

Buy the world's cheapest
real estate - with an
additional 67% discount!

By Swen Lorenz
[Undervalued-Shares.com](https://undervalued-shares.com)
24 June 2025



Buy when it's TRULY down and out

SPECIAL REPORT FOR LIFETIME MEMBERS

29 May 2021



**PAMPA ENERGÍA:
QUALITY ASSETS IN ARGENTINA –
FOR PENNIES ON THE DOLLAR**

Buy when it's TRULY down and out



Check [this link](#) for the entire story

Why did this work out?

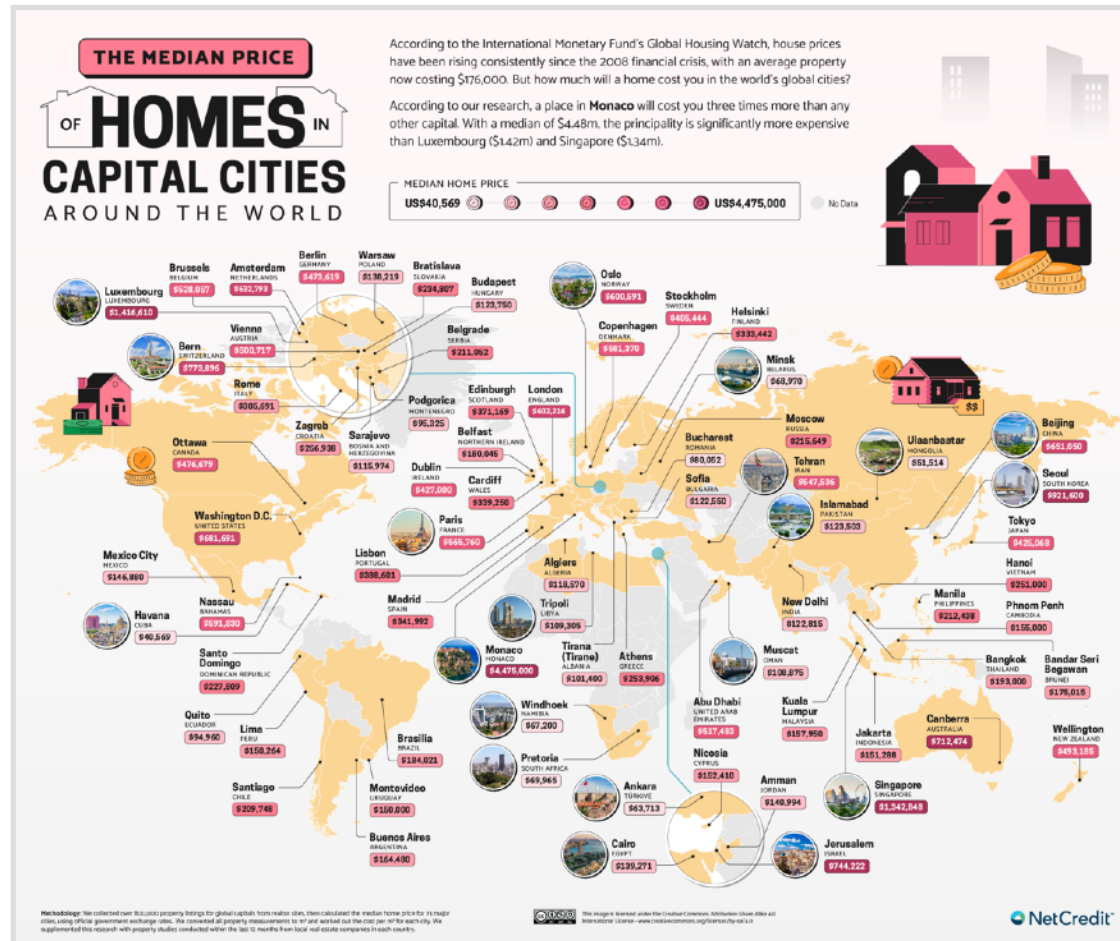
Ticked a lot of the right boxes:

- Currency devaluation in Argentina, but income in US dollars!
- Among the top 1% of the world's cheapest stocks
- Top-class management team
- Stock easy to access through the New York Stock Exchange

"What is the next Argentina?"

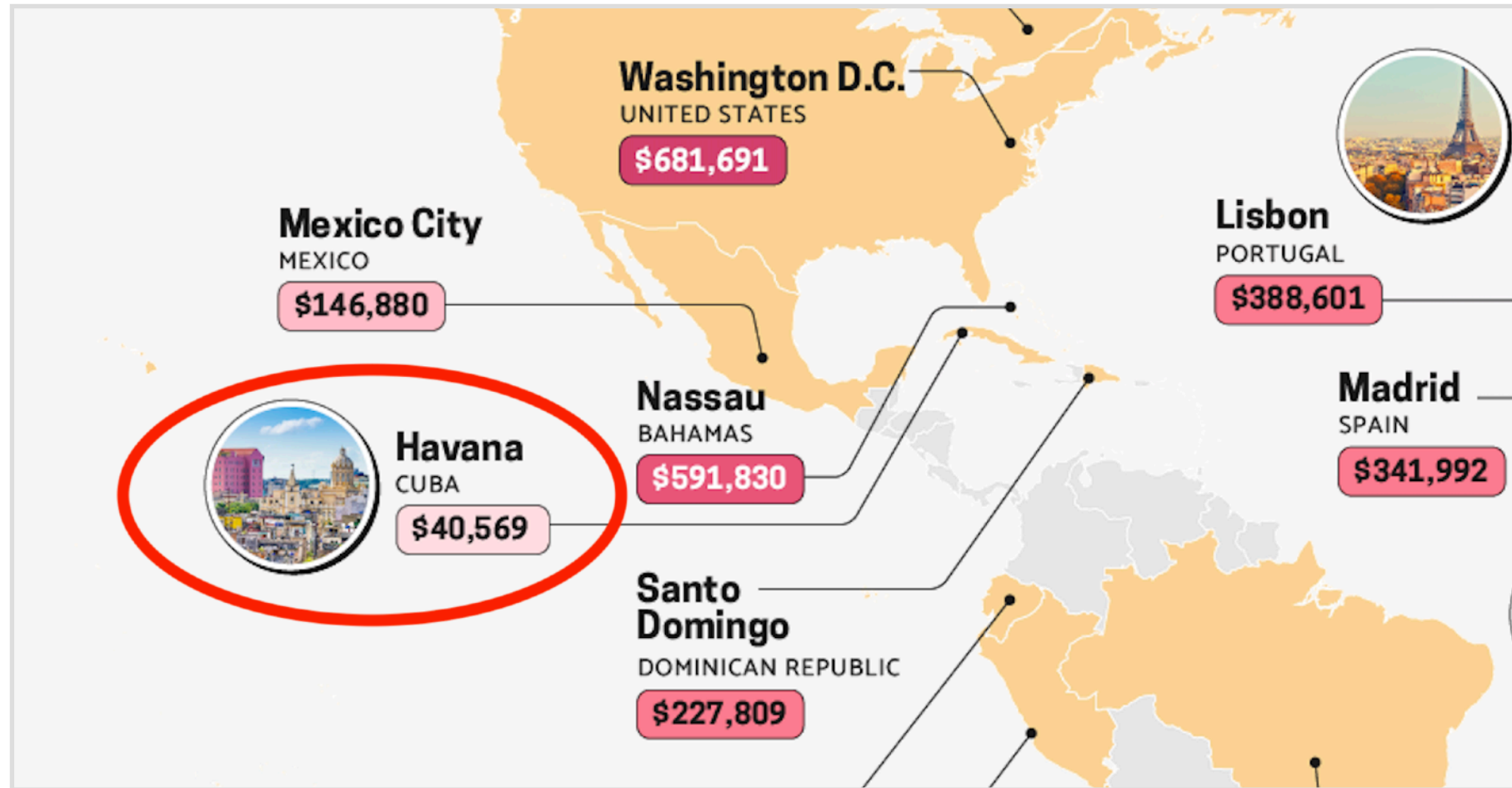


Checking on real estate globally



Source: [NetCredit \(2023\)](#)

Where is cheapest in the world?



Cuba real estate in the 2020s

WORLD

With Cubans leaving en masse, much of Cuba's real estate is up for sale

JUNE 7, 2022 · 10:40 AM ET



Carrie Kahn

Source: [NPR](#)

Cuba real estate in the 2020s



Havana Times

Cuba's Housing Crisis, No Solution in Sight

Sign outside a house for sale in Central Havana. Walking down streets in the Cuban capital, you frequently see multi-colored signs and...

16 Oct 2023



Source: [Havana Times](#)

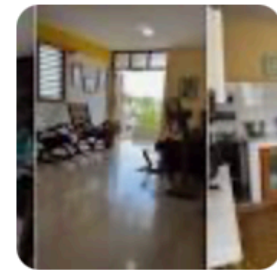
Cuba real estate in the 2020s



Price of apartment in Havana reduced, but they can't find a buyer.

Apartment in Nuevo Vedado for sale for over 30 thousand USD, an unattainable amount for many Cubans.

6 Sept 2024



Source: [CiberCuba](#)

The 2010s were different

Cubans hail a private property revolution

State controls are whittled back as Raúl Castro abolishes the ban on buying and selling houses

Andrew Hamilton

Sun 6 Nov 2011 00.07 GMT



📷 Raúl Castro's decision to let people enter the property market means that 'Cuban socialism is going to look quite different'. Photograph: Tony Hopewell/Getty Images

Source: [The Guardian](#)

The 2010s were different

WORLD | LATIN AMERICA

Real-Estate Revolution Hits Cuba

Ordinary Cubans start to buy and sell their homes, and authorities dust off plans to develop a luxury vacation-home market for foreigners

By Michael Allen and Kejal Vyas

April 3, 2015 6:00 am ET

Source: [WSJ](#)

The 2010s were different

Amid A Struggling Economy, Cuban Real Estate Is Booming

OCTOBER 19, 2016 · 12:02 PM ET

HEARD ON [ALL THINGS CONSIDERED](#)



Carrie Kahn

Source: [NPR](#)

Have we seen this before?




Familiarities:

- Boom in the mid-2010s, then bust
- Country deemed "hopeless"
- No one is paying attention anymore

How to get exposure?

✦ AI Overview
Check important info. [Learn more](#)

Foreigners can purchase real estate in Cuba, but there are specific regulations and limitations. Generally, **foreigners need to obtain permanent residency in Cuba to own property directly**. Alternatively, they can purchase property through a Cuban national or through authorized real estate agencies. 

=> Manyfold legal hurdles, never mind the practical aspects

The stock market (always) has an answer

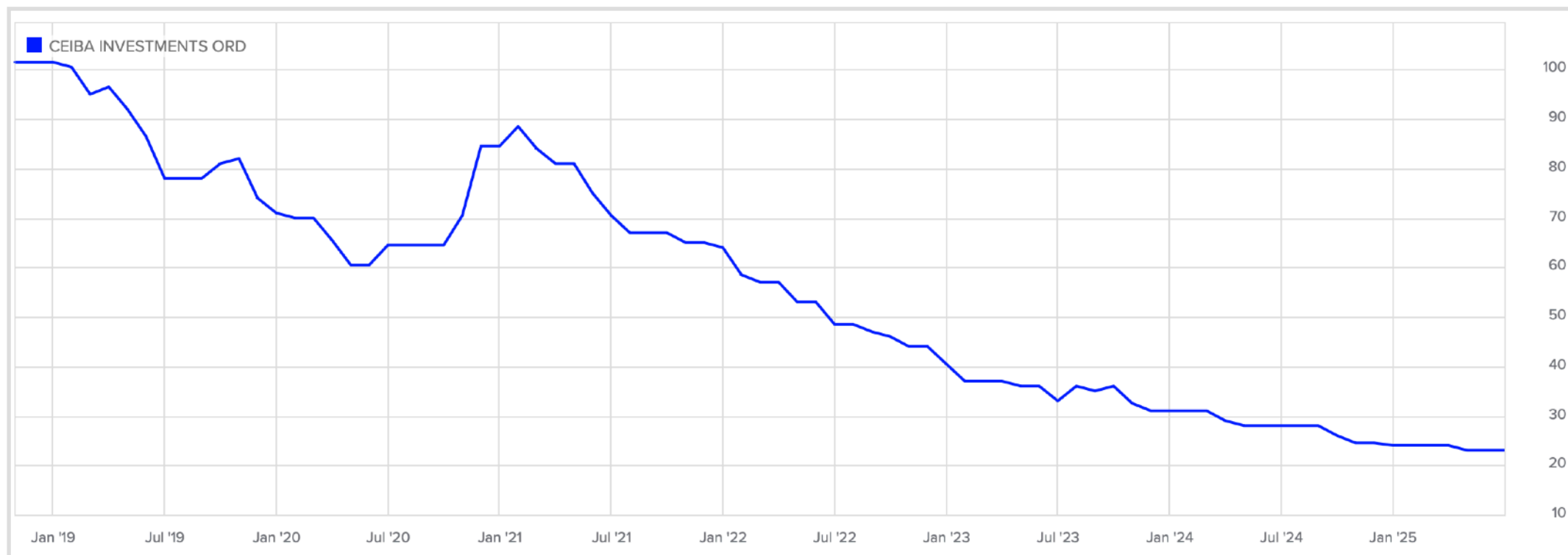
A Company exclusively dedicated to investment in Cuba

The focus of **CEIBA Investments Limited** (the “Company”) is on investments in Cuba’s commercial real estate, tourism and other prioritized sectors of the Cuban economy. The Company may make any investment primarily related to Cuba, but its primary emphasis is on the development and acquisition of **commercial and hotel properties**, two major segments of Cuba’s real estate sector. The Company **started to invest in Cuba in 1996 and is presently one of the largest foreign holders of tourism and commercial real estate assets in Cuba**. Its aim is to provide a regular level of income and capital growth.

CEIBA Investments Limited:

- Incorporated in Guernsey
- Listed in London
- "CBA", ISIN GG00BFMDJH11
- USD 130m in real estate assets
- 100% pure Cuba focus
- CEO, CFO and COO based in Cuba since the 1990s

Not a fun ride so far



-77% since IPO in 2018

CEIBA's portfolio



Miramar Trade Centre:

- 56,000 sqm office space
- Six buildings complex
- 49% stake in JV
- 97.5% occupancy
- Net income after tax USD 13.5m
- Tenants: Cuban (telecoms) and international (companies, NGOs)
- Circa 25% of CEIBA assets

CEIBA's portfolio



Miramar hotels:

- One hotel in central Havana
- Three beach hotels
- 1,834 rooms in total, 4/5-star
- 65% stake JV that owns 50% (35% of JV held by Meliá Hotels)
- 65% occupancy (range: 46-75%)
- Average room revenue USD 156
- Net income after tax USD 9.3m
- Circa 33% of assets

CEIBA's portfolio



Meliá Trinidad Península Hotel:

- Historic Trinidad (UNESCO WH)
- 401 rooms, 5-star
- Opened in January 2024
- 32.5% equity in JV, plus USD 50m construction loan
- 32% occupancy in first year
- Average room revenue USD 197
- Net income after tax USD 2m
- Circa 33% of assets

Recent challenges

CEIBA Investments has been suffering from:

- Currency devaluation and money being "trapped" in Cuba
- Withheld dividends from JV partner, resulting in provisioning at CEIBA
- COVID tourism slump, followed by Russia/Ukraine war
- Lack of basic supplies in Cuba
- Media reports on multi-day electricity outages, scaring off tourists
- Failed promised economic reforms (e.g. dollarisation)

Where CEIBA is now

	2024	2023	2018
Total assets (USD)	130m	158.5m		210m
NAV per share (USD)	0.94	1.15		1.53
Discount to NAV	-67%	-65%		5%
Market cap (GBP)	31.6	42.7m		110m

Source: annual reports ([corporate website](#))

Why the discount was long justified

CEIBA Investments has been operating in a world of trouble:

- Cuba's efforts to reform failed, instead it became yet worse
- Company struggled with currency restrictions and devaluation
- Hotel occupancy not amazing (46-75%) when elsewhere tourism was booming
- British small-cap stock
- Global custodians have blocked the share as they can't be bothered
- "abrdn" clipped off 2.38% p.a. to manage the status quo.
- USD 25m lump-sum bond repayment loomed in March 2025, threat of insolvency

Why now is the time to reconsider

Recent noteworthy developments include:

- Bond renegotiated, now five instalments of USD 5m each starting June 2025
- 100% of hotel revenue priced in USD or EUR and collected offshore
- Collection of previously provisioned USD 20m dividends from Miramar JV partner
- New agreements with Miramar tenants to pay partially abroad
- No more construction risk in new Trinidad hotel
- New procedure to use dollar income to buy basic supplies abroad and deliver to hotels
- Confirmation regarding no assets with US ownership claims
- Internalised asset management, charges in 2024 of just 0.96% (2023: 2.38%)
- Share trading at the same discount to NAV as last year when bonds posed major risk

Next price move likely up

Wouldn't take much for an initial tinderbox reaction:

- NAV calculated using pre-tax discount rates of 24-27% p.a. (vs 9.6-12.5% in 2019)
- Additional 67% discount to NAV
- For high-quality office space, Miramar remains the only show in town, with CEIBA recently reporting continued strong tenant demand in 2025
- With tourism a priority for Cuba, there is potential for a recovery of hotel occupancy rates, also driven by Cuba's affordability in a world of rising prices
- If (or when) Cuba launches another wave of reforms, CEIBA will be an entity with an existing track record, listing and shareholder base
- All that's needed is a glimmer of hope, which could trigger a 50-100% upward move; market's view merely needs to change from 'hopeless' to 'bleak'

What could go wrong?

Why it might not happen (or take longer):

- Cuba has been a forever turnaround story and keeps getting worse
- Even at current depressed prices, Cuban real estate remains beyond the reach of ordinary Cubans, with monthly incomes of USD 30-100
- Cuba as a whole might be beyond the point of salvaging (= failed state)
- JV structures and loan arrangements are an inherent risk
- CEIBA has a handful of large shareholders who could decide to screw minorities
- Who cares about difficult-to-trade British micro-caps?

Interesting risk/reward ratio

- Short-term financing risks eliminated through renegotiating bonds; after 24 months of existential Angst, CEIBA shareholders can cautiously look to the future again
- 3x to catch up with NAV
- NAV could, in turn, do a 3x without too much difficulty
- 3x on top of 3x = 9x
- If (or when) the Cuba turnaround finally happens, American investment could make Cuba a brutally quick recovery
- Cuba is surrounded by high-priced Caribbean real estate markets (5-20x higher prices)
- Ownership of dormant 11.3ha industrial park project provides further optionality

Will TikTok set the market alight?

 **CIBERCUBA** EN 

"I fulfilled my dream": Young Cuban buys a house in Cuba with what she earns on TikTok and reveals how much she paid

The Cuban influencer @caliope128 bought a house in Villa Clara with earnings from TikTok, paying \$2,300. Despite the necessary repairs, she celebrates having fulfilled her dream in Cuba.



USD 2,300 bought this house!

Source: [CiberCuba](#) (June 2025)

Don't buy without a limit

- 137,671,576 shares outstanding (unchanged since 2018 IPO!)
- Major shareholders:

Northview Investments	27.5%
POP Investments	10.08%
Ursus Capital	10.02%
abrdn (Standard Life)	6.75%
Ifoghas Investments	5.43%

- **Free float: 40.22% = 55.4m shares (@ 23 pence per share = GBP 12.7m)**
- Trading only through AJ Bell and Hargreaves Lansdown

Last year's "Weird Shit Fund"



Featured at WSI 2024 in London:

- JP Morgan Emerging Europe, Middle East & Africa Securities PLC
- Formerly: JP Morgan Russia
- Ticker: JEMA (London)
- Market cap June 2024: GBP 40.4m
- Market cap June 2025: GBP 91m

Why this conference?

Cases like this are the reason why we need this network of independent thinkers!

Thank you for participating in the
Weird Shit Investing conference 2025!

Email me expressions of interest to participate in 2026
(London, New York, Hong Kong, maybe Germany).

About Undervalued-Shares.com

Free Weekly Dispatches



“Shit” mining companies – the next stellar performers?

13 June 2025

Mining companies often land in epic political chaos – and can produce stunning returns if they manage to break free.

[READ MORE](#)



Liechtenstein banks as EU crisis winners?

6 June 2025

Liechtenstein isn't just home to elite financial services – you can also own a piece of its banks.

[READ MORE](#)



Investing in Iraq – yet more gains to come?

30 May 2025

The Iraq fund I featured in 2021 is up 183% in USD terms. With record investment pouring into Iraq, is it too late to get in?

[READ MORE](#)

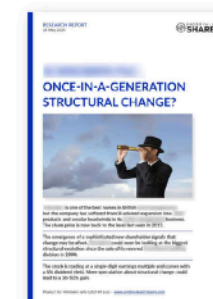
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In-depth research reports



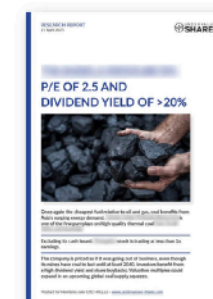
A smart route to the mining market

Picking the right mining stocks is complex. This investment entity helps investors seeking VC-type potential returns.



A forgotten leader in European finance – poised for a comeback?

Where next in “boring” European finance? This household name trades near crisis lows despite strong fundamentals – and could be set for a 30-50% rebound.



P/E of 2.5 and >20% dividend yield with this coal stock

It's the second time this stock is trading so low. It was similarly cheap in 2021 and then soared by 15x. Now is a good time to take another look.

02

Common sense investment opportunities around the world