

COMISIÓN NACIONAL DEL MERCADO DE VALORES

C/ Edison, nº 4
28006 – Madrid

Madrid, October 24, 2018

QUABIT INMOBILIARIA, S.A. (“**Quabit**” or the “**Company**”), in compliance with article 228 of the restated text of the Spanish Stock Market Law (*Ley del Mercado de Valores*) enacted by Royal Legislative Decree 4/2015, of October 23, makes public the following:

RELEVANT EVENT

In relation with the generalized downward pressure in the markets which is affecting the Spanish Stock Exchange and, as an extension thereof, the share Price of the Real Estate companies in general, and of Quabit in particular, as well as with the information requests received from numerous investors, the Company considers relevant to state the following points:

1. **Quabit does not find that the drop which is being experienced by the company’s stock Price in the last weeks is justified, as it does not correspond to the current value or the fundamentals of the company.**
2. **The company has been working intensely and with absolute normality, complying with the milestones established in the 2017-2022 Strategic Business Plan.** Quabit has closed the first semester reinforcing the Plan’s visibility with the acquisition of new plots of land, complying rigorously with its pre-sales targets, launching new residential projects and starting the construction works of several of its developments. It continues to work in this line and nothing alters the forecasts as regards unit deliveries and operational results established in its growth and expansion plan.
3. **In relation with the juridical controversy about the tax on mortgages** that is expected to be resolved by the plenary session of the administrative chamber of the Supreme Court scheduled for November 5, **we confirm that it is not affecting the activities of the Company, neither from the perspective of development loans being granted to Quabit, nor from the perspective of mortgages being granted to our clients,** which are in the majority of cases granted by way of assignment in the development loans of each residential development (being due to this process exempted from payment of Stamp Duty Tax). There appears to be no material adverse effect on the assets of Quabit derived from this change in jurisprudence, as the Company would have, should it be confirmed, a position of claimant in any potential claims of the amounts paid as Stamp Duty Tax. In any case, the Company has not adopted any decision regarding the initiation of any such claims

Sincerely,

Félix Abánades López
Chairman and CEO