

Investment company buys up Swedish land

Local property investment company, Off Plan Investments Ltd have bought 120 acres of zoned development land in the western Swedish city of Karlstad.

The site was acquired on behalf of the company's private and corporate clients, with the directors from Off Plan Investments also adding capital to the syndicate, under the locally inspired name of Táin Swedish Property AB.

'The unique aspect to the investment is that existing commercial property currently occupying around 20% of the site is providing sufficient rental income to service bank interest and capital repayments, whilst also providing a net return on investment of circa 6.9%', explains Des Quigley, Director.

He adds the site is located adjacent a new retail park, which in 2007 recorded a customer footfall of 9 million people, with 1 mil-

lion passing through the doors in December 2007 alone.

Excluded from these figures are the statistics for Karlstad's new IKEA outlet (second largest store in Sweden) which is also neighbouring the Zakrisdal site.

Off Plan Investments have contracted out the project management to a team of local architects, who will finalise design and apply for official planning for both residential apartments and commercial outlets.

'Since the arrival of IKEA to the area there has been a significant increase in demand for zoned commercial land, so we were delighted to secure such a valuable land bank neighbouring the existing retail parks.'

Over the coming weeks the Táin syndicate will be adding to the Zakrisdal purchase in the form of existing

residential apartment buildings, which will also be cash flow positive.

'While the directors will be entitled to a profit share in the investment, a compounded internal rate of return of 15% must be crossed before any profit share is obtained, which highlights the expected levels of returns,' explains Des Quigley.

Off Plan Investments will be launching their second Swedish Syndicate, Táin 2 over the next few weeks which will have a minimum investment of €50,000.

The target investments will be a mix of residential and commercial with some having development/refurbishment potential.

Further details from Des or Gearoid at 042-9378877, Ednagreena, Inniskeen, Web: www.offplaninvestments.ie or info@offplaninvestments.ie