

K-FASTIGHETER AND BOKLOK IN COLLABORATION TO BUILD A THOUSAND NEW HOMES

K-Fastigheter and BoKlok have agreed to build a thousand new apartments over the coming three years. The aim of the project is to allow more people to create their homes at a reasonable cost. Two leading construction and property companies are behind the initiative, aimed at offering average-income people good-quality homes in safe neighborhoods.

During spring 2020, K-Fastigheter and BoKlok entered into a strategic collaboration with the intention of building up to a thousand apartments in the period until the end of 2023. The apartments will offer high-quality floor plans and materials, and will be located in attractive neighborhoods in growth regions. The two companies' concept-based construction methods mean that rent and other charges can be kept at a level that makes the apartments accessible to as many people as possible.

K-Fastigheter—more than a property company

K-Fastigheter has developed its own concept buildings meeting demands for high-quality housing from tenants and social planners. To increase cost efficiency and reduce construction times, the company works with three concept buildings that are constructed solely for long-term ownership and active property management: Low-rise, Lateral low-rise and Apartment block. The company has an in-house project development, construction and property management organization, ensuring that construction is cost- and resource-efficient.

“The collaboration is a meeting of minds between BoKlok and K-Fastigheter. In my opinion, BoKlok is one of the few players that fully understands what it means to build conceptually,” Jacob Karlsson, CEO of K-Fast Holding AB explained when the collaboration was announced. “By focusing on developing different forms of tenure, we can benefit from our respective experiences and jointly develop in many areas and geographical locations.”

Skanska + IKEA = BoKlok

When the founders of BoKlok started the company with the construction of an apartment block, the company focused mainly on single-parent low-income families, young people moving into their first home and elderly people who wanted a comfortable and low-maintenance lifestyle. Terraced houses were added at a later stage, and are now appreciated by families in other phases of life.

Niclas Bagler, Country Manager of BoKlok Sweden comments on the collaboration with K-Fastigheter:

“We’re delighted to be collaborating with K-Fastigheter. By combining tenant-owner



and rental apartments we can create more diverse neighborhoods. BoKlok has more than 20 years' experience of industrial construction using wood, and has a factory outside Vimmerby in southern Sweden. Our concept is strongly inspired by our owners IKEA and Skanska. K-Fastigheter provides us with a collaboration partner that shares our aim of creating attractive and affordable neighborhoods through a high degree of industrialization.”

A thousand apartments in three years

The companies share the view that conceptual construction methods optimize the conditions for cost-effective construction. The collaboration got off the ground quickly, and includes project development, transactions in building rights and construction.

Because K-Fastigheter builds rental apartments and BoKlok tenant-owner apartments, the companies collaborate to create housing with mixed access rights, which makes neighborhoods more popular and sustainable.

Both companies have extensive knowledge of the factors that make a house a home, factors that make residents want to stay there long-term. For many people, choosing a home is about increasing quality of life. Attractive neighborhoods aren't just nice places for residents and visitors, but are an important factor in a city's future prosperity.

The homes of today and tomorrow

The key factors when choosing a home is the quality of the property, a great floor plan needs to be matched by attractive and sustainable materials. The surrounding environment around the home should provide a variety of functions and shared meeting places, it should be safe and ideally offer attractive services, with nature, green spaces and water nearby, as well as being close to public transport and other links. The social safety is engendered by the property and the neighborhood.

Sustainability is a broad concept, and is generally about highlighting and facilitating sustainable choices. This makes a sustainable lifestyle the obvious choice in terms of time and cost savings, regardless of whether it relates to power supply, traffic solutions or waste management. K-Fastigheter and BoKlok have focused on minimizing the environmental and climate impact of their operations from the start.

K-Fastigheter strives for sustainable and circular construction solutions. A sustainable building is about much more than just being energy-efficient. It also needs to work from a financial and social perspective, now and in the future. K-Fastigheter's operational focus is on long-term, cost-efficient and attractive buildings, which means that the company actively manages shared resources and makes courageous decisions that support long-term progress.



K-Fastigheter's concept buildings are built to be used and to remain functional for many generations. The estimated life span is around 100 years, which means that the architecture, materials and construction methods used today will be enjoyed and last for a very long time. As early as the planning stage, plans are made to facilitate future renovation and adapting the buildings to the changing needs of tomorrow.

The collaboration in 2020

In the first few months of the collaboration, the partners completed transactions in several locations in Sweden.

- *Gävle*: K-Fastigheter acquired 60 rental apartments from BoKlok, with tenants moving in from November 2021
- *Växjö*: K-Fastigheter acquired 48 rental apartments from BoKlok, with tenants moving in from December 2021. K-Fastigheter has acquired adjacent building rights from Skanska in the same neighborhood, and intends to build a further 150 rental apartments
- *Hässleholm*: K-Fastigheter sold the building rights for 23 terraced houses to BoKlok, sales start in October 2020
- *Höganäs*: K-Fastigheter has given BoKlok the option to acquire building rights for 20 terraced houses, sales start in March 2021
- *Kävlinge*: The parties will jointly develop a detailed development plan for housing units with the objective of achieving a gross area of 100,000 square meters.

