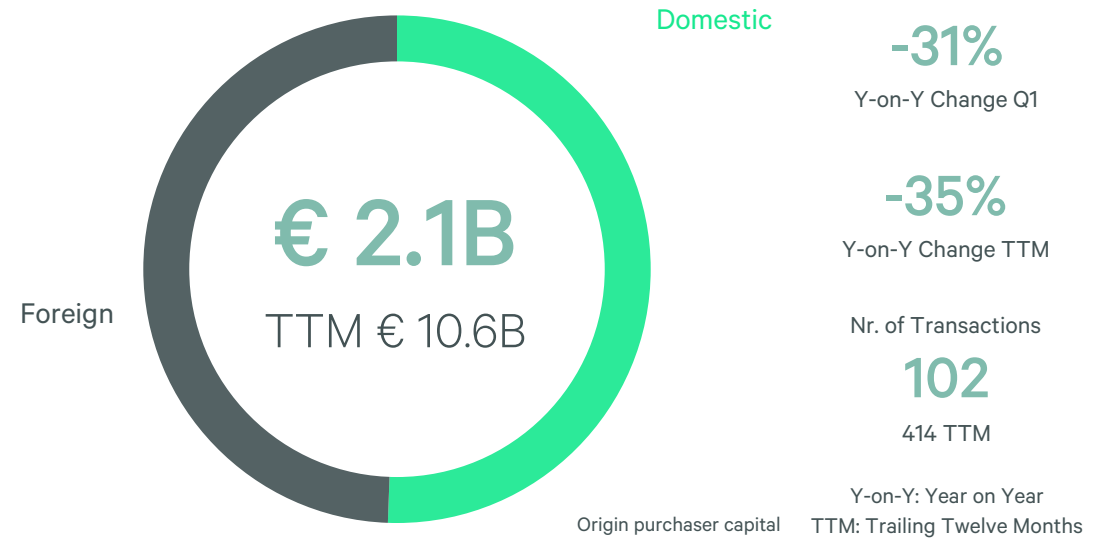


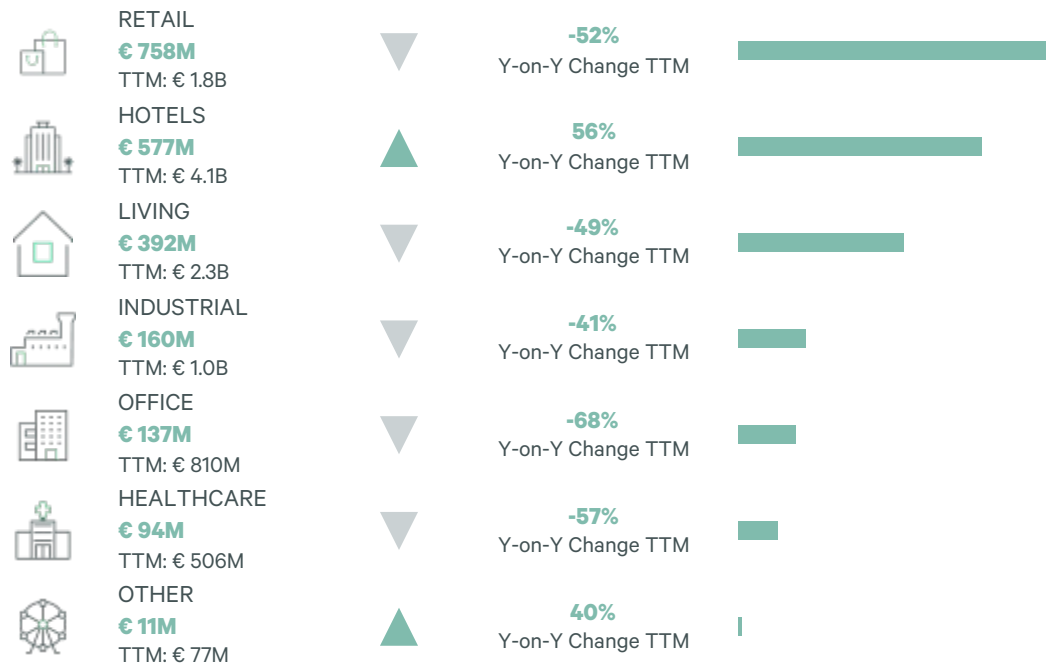
Spain Real Estate Investment Volumes Q1 2024

The volume of real estate investment in Spain in the first quarter of the year exceeded €2.1 billion, with a year-on-year decline of 31%. This decrease is higher than the overall decline in Europe, -7%, although similar or even lower than that of neighboring countries such as France or Germany. Despite this decline, it is expected that the economic growth trend will continue in 2024, especially in the second half of the year, due to the expected interest rate adjustment starting in June. However, the main macroeconomic risk is the geopolitical context, marked by the global dynamics of "ballots & bullets".

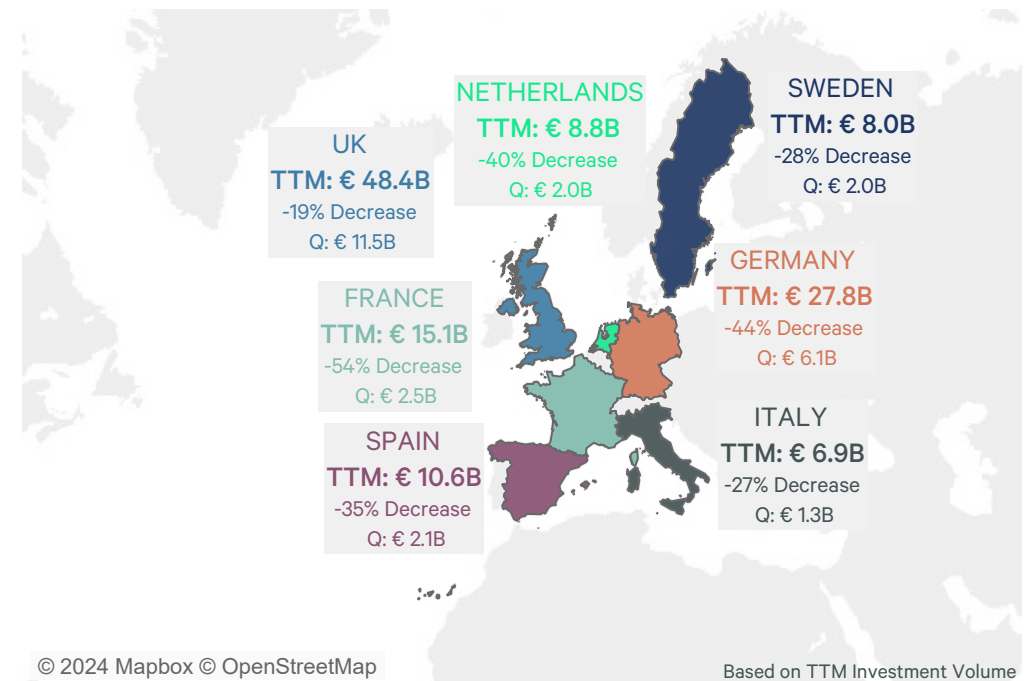
Regarding the predominant profile, private investors and family offices continue to be the most active, increasing their participation by 2pps compared to the previous year, reaching 19% of the total investment in the first quarter of the year. As for the origin of the investment, almost half of the total invested amount comes from domestic capital. Locations outside the Madrid and Barcelona markets continue to demonstrate their attractiveness, concentrating more than half of the investment, an increase of 11pps compared to the first quarter of 2023.



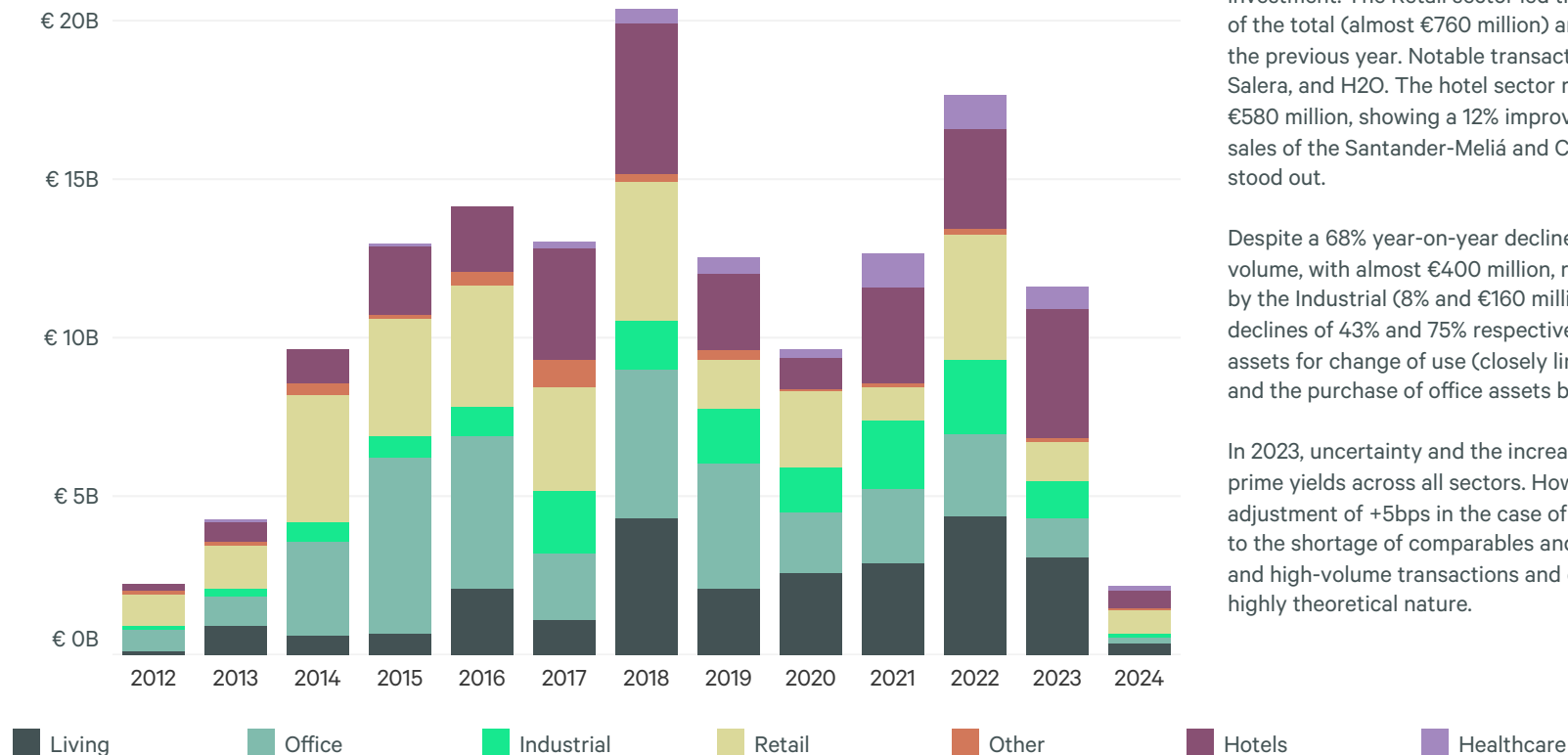
Investment by Sector (Spain)



Investment in Top 7 European Countries



Investment Volumes Annual by Sector (Spain)



Note: 2024 annual numbers till 31/03/2024

In the first quarter of the year, the Hotels and Retail segments accounted for 63% of the investment. The Retail sector led the real estate investment in Spain, representing 36% of the total (almost €760 million) and tripling the volume invested in the same period of the previous year. Notable transactions include shopping centers such as Isla Azul, La Salera, and H2O. The hotel sector remained in second position, with 27% and almost €580 million, showing a 12% improvement compared to the first quarter of 2023. The sales of the Santander-Meliá and Catalonia Hotels & Resorts - HI Partners portfolios stood out.

Despite a 68% year-on-year decline, the Living sector continues to attract a high volume, with almost €400 million, representing 18% of the total invested. It is followed by the Industrial (8% and €160 million) and Office (7% and €140 million) sectors, with declines of 43% and 75% respectively. There is also a growing interest in the purchase of assets for change of use (closely linked to the regulatory framework of each locality), and the purchase of office assets by occupiers for their own use.

In 2023, uncertainty and the increase in interest rates led to a widespread increase in prime yields across all sectors. However, in 2024, stability is observed, with a minimal adjustment of +5bps in the case of offices, which also shows signs of stabilization. Due to the shortage of comparables and the coexistence of different market speeds, with low and high-volume transactions and diverse financing needs, prime yields maintain a highly theoretical nature.

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