

## Magnolia Bostad and Derome signs a declaration of intent on cooperation

**The homes of the future are built in wood by Magnolia Bostad and Derome, which now have signed a letter of intent on the cooperation of the production of new houses. The declaration of intent extends over a five-year period and comprises 600-800 homes per year.**

Magnolia Bostad informed in June of this year that an in-depth cooperation had begun with Derome, Sweden's largest family-owned wood industry. Now, a long-term declaration of intent has been signed on cooperation including the production of new multi-family housing in wood delivered from Derome to Magnolia Housing's project. The aim is for the collaboration to lead to a quick and smooth management of possible business and that this will benefit both parties.

*"It is very pleasing that we now further strengthen our cooperation with Derome. We are already collaborating and currently have a joint project at Bro, Upplands Bro municipality, where we together develop a brand-new urban community for for a diverse social mix and for all phases of life. Derome cares about creating socially and environmentally sustainable residential areas, and this fits well with our values,"*says Fredrik Lidjan, CEO of Magnolia Bostad.

The overall objective of the cooperation is to develop attractive, quality assured, environmentally certified projects that meet the high standards that the parties have agreed on. The houses are built in modern industrial volume construction technology and shall be constructed according to the Silver or Swan environmental building. The buildings are being built and completed to a high degree in the factory, to shorten construction time on site and to ensure high quality

Ted Mellin and Henrik Svahn, both business managers at Derome, agree on what the cooperation will mean for the company ahead.

*"We want to take responsibility for the future's wooden house construction and together with Magnolia Housing we are convinced that we can make a difference. The houses we produce are perfectly accurate in terms of environmental and energy requirements. With this cooperation we will be able to build the housing of the future to a greater extent than before. We are extremely happy and are looking forward to getting started with the development of new residential areas together."*

Magnolia Bostad and Derome now lay the foundation for the cooperation to develop more communities with elements of townhouses, detached houses and multi-family houses.

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