

PRESS RELEASE

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Magnolia Bostad enters into agreement with Helsingborg Municipality and sells 287 rental apartments to Alecta

Magnolia Bostad is entering into a land transfer agreement with Helsingborg Municipality regarding the Slagan 1 property. The company has also signed an agreement with the occupational pension company, Alecta, for the sale of the 287 rental apartments that will be developed on the property. The agreement is based on an agreed property value of SEK 424 million upon completion. The land transfer agreement is expected to become final within four weeks, which is a condition for the transaction.

Magnolia Bostad's new construction at Mariastaden in Helsingborg consists of 287 rental apartments covering a total area of just over 12,500 sqm and more than 500 sqm of commercial premises. The architecture of the building and the well laid-out and space-efficient apartments will make an important contribution to Mariastaden.

The homes will be developed with a clear focus on sustainability and energy efficiency and they will be certified in accordance with the Miljöbyggnad (Environmental Building) Silver level. By using durable, quality materials, the homes will be sustainable in the long-term for both property owners and residents. Serneke Bygg will build the homes, and the first round of occupancy is planned for 2017.

"Magnolia is now strengthening its presence in Helsingborg and we are very thankful for the confidence the municipality has once again placed in us. The partnership with Alecta gives the project a strong, long-term owner, which benefits all parties. Serneke Bygg is a competent, full-service contractor, which ensures that the buildings will be of good quality," says Fredrik Lidjan, CEO of Magnolia Bostad.

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Magnolia Bostad was founded in 2009 with the vision of creating modern homes and residential environments through smart functions and attractive architecture. The company develops new housing, both rental apartments and tenant-owned apartments, mainly in attractive locations in Sweden's larger cities and regional capitals. We operate with a holistic view that aims to achieve long-term sustainable development for the society at large. The project portfolio encompasses approximately 5,000 homes. Magnolia Bostad is listed on Nasdaq First North. Pareto Securities is engaged as the Certified Adviser for the Company.

More information about Magnolia Bostad can be found at www.magnoliabostad.se