great demand for prime properties in Stockholm but there's virtually nothing available. When a prime property comes up there's a real scramble and extremely attractive pricing for the sellers."

"It's the opposite where inferior products are concerned, though; there's no demand for these at the levels the sellers want."

#### So there's a trend towards a substantial difference between good and poor properties, a development that most assessors think is healthy?

"Absolutely. A few years ago it hardly made any difference whether the properties were in central Stockholm or out in the middle of nowhere. The inferior properties were completely incorrectly priced."

The prime yields in Stockholm are now at approximately 5.5 per cent, a level that Daniel Gorosch thinks will remain for a while.

"That's approximately where the 15-year average lies. The yields



were around 4.4 per cent when they were at their lowest. They then rose to around 6.0. I now believe they'll remain fairly static at these levels."

#### Won't they fall?

"No. Interest rates are on the way up and the banks will have a higher capital adequacy requirement, which affects both willingness to lend and the margins. We won't see the squeezed margins offered by the banks two or three years ago. We won't experience the savage market rally we had in 2007."

The transaction volume for the first six months amounted to SEK 46.4 billion. Daniel Gorosch's tip is that the figure for the whole of 2010 will be around SEK 80 billion, which is on a level with the volumes for 2004 and 2005.

"Out there in Europe, we're seeing a trend where more major investors are looking at the future with greater caution. People are starting to see the effects of a second crisis wave with the development in Greece and those countries. Some major players are holding back and are no longer aggressive. The banks in England reduced their lending for properties during the second quarter, which clearly breaks the trend."



## When investing in the Nordic region

Since 1994, AGL has been a partner to more than 100 real estate companies in the Nordic region in strategic and operational decision-making.

Today, AGL advises over 60 clients on treasury and financial management with portfolios in excess of €20bn and assist clients in transactions over €2bn yearly. Several of these clients have outsourced their entire treasury operations to us.

Our independence, strong access to local financial markets and use of real time market information ensure that our clients get the best financial solutions available. By using the latest technology and simulation techniques, we can help clients to optimise their hedging strategies in currency and money markets.

To ensure that best value is achieved we support our clients with ongoing analysis, reporting and benchmarking of their portfolios. When it comes to financing and risk management, choose AGL as your independent local partner.

Contact: Linus Ericsson Joakim Nirup



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#### **Major transactions in recent times**

#### Top three Stockholm 2009/2010 Price, SEK Buver Seller Property 1. KLP Fastigheter **RBS Nordisk Renting** Frösundavik in Solna for 57 000 m² of 1,1-1,3 billion\* which 40 000 m<sup>2</sup> is office space. 2. KLP Fastigheter **RBS Nordisk Renting** Radisson SAS Royal Viking Hotel in 1,2 billion\* central Stockholm. **AMF** Fastigheter Rreef Investment The Hammaren 15 office building in 905 milion GmbH (Deutsche Stockholm CBD. Bank)

#### Top three Gothenburg 2009/2010



#### Top three Malmö 2009/2010



Source: Newser \* Estimated purchase price

#### **AXFAST BUYS OFFICE PROPERTY IN** STOCKHOLM CBD

Fabege is selling the Orgelpipan 4 property situated next to Klarabergsgatan in Stockholm CBD. The buyer is Axfast, who is paying a purchase price of SEK 230 million. The property is provided with leasehold rights and accommodates a leasable area of 4 550 m<sup>2</sup>, consisting of offices and shops. The price per m2 is estimated to be SEK 50 500 and Newsec estimates the direct yield to be around 5.25 per cent.

#### **DAGON SELLS HOTELS IN** KARLSKRONA AND HELSINGBORG

The property company Dagon is selling two hotel properties to Tastsinn AB, which is owned by Uwe Löffler. The properties are situated in Karlskrona and Helsingborg. The hotel in Karlskrona is newly erected and is leased by Scandic, just like the one in Helsingborg. The purchase price amounts to around SEK 276 million. In all, the hotels include 344 rooms. Uwe Löffler has a long history in the hotel and restaurant industry. After the sale, Dagon will instead focus primarily on other commercial types of premises.

#### **AMF ACQUIRES NEWLY-ERECTED** OFFICES IN SUNDBYBERG

AMF is buying two properties situated in Sundbyberg centre. The seller is Jernhusen and the underlying property value amounts to SEK 465 million. The properties, designated as Sundbyberg 2:78 and 2:81, are called Centralhuset and Sundbybergshuset. They accommodate a total of around 17 000 m2 office and shop premises. Sundbybergshuset was built in 2006 while Centralhuset underwent a total reconstruction that was completed in 2009. The assigned property value corresponds to a m2 price of SEK 27 400 and Newsec estimates the direct yield to be in the range of 5.75–6.25 per cent. Completion will take place at the end of 2010/start of 2011.

#### **ALM EQUITY BUYS THE KVARNEN GALLERY IN UPPSALA**

Uppsala Kommun Fastighets AB is selling the Kvarngärdet 34:4 property to a joint company owned by ALM Equity and Andersson Company. The property, situated by Vaksala Torg in Uppsala, accommodates the Kvarnen Gallery with the residences above it. The total leasable area, excluding garage, amounts to a good 16 500 m2, 66 per cent of which consists of residences. The aim is to create more planning permission to build homes at the existing developments. The underlying property value of the transaction, which is subject to approval by the city council and the companies' boards, amounts to SEK 248 million.



#### **WALLENSTAM ACQUIRES IN GOTHENBURG**

Wallenstam buys the Kungsportsavenyen 1 property with the designation of Lorensberg 43:1 in Gothenburg. The seller is Alaska Properties and the property value of the transaction amounts to SEK 225 million. The leasable area covers 4 100 m<sup>2</sup>, giving a m2 price of almost SEK 55 000. Wallenstam has recently acquired several nearby properties with the aim of developing the avenue.

#### SPP BUYS CITY PROPERTY FROM DILIGENTIA

Norska SPP is acquiring the Fyrfotan 1 property provided with leasehold rights from Diligentia. The property is situated on Vasagatan in central Stockholm. The purchase price amounts to SEK 410 million. The leasable area covers around 15 500 m2, consisting of offices and shops at street level. The building is currently in principle empty and will be converted. SPP will then utilise around 60 per cent of the surface areas for its own operations. The m<sup>2</sup> price is estimated at SEK 26 500.

#### **DIÖS PROPERTIES IN MAJOR** DEAL IN SKELLEFTEÅ

Diös Properties is acquiring eight central properties in Skellefteå. The seller is the local player Stella Polaris Invest AB. The property value of the transaction amounts to SEK 383 million and the buyer gives the direct yield as being 7.7 per cent. The holding covers a leasable area of 42 700 m<sup>2</sup>, consisting of mostly shop and office premises and a smaller number of residences. The level of leasing is in principle 100 m2. The m2 price is estimated at close to SEK 9 000.

#### **SKANSKA SELLS OFFICE PROJECTS IN MALMÖ**

Svenska Vårdbostäder, which is changing its name to Executive Property Swedish AB, is acquiring Hjälmarekajen in Malmö. Hjälmarekajen includes two buildings of 12 400 m² offices. One of the buildings was erected in 2006 while the other building is from 1978 but was converted in 2006. The tenants include KPMG, Brio and White Arkitekter. The purchase price amounts to SEK 400 million and Newsec estimates the direct yield to be around six per cent.

#### **BOUWFONDS BUYS RESIDENTIAL AROUND STOCKHOLM**

Vestigia is selling seven residential properties to Bouwfonds REIM whose registered office is in Holland. The purchase price amounts to around SEK 265 million. The properties are situated in Nacka, Vallentuna and Gubbängen. In all, they accommodate 182 apartments and 20 premises. The acquisition is Bouwfonds' second investment in Sweden.

10p ten Sweden 2009/2010							

Buyer	Seller	Property	Price, SEK
1. The Fourth National Pension Fund	Vasakronan	Dombron with 78 housing properties covering 480 000 m² in Uppsala, Storstockholm and Gothenburg.	5,4 bilion
2. Pandox	Norwegian Property ASA	Norgani Hotels covering a holding in the Nordic countries, of which 44 properties (41 of them hotels) are located in Sweden.	4,4 bilion (refers only to the Swedish property value in the transaction)
3. Sagax and Hemfosa	DK Properties (the owners)	DK Properties with 33 properties covering 368 000 m² in Greater Stockholm and Malmö.	3,05 bilion
4. Hemfosa	Landic VI (the bond holders)	Landic VI with 44 properties covering 300 000 m² in seven municipalities.	2,36 bilion
5. Västerbottens-Kuriren and Balticgruppen	Västerbottens-Kuri- ren and Balticgrup- pen	The formation of the property company Kuriren AB covering 130 000 m <sup>2</sup> .	1,7 bilion*
6. Diligentia	Boultbee	3 properties accommodating the St. Per in Uppsala, Commerce in Skövde and Domino in Norrköping centres.	1,44 bilion
7. Consortium of pen- sions foundations: Atlas Copco, Apoteksbolaget, Ericsson, Sandvik, Skan- ska, Stora Enso and Volvo	Skanska	Two projects in Sollentuna and Malmö accommodating a security prison and a police station.	1,25 bilion (refers only to Skanska's investment volume in the projects)
8. KLP Fastigheter	RBS Nordisk Renting	Frösundavik in Solna of 57 000 m², of which 40 000 m² are offices.	1,1-1,3 bilion*
9. KLP Fastigheter	RBS Nordisk Renting	Radisson SAS Royal Viking Hotel in central Stockholm.	1,2 bilion*
10. Hemsö (Kungsleden and the Third National Pension Fund)	Vasallen	4 old regimental properties of 122 000 m² converted into office and educational premises.	1,15 bilion

Source: Newsec

\* Estimated purchase price

Last spring saw the publication of the purchase of a residential property in Tensta from Norwegian Heimstaden. Bouwfonds REIM's acquired assets amounted to EUR seven billion in 2009.

#### ADDITIONAL ACQUISITIONS FROM SWEDISH VÅRDBOSTÄDER

Swedish Vårdbostäder is acquiring three centrally situated properties in Helsingborg from Sjödin Properties. The underlying property value amounts to around SEK 240 million. The properties, with designations Norden 24, Magnus Stenbock 18 and Fiskaren 43, are situated along Kullagatan and include a leasable area of nearly 6 000 m<sup>2</sup> consisting of offices, shops and residences. The buyer, Swedish Vårdbostäder, is changing its name to Executive Property Svenska AB.

#### The largest transactions of 09/10

#### **VASAKRONAN SOLD DOMBRON** TO THE FOURTH SWEDISH NA-**TIONAL PENSION FUND**

At the start of June 2010, the sale of Vasakronan's residences through Dombron to the Fourth Swedish National Pension Fund was published. The underlying property value for the 78 properties amounts to SEK 5.4 billion. In total. the leasable area covers 480 000 m2, of which around 75 per cent is situated in Uppsala, a good 20 per cent in the Stockholm area and the rest in Gothenburg. The m2 price is estimated at SEK 11 300 and Newsec believes the direct yield will be around 5.25 per cent.

#### **PANDOX BOUGHT NORGANI** WITH 73 HOTELS AROUND THE NORDIC COUNTRIES

With financial support from its ownership companies, the hotels company Pandox acquired Norgani Hotels from Norwegian Property ASA at the end of August 2010. The purchase price amounts to SEK 9.9 billion. Norgani's property holding is in Sweden, Finland, Norway and Denmark and consists of 73 hotels plus a congress facility. According to press details, the value of the Swedish properties, which add up to 44 properties including 41 hotels, amounts to SEK 4.4 billion. The buyer gives the direct yield as around seven per cent. The implementation of the deal is dependent upon financing and approval from the competition authorities.

#### **HEMFOSA AND SAGAX ACQUIRED DK PROPERTIES**

In a joint purchase, Sagax and Hemfosa acquired DK Properties in June 2010. DK Properties have 33 properties in Stockholm, Huddinge, Botkyrka and Malmö which together cover 368 000 m2. The holding includes industry, offices and warehouses. The purchase price amounts to SEK 3 050 million, which makes the m2 price SEK 8 300. Around 88 per cent of the surface areas are situated in the Stockholm area while the properties in Malmö are mostly offices.

#### **HEMFOSA BOUGHT THE LANDIC HOLDING OF 44 PROPERTIES**

Hemfosa acquired 44 properties that were part of the sixth of Landic's bond structures in February 2010. The deal includes around

300 000 m2 office, warehouse, industrial and housing areas. The holding is located in Västerås, Sundsvall, Luleå, Umeå, Skellefteå, Södertälje and Uppsala. At the time of the acquisition, the level of leasing amounted to around 93 per cent with Vattenfall and TeliaSonera as the largest tenants. The property value in the transaction amounts to SEK 2 364.4 million or SEK 7 900 per m2.

#### TRANSACTION RESULTED IN THE FORMATION OF A NEW **PROPERTY COMPANY**

In September 2009, the Västerbottens-Kuriren newspaper group and the Balticgruppen property company formed a new property company by the name of Kuriren AB. The company was formed by Balticgruppen adding the new company to its ready-developed properties and Västerbottens-Kuriren providing the capital. Following the transaction, Kuriren AB covers around 130 000 m2 and Newsec judges the underlying value of the transaction to be around SEK 1.7 billion. The properties include mostly offices but also housing. Famous buildings that are part of the transaction include Umedalsparken, Vita Husen, VK-huset, Uminova and Patienthotellet.

#### **BOULTBEE SOLD THREE SHOPPING CENTRE PRO-PERTIES TO DILIGENTIA**

Diligentia acquired three shopping centre properties from Boultbee in June 2010. The properties include the St Per in Uppsala. Commerce in Skövde and Domino in Norrköping centres. The purchase price amounts to SEK 1 440 million. The properties cover a total leasable area of 77 000 m2 and 45 000 m2 garages. As well as shopping areas, the transaction also covers hotels and office premises.

#### **SKANSKA SOLD TWO MAJOR PROJECTS IN SOLLENTUNA AND MALMÖ**

In November 2009, Skanska sold two major ongoing projects to a consortium consisting of seven Swedish pension foundations. The projects, situated in Sollentuna in northern Stockholm and Toftanäs outside Malmö, cover a leasable area of 40 600 m2 consisting of a security prison and a police station. No purchase price was communicated at the time of publication but Skanska's investment volume in the projects amounts to SEK 1 250 million.

#### KLP ACQUIRED FRÖSUNDA-**VIK IN SOLNA FROM RBS NORDISK RENTING**

I February 2010, Norwegian KLP Properties acquired Frösundavik from RBS Nordisk Renting. Frösundavik, situated in Solna municipality in Stockholm, was erected in the mid-1980s to accommodate the SAS head office. SAS has in recent years left large parts of the property, which covers a total of 57 000 m2 of which around 40 000 m2 consist of offices. No purchase price was stated at the time of publication but Newsec estimates it to be in the range of SEK 1.1-1.3 billion.

#### KLP ACQUIRED RADISSON SAS ROYAL VIKING HOTEL **IN STOCKHOLM**

During spring 2009, RBS Nordisk Renting sold the five-star Radisson SAS Royal Viking Hotel in Stockholm to KLP Properties. The property, situated by the central station, has a leasable area of 26 400 m2, the largest share of which consists of the hotel with its 459 rooms. No purchase price was published at the time of the purchase but Newsec estimates it to be around SEK 1 200 million.



#### **VASALLEN AND HEM-SÖ IN TRANSACTION WORTH BILLIONS** Hemsö, jointly owned by

Kungsleden and the Third National Pension Fund, acquired four properties from Vasallen in June 2010. The properties, situated in Visby, Östersund, Karlskrona and Borås, previously accommodated the regiment. The total leasable area is 122 000 m2, consisting mainly of office and training premises. The purchase price amounts to SEK 1 150 million or SEK 9 400 m2, and the direct yield is estimated to be 7.5 per cent.

Source: Newsec

## Sveafastigheter launches new Nordic opportunity fund

In March Sveafastigheter, the leading Nordic private equity company focusing solely on real estate investments, holds a first closing in its new Nordic property fund, Sveafastigheter Fund III. The fund will target investments in primarily Sweden and Finland with a particular focus on assets that have potential for value enhancement through active management.

With a target total fund size of EUR 300 – 400 million, the fund is likely to carry out transactions with a total GAV of EUR 800 – 1.200 million.

Since 2004 we have carried out transactions valued at EUR 1.8 billion in the countries around the Baltic Sea and delivered exceptional investor IRRs. Through our funds we have consistently outperformed IPD Sweden and KTI Finland by a wide margin and was awarded "Best Investment Manager in the Nordic/Baltic region" by Euromoney in 2009.

We are currently meeting with investors that have expressed their interest in participating in future closings of the fund. If you want to request further information or wish to be considered for an investment in Sveafastigheter, please contact Simon de Château at +46 708 485 152 or Patrick Gylling at +358 40 542 63 97. We are at MIPIM March 16–19.



Sveafastigheter Norrlandsgatan 15 SE-111 43 Stockholm Sweden +46 08 545 075 00 www.sveafastigheter.se



## Europe's biggest PPP hospital

Sweden was way behind the rest of Europe where PPP (Public Private Partnership) proiects were concerned.

However, new Karolinska Solna is breaking new ground and the PPP solution is a unique solution, adapted to the Swedish market.

The new hospital, whose construction has just begun, is unique from several aspects. It is the first PPP procurement of design, construction and property management a hospital facility in Sweden, and it is also the biggest PPP hospital being built in Europe.

It is a consortium consisting of Swedish Skanska and British Innisfree that is erecting the new hospital, with Coor Service Management as the cooperation partner for services.

THE COST OF BUILDING the new University hospital is around SEK 14.5 billion, which means that this is Skanska's biggest construction assignment thus far. The PPP agreement also includes services for the running of the property up until the year 2040 with an option to extend for a further 15 years.

"With the new Karolinska Solna, we're taking a

big step into the healthcare and medical treatment of the future. We've signed a long-term agreement to minimise risks of delays and greater expenses for the tax payers. This gives the county council and the tax payers the biggest level of security possible," says Catarina Elmsäter-Svärd (M), chairperson of the county council's board and finance commissioner at Stockholm county council.

The PPP agreement that has just been signed is unique to Sweden, and it is thought that its design may lead to considerable interest in similar projects in Sweden in the future.

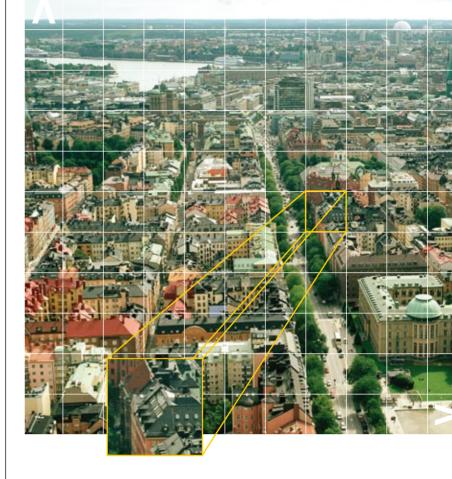
"This is a version of PPP that's been adapted to the low level  $\ oxdot$ 



## now being built



Picture: Tengbom/Skanska



#### A WEB-BASED SOLUTION

Datscha is a web-based service for information and analyses of the Swedish property market.

Datscha aims at everyone who has an interest in real estate, rent levels and market valuation. The largest categories of customers are banks, property owners and consultants.

- Property and market information straight away
- Access to quick valuation and analysis
- Value on the basis of up-to-date local prices
- New user friendly maps

The most efficient way to get your analyses done.







14.5 BILLION. The construction cost for the new hospital amounts to around SEK 14.5 billion, which means that this is Skanska's biggest construction assignment thus far. A project company of which Skanska and Innisfree each own 50 %, has been formed to run the project.

of interest and the strong public finances in Sweden. Along with the broad political anchorage for the new Karolinska Solna, we believe that it may increase the interest in this type of procurement in the Nordic countries," says Johan Karlström, Skanska's Group Manager.

With the county council taking a changed risk and by utilising capital more efficiently for both the county council and other investors, the arrangement means there is less of a need to borrow and that means lower interest expenses. The county council determines how the financing takes place and the Skanska and Innisfree consortium implement the financing and invest equity in the project.

THE BIG ADVANTAGE of this solution is that the private players carry the risks regarding construction and service, operation and maintenance and guarantee a fixed price and a fixed timetable for the project while the county council utilises its strong finances to optimise the capital structure.

Skanska and Innisfree have formed the joint company Swedish Hospital Partners, of which each of the companies own 50 %.

Last summer, Inger Olsson, Skanska employee for more than 30 years, was appointed as MD of the company.

"Being able to assist with creating, building and running the properties for a top class University hospital feels like a huge and very interesting challenge. Along with our customers and partners, we'll make sure that this is a successful project that makes a contribution to improved healthcare and medical treatment," says Inger Olsson.

The plan is to start healthcare and medical treatment operations at the new Karolinska Solna at the end of 2015/start of 2016. The whole of the hospital will be ready to open in autumn 2017.

#### **FACTS ON THE PROJECT AGREEMENT**

- The project company Swedish Hospital Partners (co-owned by Innisfree and Skanska) is responsible for the financing and the implementation of the project.
- · During the agreement period, Stockholm county council will pay the project company an established annual fee. This will cover construction costs, financial costs, maintenance, operation and services at the hospital (e.g. cleaning and washing). If the hospital is not completed in time or if the quality does not correspond to the county council's requirements, the fee may be reduced or not be paid at all.

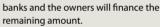
#### THE COUNTY COUNCIL'S **PAYMENTS**

In all, the county council's payments to the project company will amount to around SEK 52 billion, corresponding to around SEK 27 billion in today's value of money.

#### During the construction period:

In 2010-2017, the county council will pay the project company almost SEK ten billion kronor, divided up as follows:

• Results-based payments to a total of 7.3 billion. The total will correspond to around half of the construction costs. The



- One-off payments to a total of SEK 1.4 billion to be paid after a construction phase has been completed.
- Annual fees to a total of SEK 1.2 billion.

#### **During the operation period:**

When the hospital is in full swing, the annual fee will amount to just below SEK 1.6 billion per year (in today's value of money).

#### THE PROJECT COMPANY'S **FINANCING**

- The project company will be financed through loans from Swedish and foreign business and investment banks. The total financing amounts to a good SEK 9.9 billion and the equity to twelve per cent.
- The project company will pay a fixed base interest rate for its loans. This will be valid throughout the agreement period and is locked at 3.86 per cent. A credit margin of 0.25 per cent will be added to secure the interest rate of the commercial banks'
- The commercial banks' credit margin is 2.15 per cent for the first ten years. It then rises and there will be strong incentives for the project company and the county council to rearrange the loans at

a lower interest rate when the construction has been finished; according to the agreement, the county council itself can request refinancing and then receives 90 per cent of the profit in the form of a reduced annual fee.



# The client is always right.

#### This is what the real estate industry says about us:\*

2010

Best Real Estate Bank in the Nordic & Baltic Region

Best Real Estate Bank in Sweden

Best Real Estate Bank in Finland

Best Real Estate Bank in Lithuania

Third Best Real Estate Bank in Germany

2009

Best Real Estate Bank in the Nordic & Baltic Region

Best Real Estate Bank in Finland

Best Real Estate Bank in Sweden

Best Real Estate Bank in Latvia

Third Best Real Estate Bank Globally

Second Best Real Estate Bank in Germany

2008

Best at Commercial Banking in the Nordic & Baltic Region

Best at Financial Services Advisory in the Nordic & Baltic Region

Best at Debt Capital Markets in the Nordic & Baltic Region

2007

Best at Financial Services Advisory in the Nordic & Baltic Region

Best at Commercial Banking in the Nordic & Baltic Region

Best at Investment Banking in the Nordic & Baltic Region

Best at Debt Capital Markets in the Nordic & Baltic Region

Best at Equity Capital Markets in the Nordic & Baltic Region

\*According to Euromoney Real Estate Awards









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