



DOSSIER// ISSUE: TOP IBERIAN DEALS



Hernán San Pedro
LAR ESPAÑA REAL ESTATE
 Head of Investor Relations and Corporate Communication

At Lar España we firmly believe that quality will be the key factor that makes the difference when deciding to invest. The location of the asset is no longer enough; it is essential that the highest quality prevails since, to a large extent, this is the characteristic that will mark the future profitability of the asset. In this sense, dominance plays a key role, namely the capacity to cover a large and highly populated area commercially and exclusively. But these are not the only relevant factors to ensure an investment's success. It is essential to also have a serious and rigorous corporate strategy in ESG-related matters. Sustainability is an undeniable priority in the investment world, and for Lar España it is a strategic priority. More and more investors and agents are analysing environmental, ecological and energy efficiency features down to the last millimetre. The ability to offer differentiated experiences will also make a difference, which entails a commitment to innovation and technology, as well as the diversification of services, accompanied by a highly qualified retail mix.

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Omar Khan
CASTELLANA PROPERTIES
 Chief Investment Officer

At Castellana Properties we have been able to follow the recovery of our shopping centres in real time, a recovery that has been strengthening month by month and has surpassed pre-pandemic levels. We have exploited this data from our own portfolio to aid our investment decision-making.

Furthermore, we are seeing strong evidence of physical retail playing a critical role in the new omnichannel world, particularly in secondary cities in Spain where we continuously collaborate with our tenants and customers to better meet their needs.

Retail has become an intensive operational asset class where it is critical to have both a large dominant platform and an expert management team, as is the case at Castellana Properties, which enables us to build better relationships with our tenants and consistently add value to our centres. We are also launching a number of innovative projects, such as Solar PV and community initiatives that benefit the communities where we operate.

Good quality, dominant shopping centres continue to offer a compelling story to investors by providing strong, stable and predictable income streams at yields that are far more attractive than other real estate sectors. Furthermore, retail parks offer exceptionally well-located large format boxes that offer both an attractive sales and showroom platform, as well as a last mile logistics hub.

Castellana continues to invest in dominant retail assets where we can add value. In essence, we continue to invest in retail, both in our existing portfolio and in new opportunities that meet our investment criteria, while also investing in innovation and ESG projects.