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Sveafastigheter divests hotel properties

Sveafastigheter Fund III AB (“Sveafastigheter”) makes its first exit by selling all four Formule 1 hotels in Sweden

Sveafastigheter divests four Formule 1 hotels located in suburban areas in Stockholm, Gothenburg, Malmö and Jönköping. The properties' leasable area amounts to 6,416 square metres and comprises 324 rooms operated under the Formule 1 brand.

- We are pleased to make our first divestment in Fund III, with this sub-portfolio of the hotels which were acquired at the end of 2010. The transaction is beneficial both from an operational and financial point of view while being ahead of the original business plan, says Johanna Skogestig, Director at Sveafastigheter.
- It is satisfying to achieve a disposal of our Formule 1 assets in the current market, particularly as the brand is being discontinued outside France as of next year. We will focus on repositioning our remaining portfolio while looking for new opportunities to complement our current geographic reach, says Peter Tengström CEO of Midstar AB.

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Sveafastigheter

Sveafastigheter is a leading Nordic property fund manager. The first real estate fund, Sveafastigheter Sverige I, was launched in 2003. In 2006 Sveafastigheter launched its second fund, Sveafastigheter Fund II. In February 2011, Sveafastigheter Fund III held its final closing reaching EUR 317 million of commitments in aggregate.

Sveafastigheter is based in Stockholm with offices in Helsinki and Malmö.

Midstar

Midstar is a hotel asset management company and works closely together with Sveafastigheter. The company is focused on investments in the hotel real estate sector as well as directly related hotel operating companies. Midstar invests in existing hotels as well as development projects in the Nordic region.