



**Name:** Penseen Portfolio

**Property Description:** Penseen is a portfolio consisting of 16 apartments and some retail on a total of 2,900 square meters in Vanersborg, Western Sweden. This portfolio was added to by a further retail and office building of 3,650 square meters on the square in Vanersborg. The two acquisitions totalled 36.5 MSEK (approx. €4.2M) and were made in 2007.

**Management:**

The financial crisis had a severe impact on this portfolio with two of the main tenants having to substantially reduce their space to survive in 2009 & 2010. A plan to move these 2 tenants together, renovate the newly vacated space and find a new tenant was drawn up in 2011 and implemented in 2012. Swirish brokered the deal to secure Handelsbanken as the new tenant on an initial 10 year lease.



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This was a complicated renovation due to the requirements of Handelsbanken and the costs of such was handled by refinancing and internal cash flow – i.e. the client did not have to invest any further capital.

**Outlook:**

The renovation was completed in March 2013 and the portfolio now has only 230 square meters of vacant space. Condon Property AB intends to keep this portfolio as a long term pension scheme. They have already recouped 1 MSEK of their initial equity investment and plan to take further repayments of 400 TSEK p.a. off their initial investment, as well as repaying 500 TSEK off their Swedish bank loans.

Colliers valued the portfolio in May 2013 at overall value of SEK45M. If sold at the Colliers valuation this investment would represent equivalent to an IRR of 13.5%.