



***Blackstone, an unpleasant symptom of international financialization in housing***

***The Danish case: Tenants resistance and containment***

(Blackstone, ein unangenehmes Symptom der internationalen Finanzialisierung  
Der dänische Fall: Widerstand und Eindämmung)

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# The Disease: Financialisation

## IUT Position

Financialisation of the rental housing market is commonly defined as a process where, in particular, rental properties are increasingly treated as financial assets rather than as a fundamental human need. This development occurs when institutional investors, private equity firms, and real estate companies prioritize profit maximization over the provision of affordable and secure housing. Financialisation often leads to speculative investment, increasing rents, displacement of tenants, and a focus on short-term returns rather than long-term social benefits. It signifies a shift in the housing market where decisions are driven by global financial markets rather than the needs of local communities.

# The symptom: Vampire funds

## IUT position

Large international money tanks are not, like national pension funds for example, part of a cohesion with the surrounding society. They are faceless and have no national, social, or ethical obligations, and therefore can act completely freely to achieve their sole purpose: maximum profit. And they do so at every given opportunity.

In the words of Irish sociology professor Rory Hearne, they become so-called vampire funds, feeding on communities and tenants.

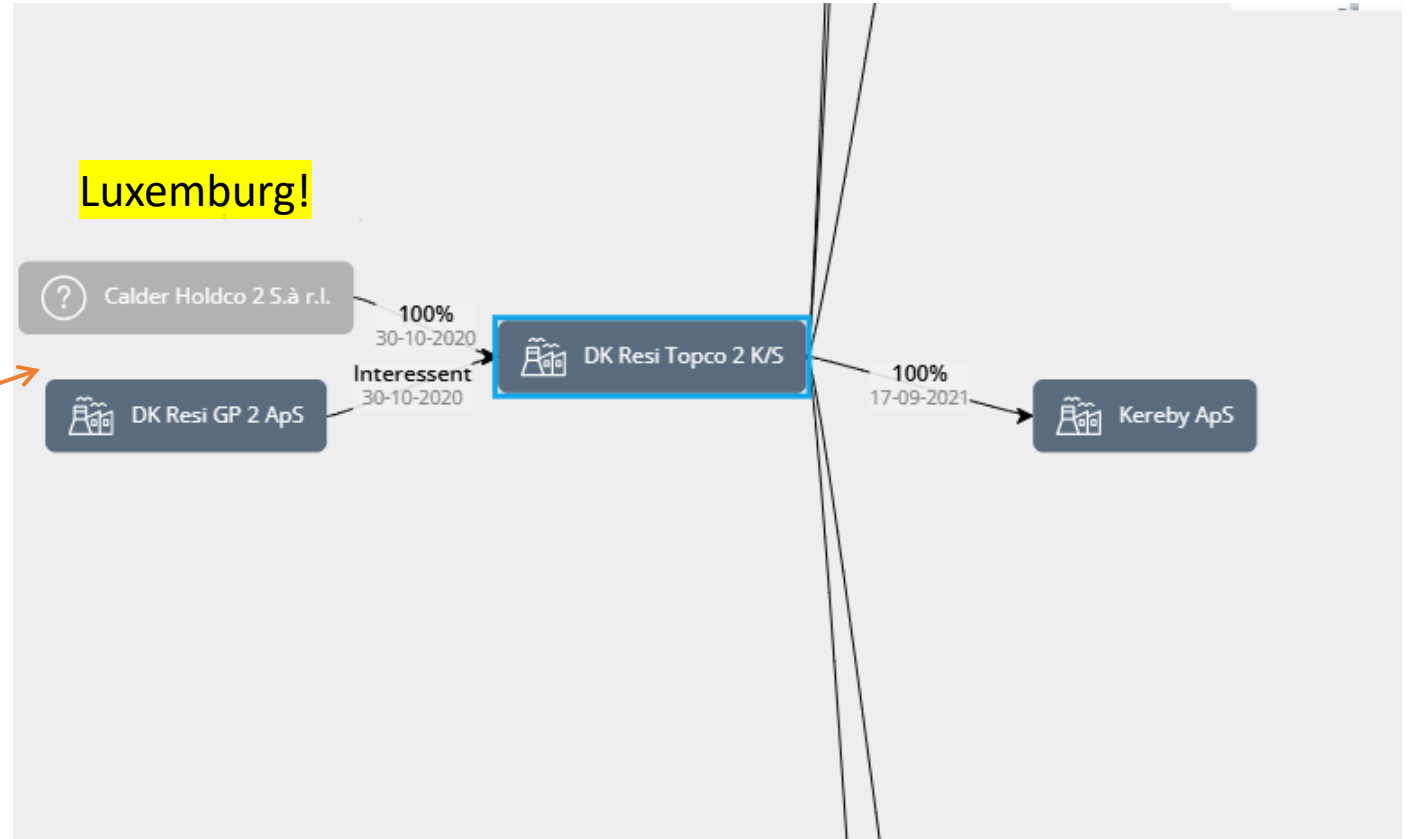
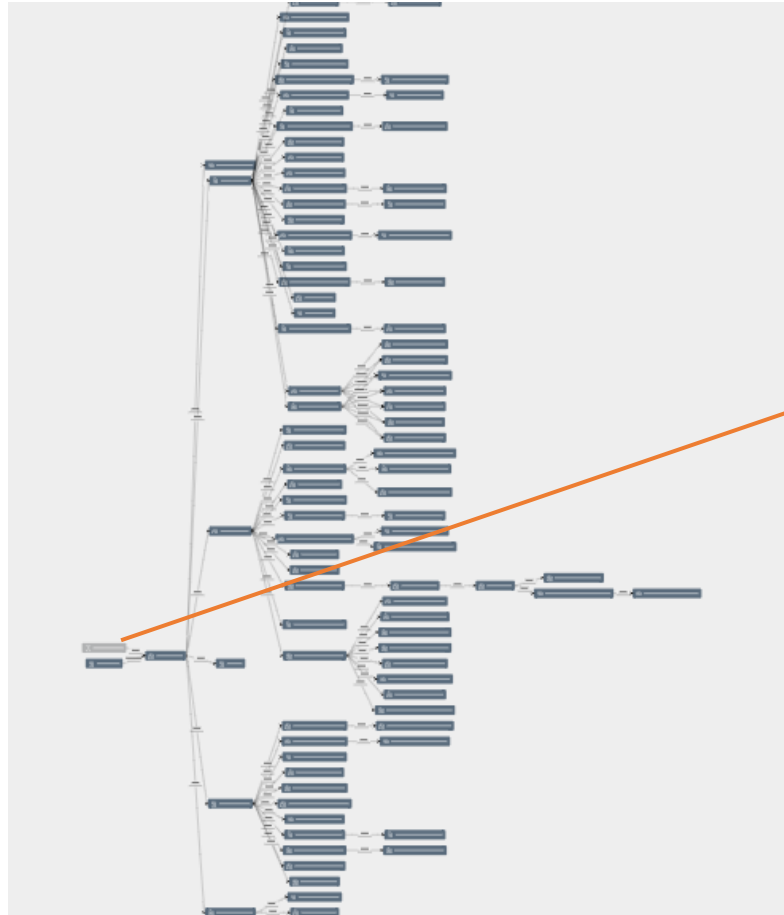
# The Danish Case Or: How we got to know Blackstone

- **Buy it, fix it, sell it**
  - **Blackstones general track record in the US housing market 2008-**
  - **Buy: 2017-18: Purchase of 170 properties in Copenhagen**
  - **Fix it: 2018-19: Renovation (no regard for the tenants)**
  - **Sell/no sell: 2020: Legislation and no selling**
  - **Aftermath: Flowers for Blackstone**

# Buy, baby, buy

- 2017-18: 170 properties (2500 homes) in Copenhagen bought via 360 North, Owned by Niels Jansson, aka "Speedy".
- Bought almost all properties for sale, outbidding other buyers
- Each property in its own company, "Reciprop xx" (produces many layers: reducing responsibility, avoiding taxes, avoiding otherwise mandatory sales to the tenants later)
- Some resentment from other landlords, not being able to buy

# How to avoid taxes: Divide, complicate, Luxembourg





# (Trying to) fix it

Late 2018

Tenants reported:

- Massive renovation work. Go to work in the morning, and when you come home, scaffolding had been put up. No warning
- Water/heating cut off, damages, noise, dust. No warnings.
- Renovations of poor quality
- Waves of notices of rent increases, not complying with the Danish Tenancy act
- Evening phone calls from Blackstone to tenants: "Would you like to move and avoid all the problems? We pay you 5000 Euro. Otherwise your rent will increase.
- Blackstone's possible annual profit per an apartment of 100 m<sup>2</sup>: 12,000 Euro net.



# Tenants resistance

- Affecting the middle class provokes political action
- The LLO gathered reports from tenants
- Easy to achieve media coverage: The enormous money tank buying Denmark + tenants reports. Breaking the Danish social contract of trust and reliability
- The LLO invited politicians to meeting Blackstones tenants in rallies
- Demonstrations (not arranged by the LLO)



# Sell (no sell)

- Elections i 2019 led to a social democratic government
- Alliance with the left – and the national conservative party.
- Different motives: Tenants rights and resisting foreign buys of property
- A majority in parliament voted for the "Blackstone-laws":
  - Rent brake
  - Waiting period of 5 years before rent increases, caused by renovations
  - Energy label C (from D), otherwise no rent increases
  - Pre-inspection before renovation, otherwise no rent increases
  - Forbidden to offer relocation incentives from landlord. Punishable by prison
  - Promoting tenants activism: Better conditions for local tenants organisations. Full transparency when rent reductions by the rent tribunal

# No sell. Flowers for Blackstone - aftermath

## **Flowers for Blackstone:**

- Blackstone used the existing legislation – like some other Danish landlords
- If no Blackstone, no changes

## **Aftermath**

- Blackstone now "Kereby" (we care for the city!). Act like most other landlords
- Blackstone kept the properties, in order to avoid massive loss. Now long term investment.