

# KL NEWS

PROPERTY INVESTMENT  
PUBLICATION

## 2018 PLAN

Defining our goals

## BUILDING THE CITIES

KL Property Partners are  
taking partnerships to the  
next level

## SWEDISH MARKET

Recent update from our  
Strategic Partner



PROPERTY  
PARTNERS

# CONTENT

february 2018

## WORDS FROM THE EDITOR

The beginning of the year has been all about strategic planning for the upcoming year. We have now settled on our goals and have already taken some important steps towards them, among other things, visiting local councils in UK, developing closer collaboration opportunities for our existing and future investors, and working on a legal support to our marketing initiatives in order to help our clients find the right solutions within our company.

We have also added a Copywriter to our team and by working closely with our experienced partners and contacts, we are aiming to boost our online presence by contributing with valuable and relevant content. As is consistent with KL Property Partners' values, we prefer quality over quantity and want to avoid clogging our audience's digital streams with useless material. Do you have a topic you want to learn more about? Just drop me a line and we will do our quality research around it.



Please support us and follow our KL Blog and Social Media in order to learn about our view on today's real estate market >>>

I wish you all a lot of energy and motivation!

Best wishes,  
Alina Gritckova

3

### PLAN 2018

Defining our goals

4

### BUILDING THE CITIES

KL Property Partners on a visit to Stoke-on-Trent

5

### SWEDISH MARKET

Update from our Strategic Partner

6

### KL BLOG

The hottest topics from our blog

7

### MEET MARIJA POPOVA

Our Client Relationship Manager



**FOLLOW US ON**

**INSTAGRAM**  
**@klpropertypartners**

**LINKEDIN**

**FACEBOOK**

# 2018 PLAN

---

## 1. Establish long-term cooperation with local councils and housing associations in UK

The core focus of this year is to address multiple challenges in the UK real estate market, including the shortage of affordable housing. We seek to collaborate with local authorities in order to contribute to the sustainable urban development, by developing modern, high-quality and energy efficient housing at a reasonable price.

## 2. Higher level of property deals

Having run a couple of test projects with our local networks and suppliers, KL Property Partners are ready to take the business in the UK to another level. During 2018 we aim to refocus on projects with higher profit margins and lower competition. While still having a strong focus on reducing all possible risks, we will seek to take over the specific niche on the market.

## 3. Work close with investors rather than accumulate the capital

We want our investors to stay active and become more involved in the projects. Mutual cooperation will result in better outcomes for all parties. By the end of the year KL Property Partners aim to shift to cooperation with institutional investors.

## 4. Actively share our expertise

Having a broad investment and business network around us, we have the aspiration to share our experience and professional advice with others. We have created a blog and will actively post our updates on social media in order to let people follow our journey, learn, get new ideas and find ways to cooperate with us. ◀

# BUILDING THE CITIES

## KL PROPERTY PARTNERS ON A VISIT TO STOKE-ON-TRENT



The significant shortage of housing in the UK creates ample opportunity for building and investment companies. Local councils all over the country are seeking beneficial long-term partnerships in order to build quality, energy efficient and affordable housing. We are seeing the emergence of modern methods of construction to help with the challenge to build quickly however traditional house builders are struggling to adapt quickly enough to the rapidly evolving property industry. As an agile corporation with international partners possessing an abundance of skillsets and experience we see this as a real opportunity to move quickly to help satisfy the demand.

KL Property Partners are very selective in partnerships and collaborations and we strive to collaborate with the best. Last week our Operational Partners and founders of Grid Edge Estates, Matthew and Andrew Bell, together with Sergey Kazachenko from KL Property Partners held a meeting with Stoke-on-Trent City Council, who have recently been shortlisted for a prize for most innovative council in the UK. Our aim was to ascertain the council's values and aspirations for the city and how we can help to achieve its targets.

Stoke's aspirations for growth, as expected, are very high. The private sector has not delivered in recent years due to the perceived risk of investment being high, therefore in a bid to encourage investment the Council have invited developers to work with them and given assurances to encourage developers to build such as providing assistance with remediation issues, or by purchasing properties to help with the sales risk and financing. Post recession, Stoke Council have averaged 340-350 units built per year with public funds and in the past year have improved to 800-900. The target for this year is to grow to 1500 units per year for the next 5 years.



KL Property Partners have always strived to build high-quality and affordable houses, so we are, with no doubt, taking on the challenge. Having understood the requirements of the Council, we strongly believe we are able to assist with the housing growth planned. Having our new construction technologies, and local partners on board with environmental and renewable energy experience, we expressed our willingness to participate in the tender with innovative proposals and are now preparing our delivery partners for upcoming projects. We are driven to help Stoke-on-Trent leave a legacy with forward thinking developments and helping to improve neglected areas which require regeneration. We aim for our proposals to offer a significant contribution to the society and the environment which we hope will stand us in good stead for future collaborations and a long lasting relationship." ◀



# SWEDISH MARKET

BY RASMUS MELLERUP

Hi there,

For this article in KL newsletter I would like to follow up on the article that I wrote in the October newsletter.

In the October issue we talked about the Swedish property market trends and where we were headed. A lot has happened since October both here in Sweden and globally, but to keep this a bit shorter we will focus on the Swedish market.

## How is the market looking now?

In the October issue we wrote that the prices in Stockholm had since 2008 increased by around 90% but only 3,6% within the last 12 months, and decreased by -0,3% within the last 3 months. (Source: Svensk mäklarstatistik)

These prices have now radically changed and within the last 3 months the prices are down an additional 7% in central Stockholm and the prices are now at the same level as in the fall 2015. (Source: Svensk mäklarstatistik)

To give you a hum about the prices here, me and my girlfriend just sold our apartment last week for 106 000SEK per/m<sup>2</sup> (30m<sup>2</sup>) and bought our new place also in central Stockholm for 69 500SEK per/m<sup>2</sup> (70m<sup>2</sup>). So, a pretty good bargain if you compare the price per/m<sup>2</sup> but still overpriced compared other larger cities in Europe.

## How are the contractors doing?

In the October issue we also talked about the building companies that are struggling to get their projects sold on the market. Especially the newer contractors have been struggling and the stakes prices on a few of them is down 50%-70% within the last year!

## How will they survive?

One of the companies in December sold 40% of the company for a stock price below the valuation which was not popular with the remaining private shareholders. Another option that a couple of companies has chosen is selling of the projects that are not yet started for a price unknown. That said, building work is obviously not going to stop due to demand still being high for accommodation.

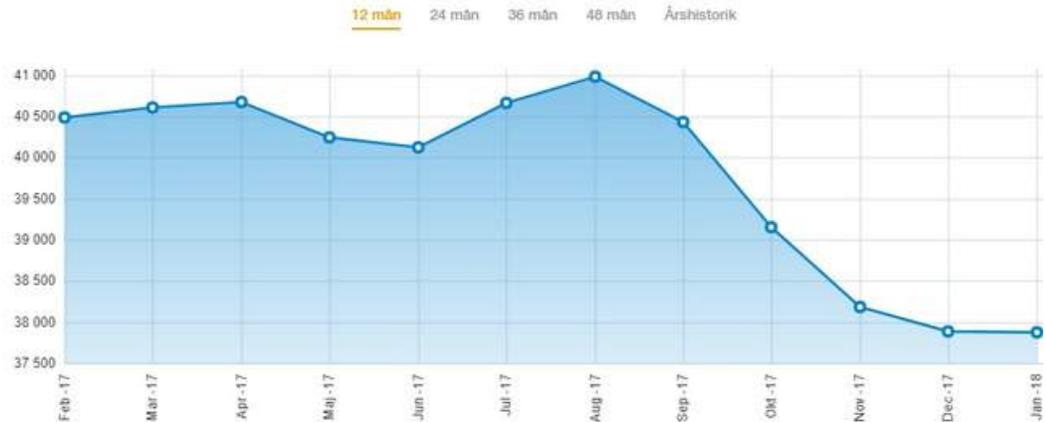
Also the banks are getting tougher when loaning out money. After 1st March the banks will apply a new rule that says that if you borrow more than 4,5 times your yearly income you will have to amortize with an additional 1% which makes a total of 3% amortization on your total borrowed amount. This may have an impact on keeping the prices a bit lower for that bit longer.

I hope that you enjoyed this short reading and hoping to see you all again real soon!

Sincerely

Rasmus ◀

## Housing prices in Sweden



## Housing prices in Stockholm



Source: Svensk Mäklarstatistik

# PROPERTY BLOG



*Check the latest posts from the KL Blog*

## **What is Impact Investing?**

How we create a legacy as Property Investors and Developers / by Matthew Bell > *Learn more*



## **Buying and selling property with bitcoin**

It is now possible to buy and sell UK property with bitcoin enabling exchange and completion to occur at the same time / by Michelle Bryant > *Learn more*



**“You are so lucky to have found an excellent HMO power team! How do you turn a property around in 4 weeks?!”**

Is a question we hear a lot, whilst speaking with other property Investors / by Nina Peutherer > *Learn more*



# CORPORATE STRUCTURE

# MARIJA POPOVA

## CLIENT RELATIONSHIP MANAGER



### What is your role at KL Property Partners?

I am a Relationship Manager at KL Property Partners. I am responsible for maintaining constant contact with investors, partners and suppliers of the company, making sure all of their requests and demands are satisfied. I also start internal dialogues and follow-up with new and existing clients, as well as provide support to the partners and the administration and marketing teams.

### How do you contribute to the company's goals?

Commitment, hard work and work ethics. I am determined to learn as much as possible in order to make a positive impact on the business. I thrive in a busy environment and I am not afraid to push my limits, which is what working at KL is all about.



### How can you help our readers?

It's simple, if you can't get hold of anyone in the KL team, reach out to me, and I will make sure they respond to you. After all, they were the ones who put me in a position of a Relationship Manager, a.k.a. their consciousness. They can't say "no" to me now.

### What is the favourite thing about your work with KL?

The energy, ambition and devotion of each member of KL, making it a great team to be part of. Every day brings new challenges and new tasks, which are all different every single time. Being able to find the right solutions quickly and adapt to a changing environment is what makes the work here exciting.

### Tell us some words about your background

I am a research professional with a background in Science Communication. I have extensive experience working in the research industry, focused on Science and Education, which I am very passionate about. I have worked on various projects, including e-learning, alternative education, community building and community relationship management. That, plus my international experience having lived and travelled in different countries around the world, allowed me to broaden my knowledge and apply a more holistic approach to the work I do.

### What do you enjoy doing in your free time?

Dance! Especially Latin dance, salsa, bachata, kizomba, you name it. Because music and dancing make me relaxed, energized and put me in a good mood. It's a great exercise and an amazing way to network and meet new people!

### How can our readers reach you?

If you have any questions or requests regarding the company, its clients or what we do, you can reach me by email [mpeschinv.com](mailto:mpeschinv.com), or pop in to the office in Stockholm, where I am working with Sergey and the team. ◀

Our greatest benefit, and the key to our success, is our team. In our next publications we will keep introducing you to our partners and employees. Can't wait? Click on the links to learn more about us and our trusted partners:

▶ **OUR TEAM**

▶ **PARTNERSHIP**

**More useful information from us:**



**PROPERTY  
PARTNERS**