

Press release,

December 5, 2019

Hemfosa acquires properties in Finland and Sweden at a value of approximately MSEK 650

Hemfosa has acquired 11 modern healthcare properties in Finland and two properties in Sweden at an underlying property value of approximately MSEK 650. The acquisition of the healthcare properties means Hemfosa's community service properties offering in Finland is now complete, entirely in line with the company's strategic initiative in the Finnish market.

Acquisitions in Finland

The 11 healthcare properties are located in Finnish high-growth regions, including Helsinki, Turku, Tampere and Oulu. The tenant is a healthcare company, which operates retirement homes and group residential housing as well as care services in the premises. The total leasable area amounts to approximately 20,900 sqm, and most of the buildings were constructed in 2018–2019. The properties are fully leased and the remaining lease term is just over 11 years. Annual rental income amounts to just under MEUR 3, corresponding to approximately MSEK 30. Possession of the properties was transferred today on December 5, 2019.

Acquisitions in Sweden

Hemfosa has acquired two properties located in Borås. The Municipality of Borås is the tenant and uses the buildings for education and office purposes. One of the properties will be remodeled to tenant specifications and undergo a major renovation, creating more leasable area in the process. The total leasable area is just over 8,000 sqm. Annual rental income amounts to MSEK 11, the leasing rate is 92 percent and the remaining lease term is 8.8 years. Ownership of the properties will be transferred during the first quarter of 2020.

"We are delighted to acquire these modern healthcare properties, which complement our Finnish portfolio well. The acquisition marks an important step into the retirement home segment in Finland, where demand, in common with the rest of the Nordic region, is rising in parallel with the growing share of elderly people in the population. This also offers Hemfosa an opportunity to strengthen relations with state and municipal players in the area. We are also pleased to acquire two properties used for education and office purposes in Borås, and strengthen Hemfosa's presence there," comments Anna Alsborger, Head of Transactions at Hemfosa.

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About Hemfosa Fastigheter

Hemfosa is a Swedish property company focused on community service properties in the Nordic region, with the Swedish state and municipalities as its largest tenants. This provides stable revenue flows and a healthy yield. Hemfosa also aims to create value through active participation in the transaction market. At September 30, 2019, Hemfosa owned properties with a total property value of approximately SEK 40 billion. The company's ordinary share has been listed since March 2014, and the preference share since December 2014, both on Nasdaq Stockholm. Read more at www.hemfosa.se

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