

OPPORTUNITY TO DEVELOP STATE-OF-THE-ART LOGISTICS 20 MIN FROM STOCKHOLM CBD

CBRE

CONNECT





STRATEGIC LAST MILE LOCATION

20 min

Drive Time to Stockholm CBD

Asset in one of Stockholm's most sought-after last mile locations, benefiting from vital connections via European motorway, railway and international airport as well as close accessibility to intermodal terminal.

Strategic distribution location close to end consumers, reaching 2.5 million inhabitants within an hour's drive.



SUBSTANTIAL RENT REVERSION

Q3 2024

Existing Building Vacated

Rental uplift secured as existing tenant is expected to vacate the premises in 2024. Continued imbalance in supply / demand in parts of Stockholm creates potential for additional rental growth going forward.



EXTRAORDINARY VALUE ADD OPPORTUNITY

128,000 sqm 55,000 sqm

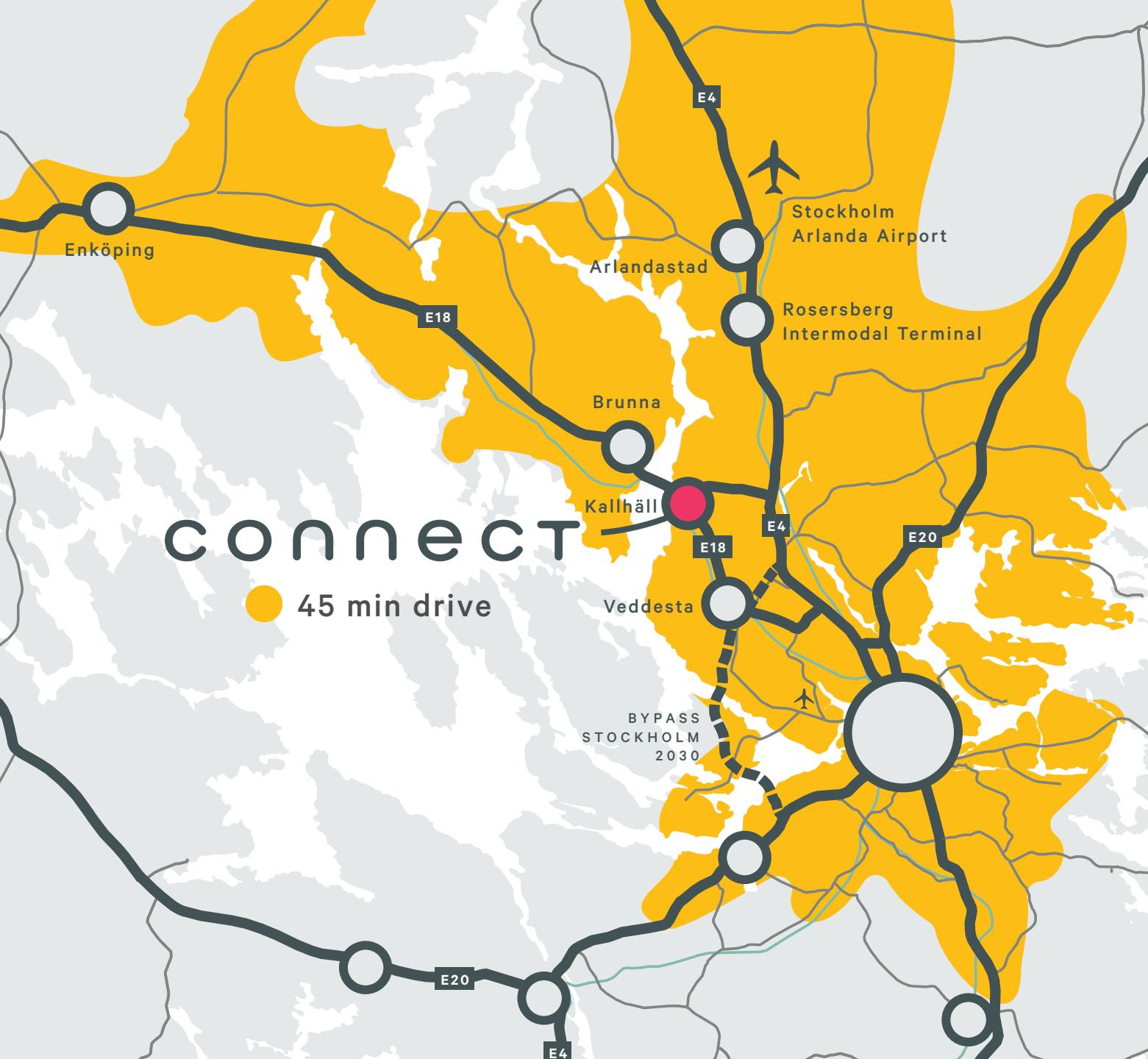
Site Area

Potential NLA

A rare investment opportunity offering multiple alternative ways to add value; refurbish, modernise and implement green enhancements to standing structure – or realise existing building rights in order to develop new, cutting edge logistics premises.

THE ASSET





A LAST MILE LOCATION WITH EXCEPTIONAL CATCHMENT IN GREATER STOCKHOLM

1.8 million inhabitants

45 min Catchment

Location Overview

The asset has a strategic location in Järfälla Municipality, 26 km from Stockholm city centre. The area benefits from great visibility and proximity to European motorway E18. Greater Stockholm has high population density relative to nation average, and the area offers an impeccable catchment to inhabitants with strong purchasing power. Nearly a quarter of the Swedish population is reached in 60 minutes.

The northern parts of Stockholm constitute the largest consumer market in Sweden, making this an excellent micro location for last mile distribution. Furthermore, the area benefits from its proximity to Stockholm Arlanda Airport and the intermodal terminal in Rosersberg for international accessibility.

Last Mile Logistics

There is an increasing demand for urban logistics facilities as occupiers seek to reconfigure their supply chains to meet the changing consumer habits and increasing demand for fast delivery lines in e-commerce. Continued constrain of land supply for logistics purposes in urban locations is limiting supply of industrial land for new development of modern space, subsequently driving up land values and accelerating rental growth.



The asset comprises one warehouse building divided into several parts, with a total lettable area of 40,081 sqm.

The original building was constructed in 1967 and has been extended in 1979 and 2005, respectively.

Unit A constitutes 12,628 sqm warehouse with free floor to ceiling height of 12 metres.

Unit B constitutes 7,306 sqm warehouse with free floor to ceiling height of 10 metres.

Unit C constitutes 12,126 sqm offices and storage areas, gym and a recently refurbished restaurant split on two floors.

Unit D, E and F are smaller units totalling 8,021 sqm warehouse space with free floor to ceiling height of 4.5 metres.

Tents. Furthermore, the property holds three tents (T) in connection to the permanent building, of which one is heated. The site area amounts to 127,685 sqm with an efficient site disposition for storage and staging area. The building has a total of 25 loading docks and distributed load capacity varying between 4 and 5 tons per sqm. The site also holds 220 parking spaces.

Building rights. In addition to current lettable area of 40,081 sqm, the site offers additional existing building rights of appr. 13,700 sqm. This creates an opportunity to not only redevelop current building, but also extend it by creating additional space with modern technical specifications.



Property Key Facts

Property designation	Ulvsättra 1:90
Tenure	Freehold
Type code	432
Address	Gullivervägen 2
Municipality	Järfälla
Lettable area, sqm	40,081
Warehouse	34,018
Office	6,063
Site area, sqm	127,685

Technical Specifications

Construction years	1967, 1979, 2005
Floor to ceiling height, m	4.5-12
Distributed load capacity, ton/sqm	4-5
No. of loading docks	25
Foundation ²	Piling
Roof	Roofing felt
Facade	Metal cladding panels
Heating/cooling	District heating, radiators
Ventilation	FTX
Parking spaces, #	220

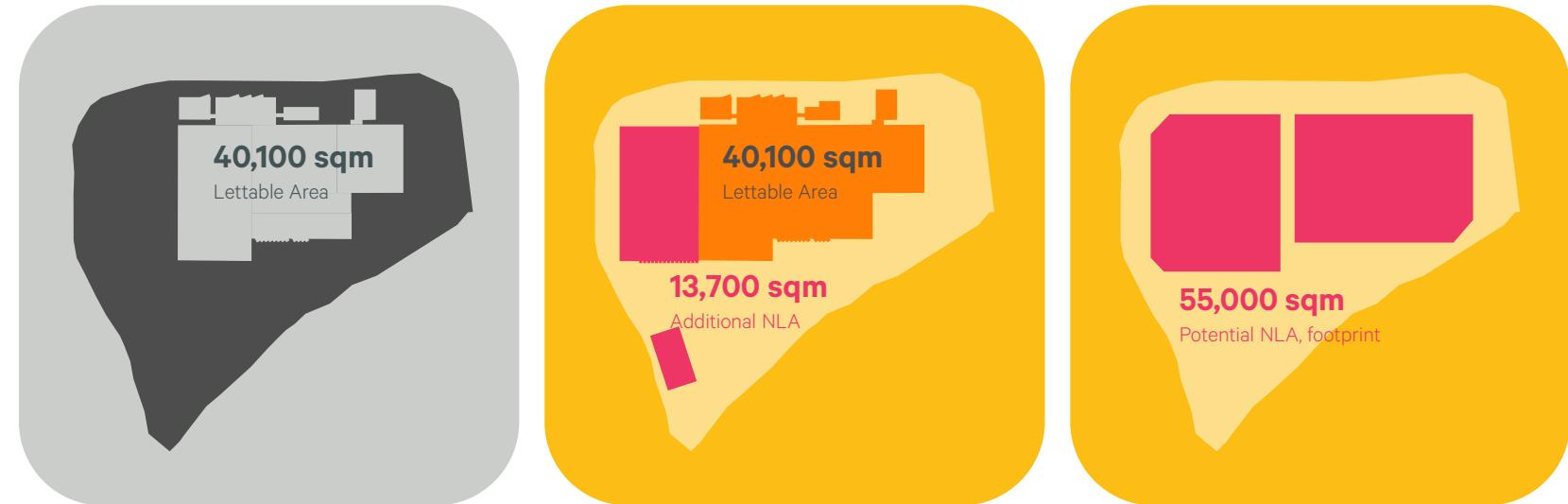
1. Building rights if existing building is extended. Estimation by CBRE based on current zoning plan.
2. Piling under slabs confirmed for the extension made in 1979, not the full building.

EXTRAORDINARY VALUE ADD POTENTIAL

A rare opportunity to unlock potential by realising existing building rights for development of cutting edge logistics premises.

Ulvättra 1:90 presents an excellent value add opportunity and the site offers numerous alternatives for redevelopment.

The option of keeping the existing building structure for refurbishment includes the possibility to add up to 13,700 sqm. By demolishing the existing building structure, the full building rights of appr. 55,000 sqm footprint can be utilised in an optimal way.



THE ASSET TODAY

Q3 2024

Estimated Timetable for Vacating Existing Premises

Zoning Plan Regulations

- Warehousing / industrial use allowed
- Maximum building height of 16 metres
- 50% site coverage

REFURBISH

- Keep existing structure
- Refurbishment and modernisation of existing building with upgrades of façade, roofs and flooring
- Potentially realise existing building rights of up to appr. 13,700 sqm to extend the lettable area
- Enables re-letting of appr. 53,800 sqm, primarily through single-let scheme

REDEVELOP

- Demolish existing building to enable new construction of modern and generic premises
- Optimisation of the site, creating flexibility by constructing one single or multiple buildings, utilising total building rights of appr. 55,000 sqm
- Enables multi-let strategy towards tenants in various sub-sectors at prime rent

REFURBISH

Opportunity to modernise the existing building structure and to utilise building rights in connection to the standing structure, amounting to appr. 53,800 sqm NLA



REDEVELOP

Opportunity to develop state-of-the-art logistics premises with modern technical and ESG specifications. Total NLA is estimated to appr. 55,000 sqm (footprint)





ESG POTENTIAL THROUGH REDEVELOPMENT


 ENVIRONMENT
In-place

- ✓ District heating
- ✓ Bike parking
- ✓ EPC B

 SOCIAL
In-place

- ✓ Changing room
- ✓ Commuter rail station and bus stop within walking distance
- ✓ Gym facilities
- ✓ Proximity to green, recreational areas

 GOVERNANCE
In-place

- ✓ Sustainability reporting

63%

OF OCCUPIERS ARE WILLING TO PAY PREMIUM FOR A GREEN CERTIFIED FACILITY

Opportunity for extensive ESG improvements after refurbishment in order to meet the requirements of an advanced green building. Strong ESG credentials builds support for rent premiums and lower vacancies as the premises meet demand from conscious tenants. Occupiers have high requirements, and are willing to pay a premium, for features that:

- Reduces energy consumption
- Adjusts building operations through smart technology
- Involves green building certification
- Enables on-site renewable energy generation


30bps 5Y valuation premium

for logistics with
BREEAM Excellent rating

Rental premiums

by shorter void periods,
higher liquidity and easier
re-letting/letting

25bps 5Y valuation premium

compared to market
Prime Net Yield for
European Logistics

FINANCIAL & LEGAL



Lease Structure

The current building is fully let to Dahl, planning to vacate the premises. The lease agreement is triple net and runs until 1 November 2031, however, the tenant has the one-sided right to terminate the lease agreement earlier with a notice period of three months, given a completed handover of the tenant's new premises (being developed by the Seller).

The handover has been completed but due to delayed ramp up of the automation in the new facilities, the current lease agreement (in the target Asset) is expected to expire by September 2024. The tenant has a strong incentive to vacate the premises as early as possible to avoid double rent.

Income

Annual rent incl. index amounts to SEK 30.2 million. However, the tenant has received a rental discount for the eight months expected to constitute the end of the lease period (February-September 2024), i.e. pays rent until end of January 2024.

Costs

The lease is structured as triple net and the tenant covers day-to-day operations and utilities. CBRE assumes non-recoverable costs for administration, insurance and planned exterior maintenance of SEK 15 psm, in reference to modern and generic logistics premises.

CBRE advises potential buyers to make own assumptions regarding property costs.

Q3 2024

Existing Building Vacated

Tenant ¹	Dahl / SGDS
Area, sqm	40,081
Rent, SEK ²	30,200,000
Rent, SEK psm	754
Index, %	100
Base year	2020
Supplement, SEK	-
Lease expiry ³	2031-11-01
Property tax, %	100

Notes

1. Dahl is a part of Saint-Gobain.

2. Base rent incl. index.

3. Current lease agreement expires in Q4 2031, however, the tenant has a one-sided option to terminate the lease agreement earlier with three months notice depending on handover of new premises in Bälsta. Estimated move-out in Q3 2024 with 100% rental discount during the last eight months of the presumed rental period (rental discount from February 2024 to September 2024).



LEGAL INFORMATION

**Zoning Plan Regulations**

The site is zoned for industrial use. The site area amounts to appr. 128,000 sqm. The zoning plan regulates that parts of the site are not allowed for exploitation (Sw: prickad mark), estimated to appr. 18,000 sqm. According to the zoning plan, the allowed exploitation rate is 50% resulting in estimated building rights of appr. 55,000 sqm. Please see zoning plan for further information.

Value Added Tax 100% registered for VAT.

Tenure Freehold.

Zoning Plan

TYPE	NAME	DATE	DATE OF EXPIRATION	FILE DESIGNATION
Zoning plan	Lilla ulvsättra	1988-10-23	1998-11-22	0123-P88/1025

Easements and Joint Facilities

PURPOSE	RELATIONSHIP	EASEMENT TYPE	DESIGNATION
Power cable	Burden	Contractual	01-IM5-80/8446.1
Power cable	Burden	Utility	01-JÄF-1819.1
Power cable	Burden	Utility	03-72:644.1
Water	Burden	Right of use	01-JÄF-2321.1
District heating	Burden	Right of use	0123-87/8.1
Power unit	Burden	Right of use	0123-92/48.1
Tele	Burden	Right of use	0125-99/39.1

Mortgage Deeds

CURRENCY	NO. OF DEEDS	TOTAL AMOUNT
SEK	44	215,040,000

Tax Assessment Value

TYPE CODE	LAND, SEK	BUILDING, SEK	TOTAL, SEK	YEAR
432, Industrial unit, storage	121,000,000	122,102,000	243,102,000	2019

Tax Residual Value (2023-03-31)

TAX JURISDICTION	COUNTRY CODE	CURRENCY	TOTAL, SEK
Sweden	SE	SEK	96,500,390

SALES PROCESS



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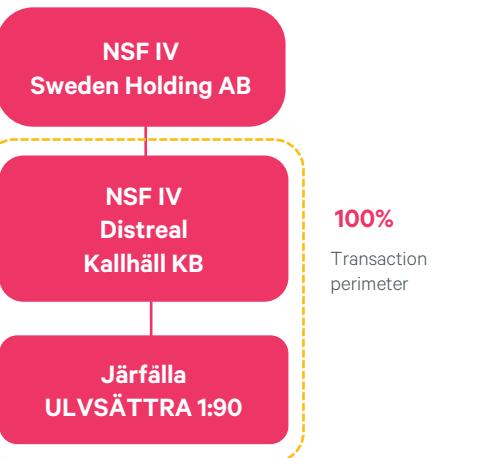
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Transaction Structure

NSV IV Distreal Kallhäll KB, the “Seller”, through subsidiaries, holds the freehold property Ulvsättra 1:90, Järfälla.

The Seller has decided to investigate the potential sale of the property by way of a sale of all shares (100%) in NSF IV Distreal Kallhäll KB.



Enquiries concerning the property may be addressed to CBRE. Under no circumstances may the employees of the Seller or tenant in the property be contacted without CBRE's consent.

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