



Stockholm, January 2020

General (market outlook):

The market for new developments (sold off-plan) in the Stockholm area has improved significantly since the summer of 2019, construction financing from bank is more challenging to obtain than 2 years ago but becoming more available. The demand for housing is strong and interest rates seems to be predictable and low for a foreseeable future, which points towards a good market for developers.

The Lilleby concept (in co-owned Smallville AB) is very well received from both potential home buyers and stakeholders and seems to be less sensitive to a potential economic downturn. The first project (Mariefreds Strand) will commence sales in March and initial interest is very strong.

Project overview:

Ekerö / Träkvista

Mixed use project; residential (rental (“hyresrätter”) and condominiums (“bostadsrätter”)), commercial, care home, etc. of up to 23 000 kvm BTA passed final phase 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 finally approved during March 2020 and construction to commence late 2020. Project turnover ca 1 000 MSEK.

The Part of the project containing the care home building right (ca 1/3rd of the total) has been sold to a (50/50) JV-company with Altura (part of NREP Fund), which means TH will receive full payment for the building right when the re-zoning is “Laga kraft” and also a 50% of the development profit.

Skokloster / Englamarken

Construction of the 22 semi-detached houses (“parhus” / 44 homes) completed. Sold out project. Estimated completion of remaining ground works (small part) in the spring of 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. Infrastructure and ground-works ongoing/commenced (with NCC) during May 2019, expected completion March 2020. Circa 70% of commercial space let to strong tenants.

Advanced discussions reg. partnership or outright sale of project with several parties (necessary to build project), we expect to reach a binding agreement during Q1 2020.



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JV projects

Ongoing construction in Nacka and Huddinge reg. two smaller JV-projects (23 homes). Sales to commence during February 2020.

Strategic partnership

Long term cooperation agreement signed with Altura (part of large real estate fund NREP, 30 bnSEK AUM), reg. care homes (Vårdboenden) and apartments for seniors (Trygghetsboenden).

Smallville / Lilleby (49% minority stake)

Filed applications for 4 land allocations for the Lilleby concept.

Bro Park

Co-operation agreement signed with Swedish national horseracing association (Svensk Galopp) regarding development of land they own (next to new stadium) based on the Lilleby concept, re-zoning expected to commence Q1 2020. Expected volume of ca 100 homes, pre-school, potentially a care home plus some commercial premises.

Mariefreds Strand

100+ homes. Ground works started in Dec 2019. Sales to commence in March 2020.

Initial interest very strong with over 100 applications of interest before start of sales.

Signed agreement to acquire neighboring property which is already zoned for residential use (40+ homes plus pre-school).

Mälaryn Skokloster

34 homes. Project initially delayed due to uncertainty reg. water rights.

Sales to commence in March 2020. Construction during Q2 2020.

“Skokloster Slottsby”

Re-zoning approval received. Process to commence during February 2020.

Expected volume of ca 100 homes plus care home and pre-school.