



NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 228 of the Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act, Lar España Real Estate SOCIMI, S.A. (“Lar España” or the “Company”) hereby informs the National Securities Market Commission of the following

MATERIAL FACT

Lar España informs that, after reaching a GAV (gross asset value) of more than one billion euros, the investment manager (Grupo Lar Inversiones Inmobiliarias, S.A.) has proposed a reduction of its management fees that has been accepted by the Board of Directors of the Company.

Therefore, as from this date, the base fee¹ will be as follows:

1.25% NAV (net asset value) up to 600 million euros + 1% NAV over 600 million euros.

Madrid, 6 October 2016

Lar España Real Estate SOCIMI, S.A.
Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors

¹ Management fees are annual and calculated on NAV at 31 December of the previous year.