

Hemfosa Fastigheter acquires properties in Norway for a total value of approximately MNOK 293

Hemfosa Fastigheter has signed acquisition agreements for one property in Bergen with a large proportion of community services tenants, and one community service property in central Sarpsborg, with a total property value of MNOK 293. The property in Bergen is Hemfosa's first acquisition on the west coast of Norway, and represents the start of the company's focus on the region. At the same time, Hemfosa is strengthening its position in community properties in eastern Norway.

Acquisition in Bergen

Hemfosa is acquiring the Myrdalsvegen 22 property in central Åsane, a district close to central Bergen, with a total leasable area of 7,402 sqm. The leasing rate is 95 percent, with stable tenants from the municipal, county council, care and banking sectors. The Municipality of Bergen, County Municipality of Hordaland and Åsane Legekontor account for 62 percent of the rental income. Annual rental income totals MNOK 9.6. Ownership of the property was transferred on 12 July, with the financial acquisition taking place on 1 July. The lease has a remaining term of about 3.1 years. The seller is DNB SPF.

Acquisition in Sarpsborg

Hemfosa is acquiring Korsgata 5 and Sandesundsveien 3 in central Sarpsborg. In addition, the purchase includes Sandesundsvein 5-7, a site with a completed zoning plan of 4,500 sqm lettable area, primarily consisting of housing. The properties have a total leasable area of 7,449 sqm. The leasing rate is approximately 90 percent, and the largest tenant is the Norwegian Labor and Welfare Administration (NAV). NAV, the Norwegian public welfare agency, will account for approximately 95 percent of annual rental income. Annual rental income totals approximately MNOK 11.3. Ownership of the property was transferred on 18 August, with the financial acquisition taking place on 1 July. The lease has a remaining term of about 3.6 years.

“The acquisition in Bergen represents an exciting first step into the west coast of Norway and we are looking forward to expanding our presence and focus in the western region of the country. The acquisition in Sarpsborg will also strengthen our commitment and position in Østfold, in eastern Norway, since we now own centrally located properties in all of the region's larger cities. At the same time, it is entirely in line with our business model that the majority of the tenants in the properties we are acquiring have public sector tenants,” says Simon Venemyr Ottersland, COO of Hemfosa Norway.

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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 June 30, 2017, Hemfosa owned properties with a total property value of SEK 38.2 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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