



Stockholm, April 2020

General (market outlook):

The market for new developments (sold off-plan) in the Stockholm area improved significantly from summer of 2019 up until the “Corona-crisis”. The underlying demand for housing is strong and interest rates seems to be predictable and low for a foreseeable future, but the current uncertainty makes sales off-plan and all other process as well slower.

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. We have due to the “Corona-crisis” postponed sales of the first project (Mariefreds Strand), which we now plan for late April. We still have a very good feeling as initial interest has been 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 around Summer 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.

Term sheet signed with party, process in advanced contract negotiation and due-diligence phase. We expect to reach a binding agreement during April 2020.



Stockholm, April 2020

JV projects

Ongoing construction in Nacka and Huddinge reg. two smaller JV-projects (23 homes). Sales commenced positively during February 2020 (ca 50% sold in a few weeks), but has slowed down due to the “Corona-crisis”.

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 process commenced during Q1 2020. Expected volume of ca 100 homes, pre-school, potentially a care home plus some commercial premises.

Mariefreds Strand

100+ homes. Initial ground works in Dec 2019. Sales to commence in April 2020.

Initial interest very strong with over 150 applications of interest before start of sales.

Mälarvyn Skokloster

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

Sales to commence in April 2020. Construction during Q2/Q3 2020.

“Skokloster Slottsby”

Re-zoning approval received. Process to commence during Q2 2020.

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