



Neinor Homes, S.A. ("Neinor" or the "Company"), pursuant to article 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, hereby informs of the following:

OTHER RELEVANT INFORMATION

Neinor announces that it has reached an agreement with Hadley Investments (YHLY SM) to acquire a PRS portfolio for €58mn. Please find attached the correspondent press release.

Madrid, 16th February 2020

Neinor Homes, S.A.

Neinor Homes strengthens its rental leadership position through the acquisition of a PRS portfolio with 400 housing units

- **Neinor has closed its first PRS portfolio acquisition in an off-market transaction with a total investment of €58mn (€1,850/m2).**
- **Most of the portfolio will be added to Neinor's rental platform with target net yields slightly above 5%. Though some units could be sold with target contribution margins above 15%**

Madrid, 16th February 2020. Neinor Homes has reached an agreement with Hadley Investments to buy a PRS portfolio with nine buildings and 391 housing units: Madrid (39%), Catalonia (29%), Valencia (15%), Alicante (9%) and Malaga (7%)

In 2020, Neinor launched its rental platform and acquired Renta Garantizada. Through the acquisition of this PRS portfolio Neinor continues to strengthen its leadership position in the Spanish rental market.

The nine buildings were built between 2007 and 2009 and therefore Neinor does not anticipate significant refurbishment capex needs. Moreover, we highlight that 76% of the units have either one or two bedrooms which is the ideal size for rental product and hence the high occupancy ratios that this portfolio has recorded over the last couple years.

Through this acquisition Neinor reinforces the growth of its rental platform. These assets are added to Neinor's Rental platform which has c1,200 housing units under development - 38% of these are already under construction. The first delivery, Hacienda Homes (Malaga), with 146 housing units is expected to take place during 1H21. Post this acquisition Neinor should finish 2021 with more than 500 rental units generating a recurrent income.

Recall that during 2H20 Neinor has acquired Renta Garantizada, a rental operating platform to control the whole value chain from land acquisition to product design, construction and ultimately asset and property management. Ultimately the objective is to manage 5,000 rental units for the year 2025.

Post this deal Neinor Homes has become a member of EPRA (European Public Real Estate Association) and, going forward, it shall report the operational and valuation KPI's of its rental portfolio according to EPRA BPR (Best Practices Recommendations).

Borja García-Egotxeaga, CEO of Neinor Homes: "Through this acquisition and the delivery of Hacienda Homes during 1H21 we expect investors to start to grasp the strength of Spanish rental market fundamentals. Furthermore, this acquisition should provide a clear valuation read across for Neinor Homes 1,200 units rental development pipeline."



Jordi Argemi, Deputy CEO and CFO of Neinor Homes: *“After the recent acquisition of Renta Garantizada this yielding portfolio represents another step forward in the execution of Neinor Rental strategy. There is a clear reversionary potential underpinning this transaction which fits perfectly into our 100% Value-Add and NAV growth strategy. The c5% stabilized net yield-on-cost is equivalent to what we target for the development pipeline making it very compelling for Neinor Homes”.*

About Neinor Homes

Neinor Homes is a listed company that leads residential development in Spain with one of the largest fully permitted land banks spread through Madrid, Catalonia, the Basque country, Andalusia and the Valencian community. Furthermore, Neinor complements its residential development activity with servicing and rental businesses and, since 2020, it incorporates 100% of the rental projects value chain.

With over 30 years of track record on residential development, innovation, and sustainability as part of its DNA, the company closed 2020 with 288 employees having delivered more than 1,600 housing units and recording more than €100mn EBITDA confirming its leadership position in the Spanish residential market.

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