

Press release

5 December 2020

Heimstaden Bostad enters Poland with the acquisition of two build-to-rent projects

Heimstaden Bostad AB announces the acquisition of two build-to-rent projects in Warsaw, Poland, from the French developer and contractor, Eiffage, which also will act as the general contractor.

The acquisition comprises attractive properties located in two established but fast-growing areas of Warsaw; Praga Północ and Sluzewiec. It will include approximately 640 residential units (24,363 sqm) with additional commercial units (2,117 sqm) and parking spaces.

The agreed purchase price amounts to approximately EUR 65 million, which will be financed using existing funds, and total annual gross rental income for the projects is estimated to EUR 5 million at completion. Construction will start in early 2021, and the two projects are expected to be completed in Q1 2022 and Q1 2023.

In 2019, Heimstaden Bostad announced it would expand its strategy to include other European markets in addition to Scandinavia, including Central and Eastern European markets with favourable macroeconomic fundamentals and residential trends.

The Polish economy has shown a persistent impressive performance over the past decade and Warsaw is expected to be among the fastest growing European cities over the coming years, with a rising population and increasing household income.

“This latest acquisition is in line with our strategy of expanding Heimstaden Bostad to European markets with strong macroeconomic prospects and attractive housing market dynamics. The Polish residential market is strong and stable, and with expected continued household growth in the major cities, we are convinced that these new homes will be well received in the market,” said Christian Fladeland, co-CIO of Heimstaden.

Heimstaden Bostad AB will seek further investment opportunities in the Polish market, both in existing properties and additional build-to-rent projects.

To provide excellent service for customers in line with the Friendly Homes concept, Heimstaden will in 2021 establish in-house operations in Poland.

“As we are entering Poland with an evergreen perspective, we will build up high-quality in-house operations, which will deliver friendly and sustainable homes, and we look forward to presenting our customer centred business model to our future Polish customers,” said Patrik Hall, CEO of Heimstaden.

Heimstaden Bostad AB was advised by Dentons (legal), Deloitte (tax), Arcadis (technical), Leach & Partners (operations) and CBRE (commercial) on the transaction.

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Heimstaden Bostad is a leading residential 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 friendly homes for our customers. Heimstaden Bostad has about 100,900 apartments and a property value of approximately SEK 139 billion. The head office is located in Malmö, Sweden. For more information, visit www.heimstadenbostad.com.
