

Magnolia Bostad sells 380 residential units in Ursvik

Magnolia Bostad has sold an additional project to Heimstaden Bostad, this time in Ursvik, Sundbyberg's municipality. The sale is consisting of around 380 residencies, a nursery school, 8 retail premises and 168 garage spaces. The estimated property value at completion will be around SEK 1,0 billion.

The sale is taking place as a corporate transaction and refers to the Brygghuset 1, 2 & 3 properties, a total of about 32,970 m² GFA. The project has a zoning plan in force and was acquired during the quarter. Revenue recognition will take place during Q2 2020. The area is located in Västra Ursvik next to Ursviks allé and will be adjacent to the future Ursviks Torg and be next to the Tvärbanan light rail line which is due to be completed in the spring of 2022.

This is Magnolia Bostad's first project in Sundbyberg. About 380 residential units are planned for the neighbourhood and a nursery school for around 75 children. Magnolia Bostad also plans retail premises in connection with the residencies and 168 garage spaces. The buildings will be certified in accordance with the Swedish Green Building Council's silver certification. Great care has been taken regarding details and materials in the project, which was designed by Lindberg Stenberg Arkitekter. The property is divided by two high porticos and has varying facades combining restaurants, residencies, a nursery school and retail premises. This variety is held together by a clear design, and blends into the central square of the new Ursvik town centre in a natural way.

A turnkey contract has been signed with Mecon Bygg AB and building is scheduled to start at the end of 2020 with occupancy planned in the first half of 2024. After the sale and handover of the project, Magnolia Bostad has a project management agreement with the buyer, which runs until occupancy. The project management agreement is invoiced, and revenue will be recognized on an ongoing basis.

"We are very pleased to be involved in developing sustainable housing in the rapidly expanding residential area of Ursvik," says Björn Bergman, Eastern Regional Director at Magnolia Bostad.

Heimstaden Bostad is one of the leading property companies in Europe focusing on acquiring, improving, developing and managing residencies and premises. Heimstaden has around 97,800 apartments and a property value of about SEK 132 billion. The head office is located in Malmö, Sweden. Heimstaden Bostad is a long-term partner and, in addition to framework agreements, has formed two JVs with Magnolia Bostad for developing around 2,840 residential units in Österåker and Upplands Bro.

Wigge & Partners has acted as legal advisor to Magnolia Bostad.

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The information contained in this press release is information that Magnolia Bostad is required to publish pursuant to EU Market Abuse Regulation (EU) No 596/2014. The above-mentioned contact persons were responsible for the submission of the information on 29 June 2020 at 17.45 CEST.

Magnolia Bostad AB, CIN 556797-7078, is a leading urban developer that develops new residential properties, including rental apartments and tenant-owned apartments, community service properties and hotels, in attractive locations in Sweden's growth areas and major cities. Our work is based on a holistic approach where the operations are conducted in a way that promotes long-term, sustainable urban development. Magnolia Bostad's shares (MAG) are listed on Nasdaq Stockholm. More information is available at www.magnoliabostad.se