

FOKUS CONSOLIDATES ITS POSITION

Q3 was yet another busy and exciting quarter for Fokus with the entering into a new management agreement with a UK-based international investment manager as well as the expansion of an existing one with a Danish institutional investor. This can be attributed to our unique approach toward asset management, which is in high demand on the market, and, not least, our large European network.

Most recently, Fokus has entered into an asset management agreement with a UK-based international investment manager in connection with their acquisition of a large office property in Copenhagen.

We are also quite pleased to announce that as at 1 November 2020, we will be strengthening our collaboration with the Danish pension fund PenSam taking over the rest of their commercial portfolio. Thus, we will be responsible for PenSam's entire commercial portfolio. We appreciate the high level of trust and look forward to developing the collaboration further.



SUCCESSFUL PROPERTY DEVELOPMENT

On the recommendation of Fokus, the Danish pension fund for academics, P+, acquired the properties Gl. Køge Landevej 39-43 and 45 in Valby, Copenhagen. Following comprehensive renovation, the properties of almost 33,000 m² house the municipal employment centres of Copenhagen that have been located at the premises.

The renovation included renewal of the building façades as well as the replacement of interior installations and windows which resulted in a significant reduction of the ESG footprint, altering the property's energy label from C to A2010. The reconstruction process proceeded in close dialogue with Copenhagen Municipality as well as the appointed contractor and was delivered on time ready for moving in at the beginning of 2019. As at 1 September 2020, P+ divested the properties to an international European investor and in this way realised a significant gain.



Gl. Køge Landevej 39-43 and 45 in Valby, Copenhagen

SUCCESSFUL GRAND OPENING OF SHOPPING ARCADE IN AALBORG

Vacancy and empty shops are a thing of the past at the central shopping arcade and transit centre, Kennedy Arkaden, Aalborg.

Fokus has worked intensively on letting the shops mainly based on wishes from some of Kennedy Arkaden's 4.5m annual users as well as a mapping of the existing shops in the city. As a result, this year the arcade welcomed five new tenants with leading brands such as Deichmann shoes, Imerco, Espresso House, Creme Fraiche and H&M.

On 10 September 2020, Fokus introduced the new shopping arcade and transit centre, Kennedy Arkaden, at a grand opening event in Aalborg. At the event, the mayor inaugurated the newly fitted arcade by cutting the ribbon. The letting result and opening received quite a few compliments – not least from municipality representatives who are very pleased with Fokus' revival of the arcade and the neighbourhood.

According to initial feedback from the new tenants, they feel very welcome by the local community and the new Kennedy Arkaden already seems to be a success.

Kennedy Arkaden is owned by the fund Commercial Real Estate Denmark P/S.



Kennedy Arkaden – the city mayor cutting the ribbon

HIGH TRANSACTION ACTIVITY

The level of activity is high in the Fokus Investment Management Team. During 2020, the team has been responsible for transactions of more than DKK1.5bn (€200m). We are also working on several other transactions, some of which are in due diligence and exclusivity.

Fokus' Danish clients shows great interest in acquisitions, and both office and residential in Copenhagen plus well-located and well-located logistics are in high demand.

The activity from international clients continues even though COVID-19 can be a delaying factor in terms of property inspection due to the changing quarantine rules upon arrivals and departures.

RESIDENTIAL PROPERTY COMPANY EXPANDS NUMBER OF OWNERS

Thorough preparation at Fokus has now resulted in the expansion of the number of owners of Kjøbenhavns Boligejendomsselskab A/S with a new and solid investor. As at 1 September 2020, T&W Holding A/S entered as co-investor in the property company. Kjøbenhavns Boligejendomsselskab A/S is pleased to welcome a financially strong and long-term investor with extensive knowledge of the real estate market who can contribute to the expansion of the company's portfolio with even more residential properties in the future.

Congratulations on the new collaboration to the investors.

STILL HIGH ACTIVITY IN Q3

The third quarter of 2020 has also been characterized by a high level of activity at Fokus, and the negative effects of COVID-19 continue to be at a minimum in terms of client portfolios.

Fokus has been in ongoing contact with a large number of tenants in order to clarify the conditions of each single tenant resulting in a limited number of requests for deferred payments and almost no losses in all portfolios. The development is monitored continuously – especially due to the increased restrictions caused by the increasing infection rate. However, our general assessment is still that the resilience of each portfolio is high, and due to low or no exposure in retail, hotels, bars etc., we continue to expect only a modest effect on our clients' returns in 2020.

DEVELOPMENT: FROM OFFICE TO ATTRACTIVE RESIDENTIAL UNITS

On behalf of the fund Commercial Real Estate Denmark P/S, Fokus has converted the former office property at Omøgade 8 in Copenhagen into 42 attractive rental apartments.

Fokus has carried out the project from idea to occupation and has, among other things, managed to increase the residential area by including the attic floor and areas of the cellar in the living space. The apartments are in varying sizes, and some of them can even be offered with two floors and a small private garden.

Together with the real estate company Colliers International, Fokus has subsequently handled a successful divestment to a Danish institutional investor who will take over the property as at 1 November 2020.



Omøgade 8 in Copenhagen