

Pursuant to the provisions of article 17 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April on market abuse, and article 228 of the consolidated text of the Spanish Securities Market Act approved by Royal Legislative Decree 4/2015 of 23 October, AEDAS HOMES, S.A. (the "**Company**"), notifies the following

RELEVANT FACT

On the 6th of August 2018, the Company has signed a term loan facility agreement for a total amount of € 150.000.000 (ONE HUNDRED AND FIFTY MILLION EUROS) with Citi, Deutsche Bank, Goldman Sachs, Liberbank and EBN Bank. The term granted is of two years, with a cost of 350 bps for the first year and 425 bps for the second year.

The loan will be exclusively used for future land acquisitions.

In Madrid, 6th of August 2018.

Mr. Alfonso Benavides Grases
Secretary of the Board of Directors

AEDAS Homes decides to bring its land investment schedule forward with a corporate term loan worth 150 million euros

- These resources will be allocated in their entirety for further acquisitions of high quality land currently available on the market.
- Sergio Gálvez, Director of Strategy and Investment at AEDAS Homes: “These resources will allow us to move our 2019 investments and part of our 2020 investments forward, and as a result, improve visibility on our business plan”
- The developer, which acquired land worth 96.6 million euros in the first half of 2018, wants to keep frontloading its landbank to capitalize on favourable market conditions.

August 2018. - [AEDAS Homes](#), a leading developer in the new real estate cycle in Spain, has formalised a corporate term loan worth 150 million euros in order to keep expanding its landbank. “This capital will allow us to move our 2019 investments and part of our 2020 investments forward; this will mean improving visibility on our business plan and purchasing strategic assets under favourable market conditions in this early stage of the real estate cycle”, said **Sergio Gálvez, Director of Strategy and Investment at AEDAS.**

This corporate loan has a **2-year term**, and the developer will repay the loan with the cash flow generated by the delivery of projects in 2019 and 2020 (more than 3,000 residential units). “It’s the natural course of action given our low level of gearing and our high visibility on cash flow generation”, Gálvez stated. The cost of this financing is 3.50% for the first year and 4.25% for the second year, and the company has the option of making earlier repayment.

The corporate financing is based on the positive evaluation of two key areas. On the one hand, **the visibility of cash flow**, which is backed by the sales already made from current projects, and on the other, **the company’s current financial situation, with negligible debt.**

Bringing forward investment capacity

The full amount of the loan will be used for new investments that meet the company’s strict investment criteria and **round out the landbank, considered by analysts to be one of the best in the Spanish real estate sector.** With this new source of finance, the company will not be increasing its level of activity; instead, it will be bringing forward its investment capacity to take advantage of opportunities that are only available at this early stage of the residential cycle. “The strategy is focused on achieving future margins with high quality assets currently on the market, rather than increasing activity in the short term”, Gálvez explained.

Strategic “cherry picked” assets

According to Gálvez, “the quality and conditions of the investment opportunities we are identifying in the current market justify the need to consider alternative sources of finance”. He added: “We have the opportunity to make use of the **competitive advantage of our landbank** by continuing to invest in high quality assets available in the current market”.

Currently, the AEDAS Homes landbank exceeds **1.5 million square metres, giving it the potential to develop more than 14,000 residential units**. This includes the purchase of land worth 96.6 million euros during the first half of 2018 to develop 1,905 residential units, comfortably beating the 2018 investment target (land for 1,042 residential units).

Financial discipline

This loan **dovetails perfectly with the financial policy announced by AEDAS Homes** of having a loan to cost ratio (LTC) below 35%, and the developer’s objective will continue to be the purchase of high quality land which preserves target margins and returns. This source of finance will allow AEDAS Homes to further anticipate land needs in the Spanish residential market.

The deal has been led by Citi, as Bookrunner and Mandated Lead Arranger. Additionally, Deutsche Bank has participated as Mandated Lead Arranger, Goldman Sachs as Lead Arranger, and Liberbank and EBN Bank as Arrangers, which along with Citi, make up the loan syndicate. “AEDAS Homes and its team are aware of the value of this vote of confidence given to the company, and we are grateful for the effort made by all of them”, Gálvez concluded.

About AEDAS Homes

The developer **AEDAS Homes** became a listed company on the 20th October 2017 in Madrid, with a market capitalization of over 1.5 billion euros. AEDAS is **an industry leader at the national level** and aims to play an important role in the new cycle of the Spanish real estate sector, which must be marked by professionalism and an adherence to rigorous standards.

AEDAS Homes has a **fully permitted residential landbank with more than 1.5 million square metres** (the highest quality landbank in Spain, according to analysts). This will permit the development of 14,000 residential units in the key markets, and their surrounding areas (both in terms of real estate and finance) where AEDAS operates: the Centre, Catalonia, the East & Mallorca, Andalucía y Costa del Sol.

For more information:

aedashomes.com/

AEDAS Homes corporate video:

<https://www.youtube.com/watch?v=y5QNVtpPfNo>

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