

Lessebo 2018-11-26

To the shareholders of Grundingen Fastighets AB (publ)

Status update

Grundingen Fastighets AB wishes to inform you on the status of the different projects in our project portfolio. Please see below for an update on the portfolio projects.

Previous updates as well as the previously published 2017 annual report is available on our website, www.grundingenfastighets.se, where you can log in to the password-protected section using the password *Grundingen1*.

Kind regards,

David Ivarsson

CEO, Grundingen Fastighets AB

Grundingen project update, November 2018

Norra Hamnen – Lysekil

The cooler housing market has affected the demand for our apartments in Lysekil. The original plan developed by Concent consisted almost exclusively of larger four- and five-room apartments, and we have chosen to revise the floor planning to better meet the demand for smaller apartments. New building permit applications have been submitted and the sales process will commence as soon as approval is obtained from Lysekil municipality.

Valsjöberget – Åkersberga

Continued construction of the road section leading in to the projects' first stage is being carried out and is estimated to be completed in a few weeks.

We have signed a collaboration agreement with Anebyhusgruppen regarding construction and delivery of houses in the project. Currently work is being conducted on selecting and adjusting house types best suitable for the plots. Sales of the properties is scheduled to begin in late November.

In parallel with the ongoing sales phase, the individual plots will be finalized by us and the houses will be sold by Anebyhusgruppen through separate agreements.

Söderport – Norrköping

We have agreed with Norrköping municipality regarding the housing structure in the project, subject to formal approval by the municipal development committee. We have initiated the building permit application process for the first stage of this large project, with the first stage consisting of 120-130 rental apartments in the "Balkongen" block. Our intention is to submit the building permit around year end.

Torslanda Golfbana – Göteborg

The Swedish Transport Administration has submitted questions regarding the current plan proposal, prompting Gothenburg municipality to conduct a traffic investigation to sufficiently answer these. Therefore, the municipality wishes to finish the ongoing investigation before making any decision regarding the development plan for the project.

Aside from this, the development plan process is completed and all necessary documentation has been produced. While the development plan could become legally binding shortly following approval, the most likely outcome is that one or more appeals to the plan will be submitted and dealt with prior to final approval.

Sandtorp – Norrköping

In this project, there are currently no operating activities due to delays in the municipality's infrastructure development. According to Norrköping's municipality, construction is expected to begin in the first half of 2019.

Smedby – Norrköping

The consultation stage in the zoning plan process has been completed. During the consultation stage, questions arose regarding how ground works could potentially affect adjacent houses. Due to this, the municipality has conducted a more in-depth geotechnical investigation with a subsequent review process scheduled for the period between December 10, 2018 to January 14, 2019.

Tureholm – Trosa

The project has no current activities as we await development in Valsjöberget, in order to utilize synergies and experiences from this project for application in Trosa.

Östra Frestaby – Upplands Väsby

We are currently evaluating potential housing constructors for the planned project. Our ambition is to initiate collaboration with a suitable supplier in the early project stages, in order to move forward with a joint proposal in the building permit stage. Our aim is to submit building permit prior to christmas.

The project consists of rental apartments, which means that we are not dependent on sufficient condominium sales in order to initiate construction. Therefore, as soon as we have an approved building permit, we will be ready to commence construction.