

Magnolia Bostad sells project within the framework agreement with Heimstaden Bostad, of 116 residential units in Norrköping

Magnolia Bostad has signed an agreement to sell the Björkalund project consisting of the property Föreställningen 1 in Björkalund, Norrköping municipality. The project involves the development of 116 residential units and production started in December 2019. The estimated property value at completion is about SEK 200 million.

The project is the fourth sale within the framework agreement signed by Magnolia Bostad and Heimstaden on 20 June 2018. The framework agreement means that Heimstaden Bostad will acquire housing projects comprising about 5,300 residential units from Magnolia Bostad worth around SEK 9.6 billion.

The land has a zoning plan in force and was acquired in 2019. Turnkey contract was signed during the fourth quarter of 2019 with Derome.

The property is located in the district of Björkalund, a new district south of Norrköping with proximity to both nature and the city. The project will be partially constructed in wood and consist of 116 apartments in four buildings. The buildings will be certified according to the Sweden Green Building Council's Silver certificate. In total, Björkalund will consist of about 500 homes with a mix of detached villas, townhouses, semi-detached houses and apartments.

Magnolia Bostad will develop and run the project until the buildings are ready for occupancy, which is expected to start in the first quarter 2022.

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