

First Step in Green Financing

Stockholm (HedgeNordic) – Stockholm-based direct lending fund **Scandinavian Credit Fund** is making its foray into green financing after signing a direct loan with Danish real estate developer Birch Ejendomme. The loan constitutes project financing for the construction of energy-friendly residential rental properties in Jutland in Denmark and matures in four years.

Commenting on the deal, Peder Broms (*pictured*), Head of Origination at Scandinavian Credit Fund (SCF), says that “we are very pleased to be able to participate in the financing of numerous real estate projects in regions with good growth prospects.” Most properties included in the transaction had been sold even before receiving funding from SCF, which minimizes the risks associated with the loan.

Before 2017, Birch Ejendomme mostly developed residential rental properties in Jutland for their own book, but the company has sold about 20 projects to institutional investors such as Niam, PFA, Koncenton and Crescendo since then. The ongoing project financed by Scandinavian Credit Fund includes properties that are more environmentally friendly. The direct lending fund had SEK 4.1 billion in loans outstanding at the end of November.