

Castellum invests 1.2 billion kronor in new premises for The Swedish Courts in Malmö

The government has approved the Swedish Court (Domstolsverket) tenancy application and a rental agreement has been signed between the Swedish Courts and Castellum. Castellum is planning new construction of 25 000 sq.m. modern courtroom premises in the centrally situated Nyhamnen area of Malmö. The investment, calculated at 1.2 billion kronor, constitutes a significant part of Castellum's strategy towards further growth in the Öresund area, and is one of Castellum's largest projects of all time.

The Swedish Courts have assessed various alternatives for possible location of new court premises, both for the Malmö District Court and the Swedish National Courts Administration in Malmö. The prize went to Castellum's proposal for new and more spacious premises in Nyhamnen district of Malmö close to the central station. Nyhamnen, is one of the most important high-development areas in the city of Malmö, where Castellum, as a prominent community player, is also carrying out construction of new company headquarters for E.ON - an investment, calculated at approx. 1.1 billion kronor. The Swedish Courts building will be one of northern Europe's biggest workplaces for legal professionals, and one of Castellum's largest projects of all time.

"It's gratifying that Castellum was chosen as the most suitable partner for developing modern courtrooms and offices for the Swedish Courts. Working in close conjunction with Malmö City, this project strengthens Castellum's position as the Öresund Region's most exciting city and real-estate developer; we're producing both this building and E.ON's headquarters in direct connection to city-centre", says Henrik Saxborn, Castellum CEO.

The planned new construction in Nyhamnen comprises approx. 25,000 sq.m. leasable area. The project proposal has been created by Henning Larsen Architects, in dialogue and cooperation with Jernhusen for zoning plans. Work with a new zoning plan is under way, and the building permit will be issued upon municipal zoning approval. Construction time has been calculated to approx. 2 years, and preliminary occupancy for the Malmö District Court and the Swedish National Courts Administration in Malmö is slated for 2021. The 20-year leasing agreement between Castellum and the Swedish Courts will take effect from occupancy date. Fully leased, the investment is assessed to generate an annual leasing income of approx. MSEK 78.

Castellum intends to finance the investment with company revenues as well as unutilized credits.

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Castellum is one of the largest listed real estate companies in Sweden. Property values amount to SEK 84 billion and holdings comprise office, warehousing/logistics and public sector properties, covering a total leasable area of 4.4 million square metres.

The real estate portfolio is owned and managed under the Castellum brand through a decentralized organization with strong and clear local presence in 20 cities in Sweden and also in Copenhagen and Helsinki.

In 2018, Castellum received two awards for sustainability efforts; designated Number One in the world by GRESB for the offices-and-logistics sector, as well as the Level Gold award for sustainability reporting from the EPRA (European Public Real Estate Association). In addition, Castellum is the only Nordic real-estate and construction company elected to the Dow Jones Sustainability Index (DJSI), joining a select group of companies in the world who perform best on sustainability issues.

The Castellum share is listed on Nasdaq Stockholm Large Cap.