

Akero Multifamily Housing No. 1 Limited
(incorporated in the Island of Jersey with limited liability under registration
number 89816)

Portfolio Performance Report
1 January – 30 September 2006

Akero Multifamily Housing No. 1 Limited

(incorporated in the Island of Jersey with limited liability under registration number 89816)

Table of Contents

	Page
1. The Notes.....	3
2. Portfolio Report Pledged Property Portfolios.....	4
3. Summary Income Statement Akelius Lägenheter AB.....	5
4. Summary Income Statement Akelius Fastigheter i Hanninge AB.....	6
5. Summary Consolidated Income Statement Akelius Fastigheter AB	7
6. Next Portfolio Performance Report.....	8



Akero Multifamily Housing No. 1 Limited

(incorporated in the Island of Jersey with limited liability under registration number 89816)

1. The Notes

(Amounts in Euro)

Class	Rating (Moody's / S&P)	Outstanding Principal Amount		Credit Enhancement	
		30 Sept. 2006	27 May 2005	30 Sept. 2006	27 May 2005
Class A	Aaa / AAA	194,987,593	200,200,000	28,52%	27,99%
Class B	A2 / A	55,600,000	55,600,000	8,14%	7,99%
Class C	Baa2 / BBB	22,200,000	22,200,000	0,00%	0,00%

The outstanding principal amounts as of 30 September 2006 include principal payments made up to this date.

The Class A Notes are subject to scheduled note redemption on each interest payment date in an amount of 0.375 per cent. of the aggregate initial principal amount outstanding of all classes of the Notes subject to receipt of the corresponding scheduled Loan amortisation.

The Class B Notes and the Class C Notes are not subject to any scheduled Note redemption.

No Loan or portion thereof has been prepaid during the reporting period.

The Class A Notes, the Class B Notes and the Class C Notes are due on 27 May 2015. The Notes will be subject to mandatory redemption in full on 27 May 2010, to the extent that funds are available from the Loan repayments on their repayment date, being 20 May 2010 for each Loan.

Akero Multifamily Housing No. 1 Limited

(incorporated in the Island of Jersey with limited liability under registration number 89816)

2. Portfolio Report Pledged Property Portfolios

Akero Multifamily Housing No. 1 Limited hereby presents the following financial results for the period 1 January to 30 September 2006 for the property portfolios pledged for the Notes.

2.1. Summary Income Statement Pledged Property Portfolios

(Amounts in SEK thousand)

	Akelius Lägenheter AB	Akelius Fastigheter i Haninge AB	Total
Net rental income	123,572	195,411	318,983
Operating costs	-44,771	-74,927	-119,698
Maintenance expenses	-15,052	-14,588	-29,640
Property tax and site leasehold fee	-3,454	-5,963	-9,417
Property management expenses	-63,277	-95,478	-158,755
Depreciation and write-downs (as well as reversals) of tangible assets	-4,849	-9,273	-14,122
Gross income	55,446	90,660	146,106

Aggregate net rental income for the portfolios amounted to SEK 319.0 million. Gross income for the pledged portfolios amounted to SEK 146.1 million.

2.2. Key Ratios Pledged Property Portfolios

	Akelius Lägenheter AB	Akelius Fastigheter i Haninge AB	Total weighted average
Rental shortfall	0.48%	0.23%	0.33%
Vacancy rate	1.60%	1.20%	1.37%
Interest coverage ratio (x)	1.8	1.7	1.8

The weighted average interest coverage ratio (gross income divided by interest expenses) was 1.8 times (x) and the vacancy rate for the pledged portfolios was 1.4 per cent. at the end of the reporting period compared with 1.7x and 1.5 per cent. respectively at the end of the previous reporting period (30 June 2006).

Vacancies continued to decrease in the third quarter of 2006 reflecting different measures taken in the beginning of the year.

In September 2006 the property Lund Drottning Filippa 3 included in the portfolio pledged by Akelius Lägenheter AB was substituted for the properties Trelleborg Svanen 11 and Trelleborg Spoven 26.

Akero Multifamily Housing No. 1 Limited

(incorporated in the Island of Jersey with limited liability under registration number 89816)

3. Summary Income Statement Akelius Lägenheter AB

Set out below is a summary of the income statement for Akelius Lägenheter AB for the period 1 January to 30 September 2006.


(Amounts in SEK thousand)

	2006 (1 Jan.- 30 Sept.)	2005 (1 Jan.- 30 Sept.)	2005 (1 Jan.- 31 Dec.)
Net rental income	599,445	635,985	841,755
Operating costs	-214,424	-227,411	-295,378
Maintenance expenses	-70,014	-68,958	-116,501
Property tax and site leasehold fee	-21,772	-22,293	-30,117
Property management cost	-306,210	-318,662	-441,996
Depreciations and write-downs (as well as reversals) of tangible assets	-36,433	-35,492	-47,092
Gross income	256,802	281,831	352,667
Central expenses	-12,374	-16,498	-20,453
Income attributable to property sales	133,933	277,245	336,763
Other income and expenses	-	-	-
Operating Profit	378,361	542,578	668,977
Net financial items	-129,375	-142,317	405,372
Income before tax and appropriations	248,986	400,261	1,074,349

In its income statement per 30 September 2006, Akelius Lägenheter reported net rental revenues of SEK 599.4 million. Compared with the same period in 2005 net rental income decreased SEK 36.5 million reflecting a reduced property portfolio.

Residential rents in the different property locations increased by between 1.9 per cent. and 3.5 per cent. effective as from 1 January 2006.

The company reported maintenance expenses of SEK 70.0 million and operating costs of SEK 214.4 million.

During the period, Akelius Lägenheter sold 41 properties at a total price of SEK 784.0 million and acquired properties with a total acquisition value of SEK 89.4 million. Net capital gains from property sales amounted to SEK 133.9 million. The vacancy level for the acquired properties was approximately 1,5 per cent. as of 30 September 2006. 

Akero Multifamily Housing No. 1 Limited

(incorporated in the Island of Jersey with limited liability under registration number 89816)

4. Summary Income Statement Akelius Fastigheter i Haninge AB

Set out below is a summary of the income statement for Akelius Fastigheter i Haninge AB for the period 1 January to 30 September 2006.

(Amounts in SEK thousand)

	2006 (1 Jan.- 30 Sept.)	2005 (1 Jan.- 30 Sept.)	2005 (1 Jan.- 31 Dec.)
Net rental income	203,201	199,675	265,819
Operating costs	-77,769	-74,416	-101,581
Maintenance expenses	-15,294	-21,072	-30,152
Property tax and site leasehold fee	-6,175	-6,063	-7,968
Property management cost	-99,238	-101,551	-139,701
Depreciations and write-downs (as well as reversals) of tangible assets	-9,830	-11,032	-14,181
Gross income	94,133	87,092	111,937
Central expenses	-574	-2,625	-3,360
Income attributable to property sales	-	-	-
Other income and expenses	-	-	-
Operating Profit	93,559	84,467	108,577
Net financial items	-60,043	-63,450	-79,298
Income before tax and appropriations	33,516	21,017	29,279

In its income statement for January to September 2006, Akelius Fastigheter i Haninge AB reported net rental revenues of SEK 203.2 million.

The company reported maintenance expenses of SEK 15.3 million. Operating costs were SEK 74.4 million.

The income before tax and appropriations increased to SEK 33.5 million. This is mainly due to increased rental income, decreased maintenance expenses and lower financial costs.

In the third quarter Akelius Fastigheter i Haninge AB acquired a property in Södertälje, at a purchase price of SEK 132.0 million. The vacancy level for the acquired property was approximately 1,3 per cent. as of 30 September 2006.

↵