



Young people and newly arrived migrants - The future of rural areas in the Nordic Region!

Stockholm, November 2016

2012 - Main resources that we lack in Tranøy:

- people, and specially young and qualified people, due to:
 - lack of attractive housing offer.
 - high cost of building + lack of capital + lack financing
 - demographic trends.
 - educational offer for young people.
 - high quality infrastructure (transport and IT).

Mitigating resources and actions:

- Financing programmes by the National Housing Bank.
- Migrants (refugees) through cooperation with the Immigration Department.
- International investors, albeit to some lesser extent due to relatively high entry-barriers.
- Cooperation between private businesses and educational institutions: outplacements and/or new branches.

SAFE Group's activity in Mid-Troms, Northern Norway







Municipalities

Bardu

8 🏠 B

Berg

20 🏠 T

Dyrøy

🏠 M

Lenvik

Målselv

🏠 M

Sørreisa

Torsken

36 🏠

Tranøy

8 🏠 B

Ibestad



SAFE Group AS, primary activity:**Social Housing projects for refugees and young people**Rental phase

2013-14 20-flats development (2-bed) in Stonglandseidet, Tranøy

2015-16 16-flats development (3-bed) in Vangsvik, Tranøy

Building phase

2016-17 8-flats development (3-bed) in Skaland, Berg

2016-17 8-flats development (3-bed) in Hamnvik, Ibestad

Pipeline

2017 New project: 4 flats (1-bed) in Stonglandseidet, Tranøy

2017 Delivered offer for building 20 flats in Brøstadbotn,

Dyrøy

2018 Marketing projects in Sørreisa and Lenvik

**Develop & manage residential properties:
the creation of an attractive and diversified rental offer**

Social Housing projects for refugees and young people

Main challenge in Norway: unfavourable taxation

Rental phase

No allowance for depreciation of buildings, not even 60-year linear depreciation.

Construction phase

25% VAT a net cost of building, due to exclusion of these projects from the “merverdiavgiftskompensasjon både for boliger med helseformål, og for boliger med sosiale formål”. This is currently under review.

These creates cash-flow tensions in the rental and construction phase and negatively discriminates residential vs. commercial build-to-let real estate developments.

Secondary activity:***Capital attraction***

2012 - Brokered a MNOK 22 investment for NORD II IS, a Tromsø-based PE fund focused on investments in Northern Norway, between Nord Kapitalforvaltning AS and Geroa Pentsioak EPSV, a Spanish Pension fund. Geroa holds 5.11% of the fund shares.

People-keeping via job creation (tertiarization)***New services to corporations and private clients***

2015 - Cleaning services: SAFE-R AS, is the sole authorised cleaning company in Tranøy municipality.

2017-18: Tourism and travel-related services: We currently work on two projects:

- a restaurant and catering business***
- a tourist inn in cooperation with private and public agents***

SAFE Group's long-term goal: turning demographics around

- *progressive tertiarization of the local economy will lead to increased population homeostatic level (carrying capacity)*
- *progressive spezialization of the working population will lead to increased productivity*
- *Increased populations should lead to incremental support from central and regional governments: infrastructure creation, maintenance and upgrading.*

First Year at Stonglandet skole:

Before 1st housing development (Sep-2011)



After start of rental phase (Sep-2014)



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