

Press release
23 September 2020

Heimstaden Bostad AB forms new joint ventures with Magnolia Bostad and Derome

Heimstaden Bostad AB has signed an agreement with Magnolia Bostad AB to jointly acquire land from Derome AB in Kungsbacka, Sweden. Together, the two companies will develop and construct approximately 1,600 apartments with a total area of 100,000 sq.m., subject to regulatory approval. The project value upon completion is estimated to SEK 3.0 billion. With this project, Heimstaden Bostad AB will significantly strengthen its presence in the Gothenburg region.

In conjunction with the aforementioned transaction, Heimstaden Bostad AB, Magnolia Bostad AB and Derome AB have entered into a joint venture to develop and construct around 1,500 single-family homes on land with existing and new building rights, primarily in the Stockholm region. Heimstaden Bostad AB and Magnolia Bostad AB will own 25 percent of the joint venture, while Derome AB will own 50 percent.

"We look forward to continued collaboration with Magnolia and Derome, who both have highly skilled and committed employees, which is a strong foundation for a productive and successful partnership going forward. Together, we look forward to offering friendly and sustainable homes to the Gothenburg and Stockholm regions, with people and the environment in focus for years to come," said Patrik Hall, CEO of Heimstaden AB

"Every day we go to work with an ambition to build high-quality homes and to contribute to the development of local communities, with satisfied and happy customers at the heart of our business. The fact that we are expanding our collaboration with Magnolia and Derome is an evidence of a fruitful relationship built on a mutual focus on long-term business goals and open dialogue. Not only do we work well together, but we also have fun on the way," said Tom Rasmussen, Senior Investment Manager of Heimstaden AB

Falkenborn Advokatbyrå has acted as legal advisor to Heimstaden Bostad AB, Törngren Magnell & Partners has acted as legal advisor to Magnolia Bostad AB and Vinge has acted as legal advisor to Derome.

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Heimstaden Bostad is a leading real estate company in Europe, with a focus on acquiring, developing and managing housing and premises. Through our values Care, Dare and Share, we create value for our owners and caring homes for our tenants. Heimstaden Bostad has about 100,100 apartments and a property value of approximately SEK 135 billion. The head office is located in Malmö, Sweden. For more information, visit www.heimstadenbostad.com.
