



The long-term perspective for real estate investments in Copenhagen and Denmark remains strong

As financial advisor to Danica Pension, Nordkranen and UNIONKUL, Catella Corporate Finance carried out another significant transaction over the summer period, which confirms the continued long-term commitment from international investors to enter Copenhagen.

The sale of the 25hours project confirms not only the PAPIRØEN as a fantastic project with a unique location, but also that Copenhagen and Denmark continue to be a high priority with leading global investors, despite the recent turbulence in the capital markets.

"The cost of capital, both equity and debt in the Danish real estate market has increased; however, the underlying rationale and strong interest from long-term international investors remains intact. We continue to see significant interest in high-quality projects in Copenhagen from the leading international investors. On the other hand, the projects motivated by the most recent market up-swing, experience an increased cost of capital when compared to the same time last year; as such, the demand for our Debt Advisory services has increase dramatically ", says Jesper Bo Hansen, Managing Director at Catella Corporate Finance A/S.

" We have been privileged to be involved with the PAPIRØEN since long, raising the equity for the current ownership structure, and helping arrange and structure the development financing. We are very pleased and thankful for the owners' continued trust in our abilities to crease value. Our focus and unique access to cross-border capital allows us to present our clients with solutions throughout the market cycles; now also by facilitating long-term capital in the Hospitality sector, as an integrated business line within Catella Corporate Finance, which continues to focus on larger, complex transactions", says Jesper Bo Hansen, Managing Director at Catella Corporate Finance A/S.

" The Hospitality sector is making impressive improvements following the drought created by two difficult years with the corona virus. This means that parts of the capital market are following suit in the same direction with equal speed. 25hours Hotel Copenhagen Paper Island is the first un-forced hotel transaction in Copenhagen after the corona, and Union Investment Real Estate GmbH (the "Union Investment") has bought a unique hotel property in a location that cannot be replicated. Combined with a long fixed lease agreement, the investment provides the Union Investment with the right risk/reward proposition as a focused and professional global hotel investor, and not the least our client, the vendor with a price recognizing the project's unique qualities ", says Gustav Bjørn, Director at Catella Corporate Finance A/S.



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About Catella

Catella is a leading specialist in property investments and fund management, with operations in 13 countries. The group has over EUR 12 billion in assets under management. Catella is listed on Nasdaq Stockholm in the Mid Cap segment. Read more at catella.com.

Attachments

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