

> Park Street Nordicom: Pushing the Digitisation of the Real Estate Industry

Park Street Nordicom owns sixty assets with a total floorspace of about 250,000m² across Denmark valued at DKK2.5 billion and generating approximately DKK150 million in annual rent. The portfolio is split between 40% each of retail and office and 10% each of residential and other (mainly hotel) segments.

During its first twenty years in business, Park Street Nordicom has laid deep roots as a real estate development company, which is reflected in the potential of its portfolio. Financial challenges over the last decade shifted the strategy towards a conservative management of the portfolio, with a high priority on generating cash flow to support a reduction in leverage.

Over the past 18 months, the new shareholders and management of Park Street Nordicom have been able to solidify the financial backbone of the company with a significant reduction of debt, the enhancement of equity, and a refinancing of loans to term. This financial restructuring has been complemented by a streamlining of operations and the merger of multiple subsidiaries into a single Danish operating company. Moreover Park Street Nordicom has also outsourced property administration and facilities management contracts, added significantly to the team leadership, and developed cutting edge management information systems – all supporting a dynamic approach to property and portfolio management.

The above restructuring effort has delivered a stabilised and simplified platform, as highlighted by Pradeep Patten, the CEO of Park Street Nordicom. Commenting on the impact of the corporate merger undertaken in 2017, Mr Patten said: “The new corporate structure of Park Street Nordicom has simplified internal and external reporting and financial management processes, and represented an important step towards creating a sustainable real estate company.”

The firm’s continued investment in technology is a key aspect of its ongoing corporate strategy which prioritises transparent and real-time management reporting. The focus is on empowering management with real-time insights, to facilitate the analysis of the key portfolio performance metrics, and enhance the execution of asset management.

As part of this strategy, technology enhancements and partnerships have been put into place in order to simplify the work flows across property administration and facilities management. Real estate as a sector is undergoing a profound change which is driven by advancements in technology



Park Street Nordicom team in Copenhagen offices.



and digitisation. The trend helps improve the asset management decision-making process. Digitisation in real estate can deliver substantial efficiencies, expand productivity, and knowledge sharing. The firm is determined to capture such benefits.

The intention is for operational efficiency to enhance the time and energy available

for management to focus primarily on the management of the portfolio through vacancy reduction, rent optimisation, asset optimisation, tenant optimisation, and (where appropriate) re-development and/or property and portfolio acquisitions. The ambition of the company is to be the best-in-class for managing and developing properties, capital, and talent in the real estate industry. ❖