

## PRESS RELEASE - January 2015

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### LAR ESPAÑA REAL ESTATE SOCIMI S.A. acquires the plot located in Juan Bravo 3, Madrid, for €120 MILLION

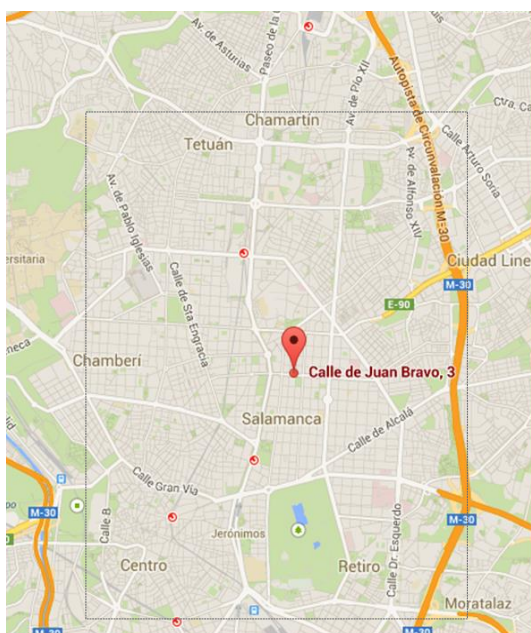
- Lar España and an entity advised by PIMCO acquire one of the most sought after residential plots of land in Spain, after aligning the interests of all of the parties involved in the transaction.
- It is the only plot of land for residential use in the Prime Barrio de Salamanca district, which makes this property the best in its class in the Madrid Real Estate market.
- Following this deal, Lar España has now committed a total of €458.7 million across 15 deals, in order to consolidate its income-producing commercial property portfolio and complement it with this unique residential asset.

Madrid, 30 January 2015.- LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE) via a 50%-50% Joint Venture with LVS II Lux XIII sarl. (“LVS II”), an entity sub-advised, advised or managed by Pacific Investment Management Company LLC or its affiliates, have acquired the plot of land located at Calle Juan Bravo 3 (Madrid) for €xxx million. The plot, which comprises a total buildable area of 26,203 sqm, 74% of which locates above ground according to the special urban plan, and the remaining 26% sqm under ground, distributed in three levels, is the only residential use plot of land in the Barrio de Salamanca district, which is the most sought after Prime residential area in Madrid. It is located a few metres away from the “golden mile”, the most exclusive retail area in the Capital. Its development possibilities make it a highly unique property, due to the lack of new high quality housing in the centre of Madrid.

Several investors and real estate companies have been interested in acquiring this asset over the past few months. Lar España’s management team has excelled in its ability to present the most all-encompassing offer, thereby achieving and aligning the objectives of all sides, which involved overcoming many difficulties due to the complexities of the asset and the many parties involved. The deal also includes a building located on Calle Claudio Coello comprising a total built area of 5.318 sqm, 84% of which locates above ground level and the remaining 16%, below ground level. Lar España has structured the deal with a combination of equity and debt. This project is a key milestone in LAR ESPAÑA REAL ESTATE’s strategy to astutely invest part of its funds in high quality residential assets.



From now on, LAR ESPAÑA REAL ESTATE will assume the management of this real estate project with the aim of constructing a new Prime residential building, in order to meet the growing demand for this type of property. The additional possibility of including street-level retail adds value to the property. The Juan Bravo Project takes up the majority of the block located between Calles Juan Bravo, Maldonado, Claudio Coello and Lagasca, which is a prime location in the heart of Madrid’s Salamanca neighbourhood. This is the most exclusive area of the city, close to the shopping high streets Calles Serrano and Ortega y Gasset, known as the “Golden mile” due to the presence of leading brands and international designers.



According to José Luis del Valle, president of LAR ESPAÑA REAL ESTATE, “Following the acquisition of 14 income-producing commercial properties, this residential asset, which fully meets the investment criteria detailed in the IPO, consolidates Lar España’s portfolio, which has acquired assets for a total value in excess of the funds raised. It is an excellent opportunity to develop Prime residential units in the centre of Madrid. The site, which has a full building permit in place, will allow for the development of a new residential building, without the limitations involved in renovating old buildings, in which the structure and façade need to be preserved”.

Via this transaction, the SOCIMI, has already invested €458.7 million, exceeding the €400m raised in the IPO, of which €206.9 million were allocated to 5 Shopping Centres located in the Basque Country, Palencia, Albacete, Barcelona and Alicante; €120.8 million to four office buildings in Madrid; €44.9 million to 8 logistics units in Guadalajara; €26.1 million to three retail properties in Madrid and Cantabria and €60 million to one residential asset in Madrid.



## ABOUT LAR ESPAÑA REAL ESTATE SOCIMI S.A.

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Lar España Real Estate SOCIMI S.A. is a Spanish property company listed on the Spanish Stock Exchange and incorporated as a Spanish SOCIMI, "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario" (Spanish equivalent of REITs).

Lar España aims to invest in the Spanish real estate sector, primarily in the commercial office and retail property sector.

The company is managed by a highly experienced independent Board of Directors, with a balanced combination of renowned professionals from both the real estate and finance sectors, both in Spain and internationally. Grupo Lar has been exclusively mandated with a 5-year contract to manage Lar España.

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