

Phoenix Spree Deutschland

FY25 condominium sales beat expectations

Phoenix Spree Deutschland's (PSD's) FY25 condominium sales of €36.0m reached a new high level and were substantially ahead of the €30m target set by the company. Momentum remains strong, with December sales of €5.4m representing a new monthly record. Following the recently completed debt refinancing, PSD expects to further increase the number units available and, in this context, the company's FY26 sales target of at least €55m looks increasingly achievable. The refinancing also paved the way for capital to be returned to shareholders via a programme of compulsory pro rata share redemptions settled in cash. Further information on the first redemption will be provided with PSD's full year results on 23 April 2026.

Year end	PBT (€m)	EPS (€)	NAV/share (€)	P/E (x)	P/NAV (x)	Yield (%)
12/22	(18.4)	(0.17)	5.10	N/A	0.39	118.2
12/23	(112.4)	(1.07)	3.96	N/A	0.50	N/A
12/24	(40.3)	(0.42)	3.55	N/A	0.56	N/A

Note: PBT and EPS are shown on an IFRS basis, including valuation movements. Unless stated otherwise, throughout this report, NAV is EPRA net tangible assets (NTA).

The condominium market remains resilient. 122 of PSD's units were notarised (sold) in FY25 at an average price of €4,132 per sqm or a 3.8% premium to the latest carrying values. A further 28 units (aggregate value of €7.8m) are reserved and pending notarisation. In FY25, vacant units achieved an average €4,576 per sqm (19.0% premium to latest carrying values), while occupied units achieved €3,913 per sqm (3.2% discount to latest carrying values).

The condominium sales pool currently contains 39 buildings and a total of 864 units (as of 30 September 2025), being marketed in tranches. Following completion of the refinancing, PSD can move further properties that are legally divided into condominium units into the sales pool. There are currently 20 split properties (740 units) outside of the sales pool and PSD has previously guided that it expects to move around half the split properties into the sales pool during H126, and that others are likely to follow in time. Additionally, there are 14 properties/480 units in the private rental (PRS) portfolio.

As asset disposals progress, PSD intends to make regular distributions of cash as it becomes available, subject to market conditions and maintaining compliance with the new banking covenants. With each mandatory share redemption, the company will cancel a fixed percentage of the shares outstanding in exchange for a cash payment. This will apply in proportion to the number of shares owned, treating all shareholders equally. PSD expects that each redemption will be at the sterling equivalent of the most recently published EPRA NTA per share (€3.49 as at 30 June 2025) to maintain consistency and comparability of accounting.

As we discussed in our [previous note](#), of the gross proceeds from condominium sales, approximately 50% will be applied to repay debt and fund-related capex to support the sales programme. From the remaining proceeds, the cost of sales (primarily brokerage fees), as well as the crystallisation of historically deferred tax accumulated on property revaluation gains, will be settled. After these items, we expect approximately one third of gross sale proceeds to be available for distribution to PSD shareholders.

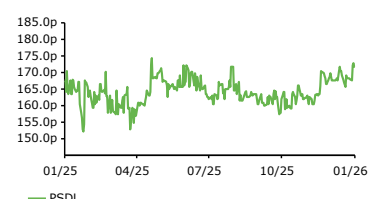
Company update

Real estate

12 January 2026

Price	172.50p
Market cap	£154m
Net (debt) as at 30 June 2025	€(224.7)m
Shares in issue	91.8m
Code	PSDL
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



Business description

Phoenix Spree Deutschland was established as a long-term investor in mid-market residential property in Berlin, targeting reliable income and capital growth. In response to changes in market conditions since interest rates increased, and a persistent discount to NAV, the company has adopted a wind-down strategy, seeking to dispose of assets in an orderly manner, repay borrowings and return capital to shareholders.

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