

Magnolia Bostad deepens its collaboration with SBB by forming a JV for the development of 2,550 residential units and the sale of two care homes

Magnolia Bostad and Samhällsbyggnadsbolaget i Norden (SBB) are forming a 50/50 Joint Venture (JV) for the development of investment properties. The JV will acquire four projects consisting of around 2,300 residential units from Magnolia Bostad and one project consisting of around 250 residential units from SBB. Magnolia Bostad is also selling two residential care homes located in Nacka and Östersund to SBB.

Magnolia Bostad is selling four projects located in Huddinge, Nacka, Sollentuna and Helsingborg to the JV. The project in Huddinge comprises around 1 800 residential units and the sale is conditional on a zoning plan coming into force, which is expected to be in 2023. The other three projects have zoning plans in force and comprises together around 500 residential units that are expected to be completed in 2023. The project acquired from SBB is located in Norrköping. The ambition with the JV is to expand it through more acquisitions over time. Changes in the value of the JV that affect earnings will arise as the projects are market valued.

Magnolia Bostad is also selling two residential care projects located in Östersund and Nacka to SBB. Both properties have zoning plans in force. The sale of the project in Nacka is conditional on a turnkey contract being signed. The estimated property value of the projects upon completion is around SEK 470 million. The properties are valued at fair value, and therefore there is no positive effect on earnings from the sale.

Magnolia Bostad will be responsible for the project management of all the projects in both the JV and the sold residential care homes until the properties are completed.

"It's very positive that we are deepening our collaboration with SBB as long-term partners. With this JV, we are taking a step forward in our development of properties for self-management," says Fredrik Lidjan, CEO of Magnolia Bostad.

Wigge & Partners has acted as legal adviser to Magnolia Bostad and Wistrand Advokatbyrå has acted as legal adviser to SBB. Bernström & Partners has been the transaction adviser in the deal.

Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region's leading property company in social infrastructure. The company's strategy is to own and manage social infrastructure properties long

Magnolia Bostad AB, CIN 556797-7078, is a leading urban developer that develops new residential properties primarily rental apartments but also tenant-owned apartments, community service properties and hotels, in attractive locations in Sweden's growth areas and major cities. Housing is being developed both for sale and for self-management. 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

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term in the Nordic region and rent regulated residential properties in Sweden, and to actively work with property development. SBB's property portfolio had a value of just over SEK 81 billion at the end of Q3 2020.

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