



**FASTIGHETSSVERIGE**

### **PORTRAIT**

Benny Thögersen's unusual way to the top

### **SWEDEN TODAY**

"A volatile housing market poses a threat to the property industry and the Swedish economy"

### **FROM ABBA TO REAL ESTATE**

Björn Ulvaeus on a new path



Extra magazine inside!

**THE LEADING PROPERTY MAGAZINE IN THE NORDIC REGION**



# The Swedish property market is still red hot

IT'S NEARLY TIME for the high point of the year for many of us in the real estate industry – Mipim. This is the time to start new relationships and lay the groundwork for future business. For us Scandinavians, who have just survived yet another bitterly cold winter, it's also a delicious foretaste of spring and summer.

IF YOU LOOK AROUND the world you will see an extremely interesting trend in the property market. There are indications that global pension capital will increase its allocation to property in the next few years from 8–9 percent to 15 percent. This is a tremendous

It looks as everyone working in the real estate sector can look forward to good times for a long time to come.»

With these good tidings we are naturally looking forward to meeting the international industry at Mipim even more than usual – we hope and believe that this year's Mipim will offer outstanding business opportunities and lively real estate discussions, just as in previous years.



Editor-in-chief // Eddie Ekberg

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SEE YOU IN CANNES!

1 2018 // Year 14

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On the cover // Benny Thøgersen  
Read the interview on page 44.

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The latest news from the Nordic real estate market.



## From Abba to Real Estate

Björn Ulvaeus teams up with Joakim Alm as he enters a new field.



## A New Role

Christel Armstrong Darvik steps down as CEO of Stena – but she'll still remain in the business.





■ We are heading towards a strong start to 2018, as the economic upturn spreads to more and more countries. This raises new issues, says Handelsbanken's Head of Forecasting manager Christina Nyman.

# Can the strong growth continue?


Global growth picked up momentum in 2017 and the rate of expansion exceeded our and others' expectations. However, despite this, inflation has been subdued and interest rates have remained low. This combination has supported the stock market globally, and also asset classes such as real estate. We expect a strong start to 2018 with broad-based expansion across the US, EU and Asia. However, this raises a series of issues. Can the strong growth continue? Will 2018 be the year when inflation starts to rise?

THE UPTURN HAS SO FAR been broad-based and synchronised across countries, regions and sectors, with marked upturns in world trade and investment. The number of countries with negative growth is the lowest for decades. We expect global growth to remain strong in the short term, but to slow during the second half of the year, as companies' limited production capacity put a brake on further expansion. Since the start of the financial crisis in 2008–2009, investments across the world have been put on hold. Although investments are now beginning to pick up, it takes time to build new capacity. And despite the fact that unemployment has just come down to more normal levels in many countries, several companies experience recruitment difficulties, even in those European countries where unemployment is still relatively high. We firmly believe that global growth should slow in 2019 and that the US will be the first country to enter the recession.

THE RISK OF HIGHER INFLATION will be an important global theme for 2018, and may have major consequences for monetary policy and the stock market. Despite improved conditions in the labour market, inflation has remained low. This has led many to question the link between the labour market and inflation. However, in our opinion, the relationship still applies, and therefore we expect inflation to rise gradually. However, we also want to highlight the risk that the underlying price pressure may surprise on the upside. Central banks would initially welcome an inflation upturn, but should the rise become extensive and prolonged, it would call for a more dramatic turnaround of monetary policy. This could, in turn, lead to a sharper than expected correction of interest rate, which would force a general revaluation of assets, with the risk of major price fall. And, in addition, a risk of weaker economic growth as global debt level is high. Central banks would also have less room for manoeuvre to counteract a weaker economy by using monetary policy if inflation remained high.

THE SWEDISH ECONOMY is supported by strong global growth, at the same time as turbulence in the housing market raises questions about where the Swedish economy is heading. Towards the end of last year, house prices slowed in most parts of the country even though the decline was greatest in Stockholm. One factor that probably contributed a great deal to the fall is the increased supply of newly produced apartments. Although the home selling process has slowed somewhat recently, we have not seen any sharp

decline in the number of transactions. Nor have we witnessed any transmit of concerns in the housing market to other sectors. Households and companies remain optimistic and we expect to see a stabilisation in the housing market with few knock-on effects. More people have jobs, incomes are rising and households have a buffer in terms of high savings. In addition, Sweden's large population increase means that demand for housing will persist. However, when house prices fluctuate, it affects construction.

We expect a sharp decline in new construction activity in 2018. However, for the overall economy this will be largely offset by stronger exports and an increase in other investments. We have actually raised our GDP forecast for 2018 to 2.7 percent. All in all, we forecast a continuing strong economy with a further rise in employment this year, paving the way for an inflation rate near the target rate of two percent and prudent interest rate hikes by the Riksbank. 



PICTURE: HANDELSBANKEN

CHRISTINA NYMAN

**Age:** 51.  
**Family:** Married, two daughters.  
**Resides:** Sollen-tuna.  
**Title:** Head of Forecasting at Handelsbanken.  
**At Handels-banken since:** September 2017.  
**Previous employer:** Riksbanken, National Institute of Economic Research, SEB, ABB.  
**Interests:** Sea life, cycling and crafts of all kinds.



# *The Swedish real estate market remains strong*

**- but keep an eye on the housing market**

**EXPECTING ACTIVITY.** Anders Nordvall expects the beginning of 2018 to be very active in terms of transactions.

PICTURE: PEXPROVIDER

■ The Swedish real estate market is still strong - but a volatile housing market poses a threat to the property industry and the Swedish economy.

“An extended slowdown in the housing market is likely to hamper consumption and thereby economic growth,” says Anders Nordvall, Head of Capital Markets at Cushman & Wakefield. **By:** Axel Ohlsson

**FOR MANY YEARS IT HAS BEEN** very favourable to invest in real estate in Sweden. Low interest rates, good financing opportunities and healthy returns have formed the base for a strong real estate industry.

“Generally, the industry has a positive sentiment. The underlying drivers remain supportive: economic growth, employment, export growth combined with a low interest rate. This environment should support further demand for office, logistics and industrial property. A key area of concern is the housing market, where price growth has slowed quite dramatically on the consumer market, but where interest remains strong from professional investors. The retail sector is experiencing structural challenges due to the growth in online trade and changed purchasing behaviour,” says Anders Nordvall.

**AFTER TWO YEARS WITH** record high transaction volumes, the deal volume fell in 2017 – although volumes are still at a high level.

“We estimate the transaction volume in 2016 at about SEK 209 billion, and in 2017 the transaction volume was just over SEK 160 billion. The high 2016 number is partly explained by the Norrporten deal, but even when excluding this deal, the 2016 volume overshoot 2017. However, irrespective of this 2017 was a very strong transaction year.”

“The outlook for 2018 is positive and the first six months are likely to be very active in terms of transactions. New opportunistic capital targeting the Swedish market means greater opportunities ➤



PICTURE: PIRPROVIDER



**ANDERS  
NORDVALL**

**Age:** 45.  
**Family:** Wife and three children.  
**Resides:** Nacka.  
**Title:** Head of Capital Markets Sweden.  
**At Cushman & Wakefield since:** 2014.  
**Interests:** Outdoor activities like bicycling, skiing and ice hockey.

› for so called platform deals, where the buyer takes over the existing company/organisation together with the property project, in order to get hold of local competence. For the full year 2018 we expect the transaction volume to come in at about SEK 150 billion.”

› **Which sectors are investors targeting?**

“Investors have a clear focus on core products, that is high-quality assets in the strongest markets. In 2017 the deal volume increased the most within the logistic and industrial sector. This sector recorded a higher turnover than retail that year.”

**BUT DESPITE THE GOOD TIMES** in the property industry, there are certain things worth keeping an eye on. One such area is the residential market that has experienced turbulence since last fall.

“A prolonged slowdown in the residential market could hamper private consumption and thus pose a threat to the overall economic growth. Should private consumption fall back as a result of the price decline in the housing market, this will affect both retail properties and other commercial properties.”

› **It has been a tough year for many residential developers, what do you think of the future for these companies?**

“The consolidation we have seen in recent months is likely to continue. The very small players are at risk of being wiped out, but most of the larger players have been quick to adapt to the market situation and strengthen their financial position through sales, partnerships etcetera.”

But even though developers are having a tough time, the transaction volume of residential property have remained high.

“The rough time for residential developers can remain at the same time as transaction activity is high. Activity could come down as some investors get nervous, but we have rather noticed that new actors enter the market when they see that there has been a price correction. The combination of distressed developers being forced to sell, and new players looking to enter the residential market, gives reasons for us to expect quite high activity in this segment also in 2018.”

“Last year the residential property transaction summed up to just over SEK 50 billion, of which SEK 12–13 billion were building rights. Although the situation for developers has been rather turbulent, the deal volume for residential building rights was between SEK 4–5 billion just in Q4 2017. Opportunistic investors are showing a rising interest for entering the Swedish market.”

**MANY OF THESE INVESTORS** come from other countries and their entry into the Swedish market helps to explain why the share of foreign investors in Sweden continues to grow.

“The interest from abroad has been rising since 2016, and from late 2017 it has been partly driven by opportunistic investors from other countries that once again enter the Swedish market. From ranging between 15–20 percent, foreign investors’ share has increased to 27 percent. In the beginning of 2018, the strong interest from foreign players has remained.”

› **What are foreign investors looking for?**

“Foreign investors are targeting all segments. Institutional funds purchase, for example, core retail and office property. Specialised ›



**TARGET.** Opportunistic capital is once again targeting Sweden.



**Official name:** The Kingdom of Sweden.

**Political system:** Constitutional Monarchy, with parliamentary government.

**Head of State:** King Carl XVI Gustaf.

**Language:** Swedish.

**Population:** 10 million (85% live in urban areas).

**Area:** 450,000 sq.km = 174,000 sq.mi.

**Time zone:** GMT + 1 hour.

**Currency:** 1 krona = 100 öre.

**Largest cities:** Stockholm (capital), Gothenburg, Malmö.

**Noteworthy memberships:** EU since 1995, WTO, OECD.

**Most important export industries:** Mechanical engineering, automotive, information and communication technology, pulp & paper, power generation, pharmaceuticals, iron and steel, transport services and tourism.

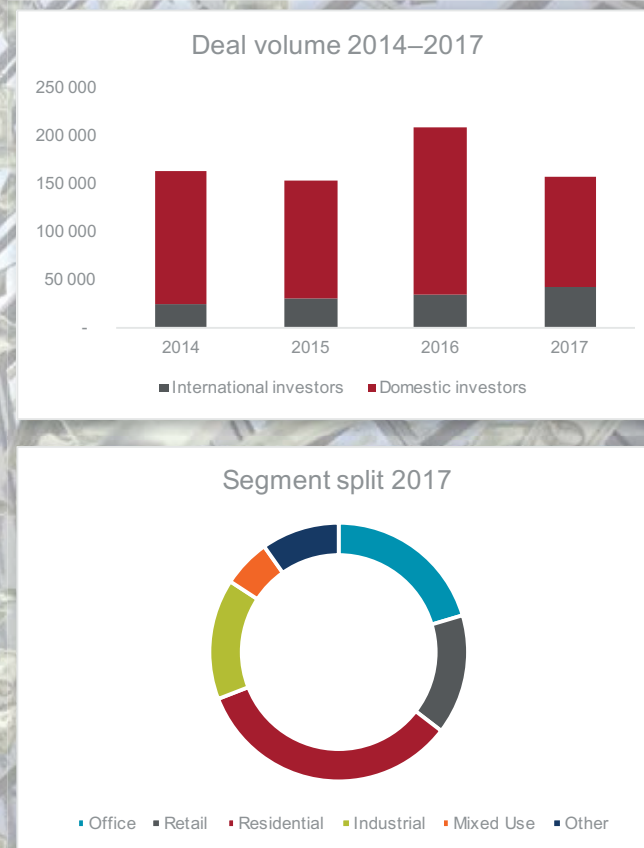
**Most important import goods and services:** Foodstuffs, raw materials and fuels, chemical products, machinery, electrical equipment, information & communication products and services, road motor vehicles, textile products & apparel, tourism.

**Most important export and import markets:** Europe, North America and Asia.

Source: Invest Sweden



# No wonder Niam has developed into the leading private equity real estate firm in the Nordics.



**PROSPEROUS.** Cushman & Wakefield expect a year of continued high activity.

› investors are active in retail, hotel and logistics. In 2017, Asian investors entered the Swedish market. For example, Chinese CIC made its first acquisition in Sweden by acquiring a logistic portfolio from Blackstone.”

› The proportion of foreign investors looks to continue to grow in 2018. What else do you expect this year?

“Greater polarisation, that is, a larger spread in prices and liquidity between prime and non-prime assets. We have already seen this starting in 2017, and we believe it will continue in 2018 as well. We should also see various forms of profit-taking after eight years of value increases. Plus opportunistic investors returning to real estate to take advantage of the turbulence in the housing market.”

› What do you think about future interest rate levels?

“Most forecasts suggest that interest rates will soon start to move upward. However, there is nothing indicating that this will be a quick process. My best guess for interest rates is slightly up over the year to come.”

2018 is election year in Sweden. This might affect the real estate industry.

“Political proposals relating to taxes are of great importance,

both tax proposals affecting the investment market, and also measures and proposals relating to private individuals, such as amortization requirements, interest deductions and other regulations,” says Anders Nordvall.

› Do you think areas related to the real estate industry will get much attention in the election?

“The housing market will be a major issue in the run up to the election, as it always is. However, tax issues relating to the commercial property market will not likely be a major issue. It is a sector-specific issue that will most likely disappear in the election debate.”

**THE SWEDISH REAL ESTATE** industry is once again heading for an exciting year. The same applies to Cushman & Wakefield, which, after the merger with DTZ, has now picked up speed.

“We had a very prosperous 2017 and 2018 has started off very well. We have got a very attractive set of properties to sell, in all segments and submarkets where we are active. We expect a year of continued high activity both for us as a company, but also for the market as a whole.”

## Everything we do is about development.

**PROPERTY DEVELOPMENT** – For over 20 years we have worked with a long-term perspective on our properties. We specialize in project development and management of commercial and residential real estate.

**SOCIAL DEVELOPMENT** – Together with municipalities, property managers, project developers and tenants, we develop our real estate based on genuine understanding of our customers’ needs and the priorities of the local community.

**VALUE DEVELOPMENT** – Niam is a stable, long-term investor who continuously strives to improve the properties we invest in. The properties are developed to their full potential, simultaneously increasing in value.

Let’s talk about what we can develop together.  
Read more at [www.niam.com](http://www.niam.com).





Here are the **20** most read articles at [nordicpropertynews.com](http://nordicpropertynews.com) since November, the numbers represent the most read-rating. Please visit the site and register for the only newsletter dedicated to the Nordic property market to receive the latest news – three times a week. **By:** Axel Ohlsson

## ② Heimstaden's Big Danish Venture



Magnus Nordholm.

**PLUS** Heimstaden has made a significant venture in Denmark when they purchased a project property in Copenhagen for EUR 91 million.

Since September they have purchased properties in Copenhagen, Århus, Odense, Sjælland and the Triangle Region for a total of EUR 608 million.

"During the past three years we have expan-

ded our network in Denmark and built the necessary security and knowledge about the country in general and the Danish housing market to feel secure in our investment decisions also outside of Copenhagen," says Magnus Nordholm, deputy CEO.

"In Sweden and Norway we have a lot of 'bread and butter' properties while we in Copenhagen so far have had more exclusive properties. Our as-

essment is that this kind of location and property has a slightly lower downside which fits into our strategy."

Heimstaden views the Danish market's development in a positive light.

"We see a relatively high and stable population growth in the area as well as a reasonable level of new productions which creates security for both value and leasing opportunities." **2017-11-16**

## ⑪ Technopolis Enters Stockholm

**PLUS** UMA Kungsbron will be the first UMA Workspace of Technopolis in Sweden, as well as the largest UMA to date, with 2 350 square meter space, including 50 small offices, 90 hot desks and 10 shared conference rooms.

"Expanding the UMA concept is an essential part of our strategy. This new UMA in Stockholm is an ambitious first step, but it's just the beginning. We intend to expand our footprint in Stockholm, Helsinki, Copenhagen, Oslo and other major Nordic-Baltic Sea cities," says Keith Silverang, CEO of Technopolis. **2017-11-16**



UMA Kungsbron.

PICTURE: TECHNOLIS

## ③ Regenero Acquires Fortum's HQ

**PLUS** Regenero, a joint venture formed by YIT and HGR Property Partners, has acquired properties in Keilaniemi, Espoo, from Fortum and Fortum's Pension Fund for a development project. The acquired entity comprises Fortum's current headquarters, which the company will vacate. YIT's ownership of the project is not more than 50 per cent. In the plot acquisition phase, YIT will make an investment of approximately EUR 10 million which will be paid in connection with the closing of the deal in the beginning of 2018.

Fortum's headquarters is considered to be one of the most iconic office buildings in Finland. The piece plays an important role in the new area – but will not be transformed.

"It's an important acquisition to this area. There was speculation that there would be housing in this building, but our idea has always been to keep it as an office building," says Juha Kostiainen, chairman of Regenero.

**Have you thought about making more acquisitions in the area?**

"YIT has one plot a few hundred meters away, so there



Fortum's HQ.

PICTURE: YIT

is a possibility of connecting more. But we haven't really thought about acquiring more at the moment since this is already a big project for Regenero." **2017-11-02**

## ⑤ “We Will Continue to be an Active Investor in Finland”

**PLUS** Niam divests nine office properties in the Helsinki area to Schroder Nordic Real Estate Fund for EUR 150M.

"A part of our strategy is to purchase properties that we develop, manage and then sell when we see fit" says CEO Fredrik Jonsson.

Even after the divestment, Niam has a large portfolio left in the Helsinki region. Fredrik Jonsson shares that the

company will continue to be active on the Finnish market.

"We will make new deals and will continue to be a very active investor and manager of properties in Helsinki, where we still have a greater value than what has been sold."

"It's a part of the natural cycle, not only for funds like us but also for other real estate companies that work with their portfolio in a similar way." **2017-11-03**



Ilija Batljan.

## ⑬ Batljan Keen On Norway

**PLUS** Ilija Batljan's SBB made a big mark in Norway during 2017 with several investments, including the purchase of DNB Bank's HQ in Oslo. After the turn of the year SBB looks for more Norwegian investments.

"We are Norway's largest player in communi-

ty service real estate, with a stock of approximately EUR 760M," he tells Nordic Property News.

Ilija Batljan is not done in Norway. Instead he eyes new investments in the near future.

"We think Norway is a very good and safe country to invest in and we will continue to be active in the future." **2018-01-17**

## ⑬ ELF DEVELOPMENT SELLS 17,000 SQM PROJECT TO ABERDEEN

**PLUS** Aberdeen Asset Management and ELF Development have signed the transaction of a 17,000 square meters mixed use property at the project stage.

The project is located on Lindholm Brygge in Aalborg.

The sales price is undisclosed. Construction of the project starts in the beginning of 2018, and is scheduled for completion during the summer of 2020.

**2018-01-05**



Ludvig Find, CEO ELF Development.

## ⑮ D CARNEGIE COMPLETES LARGEST SWEDISH TRANSACTION IN 2017

**PLUS** D Carnegie has completed the largest Swedish transaction in 2017 when the acquired 27 properties from Akelius for SEK 2.47 billion (EUR 251M). In addition D Carnegie acquires four properties from Mimer for MSEK 765 (EUR 78M). **2017-12-29**

## ⑨ TROPHI CHOOSES FINLAND OVER SWEDEN

**PLUS** Trophi made a new large purchase in Finland by buying eight properties in Jyväskylä from the food giant S Group. In conjunction with the transaction they also signed a long lease with S Group. Trophi has a large part of their portfolio in Finland. The fact that they make new acquisitions there is therefore not a coincidence.

"Something that makes Finland interesting is that the yields are higher than in Sweden. Moreover, the competition is sometimes significantly lower compared to Sweden," says Jan Björk, CEO of Trophi. **2018-01-17**



Jan Björk.

## ⑮ VICTORIA PARK BUYS HOUSING UNITS FOR EUR 46M

**PLUS** Victoria Park is to acquire two portfolios of residential properties, comprising six properties with 327 flats and a total lettable area of slightly more than 26,000 square meters. **2018-01-24**



NORDIC NEWS

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NCC FIRES CEO  
PETER WÄGSTRÖM



The Board of Directors of NCC has decided to replace the Group's CEO Peter Wägström in order to increase focus on the construction and civil engineering operations.

"I am disappointed by the Board's decision but of course I respect it. And I am naturally disappointed with NCC's earnings performance in parts of the construction and civil engineering operations in recent years," says Peter Wägström. 2017-11-03



Peter Wägström.

PICTURES: ROUND HILL CAPITAL



Jakob Paljak and Jacob Goldmann.

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FRESH FACES TO STRENGTHEN  
ROUND HILL CAPITAL'S  
NORDIC TEAM



**NORDIC PLUS** Round Hill Capital's Nordic Logistics and Industrial Portfolio has strongly outperformed expectations. To strengthen and repositioning the portfolio Round Hill adds two local players, Jacob Goldmann and Jakob Paljak, to their team.

"They have strong asset management and development experience which complements the portfolio value add strategy," says Ben Segelman, Managing Director at Round Hill Capital UK. 2018-01-10

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TOBIAS ALSBORGER  
LEAVES NREP



**NORDIC** Tobias Alsborg has been with NREP since the early days, and has played an important role in building the Swedish team. He leaves for personal reasons. 2017-12-06




Tobias Alsborg.



Erik Selin.

1

Swedish Giant Makes  
First Retail Investment

**PLUS** Balder has announced the acquisition of the retail property Göteborg Högsbo 23.4, also known as 421, for MSEK 795 (EUR 81M) from Dutch company Eurocommercial.

421 is Balder's first larger purchase in the retail segment, but likely not the last.

"There definitely might be more, we can always purchase if the price is right ... I do not have anything against retail

properties but I often think the prices are a bit too high for what you get," says Erik Selin, CEO of Balder.

**For how long have you kept an eye on this deal?**

"It was announced by Catella just under a month ago and since then I must say that everything has gone really fast."

The fact that Balder now enters the retail property segment is mainly due

to the pricin, according to Erik Selin.

"This will pretty much be our first real retail property ... Sure, we have retail spaces in our centers but we have not directly worked with pure retail properties."

"We always compare all kinds of deals to each other and in this case we believed that the price was reasonable for the property in question, so we went for it," says Erik Selin. 2018-01-08

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These Are Sweden's Most Expensive Streets



**PLUS** The capital dominates among Sweden's most expensive streets.

"The current price corrections are not noticeable in the same way on these addresses" says Johan Engström, CEO of Fastighets-byrån. 2017-12-01



PICTURE: ISTOCKPHOTO

Ten most expensive prices on average in Sweden:

1) Thaliavägen	Stockholm, Bromma	SEK 16,031,000 (EUR 1.618M)
2) Strandvägen	Stockholm, Östermalm	SEK 14,850,000 (EUR 1.498M)
3) Högländsvägen	Stockholm, Täby	SEK 14,260,000 (EUR 1.438M)
4) Mårdvägen	Stockholm, Bromma	SEK 14,080,000 (EUR 1.420M)
5) Nysättravägen	Stockholm, Lidingö	SEK 13,510,000 (EUR 1.363M)

Ten most expensive prices per square meter in Sweden:

1) Floragatan	Stockholm, Östermalm	SEK 122,869 (EUR 12,397)
2) Stureparken	Stockholm, Östermalm	SEK 117,601 (EUR 11,868)
3) Askerikegatan	Stockholm, Östermalm	SEK 116,878 (EUR 11,723)
4) Strandvägen	Stockholm, Östermalm	SEK 115,256 (EUR 11,629)
5) Storgatan	Stockholm, Östermalm	SEK 114,798 (EUR 11,583)

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Kielo Strenghtens  
Position in Jyväskylä



**PLUS** After having formed the company in the fall of 2017 and making their first acquisition in Jyväskylä in November Kielo has added a new property to its Finnish portfolio. The latest acquisition is the office property Mattilanniemi 6-8 in Jyväskylä from Aberdeen Standard Investment.

"Jyväskylä is a large and strong growing office market and a municipality with ambitions. This latest acquisition creates opportunities for synergies and the fact that we now have a large proportion of the modern offices in Jyväskylä, create stability and a sought-after strength position," says Erik Widmark, Partner at Brunswick Real Estate. 2018-01-15



Kielo purchases in Jyväskylä.

PICTURE: KIELO



Triuva is back in Finland.

PICTURE: TRIUVA

7

Triuva Gets  
Back in the  
Finnish Game




**PLUS** Triuva has acquired a core mixed-use building in Helsinki CBD with a total lettable space of around 7,000 square meters. This is Triuva's first deal in Finland for a long time.

"We have been very active during the last years and were monitoring the market all the time closely but did not see a suitable product which met our risk/return profile," says Jörg Laue, Director of Investment Management at Triuva. 2018-01-09

4

The Future for Danica and ATP's New JV



**PLUS** A major deal has taken place in Denmark where Danica Pension and ATP has formed a joint venture by ATP acquiring 50 percent of Danica's shopping center portfolio for approximately DKK 6.9 billion (EUR 927M).

"In short you can say that at one point we would come to a capacity limit on our own balance sheet, and that problem will be solved with a joint venture - without the need to sell assets," says André Scharf, Managing Director of Danica Ejendomme.

"Now we are getting this venture in a direction where it can grow and expand and further develop into the future. ATP is obviously our partner of choice."


**Why is ATP a good fit for a JV with Danica?**

"First of all, they will complement us on managing expertise; they have centers in Denmark and abroad in Europe and I think they will come with special knowledge and good input to what we are doing."

"Secondly, they are a like-minded investor that has the same view on the shopping center market and in general have a similar approach to investing in real estate."

**Do you see the possibility to acquire more shopping centers?**

"In principle, yes. Now I think that we have room for growth and expansion. However, we have to be opportunistic, particularly in Denmark, where many centers are accumulated in long-term ownership and where it is not that frequently that centers become available on the market. So if opportunities arise, we will have a look." 2017-11-23



André Scharf.

PICTURE: DANICA EJENDOMME

6

SWEDEN KEEPS GETTING  
HOTTER TO FOREIGN  
INVESTORS



**PLUS** The Swedish real estate market is becoming increasingly attractive in the eyes of international investors, and along with investments of over SEK 34 billion in 2017 the international interest is greater than in a long time.

"We have now passed both 2015 and 2016's levels. The international interest is strong from a broad crowd of investors, with anything from Core buyers to more opportunistic investors. It is very likely that the Nordics have become more interesting since Brexit," says Peter Wiman, Head of Research and Head of Investment at Savills. 2018-01-05



Peter Wiman.

PICTURE: SAVILLS

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NORDEA MOVES HQ FROM  
STOCKHOLM TO HELSINKI



**NORDIC** The Nordea Board of Directors initiates a re-domiciliation of the parent company to Finland - operations in all Nordic home markets remain unchanged. 2017-09-07




Badkarsfabriken.

PICTURE: PROFI

16

PROFI PURCHASES  
FROM BRUNSWICK



Profi Fastigheter purchases the Gustavsberg 1:316 property, also known as Badkarsfabriken from Brunswick Real Estate. The property encompasses 21,000 square meters facilities for education, warehouse and production. 2018-01-22



**TOR BORG**

**Age:** 49.

**Family:** Domestic partner and four children.

**Resides:** Hammarby Sjöstad, Stockholm.

**Title:** Head of Research Nordics, JLL.

**Previous employers:** Swedbank Robur, Folksam, Riksbanken and SBAB.

**Interests:** Swimming and cycling.

# Business cycle or trend?

■ What to expect in Swedish real estate from a stagnant economy? JLL's Head of Research Tor Borg shares his views of the future.

Compared to many other industries, the real estate sector appears to be a particularly long-term sector. The life cycle for many goods and services is now shorter than a normal business cycle. A building, on the other hand, takes several years just to build (if the entire production process with planning, design etcetera is included), the maintenance plans often extend for decades and the life-span of a building, both economic and technical, is even longer. Since real estate is a long-term asset, all involved players – developers, constructors, owners, asset managers, investors, lenders and advisors – must have a long-term perspective and be able to look beyond the next business cycle and predict how supply and demand will develop in the long run. This means that it is often more important to understand demographic trends and long-term changes in production and consumption patterns than Riksbanken's (the Central Bank of Sweden) latest interest rate decision or today's closing prices on the Stockholm Stock Exchange.

Overall changes to our society that affect the real estate

sector are globalisation, digitalisation and urbanisation. Especially digitalisation is having great influence on office use as it has made the work force more flexible. For many of us, our work tools now fit into a small bag. The increased work specialisation and the emergence of the so-called gig economy also means that flexibility in the physical workplace is on the rise. More flexible work models require workplaces that can be easily adjusted. This has created new forms of offices including co-working solutions, serviced office and activity-based offices. When companies compete for talents and specialists, the office is increasingly used as a tool to profile the company. The strongest argument in this context is the location. Easy access for commuters as well as a general urbanity in the local area are important factors. The office in itself has become more of a meeting place and facilities such as cafés, restaurants, gym, meeting rooms and social areas are growing in importance.

**RETAILERS AND LOGISTICS COMPANIES** must adapt to and exploit the opportunities provided by e-commerce. Already today, they must form a view on how innovations like driverless cars, drones and 3D printers will be used in the future and affect their business models. In the housing sector, demographic changes is the most important trend. An ageing population, a smaller proportion of traditional nuclear families, an increasing mobility over a wider geographical area as well as growing cities are factors that will have major impact on which types of homes that will be demanded in the future.

Perhaps the most important trend of all is the sustainability trend. In line with global warming, sustainability is becoming increasingly important in every aspect. Environmental considerations are crucial to the choice of materials and production methods of architects and builders. Asset managers develop control systems that minimise energy consumption and reduce the environmental impact of the building. Even for investors and lenders, sustainability is becoming increasingly important, for example, sustainability standards, green loans, green bonds, etc.

As it takes time for the supply of real estate services (office ➤

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➤ space, retail premises, housing etcetera) to adapt to changes in demand, prices, rent levels, vacancies, turnover and other things will vary in line with cyclical demand fluctuations, despite the long-term view of the players. Often, the fluctuations in the real estate sector come with a certain lag relative to other parts of the economy.

**AN INTERESTING PHENOMENON** that has been observed and discussed in recent years is what is sometimes called secular stagnation. Over the last 20–25 years, it seems like the long-term economic growth in the most developed countries has slowed down. Even inflation and interest rates – nominal as well as real – appear to grow at a lower level than before. One possible explanation is that demographic changes and increased economic inequality have made people more eager to save money, while lower productivity growth has resulted in less willingness to invest. This has resulted in savings surplus, subdued demand, lower growth and falling interest rates. Although interest rates have been pushed down to extremely low levels, global growth has only risen slowly. Should the trend persist, growth, inflation and interest rates will remain

stuck at low levels. Some say, however, that the stagnation is due to the fact that it takes time for the economy to recover from such a serious event as the global financial crisis 2008/09. What we are experiencing today is thus an extraordinarily powerful and prolonged economic downturn that should soon be followed by a cyclical upturn.

**HOWEVER, FROM A SWEDISH** perspective, this discussion may seem strange. We have enjoyed a period of both relatively healthy growth and low interest rates that have supported rental growth and rising prices on property in recent years. Most likely though, this pleasant journey will one day come to an end. Should the hypothesis of trend stagnation be correct, then interest rates will remain low, but growth (and rental growth) should be more subdued. Not so very fancy. Should the hypothesis not hold, then export and investment growth would surely surprise on the upside, but at the expense of rising interest rates. And in an economy where interest rate sensitivity is probably higher than ever before, that does not appear like a pleasant scenario either. **F**



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**gothenburg**



# Urbanity in focus at Mipim

■ When Mipim opens on March 13 it does so with a new Director. Ronan Vaspert guides Fastighetssverige's readers through this year's themes and highlights and shares a glimpse into how he will make his mark as new Director. **By:** Axel Ohlsson

► **What's new in this year's Mipim?**

"For Mipim 2018 we have come up with the theme of Mapping World Urbanity (urbanity being defined as the quality of character of life in a city or town). This theme carries on from our discussion on the New Deal for Real Estate which was the theme of Mipim 2017."

"This rise of connected-urban areas is reconfiguring the map of world urbanity, and in many cases positioning the city as the economic powerhouse rather than the state. This calls for both public and private stakeholders to explore on a global level the life in cities in the future, the evolving role of local authorities and the creation of new city models. For the real estate professional, the route to maximizing returns is to achieve the right balance between a global strategy and vision and a local strategy that considers local specificities."

"Mapping World Urbanity will be treated not only in the ensemble of our conference programme, but also in our new format sessions such as masterclasses, predictive scenario sessions and thematic breakfasts."

"Mipim truly is the assembly point for the international real

estate industry every year and we want to provide our attendees with the best targeted contacts, in order for them to get the most out of their visit to Mipim as possible. With this in mind, over the past number of years, we have been re-grouping dedicated segments of the real estate market segments at Mipim, starting with hotel and tourism, the Mipim Innovation Forum and more recently, the logistics pavilion. This year we are further expanding this concept with a closed-door Regulation and Legal Forum, where lawyers, solicitors and jurists will discuss together how the European framework and national legislations impact the real estate industry."

► **How do you view the Swedish participation?**

"Sweden is a key country for Mipim in terms of participation as it is positioned in the Top 10 of delegate attendance. There will be a number of key conference sessions in the Nordics programme that will be drawing attention to Sweden as key investment destination."

Wednesday's Stockholm: Where investments meet growth, will analyse Stockholm's business and industry, which is characterized by high-tech industries, innovation and creativity, operating in close collaboration with many prominent universities and science institutes. Speakers include Patrick Mesterton, CEO & CoFounder of Epicenter Stockholm and Gertrud R. Traud, Chief Economist, Helaba Landesbank Hessen – Thüringen."

"During the financial crisis, the Nordics were considered an economic safe haven and they were able to remain prosperous even after the crisis. However, there are still some challenges on the horizon. A panel session (The Nordics: how to keep riding the economic wave) on Wednesday featuring Juhani Reen, Head of Advisory in Finland of Newsec Advice Oy; Louise Richnau,

Partner, Brunswick Real Estate; Bård Bjølgerud, CEO and Partner, Pangea Property Partners and Peter Winther, Partner, CEO, Sadolin & Albæk will be discussing whether the Nordics region will be able to keep their economies thriving and to turn these new challenges into opportunities?"

"ANOTHER PROMINENT INVESTMENT-LED SESSION: 'Nordic investment market: trends and opportunities' will examine the record levels of investments in the Nordics due to low interest rates and intense market transactions. Thorsten Slytå, Director of Nordic Region of M&G Real Estate; Rikke Lykke, Head of Corporate Integration and Managing Director, Nordic Region of Patrizia and Michael Swank, Managing director of Blackstone Real Estate will debate about how long this trend can continue and what are the pros and cons of investing in the Nordic market?"

► **Sweden has entered an election year, is that something that you'll notice at Mipim?**

"Mipim is an event where real estate professionals from around the world meet to take the pulse of marketplace and discuss those topics that are impacting local and international business. I have no doubt that the Swedish and European delegations will be discussing the elections during their time at Mipim to get many perspectives on how the outcomes could/will effect business transactions and real estate investment opportunities."

► **Last year both the Brexit result in the UK and the election of Donald Trump as US president were fairly fresh. With the rather tumultuous year that has passed since then, do you think the situation in the world will be a big topic of discussion this year?**

"Last year at Mipim, we were on the cusp of a new era with the then recent Trump election victory and Brexit result. One year on, we can already see huge impacts across the globe as a result of these two events. Trump's withdrawal of the US from the COP21 will have drastic effects on the tackling of climate change. In line with Mipim topic, it is interesting to see the role/reactions of cities and private companies regarding the governmental decisions as we can see in the case of the USA that a number of states have decided to continue their efforts on sustainable development despite Trump's decision. The UK delegation at Mipim remains out in force at Mipim to campaign for international investment post-Brexit, namely ►

PICTURE: SDHALLOWIMAGE & CO



**MELTING POT.** Mipim continues to be the center for real estate business to meet peers from all over the world.





Ronan Vaspert.

PICTURE: REED MIDEM



PICTURE: SPHALLOUNNAGE & CO



**SWEDISH INFLUENCE.** Sweden stands out as one of the key countries at Mipim, according to Ronan Vaspert.

› through the return of DIT (Department for International Trade) with a dedicated stand and robust programme. Mipim is above all an annual rendez-vous for the real estate community. It is, in many ways, both the beginning of the story and the start of the story, as we have a portfolio of international Mipim events throughout the year and Mipim, Cannes draws all these conversations together in one place. I feel that this year the subjects of Brexit and Trump will keep being discussed in the alleys of the Palais.”

› **What should visitors think of before going to Cannes?**

“Preparation really is the key to getting the most out of Mipim. Every company needs to understand what its goals are as it heads to Mipim and spend the weeks before the event preparing the best way to reach those goals. If a company wants to raise brand awareness then it should be looking at setting up press and networking events. If a city is searching for international investors then they should be identified and contacted well before Mipim to set up meetings. Mipim provides attendees with a great tool to organize their meetings in advance: the online database where you can find all the names and contact details of all participants.”

› **What should visitors think of during the Mipim week?**

“Obviously there is the business side of the event as well as a vast number of subjects being discussed in the conference programme. Mipim’s aim is also to improve its client experience at the show by helping participants find their peers and potential partners. To keep the networking at its best, we are organizing matchmaking events onsite, on dedicated segments: healthcare, logistics and hotel and tourism etcetera. These high value, high

energy facilitated sessions offer a unique chance to make new connections between operators, developers and investors on promising industries.”

*»I am excited to see the very innovative, new hotel concepts that will be exhibited and discussed this year.«*

› **What highlights do you personally look forward to the most this year?**

“I am very excited about Mipim 2018’s opening keynote: the 20 year old American writer and lecturer Adora Zvitak. This year we wanted to shake up things by giving the floor to a representative of the younger generation who can provoke property professionals and make them think. She will challenge property professionals about tomorrow’s cities and urging them to pay attention to the expectations of the younger generation. A child prodigy, she published her first book at the age of eight. In 2010, when she was just ten, she hosted a TED conference ‘What Adults Can Learn From Kids,’ attracting 5 million viewers online. She explained that ‘the world needs ‘childish’ thinking: bold ideas, wild creativity and especially optimism.’ In 2013, she participated in the Youth Forum

of the Economic and Social Council of the United Nations alongside Secretary-General Ban Ki Moon, encouraging young people to change the direction of history with daring and imagination. I hope that Adora’s keynote will shine a light on how the younger generation sees tomorrow’s cities and start a dialogue between the people who build today’s and tomorrow’s cities and those who live in them.”

“SUSTAINABILITY HAS BEEN really pulsating throughout the conversations about real estate across the globe. Concerning sustainability and innovation, the key point to remember is that today, is the absolute norm for developers to construct buildings that are green and sustainable. Beyond smart buildings, it is now important to consider sustainability from a city perspective and how to go about achieving that. This subject covers a number of subjects including mobility, infrastructure, energy efficiency but also use of materials. This is why we have decided to dedicate a half day at Mipim to the issue of sustainability. The sessions will focus on low carbon economy and its return on investment, including passive and positive energy buildings, as well as the growing use of innovative and sustainable materials used to construct these buildings.”

“Before taking the helm at Mipim I had a career in the hotel sector, so it remains a topic close to my heart! I am excited to see the very innovative, new hotel concepts that will be exhibited and discussed this year. ‘Hotels with an urban view: room for innovation’, is a stand-out conference session that will highlight those new hotel concepts opening to meet the demands of today’s ›





**URBANITY.** Mapping World Urbanity is the theme of this years Mipim.

PICTURE: FBUKALJO/IMAGE & CO

➤ highly discerning globetrotters. Discussion range across co-living concepts to generator hostels, as well as new luxury hotel offerings, which are taking on a leaner, smarter look. Serge Trigano, former CEO of Club Med and current President, Mama Shelter (a hotel chain which creates and choreographs lively accommodation and restaurant facilities that are seen as true urban refuges) will feature on the panel.”

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*»Overall, we are putting all of our energy into meeting the needs of our global real estate professionals.«*

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**FOR RONAN VASPART** it is the first year as Director of Mipim after having joined from Accor Hotels Group.


“Prior to being appointed as Director of Mipim in 2017, I held various management positions within Accor Hotels Group, including that of VP Innovation and Marketing Projects. I hold a sales and marketing degree from ESSCA Business School. Due to my background in the hotel industry, I have a strong focus on emphasizing the importance of the customer/client experience.”

➤ **How will people notice that you are the new Director of Mipim?**

“A new Mipim director doesn’t mean necessarily mean noticeable change straight off the bat. I have taken on an already well-

oiled machine, but in a more long-term view, I am keen to lead our driving ambition of being the precursor of new trends and to pioneer new ideas and concepts. Several years ago, we initiated the Mipim Innovation Forum, introducing tech companies within the RE community. This lead to Mipim Proptech in New York and now this year, we will be launching a dedicated event this June in Paris: Mipim Proptech Europe, responding to the growing demand from the sector to know more about this newly emerging trend.”

“**THIS YEAR, I HAVE FOCUSED** a great deal on emphasizing the importance of the customer/client experience. We already have an in-depth Mipim First-Timer programme which ensures that first-time attendees to Mipim are catered for in the best possible way: A dedicated registration area and First-Timer Lounge which allows us to meet and greet all new comers, as well as special First-Timer networking areas at the opening cocktail party ... First-timers are really encouraged to dive right in to the Mipim experience.”

“I see more than ever a strong need for attendees to be well-informed, well-connected and well supported during their time at Mipim. Strong content and the diversification of conference formats to satisfy different tastes remain paramount. For this reason we have a bumper programme of conference sessions and workshops that will treat the current environmental, sociological, technological and political issues we are facing. Matchmaking is another cornerstone to the Mipim DNA, which, with the help of new technologies such as the Mipim matchmaking tool and app to be able to make contacts proposal to each our attendees. Overall, we are putting all of our energy into meeting the needs of our global real estate professionals.” 

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**ROSCHIER**



■ Sweden is about to make it very difficult for real estate companies by going beyond the EU directive in limiting interest rate deductions. The proposal will have devastating consequences – is it due to the fact that real estate activities are considered socially harmful? asks EY’s Ingemar Rindstig.

# Tax proposals with catastrophic consequences

Right now, new regulations are about to be implemented in Sweden, regulations that could have severe fiscal implications for Swedish real estate companies. I am not talking about the so-called real estate packaging proposal, but about the proposal for new rules to limit deductibility of externally paid interest expenses. There was an EU directive on this in June 2016, which shall be introduced by Member States as of January 1, 2019. The EU directive aims to counter-act international tax planning using interest deductions. Therefore, it is hard to see why external interest rates are at all concerned – the rules should only refer to intra-group interest rates ... The EU directive limits interest rate deductions to 30 percent of the so-called EBITDA result (Earnings Before Interest, Tax, Deprecations and Amortisations). However, the directive allows for a number of exceptions, where full deductions can be received. Loans taken before June 2016 can be excluded, and companies whose loans are lower than the group’s loan are excluded, infrastructure is also excluded and there is also a standard exception of three million euros.

THE MINISTRY OF FINANCE designed a proposal for Swedish legislation this summer – but this goes far beyond the EU directive, which means even greater negative consequences for Sweden. In the proposal, the deduction is limited to 25 percent of taxable EBITDA and no exceptions are allowed, apart from a standard exception of SEK 100 000. The Government also present an alternative set of regulations where the deduction is limited to 35 percent of taxable EBIT, that is, earnings before financial items and tax, after tax adjustments. Normally, EBIT gives less deductions, so let’s hope that the legislation will be EBITDA.

THE PROPOSAL IS INSIDIOUSLY because in today’s low interest rate environment (which may often be two percent?), it does not affect taxation very much. But already at four percent interest rate, a normal residential property company would pay *more than 100 percent in taxes*. All companies that invest and lend money to their investments would pay higher taxes. For those who invest in low-yielding assets, such as rental housing, the consequences would be disastrous. Sabo writes in their comment on the proposal about a “ticking bomb”. Companies that are doing losses may be forced to pay taxes. Maintenance can hardly be afforded when the surplus is used for tax purposes. The rules will most certainly result in higher rents for apartments and fewer apartment buildings being constructed. All other real estate companies that lend money (and that’s about all of them) will of course also be hit economically with lower cash flow through higher taxes – about 50 percent will probably be quite normal.

IF THE LEGISLATOR WANTS to support the construction of cheap apartments, then the proposal is a disaster. It is unwise beyond comprehension by Sweden to go beyond the EU directive – instead, the effects should be minimised by using all exceptions permitted. So does Germany. According to what I have heard, England is considering to exclude the real estate industry from this legislation by including real estate in the sector infrastructure, that can be excluded under the EU directive.

EU directives that cover areas dealing with international trade and capital movements should be applied equally in all EU countries. If we want international capital to Sweden, it is devastating that Sweden introduces other, more far-reaching rules than



**INGEMAR RINDSTIG**

**Resides:** Uppsala.

**Family:** Wife and son.

**Title:** Authorized Public Accountant in Real Estate and Building.

**Interests:** “Books and music – mostly opera and jazz – and economics.”

**EY**

EY founded an RHC unit (Real Estate, Hospitality & Construction) specializing in real estate and construction. It has now grown to 200 people in Sweden, 400 people in the Nordic region and 15,000 people globally. It includes all-in-one specialists from accounting/ reporting to transactions, sustainability and organization/ strategy. In addition, it also includes a large number of tax specialists for the industry.

dictated by the EU directive. Shall Sweden have tougher legislation than the rest of the EU, this must be based on very important matters. It is those who believe that we ought to have rules other than the EU, that should argue for this and explain why – and I have not heard those arguments.

I WOULD ALSO LIKE TO highlight two other aspects:

If you have a system where company profits are being taxed, then all expenses incurred to make the profit must be deductible (except for fines, private expenses, etc). It leads completely wrong when starting to experiment with regulations making essential/

necessary expenses not deductible. Then it’s better to have a higher tax rate!

The real estate industry is already taxed higher than other industries, as evidenced by the government’s “Packaging Investigation” (page 97), so there is really no reason to tax this industry further – neither through interest-rate limitation or through the package’s proposal to tax property sales while all other activities can be sold tax-free through companies. Normally, penalty taxes are imposed on harmful activities such as alcohol and tobacco. Penalty tax on real estate thus means that the legislator think real estate activities should be considered socially harmful. ■



■ He has been part of one of the world's biggest bands of all times, and has written several musicals that have made success on Broadway. After joining Joakim Alm and Alm Equity, Björn Ulvaeus now spends some of his creative energy on real estate.

"I am very pleased that I am still curious. In these times new things happen daily, so it has never been as exciting to live as it is right now," says Björn Ulvaeus. **By:** Axel Ohlsson



# From hits and musicals to brick and mortar

IT STARTED AS AN INVESTMENT opportunity but soon became much more than that for the former Abba member.

"I thought it seemed interesting, although by then I was not interested in the real estate industry at all," says Björn Ulvaeus.

"But soon I began to attend a few board meetings. Then I realised that real estate involves creativity and that appealed to me. Since then, I have been involved in several projects."

Björn Ulvaeus is now – after founder and cooperation partner Joakim Alm – the second largest shareholder in Alm Equity.

Joakim Alm and Björn Ulvaeus found each other right from the start.

"I have always had a good intuition of people, and I connected with Björn right away. Some people gives you energy, they create fireworks in your head," says Joakim Alm.

"I got a feeling that 'here is creativity, this is where things happen.' In some way, I am attracted to this type of personality. I have a few such people in my acquaintance, and Joakim is definitely one of them," says Björn Ulvaeus, and continues:

"I have the privilege of being able to just do the things that make me happy. It may sound strange but it is true. I only do fun projects and I really enjoy it."

› What does it mean to come from the outside, and not being part of the traditional real estate industry?

"The creative process we use in Alm Equity, is based on a view that every single project is unique, and should be developed by testing various hypotheses. That process is probably similar to

other creative processes," says Joakim Alm.

"The idea to let thoughts and ideas run wherever they want, guided by an association – and having the courage to work this way, I think that is quite unique for a property developer. But it is like writing songs or creating musicals. In order to create something new you need to let your thoughts run in all directions. I have learned to respect this creative process. You have to dare to give the creativity a chance – because it pays off, regardless if you are working on lyrics, a property, or any other project," says Björn Ulvaeus.

"Finding the courage is the biggest problem. You should not hinder yourself by being afraid of looking stupid. Because, when being creative and letting your thoughts and ideas fly, you can sometimes be seen as a bit odd," says Joakim Alm.

"I agree. I think lots of people are worried about what other people might think. But you can not let such thoughts stop you. To be creative you must allow both good and stupid ideas. That is really the basics, because you never know what will come out of it in the end," says Björn Ulvaeus.

"Yes, because those questions and ideas that may seem weird are also starting creative processes. When I have figured out something that I think looks interesting to move forward, I like to discuss this with people who are not in real estate, because they ask other types of questions, and those questions forces me to think about what could go wrong and which risks I should be aware of. I get lots of input from such questions," says Joakim Alm.

"It is all about visions and curiosity – and then having the opportunity to implement the visions. In this context, it is possible ›



**LOOKING INTO THE FUTURE.** Björn Ulvaeus and Joakim Alm are in the midst of developing projects that will change the way people view societies.





**PERFECT MATCH.** Björn Ulvaeus and Joakim Alm hit it off right away.



**BY THE PEOPLE FOR THE PEOPLE.** The Brick will be created in collaboration with the people living there.



PICTURE: ALM EQUITY

*»It is incredibly exciting. We develop a community under completely different premises than you normally do.«*

► to create things like The Brick, where we have a vision of what we want to create,” says Björn Ulvaeus.

“If you really believe that it is possible to implement an idea, then you do not give up in the first place, but instead you try to find solutions to reach the vision you have,” says Joakim Alm.

“At Alm Equity we have the muscles to be able to do it. Both mentally and financially. ‘We can do it and we will do it.’ It is so exciting! There are so many people who walk around and have lots of dreams, but never get further than the dream stage. Being so privileged that you can actually make your dreams come true is a quality of life,” says Björn Ulvaeus.

**THE COOPERATION HAS** been successful and now the duo works with several innovative projects. One is The Brick at Telefonplan in Stockholm that will convert the old Ericsson building and the surrounding properties into a new living neighbourhood for students and you creatives. The idea is that the area will be a cluster for creativity with thousands of apartments where people can live and be. Where Alm Equity challenges the traditional way of creating housing, workplaces and service by creating an area that starts with relationships among the tenants, and what is created by them.

“It is incredibly exciting. We develop a community under completely different premises than you normally do. Historically, one has had a top-down perspective, but in this project, we start from the bottom and work all the way up. Thus, we have started

the project by looking at what the people who shall live there need and what they want. We have asked ourselves questions like; how do you use resource in the most efficient way? How do you create a place where people feel that they want to be?” says Björn Ulvaeus.

“It is fascinating when you have a large area that is completely undeveloped. An area where you can create something new and unique. At the start we were rather narrow-minded and focused mainly on issues like the quality of the bathroom and the size of the dwelling. However, then we had a Hyper Island event in 2013 and asked people how they wanted to live in the future,” says Joakim Alm.

“We thought that possibly we could create a place where the creative young people at Hyper Island wants to live. However, it was striking when discussing with them, that their focus was very much on resource utilization and sharing economics. They did not mention cars and things like that, but instead they asked for completely different things,” says Björn Ulvaeus.

“Nobody talked about what they were looking for in the apartments. Instead, all groups focused on the common areas and how to benefit from each other. For example, by sharing a drill instead of everyone having their own. We can provide places and premises. Then we ask the people what they think is needed to create a society that the people who live there will want,” says Joakim Alm.

“This will be our attempt to contribute to a more resource efficient society, which is absolutely necessary to create. It is not

sustainable to continue living the way we have done until now, you feel that it is wrong,” says Björn Ulvaeus.

“Countries and governments do not seem to be able to change this, but instead people with visions can make a change,” adds Joakim Alm.

**THE OLD ABBA** member’s entry to the team has also meant a bet in Västervik. They run currently a project at Slottsholmen, with modern apartments and restaurants located with fabulous sea views.

“This project is developed under completely different conditions. I grew up in Västervik and it is mainly therefore I involved Joakim,” says Björn Ulvaeus, with a warm laugh.

“We used to say that our projects should be located in Stockholm within a three-minute walk from the subway. But then Björn called and I went to Västervik and found this waterfront area that is truly unique,” says Joakim Alm.

“I am looking forward to creating the carefree living. The residents will have room service, laundry, cleaning, their own boat within easy reach, full service – if you wish. I think this can appeal to people who have retired after earning a high salary. At the same time, we want to create a great place with nice restaurants, a meeting place for all the people in Västervik,” says Björn Ulvaeus.



**ALM EQUITY IS** in the midst of an exciting process, but they are not slowing down on new ideas. Instead, they are constantly working on new projects to develop in the future.

“We are constantly working on future ideas and new projects. We are very focused on Stockholm and have a very large building rights portfolio there with Småa. Now we are working very hard to create a good cooperation between the companies Småa and Alm Equity to create even stronger teams and better methods for developing the future,” says Joakim Alm, and adds:

“We are so extremely lucky to live today and be able to take part in everything that happens, and see all opportunities that can be developed. It is fantastic.” ■



# Christel Armstrong Darvik in a new role

■ Christel Armstrong Darvik went out with a bang. After the largescale deal with Folksam, she left the position as CEO of Stena Property – but she is definitely not leaving the real estate business. **By:** Axel Ohlsson

“**I LOVE DOING BUSINESS**, it gives me such an adrenaline boost,” says Christel Armstrong Darvik.

She left her position as CEO of Stena Property at the turn of the year, just a few days before the SEK 1.6 billion deal with Folksam was completed.

“To get the opportunity to close such a deal was just fantastic,” she says with a laugh.

However, being part of large scale deals is far from everything that has motivated Christel Armstrong Darvik in her 20 years as a real estate CEO.

“I live to see people grow in their roles, and I get a such a boost when I see my personnel flourish and do a fantastic job. I get just as happy as the person who has accomplished something. It can make my day, week or month.”

“I have really enjoyed being in a position where I have been able to help making a difference for people. Through my role I have been able to influence things for the better. This has been a guiding light forming my way of leadership. I am grateful that I have had the opportunity to influence people’s lives and form it for the better.”

**IT WAS IN PARTICULAR DURING** the eleven years being the CEO of Stena Property that Christel Armstrong Darvik had the opportunity to have this important role in people’s lives.

“At Stena, I had the chance to develop a real estate company the way I think such a company should be run, yet within the framework set by profitability and the level of risk the company is allowed to take.”

“A sign of this is what we call Relational Management, meaning that we take a great social responsibility in our local areas. We spend quite a lot of money on this, which would have been more problematic if Stena had been a listed company with its return requirement and a shorter time horizon.”

“The work and effort trying to create socially stable local areas takes a very long time. It requires a lot of money and you have to wait a long time before you see any result. However, when the results are there it makes a huge difference, both in terms of management costs and also in terms of property value growth, as the local area becomes more attractive.”

“**STENA PROPERTY IS A COMPANY** that is run under a set of guiding principles. By doing so you create a company with a high level of homogeneity where each member of staff shares the same view of how the company should act in various situations. It has been very exciting to be part of this process and to see how important it is that everyone share the same view. Therefore, I think that my eleven years at Stena has given me the most in my working career. In this position I have been given the greatest freedom. At the same time, I might not have been able to do what I did if I hadn’t had my experience from, for example, my time at Tornet.”

Christel Armstrong Darvik describes the period at Tornet as the toughest years in her career.

“When I was given the task to dispose property worth SEK 22–23 billion and in reality, close down the whole business that had 250 employees of staff. That was an extremely tough task, but I learnt an awful lot from it.”



**PIONEER.** Christel Armstrong Darvik was one of the few female CEO's of Swedish real estate companies when she got the position at Tornet.

Now when she leaves the role as CEO for Stena Property, Cecilia Fasth takes on the role and becomes another of many female property CEO's. That situation was very different when Christel Armstrong Darvik entered the position as CEO of Tornet.

“I could not really understand why no other woman had the position I had. As a woman, I feel that I have a great understanding of the environment and what you create, and that it is important for every human person. I guess it has to do with being

a mother that you care of others and have an understanding of these relationships.”

› **Do you feel like a pioneer who paved the way for other women?**

“There are many who have said that I have been a role model, since I was quite alone at that time. I did also state an example that it actually works, since I stayed in the position as CEO for quite some time.” ›





*»I find it very stimulating that so many women have taken up leading positions.«*

› “But you also need to take into account the particular situation I was in. I was quite unique as female CEO. If you then are ambitious in this position, people will notice and remember you, which might not have been the case if I had been a man. I just had to be a little better than the average person,” she says with a laugh.

“I find it very stimulating that so many women have taken up leading positions and that there are so many women who are taking it to the top in quoted companies today. The real estate sector is about to become a role model in gender equality.”

“I CAN JUST RELATE TO MY own management committee. When we were about to recruit a new CEO, we obviously searched for a competent CEO, but said that it would have been an advantage if we could hire a man, and create a more balanced distribution between men and women. Never before have I experienced that, to actively search for a male candidate.”

“It has happened a lot in recent years, but there are still things left to do to create a better balance between men and women. At the moment, we are actively working to hire more female real estate hosts, and more male economists. But perhaps the most important for us now is to hire more people from other countries. Ideally, I want to have a group of staff who reflect those who live in our local areas. We need more people who speak more languages than only Swedish and we need people who understand other cultures in a better way.”

› In addition to improved balance between men and women, how do you think the industry has evolved over the period when you’ve been part of it?

“One fundamental change is that today we talk about the real estate sectors’ social responsibility, that we are building communities. If you go back ten to twenty years, this was never heard of, by then we were providing premises or housing, full stop. But today we talk about creating environments, and that we as property owners are part of the wider community. I think that is a key difference.”

“This has been a gradual change. Perhaps partly because politics have been a bit out of hand in running detailed plans, solving housing shortages and dealing with insecurities in local communities. At the same time, we as a property owner realised that there was no one else who would solve these problems for us, so we had to take our own initiative not to lose business. Had municipalities been more skilled and solved these issues, our industry might not have developed the way it has. But it is a combination to make things happen.”

› What challenges do you think the industry faces?

“I think the politicians have become aware that you cannot solve housing shortage by just building more homes. A more complex solution and political courage is needed and that is a challenge.”

“We must review how we build. Compared with Europe and the rest of the world, we develop buildings of very high quality. That ›

## Osborne Clarke – over 250 years of property expertise

### International

Osborne Clarke has offices in 13 countries and has approximately 1,600 employees. Our international real estate team consists of 110 lawyers providing a full range services on the real estate sector.

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Osborne Clarke’s first Nordic office opened in Stockholm in September 2017. The Swedish real estate team focuses on transactions, construction law and commercial tenancy matters.

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We are looking forward to meeting you at MIPIM!



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»My bucket list also includes renting a boat in the South Sea and being able to travel around there for a month – something you cannot really find time for when working as a CEO.«

► is often a good thing, but you still need to take into consideration that you need to build the right quality depending on its purpose, who you build for and how long the building will last. We have always assumed that a building should stand for 100 years, but if you look in the rest of Europe, the cities are changing so fast that the buildings may not stand for more than 20 years, and we have not really had that perspective in Sweden.”

“WE ALSO HAVE A CHALLENGE with the residential rental right. It will always be the most expensive accommodation of all, while in Sweden it is aimed at customer groups that do not have such financial resources. We need to be able to provide the type of accommodation that people can afford. I am quite convinced that the group that can afford what is being built today, is limited. Therefore, we need to solve those housing problems better.”

“The problem is that there is not a straight and simple solution, because if that had been the case we would already have solved it. The whole issue is surrounded by regulations and also by traditional thinking about what an apartment should look like. New phenomena such as sharing economics is emerging strongly, and perhaps we can use that thinking in order to come up with other forms of accommodations at a lower rent. One should try to create a new way of paying, where you only pay for what you use. There are many challenges for the future.”

CHRISTEL ARMSTRONG DARVIK will now continue to follow and be part of the development of the real estate industry, but without having any operational responsibility.

“Initially, I will be senior adviser in Stena and take care of our foreign operations. That feels very good because I have not really had enough time for this part of the company before.”

“We have pretty much going on abroad. We have development projects in southern France meaning we could double our holdings there. I also wonder if the time is right to start buying in London again, and also the Dutch market has picked up, so we look at whether we can buy there. All of this will be very exciting.”

► How does it feel when you left the CEO position to take up a different role?

“It feels really good. It takes a while before you realise comple-



SETTING SAILS. As a former competitive sailor, Christel Armstrong Darvik looks to spend more time at sea.

tely that you are no longer in a position where you are managing a business. After working as a CEO for a long time you need some new challenges.”

“I have been in the spotlight for such a long time. Now I step down from the stage somewhat, and you need to be ready to take that step, but in my case, it feels good. I think you need to take that decision for yourself, when you’re ready, to feel good about it. The key question is what you get in return for taking the step. In my case, the answer is that I now completely dispose of my own time.”

► What will you do now when you can spend your days more or less as you like?

“I will spend more time with my family. I have also always enjoyed growing plants. I have a big greenhouse in the countryside, and I have plans to create a Mediterranean garden there. I have come halfway with some lemon trees and olive trees.”

“In our family we have always travelled a lot, and I would like to do that even more now. I would like to go to Australia, return to New Zealand and explore all of South America. Then I love sailing, so my bucket list also includes renting a boat in the South Sea and being able to travel around there for a month – something you cannot really find time for when working as a CEO. There are many such plans, so I will definitely not sit still.”



# Largest Swedish Transactions in 2017

■ 2017 was an intense transaction year for all the Nordic countries, and Sweden was no exception. With the year in the books Fastighetssverige can present a list of the largest Swedish transactions. The data has been collected by Pangea Property Partners.

## Top 5 // Swedish Transactions

1

### D Carnegie acquires from Akelius

After a quiet year transaction wise where the CEO Ulf Nilsson stepped down, D Carnegie finished off with the largest transaction of 2017 when they acquired 1,420 apartments split over 27 properties in the greater Stockholm area from Akelius. The transaction price was SEK 2.47 billion (EUR 252M).

2

### Alecta starts of 2017 with a bang

2017 had barely started when Alecta bought ten properties – totaling 110,000 square meters – in Nacka, Stockholm from Carlyle. The area, that Carlyle bought from Vasakronan in 2012, consist mostly of offices, hotels, public spaces and educational facilities. Alecta paid SEK 2.3 billion (EUR 234M) for the properties.

3

### Stockholm retail pearl switches owner

One of Stockholm’s premier shopping centers switched owners when CBRE Global Investors acquired Bromma Blocks from Starwood. The shopping center hosts solid tenants like Coop, Åhléns and H&M in its 57,000 square meters – an area that subject to expansion. CBRE GI acquired Bromma Blocks for approximately SEK 2.3 billion (EUR 234M).

4

### M&G enters Sweden

M&G Real Estate were the new kids on the block when they acquired Blekholmen from Niam for SEK 2.2 billion (EUR 224M). The newly renovated office building is located right by Stockholm central station. The acquisition was M&G’s largest in Europe. “Blekholmen was a unique opportunity for our investors who looks to this well-developed market,” said Thorsten Sjö, Director Nordic Region at M&G Real Estate.

5

### Chinese investors get Swedish stake in Logisor deal

In Blackstone’s massive Logisor sale to China Investment Corporation was a Swedish share. The whole transaction for CIC was EUR 12.25 billion of which approximately EUR 204M was the Swedish share.



# What will the property year 2018 bring about?



Annica Ånäs, CEO,  
Atrium Ljungberg



Marie Bucht, CEO,  
Novi Real Estate

■ 2017 turned out to be another strong year in the Swedish real estate transaction market – but it was also the year when housing developers saw hard times. Now begins a new year that will be characterised by, among other things, a Swedish parliamentary election. Marie Bucht, CEO of Novi Real Estate, and Annica Ånäs, CEO of Atrium Ljungberg, give their view of the real estate year 2018. **By:** Axel Ohlsson

› Sweden has now experienced a series of very strong transaction years. What is your forecast for the 2018 transaction volume?



Ånäs

“I think the outlook for 2018 looks favourable. Most indicators, including low vacancy rates, rising rents, and a low interest rate environment, point at a continuing strong interest from investors. I think the 2018 transaction volume will come in roughly in line with 2017.”



Bucht

“I believe real estate will remain an attractive sector to invest in this year as well, and that prices will continue up. However, the ongoing tax investigation and uncertainties about profit taxes etcetera raise concerns among investors, that could put a brake on activity. I believe volumes will remain high but slightly lower than in 2017.”

› What types of investors do you think will be active on the buy side and the sell side respectively in the coming year?



Ånäs

“I think Swedish listed companies and institutions will be active buyers. I see a risk that foreign investors become less interested to invest in Sweden due to concerns associated with fiscal regulation in connection with sales of real estate

through companies, and also due to risks of tougher interest rate deduction rules in Sweden compared other parts of Europe.”



Bucht

“There are currently more buyers than sellers in the market. I still believe that Swedish players such as private investors, listed companies, and funds of various sizes will be active both on the buy and sell side.”

› Foreign companies have shown interest in the Swedish real estate market in recent years. How do you think their presence will evolve in 2018?



Ånäs

“As I just mentioned, there is a risk that foreign investors will get worried about the Swedish market, taking into account the tax proposals that are being discussed, but on the other hand, Brexit can have a positive effect.”



Bucht

“There are many different types of foreign investors and many of them are attracted by the reactive stability in the Nordics. I think there will be more deals done by foreign investors in 2018 than in 2017.” ➤



› Which are the most important trends in financing going forward?



“An increasing number of real estate companies obtain an official credit rating and turn to the capital market. This may provide a good differentiation in their loan portfolio. Green funding is also getting more common.”



“The banks are still restrictive financing real estate, in particular to new customers. There are also variations in terms and conditions between different customers, and banks are particular cautions financing development projects. We have seen an increase in bond financing and crowd funding, and we think these trends will continue.”

› Are we heading for a housing bubble in Sweden?



“I do not expect any residential bubble in Sweden in the near future. Though, it is no surprise that housing prices have begun to decline, after many years of price growth that outpaced the growth in disposable income. I think the decline in house prices will be moderate in the end, as I expect continued high employment and low interest rates.”



“No, I see no bubble, but we have had a decline in prices in the second half of 2017 and early 2018, which is further enhanced by the new amortisation rules and general concerns about future regulations regarding home financing. I think prices will fall somewhat more, before stabilising. We have a divided market with strong demand for housing in the metropolitan areas where people can find jobs, which is a good foundation for a fundamentally strong demand, and weak demand in other parts of the market.”

› Some believe real estate prices have peaked, what do you think?



“I think that depends on which real estate sector and what submarket you are referring to. The peak is near for residential building rights, but for offices in Stockholm where vacancies are low and where rents are rising, I do not expect falling prices. Commercial real estate in attractive locations in growth areas will continue to sell at high price. I also expect a strong interest in public real estate.”



“I think prices will stabilise but I do not expect any real decline in 2018 as demand remains strong and rents are increasing, albeit at a slower pace than in the last few years.”

› In September, a parliamentary election is taking place. Are there any issues you think will be particularly important for the real estate industry?



“The real estate industry is doing well when the Swedish economy is doing likewise. Hence, I would welcome a discussion about entrepreneurship and tax pressures in Sweden. In those two fields Sweden has a disadvantage from a global perspective. Another important area will definitely be the integration issue, which is also strongly linked to the Swedish economy. All the immigrants who will end up staying in Sweden need to get jobs, both to feel good, but also to contribute to Swedish growth.”



“I would wish for a public discussion about the general attitude towards private capital, profits and enterprise as a whole. A more entrepreneurial climate would positively affect all industries including the real estate industry.”

› Which are the most important parameters to keep an eye on when predicting where the market is heading over the year, and which issues will be challenges for the industry?



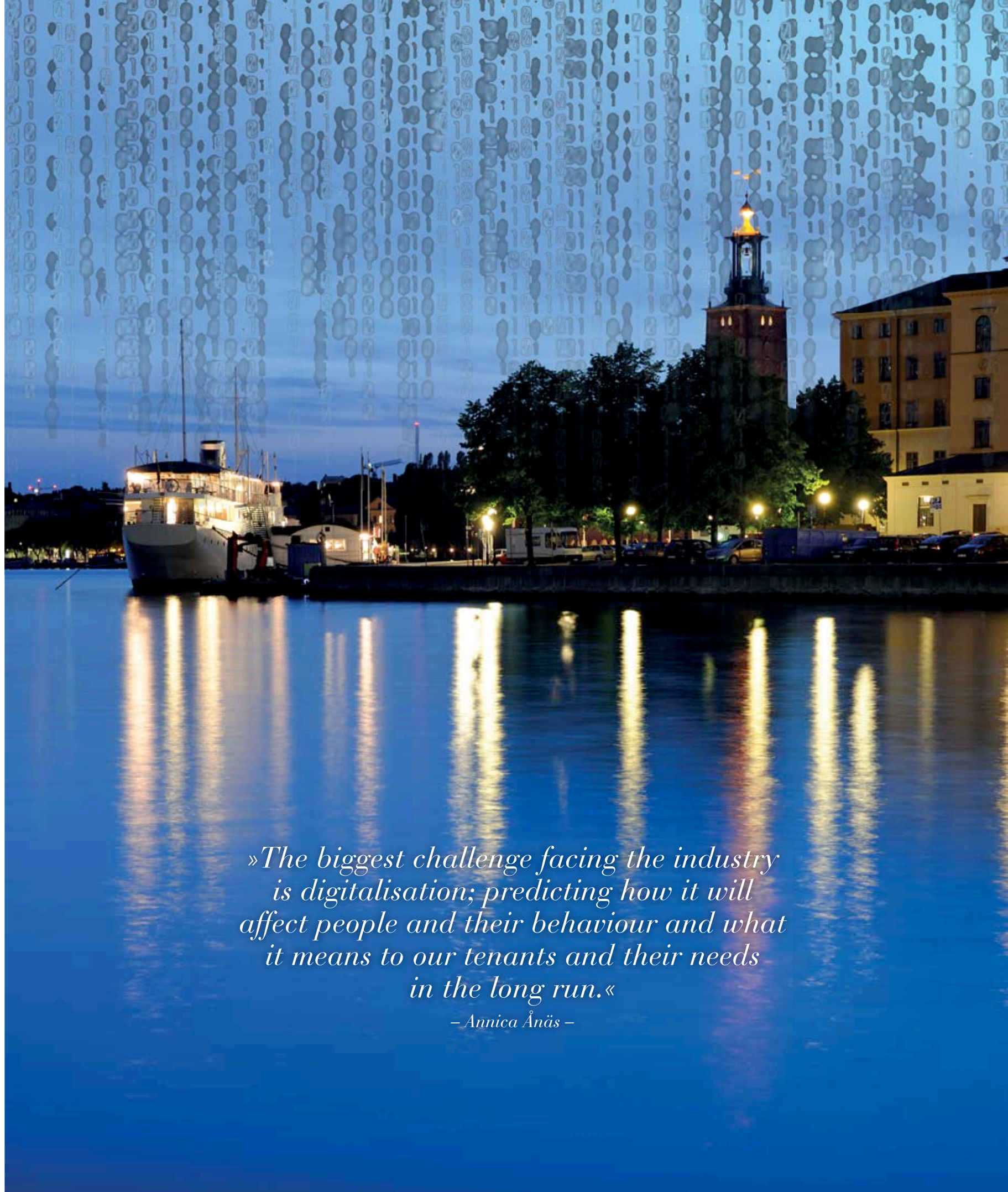
“Vacancy rates and interest rates are two important factors. The biggest challenge facing the industry is digitalisation; predicting how it will affect people and their behaviour and what it means to our tenants and their needs in the long run.”



“We have high debt levels across the world, so it is important to keep track of what happens when interest rates start rising. Moreover, in the world economy, there are risks for an escalated Middle East conflict, as well as risks associated with Donald Trump in relation with China and North Korea. These issues have great impact on stock exchanges and the world economy at large.”

“We expect a somewhat weaker growth in Sweden, when households do no longer see the same house price trend, as the effect of low interest rate diminish. However, at present, much points to stronger demand for export products, which counteract the economic decline and supports growth.”

“The Swedish labour market has strengthened and employment has risen. Nevertheless, we still face challenge as the labour market and the whole society are getting increasingly segregated, which is a real threat to the wider Swedish economy and the real estate market.” 



»The biggest challenge facing the industry is digitalisation; predicting how it will affect people and their behaviour and what it means to our tenants and their needs in the long run.«

– Annica Ånäs –



# An unusual leader

He took an unusual way into the real estate industry. After starting with logistics at age 15, *now the MMA-interested* sports and science educated CEO Benny Thögersen is leading Catena in times when the logistics industry faces major changes.

By: Axel Ohlsson



As a logistics company, Catena certainly lives as they learn. The company's headquarters are located on Landskronavägen in the southern parts of Helsingborg surrounded by logistics and warehouses.

For Benny Thögersen it is like coming home.

"This is unique to me. I grew up two kilometers from this building and saw it almost every day in my youth," he says, and continues:

"As I look through the window, I see the building where I played handball, in another direction I can almost see the football pitch where I used to play and the premises of the martial arts club where I am engaged and on the board. It feels fantastic, really like getting back to your own hoods."

**TODAY, HE SPENDS** – in his own mind – too little time in the sports facilities. The idea when he applied to study sports education science in Halmstad was that sports would be his occupation.

"I had two main tracks: one was in the sports movement and the other was in municipal administration."

» It feels fantastic, really like getting back to your own hoods.«

» Has sports been a part of your life from the start?

"Yes, it has. I had a very absent dad and the sports community was the place where I had lots of good and positive role models, where I had fun and could do the things I loved to do."

"From the time I was around eleven I was never home. I practiced four to six times a week. It was never on any elite level but always fun and never any compulsion."

**MAINLY BENNY THÖGERSEN** played handball but he has recently also been involved in a rather unusual sport – MMA. After dipping his toes in the martial arts world in his teens, it took off after he quit playing handball at age 35.

"I wanted to try something else. So I started with traditional jiu-jitsu but soon realized that I found it boring. This was around the turn of the millennium and then we started what is today MMA."

"It is a great environment where you meet a lot of different people from all parts of society. On the carpet in Kaisho's premises, we are all the same. Of the 700 people in the club, I do not think it is more than maybe 30 that knows my profession."

"It all boils down to the social aspect of it. It was the same with my own sporting career. To me, the Swedish sporting movement, the community and all positive leaders I have met there have meant very much for what kind of person I am today."

» What does that background mean to have as a real estate CEO?

"The leadership part is there. But I have probably been somewhat of an odd bird in the sense that in the last 15 years I have been surrounded by economists and engineers."

"It also means that I have to ask questions and I think it is useful. I usually say that it is difficult »

**SPORTSMAN.** Sports has always been a big part of Benny Thögersen's life.



## LIKES OUTDOOR LIFE

**Name:** Benny Thögersen.

**Age:** 51.

**Resides:** Helsingborg.

**Drives:** BMW.

**Reads:** "Scientific literature with emphasis on neuropsychology."

**Listens to:** "Mainly hardrock but I have a wide taste."

**Watches:** "Youtube, often shows on astrophysics, neuropsychology and AI."

**Leisure interests:** "Sports activities and outdoor life."



**IN THE MIDDLE.** Benny Thögersen leads Catena in on a logistics market that is undergoing major changes.



› to formulate the question, but once you have done that it is often clear what path to take to get to the answer.”

**BENNY THÖGERSEN’S PATH** to Catena went through logistics – a path he started walking at the age of 15.

Having started at the bottom at the Swedish grocery giant Ica, he has been through every step within logistics and automation during his time at Everfresh Group and Austrian Knapp.

An experience that gives Benny Thögersen vast knowledge of the needs of the tenants Catena has. Experience he acquired through curiosity.

“It is good to go outside of your comfort zone – but you do not have to plunge head in first,” he says.

“All the steps I have taken have been by putting one foot in unknown terrain and having a foot where you feel safe. If you are curious, you learn things and before you know the word, you can do it by yourself. It was like that when I stepped into the world of IT and when I entered the automation world. If you understand logical principles then you understand how to marry different things with each other.”

**THE FACT THAT** Benny Thögersen in 2016 ended up as deputy CEO of Catena had a lot to do with his predecessor in the CEO role, Gustaf Hermelin.

“I met Gustaf when I was a speaker at Catena’s event ‘Logistics trends’. When we began to talk about the market, how to do business and how to add value as a property owner, it felt like a perfect match right away.”

› **What did it mean to have him as CEO for a year before you took over?**

“I have amazing employees with incredible skills that are there in thick and thin. It is an extremely stable machine consisting of competent and dedicated employees. It is a very stable ground.”

“At the same time Gustaf is exceptional. He has been in the business for a long time, knows everything and everyone and maintains a huge network. He is a visionary with great thoughts which he shares all the time. He is always just a phone call or an hour’s flight away and it feels good to have him there.”

“We have made a very clear division of roles where I run the operation here and he has been supporting with IR related things. For example, in purchasing and selling, he has been involved in the larger transactions, like when we bought five properties from Kilenkrysset.”

› **How has the first year as a real estate CEO been?**

“Catena is a great company to come to. We are working in a market that is exciting and where there is a lot going on. It is really fun to be in the middle of it.”

“The real estate industry was also something completely new to me. From having been chasing seconds and millimeters – which is obviously also important here – the big thing now is to keep track of the balance sheet.”

“We are 40 in our organization and 39 of them are kings and queens of real estate, which means that I do not need to be really strong in that regard but instead I can make sure we learn our clients’ businesses.”

**WITH GUSTAF HERMELIN** remaining as chairman of the board and a sound organization, Catena continues its journey to develop the

company in a market which is undergoing major change.

“Just over four years ago, we had assets worth SEK 4 billion, today that number is 13. It is about taking steps, which he have done in a furious pace. We will continue to grow and develop,” says Benny Thögersen.

“We have a rolling SEK 700 million project portfolio. We have said that we will continue to build and rebuild for half a billion a year. We recently bought five properties from Kilenkrysset, so it may take a while before we buy something new – but we will never rule out opportunities for a good deal.”

“We have largely washed our stock but it is a continuous process so we will review everything that does not fit, to be able to divest and then continue to build and acquire.”

“The market situation is very good. We are in the middle of a major restructuring – driven by digitalization and millennials – where the physical and digital needs integrate much more seamlessly. It will affect the logistics structure.”

› **What challenges do you see that the industry of logistics properties is facing?**

“It is an industry that has been quite traditional – which clearly has been conditioned by the banking system, security and property valuation.”

“A lot of things are happening right now: the automation has become much more generic. Looking at e-commerce, you speak of singularization – to earlier in the chain break down goods that are going to the consumer – and that means there are a lot more packages in the system.”

“There will not be any straight currents that

» Our main task is to understand the new structures and I feel incredibly positive about our own market and our own opportunities.«

we talked about before. The goods will be able to travel in many different ways, which means more goods in motion, more transshipment points, more terminals, and more and more warehouses

close to the cities. We are in the middle of that conversion now.”

“In 2017, the Swedish e-commerce was worth SEK 70 billion, and we know that it grows by 15–17 percent annually and that the structures change. If you compare Sweden with the UK, e-commerce penetration is 17–18 percent there, here we are at 8 percent.”

“I like to play with big numbers. SEK 70 billion will be SEK 140 billion, which will be SEK 280 billion. Whether it takes seven, ten or twelve years, I do not know – but I am pretty sure it will happen within that time period of time. Our main task is to understand the new structures and I feel incredibly positive about our own market and our own opportunities.”

› **It sounds like an exciting time to lead Catena.** “It is very exciting.” ■





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