smart

by Seraina Invest

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For insight at the intersection of capital, markets & development

seraina invest

Dear investors and partners,

2026 is a special year for Seraina Invest. The company is celebrating its 10th anniversary – an occasion that fills us with joy and gratitude. We would like to thank you, our investors, and our partners: your trust and long-standing partnership have made this development possible.

This anniversary is also an opportunity to pause and take stock, which is exactly what led to SMART. A digital format that provides guidance, sheds light on background information and places developments in the real estate market within a broader context. Concise, insightful and in-depth. Not just another newsletter, but a resource that helps to put topics into perspective and spark discussion.

We don't need more information – we need more relevance. Thoughts that bring people together. Insights that stay with you. Content that encourages dialogue.

SMART stands for five key areas that guide us every day at Seraina Invest:
S – Seraina & strategy: where Seraina Invest stands and where things are heading
M – Market & opinion: assessments, trends and opinions from the industry
A – Analysis & investment: focus on products, innovations and performance
R – Rules & reality: regulations, ESG and tax implications in a changing landscape
T – Team & drive: people, projects and engagement

SMART is not intended to generate a flood of information, but to create added value. Precise, transparent and up-to-date. Available digitally and as a PDF.

Warm regards, Seraina Invest

Ajay Sirohi
Group Chairman

Reto Niedermann
Group CEO

Ajay Sirohi
Group Chairman

Reto Niedermann
Group CEO

'Growth calls for decisions shaped by structure and clarity. SMART contextualises what is relevant for investors and partners.'

Ajay Sirohi
Group Chairman

Building sustainably and responsibly

With Seraina Real Estate AG (SREAG), we are also opening up to qualified private investors. The focus is on smaller new-build projects that generate rental income even during the planning phase and thereby co-finance development on their own. This model generates returns before construction is completed and combines sustainability with cost-effectiveness.

Interview: Immanuel Malka and Diego Sieber, you received the building permit for your 'Fachstrasse 74' project in Oberrieden after just one year. This is remarkable in an environment where many projects are delayed by particular requirements or objections. How did you manage this impressive feat?
Immanuel Malka: The decisive factor was the early, proactive involvement of the Oberrieden building authority and building committee. Our collaboration was shaped by consistency and partnership, along with clear lines of communication, which sped up the process considerably.

What options were you able to offer existing tenants?
Diego Sieber: We were able to ensure a smooth transition by extending notice periods, providing personal support and offering a tenant care programme that actively helps with the search for a new apartment. As a result, all former residents have already found a new home – a clear demonstration of social responsibility and sustainable neighbourhood development.

Immanuel Malka
Head of Real Estate Development

Diego Sieber
Real Estate Development Manager

How will your project enhance the neighbourhood?
Diego Sieber: The existing building from the 1950s did not comply with current building regulations or the latest quality and energy efficiency standards. A new building, which meets the highest environmental and residential requirements, is being constructed to Minergie standard in its place. Thanks to the meticulous urban planning and high-quality landscaping, this new building will enhance the neighbourhood for many years to come.

Fachstrasse 74 in Oberrieden (Zurich)

What makes the usage concept so special?
Immanuel Malka: The plans include nine apartments with 3.5 to 5.5 rooms, as well as four flexible-use studios spread over two floors. This innovative concept offers a clear USP: for example, the studios make it possible to keep your home and work life neatly separate, without the hassle of a long commute.

Interior visualisation | Living area and dining room

Caught between market forces

The Swiss economy continues to develop solidly in a global environment characterised, on the one hand, by geopolitical developments and, on the other, by rapid technological change coupled with high levels of investment in artificial intelligence.

The Iran conflict and the closure of the Strait of Hormuz led to a renewed rise in inflationary pressures internationally due to the shortage of raw materials. This has also contributed to the fact that the global economy is likely to perform somewhat weaker than expected in the current year. However, significant corporate investment in the US tech sector means that, contrary to the experience of the 1970s, global economic development has so far proved reasonably robust and the risks of recession remain low.

Swiss GDP performed well in the first quarter, rising by 0.4 % in real terms compared to the previous quarter, after adjusting for the impact of sporting events. Compared to the previous year, this corresponds to growth of 1 % – roughly the pace of growth generally expected for 2026. The economy will continue to be underpinned by solid consumer and construction activity, while foreign trade will remain under pressure.

SNB, inflation and interest rates

The closure of the Strait of Hormuz, which was still ongoing in June, has already led to higher energy costs in Switzerland. Inflation has risen again slightly and stood at 0.6 % year-on-year at the end of April. Accordingly, the risks of deflation, which were still present at the beginning of the year, have once again given way to an upward trend in terms of inflation.

Zoltan Szelyes
CEO of Macro Real Estate AG

However, inflationary pressure in Switzerland remains limited by the continued strength of the Swiss franc. Although financial markets have started pricing in slightly higher key interest rates for Switzerland as well, the consensus amongst economists is that the SARON will remain at zero for 2026 and 2027. Medium-term financing costs are now around 20 – 30 basis points higher than before the outbreak of the Iran conflict due to the rise in swap rates.

Investment properties and home ownership

The ongoing positive interest rate differentials in favour of real estate investments, combined with the global geopolitical situation, continue to drive strong investor interest in Swiss residential property. A stable rental market with very low vacancy rates is another positive factor underpinning investment prospects.

Swiss pension funds are therefore keen to further expand their exposure in this segment. Household demand for home ownership also remains high, which is driving up the value of investment properties and owner-occupied homes.

Figure 1 illustrates the investment returns of real estate investment foundations with a focus on residential property and the average increase in Swiss home prices. Investment returns have been hovering at around 5 % (year-on-year) for several quarters now and have recovered from the temporary dip. This is the result of falling discount rates for existing properties and valuation gains on completed construction projects. The growth in home prices has recently picked up some momentum again. Year-on-year, residential property prices in Switzerland rose by 4.1 % in the first quarter of 2026.

This continues to represent a very positive environment for raising capital for indirect investment products in the real estate sector. After a record year in 2025, capital increases of more than CHF 3.3 billion have already been announced by indirect real estate vehicles this year. The listed real estate markets reflect the investor surplus resulting from the persistently high premiums for real estate funds and the premiums for real estate corporations. While the Iran conflict has led to somewhat higher volatility here, the aggregate premium of the funds stood at 32 % at the end of May, which remains historically high.

Potential in construction projects

Investors' persistently high appetite for real estate is currently leading to a buyer surplus in the transaction markets, meaning that downward pressure on purchase yields continues to be high. We therefore expect further revaluations of existing properties in 2026, as discount rates are under downward pressure.

In the current environment, the challenge also lies in investing the capital that has been raised without diluting portfolio returns. Access to construction and development expertise is therefore increasingly becoming a success factor. This is because, unlike existing properties, the pool of potential bidders for such projects is more limited, as implementation requires a suitable set-up with comprehensive construction and development expertise. In addition, the financing situation has become more challenging in the context of Basel III, and additional expertise is needed to bring projects to a successful conclusion in the face of increasing political and regulatory interventions.

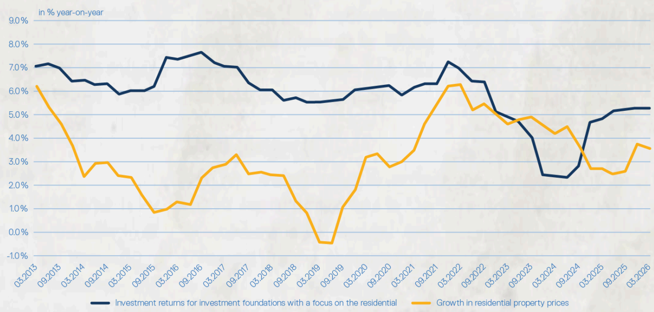

Fig. 1: investment returns and price growth
Source: IAZI, KGAST

Returns are generated through implementation, not on the market

For institutional investors, the focus is on selection and quality of implementation. Ingo Bofinger, Managing Director of the Seraina Investment Foundation, explains where value creation occurs in the current environment.

Falling interest rates are traditionally seen as a positive stimulus. Following the SNB's interest rate cuts in 2025, most recently to 0 % in June, the interest rate environment has eased. Inflation remains moderate (around 0.3 % in March 2026), and asking rents continue to rise, albeit at a slower pace (around 0.7 % in Q1 2026, and around 2.3 % year-on-year).

In the long term, demographics will gain in importance: falling birth rates and smaller households mean that housing demand is increasingly driven by structural factors rather than natural population growth. However, lower financing costs alone do not automatically lead to higher returns. A structurally stable demand environment is not enough either. The asset class remains attractive, but what matters is how it is implemented.

Ingo Bofinger
Group Chief Business Officer and Managing Director of the Seraina Investment Foundation

On the cost side, a return to normality is evident. After rising by around 16 % since 2020, construction costs have recently stabilised; annual increases are currently around 0.2 %. At the same time, recent inflation data shows that energy-driven price upswings are on the rise again. Selective cost increases are therefore to be expected in the medium term.

From market to implementation:
How the drivers of returns are shifting

The source of value creation is increasingly shifting from macro-economic factors to operational implementation

Implementation in practice

On Basel's Aeschenplatz, an office building is being transformed into a mixed-use urban district. Around 200 apartments and additional spaces will be built by 2030. The building permit for Hohlstrasse in Zurich was obtained within four months – a feat made possible by early coordination with the authorities and a clear project concept. Both examples show that additional potential for returns does not arise from the market itself, but from the choice of location, the concept and consistent implementation.

Outlook

The framework conditions remain stable, but lack dynamism. The importance of selection, structure and implementation will continue to grow. The difference lies not so much in the environment itself, but in the quality of implementation.

What makes the difference now:

- Disciplined investment decisions in a tight market
- Value development throughout the project phases, from planning to completion
- Clear decision-making structures and transparent control of quality, timing and risks
- Efficient processes and consistent implementation despite high costs

10 years, 10 questions

An anniversary interview exploring the depth of added value, governance and transparency.

To mark the company's 10th anniversary, Ajay Sirohi, co-founder and Chairman of the Board of Directors, and Reto Niedermann, Group CEO, look back on a decade in which an idea evolved into a leading provider of institutional real estate investment. In this interview, they talk about the depth of added value, governance and transparency and provide personal insights.

What does the anniversary mean for you personally?
Ajay Sirohi: It represents an idea that started small in 2016 and has been put into practice with great consistency. At the same time, it is an expression of gratitude to our team, investors and partners.

How would you explain Seraina in one sentence?
Reto Niedermann: Seraina is an integrated real estate investment and development manager that, through its own depth of added value, creates risk-optimised and sustainable real assets with predictable returns for institutional investors.

Which strategic decision was the most crucial?
Ajay Sirohi: The founding of the company and, later, its diversification into a multi-partner strategy were defining factors. The aim was to reduce dependencies, strengthen stability and open up new avenues for growth.

Ajay Sirohi, co-founder and Chairman of the Board of Directors, and Reto Niedermann, Group CEO

How exactly is value created in the model?
Reto Niedermann: Integrated value creation strengthens risk control and increases transparency along the value chain. This has a stabilising effect in challenging times.

How does quality grow in step with the organisation?
Ajay Sirohi: You never want growth to be faster than governance: clear decision-making processes, a strong investment committee and transparent reporting are key.

What level of transparency do investors expect?
Reto Niedermann: Honest assessments, early notification of any discrepancies, clear scenarios and direct access to decision-makers are crucial.

What does responsibility mean in concrete terms?
Ajay Sirohi: Responsibility means delivering sustainable returns, communicating transparently and managing risks proactively. This includes management and guidance for employees and the creation of sustainable, high-quality living spaces.

What helps you remain reliable during challenging market phases?
Reto Niedermann: The key is to remain disciplined and stick to the strategy. Discipline and patience pay off in the long term.

What warning signs do you see in terms of growth?
Ajay Sirohi: The warning signs include rapid growth without stable structures, dependence on individual partners and a lack of capital discipline. This becomes apparent early on when transparency decreases and decision-making processes become unclear.

What recommendations do you have for the current market phase?
Reto Niedermann: What matters is portfolio quality rather than volume, disciplined valuation scenarios, careful partner selection and planned liquidity reserves. Decisions should be made in a structured manner, but without hesitation.

Design meets real estate expertise

When two worlds collide, something special often emerges – as is the case with the new collaboration between Seraina Invest and BoConcept. Our shared goal is to create high-quality living environments that evoke emotion, bring spaces to life and raise the standard of residential property marketing to a new level of quality.

As part of the collaboration, Danish furniture store BoConcept is fully furnishing show homes selected by Seraina Invest – with a focus on comfort, design and functionality. This transforms an empty space into a place that tells a story, enabling prospective buyers not only to get a better sense of the layout, but also to form an emotional connection with their home. This makes the decision to buy easier and allows people to experience the living space even before they move in.

Furnished apartment in the Südsicht development in Vitznau (Lucerne)

A professional photo shoot captures this atmosphere. The resulting images are used in property listings, sales brochures and social media campaigns – boosting the visibility of both brands. Buyers also benefit from individual advice from BoConcept as well as an exclusive furniture discount from the company.

For Seraina Invest, the collaboration is more than just a marketing campaign. It is the expression of a philosophy: properties aren't just spaces, but places where life is lived. With strong partners such as BoConcept, we are able to bring this feeling to bear at an early stage – with style, inspiration and real added value for buyers.

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Legal notice

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