Fastpartner AB
Sweden, Real Estate

SCOPE BBB- STABLE

Key metrics

			Scope estimates	
Scope credit ratios	2020	2021	2022E	2023E
Scope-adjusted EBITDA/interest cover	3.9x	4.4x	3.9x	2.9x
Scope-adjusted debt/EBITDA	12.4x	12.9x	13.0x	12.1x
Scope-adjusted loan/value ratio (LTV)	47%	43%	44%	46%

Rating rationale

The rating is driven by Fastpartner's market position in the Swedish real estate market, with a strong standing in its core market of Stockholm, an above-average weighted average unexpired lease term (WAULT) of 4.7 years, and profitability around 70% as measured by Scope-adjusted EBITDA margin. The rating is further supported by LTV of around 44% and Scope-adjusted interest coverage of currently 5.1x (as of LTM Q2 2022). The latter is negatively affected by changing interest rate environment and we foresee interest cover to fall below 4x in 2022 and to around 3x in 2023 and thereafter.

The rating is constrained by relatively high geographic concentration, with Stockholm accounting for 77% of assets by fair value, a top-three tenant concentration of 9.1% and Fastpartner's exposure to floating-rate debt, with only 13% hedged. The latter puts pressure on interest cover as outlined above, but is partially mitigated by indexed rental agreements and the company's financial policy to keep the ratio above 3x.

Outlook and rating-change drivers

The Outlook for Fastpartner is Stable and incorporates continued growth in its core market of Sweden. We assume such growth will be financed with debt and equity. In addition, it incorporates our expectation that the company's leverage, as measured by its LTV, will remain between 40%-50% and that interest cover will decline to around 3x due to the rising interest rate environment. Continued strong cash flow, as measured by Scope-adjusted free operating cash flow, is expected to cover dividend payments going forward.

A negative rating action could occur if Fastpartner's leverage, as measured by its LTV, reached above 50% on a sustained basis, or if interest cover weakened below 2.2x. This could be driven by a rise in interest-bearing debt through fully debt-financed acquisitions to significantly increase the portfolio's size or unfavourable remortgaging. It could also be driven by more severe after-effects from the Covid-19 pandemic and the war in Ukraine, leading to a stronger-than-anticipated rise in interest rates and/or a downward adjustment in the company's asset value.

A positive rating action could be warranted if deleveraging resulted in an LTV of around 40% on a sustained basis supported by a tightened financial policy. This could be achieved with less debt-funded capex, decreased financial debt requirements through stronger-than-anticipated cash generation from the portfolio, and continued strong demand for Fastpartner's properties, resulting in positive fair value adjustments.

Rating history

Date	Rating action/monitoring review	Issuer rating & Outlook
7 Sep 2022	Affirmation	BBB-/Stable
3 Sep 2021	Affirmation	BBB-/Stable
31 Aug 2020	Initial rating	BBB-/Stable

Ratings & Outlook

Issuer	BBB-/Stable
Short-term debt	S-2
Senior unsecured debt	BBB-

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Related Methodologies and Related Research

Corporate Rating Methodology; July 2022

European Real Estate Methodology; January 2022

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Bloomberg: RESP SCOP

Positive rating drivers	Negative rating drivers
• Medium-sized commercial real estate company with good access to capital markets and high visibility in the Swedish market thanks to 1.6m sqm of lettable area under management • Moderate and stable profitability, with a Scope-adjusted EBITDA margin of around 70%, that supports internal financing capabilities • Strong debt protection supported by stable operating cash flows • Moderate tenant diversification with top three tenants accounting for 9% and the top ten accounting for 19%, a good tenant industry diversification • Above-average WAULT for the Nordic market of 4.6 years	• Modest geographic diversification with 77% of assets (fair value) located in Stockholm, somewhat mitigated by the economic power and liquidity the capital provides • Relatively high vacancy rate due to acquisition strategy, somewhat mitigated by the issuer's ability to keep the ratio stable

Positive rating-change drivers	Negative rating-change drivers
• LTV of around 40% on a sustained basis supported by tightened financial policy	• Increase in LTV above 50% on a sustained basis or weakening of interest cover to below 2.2x

Corporate profile

Fastpartner is a large commercial real estate company in Sweden, with a geographic focus on greater Stockholm. The company owns and manages a diversified portfolio across asset classes comprising around 200 properties worth SEK 39bn. Fastpartner is listed on the Nasdaq Stockholm large cap market. Its largest shareholder, holding 72%, is company CEO Sven-Olof Johansson through his investment holding Compactor Fastigheter AB.

Financial overview

			Scope estimates		
Scope credit ratios	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Scope-adjusted EBITDA/interest cover	3.9x	4.4x	3.9x	2.9x	3.0x
Scope-adjusted debt/EBITDA	12.4x	12.9x	13.0x	12.1x	11.8x
LTV	47%	43%	44%	46%	47%
Scope-adjusted EBITDA in SEK m					
EBITDA	1,247	1,259	1,349	1,564	1,703
Other items	0	0	0	0	0
Scope-adjusted EBITDA	**1,247**	**1,259**	**1,349**	**1,564**	**1,703**
Funds from operations in SEK m					
Scope-adjusted EBITDA	1,247	1,259	1,349	1,564	1,703
less: (net) cash interest paid	-317	-287	-342	-542	-560
less: cash tax paid per cash flow statement	-72	-149	-148	-150	-168
Change in provisions	-3	2	0	0	0
Funds from operations	**855**	**824**	**859**	**872**	**976**
Free operating cash flow in SEK m					
Funds from operations	855	824	859	872	976
Change in working capital	-52	-299	6	12	8
less: divestments	1	325	6	10	10
less: capital expenditure (net)	-540	-777	-250	-250	-250
less: dividends preference shares	-38	0	0	0	0
Free operating cash flow	**225**	**73**	**621**	**644**	**744**
Net cash interest paid in SEK m					
Net cash interest per cash flow statement	317	287	342	542	560
Net cash interest paid	**317**	**287**	**342**	**542**	**560**
Scope-adjusted total assets in SEK m					
Total assets	33,148	37,922	39,757	41,505	44,691
Less: cash and cash equivalents	-147	-211	-48	-92	-1,576
Scope-adjusted total assets	33,001	37,711	39,704	41,408	43,110
Scope-adjusted debt in SEK m					
Reported gross financial debt	15,638	16,446	17,624	18,977	21,669
less: subordinated (hybrid) debt	0	0	0	0	0
less: cash and cash equivalents	-147	-211	-48	-92	-1,576
add: non-accessible cash	0	0	0	0	0
add: pension adjustment	0	0	0	0	0
add: operating lease obligations	0	0	0	0	0
Other items	0	0	0	0	0
Scope-adjusted debt	**15,491**	**16,235**	**17,577**	**18,885**	**20,093**

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Environmental, social and governance (ESG) profile[1]

Environment		Social		Governance	
Resource management (e.g. raw materials consumption, carbon emissions, fuel efficiency)		Labour management		Management and supervision (supervisory boards and key person risk)	
Efficiencies (e.g. in production)		Health and safety (e.g. staff and customers)		Clarity and transparency (clarity, quality and timeliness of financial disclosures, ability to communicate)	
Product innovation (e.g. transition costs, substitution of products and services, green buildings, clean technology, renewables)		Clients and supply chain (geographical/product diversification)		Corporate structure (complexity)	
Physical risks (e.g. business/asset vulnerability, diversification)		Regulatory and reputational risks		Stakeholder management (shareholder payouts and respect for creditor interests)	

Legend
Green leaf (ESG factor: credit positive)
Red leaf (ESG factor: credit negative)
Grey leaf (ESG factor: credit neutral)

High share of certified green buildings and 100% use of renewable energy boosts net rent ratio

Fastpartner adheres to the UN Sustainability Development Goals and has written 10 of the 17 goals into its business plan. Some 41% of its assets by property value are certified as environmentally friendly and sustainable. It aims to increase this ratio by at least 10% annually to reach 80% by 2025. The company reduced its greenhouse emissions by 61% between 2020-21 through carbon-offset district heating and a small addition of self-generated energy – this comes on top of switching to 100% renewable energy in 2020, with a vision to become 100% carbon neutral in 2030. The company exceeded its own goal of halving CO2 emissions by 2025 compared to 2019 already in 2021 and aims to continue decrease CO2 emissions by over 15% per annum and continuously reduce energy consumption in the existing portfolio by >1% per annum. Fastpartner's efforts in high-grading its portfolio is a requirement for some multinational tenants and a desirable feature for the remainder, which increases the appeal of its properties to existing and potential new clients and assures a continued high occupancy and related cash-flows also in a potentially softer economic environment and/or changing demand patterns. Fastpartner's social and environmental efforts not only make its portfolio more attractive to tenants, but may also boost profitability through higher net rent ratios.

[1] These evaluations are not mutually exclusive or exhaustive as ESG factors may overlap and evolve over time. We only consider ESG factors that are credit-relevant, i.e. those that have a discernible, material impact on the rated entity's cash flow and, by extension, its credit quality.

Business risk profile: BBB-

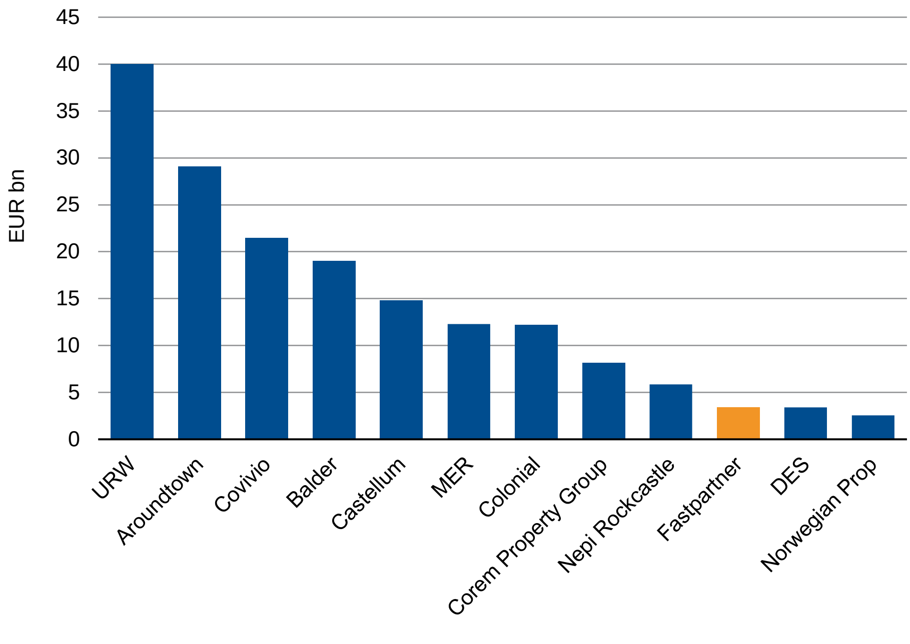
Industry risk profile: BB

Fastpartner's industry risk is modest given its exposure to the highly cyclical commercial real estate industry (its main segments comprising the development, leasing and management of office buildings).

Medium-sized commercial real estate company

Fastpartner is a medium-sized commercial real estate company based in Sweden with Scope-adjusted total assets of SEK 39.4bn (EUR 3.7bn). Its total lettable area amounts to 1,572,539 sqm, in addition to which the company also owns unutilised building rights for 139,000 sqm of residential space and 306,000 sqm of commercial buildings, some of which it plans to develop over the coming years. The latter might prove to be a more attractive option to grow than acquiring properties. The company's size translates into good diversification in terms of tenants and locations, which should enhance its resilience to cash flow volatility caused by economic cycles, industry developments, regulatory changes and the loss/default of single tenants. It also affords good access to capital markets, proven by the regular issuance of class A shares, class D shares, the issuance of unsecured bonds in Swedish markets (SEK 7.3bn outstanding), as well as a SEK 2bn commercial paper programme and secured bank loans with all the major Nordic banks (SEK 7.9bn).

Figure 1: European peers, assets under management in EUR bn



Sources: Peers, Fastpartner, Scope

Large Swedish CRE, with top three position in home market of Stockholm

Fastpartner's strongest foothold, with assets worth SEK 28.7bn, is in Stockholm, where it holds a top-three position by square metres. The company is mostly in the top five in the other markets in which it operates except for Gothenburg and Malmö, where its exposure is too small to qualify as moderately dominant. Having a high share in most of its markets, including Sweden's capital Stockholm, is positive. It often translates into higher visibility to potential tenants and offers more flexibility to accommodate the changing needs of existing tenants. Thus, high market shares increase tenant retention and lead to more stable occupancy and reduced capex needs linked to tenant fluctuation.

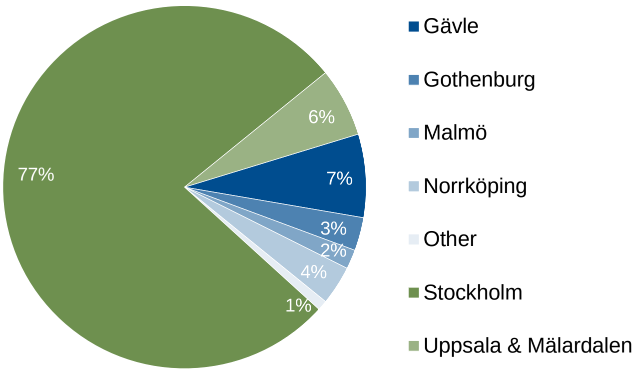
Fastpartner intends to grow within its current home territory, predominantly in Stockholm and the city of Norrköping. The company plans to do so by developing some of its building rights, while also acquiring properties that fit its portfolio. The largest addition over the last 12 months to Q2 2022 was a logistics portfolio in Norrköping with 36,000 sqm over three properties.

Fastpartner's geographical diversification is moderate, with activities spread across Sweden with a focus on Stockholm (77% of assets by fair value), allowing it to benefit from a broad range of tenants from regional to multinational, and keep tenants with relocation/resizing needs. However, Fastpartner's performance hinges on the macroeconomic development of Sweden, a mature and stable economy with a strong welfare/social system in place. The latter softens the economic burden in times of distress as can be seen during the current crisis, with labour costs being partially borne by the state and subsidies provided for fixed costs such as rent, resulting in decreased rental losses for commercial real estate owners.

Moderate geographical diversification, with a strong Stockholm bias

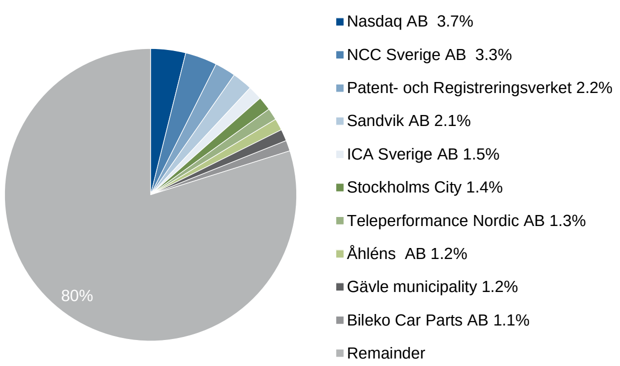
Fastpartner does not intend to broaden its exposure abroad. The company plans to focus on the markets it knows best and achieve further growth by acquiring properties and developing its building rights.

Figure 2: Geographic diversification by value of assets



Sources: Fastpartner, Scope

Figure 3: Tenant diversification by rental income



Sources: Fastpartner, Scope

Moderately diversified by property type with 46% offices and a growing logistics portfolio

Fastpartner's largest segment by rental value is offices, at 46%, followed by logistics and warehousing at 17% and shops/restaurants at 12%. Diversification into different asset classes enables the company to dampen short-term effects like those triggered by the pandemic. While the shops/restaurants segment has been adversely affected during the past two years, demand for the logistics segment has increased significantly. This increased demand has balanced out rental losses/bad debt impairments from shops/restaurants. In addition, Fastpartner's exposure to the healthcare and education segments and the residential segment acts as a low-risk, stabilising factor, something we understand the company would like to expand in.

So far tenants' behaviour as a consequence of the upward trend in remote working to limit the spread of Covid-19, has not yet significantly changed. We are still cautious about companies looking to adjust down their real estate requirements in the medium term. That said, we expect the decline in demand for office space to be gentle rather than drastic for three main reasons.

First, employers will require significant amounts of office space to comply with new health and safety standards requiring less densely populated working space, even if more staff work remotely more often. Employers will also have to increase recreational areas and add meeting facilities to encourage a minimum of staff to return to the office. Secondly, companies will still want prestigious, high-quality buildings to impress clients and recruit and retain staff.[2] And thirdly, as the Nordics were already quite habituated to a flexible home office environment, the change in behaviour might not be as drastic as in other georgraphies.

Fastpartner's tenant diversification is moderate, with the top three tenants accounting for 9.2% of rental income and the top 10 tenants accounting for 19.1%. The largest tenant is Nasdaq AB, which provides 3.7% of rental income, followed by NCC Sverige AB with 3.3% and the Swedish Patent registration office with 2.2%. Overall tenant quality, based on historical rental loss statistics over the last five years, is assessed as investment grade. We therefore view the risk of a significant deterioration in cash flows due to single tenant defaults/delayed payments as marginal.

Tenant industry diversification benefits the rating, with the state/municipality as the largest single industry and no industry larger than 12% of rental income.

Asset quality benefits from 83% of portfolio in 'A' metropolitan areas

Fastpartner's portfolio is concentrated around larger cities in southern Sweden, with Stockholm as the dominant exposure. 82% of the portfolio, as measured by the fair value of its assets, is located in metropolitan regions with more than 1m inhabitants (Stockholm, Gothenburg, Malmö). These are classified as 'A' cities as per our methodology. The rest of the portfolio is divided among smaller cities, with 9% as 'B' locations and 9% as 'C' locations. The high share in large liquid markets results in good fungibility in times of financial distress, which would result in limited haircuts on its portfolio. This is, however, a remote scenario given Fastpartner's investment-grade financial risk profile.

Above-average vacancy due to strategy

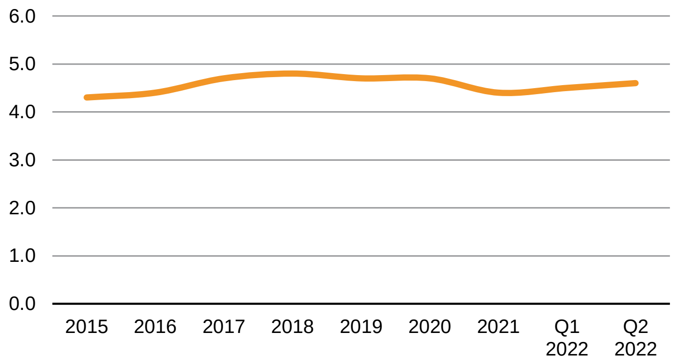
Fastpartner's strategy is to acquire properties in near-city locations with good transportation links, but with below-par occupancy that allows them to develop the property. After acquisition, Fastpartner implements a refurbishing process and establishes mixed usage to increase attractiveness, with the goal of reducing vacancy to below 10%. This results in an average occupancy rate that has hovered around 90% for the last few years, a level relatively low compared to traditional buy-and-hold competitors. However, over the last 12 months the company has focussed on reducing vacancies in its existing portfolio over growth and has managed to increase occupancy to 92% (as at end-June 2022), and sees further upside from here. The stability of its business is seen in its occupancy rate staying within in a narrow corridor, and it has shown resilience during the pandemic by staying above 90%.

Above-average WAULT by Nordic standards benefits the rating

Fastpartner's WAULT of 4.6years is average by European standards and exposes the company somewhat to ongoing re-letting risk. The company has managed to increase its lease terms slightly over the last few years and is comfortable with the current level, which has been stable since 2017. Compared to Nordic peers' rather short WAULT of four years, Fastpartner is above average. With an average of 17% of rental contracts maturing yearly for 2022-25, we view reletting risk as manageable.

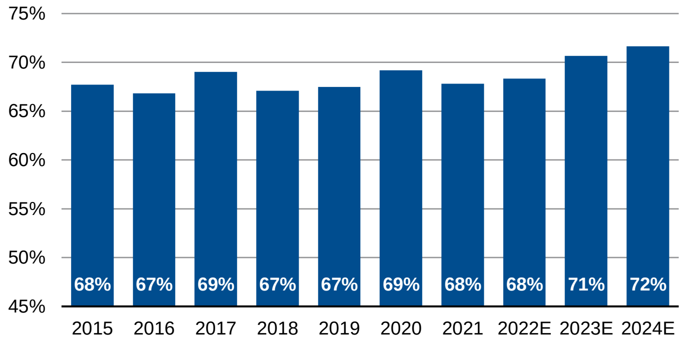
[2] Europe office property: evolution, not revolution (https://scoperatings.com/#!search/research/detail/166638EN)

Figure 4: WAULT (years)



Sources: Fastpartner, Scope

Figure 5: Profitability (Scope-adjusted EBITDA margin)



Sources: Fastpartner, Scope estimates

Stable profitability in line with peers

Fastpartner's profitability as measured by its Scope-adjusted EBITDA margin is in the middle of its peer group. The margin is stable over time with very little volatility. We forecast a slight increase in 2022 and beyond to 69%-71%, with continued improvement driven by economies of scale and positive reletting contributions, rental cash flows are lifted up by CPI-links while utility bills are billed through.

Financial risk profile: BBB

Debt protection improved over the last twelve months

Fastpartner's debt protection has been historically strong at levels above 3.5x. The latest reading at LTM end-June 2022 stood at 5.1x. Like most other Nordic players, record-low interest rates in combination with a preference for floating rates have resulted in comparatively low cash interest payments. But, Fastpartner's interest cover is strongly affected by the changing interest rate environment, as the company's current hedging rate is at a low 13%. We foresee the 3-month Stibor rate (the common floating rate) to increase to 180bps going into 2023, taking the company's interest cover down to below 4x in 2022 and to around 3x for 2023 and thereafter. Softening the downward pressure on the ratio from rising rates are the following factors: i) indexed rental agreements growing the top line; ii) relatively expensive old loans and bonds maturing in the near-term which are assumed to refinance at tighter spreads and absorb some of the rate hikes, and iii) the company's headroom, with high debt protecting as a starting point acting as a buffer to the negative rating triggers, which enables it to react without reaching uncomfortable levels.

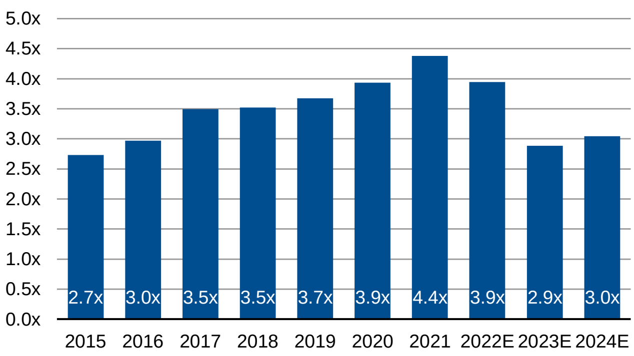
Fastpartner's financial policy stipulates to keep its interest coverage ratio above at least 3x, which gives us further cause to believe that the company will act in time to avoid further significant deterioration below 3x.

Fastpartner's Scope-adjusted EBITDA has grown continuously to SEK 1,259m in 2021 from SEK 770m in 2015, in line with its growing asset base. Given the company's continued growth plan, though more slowly executed than previously anticipated, and especially growth in indexed rental income in the current inflationary environment, we expect further EBITDA growth towards SEK 1.7bn in 2024. Funds from operations have developed in tandem with EBITDA, reaching their highest level so far in 2020, at SEK 855m. Continued growth to SEK 1bn in 2024 is expected due to already signed uplettings and reduced vacancies in addition to acquiring new properties, while being held back somewhat by increasing interest burden.

Maintenance capex and internal development projects covered by free operating cash flow

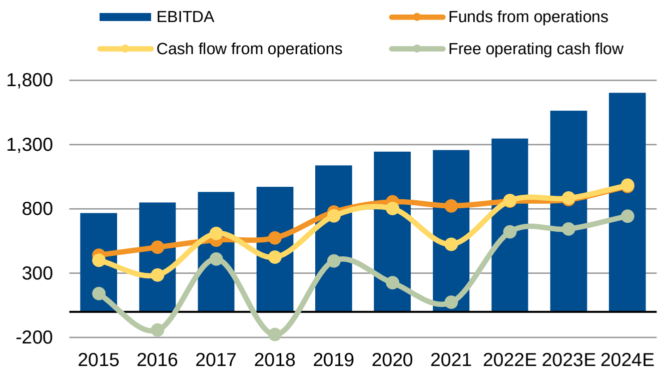
Scope-adjusted free operating cash flow (excluding discretionary capex such as for acquisitions) has been impacted by Fastpartner's significant investments in its portfolio, which pushed the metric below zero in 2016 and 2018. Going forward, it is expected maintenance capex and internal development projects to be covered by internal cash flows in 2022-24. It is assumed that any additional forecasted acquisitions will be financed either through share/D-share issues, external debt or a combination of both.

Figure 6: Scope-adjusted EBITDA/interest cover



Sources: Fastpartner, Scope estimates

Figure 7: Cash flows (SEK m)



Sources: Fastpartner, Scope estimates

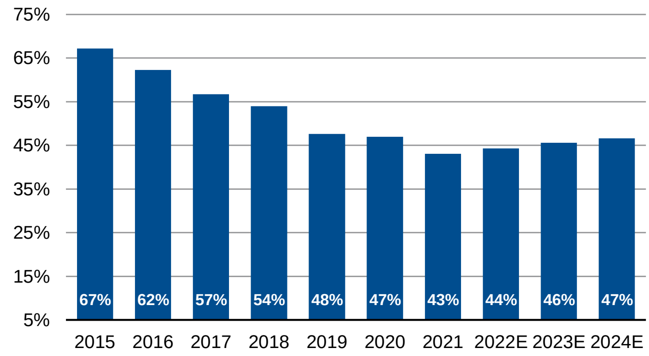
Discretionary cash flows have been heavily impacted by the acquisition of properties over the last six years, with very few disposals during that period. While most of the acquisitions were debt-financed, Fastpartner also increased its equity in 2016 (SEK 760m through an A-share increase), 2019 (SEK 701m through a D-share increase), 2020 (SEK 221m through an A-share increase) and in 2021 (SEK 500m D-share increase).

The company has two different share classes with different voting rights, with the preference share class was redeemed in full in Q1 2022. Its target is to pay a long-term dividend of 33% of the profit generated by property management; on average, 39% was paid during the last five years. Management, which includes the main shareholder, is open to cutting dividends if the situation requires such an action, providing a cushion for cash flows.

Historical deleveraging trend with expected LTV of below 45% going forward

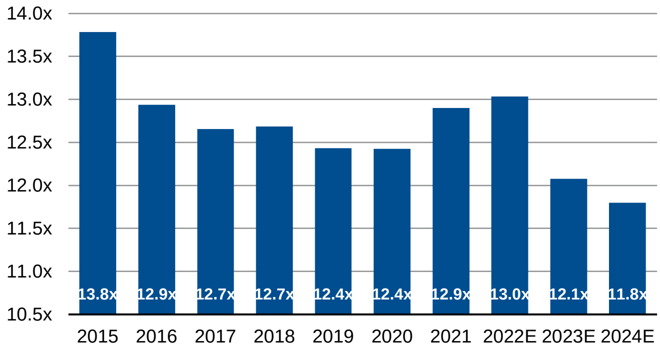
Fastpartner's leverage, as measured by its LTV, has fallen significantly from the high 50s to the low 50s and below (2019: 48%), thanks to fair value adjustments and occasional equity issuances. At YE 2021, LTV stood at 43%. The company's LTV would have fallen further in absence of redeeming its preference shares in Q1 2022, taking LTV to 44% at the latest reading in Q2 2022. The company's target LTV according to its financial policy ratios was below 48%, as calculated by net debt to property values. Assuming a fully debt-funded acquisition plan in 2023 and 2024, it is forecasted that LTV will increase slightly again but not significantly beyond current levels. We caution though that a potential widening of yields might not be balanced by improved cash generation, leading to pressure on fair value of properties and posing a risk to LTV.

Figure 8: Scope-adjusted loan/value ratio



Sources: Fastpartner, Scope estimates

Figure 9: Scope-adjusted debt/EBITDA



Sources: Fastpartner, Scope estimates

The Scope-adjusted debt/EBITDA ratio has remained at very stable levels of between 12-13x in the last few years. This is expected to decrease slightly going forward based on expected EBITDA growing faster than expected Scope-adjusted debt proportionally.

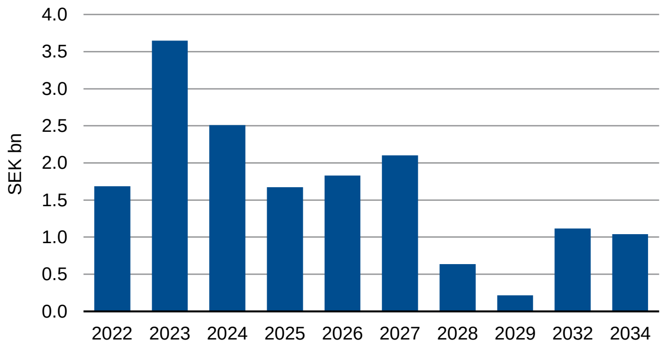
Adequate liquidity

Fastpartner has historically relied on relatively short-term funding and keeping cash on the balance sheet low. The company's strategy is to either draw on revolving credit facilities/cheque credit facilities once short-term liquidity needs arise or issue commercial papers under its SEK 2bn programme. In a second step, the company replaced these short-term instruments with secured bank loans/bonds with a pledge on real estate. At Q2 2022, Fastpartner's secured LTV stood at 21%. This gives the company ample room to increase debt on existing properties within its limit of 70% LTV on bank loans if the short-term market no longer allowed it to refinance. In addition, the company has a back-up revolving credit facility to cover the full SEK 2bn commercial paper programme and additional revolving credit facilities, which cover the unsecured part of upcoming maturities. We assess the likelihood that banks will not refinance secured loans as low. Fastpartner has good relationships with all the large Nordic banks and has loans with various maturities.

Given the above, liquidity is judged to be adequate.

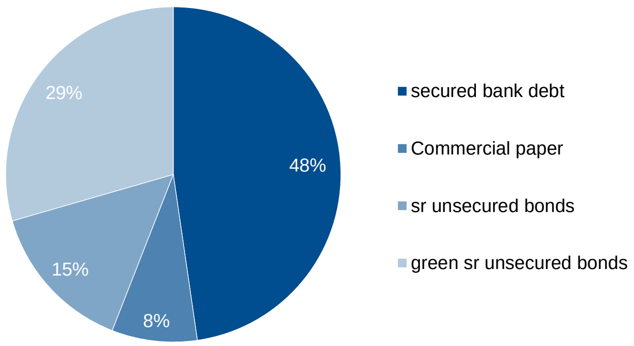
Balance in SEK m	2022E	2023E
Unrestricted cash (t-1)	211	48
Open committed credit lines (t-1)	3,455	3,455
Free operating cash flow (t)	621	644
Short-term debt (t-1)	3,221	3,647
Coverage	**133%**	**114%**

Figure 10: Maturity profile



Sources: Fastpartner, Scope

Figure 11: Debt split



Sources: Fastpartner, Scope

Long-term and short-term debt ratings

Senior unsecured debt rating: BBB-

Fastpartner has SEK 8.6bn of senior unsecured debt outstanding, consisting of SEK 1.4bn in commercial paper and SEK 7.2bn in senior unsecured bonds (of which SEK 4.9bn was issued under its green framework). These senior unsecured obligations benefit from a property pool of SEK 12.5bn in truly unencumbered assets in addition to SEK 6.9bn in unencumbered parts of secured properties (difference in secured LTV of up to 60%). It is calculated that the pool of unencumbered assets stands at SEK 19.4bn, providing around 230% coverage by unsecured assets. We therefore rate senior unsecured debt at the issuer's level of BBB-.

Short-term debt: S-2

Our S-2 short-term rating is supported by adequate liquidity, good banking relationships, and strong access to diverse funding sources with regular issuances to various equity share classes and bonds.

Appendix: Peer comparison

	Fastpartner AB	Corem Property Group AB	Fastighets AB Balder	Merlin Properties SOCIMI S.A.	Globe Trade Centre S.A.
	BBB-/Stable	BBB-/Stable	---/---*	---/---*	BBB-/Stable
Last reporting date	30 June 2022	30 June 2022	31 December 2021	31 December 2021	31 December 2021
Business risk profile					
Scope-adjusted total assets (EUR m)	3,702	8,907	22,030	13,406	2,745
Portfolio yield	4.80%	5.1%	4.4%	3.8%	6.9%
GLA (thousand sqm)	1,573	3,479	5,509	3,385	854
No. of residential units	na	na	44,300	na	na
Countries active in	1	3	7	2	6
Top 3 tenants (%)	9.2%	9%	8%	9%	9%
Top 10 tenants (%)	19.1%	15%	14.5%	19%	22%
Office (share NRI)	46%	47%	25%	63%	69%
Retail (share NRI)	12%	11%	9%	22%	31%
Residential (share NRI)	0%	na	51%	0%	na
Hotel (share NRI)	4%	na	8%	0%	na
Logistics (share NRI)	24%	24%	na	13%	na
Others (share NRI)	14%	18%	7%	2%	na
Property location	‘A’ and 'B'	‘A’ and 'B'	‘A’ to ‘B’	A	'B'
EPRA occupancy rate (%)	92%	89.0%	96.0%	95%	90%
WAULT (years)	4.6	3.7	6.4	5.4	3.6
Tenant sales growth (%)	na	na	na	na	na
Like-for-like rent growth (%)	na	na	1.0%	0.4%	na
Occupancy cost ratio (%)	na	na	na		na
Scoep-adjusted EBITDA margin	68%	61%	66%	77%	86%
EPRA cost ratio (incl. vacancy)	na	na	na	20.5%	na
EPRA cost ratio (excl. vacancy)	na	na	na	18%	na
Financial risk profile					
Scope-adjusted EBITDA/interest cover	5.1x	2.7x	3.9x	3.1x	3.4x
Scope-adjusted loan/value ratio	44%	53%	49%	40.3%	52%
Scope-adjusted debt/EBITDA	13.5x	28.3x	19.0x	14.8x	12.7x
Weighted average cost of debt	1.50%	2.7%	1.4%	2.1%	2.2%
Unencumbered asset ratio	230%	na	>200%	204%	155%
Weighted average maturity (years)	3.7	na	5.7	5.3	5.2

* Subscription ratings available on ScopeOne

Sources: Public information, Scope

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