

General:

The market for new developments in the Stockholm area continues to be challenging, construction financing from banks is harder to obtain and buyers are more hesitant, even though a bit more positive market trend since last quarter.

The Lilleby concept (in co-owned Smallville AB) is very well received and less sensitive to an economic downturn.

Further discussions with municipalities for future land allocations (“markanvisningar”), a sign that our hard work and track record is starting to pay off.

Project overview:

Ekerö / Träkvista

Mixed use project; residential (rental (“hyresrätter” and condominiums (“bostadsrätter”)), commercial, care home, etc. of up to 23 000 kvm BTA in final phases of re-zoning. High demand for commercial space from tenants. Properties acquired. Initial expectation was that the project would have commenced during 2018, but have been delayed, which is a normal business risk in early stages. We now expect re-zoning to be completed before end of year (2019) and construction to commence early 2020. Project turnover ca 1 000 MSEK.

Skokloster / Englamarken

Ongoing construction of 44 semi-detached houses (“parhus”). Sold out project. Estimated completion Q4 2019/Q1 2020. Project turnover ca 150 MSEK.

Täby Park

Mixed use project; (residential (rentals (“hyresrätter”) and condominiums (“bostadsrätter”)), commercial, care home, hotel, etc) of ca 40 000 kvm BTA. New zoning plan approved January 2018. Now in advanced planning/preparatory stage. Ground works commenced during May 2019. Circa 70% of commercial space let to strong tenants. Advanced discussions reg. partnership or outright sale of project.

Upplands Bro / Brf Brandstationen

72 apartments of ca 2 600 kvm BOA. Completed in November 2018 and handed over to the condominium association (“Bostadsrättsförening”). Project turnover ca 150 MSEK.

Upplands Bro / ”Stationssamhället”

Re-zoning project of up to 12 000 kvm BTA with strategic location next to the commuter train (“Pendeltåg”). First property acquired, expect to acquire further properties over time and start re-zoning process with the municipality currently has uncertain timeframe.

Upplands Bro / Trygghetsboenden

Cooperation agreement signed with the municipality to develop up to three properties (estimated total volume of ca. 10 000 kvm) for elderly on the municipality’s land. Expected start during 2019.

Smallville / Lilleby (49% minority stake)

2 projects, Mariefreds Strand and Mälarvyn (in total ca 140 homes) to start sales and construction during Q3/Q4 2019.

Re-zoning process for major project “Skokloster Slottsby” to commence during Q3 2019.

Further positive, ongoing discussion with several counties reg. land allocation agreements for Lilleby concept (3 oral commitments).

Recruitment of senior officer (Erika Held) to be responsible for the Lilleby concept.

Co-operation agreement signed with Swedish national horseracing association (Svensk Galopp) regarding development of land they own (new to new stadium) based on the Lilleby concept.

Besides above projects TP1 owns stakes (JV) in some smaller ongoing developments.

Strategic partnership

Long term framework cooperation agreement negotiated and agreed (agreement to be executed during Q3 2019) with large real estate fund reg. care homes (Vårdboenden) and apartments for seniors (Trygghetsboenden).