

Press release, 16 January 2025

Bonava secures financing for investment properties in the Baltics

Bonava has secured financing from local banks for its investment properties as the company has reached a high occupancy rate. The two properties that Bonava has built, owns and manages in Tallinn, Estonia, and Riga, Latvia, include 208 housing units. The rental income amounts to about SEK 20 M on an annual basis.

– Securing financing from local banks and achieving our target occupancy rate for our target rental properties, shows that the product that we have created is attracting interest. The supply of newly built rental apartments is low in Estonia and Latvia. Constructing Build-to-Manage (B2M) housing units, supports our business model and provides positive cash flow. There is great potential in exploring this business model further, says Michael Björklund, Business Unit President, Bonava Baltics.

Bonava began construction of the two investment properties in the Baltics in 2021 with the plan to retain the properties as B2M. The projects, which were completed in late 2023, contain a total of 208 rental apartments.

The two investment properties are located in neighbourhoods where Bonava is also building housing units for consumers. The property in the Estonian capital, Tallinn, includes three buildings containing 112 apartments, located in the Uus-Mustamäe neighbourhood. The property in the Latvian capital, Riga, includes one building containing 96 apartments, located in the Krasta Kvartals neighbourhood. Surveys confirm that the customers are satisfied with their rental experience.

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Bonava is a leading residential developer in Europe with the purpose to create happy neighbourhoods for the many. With its 1,300 employees, Bonava develops residential housing in Germany, Sweden, Finland, Estonia, Latvia and Lithuania. To date, the company has built about 40,000 homes and reported net sales of approximately SEK 13 billion in 2023. Bonava's shares and green bond are listed on Nasdaq Stockholm.

For more information about us, please visit: www.bonava.com
