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**ARIMELIA ITG SOCIMI, S.A.
INFORMATION DOCUMENT
SEPTEMBER 2021**

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Le présent Document d'Information ne constitue pas un prospectus au sens du règlement européen (UE) 2017/1129 du Parlement européen et du Conseil du 14 juin 2017 concernant le prospectus à publier en cas d'offre au public de valeurs mobilières ou en vue de l'admission de valeurs mobilières à la négociation sur un marché réglementé.

Ce document peut également être consulté sur le site internet ARIMELIA ITG SOCIMI, S.A. (www.arimelia.com) / Copy of this Information Document is available free of charge at ARIMELIA ITG SOCIMI, S.A. (www.arimelia.com).

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CONTENT

1	GENERAL DESCRIPTION OF ARIMELIA ITG SOCIMI, S.A.	6
1.1	Company name, registered office, and registration for the special tax regime for SOCIMI.....	6
1.2	Company purpose.....	6
1.3	Duration.....	7
1.4	Fiscal Year	7
1.5	Dividends	8
1.6	Administrative, management and controlling bodies.....	9
1.6.1	Board of directors.....	9
1.6.2	Composition of the board of directors.....	11
1.6.3	Directors' and Management Team	12
1.6.4	Assessment of the board of directors related to Bankruptcy, liquidation, and/or fraud related convictions	13
2	HISTORY AND KEY FIGURES.....	13
2.1	History of the Company.....	13
2.2	Selected financial data.....	14
3	COMPANY ACTIVITY	15
3.1	Summary of the business	15
3.2	Company investments data.....	16
3.3	Past and future investments	17
3.4	Business model	18
3.5	Company's functional organization.....	19
3.6	Investment strategy and competitive advantages.....	19
3.7	Description of Real Estate Assets	20
3.7.1	Amazonas	21
3.7.2	Centro Polo.....	24
3.7.3	Dalia.....	27
3.7.4	Linares 12	30
3.7.5	Orquídea.....	33
3.7.6	Villa Romano	36

3.8	The market.....	40
3.9	Insurance contracts	44
3.10	Related party transactions	44
3.11	Organization chart	44
4	RISK FACTORS.....	45
4.1	RISKS ASSOCIATED WITH THE REAL ESTATE BUSINESS	45
4.1.1	Cyclical sector	45
4.1.2	Risks derived from the possible fluctuation in the demand for properties and their consequent decrease in rental prices.	45
4.1.3	Degree of liquidity of investments	45
4.1.4	Risk of lack of occupation or activity license.....	45
4.2	OPERATING RISKS	46
4.2.1	Risks associated with the valuation of assets	46
4.2.2	Risk of property damage	46
4.2.3	Geographical concentration of product and market	46
4.2.4	Negative financial results	46
4.2.5	Covid-19.....	46
4.3	LEGAL AND REGULATORY RISKS	47
4.3.1	Risks related to regulatory changes.	47
4.3.2	Application of special tax regime	48
4.3.3	Loss of the SOCIMI tax regime	48
4.3.4	Litigation risk	48
4.3.5	Lack of liquidity for the payment of dividends	48
5	INFORMATION CONCERNING THE OPERATION.....	49
5.1	Registration with Euronext Access	49
5.2	Objectives of the listing process.....	49
5.3	Company's share capital.....	50
5.4	Evolution of share capital	50
5.5	Main characteristics of the shares and general meeting rules	51
5.5.1	Characteristics of the shares	51
5.5.2	General Meeting rules.....	51

5.6	Conditions for the transfer shares.....	55
5.7	Scheduled date for first shareholder's general meeting and first publication of earnings figures	55
6	COMPANY VALUATION AND FINANCIAL FORECASTS	56
6.1	Valuation methodology	56
6.2	Company valuation	57
6.3	Company's financial resources for at least twelve months after the first day trading.....	57
7	FINANCIAL INFORMATION	58
7.1	BALANCE SHEET AS OF SEPTEMBER 30TH, 2020.....	58
7.2	INCOME STATEMENT AS OF SEPTEMBER 30 TH , 2020	59
7.3	PRINCIPLES, RULES AND ACCOUNTING METHODS	59
8	LISTING SPONSOR	60
9	ANNEXES	61

DCM ASESORES, DIRECCIÓN Y CONSULTORÍA DE MERCADOS, S.L. advises to read this entire Information Document carefully, including the risk factors ARIMELIA ITG SOCIMI S.A. and the original historical financial statements.

COMPANY REPRESENTATIVE FOR INFORMATION DOCUMENT

Mr. Ryan Craig Howsam, as President of the Board of Directors and CEO, acting for and on behalf of **ARIMELIA ITG SOCIMI, S.A.** (hereinafter, the “**Company**” or the “**Issuer**” or “**ARIMELIA**” or “**ARIMELIA SOCIMI**”) hereby declares, after taking all reasonable measures for this purpose and to the best of his knowledge, that the information contained in this Information Document is in accordance with the facts and that the Information Document makes no material omission.

1 GENERAL DESCRIPTION OF ARIMELIA ITG SOCIMI, S.A.

ARIMELIA ITG SOCIMI, S.A. has been constituted the 8th of April of 2019 in Madrid. They are a real estate investment trust (REIT), specialized in properties in stunning destinations. Its portfolio includes 6 residential assets in Marbella.

It adopted the corresponding agreement to subscribe to the special tax regime which regulates Real Estate Investment Trusts (SOCIMI), resulting from the application presented by the Company to the State Tax Administration Agency.

Arimelia passed the sole shareholder resolution to apply for the socimi regime on 20 September 2019. The authorities were notified of this on (circa) 23 September 2019.

1.1 Company name, registered office, and registration for the special tax regime for SOCIMI

Arimelia ITG SOCIMI, S.A. (the Company) was incorporated in Madrid on 8 April 2019, under the name Arimelia ITG, S.L. By a Sole Shareholder resolution of 20 December 2019, the Company was converted into a stock company (*sociedad anónima*) and changed its name to its current name on 25 February 2020.

The Company's registered office is located at calle Serrano, 41, 4^a planta, 28001-Madrid, Spain.

The Company is registered with the Commercial Registry of Madrid at volume 39066, sheet M-694081, page 40, with tax identification number A-88362892 and legal entity identifier number A-88362892.

1.2 Company purpose

The Company's corporate purpose is as follows (Article 2 of the bylaws):

"1. The acquisition and promotion of urban real estate for lease (CNAE 6820). The promotion activity includes the rehabilitation of buildings under the terms established in Law 37/1992 on Value Added Tax.

2. The holding of shares in the capital of listed investment companies in the real estate market (SOCIMI) or in that of other non-resident entities in Spanish territory that have the same main corporate purpose as the former and that are subject to a regime similar to that of the established for SOCIMIs regarding the mandatory policy, legal or statutory, for the distribution of benefits.

3. *The holding of shares in the capital of other entities, residents or not in Spanish territory, whose main corporate purpose is the acquisition of urban real estate for leasing and which are subject to the same regime established for SOCIMIs as regards to the mandatory, legal or statutory policy of profit distribution and meet the investment requirements referred to in article 3 of Law 11/2009, of October 26, regulating Listed Investment Companies in the Real Estate Market, or the regulation that replaces it as well as the other requirements established in article 2 of the aforementioned Law.*

4. *The holding of shares or participations in Real Estate Collective Investment Institutions regulated in Law 35/2003, of November 4, on Collective Investment Institutions. Real Estate Promotion (CNAE 4110).*

5. *Construction of buildings both residential (CNAE 4121) and non-residential (CNAE 4122).*

6. *Buying and selling of real estate on own account (CNAE 6810).*

7. *Rent of own rustic properties (CNAE 6820).*

All those activities for the exercise of which the law requires requirements that cannot be met by this Company are excluded. 8. The activities that make up the corporate purpose may be carried out both in the national territory and abroad."

1.3 Duration

The company duration is set out in Article 4 of its bylaws.

"The duration of the Company is indefinite and its activity will begin on the day the constitution deed is granted."

The fiscal year was modified last year 2020. Until then, it used to be from January 1 to December 31, but the Company closed the last fiscal year on September 30, 2020, so the last fiscal year lasted 9 months. The current fiscal year runs from October 1 to September 30.

1.4 Fiscal Year

The company financial year is set out in Article 24 of its bylaws.

"Article 24.- Fiscal year and formulation of the annual accounts."

1. *The fiscal year will begin on October 1 and will end on September 30 of the following year. By exception, the current fiscal year began on January 1, 2020, and will end on September 30, 2020.*
2. *The Administrative Body, within the first three months of the year, will prepare the annual accounts, where appropriate the management report, and the proposal for the application of the result, as well as, where appropriate, the annual accounts and the report. consolidated management. The annual accounts and the management report must be signed by all administrators. If the signature of any of them is missing, it will be indicated in each of the documents in which it is missing, with express indication of the cause."*

1.5 Dividends

"Article 26.- Special rules for the distribution of dividends

Dividend enforceability

Unless otherwise agreed, the dividend will be paid within thirty (30) days from the date of the resolution by which the General Meeting agreed to its distribution. Said General Meeting must take place within six (6) months following the end of the fiscal year.

Indemnification

To the extent that the Company is subject to a 19% special tax on the amount of dividends distributed to those shareholders with a stake equal to or greater than 5% who pay taxes on said dividends at a rate lower than 10%, said shareholders They will indemnify the Company by reimbursing it an amount equivalent to 19% of the dividends received. The amount of the compensation to be paid by the shareholders will be offset against the amount of the dividends to be paid to them, and the Company may retain the amount of the compensation of the liquid to be paid as dividends. In the event that the income received by the Company as a result of the compensation is taxed in Corporation Tax at the general tax rate, the amount of the compensation will be increased to the extent necessary to absorb said tax cost (ie raising the full amount).

The amount of compensation will be approved by the Administrative Body prior to the distribution of the dividend.

Other rules

In those cases in which the amount of the compensation could cause damage to the Company (for example, the derivative of the breach of the requirement demanded in Law 11/2009 consisting in that at least 80% of the income of the tax period comes from certain sources), the Administrative Body may demand compensation for an amount lower than that calculated in accordance with the provisions of section 2 of this article or, alternatively, delay the enforceability of said compensation until a later time."

1.6 Administrative, management and controlling bodies

1.6.1 Board of directors

"SECTION II.- THE BOARD OF DIRECTORS:

Article 19.- Ways of organizing the administration of the Company

The administration of the Company will be entrusted to a Board of Directors, which will be made up of a minimum of three (3) and a maximum of (12) directors.

The Board of Directors will be governed by the applicable legal regulations and by these Articles of Association.

Article 20.-Powers of representation

1. The Board of Directors holds the representation of the Company, and it extends to all the acts included in the corporate purpose, having attributions and powers, the most widely understood, for the administration and governance of the Company provided they are not expressly reserved by the Capital Companies Law for the General Shareholders' Meeting.

2. Any limitation of the representative powers of the Board of Directors, whether derived from decisions of the General Meeting or from these bylaws, will be ineffective against third parties, without prejudice to its validity and the responsibility incurred by the Administrators against to the Company in the event of excess or abuse of powers or for the performance of acts not included in the corporate purpose that oblige the Company by virtue of the provisions of the Capital Companies Act.

3. The power of representation of the Company, in court and out of it, corresponds to the Board of Directors, which will act collectively.

The Secretary and, where appropriate, the Deputy Secretary of the Board of Directors, have the necessary representative powers to raise to the public and request the registration of the resolutions of the General Shareholders' Meeting and of the Board of Directors.

Article 21.- Duration of the position

The administrators will exercise their position for a period of six years. Administrators may be re-elected to the position, one or more times, for periods of the same maximum duration.

Article 22.- Directors' remuneration

The directors in their capacity as members of the Board of Directors will not receive remuneration, having such a condition free of charge. In any case, the members of the Board of Directors will have the right, in their capacity as such, to the payment or reimbursement of the expenses that they have incurred as a result of their attendance at meetings and other tasks directly related to the performance of their position, such as travel, accommodation, maintenance and any other that may be incurred, as long as they are duly justified

Notwithstanding the foregoing, when a member of the Board of Directors is appointed Chief Executive Officer or is assigned executive functions by virtue of any title, it will be necessary to enter into a contract between him and the Company that must be previously approved by the Board of Directors with the favourable vote of two thirds of its members. The affected director must abstain from attending the deliberation and from participating in the vote. The approved contract must be included as an annex to the minutes of the session.

Said contract will detail all the items for which the director may obtain remuneration for the performance of executive functions. Executive directors may be remunerated with a fixed remuneration, a variable remuneration, an indemnity for early termination of their duties and, where appropriate, by the amounts to be paid by the Company as insurance premiums or contributions to savings systems. The director may not receive any remuneration for the performance of executive functions whose amounts or concepts are not provided for in that contract.

Article 23.- Board of Directors

1. Composition of the Board of Directors

The Board of Directors will be made up of a number of members not less than three (3) nor more than twelve (12), which will be determined by the General Shareholders' Meeting. The directors may or may not be shareholders.

The General Shareholders' Meeting is responsible for setting the number of directors. For this purpose, it will proceed directly by setting said number by express agreement or, indirectly, by filling vacancies or appointing new directors, within the maximum limit established in the previous section.

The Board of Directors may appoint an executive committee or one or more CEOs, as well as an audit committee. In no case may the rendering of accounts of the corporate management and the presentation of balance sheets to the General Shareholders' Meeting be delegated, nor the powers granted to the Board of Directors, unless expressly authorized by it.

2. Appointment of positions on the Board of Directors

The Board of Directors will appoint the Chairman from among its members and may have one or more Vice-Chairmen, who, in accordance with the order established by the Board, will replace the Chairman in the event of vacancy, absence or illness.

It will also designate the person who exercises the position of Secretary and, where appropriate, Vice Secretary. To be appointed President or Vice President, it will be necessary for the designated person to be a member of the Board of Directors, a circumstance that will not be necessary for the person designated to exercise the position of Secretary and / or Vice Secretary, in which case he will have voice but no vote.

3. Meetings of the Board of Directors

1. The Board of Directors will meet as often as is convenient for the proper performance of its functions, respecting in all cases the minimum frequency required by law.

2. The call, which will always include the agenda for the meeting and the relevant information, will be made by the Chairman of the Board of Directors or whoever takes his

place by any means that allows its reception. The call will be made at least three (3) days before the date of celebration, except in an emergency, which may be called at least 24 hours before the date of celebration. The administrators who constitute at least one third of the members of the board may call it, indicating the order of the day, to be held in the town where the registered office is located, if, upon request to the chairman, the latter without just cause had not made the call. within a month.

3. Notwithstanding the foregoing, the Board of Directors shall be deemed to be validly constituted without the need for a call if, all of its members present or represented, unanimously accept the holding of the session and the items to be discussed on the agenda.

4. Likewise, if no director opposes it, votes of the Board of Directors may be held in writing and without a meeting.

5. The Board of Directors may be held by videoconference or by multiple telephone conference in several places connected by systems that allow the recognition and identification of the attendees, the permanent communication between the attendants regardless of where they are, as well as the intervention and casting of the vote, all in real time, as long as none of the directors opposes it.

Those attending any of the places will be considered, for all purposes related to the Board of Directors, as attending the same and only meeting. The session will be understood to be held at the place of the registered office.

4. Development of the sessions

1. The Board will be validly constituted when half plus one of its members attend the meeting, present or represented by another director. Proxy will be conferred in writing, necessarily in favour of another director, and specifically for each session, communicating it to the Chairman.

2. Resolutions will be adopted by an absolute majority of the concurrent directors, present or represented, at the meeting, except when the Law or these Bylaws provide for other majorities. In the event of a tie, the President will have a casting vote."

1.6.2 Composition of the board of directors

The company board of directors' composition was set in its meeting celebrated on June the 16th, 2021, as follows:

1.- President and CEO:

Mr. RYAN CRAIG HOWSAM.

2.- Vice-president:

Mr. IAN WILLIAM EDWARD VERINDER.

3.- Secretary:

Mrs. PATRICIA ANNE GOODMAN.

4.- Vice secretary not a member of the board of directors:

Mrs. MAIALEN MAITANE DE LA PEÑA PEREA.

1.6.3 Directors' and Management Team

Ryan Craig Howsam.

President and CEO. Ryan is a mentor, investor and entrepreneur, founder of Staysure Insurance. He has joined forces with some of the UK's leading entrepreneurs to provide business and financial advice and support to UK businesses. He began his business career at the age of 17, creating a company that ended up selling for a very significant amount. It currently employs more than 1,000 people directly and indirectly through its business investments.

Ian William Edward Verinder.

VicePresident. CEO of several companies with a huge track record in in United Kingdom. Associate of the Chartered Institute of Management accounts (2020), and BSc (Hons) Mathematics with Management (University of Liverpool, UK, 2003), started his career as senior commercial executive at My Travel, and later as management accountant and commercial financial analyst at Auto Trader Group, before joining Optionis Group between 2010 and 2013 as financial manager of the group. Between 20123 and 2018 he worked at The Resort Group PLC (Gibraltar) in different positions, becoming the group finance director in 2017, and reporting to CEO as responsible for overall financial health and governance of the Group, covering a balance sheet with assets above 240 million euro and turnover in excess of 140 million euro. Since 2019 Ian is CFO of Lottoland (Gibraltar) where he reports to CEO, overseeing the group's financial planning, treasury and management and statutory financial reporting.

Patricia Anne Goodman.

Financial and accounting responsible. She is director of several companies of Ryan Craig, and in the case of Arimelia she is also financial controller. With a diploma of accounting (Australia, 1977) and extensive experience in all areas within accounting processes, Patricia worked as financial controller reporting to the board of directors of Gempro (Holdings) Ltd from 1981 to 2004. Between 2006 and 2007 she worked with Living Information Guides Ltd in association with the British Chamber of Commerce in Spain, developing among other roles the visit and advising to companies based on the Costa del Sol of Spain. Since 2008 she works as financial controller or director of different companies of the Staysure group.

1.6.4 Assessment of the board of directors related to Bankruptcy, liquidation, and/or fraud related convictions

The Board of Directors further declares that they have not been subject to fraud convictions in the past, neither are there any on-going procedures in this regard in which any person in the management and/or Board of the Issuer has been involved.

2 HISTORY AND KEY FIGURES

2.1 History of the Company

ARIMELIA ITG SOCIMI, S.A. has been constituted the 8th of April of 2019 in Madrid. They are a real estate investment trust (REIT), specialised in properties in stunning destinations. Its portfolio includes 6 residential assets in Marbella.

As the owners and operators of the accommodation, they have complete control over every aspect of the facilities, giving you a high level of security and service. They set high standards for the interior design of their properties, offer a meticulous hospitality and stunning views.

At the head of the company is Mr. Ryan Howsam, a long-standing businessman with extensive experience in different business sectors.

2.2 Selected financial data

The Company's key figures are presented below:

BALANCE SHEET			
ACTIVE		30/09/2020	
NON CURRENT ASSET		€ 9,811,262	
Real Estate Investments		€ 9,811,262	
Non current financial assets		€ 0	
Non current trade receivables		€ 0	
CURRENT ASSET		€ 20,352	
Inventory		€ 0	
Trade and other receivables		€ 7,297	
Current financial investments		€ 0	
Current accruals		€ 1,122	
Cash and other equivalents		€ 11,934	
TOTAL ASSETS		€ 9,831,615	
PASIVE		30/09/2020	
EQUITY		€ 5,697,545	
Share capital		€ 5,000,000	
Share premium		€ 1,182,485	
Reserves		-€ 580	
Prior period profit/loss		-€ 105,501	
Period profit/loss		-€ 378,858	
NON CURRENT LIABILITIES		€ 2,598,627	
Long term debt		€ 2,598,627	
CURRENT LIABILITIES		€ 1,535,443	
Short term debt		€ 76,902	
Accounts payable		€ 1,458,541	
TOTAL EQUITY & LIABILITIES		€ 9,831,615	

PROFIT & LOSS	30/09/2020
Revenues	18,550.00
Operating Result	-301,956.13
Financial Result	-76,901.92
Result before Taxes	-378,858.05
NET RESULT	-378,858.05

More detailed financial information of the Company is provided in section 7 of this Information Document.

The 2020 Spanish language audit on financial statements has been made by PRICEWATERHOUSECOOPERS AUDITORS, S.L. hereinafter "PWC" or "Auditor".

The financial statements (including the corresponding audit report on such financial years) are available on the Company's website: [Luxury Apartments in Marbella | Arimelia, Puente Romano](#)

3 COMPANY ACTIVITY

The Company's purpose is to invest in luxury residential and commercial real estate assets intended for lease. All assets are in Marbella, southern Spain.

The company's property portfolio currently consists of six residential properties and one commercial property. The extraordinary relational level of the Company's promoters gives it access to very valuable assets when selecting where to invest in the area.

Residential properties are rented as short-term holiday rentals and the commercial property will be leased on a long-term basis from January 2022.

The Company's investment strategy is primarily focused on maintaining optimal conditions of the real property assets to optimize income from rent.

Additionally, it intends to increase its property asset portfolio by investing in the best adaptation of the properties.

3.1 Summary of the business

ARIMELIA is a real estate investment trust (REIT), specialized in properties in stunning destinations. Its portfolio includes 6 residential assets in Marbella – Málaga (Spain):

- | | |
|----------------|-----------------|
| • Amazonas. | • Linares 12 |
| • Centro Polo. | • Orquídea. |
| • Dalia. | • Villa Romano. |

ARIMELIA is focused on the management of first-rate properties in the main holiday destinations in Spain since they offer superior returns than other parts of the copayable rental market. The main focus of the company, in the short term, is the Marbella area and, in particular, the Puente Romano complex, which is the jewel in the crown of the Golden Sommelier, the most prestigious area of Marbella.

ARIMELIA maintains very good relationships with real estate agents in the local market, which gives us privileged access to the opportunities that arise, and that fit our investment criteria: ideally properties that require reform work, which allows us to Arimelia achieve an increase in shareholder value after the remodel.

The forecast is to have net returns clearly above 4%. This return, together with that derived from the revaluation of assets, allows the Company to maintain a profitability target for the shareholder above 8%.

While the market can be cyclical, the nature of purchases and the added value through redevelopment should help protect investors from any downturn, plus rental income from properties also offers an additional degree of protection. Even a drop in values would not materially alter returns given the strong demand for vacations from the best Spanish resorts.

Over time, Arimelia will focus on the main luxury resorts in Spain. Investing also offers investors a great way to invest in premium real estate without having to deal with management, payments, etc. Additionally, ARIMELIA plans to offer premium terms of use to its investors.

In short, Arimelia will deliver strong returns as a premium residential investment that appeals to sophisticated investors and institutions as well as anyone thinking of buying a holiday home in Spain.

ARIMELIA competitors are as follows:

1. Private property owners who manage the holiday rental of their personally owned properties.
2. Local rental agencies who promote Marbella properties for holiday rental.

ARIMELIA market position is the one regarding the luxury properties, and as such, clients who rent these properties have a high level of personal disposable income and expect and receive a very high level of quality in the accommodation.

3.2 Company investments data

The company owns 6 assets, all of them located in Marbella - Málaga (Spain) with a total market value of €26,005,000 attending to the expert valuation.

Malaga, capital of the province of the same name, is in the Autonomous Community of Andalusia, Spain. Malaga is the second most populous city of Andalusia and the sixth largest in Spain. The southernmost large city in Europe, it lies on the Costa del Sol (Coast of the Sun) of the Mediterranean.

Malaga's strategic position has contributed to its economic stance, generating one of the most important ports in the Mediterranean, and its favourable location on the Costa del Sol enabling the city to attract millions of tourists every year.

The port in Malaga is the second largest in Spain making it very popular with foreign traders from Europe and North Africa, and it even holds the third largest international Airport. This has converted the city of Malaga into Costa del Sol's commercial capital. The most important business sectors in Málaga are tourism,

construction, and technology services, but other sectors such as transportation and logistics are beginning to expand. Málaga is the main economic and financial centre of southern Spain. Excellent infrastructures coupled with good weather has made the Malaga region and above all the Costa del Sol an important tourist hub.

Marbella is one of the major cities and one of the most well-known places within Malaga. Situated on the coast and some 66 kilometres to the west of Malaga. A mainly residential and tourist area considered one of the most luxurious places to live within the Costa del Sol.

The majority of the subject properties are situated with *Puente Romano* which forms part of the Golden Mile and *Nueva Andalucía* which is located just north of the famous marina *Puerto Banús*.

3.3 Past and future investments

The Company's investment property relates to properties that are used for rental purposes.

The changes in "Property, plant and equipment" in the year ended on 30 September 2020 and 2019 and the most significant information affecting this heading were as follows:

	Balance at 1/01/2020	Additions or Provisions	Disposals	Balance at 30/09/2020
Cost:				
Plots	3,298,918.80	1,044,738.53	0.00	4,343,657.33
Buildings	2,884,186.48	2,503,471.96	0.00	5,387,658.44
Other	0.00	84,574.04		84,574.04
Buildings under construction	0.00	108,569.38	0.00	108,569.38
Total Cost	6,183,105.28	3,741,353.91	0.00	9,924,459.19
Depreciation:				
Buildings	-14,443.00	-95,759.96	0.00	-110,202.96
Other	0.00	-2,994.04	0.00	-2,994.04
Total accumulated depreciation	-14,443.00	-98,754.00	0.00	-113,197.00
Total investment property	6,168,662.28	3,642,599.91	0.00	9,811,262.19

On 5 February 2020, the Company acquired 4 commercial premises and one dwelling, all of them located in Supermanzana B of Sector four of the Urbanisation Nueva Andalucía de Marbella, intended for lease, for a total price, including the costs associated with each transaction, of EUR 3,515,043.

On 30 September 2020, the 'Payable to suppliers' heading of the accompanying balance sheet included an outstanding amount of 1.416.831 € corresponding to the aforementioned additions. This amount was paid in February 2021.

The buildings under construction relate to the improvement works that are being carried out on the assets acquired so that they are available for lease.

3.4 Business model

The basic business plan has been the acquisition of assets, these are renovated, and a refurbishment budget is invested in the properties to a high standard in readiness for their posterior letting either on a short- or medium-term basis.

ARIMELIA uses various methods to market its properties for rental:

1. Google is utilised via its Google Ads and Google Pay per Click business services: the ARIMELIA web site is linked to Google services.
2. Facebook professional advertising and marketing services.
3. Instagram professional advertising and marketing services.
4. Marbella based holiday rental agencies who specialise in luxury rentals. The commissions paid to such holiday rental agencies who provide clients are registered in the financial statements of the Company as real estate advisory services included among the operating expenses.
5. The website www.booking.com is used as a booking agency.

3.5 Company's functional organization

Arimelia is managed internally through the Board of Directors.

Ryan Howsam is President of the Board, Ian Verinder is Vice President of the Board and Patricia Goodman is the Company Secretary and a Director.

Ryan Howsam is responsible for keeping track of the Company's progress towards its goals. More specifically, he is responsible for the acquisitions, divestments and leasing of the real estate property assets and ensuring their profitability.

Ina Verinder is the Company's Chief Financial Officer. He is responsible for managing the Company's financial and administrative aspects and for ensuring the legal compliance with the SOCIMI regime, the Market, and the Regulators. Further, he is responsible for ensuring the profitability of the Company. Patricia Goodman assists Ian Verinder.

The Company also employs a property manager who is responsible for overall management of the investment properties on a day-to-day basis.

<i>Ryan Howsam</i>	
Director	
<i>Patricia Goodman</i>	<i>Ian Verinder</i>
Director and Company Secretary	CFO & Director
<i>Shadya Hwedi</i>	
Property manager	

3.6 Investment strategy and competitive advantages

The company bases its strategy on the acquisition of properties in locations of the highest level (currently concentrated in the Puerto Romano area, in Marbella, on the Spanish Costa del Sol), which it proceeds to reform to obtain additional profitability, both for the via the rental as well as the revaluation of such assets.

The competitive advantage lies fundamentally in the high relational positioning of the Company and its managers among the commercial agents of the real estate sector in the area.

3.7 Description of Real Estate Assets

Detailed information on them and their valuation is attached to this information document Annex III.

The company's property portfolio currently consists of six residential properties and one commercial property:




Residential asset details	Type	Brief description	Asset Market Value
Jardin Japones (Dalia)	Residential	3 bedroom apartment -188.88 square metres in area	3.235.000 €
Jardin Persa (Orquidea)	Residential	4 bedroom duplex - 327.51 square metres in area	5.500.000 €
Linares	Residential	2 bedroom apartment -160.2 square metres in area	2.000.000 €
Amazonia	Residential	2 bedroom apartment -150.8 square metres in area	1.575.000 €
Villa Romane (Torre Verde)	Residential	4 bedroom villa / house - 440.32 square metres in area	8.400.000 €
Centro Polo villa	Residential	4 bedroom villa / house - 360.89 square metres in area	5.295.000 €
Centro Polo office	Commercial	816.73 square metres in area	5.295.000 €

Their summary of its expected revenue generation is as follows:

Month	3 holiday rental seasons *	Expected occupancy rates	Expected monthly revenues **
September	Mid	50%	81.750 €
October	Low	30%	37.200 €
November	Low	30%	36.000 €
December	Low	30%	37.200 €
January	Low	30%	82.930 €
February	Low	30%	76.840 €
March	Low	30%	92.463 €
April	Low	30%	90.125 €
May	Low	50%	124.238 €
June	Mid	50%	150.856 €
July	High	90%	339.354 €
August	High	90%	339.354 €
* residential properties		** all properties	1.488.310 €

3.7.1 Amazonas

Description of Location:

Macro Location Region: Province: Nearest Main: City: Situation Name: Distance:	Andalucia Malaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre – Golden Mile	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanization Puente Romano II Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various – inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Málaga, 58 kilometres Puerto Banús 2.5 kilometres	<p><i>Map / Aerial View</i></p> 

Description of the Property:

Property/ building type	Residential Apartment								
Year of construction	Approximately 1982								
Quality of building	<p>The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club.</p> <p>We can confirm the last major refurbishment has recently completed to a high standard. The property has recently been refurbished to a high standard and provides excellent fixtures and fittings.</p>								
Facilities	Limited on site to communal grounds and swimming pools								
Parking	We understand there is a car parking space allocated to the subject property								
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>18,934 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	18,934 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	18,934 m ²								
Description:	<p>Situated within the urbanisation known as Puente Romano II. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at ground floor level</p> <p>The property comprises a Kitchen, Living room, 2 bedrooms and 2 bathrooms, WC, Laundry/Storage area.</p> <p>There are two terrace areas to the rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views over the botanical gardens.</p>								

Photos:



State of repair:




Overall, the condition of the subject property can be assessed as excellent. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building:

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1980s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

3.7.2 Centro Polo

Description of Location:

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Nueva Andalucia Some 7.5 kilometres to the west of Marbella city centre -800 metres northeast of Puerto Banús	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Nueva Andalucia – Urbanization La Pera Mainly Residential Low rise residential, detached, and terraced housing Hotels, retail Restaurants Shopping Centre	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various – inner city N-340 (A7) within 300 metres also AP7 motorway within 4.5 kilometres Malaga, 61.5 kilometres Puerto Banus 800metres	<p><i>Map / Aerial View</i></p> 

Description of the Property:

Property/ building type	Mixed Use – Residential – Offices – Business Centre with associated services								
Year of construction	Approximately 2002								
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary. The exterior of the property fits in with the surroundings. The property is currently undergoing an extensive refurbishment programme at the time of inspection. The quality, nature and characteristics of the property are different to what is readily available in the subject area								
Facilities	Limited on site but within proximity to Centro Plaza and Puerto Banus								
Parking	Limited to on street parking – potential to incorporate a space to rear of property.								
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>1,042 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	1,042 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	1,042 m ²								
Description:	<p>Situated within the urbanisation known as Urbanisation La Pera. The urbanisation is made up of various residential dwellings with associated gardens and swimming pools.</p> <p>The property although described as two different entities is a singular block but due to the lay of the land can be accessed at different levels of the property from the front and rear.</p> <p>The property is set over some 4 floors.</p> <p>The lower floors which can be accessed via Calle Azaleas have a typical retail front (although described as basements 1 & 2 within the cadastral) they are in fact at street level and from Calle Azaleas appear as ground and first floor.</p> <p>These two floors are currently undergoing extensive refurbishment work and are connected by an internal staircase. The floors are fairly open plan and partitioning walls have been removed. The floors are currently undergoing distribution and layout. Natural light is confined to the front of the subject units at basement level 2 and at basement level 1 natural light is incorporated at the front and side of the subject property. Ongoing works included division of areas and some storage areas but in</p>								

general the property was open plan. These two floors are connected by a main internal staircase. Four of the subject land registry plots are included within these two floor areas. The fifth land registry plot is the residential element. At present this can be accessed via calle Los Nardos at ground floor level (Floor 3 within the subject property) and has own private access. There is also an external garden area at this level including a swimming pool and terrace areas. The property has an upper floor which is currently undergoing refurbishment including terrace areas. The property is being refurbished to provide residential accommodation for letting purposes.

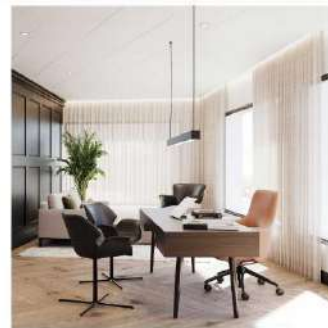
Photos:



Fixed Desks



Hot Desks



VIP Offices



Conference Rooms



Gym






Luxury Rooms

State of repair: The property is currently in a skeleton state and undergoing an extensive refurbishment programme. The photos illustrate the concept that will be adopted upon completion. In general, to a high specification and modern standard.

Assessment of building: Well-known and established residential area within proximity to Puerto Banus. Property was built some 19 years ago but the characteristics and design fit in with the local construction. The property is in the process of being modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions. The majority of the property will be dedicated to office and business space use with the upper floor dedicated to room rental.

3.7.3 Dalia

Description of Location:

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucía Málaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p style="text-align: center;"><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanisation Jardin Japones Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p style="text-align: center;"><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometers Malaga, 58 kilometers Puerto Banus 2.5 kilometers	<p style="text-align: center;"><i>Map / Aerial View</i></p> 

Description of the Property:

Property/ building type	Residential Apartment								
Year of construction	Approximately 1992								
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. The exterior of the property fits in with the surroundings. The property has been modernized and is to a high specification. The quality, nature and characteristics of the property are similar in comparison to other properties but with a high specification fit out.								
Facilities	Limited to communal services and swimming pools within urbanization albeit able to make full use of services located within Hotel Puente Romano								
Parking	We understand there is a car parking space and storage allocated to the subject property								
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>22,406 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	22,406 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	22,406 m ²								
Description:	<p>Situated within the urbanization known as Puente Romano Jardin Japones.</p> <p>The urbanization is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first floor level</p> <p>The property has been refurbished and comprises a hallway, Kitchen, Living room, 2 bedrooms and 2 bathrooms, Laundry/Storage area, WC.</p> <p>There are terrace areas to the front of the property with sea views.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views to the beach front.</p> <p>There is a car parking space and storage area at basement level.</p>								

Photos:



State of repair:




The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building:

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1990s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

3.7.4 Linares 12

Description of Location:

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre – Golden Mile	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanisation Hotel Puente Romano Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various – inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Malaga, 58 kilometres Puerto Banus 2.5 kilometres	<p><i>Map / Aerial View</i></p> 

Description of the Property:

Property/ building type	Residential Apartment								
Year of construction	Approximately 1976								
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. We understand the last major refurbishment was undertaken in the last 12 months. The property has recently been refurbished to a high standard and provides excellent fixtures and fittings.								
Facilities	Forms part of Hotel Puente Romano benefits from the facilities and services available on site								
Parking	We understand there is a car parking space allocated to the subject property								
Lettable Areas	Our floor areas are based on the information provided and are as follows: <div data-bbox="639 1079 1141 1375" data-label="Table"> <table> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>32,120 m²</td></tr> </table> </div>	Cadastral		Main figures		Use	Residential	Land Plot	32,120 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	32,120 m ²								
Description:	<p>Situated within the urbanisation known as Hotel Puente Romano. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first floor level</p> <p>The property comprises a Kitchen, Living room, 2 bedrooms and 2 bathrooms, WC, Laundry/Storage area.</p> <p>There is a terrace area to the rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views over the botanical gardens.</p>								

Photos:



State of repair:




Overall, the condition of the subject property can be assessed as excellent. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building:

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1970s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

3.7.5 Orquídea

Description of Location:

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andaluci aMalaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre – Golden Mile	<p><i>Map</i></p> 
Micro Location District: Surrounding :	Urbanisation Jardin Persa Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various – inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Malaga, 58 kilometres Puerto Banus 2.5 kilometres	<p><i>Map/ Aerial View</i></p> 

Description of the Property:

Property/ building type	Residential Apartment Duplex								
Year of construction	Approximately 1986								
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. The exterior of the property fits in with the surroundings. The property is currently undergoing an extensive refurbishment programme at the time of inspection. The quality, nature and characteristics of the property are similar in comparison to other properties along the beach front with an added feature of a Duplex.								
Facilities	Limited to communal services and swimming pools within urbanisation albeit able to make full use of services located within Hotel Puente Romano								
Parking	We understand there is a car parking space allocated to the subject property								
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table data-bbox="608 1167 1185 1447"> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>23,192 m²</td></tr> </table>	Cadastral		Main figures		Use	Residential	Land Plot	23,192 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	23,192 m ²								

Description:	<p>Situated within the urbanisation known as Puente Romano Jardin Persa. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first and second floor level The property is currently under refurbishment and will comprise a Kitchen, Living room, 4 bedrooms and 5 bathrooms, Laundry/Storage area.</p> <p>There are numerous terrace areas at each level to both front and rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views to the beach front.</p> <p>There is a car parking space and storage area at basement level</p>
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Photos:



State of repair:




The property is currently in a skeleton state and undergoing an extensive refurbishment programme. The photos illustrate the concept that will be adopted upon completion. In general, to a high specification and modern standard.

Assessment of building:

Well known and established residential area incorporating mature landscaped and botanical gardens with sea views. Some exterior parts of the property date from the 1980s but this does add charm and character to the subject property. The property is in the process of being modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

3.7.6 Villa Romano

Description of Location:

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucía Málaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre – Golden Mile	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Conjunto Villamagna within Puente Romano Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various – inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometers Malaga, 58 kilometers Puerto Banus 2.5 kilometers	<p><i>Map / Aerial View</i></p> 

Description of the Property:

Property/ building type	Detached Residential Dwelling								
Year of construction	Approximately 1999								
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the area. The exterior of the property fits in with the surroundings and is slightly more modern in aspect. The property has been modernised and is to a high specification. The quality, nature and characteristics of the property are superior in comparison to other properties in terms of design, characteristics, distribution, and layout.								
Facilities	Private garden and terraced areas on site but able to access Hotel Puente Romano if necessary								
Parking	There are parking facilities for up to 3 cars at basement level. This is accessed at street level and a car lift. Once car can be parked at basement level and 2 cars fit within the lift mechanism.								
Lettable Areas	Our floor areas are based on the information provided and are as follows: <div data-bbox="601 1106 1189 1379" data-label="Table"> <table> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>2,525 m²</td></tr> </table> </div>	Cadastral		Main figures		Use	Residential	Land Plot	2,525 m ²
Cadastral									
Main figures									
Use	Residential								
Land Plot	2,525 m ²								
Description:	<p>Situated within the street known as Torre Verde.</p> <p>Singular detached dwelling with basement and 3 upper floors</p> <p>The property has been extensively refurbished to a modern and high specification standard. The property is walled and can be accessed by either the garage door which fronts street Torre Verde or the pedestrian access. This leads to a paved terrace area which fronts the property and is enclosed by a perimeter wall with tropical plants to help protect privacy. It is possible to walk around most of the house via a terraced area. There are various plants, shrubbery and palm trees planted to the exterior wall. Upon entering the property greeted with a hallway and stairs which lead to the upper floors.</p> <p>Heading to the ground floor we are met with a large and spacious living room with patio doors to the front. To the rear is located 2 bedrooms and associated bathrooms including a WC. There is also a stairwell which provides access to the basement area.</p>								

The basement comprises various rooms including an open plan living room with a themed bar, to the rear is a large conference room (this could be adapted to provide a 4th bedroom). To the front are two rooms related to laundry and services as well as a Bathroom and WC. To the east side of the basement is the car parking area which is separated by a glass panel. There is room for the parking of some 3 cars. The property also benefits from a lift installation which runs throughout the house with a capacity for 3 person or 225kg.

Returning to the main hallway entrance there is a stairwell which leads to the first-floor level to an open plan living room which leads to a southfacing terrace and comprises a plunge pool, refreshing plunge pool and a barbecue area. There is a kitchen area to the rear. The space has also been adopted to office area.

Leading to the 2nd floor is the master bedroom which benefits from a sun lounging terrace with patio doors and with views to the sea. There is a very stylish walk-in wardrobe and a large bathroom incorporating a bath with external views.

To the roof there are numerous solar panels which contribute to the heating efficiency within the subject property.

The subject property is very well maintained and provides quality finishing's and fixtures. The property interior design is by Ambience Home Design and reflects quality workmanship throughout.

We understand the property is connected to all mains and services.

Photos:



State of repair:

The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building:

Well known and established residential area within a setting of various urbanisations with mature landscaped and botanical gardens. Some exterior parts of the property date from the 1990s but this does keep in line with the general construction build in the subject area. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

Notably there are very few opportunities of properties of this size and dimensions within Puente Romano area. The area is typified by apartments within small rise residential blocks. The property is second line but near the main services and facilities in the area.

The property is well distributed and adopted to the current occupiers' requirements. There is scope to convert the conference room to a further bedroom within the basement, as a positive there is natural light to this area. The property is well proportioned and is triple the size of normal apartment buildings in the subject area.

As an end terrace there is little opportunity of construction next door, this area currently serves as car parking and service road. We consider the property to be exclusive in nature.

3.8 The market

Spain economy

The global economy continues to be much influenced by COVID-related developments. In 2020 Q4, the rise in infections gave rise to new pandemic-containment measures, which have been stepped up in many countries in the opening months of 2021. In Spain, economic activity also continues to be greatly influenced by epidemiological developments. The authorities are responding to the successive oscillations in infection rates by means of changes in the stringency of the containment measures, which is making for relatively pronounced fluctuations in activity and employment even within each quarter.

Spain ranks 23rd in the global list of country development and is the 14th largest economy in the world by nominal GDP, the 5th in the European Union and the 4th of the Euro area. General figures:

- Population (at 2019): 47.33MM latest figures
- Unemployment rate (at 02/2021): 16.19% (Source: datos. macro)
- Renta Per Capita (at 2020): €23,690 (latest figures)

Spain has been in the midst of a balanced economic recovery in recent years; however, the COVID19 crisis led the country into an unprecedented downturn in economic activity in 2020, with GDP falling by 11.0% (BDE), one of the largest contractions in Europe. The service sector was hit hard, especially the tourism industry (which accounts for about 12% of Spain's economy). SMEs, which contribute to over 70% of employment, have been struggling to stay afloat.

The Spanish government has provided swift income and liquidity support to limit the fallout of the pandemic (with public guarantees equivalent to 14% of GDP and other policy measures costing around 1.3% of GDP), causing the general budget to turn negative by 10.5% of GDP in 2020. Similarly, debt-to-GDP ratio skyrocketed to 120% in 2020, from 95.5% one year earlier, a level that is expected to remain somewhat stable in the following years. Amid reduced consumption and low oil prices, inflation turned negative in 2020 (-0.3%), though it is projected to gradually increase to 1.4% this year and 0.8% in 2022 (BDE). In its 2021 budget, the government lead by Pedro Sánchez plans to raise taxes on large companies and high earners to boost revenues by EUR 6.8 billion. Existing short-time work schemes were reinforced to offset the COVID-19 crisis; however, the pandemic widened inequalities in the labour market, with disruptions among young, low-skilled, and temporary workers being particularly harsh. The overall unemployment rate was estimated at 16.13% at the end of 2020 (from 13.78% one year earlier -INE) and is expected to remain relatively stable this year (rising to 16.8%), before starting to decrease again in 2022.

The Spanish government has provided swift income and liquidity support to limit the fallout of the pandemic (with public guarantees equivalent to 14% of GDP and other policy measures costing around 1.3% of GDP), causing the general budget to turn negative by 10.5% of GDP in 2020. Similarly, debt-to-GDP ratio skyrocketed to 120% in 2020, from 95.5% one year earlier, a level that is expected to remain somewhat stable in the following years. Amid reduced consumption and low oil prices, inflation turned negative in 2020 (-0.3%), though it is projected to gradually increase to 1.4% this year and 0.8% in 2022 (BDE). In its 2021 budget, the government lead by Pedro Sánchez plans to raise taxes on large companies and high earners to boost revenues by EUR 6.8 billion. Existing short-time work schemes were reinforced to offset the COVID-19 crisis; however, the pandemic widened inequalities in the labour market, with disruptions among young, low-skilled, and temporary workers being particularly harsh. The overall unemployment rate was estimated at 16.13% at the end of 2020 (from 13.78% one year earlier -INE) and is expected to remain relatively stable this year (rising to 16.8%), before starting to decrease again in 2022.

The economic panorama is constantly changing, households have become more cautious in their spending habits and savings have increased substantially. Furlough schemes and government backed loans will come under scrutiny regarding business over the next 12 months. The greater these effects, the more acute and persistent will be the impact on activity; in these circumstances, this impact may also be exacerbated by a larger volume of loan write-offs, so that less financing is available to the private sector, and at a higher cost. The second source relates to the degree of persistence of the COVID-induced changes in society behaviour. Spending decisions of households, in Spain and in the rest of the world, and both their direct impact on various demand aggregates (private consumption, housing investment and tourism exports) and their indirect impact on the economy. Politics are fully concentrated on the Covid-19 pandemic and the economic repercussions. The President of the Government of Spain, Pedro Sánchez, maintained that 70% of Spanish citizens will be vaccinated by August, committed to the centralised purchase of vaccines, and announced that the Recovery, Transformation and Resilience Plan will allocate more than 3 billion euros to guaranteeing the competitiveness of the tourism sector. Spain's consumer confidence indicator rose by 7.1 points from the previous month to 73 in March of 2021, improving for the second consecutive month to its highest level since February 2020. Still, the reading is much lower than the 85.7 reached in February 2020. Consumer confidence in Spain reached an all-time high of 108.80 Index Points in August of 2017 and a record low of 37.60 Index Points in July of 2012. In terms of the risk premium in Spain is trading at 65 points at the time of writing. Its value has risen 2 points from the previous day. On October 7, 1992, the risk premium reached its maximum price, 668, in the period from 1991 to the present. In this same period, its minimum price was -6, at which it traded on November 26, 2004.

The vaccination programme coupled with the economic support provided at government level is providing a positive outlook over the short to medium term. There are insecurities regarding rising prices in terms of basic products and these are clouding the outlook. Spain needs to open its tourism industry once again to recover the services and hospitality sectors. Having received some 83.5 million tourists in 2019, Spain hit a record in overseas tourist arrivals for the seventh year running. The Covid-19 pandemic slashed visitor numbers as travel restrictions were imposed across many countries.

As can be clearly seen, the reduction in visitor numbers has had a knock-on effect in the Spanish economy across the tourism and hospitality sectors including those service providers related to the sector.

Tourism and Visitation to Marbella Tourism dominates the economy of Marbella. Although there are many visitors during the autumn and winter, much of the employment arising from tourism is still seasonal, leading to greater unemployment at 'off peak' times. As in most of the Andalusian coastline, Marbella's economy revolves around tertiary activities. The services sector accounts for 60% of employment, while commerce accounts for almost 20%. The main branches of the services sector are the hotel industry and real estate and business services activities, which confirms the importance of tourism in the Marbella economy. For their part, the construction, industrial and agricultural sectors represent 14.2%, 3.8% and 2.4% of employment respectively. The number of business establishments in the services sector represents 87.5% of the total, while those dedicated to construction account for 9.6% and industrial establishments, 2.9%. Regarding the size of these companies, 89.5% have fewer than 5 workers and only 2.3% have a workforce of more than 20 employees. The Malaga region has a modern, high-quality infrastructure network that offers services in the social, healthcare, and educational areas, making for a solid and constructive social climate. The Malaga economy's combined heavy demand and entrepreneurial spirit generates a long chain of synergies. The result is a persistently dynamic market and a continual increase in business opportunity. In 2019 the GDP figure was 165,866 million euros, making Andalusia one of the most important autonomous communities by volume of GDP, occupying the 3rd position in the ranking of the GDP of the autonomous communities. The GDP per capita of Andalusia in 2019 was € 19,633, € 515 higher than that of 2018, which was € 19,118. Just as GDP helps us to know the size of an economy, GDP per capita indicates the wealth of its citizens. If we order the autonomous communities according to their GDP per capita, Andalusia is in 17th place, so its inhabitants are, according to this parameter, among the poorest or at least have a low standard of living compared to those of other autonomous communities. However, Marbella has a rent per capita of some € 26,541 (2018) a great deal higher than that of Andalusia in general and highlights the area as a wealthy submarket.

Key Demand Generators – Business & Leisure

The economic activity in Marbella is mainly driven by leisure tourism; large multinationals with presence in the Malaga region are mainly located in the capital of the province Malaga, which is larger and provides better access to the rest of Spain and has the third largest airport in Spain. This has cited Marbella as one of the most luxurious places to live on the coastline and is within commuter distance of Malaga. The major generators of leisure hospitality demand in the local market area are outlined that Marbella is a recognised and luxurious holiday destination. There is a well-known night life coupled with some 27 kilometres of quality beaches. National and international tourism are predominant in the area and attracts short break visitors from neighbouring countries and those within a 2–3-hour flight time.

Economic Forecasts and Important Source Markets

The United Kingdom, Germany and France are Spain's largest source markets for visitors and together accounted for approximately 50.56% of total international visitors over the last 5 years. Economic growth, decline or stability in these markets will impact consumer spending behaviours and hold implications for hospitality demand in Marbella. As the economic situation of the above-mentioned countries continues to deal with Covid-19 and travel implications, their travel habits should improve to normal levels with more people looking to travel abroad and spend their holidays away from home. In addition, travellers are looking for security when travelling abroad and given the health, political and social uncertainty in some tourist destinations such as Turkey, North Africa and Greece travellers are looking to the Iberian Peninsula, other Mediterranean destinations and the Balearic and Canary Islands as alternatives.

The UK is currently enjoying a high vaccination rate and has begun once again to open borders. There has been a huge demand for example in travel to Portugal as said country now permits vaccinated UK residents to enter the country without having to undertake quarantine. As only recently permitted, there are initial signs that there is a substantial demand in flights to Portugal with some airlines looking to increase flight numbers to account for the demand.

3.9 Insurance contracts

The Company holds insurance policies for each of its assets:

Property	Insurer	Cover
Amazonia	Banco Sabadell	Buildings and Civil liability
Centro Polo office - first floor left office	Banco Sabadell	Contents, Buildings and Civil liability
Centro Polo office - first floor right office	Banco Sabadell	Contents, Buildings and Civil liability
Centro Polo office - ground floor left office	Banco Sabadell	Contents, Buildings and Civil liability
Centro Polo office - ground floor right office	Banco Sabadell	Contents, Buildings and Civil liability
Centro Polo office - villa	Banco Sabadell	Contents, Buildings and Civil liability
Jardin Japones - Dalia	Banco Sabadell	Buildings and Civil liability
Jardin Persa	Banco Sabadell	Buildings and Civil liability
Villa Romane, Torred Verde 1	Banco Sabadell	Buildings and Civil liability
Villa Romane, Torred Verde 1	Hiscox SA	Buildings and contents
Linares, 12	Hiscox SA	Buildings fixtures & fittings, Contents
Jardin Japones - Dalia	Hiscox SA	Buildings and contents
Jardin Persa	Hiscox SA	Buildings and contents

3.10 Related party transactions

All transactions carried out by the company are carried out at market prices. To date, the transactions historically carried out focus on the loans and contributions of assets of the sole partner that have been capitalized.

3.11 Organization chart

The organization chart of the company is quite simple, as shown in this scheme:

Ryan Howsam	
Director	
Patricia Goodman	Ian Verinder
Director and Company Secretary	CFO & Director
Shadya Hwedi	
Property manager	

4 RISK FACTORS

Set forth below are detailed some certain risks, uncertainties or other factors that may affect the Company's future results and business development.

4.1 RISKS ASSOCIATED WITH THE REAL ESTATE BUSINESS

4.1.1 Cyclical sector

The property sector is very sensitive to the existing political and economic-financial environment. The revenues derived from the property assets and their valuations depend, in large part, on the supply and demand for properties, inflation, interest rates, the economic growth rate or legislation.

If the Company's asset portfolio were to suffer a decline in value requiring a provision with respect to the carrying value, this would have an impact on the profit, the financial situation, the valuation of the Company and the evolution of the price of the stock in the market, therefore.

4.1.2 Risks derived from the possible fluctuation in the demand for properties and their consequent decrease in rental prices.

The Company business is based in the lease of its properties to various clients. Said contractual relationships are documented and signed by both parties. In the event that said clients decide not to renew their contracts or insist on renegotiating rent prices downwards, this would have a negative impact on the financial situation, profits, the valuation of the Company and the evolution of the price of the stock.

4.1.3 Degree of liquidity of investments

Real estate investments are characterized as being more illiquid than investments in movable property. Therefore, if the Company wants to disinvest part of their portfolio of real estate assets, its ability to sell may be limited in the short term.

4.1.4 Risk of lack of occupation or activity license

For the operation of real estate assets, the Company must obtain the necessary occupation licenses. Given that the obtainment of such licenses is usually subject to a long administrative procedure, the Company may be prevented from using the property within the period initially set which could cause a substantial adverse effect on the activities, profits, the valuation of the Company and the evolution of the price of the stock in the market, therefore.

4.2 OPERATING RISKS

4.2.1 Risks associated with the valuation of assets

At the time of valuing the real estate assets, GESVALT made certain assumptions with which a potential investor many do not agree. If said subjective elements were to evolve negatively, the valuation of the Company's assets would be lower and could consequently affect the valuation of the Company and the evolution of the price of the stock in the market, therefore.

4.2.2 Risk of property damage

The Company's properties are exposed to natural disasters. If any of this damage is not insured or represents an amount greater than the coverage taken out, the Company would have to cover the costs of making the assets back operational. Were any of these risks to materialize, the costs would negatively affect financial statements as well as the valuation of the Company and the evolution of the price of the stock in the market, therefore.

4.2.3 Geographical concentration of product and market

Currently the Company has invested mainly in Marbella (Spain), therefore there is a very large exposure to the city and its area.

4.2.4 Negative financial results

To date, the company accumulates negative financial results, so if these do not recover as the business plan foresees, it could expose the business and therefore the share price to a risk.

4.2.5 Covid-19

As a consequence of the current pandemic situation caused by Covid-19, and its special impact on the Spanish tourism sector, if the health situation and the restrictions derived from it were unexpectedly hardened or not elucidated in the short term, this could put into jeopardizes the visibility of the Company's business in the short or medium term.

4.3 LEGAL AND REGULATORY RISKS

4.3.1 Risks related to regulatory changes.

The Company's activities are subject to legal and regulatory provisions of a technical, environmental, fiscal, and commercial nature, as well as planning, safety, technical and consumer protection requirements, among others. The local, autonomic, and national administrations may impose sanctions for non-compliance with these standards and requirements. The sanctions may include, among other measures, restrictions that may limit the performance of certain operations by the Company. In addition, if the non-compliance is significant, the fines or sanctions may have a negative impact on the Company's profits and financial situation.

A significant change to these legal and regulatory provisions or a change affecting the way in which these legal and regulatory provisions are applied, interpreted, or met, may force the Company to change its plans, projections or even properties and, therefore, assume additional costs, which could negatively impact the Company's financial situation, profit, the valuation of the Company and the evolution of the price of the stock in the market, therefore.

Changes in tax legislation (including changes in the tax regime of SOCIMI)

Any change (including changes of interpretation) in the Law of SOCIMI or in relation to the tax legislation in general, in Spain or in any other country in which the Company may operate in the future or in which the shareholders of the Company are residents, including but not limited to:

- The creation of new taxes, and,
- The increase of the tax rates in Spain or in any other country where the Company may operate, could have an adverse effect on the activities of the Company, its financial conditions, its forecasts, or results of operations.

Furthermore, the non-compliance with the requirements established in the Law of SOCIMI would determine the loss of the special tax regime applicable to ARIMELIA.

The loss of the SOCIMI regime (i) would have a negative impact for the Company in terms of both direct and indirect taxes, (ii) could affect the liquidity and financial position of ARIMELIA, as long as it is required to regularize the indirect taxation of certain acquisitions of real estate assets, as well as the direct taxation of those income obtained in previous tax periods.

4.3.2 Application of special tax regime

It should be noted that ARIMELIA will be subject to a special tax of 19% on the full amount of the dividends or profit sharing distributed to the partners whose participation in the share capital of the entity is equal to or greater than 5% when the dividends paid out to these shareholders are either tax exempt or taxed at a rate lower than 10%. This tax will be considered as a Corporate Income Tax fee. Shareholders who cause the accrual of the special tax of 19% shall indemnify the Company in an amount equivalent to the Corporate Income Tax expense that would arise from making the dividend payment that serves as the basis for the calculation of the special tax.

4.3.3 Loss of the SOCIMI tax regime

The application of the SOCIMI special tax regime is subject to compliance with the requirements set out in Law 11/2009 modified by Law 16/2012. Lack of compliance with any of said requirements would mean that the Company would be taxed under the general Corporation Income Tax regime for the year in which said non-compliance occurred, with the Company being required to enter, where appropriate, the difference between the fee for this tax resulting from the application of the general regime and the amount paid that resulted from the application of the special tax regime in subsequent tax periods, without prejudice to late payment interest, surcharges and penalties that may be appropriate, as the case may be. The loss of said SOCIMI special tax regime could negatively affect the Company's financial situation, operating results, cash flows or valuation.

4.3.4 Litigation risk

Currently there are not litigation risks impacting the Company's results.

4.3.5 Lack of liquidity for the payment of dividends

All dividends and other distributions paid by the Company will depend on the existence of profits available for distribution, and sufficient cash. In addition, there is a risk that the Company generates profits but does not have sufficient cash to meet, monetarily, the dividend distribution requirements set out in the SOCIMI tax regime. If the Company does not have sufficient cash, it may be required to cover dividends in kind or to implement a system of reinvesting dividends in new shares. As an alternative, the Company may request additional funding, which would increase its financial costs, reduce its capacity to ask for funding for making new investments and it may have an adverse material effect on the Company's fussiness, financial conditions, operating results, and forecasts.

5 INFORMATION CONCERNING THE OPERATION

5.1 Registration with Euronext Access

Registration procedure: Registration of shares for trading on Euronext Access Paris through Technical Admission.

ISIN: ES0105601001

Euronext Ticker: MLARI

Number of shares to be listed: 5.631.000 shares

Nominal price per share: €1

Reference price per share: €2.97

Market capitalization: €16,724,070

First trading date: September 20st 2021

Listing Sponsor: DCM ASESORES, DIRECCIÓN Y CONSULTORIA DE MERCADOS, S.L.

Financial service: BANCO DE SABADELL, S.A.

Central Securities Depositary: Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A., (IBERCLEAR)

5.2 Objectives of the listing process

This transaction is carried out within the framework of a procedure for admission to trading on the Euronext Access Market operated by Euronext Paris S.A., through technical admission. The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF).

The registration in the Euronext Access Market will allow the Company to acquire notoriety and to adapt to the operation of financial markets before a possible transfer to a larger market that enables to continue its development.

Additionally, in order to keep the SOCIMI's special tax regime, the Company must be listed in a European Market or in a Market of any other country where there exists an effective communication exchange between Tax Agencies.

5.3 Company's share capital

"Article 5.- Capital stock and shares.

The share capital is FIVE MILLION SIX HUNDRED THIRTY-ONE THOUSAND EUROS (€ 5,631,000.-), represented by 5,631,000 equal, cumulative and indivisible registered shares, of ONE EURO (€ 1.- €) of nominal value each they, numbered consecutively from 1 to 5,631,000, both included. All the shares are fully subscribed and paid up and grant their holders the same rights and obligations.

The share confers on its legitimate owner the condition of shareholder and implies the acceptance by its holders of these Bylaws, while empowering them to exercise the rights inherent to their condition, in accordance with these Bylaws and applicable regulations."

5.4 Evolution of share capital

The company was incorporated with an initial capital of € 3,000 on April 8, 2019, divided into 3,000 shares with a par value of 1 euro each, fully subscribed by Mr. Ryan Craig Howsam, sole shareholder.

Subsequently, it increased its capital, through loan compensation, to the figure of € 5 million, by creating 4,997,000 new shares with a par value of one euro each, also fully subscribed by the sole shareholder, Mr. Ryan Craig Howsam, on November 19th, 2019.

Finally, on December 30, 2020, the company increased its share capital again, up to the figure of 5,631,000 euros, subscribed again by the sole shareholder, Mr. Ryan Craig Howsam, through the non-monetary contribution consisting of 3 properties located in Marbella, for a joint valuation of 631,000 euros.

SHAREHOLDER	(€) CAPITAL	SHARES	DATE
Ryan Craig Howsaw	3,000	3,000	April, 4, 2019
Ryan Craig Howsaw	5,000,000	5,000,000	November, 19, 2019
Ryan Craig Howsaw	5,631,000	5,631,000	December, 30, 2020

5.5 Main characteristics of the shares and general meeting rules

5.5.1 Characteristics of the shares

“Article 6.- Representation of the shares

The shares will be represented by means of book entries and are constituted as such by virtue of their registration in the corresponding accounting register, the keeping of this corresponding to Euroclear France and its participating entities. They will be governed by the applicable regulations on securities markets.

The legitimacy for the exercise of the shareholder's rights is obtained through registration in the accounting register, which presumes legitimate ownership and enables the registry owner to demand that the Company recognize him as a shareholder. Said legitimacy may be accredited by showing the appropriate certificates, issued by the entity in charge of keeping the corresponding accounting record.

If the Company makes any provision in favour of whoever appears as the owner in accordance with the accounting record, it will be released from the corresponding obligation, even if that is not the real owner of the action, provided that it is carried out in good faith and without serious fault.”

5.5.2 General Meeting rules

Article 10, 11, 12, 13, 14, 15, 16, 17 and 18 of the articles of association sets out the operation of the General Meeting:

“Article 10.- Types of General Shareholders' Meetings

- 1. The General Meetings of shareholders may be ordinary or extraordinary.*
- 2. The ordinary General Shareholders' Meeting will necessarily meet within the first six (6) months of each fiscal year, to censor the corporate management, approve, where appropriate, the accounts of the previous fiscal year and resolve on the application of the result, without prejudice to its competence to deal with and decide on any other matter that appears on the agenda. The ordinary General Meeting will be valid, even if it has been called or is held after the deadline.*
- 3. Any General Shareholders' Meeting that is not the one provided for in the previous paragraph will be considered an extraordinary General Shareholders' Meeting and will meet whenever it is called by the Company's Management Body on its own initiative or when requested by a number of shareholders holding at least five percent of the capital stock, stating in the request the matters to be discussed at the meeting, proceeding in the manner provided in the Capital Companies Law.*

Article 11.- Calling of the General Shareholders' Meetings

1. *The General Meetings of shareholders will be called by the Administrative Body by means of a notice published in the manner and with the minimum content provided for by the Capital Companies Law, at least one month before the date set for its holding, without detriment to cases in which the Capital Companies Law establishes a higher advance notice.*
2. *The management body must also call the General Shareholders' Meeting when requested by shareholders who are holders of at least 5% of the share capital, stating in the request the matters to be discussed at the General Meeting, which must be necessarily included in the agenda by the administrative body. In this case, the General Meeting must be called to be held within the term established by the applicable regulations.*
3. *Regarding the judicial summons of the General Shareholders' Meetings, the provisions of the applicable regulations will be followed.*
4. *It will be possible to attend the Meeting by telematic means (including videoconference) that duly guarantee the identity of the subject when the Company, at the discretion of the Administrative Body, has enabled such means. For this, the call will describe the terms, forms, and modes of exercise of the shareholders' rights provided by the administrators to allow the orderly development of the Meeting. In particular, the administrators may determine that the interventions and proposals for resolutions that those who are going to attend by telematic means intend to formulate, be sent to the Company prior to the time of the constitution of the Meeting.*
5. *Likewise, it will be possible to hold General Shareholders' Meetings exclusively by telematic means provided that the legal requirements for this are met.*

Article 12.- Place and time of celebration

1. *The General Shareholders' Meeting will be held in the place indicated in the call within the municipality where the Company has its registered office.*
2. *The General Shareholders' Meeting may agree to its own extension for one or more consecutive days, at the proposal of the administrators or of a number of shareholders representing at least a quarter (25%) of the share capital attending the same. Whatever the number of its sessions, the General Shareholders' Meeting will be considered to be unique, with only one minute being drawn up for all sessions.*

Article 13.- Universal General Meeting

The General Shareholders' Meeting will be understood in any case called and will be validly constituted to hear and resolve any matter, provided that all the share capital is present, and the attendees unanimously accept its celebration. Universal meetings will be held wherever all of the shareholders are, provided that the legal requirements for this are met.

Article 14.- Equal treatment

The Company will guarantee, at all times, equal treatment for all shareholders who are in the same position with regard to information, participation and exercise of the right to vote at the General Shareholders' Meeting.

Article 15.- Shareholders' attendance, representation, and information rights

1. All shareholders have the right to attend the General Shareholders' Meetings, as long as they appear as the owner in the corresponding accounting record of book entries five (5) days prior to its celebration, which they can prove by means of the appropriate card. of assistance, certificate issued by any of the entities legally authorized to do so or by any other firm admitted in Law.

2. The shareholder who has the right to attend may be represented at the General Shareholders' Meetings by another person, even if he or she is not a shareholder.

Proxy must be granted in writing or by remote means of communication that comply with the requirements established in the Capital Companies Act for the exercise of the right to vote remotely and must be special for each General Shareholders' Meeting.

3. The shareholders' attendance, representation, and information rights in relation to the General Meeting will be governed by the regulations applicable to the Company at all times.

4. The Chairman of the General Shareholders' Meeting may authorize the attendance of directors, managers and technicians of the Company and other people who have an interest in the smooth running of corporate affairs, as well as extend an invitation to people other than the above who consider it convenient.

5. Shareholders will attend the General Meeting by electronic means that duly guarantee the identity of the subject. The Board of Directors will indicate in the call the means that may be used for this purpose in order to meet the required security conditions that allow the identification of the shareholders, the correct exercise of their rights and the proper conduct of the meeting.

In any case, the vote on the proposals on points included in the agenda of the General Meeting may be delegated or exercised by the shareholder through postal correspondence, electronic, by videoconference or any other means of remote communication provided that (a) duly guarantee the identity of the subject who exercises the right to vote and (b) is registered in some type of support.

6. The representation is always revocable. Personal attendance at the General Meeting of the represented party will have the value of revocation.

Article 16.-Table of the General Shareholders' Meeting

The General Shareholders' Meeting will be chaired by the Chairman of the Board of Directors, who will be assisted by a Secretary, who will be the Secretary of the Board of Directors. In the absence of the above, the shareholders elected by the General Meeting will act as Chairman and Secretary.

Article 17.- Deliberation and adoption of resolutions

1. Before entering the agenda, the list of attendees will be formed, stating the name of the attending shareholders and that of the represented shareholders, as well as the number of own or third-party shares with which they concur.

At the end of the list, the number of shareholders present or represented will be determined, as well as the amount of capital they hold, specifying that which corresponds to shareholders with voting rights.

The list of attendees will appear at the beginning of the minutes of the Shareholders' Meeting or will be attached to it by means of an annex.

- 2. Once the list of attendees has been formed, the chairman of the General Shareholders' Meeting, if applicable, will declare the General Meeting validly constituted and will determine whether it can enter into consideration of all the matters included in the agenda.*
- 3. Once the session is open, the secretary will read the items on the agenda and proceed to deliberate on them, with the chairman and the persons designated by him intervening in the first place. Once these interventions have taken place, the chairman will give the floor to the shareholders who request it, directing and maintaining the debate within the limits of the agenda and ending it when the matter has been, in his opinion, sufficiently debated. Finally, the different proposed resolutions will be put to a vote.*
- 4. The president is responsible for directing the meeting so that the deliberations are carried out according to the order of the day; accept or reject new proposals in relation to the matters included in the agenda; direct the deliberations granting the use of the floor to the shareholders who request it, withdrawing it or not granting it when it considers that a certain matter is sufficiently debated, is not included in the agenda or hinders the development of the meeting, indicate the moment of carry out the voting; carry out, assisted by the secretary of the General Meeting, the vote count; proclaim the results of the same, temporarily suspend the General Meeting, close it and, in general, all the powers, including those of order and discipline, that are necessary for the proper development of the General Meeting.*
- 5. Each share with the right to vote present or represented at the General Shareholders' Meeting will give the right to one vote.*
- 6. The resolutions of the Meeting will be adopted by a simple majority of the votes of the shareholders present or represented at the meeting, except in cases where a different majority is established by law.*

Article 18.- Minutes of the General Meeting

- 1. All corporate resolutions must be recorded in the minutes. The minutes of the General Shareholders' Meeting will be approved in any of the forms provided by the regulations applicable to the Company at all times and will have executive force from the date of its approval.*
- 2. The Administrative Body may require the presence of a notary to draw up the minutes of the General Shareholders' Meeting and will be obliged to do so provided that five (5) days prior to the date scheduled for its celebration, shareholders who represent the less, 1% of the share capital. In both cases, the notarial act will not need to be approved and will be considered as the minutes of the General Shareholders' Meeting.*

5.6 Conditions for the transfer shares

“Article 7.- Transfer of shares

The shares and the economic rights derived from them, including the preferential subscription right, are freely transferable by all the means admitted by Law.”

5.7 Scheduled date for first shareholder’s general meeting and first publication of earnings figures

The Company will hold its first Shareholder’s General Meeting as a listed company on January 31st, 2022, although the scheduled date has not been determined at the time of writing.

Publication of the Company’s earnings figures following the listing admission will be on or before January 31st, 2022.

6 COMPANY VALUATION AND FINANCIAL FORECASTS

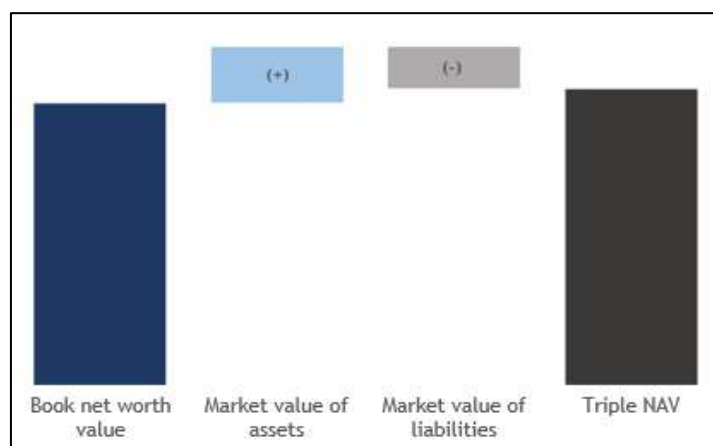
6.1 Valuation methodology

The valuation of the Company was entrusted to an independent expert whose work resulted in an asset value of 26.005.000 € and a company equity value of 16.724.070 €.

ARIMELIA's activity is based on the leasing of its real estate assets. Based on this fact, the valuation method used has been the so-called Triple NAV approach, based on the hypothetical immediate liquidation of the company. Said alleged liquidation would entail the sale of all the assets owned by the company and the liquidation of all its liabilities, as well as the consideration of all the net tax liabilities derived from the theoretical recognition of the capital gains on the assets and other adjustments to the fair value of all assets and liabilities.

With respect to deferred assets or liabilities that arise from differences between their book and market values, it is assumed that a tax liability or credit would be generated depending on whether there is a capital gain or depreciation. Considering that the company is a SOCIMI, it would not be necessary to recognize deferred tax assets or liabilities, since the company would be taxed at 0%.

Therefore, the criterion used by the assessor has been the Triple-NAV method. The following is a graphical representation of the approach:



This graph represents the result of applying the aforementioned valuation criteria, taking as a basis the book equity value, and adding the market value of the company's assets, before subtracting the market value of the liabilities to obtain the value of ARIMELIA.

6.2 Company valuation

According to the resolution adopted by the Board of Directors of the Company unanimously on July 27th, 2021, the value of 100% of its shares is 16,724,070 euros, thus reaching a valuation of 2.97 euros per action.

Such assessment is supported by the work carried out by the prestigious and independent firm Gesvalt, which is included as an annex to this document.

6.3 Company's financial resources for at least twelve months after the first day trading

The Board of Directors declared at their Board of Directors' meeting held on July 27th, 2021, at the Company's registered office, that the Company has sufficient capital to meet all its short-term liabilities for the 12 months following its admission to listing on Euronext Access Paris.

Arimelia ITG Socimi S.A.- Cash flow forecast for the period 1st September 2021 to 30th September 2022													
	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	March 2022	April 2022	May 2022	June 2022	July 2022	Aug 2022	Sept 2022
Opening cash balance	1.479.104	1.495.238	1.064.584	632.986	202.409	187.753	169.593	162.948	171.619	215.916	282.430	511.124	739.920
CASH RECEIPTS													
Rental income receivable	81.750	37.200	36.000	37.200	81.570	77.160	91.103	89.325	131.838	158.856	356.874	356.874	158.856
Other income	0	0	0	0	0	0	0	0	0	0	0	0	0
Shareholder loans	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH RECEIPTS	81.750	37.200	36.000	37.200	81.570	77.160	91.103	89.325	131.838	158.856	356.874	356.874	158.856
CASH PAYMENTS - Operating costs													
Agents commission	14.838	6.752	6.534	6.752	8.271	7.471	10.001	9.678	16.669	21.572	57.513	57.513	21.572
Community fees	2.155	2.155	2.155	2.155	2.176	2.176	2.176	2.176	2.176	2.176	2.176	2.176	2.176
IBI/Basura	1.045	1.045	1.045	1.045	1.055	1.055	1.055	1.055	1.055	1.055	1.055	1.055	1.055
Property insurance	1.065	1.065	1.065	1.065	1.086	1.086	1.086	1.086	1.086	1.086	1.086	1.086	1.086
Electricity	2.038	2.038	2.038	2.038	2.161	2.161	2.161	2.161	2.161	2.161	2.161	2.161	2.161
Water	93	93	93	93	282	282	282	282	282	282	282	282	282
Telephone, WIFI, TV	627	627	627	627	627	627	627	627	627	627	627	627	627
Repairs & Maintenance	3.136	3.136	3.136	3.136	7.442	7.442	7.442	7.442	7.442	7.442	7.442	7.442	7.442
Cleaning & laundry	737	737	737	737	755	755	755	755	755	755	755	755	755
Staff salaries (Exc Ers costs)	9.655	9.655	9.655	9.655	12.295	12.295	12.295	12.295	12.295	12.295	12.295	12.295	12.295
Staff salaries - Ers Social Security	943	943	943	943	1.334	1.334	1.334	1.334	1.334	1.334	1.334	1.334	1.334
Bank charges & payment gateway fees	460	460	460	460	472	472	472	472	472	472	472	472	472
Marketing	643	643	643	643	659	659	659	659	659	659	659	659	659
Server hosting	223	223	223	223	225	225	225	225	225	225	225	225	225
Web site & software maintenance	327	327	327	327	16.997	16.997	16.997	331	331	331	331	331	331
Legal & Professional	7.441	7.441	7.441	7.441	7.138	7.138	7.138	7.138	7.138	7.138	7.138	7.138	7.138
Mortgage interest	9.002	9.002	9.002	9.002	8.892	8.892	8.892	8.892	8.892	8.892	8.892	8.892	8.892
Other Costs	921	921	921	921	944	944	944	944	944	944	944	944	944
TOTAL OPERATING PAYMENTS	55.348	47.262	47.044	47.262	72.811	72.011	74.541	57.552	64.542	69.446	105.386	105.386	69.446
CASH PAYMENTS - Other													
Mortgage capital repayments	10.268	10.229	10.191	10.153	23.414	23.310	23.206	23.102	22.999	22.896	22.794	22.692	22.591
Capital expenditure	0	410.363	410.363	410.363	0	0	0	0	0	0	0	0	0
Shareholder loan repayments	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER PAYMENTS	10.268	420.592	420.554	420.515	23.414	23.310	23.206	23.102	22.999	22.896	22.794	22.692	22.591
TOTAL CASH PAYMENTS - OPERATING AND OTHER	65.616	467.854	467.598	467.777	96.225	95.320	97.747	80.654	87.541	92.342	128.180	128.079	92.037
Closing cash balance	1.495.238	1.064.584	632.986	202.409	187.753	169.593	162.948	171.619	215.916	282.430	511.124	739.920	806.739

Also, the shareholder of the Company Mr. Ryan Craig Howsam committed his personal financial assistance whenever required to allow the Company to continue as a going concern in case it is necessary.

7 FINANCIAL INFORMATION

The financial statements that appear in this Informative Document have been prepared in accordance with the accounting principles referred to in section 7.3, and the selected financial data included have been derived from the audited financial statements for the year ended September 30, 2020, which is included in the respective report, so they should be read in conjunction with the financial statements and notes included therein.

The financial statements in Spanish have been audited by PwC.

The financial statements are available at company website.

The financial data selected from the financial statements included in this Information Document have been translated into English from the Spanish version of the audited financial statements, and their content appears for informational purposes. In the event of discrepancies, the information included in the Spanish version of the audited financial statements will prevail.

The financial statements as of September 30, 2020, together with the audit report are attached as an annex.

7.1 BALANCE SHEET AS OF SEPTEMBER 30TH, 2020

ASSETS	30/09/2020	EQUITY & LIABILITIES	30/09/2020
NON CURRENT ASSET	€ 9,811,262	EQUITY	€ 5,697,545
Real Estate Investments	€ 9,811,262	Share capital	€ 5,000,000
Non current financial assets	€ 0	Share premium	€ 1,182,485
Non current trade receivables	€ 0	Reserves	-€ 580
CURRENT ASSET	€ 20,352	Prior period profit/loss	-€ 105,501
Inventory	€ 0	Period profit/loss	-€ 378,858
Trade and other receivables	€ 7,297	NON CURRENT LIABILITIES	€ 2,598,627
Current financial investments	€ 0	Long term debt	€ 2,598,627
Current accruals	€ 1,122	CURRENT LIABILITIES	€ 1,535,443
Cash and other equivalents	€ 11,934	Short term debt	€ 76,902
		Accounts payable	€ 1,458,541
TOTAL ASSETS	€ 9,831,615	TOTAL EQUITY & LIABILITIES	€ 9,831,615

7.2 INCOME STATEMENT AS OF SEPTEMBER 30TH, 2020

P&L	30/09/2020
Net turnover	€ 18.550,0000
a) Rendering of services	€ 18.550,0000
Staff costs	-€ 1.590,7900
a) Salaries, wages and similar expenses	-€ 1.209,2600
b) Employee benefit costs	-€ 381,5300
7. Other operating expenses	-€ 220.161,3400
a) External services	-€ 214.655,2000
b) Taxes	-€ 5.506,1400
8. Depreciation of investment property	-€ 98.754,0000
PROFIT FROM OPERATIONS	-€ 301.956,1300
15. Finance costs	-€ 76.901,9200
a) Interest on debts, other related parties	-€ 76.901,9200
FINANCIAL PROFIT/(LOSS)	-€ 76.901,9200
PROFIT/(LOSS) BEFORE TAX	-€ 378.858,0500
Corporate income tax	€ -
PROFIT/(LOSS) FOR THE YEAR	-€ 378.858,0500

7.3 PRINCIPLES, RULES AND ACCOUNTING METHODS

The financial statements corresponding to the last fiscal year ended September 30, 2020, were restated by the one who was then Sole Administrator of the Company (currently a member of the board of directors) in accordance with the regulatory financial information framework applicable to the Company. which consists of:

- a) The Spanish Commercial Code and all other Spanish corporate laws.
- b) The General Accounting Plan of Spain approved by the R.D. 1514/2007, the modifications incorporated therein through RD 1159/2010 and RD 602/2016 and the sectorial adaptation to real estate companies.
- c) The mandatory standards approved by the Spanish Accounting and Auditing Institute for the execution of the General Accounting Plan and its complementary standards.
- d) Law 11/2009, of October 26, amended by Law 16/2012, of December 27, governing real estate investment trusts (REITS).
- e) The rest of the applicable Spanish accounting legislation.

8 LISTING SPONSOR

DCM ASESORES, DIRECCIÓN Y CONSULTORIA DE MERCADOS, S.L.

Address: Finca Las Cadenas, Ctra. Nacional VI, Km 586. San Pedro de Nós, 15176 Oleiros A Coruña. Spain

Telephone: +34 881 896 049

Web: www.dcmasesores.es

9 ANNEXES

- Financial statements 2020 (audited)
- Financial statements 2019 (non-audited)
- Asset's valuation
- Company valuation

Arimelia ITG SOCIMI, S.A.
(Sociedad Unipersonal)

Informe de auditoría
Cuentas anuales correspondientes al ejercicio
de 9 meses terminado el 30 de septiembre de 2020
Informe de gestión

2 AGO 2021

M^{ra} SOLEDAD VALCÁRCEL CONDE
Traductora-Intérprete Jurado de INGLÉS
N.º 4195



Informe de auditoría de cuentas anuales emitido por un auditor independiente

Al accionista único de Arimelia ITG SOCIMI, S.A. (Sociedad Unipersonal) por encargo del administrador único:

Opinión

Hemos auditado las cuentas anuales de Arimelia ITG SOCIMI, S.A. (la Sociedad), que comprenden el balance a 30 de septiembre de 2020, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria correspondientes al ejercicio de 9 meses terminado el 30 de septiembre de 2020.

En nuestra opinión, las cuentas anuales adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de la Sociedad a 30 de septiembre de 2020, así como de sus resultados y flujos de efectivo correspondientes al ejercicio de 9 meses terminado el 30 de septiembre de 2020, de conformidad con el marco normativo de información financiera que resulta de aplicación (que se identifica en la nota 2 de la memoria) y, en particular, con los principios y criterios contables contenidos en el mismo.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales* de nuestro informe.

Somos independientes de la Sociedad de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Aspectos más relevantes de la auditoría

Los aspectos más relevantes de la auditoría son aquellos que, según nuestro juicio profesional, han sido considerados como los riesgos de incorrección material más significativos en nuestra auditoría de las cuentas anuales del periodo actual. Estos riesgos han sido tratados en el contexto de nuestra auditoría de las cuentas anuales en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esos riesgos.

PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
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1

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

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Traductora-Intérprete Jurado de INGLÉS
N.º 4195

Aspectos más relevantes de la auditoría	Modo en el que se han tratado en la auditoría
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Valoración de las inversiones inmobiliarias	
---	--

Las inversiones inmobiliarias constituyen, aproximadamente, un 99,8% de los activos de la Sociedad. El total de inversiones inmobiliarias registrado en el activo no corriente del balance asciende a 9.811 miles de euros a 30 de septiembre de 2020.

La Sociedad valora sus inversiones inmobiliarias a su precio de adquisición menos su correspondiente amortización acumulada y las pérdidas por deterioro que, en su caso, hayan experimentado, tal y como se dispone en las notas 4.1 y 4.2 de la memoria de las cuentas anuales adjuntas.

Tal y como se indica en la nota 5 de la memoria a 30 de septiembre de 2020 la dirección ha realizado un estudio de valoración interno para la evaluación de posibles indicios de deterioro sobre la totalidad de los activos inmobiliarios.

Tal y como se indica en la nota 5 de la memoria de las cuentas anuales adjuntas, la Sociedad no ha registrado deterioro sobre sus inversiones inmobiliarias.

Dada la significatividad de las inversiones inmobiliarias, así como el grado de incertidumbre asociado a las hipótesis utilizadas para el cálculo de dicho valor de mercado, la valoración de las inversiones inmobiliarias se considera como un aspecto más relevante de la auditoría.

Para las adquisiciones de inversiones inmobiliarias registradas en el ejercicio, comprobamos la documentación clave soporte de las mismas, tales como contratos y escrituras de compraventa, u otros documentos que afectan al precio de adquisición.

Respecto a potenciales pérdidas por deterioro hemos obtenido el análisis de deterioro de las inversiones inmobiliarias realizado por la dirección de la Sociedad. Hemos evaluado las principales hipótesis usadas en el análisis de deterioro, contrastando la coherencia de las estimaciones teniendo en cuenta las condiciones del mercado, comprobando que la valoración es superior al valor neto contable de las inversiones inmobiliarias.

Adicionalmente, hemos evaluado la suficiencia de la información revelada en la memoria de las cuentas anuales.

El resultado de los procedimientos realizados ha permitido alcanzar de forma razonable los objetivos de auditoría para los cuales dichos procedimientos fueron diseñados.

Párrafos de énfasis

Llamamos la atención sobre la nota 2.5 de la memoria adjunta, que describe que la Sociedad ha modificado su fecha de cierre del ejercicio social, que en ejercicios anteriores era el 31 de diciembre y, en consecuencia, debe tomarse en consideración este hecho al comparar las cifras del ejercicio de 9 meses terminado el 30 de septiembre de 2020 con las del ejercicio 2019. Nuestra opinión no ha sido modificada en relación con esta cuestión.

Llamamos la atención sobre la nota 2.5 de la memoria adjunta, en la que se menciona que con fecha 25 de abril de 2021, el administrador único de la Sociedad ha procedido a reformular las cuentas anuales de Arimelia ITG SOCIMI, S.A. del ejercicio de 9 meses terminado el 30 de septiembre de 2020, subsanando de este modo la formulación original, dado que los requerimientos de salida al mercado no permiten la preparación de las cuentas anuales en formato abreviado. Nuestra opinión no ha sido modificada en relación con esta cuestión.

2 AGO 2021



Arimelia ITG SOCIMI, S.A.

Llamamos la atención sobre la nota 18 de la memoria adjunta, en la que se menciona que a fecha de la formulación de las cuentas anuales, la Sociedad se encuentra inmersa en el proceso de salida a un mercado para cumplir con los requisitos del régimen SOCIMI. Nuestra opinión no ha sido modificada en relación con esta cuestión.

Otras cuestiones

Las cifras correspondientes al ejercicio anterior, 2019, que se incluyen a efectos comparativos en cada uno de los estados de las cuentas anuales del ejercicio de 9 meses terminado el 30 de septiembre de 2020, no han sido auditadas.

Otra información: Informe de gestión

La otra información comprende exclusivamente el informe de gestión del ejercicio de 9 meses terminado el 30 de septiembre de 2020, cuya formulación es responsabilidad del administrador único de la Sociedad, y no forma parte integrante de las cuentas anuales.

Nuestra opinión de auditoría sobre las cuentas anuales no cubre el informe de gestión. Nuestra responsabilidad sobre el informe de gestión, de conformidad con lo exigido por la normativa reguladora de la actividad de auditoría de cuentas, consiste en evaluar e informar sobre la concordancia del informe de gestión con las cuentas anuales, a partir del conocimiento de la entidad obtenido en la realización de la auditoría de las citadas cuentas, así como en evaluar e informar de si el contenido y presentación del informe de gestión son conformes a la normativa que resulta de aplicación. Si, basándonos en el trabajo que hemos realizado, concluimos que existen incorrecciones materiales, estamos obligados a informar de ello.

Sobre la base del trabajo realizado, según lo descrito en el párrafo anterior, la información que contiene el informe de gestión concuerda con la de las cuentas anuales del ejercicio de 9 meses terminado el 30 de septiembre de 2020 y su contenido y presentación son conformes a la normativa que resulta de aplicación.

Responsabilidad del administrador único en relación con las cuentas anuales

El administrador único es responsable de formular las cuentas anuales adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, de conformidad con el marco normativo de información financiera aplicable a la entidad en España, y del control interno que considere necesario para permitir la preparación de cuentas anuales libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales, el administrador único es responsable de la valoración de la capacidad de la Sociedad para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si el administrador único tiene intención de liquidar la Sociedad o de cesar sus operaciones, o bien no exista otra alternativa realista.

Responsabilidades del auditor en relación con la auditoría de las cuentas anuales

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión.

2 AGO 2021

3
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N.º 4195



Arimelia ITG SOCIMI, S.A.

Seguridad razonable es un alto grado de seguridad, pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad.
- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por el administrador único.
- Concluimos sobre si es adecuada la utilización, por el administrador único, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad de la Sociedad para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que la Sociedad deje de ser una empresa en funcionamiento.
- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales, incluida la información revelada, y si las cuentas anuales representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.

Nos comunicamos con el administrador único de la entidad en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

2 AGO 2011

4
M^{te} SOLEDAD VALCÁRCEL CONDE
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N.º 4195



Arimelia ITG SOCIMI, S.A.

Entre los riesgos significativos que han sido objeto de comunicación al administrador único de la entidad, determinamos los que han sido de la mayor significatividad en la auditoría de las cuentas anuales del periodo actual y que son, en consecuencia, los riesgos considerados más significativos.

Describimos esos riesgos en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Rafael Pérez Guerra (20738)

14 de julio de 2021



PRICEWATERHOUSECOOPERS
AUDITORES, S.L.

2021 Núm. 01/21/17841

96,00 EUR

SELLO CORPORATIVO:
Informe de auditoría de cuentas sujeto
a la normativa de auditoría de cuentas
española o internacional

2 AGO 2021

M^a SOLEDAD VALCARCEL CONDE
Traductora-Intérprete Jurado de INGLÉS
N.º 4195

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)

**Cuentas anuales e informe de gestión
correspondientes al ejercicio de 9 meses
terminado el 30 de septiembre de 2020**

2 AGO 2021

MP SOLEDAD VALCÁRCEL CONDE
Traductora-Intérprete Jurado de INGLÉS
N.º 4195

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)
BALANCE AL 30 DE SEPTIEMBRE DE 2020
(Expresado en euros)

ACTIVO	Notas	30/09/2020	31/12/2019*
A) ACTIVO NO CORRIENTE		9.811.262,19	6.168.662,28
III. Inversiones inmobiliarias	5	9.811.262,19	6.168.662,28
1. Terrenos		4.343.657,33	3.298.918,80
2. Construcciones		5.277.455,48	2.869.743,48
3. Otros		81.580,00	0,00
4. Construcciones en curso		108.569,38	0,00
B) ACTIVO CORRIENTE		20.352,87	1.847,71
III. Deudores comerciales y otras cuentas a cobrar		7.296,88	0,00
3. Otros deudores	7	3,49	0,00
6. Otros créditos con las Administraciones Públicas	10	7.293,39	0,00
VI. Periodificaciones a corto plazo		1.121,67	0,00
VII. Efectivo y otros activos líquidos equivalentes	7	11.934,32	1.847,71
TOTAL ACTIVO		9.831.615,06	6.170.509,99

PATRIMONIO NETO Y PASIVO	Notas	30/09/2020	31/12/2019*
A) PATRIMONIO NETO		5.697.545,44	6.076.403,49
A-1) FONDOS PROPIOS	9	5.697.545,44	6.076.403,49
I. Capital		5.000.000,00	5.000.000,00
1. Capital escriturado		5.000.000,00	5.000.000,00
II. Prima de emisión		1.182.485,00	1.182.485,00
III. Reservas		-580,07	-580,07
V. Resultados negativos ejercicios anteriores		-105.501,44	0,00
VII. Resultado del ejercicio	3	-378.858,05	-105.501,44
B) PASIVO NO CORRIENTE		2.598.626,91	0,00
II. Deudas a largo plazo	8	2.598.626,91	0,00
5. Otros pasivos financieros		2.598.626,91	0,00
C) PASIVO CORRIENTE		1.535.442,71	94.106,50
III. Deudas a corto plazo	8	76.901,92	68.996,95
5. Otros pasivos financieros		76.901,92	68.996,95
V. Acreedores comerciales y otras cuentas a pagar		1.458.540,79	25.109,55
1. Proveedores	8	1.416.831,00	0,00
3. Acreedores varios		41.200,15	19.320,75
6. Otras deudas con las Administraciones Públicas	10	509,64	5.788,80
TOTAL PATRIMONIO NETO Y PASIVO		9.831.615,06	6.170.509,99

Las notas explicativas 1 a 18 de la memoria forman parte integrante de las cuentas anuales a 30 de septiembre de 2020

* Cifras no auditadas (Nota 2.9)

2 AGO 2021

M^{ra} SOLEDAD VALCARELL COMBE
Traductora-Intérprete Jurado de INGLÉS
N.º 4195

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)
CUENTA DE PÉRDIDAS Y GANANCIAS CORRESPONDIENTE AL EJERCICIO DE 9 MESES
TERMINADO EL 30 DE SEPTIEMBRE DE 2020
(Expresado en euros)

	Notas	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
1. Importe neto de la cifra de negocios	11	18.550,00	0,00
a) Prestaciones de servicios		18.550,00	0,00
6. Gastos de personal	11	-1.590,79	0,00
a) Sueldos, salarios y asimilados		-1.209,26	0,00
b) Cargas sociales		-381,53	0,00
7. Otros gastos de explotación	11	-220.161,34	-91.058,44
a) Servicios exteriores		-214.655,20	-75.876,84
b) Tributos		-5.506,14	-15.181,60
8. Amortización de las inversiones inmobiliarias	5	-98.754,00	-14.443,00
RESULTADO DE EXPLOTACIÓN		-301.956,13	-105.501,44
15. Gastos financieros	12	-76.901,92	0,00
a) Intereses de deudas, otras partes vinculadas		-76.901,92	0,00
RESULTADO FINANCIERO		-76.901,92	0,00
RESULTADO ANTES DE IMPUESTOS		-378.858,05	-105.501,44
Impuesto sobre sociedades	10	0,00	0,00
RESULTADO DEL EJERCICIO		-378.858,05	-105.501,44

Las notas explicativas 1 a 18 de la memoria forman parte integrante de las cuentas anuales a 30 de septiembre de 2020

* Cifras no auditadas (Nota 2.9)

2 AGO 2021

M^{ra} SOLEDAD VALCÁRCEL CONDE
 Traductora-Intérprete Jurado de INGLÉS
 N.º 4195

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)
ESTADO DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTE AL EJERCICIO DE 9
MESES TERMINADO EL 30 DE SEPTIEMBRE DE 2020
 (Expresado en euros)

a) Estado de Ingresos y gastos reconocidos correspondiente al ejercicio de 9 meses
terminado el 30 de septiembre de 2020
 (Expresado en euros)

	Nota	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
Resultado del ejercicio	3	-378.858,05	-105.501,44
Ingresos y gastos reconocidos directamente en patrimonio neto	9	0,00	-580,07
. Por otros ajustes		0,00	-773,33
. Efecto impositivo		0,00	193,26
Transferencias a la cuenta de pérdidas y ganancias		0,00	0,00
TOTAL DE INGRESOS Y GASTOS RECONOCIDOS		-378.858,05	-106.081,51

Las notas explicativas 1 a 18 de la memoria forman parte integrante de las cuentas
 anuales a 30 de septiembre de 2020

* Cifras no auditadas (Nota 2.9)

2 AGO 2021

M^{te} SOLEDAD VALCÁRCEL CONDE
 Traductora-Intérprete Jurado de INGLÉS
 N.º 4195

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)
ESTADO DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTE AL EJERCICIO DE 9 MESES TERMINADO EL 30 DE SEPTIEMBRE DE 2020
 (Expresado en euros)

b) Estado Total de Cambios en el Patrimonio Neto correspondiente al ejercicio de 9 meses terminado el 30 de septiembre de 2020
 (Expresado en euros)

	Capital Escriturado (Nota 9)	Prima de Emisión (Nota 9)	Reservas (Nota 9)	Resultados Ej. Anteriores (Nota 9)	Resultado del Ejercicio (Nota 3)*	Total
Saldo 8 de abril de 2019 *	3.000,00	0,00	0,00	0,00	0,00	3.000,00
Total de ingresos y gastos reconocidos (Nota 3)	0,00		-580,07	0,00	-105.501,44	-106.081,51
Operaciones con socios y propietarios (Nota 9)	4.997.000,00	1.182.485,00	0,00	0,00	0,00	6.179.485,00
Ampliación de Capital	4.997.000,00	1.182.485,00				6.179.485,00
Saldo 31 de diciembre de 2019 *	5.000.000,00	1.182.485,00	-580,07	0,00	-105.501,44	6.076.403,49
Saldo 1 de enero de 2020	5.000.000,00	1.182.485,00	-580,07	0,00	-105.501,44	6.076.403,49
Total de ingresos y gastos reconocidos (Nota 3)	0,00		0,00	0,00	-378.858,05	-378.858,05
Otros cambios en el Patrimonio Neto	0,00		0,00	-105.501,44	105.501,44	0,00
Saldo 30 de septiembre de 2020	5.000.000,00	1.182.485,00	-580,07	-105.501,44	-378.858,05	5.697.545,44

Las notas explicativas 1 a 18 de la memoria forman parte integrante de las cuentas anuales a 30 de septiembre de 2020
 * Cifras no auditadas (Nota 2.9)

2 AGO 2021

ARIMELIA ITG SOCIMI, S.A (Sociedad Unipersonal)
ESTADO DE FUJOS DE EFECTIVO CORRESPONDIENTE AL EJERCICIO DE 9 MESES
TERMINADO EL 30 DE SEPTIEMBRE DE 2020
(Expresado en euros)

Notas	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
1. Resultado del ejercicio antes de impuestos	-378.858,05	-105.501,44
2. Ajustes del resultado	175.655,92	14.443,00
a) amortización de las inversiones inmobiliarias	5 98.754,00	14.443,00
h) gastos financieros	12 76.901,92	0,00
3. Cambios en el capital corriente	8.181,69	90.486,22
b) deudores y otras cuentas a cobrar	-8.418,55	0,00
d) acreedores y otras cuentas a pagar	8 16.600,24	25.109,55
e) otros pasivos corrientes	0,00	65.376,67
4. Otros flujos de efectivo de las actividades de explotación:		
a) otros pagos (cobros)	0,00	-580,07
	0,00	-580,07
5. Flujos de efectivo de las actividades explotación	-195.020,44	-1.152,29
B) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE INVERSIÓN		
6. Pagos por inversiones	-2.324.522,91	0,00
d) Inversiones inmobiliarias	5 -2.324.522,91	0,00
8. Flujos de efectivo de las actividades de inversión	-2.324.522,91	0,00
C) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE FINANCIACIÓN		
10. Cobros y pagos por Instrumentos de pasivo financiero	2.529.629,96	0,00
a) Emisión		
4. Otras deudas	8-11 2.529.629,96	0,00
12. Flujos de efectivo de las actividades de financiación	2.529.629,96	0,00
E). AUMENTO/DISMINUCIÓN NETA DEL EFECTIVO O EQUIVALENTES	10.086,61	-1.152,29
Efectivo o equivalentes al comienzo del ejercicio	1.847,71	3.000,00
Efectivo o equivalentes al final del ejercicio	11.934,32	1.847,71
DIFERENCIA DE EFECTIVO O EQUIVALENTES EN EL EJERCICIO	10.086,61	-1.152,29

Las notas explicativas 1 a 18 de la memoria forman parte integrante de las cuentas anuales a 30 de septiembre de 2020

* Cifras no auditadas (Nota 2.9)

2. AGO 2021

ARIMELIA ITG SOCIMI, S.A. (Sociedad Unipersonal)
MEMORIA CORRESPONDIENTE AL EJERCICIO DE 9 MESES
TERMINADO EL 30 DE SEPTIEMBRE DE 2020

(Las presentes cuentas anuales están expresadas en euros)

1. Actividad de la Empresa

La sociedad Arimelia ITG SOCIMI, S.A.U. (en adelante, la Sociedad), fue constituida en Madrid con fecha 8 de abril de 2019, bajo la denominación de Arimelia ITG, S.L. Por acuerdo de socio único de 20 de diciembre de 2019, se realizó la transformación a Sociedad Anónima y cambió de denominación a su denominación actual con elevación a público el 25 de febrero de 2020.

El domicilio de la sociedad se encuentra en la calle Serrano, 41, 4ª planta, Madrid (España).

El objeto social de la Sociedad, de acuerdo con sus estatutos es:

1. La adquisición y promoción de bienes inmuebles de naturaleza urbana para su arrendamiento (CNAE 6820). La actividad de promoción incluye la rehabilitación de edificaciones en los términos establecidos en la Ley 37/1992 del Impuesto sobre el Valor Añadido.
2. La tenencia de participaciones en el capital de sociedades cotizadas de inversión en el mercado inmobiliario (SOCIMI) o en el de otras entidades no residentes en territorio español que tengan el mismo objeto social principal que aquéllas y que estén sometidas a un régimen similar al establecido para las SOCIMI en cuanto a la política obligatoria, legal o estatutaria, de distribución de beneficios.
3. La tenencia de participaciones en el capital de otras entidades, residentes o no en territorio español, que tengan como objeto social principal la adquisición de bienes inmuebles de naturaleza urbana para su arrendamiento y que estén sometidas al mismo régimen establecido para las SOCIMI en cuanto a la política obligatoria, legal o estatutaria, de distribución de beneficios y cumplan los requisitos de inversión a que se refiere el artículo 3 de la Ley 11/2009, de 26 de octubre reguladora de las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario, o la norma que lo sustituya así como los demás requisitos establecidos en el artículo 2 de la referida Ley.
4. La tenencia de acciones o participaciones de Instituciones de Inversión Colectiva Inmobiliaria reguladas en la Ley 35/2003, de 4 de noviembre, de Instituciones de Inversión Colectiva. Promoción Inmobiliaria (CNAE 4110).
5. Construcción de edificios tanto de carácter residencial (CNAE 4121) como no residencial (CNAE 4122).
6. Compraventa de bienes inmuebles por cuenta propia (CNAE 6810).
7. Alquiler de fincas rústicas propias (CNAE 6820)

Quedan excluidas todas aquellas actividades para cuyo ejercicio la ley exija requisitos que no puedan ser cumplidos por esta Sociedad.

Las actividades integrantes del objeto social podrán desarrollarse tanto en el territorio nacional como en el extranjero.

La Sociedad se encuentra regulada por la Ley 11/2009, de 26 de octubre, modificada por la Ley 16/2012, de 27 de diciembre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario y modificaciones posteriores. El artículo 3 establece los requisitos para este tipo de sociedades, a saber:

2, AGO 2021

1. Las SOCIMI deberán tener invertido, al menos, el 80 por ciento del valor del activo en bienes inmuebles de naturaleza urbana destinados al arrendamiento, en terrenos para la promoción de bienes inmuebles que vayan a destinarse a dicha finalidad siempre que la promoción se inicie dentro de los tres años siguientes a su adquisición, así como en participaciones en el capital o patrimonio de otras entidades a que se refiere el apartado 1 del artículo 2 de la mencionada Ley.

El valor del activo se determinará según la media de los balances individuales trimestrales del ejercicio, pudiendo optar la Sociedad, para calcular dicho valor por sustituir el valor contable por el de mercado de los elementos integrantes de tales balances, el cual se aplicaría en todos los balances del ejercicio. A estos efectos no se computarán, en su caso, el dinero o derechos de crédito procedente de la transmisión de dichos inmuebles o participaciones que se haya realizado en el mismo ejercicio o anteriores siempre que, en este último caso, no haya transcurrido el plazo de reinversión a que se refiere el artículo 6 de esta Ley.

2. Asimismo, al menos el 80 por ciento de las rentas del período impositivo correspondientes a cada ejercicio, excluidas las derivadas de la transmisión de las participaciones y de los bienes inmuebles afectos ambos al cumplimiento de su objeto social principal, una vez transcurrido el plazo de mantenimiento a que se refiere el apartado siguiente, deberá provenir del arrendamiento de bienes inmuebles y de dividendos o participaciones en beneficios procedentes de dichas participaciones.

Este porcentaje se calculará sobre el resultado consolidado en el caso de que la Sociedad sea dominante de un grupo según los criterios establecidos en el artículo 42 del Código de Comercio, con independencia de la residencia y de la obligación de formular cuentas anuales consolidadas. Dicho grupo estará integrado exclusivamente por las SOCIMI y el resto de entidades a que se refiere el apartado 1 del artículo 2 de la Ley que lo regula.

3. Los bienes inmuebles que integren el activo de la Sociedad deberán permanecer arrendados durante al menos tres años. A efectos del cómputo se sumará el tiempo que los inmuebles hayan estado ofrecidos en arrendamiento, con un máximo de un año.

El plazo se computará:

- a) En el caso de bienes inmuebles que figuren en el patrimonio de la Sociedad antes del momento de acogerse al régimen, desde la fecha de inicio del primer período impositivo en que se aplique el régimen fiscal especial establecido en esta Ley, siempre que a dicha fecha el bien se encontrara arrendado u ofrecido en arrendamiento. De lo contrario, se estará a lo dispuesto en la letra siguiente.
- b) En el caso de bienes inmuebles promovidos o adquiridos con posterioridad por la sociedad, desde la fecha en que fueron arrendados u ofrecidos en arrendamiento por primera vez.

En el caso de acciones o participaciones de entidades a que se refiere el apartado 1 del artículo 2 de esta Ley, deberán mantenerse en el activo de la sociedad al menos durante tres años desde su adquisición o, en su caso, desde el inicio del primer período impositivo en que se aplique el régimen fiscal especial establecido en esta Ley.

4. El capital mínimo exigido es de 5 millones de euros.
5. Las SOCIMI tienen como obligación cotizar en un mercado regulado.

Tal y como establece la Disposición transitoria primera de la Ley 11/2009, de 26 de Octubre, modificada por la Ley 16/2012, de 27 de diciembre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI), podrá optarse por la aplicación del régimen fiscal especial en los términos establecidos en el artículo 8 de dicha Ley, aún cuando no se cumplan los requisitos exigidos en la misma, a condición de que tales requisitos se cumplan dentro de los dos años siguientes a la fecha de la opción por aplicar dicho régimen.

El Administrador Único estima que los requisitos del régimen serán cumplidos en este período, por ello, no ha reconocido ningún impacto por impuesto sobre sociedades.

2. Bases de presentación de las cuentas anuales

2.1 Marco Normativo de información financiera aplicable a la Sociedad

Estas cuentas anuales se han reformulado por el Administrador Único de acuerdo con el marco normativo de información financiera aplicable a la Sociedad, que es el establecido en:

- a) Código de Comercio y la restante legislación mercantil.
- b) Plan General de Contabilidad aprobado por R.D. 1514/2007, las modificaciones incorporadas a éste mediante el RD 1159/2010 y RD 602/2016 y la adaptación sectorial a empresas inmobiliarias.
- c) Las normas de obligado cumplimiento aprobadas por el Instituto de Contabilidad y Auditoría de Cuentas en desarrollo del Plan General de Contabilidad y sus normas complementarias.
- d) Ley 11/2009, de 26 de octubre, modificada por la Ley 16/2012, de 27 de diciembre, por el que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI).
- e) El resto de la normativa contable española que resulte de aplicación.

2.2 Imagen fiel

Las cuentas anuales adjuntas han sido obtenidas de los registros contables de la Sociedad y se presentan de acuerdo con el marco normativo de información financiera que le resulta de aplicación y en particular, los principios y criterios contables en él contenidos, de forma que muestran la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, así como la veracidad de flujos de efectivo incorporados en el estado de flujos de efectivo para el ejercicio de 9 meses terminado el 30 de septiembre de 2020.

2.3 Principios contables no obligatorios aplicados

No ha sido necesario, ni se ha creído conveniente por parte de la dirección de la Sociedad, la aplicación de principios contables facultativos distintos de los obligatorios a que se refiere el artículo 38 del Código de Comercio y la Parte Primera del Plan General de Contabilidad.

2.4 Aspectos críticos de la valoración y estimación de la incertidumbre

La preparación de las cuentas anuales requiere que la Sociedad realice estimaciones e hipótesis, en relación con el futuro, que pueden afectar a las políticas contables adoptadas y al importe de los activos, pasivos, ingresos, gastos y desgloses con ellos relacionados. Las estimaciones e hipótesis se evalúan continuamente y se basan en la experiencia histórica y otros factores, incluidas las expectativas de sucesos futuros que se creen razonables bajo las circunstancias. Las estimaciones contables resultantes, por definición, raramente igualaran a los correspondientes resultados reales.

Se detallan a continuación las principales estimaciones realizadas por el Administrador Único de la Sociedad:

2. AGO 2021

a) Valoración de los activos no corrientes

La valoración de los activos no corrientes, distintos de los financieros, requiere la realización de estimaciones con el fin de determinar su valor razonable, a los efectos de evaluar un posible deterioro, especialmente de las inversiones inmobiliarias. Para determinar este valor razonable el Administrador Único de la Sociedad ha realizado un análisis interno y posteriormente ha encargado a un experto independiente la realización de una valoración de las inversiones inmobiliarias. Ambas valoraciones se han realizado en función de una estimación de los flujos de efectivo futuros esperados de dichos activos y utilizando una tasa de descuento apropiada para calcular el valor actual de esos flujos de efectivo.

b) Vidas útiles de las inversiones inmobiliarias

La Dirección de la Sociedad determina las vidas útiles estimadas y los correspondientes cargos por amortización para las inversiones inmobiliarias. Las vidas útiles de las inversiones inmobiliarias se estiman en relación con el período en que los elementos incluidos bajo dicho epígrafe vayan a generar beneficios económicos. La Sociedad revisa en cada cierre las vidas útiles de las inversiones inmobiliarias y, si las estimaciones difieren de las previamente realizadas, el efecto del cambio se contabiliza de forma prospectiva a partir del ejercicio en que se realiza el cambio.

c) Impuesto sobre las ganancias

La Sociedad está acogida al régimen establecido en la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión Inmobiliaria (SOCIMI), lo que en la práctica supone que, bajo el cumplimiento de determinados requisitos, la Sociedad está sometida a un tipo impositivo en relación al Impuesto sobre Sociedades del 0%.

El Administrador Único de la Sociedad realiza una monitorización del cumplimiento de los requisitos establecidos en la legislación con el objeto de guardar las ventajas fiscales establecidas en la misma. En este sentido, la estimación del Administrador Único es que dichos requisitos se cumplen en los términos y plazos fijados, no procediendo a registrar ningún tipo de resultado derivado del Impuesto sobre las ganancias.

Si bien estas estimaciones se elaboraron sobre la base de la mejor información disponible al término del ejercicio 2020, cabe la posibilidad de que los acontecimientos futuros conlleven una modificación de estas estimaciones (al alza o a la baja) en el futuro. Los cambios en las estimaciones contables se aplicarán prospectivamente.

2.5 Comparación de la información

Por el acta de consignación de decisiones del Accionista Único de la Sociedad con fecha 14 de septiembre de 2020 se cambió la fecha de cierre del ejercicio social de la Sociedad a 30 de septiembre de cada año (anteriormente 31 de diciembre). Por lo anterior, las cuentas anuales cerradas al 30 de septiembre de 2020 corresponden a un ejercicio de 9 meses. Adicionalmente, la Sociedad se constituyó el 8 de abril de 2019, por tanto, ambos ejercicios no son comparables.

Las cifras correspondientes al ejercicio anterior, 2019, que se incluyen a efectos comparativos en cada uno de los estados de las cuentas anuales del ejercicio 2020, no han sido auditadas.

Las cuentas anuales del ejercicio 2020 se han reformulado con fecha 25 de abril de 2021 dado que los requerimientos de salida al mercado no permiten la presentación de cuentas anuales abreviadas. Las cuentas del ejercicio 2019 fueron formuladas en formato abreviado por lo que no incluyeron ni el estado de cambios en el patrimonio neto ni el estado de flujos de efectivo.

2.6 Agrupación de partidas

Determinadas partidas del balance y de la cuenta de pérdidas y ganancias se presentan de forma agrupada para facilitar su comprensión, si bien, en la medida en que sea significativa, se ha incluido la información desagregada en las correspondientes notas explicativas de la memoria.

2.7 Cambio de criterios contables

Durante el ejercicio finalizado el 30 de septiembre de 2020 no se han producido cambios de criterios contables significativos respecto a los usados en el ejercicio anterior.

2.8 Empresa en funcionamiento

La Sociedad presenta a 30 de septiembre de 2020 fondo de maniobra negativo por 1.515.089,84 euros, como consecuencia fundamentalmente del pago aplazado por la compra de activos inmobiliarios. La Sociedad ha obtenido, tal y como se menciona en la nota 18 un préstamo bancario a largo plazo en el mes de enero de 2021 que le permite afrontar tanto dicha cuenta a pagar como los gastos de remodelación de los activos inmobiliarios.

2.9. Corrección de errores

Algunos de los Importes correspondientes al ejercicio 2019 han sido ajustados en las presentes cuentas anuales con el fin de corregir el ejercicio 2019. Los cambios más significativos han sido los siguientes:

- Gasto de amortización correspondiente al ejercicio 2019:

Epígrafe	Debe	Haber
Amortización acumulada inversiones inmobiliarias	-	14.443
Gasto por amortización	14.443	-

- Gasto proveedor 2019:

Epígrafe	Debe	Haber
Proveedores	-	7.500
Servicios exteriores	7.500	-

Las cifras del ejercicio 2019 identificadas en los estados financieros (balance y cuenta de pérdidas y ganancias) incluidas en las presentes cuentas anuales se han modificado respecto a las formuladas en el ejercicio anterior para reflejar las anteriores modificaciones. El Administrador Único no considera estos cambios como significativos.

3. Aplicación del resultado

La Sociedad ha obtenido en el ejercicio de 9 meses terminado el 30 de septiembre de 2020 unas pérdidas que ascienden a 378.858,05 euros y el Administrador Único propondrá al Accionista Único la siguiente distribución:

- A Resultados negativos de ejercicios anteriores con el objeto de compensarlos con beneficios de ejercicios futuros.

El Administrador Único estima que la propuesta de aplicación del resultado será aprobada por el Accionista Único sin cambios.

2. AGO 2021

El 24 de noviembre de 2020 el Accionista Unico aprobó las cuentas anuales del ejercicio 2019, determinando una pérdida de 83.558,44 euros y su distribución al epígrafe de resultados negativos de ejercicios anteriores. La diferencia entre la aprobación del resultado del ejercicio anterior y el resultado reflejado como comparativo en las cuentas anuales del ejercicio de 9 meses terminado el 30 de septiembre de 2020 se corresponde con los ajustes y reclasificaciones mencionados en la Nota 2.9.

Normas de distribución del resultado aplicables a SOCIMI.

Según lo establecido por la normativa en vigor, las SOCIMI que hayan optado por el régimen fiscal especial, estarán obligadas a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio, debiéndose acordar su distribución dentro de los seis meses siguientes a la conclusión de cada ejercicio y pagarse dentro del mes siguiente a la fecha del acuerdo de distribución.

Por otro lado, tal y como indica la Ley 11/2009, de 26 de octubre de 2009, modificada por la Ley 16/2012, de 27 de diciembre, la Sociedad deberá distribuir como dividendos:

- El 100% de los beneficios procedentes de dividendos o participaciones en beneficios distribuidos por las entidades a que se refiere el apartado 1 del artículo 2 de la Ley 11/2009.
- Al menos el 50% de los beneficios derivados de la transmisión de inmuebles y acciones o participaciones a que se refiere el apartado 1 del artículo 2 de la Ley 11/2009, realizadas una vez transcurridos los plazos a que se refiere el apartado 2 del artículo 3 de la Ley 11/2009, afectos al cumplimiento de su objeto social principal. El resto de estos beneficios deberán reinvertirse en otros inmuebles o participaciones afectos al cumplimiento de dicho objeto, en el plazo de los tres años posteriores a la fecha de transmisión. En su defecto, estos beneficios deberán distribuirse en su totalidad conjuntamente con los beneficios, en su caso, que procedan del ejercicio en que finaliza el plazo de reinversión. Si los elementos objeto de reinversión se transmiten antes del plazo de mantenimiento, aquellos beneficios deberán distribuirse en su totalidad conjuntamente con los beneficios, en su caso, que procedan del ejercicio en que se han transmitido. La obligación de distribuir, no alcanza, en su caso, a la parte de estos beneficios imputables a ejercicios en los que la Sociedad no tributara por el régimen fiscal especial establecido en dicha Ley.
- Al menos el 80% del resto de los beneficios obtenidos.

Cuando la distribución de dividendos se realice con cargo a reservas procedentes de beneficios de un ejercicio en el que haya sido aplicado el régimen fiscal especial, su distribución se adoptará obligatoriamente en la forma descrita anteriormente.

4. Normas de registro y valoración

Las principales normas de registro y valoración utilizadas por la Sociedad en la elaboración de las cuentas anuales, de acuerdo con las establecidas por el Plan General de Contabilidad, han sido las siguientes:

4.1 Inversiones inmobiliarias

El epígrafe Inversiones inmobiliarias del balance adjunto recoge los valores de terrenos, edificios y otras construcciones que se mantienen bien, para explotarlos en régimen de alquiler, bien para obtener una plusvalía en su venta como consecuencia de los incrementos que se produzcan en el futuro en sus respectivos precios de mercado.

Adicionalmente, las inversiones inmobiliarias recogen mobiliario debido a que está destinado para las inversiones que se van a explotar en régimen de alquiler.

Las inversiones inmobiliarias se valoran inicialmente por su precio de adquisición, y posteriormente se minoran por la correspondiente amortización acumulada y las pérdidas por deterioro, si las hubiera, conforme al criterio mencionado en la Nota 4.2.

Los gastos de conservación y mantenimiento de los diferentes elementos que componen las Inversiones Inmobiliarias se imputan a la cuenta de pérdidas y ganancias del ejercicio en que se incurren. Por el contrario, los importes invertidos en mejoras que contribuyen a aumentar la capacidad o eficiencia o a alargar la vida útil de dichos bienes se registran como mayor coste de los mismos.

La amortización de estos elementos, con excepción de los terrenos que no se amortizan, se realiza de manera sistemática y racional en función de la vida útil de los bienes y de su valor residual, atendiendo a la depreciación que normalmente sufran por su funcionamiento, uso y disfrute, sin perjuicio de considerar también la obsolescencia técnica o comercial que pudiera afectarlos. Las vidas útiles estimadas de los distintos componentes identificados bajo el epígrafe de Inversiones inmobiliarias son las siguientes:

	<u>% de amortización</u>
Construcciones	2%
Instalaciones técnicas	5%
Mobiliario	10%

4.2 Deterioro de valor de inversiones inmobiliarias

Siempre que existan indicios de pérdida de valor de las inversiones inmobiliarias y al menos al cierre del ejercicio, la Sociedad procede a estimar mediante el denominado "Test de deterioro" la posible existencia de pérdidas de valor que reduzcan el valor recuperable de dichos activos a un importe inferior al de su valor en libros.

El importe recuperable se determina como el mayor importe entre el valor razonable menos los costes de venta y el valor en uso. En concreto, para la totalidad de las inversiones inmobiliarias, el importe recuperable se determina a través del descuento de flujos de caja futuros generado por el activo correspondiente sobre la base de las rentas existentes comprometidas y utilizando tasas de descuento de mercado.

Cuando una pérdida por deterioro de valor se revierte posteriormente, el importe en libros del activo se incrementa en la estimación revisada de su importe recuperable, pero de tal modo que el importe en libros incrementado no supere el importe en libros que se habría determinado de no haberse reconocido ninguna pérdida por deterioro en ejercicios anteriores.

4.3 Arrendamientos

Arrendamiento financiero

Los arrendamientos se clasifican como arrendamientos financieros siempre que de las condiciones de estos se deduzca que se transfieren al arrendatario sustancialmente los riesgos y beneficios inherentes a la propiedad del activo objeto del contrato. Los demás arrendamientos se clasifican como arrendamientos operativos.

Al 30 de septiembre de 2020 y 31 de diciembre de 2019, la Sociedad no mantiene arrendamientos financieros.

Arrendamiento operativo

Los ingresos y gastos derivados de los acuerdos de arrendamiento operativo se cargan a la cuenta de pérdidas y ganancias en el ejercicio en que se devengan.

Asimismo, el coste de adquisición del bien arrendado se presenta en el balance conforme a su naturaleza, incrementado por el importe de los costes del contrato directamente imputables, los cuales se reconocen como gasto en el plazo del contrato, aplicando el mismo criterio utilizado para el reconocimiento de los ingresos del arrendamiento.

Cualquier cobro o pago que pudiera realizarse al contratar un arrendamiento operativo se tratará como un cobro o pago anticipado que se imputará a resultados a lo largo del periodo del arrendamiento, a medida que se cedan o reciban los beneficios del activo arrendado.

21 AGO 2021

4.4 Instrumentos financieros

4.4.1 Activos financieros

Clasificación

Los activos financieros que posee la Sociedad se clasifican en las siguientes categorías:

- a) Préstamos y partidas a cobrar: activos financieros originados en la venta de bienes o en la prestación de servicios por operaciones de tráfico de la empresa, o los que no teniendo un origen comercial, no son instrumentos de patrimonio ni derivados y cuyos cobros son de cuantía fija o determinable y no se negocian en un mercado activo.
- b) Tesorería y otros activos líquidos equivalentes: la tesorería comprende tanto la caja como los depósitos bancarios a la vista. Los otros activos líquidos equivalentes son inversiones a corto plazo, con vencimientos anteriores a tres meses, y que no están sujetos a un riesgo relevante de cambios en su valor.

Valoración inicial

Los activos financieros se registran, en términos generales, inicialmente al valor razonable de la contraprestación entregada más los costes de la transacción que sean directamente atribuibles.

Valoración posterior

Los préstamos y partidas a cobrar se valoran por su coste amortizado.

Al menos al cierre del ejercicio la Sociedad realiza un test de deterioro para los activos financieros que no están registrados a valor razonable. Se considera que existe evidencia objetiva de deterioro si el valor recuperable del activo financiero es inferior a su valor en libros. Cuando se produce, el registro de este deterioro se registra en la cuenta de pérdidas y ganancias.

La Sociedad da de baja los activos financieros cuando expiran o se han cedido los derechos sobre los flujos de efectivo del correspondiente activo financiero y se han transferido sustancialmente los riesgos y beneficios inherentes a su propiedad.

Por el contrario, la Sociedad no da de baja los activos financieros, y reconoce un pasivo financiero por un importe igual a la contraprestación recibida, en las cesiones de activos financieros en las que se retenga sustancialmente los riesgos y beneficios inherentes a su propiedad.

4.4.2 Pasivos financieros

Son pasivos financieros aquellos débitos y partidas a pagar que tiene la Sociedad y que se han originado en la compra de bienes y servicios por operaciones de tráfico de la empresa, o aquellos que sin tener un origen comercial, no pueden ser considerados como instrumentos financieros derivados.

Los débitos y partidas a pagar se valoran inicialmente al valor razonable de la contraprestación recibida, ajustada por los costes de la transacción directamente atribuibles. Con posterioridad, dichos pasivos se valoran de acuerdo con su coste amortizado.

La Sociedad da de baja los pasivos financieros cuando se extinguen las obligaciones que los han generado.

2 AGO 2011

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4.5 Patrimonio neto

El capital social está representado por acciones ordinarias.

Los costes de emisión de nuevas acciones u opciones se presentan directamente contra el patrimonio neto, como menores reservas.

En el caso de adquisición de acciones propias de la Sociedad, la contraprestación pagada, incluido cualquier coste incremental directamente atribuible, se deduce del patrimonio neto hasta su cancelación, emisión de nuevo o enajenación. Cuando estas acciones se venden o se vuelven a emitir posteriormente, cualquier importe recibido, neto de cualquier coste incremental de la transacción directamente atribuible, se incluye en el patrimonio neto.

4.6 Impuesto sobre Beneficios

Régimen SOCIMI

En virtud de la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas cotizadas de inversión en el mercado inmobiliario, las entidades que cumplan los requisitos definidos en la normativa y opten por la aplicación del régimen fiscal especial previsto en dicha Ley tributarán a un tipo de gravamen del 0% en el Impuesto de Sociedades. En el caso de generarse bases imponibles negativas, no será de aplicación el artículo 26 de la Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades. Asimismo, no resultará de aplicación el régimen de deducciones y bonificaciones establecidas en los Capítulos II, III y IV de dicha norma. En todo lo demás no previsto en la Ley SOCIMI, será de aplicación supletoriamente lo establecido en la Ley 27/2014, del Impuesto sobre Sociedades.

La entidad estará sometida a un gravamen especial del 19% sobre el importe íntegro de los dividendos o participaciones en beneficios distribuidos a los socios cuya participación en el capital social de la entidad sea igual o superior al 5%, cuando dichos dividendos, en sede de sus socios, estén exentos o tributen a un tipo de gravamen inferior al 10%. Dicho gravamen tendrá la consideración de cuota del Impuesto sobre Sociedades.

Con fecha 20 de septiembre de 2019 la Sociedad optó por el régimen fiscal especial de SOCIMI, y la comunicación a las autoridades fiscales se realizó con fecha 23 de septiembre de 2019.

A 30 de septiembre de 2020, no se cumple con el requisito de cotización en un mercado regulado. El Administrador Único de la Sociedad estima que se cumplirá dicho requisito en el periodo de dos años siguientes a la fecha de la opción por aplicar dicho régimen, es decir, 20 de septiembre de 2021.

4.7 Ingresos y gastos

Los ingresos y gastos se imputan en función del criterio de devengo, es decir, cuando se produce la corriente real de bienes y servicios que los mismos representan, con independencia del momento en que se produzca la corriente monetaria o financiera derivada de ellos. Dichos ingresos se valoran por el valor razonable de la contraprestación recibida, deducidos descuentos e impuestos.

La Sociedad presta servicios de alquiler. Los ingresos procedentes de los alquileres de los inmuebles se reconocen en función de su devengo, distribuyéndose linealmente los beneficios en concepto de incentivos y los costes iniciales de los contratos de arrendamiento.

Los costes relacionados con cada una de las cuotas de arrendamiento, incluida la baja por deterioro, se reconocen como gasto. Los inmuebles arrendados a terceros, todos los cuales se realizan bajo arrendamiento operativo, se incluyen en la línea de "Inversiones inmobiliarias" en el balance.

2 AGO 2021

Los intereses recibidos de activos financieros se reconocen utilizando el método del tipo de interés efectivo. En cualquier caso, los intereses de activos financieros devengados con posterioridad al momento de la adquisición se reconocen como ingresos en la cuenta de pérdidas y ganancias.

4.8 Prestaciones a empleados

Indemnizaciones por cese

Las indemnizaciones por cese se pagan a los empleados como consecuencia de la decisión de la Sociedad de rescindir su contrato de trabajo antes de la edad normal de jubilación o cuando el empleado acepta voluntariamente dimitir a cambio de esas prestaciones. La Sociedad reconoce estas prestaciones cuando se ha comprometido de forma demostrable a cesar en su empleo a los trabajadores actuales de acuerdo con un plan formal detallado sin posibilidad de retirada o a proporcionar indemnizaciones por cese, como consecuencia de una oferta realizada para animar a una renuncia voluntaria. Las prestaciones que no se van a pagar en los doce meses siguientes a la fecha del balance se descuentan a su valor actual.

4.9 Provisiones y contingencias

El Administrador Único de la Sociedad en la formulación de las cuentas anuales distingue entre:

a) Provisiones: saldos acreedores que cubren obligaciones actuales derivadas de sucesos pasados, cuya cancelación es probable que origine una salida de recursos, pero que resultan indeterminados en cuanto a su importe y/o momento de cancelación.

b) Pasivos contingentes: obligaciones posibles surgidas como consecuencia de sucesos pasados, cuya materialización futura está condicionada a que ocurra, o no, uno o más eventos futuros independientes de la voluntad de la Sociedad.

Las cuentas anuales adjuntas recogen todas las provisiones y pasivos contingentes con respecto a las cuales se estima que la probabilidad de que se tenga que atender la obligación es mayor que de lo contrario. Salvo que sean considerados como remotos, los pasivos contingentes no se reconocen en las cuentas anuales, sino que se informa sobre los mismos sobre los mismos en las notas de la memoria

Las provisiones se valoran por el valor actual de la mejor estimación posible del importe necesario para cancelar o transferir la obligación, teniendo en cuenta la información disponible sobre el suceso y sus consecuencias, y registrándose los ajustes que surjan por la actualización de dichas provisiones como un gasto financiero conforme se va devengando.

Al 30 de septiembre de 2020 y 31 de diciembre de 2019, la Sociedad no mantiene provisiones y contingencias adicionales a los ya reflejados en las presentes cuentas anuales.

4.8 Elementos patrimoniales de naturaleza medioambiental

Se consideran activos de naturaleza medioambiental los bienes que son utilizados de forma duradera en la actividad de la Sociedad, cuya finalidad principal es la minimización del impacto medioambiental y la protección y mejora del medioambiente, incluyendo la reducción o eliminación de la contaminación futura.

La actividad de la Sociedad, por su naturaleza, no tiene un impacto medioambiental significativo.

4.9 Transacciones con vinculadas

Las operaciones con vinculadas se registran a valores de mercado.

2 AGO 2021

4.10 Partidas corrientes y no corrientes

Se consideran activos corrientes aquellos vinculados al ciclo normal de explotación que, con carácter general, se considera de un año; también aquellos otros activos cuyo vencimiento, enajenación o realización se espera que se produzca en el corto plazo desde la fecha de cierre del ejercicio, los activos financieros mantenidos para negociar, con la excepción de los derivados financieros cuyo plazo de liquidación sea superior al año y el efectivo y otros activos líquidos equivalentes. Los activos que no cumplen estos requisitos se califican como no corrientes.

Del mismo modo, son pasivos corrientes los vinculados al ciclo normal de explotación, los pasivos financieros mantenidos para negociar, con la excepción de los derivados financieros cuyo plazo de liquidación sea superior al año, y, en general, todas las obligaciones cuya vencimiento o extinción se producirá en el corto plazo. En caso contrario, se clasifican como no corrientes.

5. Inversiones inmobiliarias

Las inversiones inmobiliarias de la Sociedad se corresponden con inmuebles que se destinan a su explotación en régimen de alquiler.

El movimiento habido en este capítulo del balance durante el ejercicio finalizado el 30 de septiembre de 2020 y el ejercicio 2019, así como la información más significativa que afecta a este epígrafe ha sido la siguiente (en euros):

A 30 de septiembre de 2020

	Saldo a 1/01/2020	Adiciones o Dotaciones	Retiros	Saldo a 30/09/2020
Coste:				
Terrenos	3.298.918,80	1.044.738,53	0,00	4.343.657,33
Construcciones	2.884.186,48	2.503.471,96	0,00	5.387.658,44
Otros	0,00	84.574,04		84.574,04
Construcciones en curso	0,00	108.569,38	0,00	108.569,38
Total coste	6.183.105,28	3.741.353,91	0,00	9.924.459,19
Amortizaciones:				
Construcciones	-14.443,00	-95.759,96	0,00	-110.202,96
Otros	0,00	-2.994,04	0,00	-2.994,04
Total Amortización acumulada	-14.443,00	-98.754,00	0,00	-113.197,00
Total inversiones inmobiliarias	6.168.662,28	3.642.599,91	0,00	9.811.262,19

Con fecha 5 de febrero de 2020 la Sociedad adquirió 4 locales comerciales y una vivienda situados todos ellos en Supermanzana B del Sector cuatro de la Urbanización Nueva Andalucía de Marbella, destinados al arrendamiento, por un precio total, incluyendo los costes asociados a cada transacción, de 3.515.043 euros.

A 30 de septiembre de 2020 el epígrafe "Proveedores" del balance adjunto incluye un importe pendiente de pago de 1.416.831 euros correspondiente a las altas anteriormente indicadas. Dicho importe fue satisfecho en febrero de 2021 (Nota 8).

Las construcciones en curso se corresponden con las obras de mejora que están realizando en los activos adquiridos para que estén disponibles para el arrendamiento.

A 31 de diciembre de 2019 (*)

	Saldo a 8/04/2019 (*)	Adiciones o Dotaciones	Retiros	Saldo a 31/12/2019 (*)
Coste:				
Terrenos	0,00	3.298.918,80	0,00	3.298.918,80
Construcciones	0,00	2.884.186,48	0,00	2.884.186,48
Construcciones en curso	0,00	0,00	0,00	0,00
Total coste	0,00	6.183.105,28	0,00	6.183.105,28
Amortizaciones:				
Construcciones (*)	0,00	-14.443,00	0,00	-14.443,00
Total Amortización acumulada	0,00	-14.443,00	0,00	-14.443,00
Total inversiones inmobiliarias	0,00	6.168.662,28	0,00	6.168.662,28

(*) Cifras no auditadas (Nota 2.9)

Con fecha 30 de septiembre de 2019 y 1 de octubre de 2019, la Sociedad adquirió dos apartamentos ubicados en Marbella (Málaga) destinados al arrendamiento, por un precio total, incluyendo los costes asociados a cada transacción, de 3.518.805,77 y 2.664.299,51 euros respectivamente.

Dichas compras fueron pagadas por el Accionista Único, quedando reflejado como deuda en la cuenta corriente incluida en el epígrafe de "Otros pasivos financieros" del balance y que, con fecha 10 de octubre de 2019, se compensaron en ampliación de capital (Nota 9).

Durante los ejercicios 2020 y 2019 la Sociedad no ha enajenado ningún elemento de la cartera de inversiones.

a) Inversiones inmobiliarias situadas en el extranjero

Al 30 de septiembre de 2020 y al 31 de diciembre de 2019 la Sociedad no tiene inversiones inmobiliarias situadas en el extranjero.

b) Bienes totalmente amortizados

Al 30 de septiembre de 2020 y al 31 de diciembre de 2019, la Sociedad no tiene elementos de inversiones inmobiliarias incluidos en balance que se encuentren totalmente amortizados.

c) Seguros

Es política de la Sociedad contratar todas las pólizas de seguros que se estiman necesarias para la cobertura de los posibles riesgos que pudieran afectar a las inversiones inmobiliarias.

d) Obligaciones

Las inversiones inmobiliarias registradas en este epígrafe adquiridas durante el ejercicio 2019 son garantía de la hipoteca constituida el 15 de enero de 2021 con la entidad financiera Banco Sabadell, S.A. (ver Nota 18).

e) Proceso de valoración

De acuerdo con la Norma de valoración Nº 2 del Plan General de Contabilidad y a la Resolución de 1 de marzo de 2013, del Instituto de Contabilidad y Auditoría de Cuentas, la Sociedad al menos al cierre de cada ejercicio evaluará si existen indicios de que alguna inversión inmobiliaria pueda estar deteriorada. Para ello, la Sociedad revisa el valor razonable, la vida útil y los métodos de valoración de los inmuebles que posee.

Cuando el valor de mercado de un bien o cualquier otro valor que le corresponda sea inferior al valor amortizado, se procede a efectuar correcciones valorativas, dotando a tal efecto la pertinente provisión por deterioro, cuando, la depreciación sea reversible.

A 30 de septiembre de 2020 y como consecuencia del volumen de transacciones del ejercicio, así como por la situación derivada de la COVID-19, la dirección ha realizado un estudio de valoración interno para la evaluación de posibles indicios de deterioro sobre la totalidad de los activos inmobiliarios.

Las valoraciones de dichos activos inmobiliarios han sido realizadas por la dirección bajo la hipótesis "valor de mercado". El valor de mercado se define como la cantidad estimada por la que un activo debería poderse intercambiar a la fecha de valoración, entre un vendedor y un comprador independientes entre sí, tras un periodo de comercialización razonable, y en el que ambas partes hayan actuado con conocimiento, prudencia y sin coacción alguna.

La metodología de valoración adoptada con objeto de determinar el valor razonable de los inmuebles es el método del descuento de flujos de efectivo con la proyección de los ingresos netos de explotación a 10 años y capitalizar el 11º año con una rentabilidad ("yield") de salida y aplicando una Tasa Interna de Retorno (TIR) para el descuento los flujos de efectivo obtenidos.

El método de descuento de flujo de caja se basa en la predicción de los ingresos netos probables que generarán los activos durante un periodo determinado de tiempo, considerando el valor residual de los mismos al final de dicho periodo. Los flujos de caja se descuentan a una tasa interna de retorno para llegar al valor neto actual. Dicha tasa interna de retorno se ajusta para reflejar el riesgo asociado a la inversión y las hipótesis adoptadas.

Las variables más importantes son, por tanto, las que figuran a continuación:

Variable	30/09/2020
Rentabilidad de salida (%)	2,87%-7,17%
TIR (%)	3,64%-10%

Las rentabilidades estimadas y tasas de descuento dependen del tipo y antigüedad de los inmuebles y de su ubicación. Los inmuebles se han valorado de forma individual, considerando cada uno de los contratos de arrendamiento previsible, basándose en las rentas de mercado actuales para las diferentes zonas, soportadas por comparables y transacciones realizadas para sus cálculos.

A continuación, se informa sobre el coste y valor razonable de las inversiones inmobiliarias al 30 de septiembre de 2020:

	Euros	
	30 de septiembre de 2020	
	Valor neto contable	Valor razonable
Inversiones inmobiliarias	9.811.262	10.454.595

Adicionalmente, la dirección ha corroborado los resultados obtenidos de su análisis de valoración interno verificando la razonabilidad de las hipótesis respecto de las utilizadas en el informe de valoración de sus activos realizado por Gesvalt a fecha 25 de abril de 2021. La dirección ha considerado la evolución de los activos existentes al cierre del ejercicio y entre la fecha de valoración realizada, así como el efecto de las mejoras realizadas posterior al cierre del ejercicio.

Como resultado de ambas valoraciones, no se han identificado deterioros, por lo que no ha sido necesario dotar deterioro alguno al 30 de septiembre de 2020. Dado que los activos a 31 de diciembre de 2019 fueron adquiridos a terceros independientes en el último trimestre del ejercicio se considera que no existe indicios de deterioro al cierre de dicho ejercicio.

2 AGO 2021

El valorador externo de la Sociedad ha emitido su valoración en base a una "incertidumbre material de la valoración" de conformidad con la normativa VPS3 y YPGA10 de los Estándares Globales de Valoraciones RICS. Consecuentemente, debe atribuirse a la valoración un grado menor de certidumbre y un mayor grado de atención. El Administrador Único de la Sociedad ha llevado a cabo un análisis de sensibilidad sobre las valoraciones, considerando escenarios adicionales que tengan en cuenta esta incertidumbre material, con el objetivo de confirmar que posibles variaciones en el valor de mercado de las inversiones inmobiliarias, no tendrían impactos significativos en el balance y cuenta de pérdidas y ganancias del ejercicio.

En dicho análisis de sensibilidad se ha considerado los efectos de la variación de hipótesis clave de valoración en el valor neto contable de las inversiones inmobiliarias. Este ejercicio de sensibilidad se realizó asumiendo que todas las demás variables de valoración permanecen constantes. Los resultados del análisis de sensibilidad son los siguientes:

- En el caso de la tasa de descuento, se ha establecido una sensibilidad de +/- 25 puntos básicos basada en distintos escenarios económicos previstos a corto y medio plazo.

El impacto que tendrían esas sensibilidades en las valoraciones es el siguiente:

- Una disminución de 25 puntos básicos de la tasa de descuento produciría un aumento de la valoración de un 2,14% y un aumento de 25 puntos básicos produciría una disminución de la valoración de 2,19%.

A 30 de septiembre de 2020 y 31 de diciembre de 2019 no se han registrado deterioros.

6. Arrendamientos

En la cuenta de pérdidas y ganancias se han reconocido los siguientes ingresos provenientes de estas inversiones inmobiliarias:

	1 de enero de 2020 a 30 de septiembre de 2020	8 de abril de 2019 a 31 de diciembre de 2019(*)
Ingresos por arrendamiento	18.550,00	0,00

(*) Cifras no auditadas

La Sociedad no posee contratos de arrendamiento a largo plazo, es por ello, que no se incluye información sobre los pagos mínimos futuros.

7. Activos financieros

La clasificación de los activos financieros por categorías y clases, así como el valor en libros en euros de estos, al cierre de los ejercicios 2020 y 2019 se detalla a continuación:

A 30 de septiembre de 2020

Categorías	Euros	
	Activos financieros a largo plazo	Activos financieros a corto plazo
	Créditos, derivados y otros	Créditos, derivados y otros
Deudores comerciales y otras cuentas a cobrar		
Otros deudores	0,00	3,49
Efectivo y otros activos líquidos equivalentes	0,00	11.934,32
TOTAL	0,00	11.937,81

A 31 de diciembre de 2019 (*)

Categorías	Euros	
	Activos financieros a largo plazo	Activos financieros a corto plazo
	Créditos, derivados y otros	Créditos, derivados y otros
Efectivo y otros activos líquidos equivalentes	0,00	1.847,71
TOTAL	0,00	1.847,71

(*) Cifras no auditadas

No hay efectivo ni otros activos líquidos equivalentes con disponibilidad restringida al 30 de septiembre de 2020 y 31 de diciembre de 2019.

7.1. Información sobre naturaleza y nivel de riesgo de los instrumentos financieros

La Sociedad tiene establecidos los mecanismos necesarios para controlar la exposición a las variaciones en los tipos de interés, así como a los riesgos de crédito y liquidez. A continuación, se indican los principales riesgos financieros que impactan a la Sociedad.

Riesgo de crédito

El riesgo de crédito será atribuible principalmente a deudas por arrendamientos, es considerado por el Administrador Único de la Sociedad como bajo, ya que las rentas se suelen cobrar por anticipado. Adicionalmente, la Sociedad se cubre dicho riesgo mediante avales y fianzas que son solicitados a sus inquilinos.

Riesgo de liquidez:

Una gestión prudente del riesgo de liquidez implica el mantenimiento de suficiente efectivo y valores negociables, la disponibilidad de financiación mediante un importe suficiente de líneas de crédito comprometidas y tener capacidad para liquidar posiciones de mercado.

El Administrador Único de la Sociedad realiza un seguimiento de las previsiones de la reserva de liquidez (que comprende la línea de crédito y el efectivo y equivalentes al efectivo) en función de los flujos de efectivo esperados.

La Sociedad posee una cuenta corriente con el Accionista Único por importe máximo de 10 millones de euros y plazo de duración de cinco años desde el 20 de septiembre de 2019, (20 de noviembre de 2024) del que se encuentra dispuesto a 30 de septiembre de 2020 un importe de 2.598.626,91 euros. Tal y como se indica en la nota 8 línea de crédito se considera suficiente a efectos de dotar de liquidez a la Sociedad. Asimismo, tal y como se indica en la nota 18 la Sociedad ha firmado un contrato de financiación bancaria hipotecaria por importe de 2.660.000 euros en enero de 2021.

Riesgo de tipo de interés

Las variaciones de los tipos de interés modifican el valor razonable de aquellos activos y pasivos que devengan un tipo de interés fijo, así como los flujos futuros de los activos y pasivos referenciados a un tipo de interés variable. Como hemos mencionado en el riesgo de liquidez la Sociedad posee una Línea de Crédito otorgada por el Accionista Único que devenga un interés del 3%. La Sociedad no posee otros instrumentos financieros en su balance.

Riesgo fiscal

Tal y como se menciona en la Nota 1, la Sociedad se acogió al régimen fiscal especial de la Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI). Según lo establecido en el artículo 6 de la Ley 11/2009, de 26 de octubre de 2009, modificada por la Ley 16/2012, de 27 de diciembre las SOCIMI, las sociedades que han optado por dicho régimen están obligadas a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio, debiéndose acordar su distribución dentro de los seis meses siguientes a la conclusión de cada ejercicio y pagarse dentro del mes siguiente a la fecha del acuerdo de distribución. Como se menciona en la nota 1, la Sociedad no cumple todavía los requisitos del Régimen SOCIMI, pero el Administrador Único estima que cumplirá con ellos el 20 de septiembre de 2021, fecha final del plazo de 2 años que establece la ley para su cumplimiento.

Riesgo valor razonable de las inversiones inmobiliarias

Al final de cada ejercicio sobre el que se informa, el Administrador Único realiza una evaluación del valor razonable de cada inmueble teniendo en cuenta las valoraciones independientes más recientes realizadas internamente o con colaboración de expertos externos. El Administrador Único determina el valor de un inmueble dentro de un rango de estimaciones del valor razonable aceptables. La mejor evidencia del valor razonable de las inversiones inmobiliarias en un mercado activo son los precios de activos similares. En la ausencia de dicha información ante la actual situación de mercado, la Sociedad determina el valor razonable mediante un intervalo de valores razonables.

Otros riesgos:

La aparición del coronavirus COVID-19 en China en 2019 y su expansión global, ha motivado que el brote vírico haya sido calificado como una pandemia por la Organización Mundial de la Salud desde el pasado 11 de marzo de 2020.

Esta pandemia está afectando a los mercados económicos y financieros y prácticamente todos los sectores de la economía se enfrentan a importantes desafíos derivados de las actuales condiciones económicas.

- **Riesgo de operaciones:**

La tipología de los activos propiedad de la compañía destinados al alquiler hace que las perspectivas de obtener rentas de alquiler dependan de la eliminación de restricciones de movilidad y en el restablecimiento de la actividad económica.

- **Riesgo de liquidez:**

El Administrador Único realiza un seguimiento de las necesidades de liquidez con el fin de asegurar que cuenta con los recursos financieros necesarios para cubrir sus necesidades.

- **Riesgo de valoración de activos y pasivos:**

Tal y como se menciona en la nota 5 el valorador externo ha incluido en su informe de valoración de fecha 25 de abril de 2021 una incertidumbre material en relación al efecto del COVID, es por ello, que para mitigar dicho riesgo se ha realizado un análisis de sensibilidad de las valoraciones.

El Administrador Único realiza una supervisión constante de la evolución de la situación, con el fin de afrontar con éxito los eventuales impactos tanto financieros como no financieros, que pudieran producirse.

7.2. Gestión del capital

Los objetivos de la Sociedad a la hora de gestionar capital son salvaguardar la capacidad de la misma para continuar como un negocio en funcionamiento y así poder proporcionar rendimiento al propietario, así como beneficios para otros tenedores de instrumentos de patrimonio y mantener una estructura de capital óptima para reducir el coste de capital.

Con el fin de mantener o ajustar la estructura de capital, la Sociedad podrá ajustar el importe de los dividendos a pagar a los propietarios, devolverles capital, emitir nuevas acciones o vender activos para reducir deuda.

La Sociedad hace seguimiento del capital de acuerdo a los siguientes índices:

- El Índice de Apalancamiento se calcula como la deuda dividida entre el patrimonio neto. La deuda se calcula como el total de deuda mantenida con partes vinculadas y entidades de crédito.
- Igualmente se determina el índice que relaciona la posición neta de tesorería entre el patrimonio neto.

	30 de septiembre de 2020	31 de diciembre de 2019 (*)
Deudas con partes vinculadas	(2.598.627)	-
Posición neta de tesorería	(2.586.693)	1.848
Patrimonio neto	5.697.545	6.076.403
% Deuda / Patrimonio neto	-45,61%	0,00%
% Posición neta de tesorería / Patrimonio neto	-45,40%	0,03%
(*) Cifras no auditadas		

8. Pasivos financieros

La clasificación de los pasivos financieros por categorías y clases, así como el valor en libros de estos al cierre de los ejercicios 2020 y 2019, se detalla a continuación:

A 30 de septiembre de 2020

Categorías	Euros		Euros	
	Pasivos financieros a largo plazo		Pasivos financieros a corto plazo	
	Deudas con partes vinculadas	Deudas, derivados y otros	Deudas con partes vinculadas	Deudas, derivados y otros
Otros pasivos financieros	2.598.626,91	0,00	76.901,92	0,00
Proveedores	0,00	0,00	0,00	1.416.831,00
Acreedores varios	0,00	0,00	0,00	41.200,15
TOTAL	2.598.626,91	0,00	76.901,92	1.458.031,15

A 31 de diciembre de 2019 (*)

Categorías	Euros		Euros	
	Pasivos financieros a largo plazo		Pasivos financieros a corto plazo	
	Deudas con partes vinculadas	Deudas, derivados y otros	Deudas con partes vinculadas	Deudas, derivados y otros
Otros pasivos financieros	0,00	0,00	68.996,95	0,00
Acreedores varios(*)	0,00	0,00	0,00	19.320,75
TOTAL	0,00	0,00	68.996,95	19.320,75

(*) Cifras no auditadas (Nota 2.9)

Las deudas con partes vinculadas se corresponden con el apoyo financiero otorgado por el Accionista Único de la Sociedad y que consiste en una Línea de Crédito por importe máximo de 10 millones de euros y vencimiento a cinco años desde el 20 de septiembre de 2019, (20 de noviembre de 2024). El importe dispuesto a 30 de septiembre de 2020 asciende a 2.598.626,91 euros (2019: 68.996,95 euros). La línea de crédito devenga un interés del 3% dichos intereses serán exigibles el día en que la compañía cumpla con la obligación de cotización exigida por la normativa reguladora del régimen fiscal de SOCIMI o, en caso de no llegar a cumplir con dicha obligación en el plazo establecido, el 20 de septiembre de 2021. Los intereses devengados durante el ejercicio de 9 meses terminado el 30 de septiembre de 2020 ascienden a 76.901,92 euros (2019: 0 euros).

A 30 de septiembre de 2020 el epígrafe "Proveedores" se corresponde al pago aplazado como máximo hasta el 19 de febrero de 2021 por la adquisición de los 4 locales comerciales y vivienda en Supermanzana B del Sector cuatro de la Urbanización Nueva Andalucía de Marbella. Con fecha 19 de febrero de 2021 se ha hecho efectivo dicho pago.

El detalle por vencimientos de las partidas que forman parte del epígrafe "Deudas a largo plazo" es el siguiente:

	30/09/2021	30/09/2022	30/09/2023	30/09/2024 y siguientes
	76.901,92	0,00	0,00	2.598.626,91
Proveedores	1.416.831,00	0,00	0,00	0,00
Acreedores varios	41.200,15	0,00	0,00	0,00
Total	1.534.933,07	0,00	0,00	2.598.626,91

2 AGO 2021

M^a SOLEDAD VALCÁRCEL CONDE
Traductora-Intérprete Jurado de INGLÉS
N.º 4195

9. Patrimonio neto

9.1. Capital social y Prima de Emisión

La Sociedad se constituyó con un capital social de 3.000 euros, dividido en 3.000 participaciones de un euro de valor nominal cada una de ellas, numeradas correlativamente del 1 a la 3000 ambas inclusive.

El 10 de octubre de 2019 se aprobó una ampliación de capital por compensación de créditos por importe de 4.997.000,00 euros, con una prima de emisión global de 1.182.485,00 euros.

A 30 de septiembre de 2020 el capital social de la Sociedad ascendía a 5.000.000 euros, representado por 5.000.000 acciones de 1 euro de valor nominal cada una, todas ellas de la misma clase, totalmente suscritas y desembolsadas.

En el momento de la constitución el órgano de gobierno estaba formado por un Socio Único, Intertrust, el cual nombró a tres Administradores Solidarios.

Posteriormente, con fecha 27 de diciembre de 2019 dicho órgano cambió y se procedió al cese de los tres administradores mencionados anteriormente y se nombró al Accionista Único que hay actualmente en la Sociedad.

A 30 de septiembre de 2020 y 31 de diciembre de 2019, la Sociedad estaba participada al 100% por el Accionista Único.

9.2. Reserva legal

De acuerdo con la Ley de Sociedades de Capital, la sociedad anónima debe destinar una cifra igual al 10% del beneficio del ejercicio a la reserva legal hasta que ésta alcance el 20% del capital social. La reserva legal sólo podrá utilizarse para aumentar el capital social. Salvo para la finalidad mencionada anteriormente, esta reserva sólo podrá destinarse a la compensación de pérdidas y siempre que no existan otras reservas disponibles suficientes para este fin.

De acuerdo con la Ley 11/2009 por la que se regulan las sociedades anónimas cotizadas de inversión en el mercado inmobiliario SOCIMI la reserva legal de las sociedades que hayan optado por la aplicación del régimen fiscal especial establecido en esta Ley no podrán exceder del 20% del capital social. Los estatutos de la sociedad no pueden establecer ninguna otra reserva de carácter indisponible distinta a la anterior.

De acuerdo con el Plan General de Contabilidad los gastos de constitución de la Sociedad se contabilizaron contra la cuenta de reservas netas del efecto impositivo.

Al 30 de septiembre de 2020 y 31 de diciembre de 2019, la reserva legal de la Sociedad no se encuentra constituida.

9.3. Limitaciones para la distribución de dividendos

Dada su condición de SOCIMI, la Sociedad estará obligada a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio de conformidad con lo previsto en el artículo 6 de la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario SOCIMI.

10. Administraciones Públicas y situación fiscal

10.1 Saldos corrientes con las Administraciones Públicas

La composición de los saldos con las Administraciones Públicas es la siguiente:

	30/09/2020	31/12/2019 (*)
Hacienda Pública deudora por IVA	7.293,39	0,00
Hacienda Pública acreedora por Retenciones	-51,32	-5.788,80
Organismos de la seguridad social acreedores	-458,32	0,00
Total	6.783,75	-5.788,80

(*) Cifras no auditadas (Nota 2.9)

10.2 Conciliación resultado contable y base imponible fiscal

La conciliación entre los ingresos y gastos del ejercicio y la base imponible de Impuesto sobre Sociedades es la siguiente:

	Euros	
	30/09/2020	31/12/2019 (*)
Resultado contable antes de impuestos	-378.858,05	-105.501,44
Gastos de constitución	0,00	-580,07
Base imponible fiscal	-378.858,05	-106.081,71
Cuota íntegra: 0% (Nota 4.5)	0,00	0,00
Cuenta a pagar / Gasto por Impuesto sobre Sociedades	0,00	0,00

(*) Cifras no auditadas (Nota 2.9)

El resultado contable antes de impuestos a 31 de diciembre de 2019 ha sido ajustado respecto a la presentación del Impuesto sobre Sociedades de dicho ejercicio debido a los ajustes mencionados en la nota 2.9. A la fecha de formulación de las presentes cuentas anuales la Sociedad está pendiente de regularizar dicho impuesto mediante la presentación de carta de pago complementaria.

10.3 Ejercicios pendientes de comprobación y actuaciones inspectoras

Según establece la legislación vigente, los impuestos no pueden considerarse definitivamente liquidados hasta que las declaraciones presentadas hayan sido inspeccionadas por las autoridades fiscales o haya transcurrido el plazo de prescripción de cuatro años. A 30 de septiembre de 2020, la Sociedad tiene abiertos a inspección todos los impuestos que le son de aplicación desde su constitución. El Administrador Único de la Sociedad considera que se han practicado adecuadamente las liquidaciones de los mencionados impuestos, por lo que, aún en caso de que surgieran discrepancias en la interpretación normativa vigente por el tratamiento fiscal otorgado a las operaciones, los eventuales pasivos resultantes, en caso de materializarse, no afectarían de manera significativa a las cuentas anuales.

10.4 Exigencias informativas derivadas de la condición de SOCIMI, Ley 11/2009, modificada con la Ley 16/2012.

La información requerida por la normativa en vigor se incluye dentro de los Anexos adjuntos a esta memoria de la que forma parte.

11. Ingresos y gastos.

11.1 Importe neto de la cifra de negocios.

	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
Prestación de servicios	18.550,00	0,00
Total	18.550,00	0,00

(*) Cifras no auditadas

Los ingresos de explotación se corresponden con los alquileres de los activos inmobiliarios propiedad de la Sociedad.

Todos los ingresos del ejercicio finalizado el 30 de septiembre de 2020, se han generado en la Comunidad Autónoma de Andalucía.

11.2 Gastos de personal

El detalle de los gastos de personal correspondiente a los ejercicios finalizados a 30 de septiembre de 2020 y el 31 de diciembre de 2019.

	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
Sueldos y Salarios y asimilados	1.209,26	0,00
Seguridad social a cargo de la empresa	381,53	0,00
Total	1.590,79	0,00

(*) Cifras no auditadas

11.3 Otros gastos de explotación

El detalle de esta cuenta a correspondiente a los ejercicios finalizados el 30 de septiembre de 2020 y el 31 de diciembre de 2019 es el siguiente.

	1 de enero de 2020 al 30 de septiembre de 2020	8 de abril de 2019 al 31 de diciembre de 2019*
Reparaciones y conservación	2.702,68	7.500,00
Servicios de profesionales independientes	77.621,61	68.060,24
Primas de seguros	3.546,14	0,00
Servicios bancarios	854,91	123,90
Publicidad y Relaciones Públicas	8.790,62	0,00
Suministros	6.751,18	0,00
Otros servicios	114.388,06	192,70
Tributos	5.506,14	15.181,60
Total	220.161,34	91.058,44

(*) Cifras no auditadas (Nota 2.9)

Los servicios incluidos en la partida "Servicios de profesionales independientes" están relacionados con servicios de asesoramiento contable, fiscal, legal e inmobiliario. En cuanto a los servicios incluidos en la partida de "Otros servicios" se incluyen, principalmente, servicios de diseño de los activos no susceptibles de capitalización como mayor valor del activo, así como gastos de comunidad de propietarios.

12. Operaciones y saldos con partes vinculadas

12.1 Saldos con partes vinculadas

Se presenta a continuación los importes de los saldos con partes vinculadas:

A 30 de septiembre de 2020	Deudas con partes vinculadas c/p	Deudas con partes vinculadas l/p
Accionista Único	76.901,92	2.598.626,91
Total	76.901,92	2.598.626,91

A 31 de diciembre de 2019 (*)	Deudas con partes vinculadas c/p	Deudas con partes vinculadas l/p
Accionista Único	68.996,95	0,00
Total	68.996,95	0,00

(*) Cifras no auditadas

Los saldos con partes vinculadas se corresponden a la línea de crédito explicada en la nota 8.

12.2. Operaciones con partes vinculadas

Se presenta a continuación los importes de las operaciones con partes vinculadas:

A 30 de septiembre de 2020	Gastos financieros
Accionista Único	76.901,92
Total	76.901,92

Los gastos financieros se derivan de la línea de crédito indicada en la Nota 8 y ha sido realizada en condiciones normales de mercado.

12.3 Retribuciones al Administrador Único y a la Alta Dirección

En el momento de la constitución de la Sociedad el órgano de gobierno estaba formado por un Socio Único, Intertrust, el cual nombró a tres Administradores Solidarios. Durante dicho ejercicio los honorarios pagados a Intertrust fueron de 3.796,32 euros y había pendientes de pago un importe de 792,65 euros.

Durante los ejercicios finalizados el 30 de septiembre de 2020 y el 31 de diciembre de 2019 no ha pagado ninguna cantidad por ningún concepto al Administrador Único. Tampoco ha concedido ningún anticipo o crédito ni ha contraído obligación alguna por pensiones y seguros de vida respecto a dicho administrador, adicionales a la línea de crédito indicada en la Nota 8. Adicionalmente, la Sociedad tampoco ha pagado en nombre del administrador ningún seguro de responsabilidad social.

Las funciones de Alta Dirección son desempeñadas por el Administrador Único.

2 AGO 2021

12.4 Otra información.

En el deber de evitar situaciones de conflicto con el interés de la Sociedad, durante el ejercicio el Administrador Único ha cumplido con las obligaciones previstas en el artículo 228 del Texto refundido de la Ley de Sociedades de capital. Asimismo, tanto él como las personas a él vinculadas, se han abstenido de incurrir en supuestos de conflictos de interés previstos en el artículo 229 de dicha ley, excepto en los casos en que haya sido obtenida la correspondiente autorización.

13. Información sobre el período medio de pago a proveedores. Disposición Adicional Tercera. "Deber de información" de la Ley 15/2010, de 5 de julio.

A continuación, se detalla la información requerida por la Disposición adicional tercera de la Ley 15/2010, de 5 de julio modificada a través de la Disposición final segunda de la Ley 31/2014, de 3 de diciembre preparada conforme a la Resolución del ICAC de 29 de enero de 2016, sobre la información a incorporar en la memoria de las cuentas anuales en relación con el período medio de pago a proveedores en operaciones comerciales.

	2020 Días	2019(*) Días
Periodo Medio de pago a Proveedores	6	6
Ratio Operaciones Pagadas	5	8
Ratio Operaciones Pendientes Pago	32	0
	Importe	Importe
Total Pagos Realizados	392.755	69.620
Total Pagos Pendientes	10.723	19.921

(*) Cifras no auditadas

Conforme a la Resolución del ICAC, para el cálculo del período medio de pago a proveedores se han tenido en cuenta las operaciones comerciales correspondientes a la entrega de bienes o prestaciones de servicios devengadas desde la fecha de entrada en vigor de la Ley 31/2014, de 3 de diciembre. Se consideran proveedores, a los exclusivos efectos de dar la información prevista en esta Resolución, a los acreedores comerciales por deudas con suministradores de bienes o servicios, incluido en el epígrafe "Acreedores varios" del pasivo corriente del balance de situación, excluyendo facturas pendientes de recibir.

Se entiende por "Período medio de pago a proveedores" el plazo que transcurre desde la entrega de los bienes o la prestación de los servicios a cargo del proveedor y el pago material de la operación. Dicho "Período medio de pago a proveedores" se calcula como el cociente formado en el numerador por el sumatorio del ratio de operaciones pagadas por el importe total de los pagos realizados más el ratio de operaciones pendientes de pago por el importe total de los pagos pendientes y en el denominador, por el importe total de pagos realizados y los pagos pendientes.

El ratio de operaciones pagadas se calcula como el cociente formado en el numerador por el sumatorio de los productos correspondientes a los importes pagados, por el número de días de pago diferencia entre los días naturales transcurridos desde el final del plazo máximo legal de pago hasta el pago material de operación y, en el denominador, el importe total de pagos realizados.

Asimismo, el ratio de operaciones pendientes de pago corresponde al cociente formulado en el numerador por el sumatorio de los productos correspondientes a los importes pendientes de pago, por el número de días pendientes de pago diferencia entre los días naturales transcurridos desde el final del plazo máximo legal de pago hasta el día de cierre de las cuentas anuales y en el denominador, el importe total de los pagos pendientes.

La Dirección del Grupo evalúa las medidas necesarias para intentar reducir el período medio de pago de acuerdo con los límites establecidos legalmente.

14. Información sobre los derechos de emisión de gases de efecto invernadero.

A efectos de dar cumplimiento a lo establecido en la Ley 1/2005 de 9 de marzo, se pone de manifiesto que la actividad la Sociedad no se encuentra incluida en el ámbito de aplicación de la citada ley por lo que no ha dispuesto de derechos de emisión de gases de efecto invernadero durante el ejercicio 2020 y 2019.

15. Información medioambiental.

En general, las actividades de la Sociedad no provocan impactos negativos de carácter medioambiental, no incurriendo, en consecuencia, en costes ni inversiones significativas cuya finalidad sea mitigar dichos posibles impactos durante el ejercicio 2020 y 2019.

16. Otra información.

• Plantilla media

El número medio de personas empleadas en los ejercicios finalizados el 30 de septiembre de 2020 y 31 de diciembre de 2019 es el siguiente. Debido a que la incorporación del personal a la Sociedad se efectuó con fecha 1 de septiembre de 2020 se ha procedido a realizar una aproximación redondeada del número medio de personas empleadas.

	2020	2019*
Empleados	0,00	0,00
Total	0,00	0,00

*Cifras no auditadas

No hay ninguna persona empleada con discapacidad superior al 33%.

Adicionalmente, en cumplimiento de lo establecido en la Ley Orgánica 3/2007, a continuación, se indica la distribución por sexos, al término del ejercicio,

	2020		2019*	
	Hombres	Mujeres	Hombres	Mujeres
Administrador Único (no empleado)	1	0	1	0
Empleados	0	1	0	0
Total	1	1	0	0

*Cifras no auditadas

17. Honorarios de auditoría

La Sociedad ha contratado en abril de 2021 los servicios de auditoría a PricewaterhouseCoopers Auditores, S.L. por unos honorarios que ascienden a 14.500 euros, no habiéndose devengado honorarios por otro tipo de servicios por sociedades vinculadas con la marca PricewaterhouseCoopers.

18. Hechos posteriores al cierre

En el mes de diciembre de 2020, la Sociedad ha realizado una ampliación de capital con aportaciones no dinerarias consistentes en cuatro nuevos activos inmobiliarios que estarán sujetos a la actividad de la compañía. Dicha ampliación de capital ha ascendido a 631.000 euros de capital con una prima de emisión de 5.679.000 euros.

En el mes de enero de 2021, la Sociedad ha obtenido financiación bancaria hipotecaria por importe de 2.660.000 euros, con carencia, dicha carencia tiene vencimiento 31 de enero de 2022. Según el

contrato bancario el tipo de interés es el 2,30%. El vencimiento de este préstamo es el 31 de enero de 2036.

El Administrador Único de la Sociedad a efectos del cumplimiento del régimen SOCIMI se encuentra a fecha de la formulación inmerso en el proceso de salida a un mercado para cumplir con los requisitos del régimen SOCIMI, para ello se han producido los siguientes hechos:

Con fecha 25 de abril de 2021, la Sociedad ha obtenido un informe de valoración de sus activos, realizado por un experto independiente.

Con fecha 25 de abril de 2021, el Administrador Único ha procedido a reformular las Cuentas Anuales que previamente había sido formuladas con fecha 31 de diciembre, dado que la formulación inicial se había hecho en el formato abreviado y dicho formato no es admisible de acuerdo con los requerimientos de salida al mercado.

Anexo I Información relativa a la Sociedad Arimelia ITG SOCIMI, S.A. (Sociedad Unipersonal)

Descripción	30.09.2020
a) Reservas procedentes de ejercicios anteriores a la aplicación del régimen fiscal establecido en la Ley 11/2009, modificado por la Ley 16/2012, de 27 de diciembre.	N/A
b) Reservas de cada ejercicio en que ha resultado aplicable el régimen fiscal especial establecido en dicha ley <ul style="list-style-type: none"> • Beneficios procedentes de rentas sujetas al gravamen del tipo general • Beneficios procedentes de rentas sujetas al gravamen del tipo del 19% • Beneficios procedentes de rentas sujetas al gravamen del tipo del 0% 	N/A
c) Dividendos distribuidos con cargo a beneficios de cada ejercicio en que ha resultado aplicable el régimen fiscal establecido en esta Ley <ul style="list-style-type: none"> • Dividendos procedentes de rentas sujetas al gravamen del tipo general • Dividendos procedentes de rentas sujetas al gravamen del tipo del 18% 2009 y 19% 2010 a 2012 • Dividendos procedentes de rentas sujetas al gravamen del tipo del 0% 	N/A N/A
d) Dividendos distribuidos con cargo a reservas; <ul style="list-style-type: none"> • Distribución con cargo a reservas sujetas al gravamen del tipo general. • Distribución con cargo a reservas sujetas al gravamen del tipo del 19% • Distribución con cargo a reservas sujetas al gravamen del tipo del 0% 	N/A
e) Fecha de acuerdo de distribución de los dividendos a que se refieren las letras c y d anteriores	N/A
f) Fecha de adquisición de los inmuebles destinados al arrendamiento que producen rentas acogidas a este régimen especial Fecha de adquisición de las participaciones en el capital de entidades a que se refiere el apartado 1 del artículo 2 de esta Ley.	Anexo II N/A
g) Identificación del activo que computa dentro del 80 por ciento a que se refiere el apartado 1 del artículo 3 de esta Ley	Anexo II
h) Reservas procedentes de ejercicios en que ha resultado aplicable el régimen fiscal especial establecido en esta Ley, que se hayan dispuesto en el período impositivo, que no sea para su distribución o para compensar pérdidas. Deberá identificarse el ejercicio del que proceden dichas reservas.	N/A

Anexo II. Identificación de Activos

Inmueble	Localización	Fecha de adquisición
Jardín Persa	Ur. Marina Puente Romano, 5, 29602, Marbella, España	30/09/2019
Jardín Japonés	Ur. Marina Puente Romano, 1, 29602, Marbella, España	01/10/2019
Centro Polo Oficinas	Calle Los Nardos, NVA Andalucía 51, 29660, Marbella, España	05/02/2020
Centro Polo Residencial	Calle Los Nardos, NVA Andalucía 51, 29660, Marbella, España	05/02/2020

ARIMELIA ITG SOCIMI, S.A.

Informe de Gestión correspondiente
al ejercicio de 9 meses terminado el
30 de septiembre de 2020

1. Exposición fiel del negocio y actividades principales

La actividad de Arimelia ITG SOCIMI, S.A. se basa en la gestión de su patrimonio inmobiliario, consistente en el alquiler de sus propiedades, mediante contrato de arrendamiento. Desde el 20 de septiembre de 2019 la Sociedad optó por acogerse al régimen regulado establecido por la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario ("SOCIMI"). La Sociedad está inscrita en el Registro Mercantil de Madrid y su domicilio social se encuentra en la calle Serrano 41, Madrid.

Durante el ejercicio 2020 la Sociedad no ha comenzado la explotación de sus activos, salvo por un alquiler puntual de uno de sus activos. Se ha dedicado a la remodelación de sus propiedades con el objetivo de tenerlas preparadas para la temporada del 2021. Además se ha actualizado la página web y se han creado sistemas internos de control.

A 30 de septiembre de 2020 cuenta con cuatro inversiones inmobiliarias bajo gestión. La promoción de los alquileres ha dado comienzo en el primer trimestre de 2021, promocionando los activos de la compañía como activos de primera calidad para alquileres vacacionales. El crecimiento se conseguirá mediante campañas activas de marketing con el apoyo de la página web y la potenciación de la relación con agentes inmobiliarios especializados en activos exclusivos de lujo. Se espera que las rentas comiencen a generarse a final de la primavera, principios del verano de 2021. Estas rentas sitúan a la Sociedad en una línea de obtención de ingresos que tendrán un reflejo positivo en la cuenta de pérdidas y ganancias.

El Administrador Único de la Sociedad desarrolla su actividad conforme a las normas internas recogidas, principalmente, en los Estatutos Sociales y en los manuales de política, prácticas, conducta y control internos.

El Administrador Único supervisa y controla la actividad de la compañía, cuenta con competencia sobre materias como la aprobación de las políticas y estrategias generales de la Sociedad, la política de gobierno corporativo y de responsabilidad social corporativa, y la política de control y gestión de riesgos y, en todo caso, sobre el cumplimiento de los requisitos para mantener la condición de Socimi de la Sociedad.

2. Evolución Previsible

La Sociedad se centrará en 2021 en la consolidación de los activos en cartera con una política activa de gestión que asegure la generación de valor.

3. Gestión de riesgos financieros

La Sociedad tiene establecidos los mecanismos necesarios para controlar la exposición a las variaciones en los tipos de interés, así como a los riesgos de crédito y liquidez. A continuación, se indican los principales riesgos financieros que impactan a la Sociedad.

Riesgo de crédito

El riesgo de crédito será atribuible principalmente a deudas por arrendamientos, es considerado por el Administrador Único de la Sociedad como bajo, ya que las rentas se suelen cobrar por anticipado. Adicionalmente, la Sociedad se cubre dicho riesgo mediante avales y fianzas que son solicitados a sus inquilinos.

Riesgo de liquidez:

Una gestión prudente del riesgo de liquidez implica el mantenimiento de suficiente efectivo y valores negociables, la disponibilidad de financiación mediante un importe suficiente de líneas de crédito comprometidas y tener capacidad para liquidar posiciones de mercado.

El Administrador Único de la Sociedad realiza un seguimiento de las previsiones de la reserva de liquidez (que comprende la línea de crédito y el efectivo y equivalentes al efectivo) en función de los flujos de efectivo esperados.

La Sociedad posee una cuenta corriente con el Accionista Único por importe máximo de 10 millones de euros y plazo de duración de cinco años desde el 20 de septiembre de 2019, (20 de noviembre de 2024) del que se encuentra dispuesto a 30 de septiembre de 2020 un importe de 2.598.626,91 euros. Tal y como se indica en la nota 8 línea de crédito se considera suficiente a efectos de dotar de liquidez a la Sociedad. Asimismo, tal y como se indica en la nota 18 la Sociedad ha firmado un contrato de financiación bancaria por importe de 2.660.000 euros en enero de 2021.

Riesgo de tipo de interés

Las variaciones de los tipos de interés modifican el valor razonable de aquellos activos y pasivos que devengan un tipo de interés fijo, así como los flujos futuros de los activos y pasivos referenciados a un tipo de interés variable. Como hemos mencionado en el riesgo de liquidez la Sociedad posee una Línea de Crédito otorgada por el Accionista Único que devenga un interés del 3%. La Sociedad no posee otros instrumentos financieros en su balance.

Riesgo fiscal

Tal y como se menciona en la Nota 1, la Sociedad se acogió al régimen fiscal especial de la Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI). Según lo establecido en el artículo 6 de la Ley 11/2009, de 26 de octubre de 2009, modificada por la Ley 16/2012, de 27 de diciembre las SOCIMI, las sociedades que han optado por dicho régimen están obligadas a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio, debiéndose acordar su distribución dentro de los seis meses siguientes a la conclusión de cada ejercicio y pagarse dentro del mes siguiente a la fecha del acuerdo de distribución. Como se menciona en la nota 1, la Sociedad no cumple todavía los requisitos del Régimen SOCIMI, pero el Administrador Único estima que cumplirá con ellos el 20 de septiembre de 2021, fecha final del plazo de 2 años que establece la ley para su cumplimiento.

Riesgo valor razonable de las inversiones inmobiliarias

Al final de cada ejercicio sobre el que se informa, el Administrador Único realiza una evaluación del valor razonable de cada inmueble teniendo en cuenta las valoraciones independientes más recientes realizadas internamente o con colaboración de expertos externos. El Administrador Único determina el valor de un inmueble dentro de un rango de estimaciones del valor razonable aceptables. La mejor evidencia del valor razonable de las inversiones inmobiliarias en un mercado activo son los precios de activos similares. En la ausencia de dicha información ante la actual situación de mercado, la Sociedad determina el valor razonable mediante un intervalo de valores razonables.

Otros riesgos:

La aparición del coronavirus COVID-19 en China en 2019 y su expansión global, ha motivado que el brote vírico haya sido calificado como una pandemia por la Organización Mundial de la Salud desde el pasado 11 de marzo de 2020.

Esta pandemia está afectando a los mercados económicos y financieros y prácticamente todos los sectores de la economía se enfrentan a importantes desafíos derivados de las actuales condiciones económicas.

ARIMELIA ITG SOCIMI, S.A.U.
Cuentas anuales del ejercicio
terminado a 31 de diciembre de 2019

ARIMELIA ITG, SOCIMI, S.A.U.

BALANCE ABREVIADO AL 31 DE DICIEMBRE DE 2019
(Euros)

ACTIVO	Notas	31/12/2019	PATRIMONIO NETO Y PASIVO	Notas	31/12/2019
ACTIVO NO CORRIENTE			PATRIMONIO NETO		
Inversiones inmobiliarias	Nota 5	6.183.105,28	FONDOS PROPIOS-	Nota 9	6.098.346,49
Construcciones		6.183.105,28	Capital		5.000.000,00
		0,00	Capital escriturado		5.000.000,00
		6.183.105,28	Prima de emisión		1.182.485,00
		0,00	Reservas		-580,07
			Otras reservas		-580,07
			Resultado del ejercicio		-83.558,44
ACTIVO CORRIENTE		1.847,71	PASIVO CORRIENTE		86.606,50
Efectivo y otros activos líquidos equivalentes	Nota 7	1.847,71	Deudas a corto plazo	Nota 8, 12	68.996,95
Otras Cuentas Bancarias		1.847,71	Otras deudas a corto plazo.		68.996,95
			Acreedores comerciales y otras cuentas a pagar		17.609,55
			Acreedores varios		11.820,75
			Otras deudas con las Administraciones Públicas	Nota 10	5.788,80
TOTAL ACTIVO		6.184.952,99	TOTAL PATRIMONIO NETO Y PASIVO		6.184.952,99

Las notas explicativas 1 a 16 forman parte integrante del balance al 31 de diciembre de 2019

ARIMELIA ITG, SOCIMI, S.A.U.

CUENTA DE PERDIDAS Y GANANCIAS ABREVIADA DEL EJERCICIO 2019
(Euros)

	Notas	31/12/2019
OPERACIONES CONTINUADAS		
Otros gastos de explotación	Nota 11	-83.558,44
RESULTADO DE EXPLOTACIÓN		-83.558,44
RESULTADO ANTES DE IMPUESTOS		-83.558,44
		0,00
RESULTADO DEL EJERCICIO		-83.558,44

Las notas explicativas 1 a 16 forman parte integrante de la cuenta de pérdidas y ganancias

ARIMELIA ITG SOCIMI, S.A.U.
MEMORIA CORRESPONDIENTE AL
EJERCICIO 2019

(Las unidades monetarias de los cuadros están expresadas en euros)

1. Actividad de la Empresa

La sociedad Arimelia ITG SOCIMI, S.A.U. (en adelante la Sociedad), fue constituida en Madrid con fecha 8 de abril de 2019, bajo la denominación de Arimelia ITG, S.L. Por acuerdo de socio único de 20 de diciembre de 2019, se realizó la transformación a Sociedad Anónima con elevación a público el 20 de diciembre de 2019.

El objeto social de la Sociedad, de acuerdo con sus estatutos es:

1. La adquisición y promoción de bienes inmuebles de naturaleza urbana para su arrendamiento (CNAE 6820). La actividad de promoción incluye la rehabilitación de edificaciones en los términos establecidos en la Ley 37/1992 del Impuesto sobre el Valor Añadido.
2. La tenencia de participaciones en el capital de sociedades cotizadas de inversión en el mercado inmobiliario (SOCIMI) o en el de otras entidades no residentes en territorio español que tengan el mismo objeto social principal que aquéllas y que estén sometidas a un régimen similar al establecido para las SOCIMI en cuanto a la política obligatoria, legal o estatutaria, de distribución de beneficios.
3. La tenencia de participaciones en el capital de otras entidades, residentes o no en territorio español, que tengan como objeto social principal la adquisición de bienes inmuebles de naturaleza urbana para su arrendamiento y que estén sometidas al mismo régimen establecido para las SOCIMI en cuanto a la política obligatoria, legal o estatutaria, de distribución de beneficios y cumplan los requisitos de inversión a que se refiere el artículo 3 de la Ley 11/2009, de 26 de octubre reguladora de las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario, o la norma que lo sustituya así como los demás requisitos establecidos en el artículo 2 de la referida Ley.
4. La tenencia de acciones o participaciones de Instituciones de Inversión Colectiva Inmobiliaria reguladas en la Ley 35/2003, de 4 de noviembre, de Instituciones de Inversión Colectiva. Promoción Inmobiliaria (CNAE 4110).
5. Construcción de edificios tanto de carácter residencial (CNAE 4121) como no residencial (CNAE 4122).
6. Compraventa de bienes inmuebles por cuenta propia (CNAE 6810).
7. Alquiler de fincas rústicas propias (CNAE 6820)

Quedan excluidas todas aquellas actividades para cuyo ejercicio la ley exija requisitos que no puedan ser cumplidos por esta Sociedad.

Las actividades integrantes del objeto social podrán desarrollarse tanto en el territorio nacional como en el extranjero.

La sociedad se encuentra regulada por la Ley 11/2009, de 26 de octubre, modificada por la Ley 16/2012, de 27 de diciembre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión



en el Mercado Inmobiliario. El artículo 3 establece los requisitos para este tipo de Sociedades, a saber:

1. Las SOCIMI deberán tener invertido, al menos, el 80 por ciento del valor del activo en bienes inmuebles de naturaleza urbana destinados al arrendamiento, en terrenos para la promoción de bienes inmuebles que vayan a destinarse a dicha finalidad siempre que la promoción se inicie dentro de los tres años siguientes a su adquisición, así como en participaciones en el capital o patrimonio de otras entidades a que se refiere el apartado 1 del artículo 2 de la mencionada Ley.

El valor del activo se determinará según la media de los balances individuales trimestrales del ejercicio, pudiendo optar la Sociedad, para calcular dicho valor por sustituir el valor contable por el de mercado de los elementos integrantes de tales balances, el cual se aplicaría en todos los balances del ejercicio. A estos efectos no se computarán, en su caso, el dinero o derechos de crédito procedente de la transmisión de dichos inmuebles o participaciones que se haya realizado en el mismo ejercicio o anteriores siempre que, en este último caso, no haya transcurrido el plazo de reinversión a que se refiere el artículo 6 de esta Ley.

2. Asimismo, al menos el 80 por ciento de las rentas del período impositivo correspondientes a cada ejercicio, excluidas las derivadas de la transmisión de las participaciones y de los bienes inmuebles afectos ambos al cumplimiento de su objeto social principal, una vez transcurrido el plazo de mantenimiento a que se refiere el apartado siguiente, deberá provenir del arrendamiento de bienes inmuebles y de dividendos o participaciones en beneficios procedentes de dichas participaciones.

Este porcentaje se calculará sobre el resultado consolidado en el caso de que la sociedad sea dominante de un grupo según los criterios establecidos en el artículo 42 del Código de Comercio, con independencia de la residencia y de la obligación de formular cuentas anuales consolidadas. Dicho grupo estará integrado exclusivamente por las SOCIMI y el resto de entidades a que se refiere el apartado 1 del artículo 2 de la Ley que lo regula.

3. Los bienes inmuebles que integren el activo de la sociedad deberán permanecer arrendados durante al menos tres años. A efectos del cómputo se sumará el tiempo que los inmuebles hayan estado ofrecidos en arrendamiento, con un máximo de un año.

El plazo se computará:

- a) En el caso de bienes inmuebles que figuren en el patrimonio de la sociedad antes del momento de acogerse al régimen, desde la fecha de inicio del primer período impositivo en que se aplique el régimen fiscal especial establecido en esta Ley, siempre que a dicha fecha el bien se encontrara arrendado u ofrecido en arrendamiento. De lo contrario, se estará a lo dispuesto en la letra siguiente.
- b) En el caso de bienes inmuebles promovidos o adquiridos con posterioridad por la sociedad, desde la fecha en que fueron arrendados u ofrecidos en arrendamiento por primera vez.

En el caso de acciones o participaciones de entidades a que se refiere el apartado 1 del artículo 2 de esta Ley, deberán mantenerse en el activo de la sociedad al menos durante tres años desde su adquisición o, en su caso, desde el inicio del primer período impositivo en que se aplique el régimen fiscal especial establecido en esta Ley.

4. El capital mínimo exigido es de 5 millones de euros.
5. Las SOCIMI tienen como obligación cotizar en un mercado regulado.

Tal y como establece la Disposición transitoria primera de la Ley 11/2009, de 26 de Octubre, modificada por la Ley 16/2012, de 27 de diciembre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI), podrá optarse por la aplicación del régimen fiscal especial en los términos establecidos en el artículo 8 de dicha Ley, aun cuando no se

cumplan los requisitos exigidos en la misma, a condición de que tales requisitos se cumplan dentro de los dos años siguientes a la fecha de la opción por aplicar dicho régimen.

Con fecha 20 de septiembre de 2019 la Sociedad optó por el régimen fiscal especial de SOCIMI, y la comunicación a las autoridades fiscales la realizó con fecha 23 de septiembre de 2019.

2. Bases de presentación de las cuentas anuales abreviadas

2.1 Marco Normativo de información financiera aplicable a la Sociedad

Estas cuentas anuales abreviadas se han formulado por el Administración Único de acuerdo con el marco normativo de información financiera aplicable a la Sociedad, que es el establecido en:

- a) Código de Comercio y la restante legislación mercantil.
- b) Plan General de Contabilidad aprobado por R.D. 1514/2007 y la adaptación sectorial a empresas inmobiliarias.
- c) Las normas de obligado cumplimiento aprobadas por el Instituto de Contabilidad y Auditoría de Cuentas en desarrollo del Plan General de Contabilidad y sus normas complementarias.
- d) Ley 11/2009, de 26 de Octubre, modificada por la Ley 16/2012, de 27 de diciembre, por el que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMI).
- e) El resto de la normativa contable española que resulte de aplicación.

2.2 Imagen fiel

Las cuentas anuales abreviadas adjuntas han sido obtenidas de los registros contables de la Sociedad y se presentan de acuerdo con el marco normativo de información financiera que le resulta de aplicación y en particular, los principios y criterios contables en él contenidos, de forma que muestran la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad.

2.3 Principios contables no obligatorios aplicados

No se han aplicado principios contables no obligatorios. No existe ningún principio contable que siendo obligatorio, haya dejado de aplicarse.

2.4 Aspectos críticos de la valoración y estimación de la incertidumbre

En la elaboración de las cuentas anuales adjuntas se han utilizado estimaciones realizadas por el Administrador Único de la Sociedad para valorar algunos de los activos, pasivos, ingresos, gastos y compromisos que figuran registrados en ellas. Básicamente estas estimaciones se refieren a:

-
- La evaluación de posibles pérdidas por deterioro de determinados activos (véanse Notas 4.2 y 4.4)
 - La vida útil de las inversiones inmobiliarias (véase Nota 4.1)
 - El valor de mercado de determinados instrumentos financieros (véase Nota 4.4)
 - La gestión del riesgo financiero (véase Nota 7.3)

A pesar de que estas estimaciones se han realizado sobre la base de la mejor información disponible al cierre del ejercicio 2019, es posible que acontecimientos que puedan tener lugar

en el futuro obliguen a modificarlas (al alza o a la baja) en los próximos ejercicios, lo que se realizaría, en su caso, de forma prospectiva.

2.5 Comparación de la información

La Sociedad fue constituida en abril de 2019 por tanto, las partidas del balance y de la cuenta de pérdidas y ganancias no son comparables.

2.6 Agrupación de partidas

Determinadas partidas del balance y de la cuenta de pérdidas y ganancias se presentan de forma agrupada para facilitar su comprensión, si bien, en la medida en que sea significativa, se ha incluido la información desagregada en las correspondientes notas explicativas.

2.7 Cambio de criterio contable

Durante el ejercicio 2019 no se han producido cambios de criterios contables significativos.

3. Aplicación del resultado

La Sociedad ha obtenido en el ejercicio 2019 unas pérdidas que ascienden a 83.558,44 euros y el Administrador Único propondrá al Socio Único la siguiente distribución:

- A Resultados negativos de ejercicios anteriores con el objeto de compensarlos con beneficios de ejercicios futuros.

El Administrador Único estima que la propuesta de aplicación del resultado será aprobada por el Socio Único.

Normas de distribución del resultado aplicables a Socimi.

Según lo establecido por la normativa en vigor, las SOCIMI que hayan optado por el régimen fiscal especial, estarán obligadas a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio, debiéndose acordar su distribución dentro de los seis meses siguientes a la conclusión de cada ejercicio y pagarse dentro del mes siguiente a la fecha del acuerdo de distribución.

Por otro lado, tal y como indica la Ley 11/2009, de 26 de octubre de 2009, modificada por la Ley 16/2012, de 27 de diciembre, las Sociedad deberá distribuir como dividendos:

- El 100% de los beneficios procedentes de dividendos o participaciones en beneficios distribuidos por las entidades a que se refiere el apartado 1 del artículo 2 de la Ley 11/2009.
- Al menos el 50% de los beneficios derivados de la transmisión de inmuebles y acciones o participaciones a que se refiere el apartado 1 del artículo 2 de la Ley 11/2009, realizadas una vez transcurridos los plazos a que se refiere el apartado 2 del artículo 3 de la Ley 11/2009, afectos al cumplimiento de su objeto social principal. El resto de estos beneficios deberán reinvertirse en otros inmuebles o participaciones afectos al cumplimiento de dicho objeto, en el plazo de los tres años posteriores a la fecha de transmisión. En su defecto, estos beneficios deberán distribuirse en su totalidad conjuntamente con los beneficios, en su caso, que procedan del ejercicio en que finaliza el plazo de reinversión. Si los elementos objeto de reinversión se transmiten antes del plazo de mantenimiento, aquellos beneficios deberán distribuirse en su totalidad conjuntamente con los beneficios, en su caso, que procedan del ejercicio en que se han transmitido. La obligación de distribuir, no alcanza, en su caso, a la parte de estos beneficios imputables a ejercicios en los que la Sociedad no tributara por el régimen fiscal especial establecido en dicha Ley.
- Al menos el 80% del resto de los beneficios obtenidos.

Cuando la distribución de dividendos se realice con cargo a reservas procedentes de beneficios de un ejercicio en el que haya sido aplicado el régimen fiscal especial, su distribución se adoptará obligatoriamente en la forma descrita anteriormente.

4. Normas de registro y valoración

Las principales normas de registro y valoración utilizadas por la Sociedad en la elaboración de las cuentas anuales, de acuerdo con las establecidas por el Plan General de Contabilidad, han sido las siguientes:

4.1 Inversiones inmobiliarias

El epígrafe inversiones inmobiliarias del balance adjunto recoge los valores de terrenos, edificios y otras construcciones que se mantienen bien, para explotarlos en régimen de alquiler, bien para obtener una plusvalía en su venta como consecuencia de los incrementos que se produzcan en el futuro en sus respectivos precios de mercado.

Las inversiones inmobiliarias se valoran inicialmente por su precio de adquisición, y posteriormente se minoran por la correspondiente amortización acumulada y las pérdidas por deterioro, si las hubiera, conforme al criterio mencionado en la Nota 4.2.

Los gastos de conservación y mantenimiento de los diferentes elementos que componen las inversiones inmobiliarias se imputan a la cuenta de pérdidas y ganancias del ejercicio en que se incurren. Por el contrario, los importes invertidos en mejoras que contribuyen a aumentar la capacidad o eficiencia o a alargar la vida útil de dichos bienes se registran como mayor coste de los mismos.

La Sociedad amortiza las inversiones inmobiliarias siguiendo el método lineal, aplicando un porcentaje de amortización anual del 4%, dado que estima la vida útil media de sus activos en 25 años.

4.2 Deterioro de valor de inversiones inmobiliarias

Siempre que existan indicios de pérdida de valor de las inversiones inmobiliarias, la Sociedad procede a estimar mediante el denominado "Test de deterioro" la posible existencia de pérdidas de valor que reduzcan el valor recuperable de dichos activos a un importe inferior al de su valor en libros.

El importe recuperable se determina como el mayor importe entre el valor razonable menos los costes de venta y el valor en uso. En concreto, para la totalidad de las inversiones inmobiliarias, el importe recuperable se determina a través del descuento de flujos futuros generado por el activo correspondiente sobre la base de las rentas existentes comprometidas y utilizando tasas de descuento de mercado.

Cuando una pérdida por deterioro de valor revierte posteriormente, el importe en libros del activo se incrementa en la estimación revisada de su importe recuperable, pero de tal modo que el importe en libros incrementado no supere el importe en libros que se habría determinado de no haberse reconocido ninguna pérdida por deterioro en ejercicios anteriores.

4.3 Arrendamientos

Los arrendamientos se clasifican como arrendamientos financieros siempre que las condiciones de los mismos se deduzca que se transfieren al arrendatario sustancialmente los riesgos y beneficios inherentes a la propiedad del activo objeto del contrato. Los demás arrendamientos se clasifican como arrendamientos operativos.

Al 31 de diciembre de 2019, la Sociedad no mantiene arrendamientos financieros.

Arrendamiento operativo

Los ingresos y gastos derivados de los acuerdos de arrendamiento operativo se cargan a la cuenta de pérdidas y ganancias en el ejercicio en que se devengan.

Asimismo, el coste de adquisición del bien arrendado se presenta en el balance conforme a su naturaleza, incrementado por el importe de los costes del contrato directamente imputables, los

cuales se reconocen como gasto en el plazo del contrato, aplicando el mismo criterio utilizado para el reconocimiento de los ingresos del arrendamiento.

Cualquier cobro o pago que pudiera realizarse al contratar un arrendamiento operativo se tratará como un cobro o pago anticipado que se imputará a resultados a lo largo del período del arrendamiento, a medida que se cedan o reciban los beneficios del activo arrendado.

4.4 Instrumentos financieros

4.1.1 Activos financieros

Clasificación

Los activos financieros que posee la Sociedad se clasifican en las siguientes categorías:

- a) Préstamos y partidas a cobrar: activos financieros originados en la venta de bienes o en la prestación de servicios por operaciones de tráfico de la empresa, o los que no teniendo un origen comercial, no son instrumentos de patrimonio ni derivados y cuyos cobros son de cuantía fija o determinable y no se negocian en un mercado activo.
- b) Tesorería y otros activos líquidos equivalentes: la tesorería comprende tanto la caja como los depósitos bancarios a la vista. Los otros activos líquidos equivalentes son inversiones a corto plazo, con vencimientos anteriores a tres meses, y que no están sujetos a un riesgo relevante de cambios en su valor.

Valoración inicial

Los activos financieros se registran, en términos generales, inicialmente al valor razonable de la contraprestación entregada más los costes de la transacción que sean directamente atribuibles.

s préstamos, y partidas a cobrar se valoran por su coste amortizado.

Al menos al cierre del ejercicio la Sociedad realiza un test de deterioro para los activos financieros que no están registrados a valor razonable. Se considera que existe evidencia objetiva de deterioro si el valor recuperable del activo financiero es inferior a su valor en libros. Cuando se produce, el registro de este deterioro se registra en la cuenta de pérdidas y ganancias.

La Sociedad da de baja los activos financieros cuando expiran o se han cedido los derechos sobre los flujos de efectivo del correspondiente activo financiero y se han transferido sustancialmente los riesgos y beneficios inherentes a su propiedad.

Por el contrario, la Sociedad no da de baja los activos financieros, y reconoce un pasivo financiero por un importe igual a la contraprestación recibida, en las cesiones de activos financieros en las que se retenga sustancialmente los riesgos y beneficios inherentes a su propiedad.

Fianzas entregadas

La diferencia entre el valor razonable y el importe entregado de las fianzas por arrendamientos operativos no resulta significativa a los efectos de preparación de estos estados financieros. Conforme a la Ley de Arrendamientos Urbanos, la Sociedad está sometida al régimen de concierto de depósito con algunas Comunidades Autónomas. Según este régimen, la Sociedad viene obligada a depositar un 90% de las fianzas obtenidas de sus arrendatarios en determinadas Instituciones Oficiales. De esta forma, se clasifican en el pasivo a largo plazo del balance adjunto aquellas fianzas recibidas de los arrendatarios y en el activo a largo plazo del balance aquellas depositadas en las Instituciones Oficiales de dichas Comunidades Autónomas.

4.4.2 Pasivos financieros

Son pasivos financieros aquellos débitos y partidas a pagar que tiene la Sociedad y que se han originado en la compra de bienes y servicios por operaciones de tráfico de la empresa, o aquellos

que sin tener un origen comercial, no pueden ser considerados como instrumentos financieros derivados.

Los débitos y partidas a pagar se valoran inicialmente al valor razonable de la contraprestación recibida, ajustada por los costes de la transacción directamente atribuibles. Con posterioridad, dichos pasivos se valoran de acuerdo con su coste amortizado.

La Sociedad da de baja los pasivos financieros cuando se extinguen las obligaciones que los han generado.

4.5 Impuesto sobre Beneficios

Régimen general

El gasto o ingreso por Impuesto sobre beneficios comprende la parte relativa al gasto o ingreso por el impuesto corriente y la parte correspondiente al gasto o ingreso por impuesto diferido.

El impuesto corriente es la cantidad que la Sociedad satisface como consecuencia de las liquidaciones fiscales del impuesto sobre el beneficio relativas a un ejercicio. Las deducciones y otras ventajas fiscales en la cuota del impuesto, excluidas las retenciones y pagos a cuenta, así como las pérdidas fiscales compensables de ejercicios anteriores y aplicadas efectivamente en éste, dan lugar a un menor importe del impuesto corriente.

El gasto o el ingreso por impuesto diferido se corresponde con el reconocimiento y la cancelación de los activos y pasivos por impuesto diferido. Estos incluyen las diferencias temporarias que se identifican como aquellos importes que se prevén pagaderos o recuperables derivados de las diferencias entre los importes en libros de los activos y pasivos y su valor fiscal, así como las bases imponibles negativas pendientes de compensación y los créditos por deducciones fiscales no aplicadas fiscalmente. Dichos importes se registran aplicando a la diferencia temporaria o crédito que corresponda el tipo de gravamen al que se espera recuperarlos o liquidarlos.

Se reconocen pasivos por impuestos diferidos para todas las diferencias temporarias imponibles, excepto aquellas derivadas del reconocimiento inicial de fondos de comercio o de otros activos y pasivos en una operación que no afecta ni al resultado fiscal ni al resultado contable y no es una combinación de negocios.

Por su parte, los activos por impuestos diferidos sólo se reconocen en la medida en que se considere probable que la Sociedad vaya a disponer de ganancias fiscales futuras contra las que poder hacerlos efectivos.

Los activos y pasivos por impuestos diferidos, originados por operaciones con cargos o abonos directos en cuentas de patrimonio, se contabilizan también con contrapartida en patrimonio neto.

En cada cierre contable se reconsideran los activos por impuestos diferidos registrados, efectuándose las oportunas correcciones a los mismos en la medida en que existan dudas sobre su recuperación futura. Asimismo, en cada cierre se evalúan los activos por impuestos diferidos no registrados en balance y éstos son objeto de reconocimiento en la medida en que pase a ser probable su recuperación con beneficios fiscales futuros.

Régimen SOCIMI

En virtud de la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas cotizadas de inversión en el mercado inmobiliario, las entidades que cumplan los requisitos definidos en la normativa y opten por la aplicación del régimen fiscal especial previsto en dicha Ley tributarán a un tipo de gravamen del 0% en el Impuesto de Sociedades. En el caso de generarse bases imponibles negativas, no será de aplicación el artículo de la Ley 27/2014, 27 de noviembre, del Impuesto sobre Sociedades. Asimismo, no resultará de aplicación el régimen de deducciones y bonificaciones establecidas en los Capítulos II, III y IV de dicha norma. En

todo lo demás no previsto en la Ley SOCIMI, será de aplicación supletoriamente lo establecido en la Ley 27/2014, del Impuesto sobre Sociedades.

La entidad estará sometida a un gravamen especial del 19% sobre el importe íntegro de los dividendos o participaciones en beneficios distribuidos a los socios cuya participación en el capital social de la entidad sea igual o superior al 5%, cuando dichos dividendos, en sede de sus socios, estén exentos o tributen a un tipo de gravamen inferior al 10%. Dicho gravamen tendrá la consideración de cuota del Impuesto sobre Sociedades.

La aplicación del régimen de SOCIMI anteriormente descrito se ha iniciado desde la constitución de la Sociedad, en virtud del artículo 8.2 de la Ley 11/2009 del régimen SOCIMI.

4.6 Ingresos y gastos

Los ingresos y gastos se imputan en función del criterio de devengo, es decir, cuando se produce la corriente real de bienes y servicios que los mismos representan, con independencia del momento en que se produzca la corriente monetaria o financiera derivada de ellos. Dichos ingresos se valoran por el valor razonable de la contraprestación recibida, deducidos descuentos e impuestos.

El reconocimiento de los ingresos por ventas se produce en el momento en que se han transferido al comprador los riesgos y beneficios significativos inherentes a la propiedad del bien vendido, no manteniendo la gestión corriente sobre dicho bien, ni reteniendo el control efectivo sobre el mismo.

En cuanto a los ingresos por prestación de servicios, éstos se reconocen considerando el grado de realización de la prestación a la fecha de balance, siempre y cuando el resultado de la transacción pueda ser estimado con fiabilidad. En concreto, los ingresos por alquileres se registran en función de su devengo, distribuyéndose linealmente los beneficios en concepto de incentivos y los costes iniciales de los contratos de arrendamiento.

Los intereses recibidos de activos financieros se reconocen utilizando el método del tipo de interés efectivo. En cualquier caso, los intereses de activos financieros devengados con posterioridad al momento de la adquisición se reconocen como ingresos en la cuenta de pérdidas y ganancias.

4.7 Provisiones y contingencias

El Consejo de Administración de la Sociedad en la formulación de las cuentas anuales entre:

- a) Provisiones: saldos acreedores que cubren obligaciones actuales derivadas de sucesos pasados, cuya cancelación es probable que origine una salida de recursos, pero que resultan indeterminados en cuanto a su importe y/o momento de cancelación.
- b) Pasivos contingentes: obligaciones posibles surgidas como consecuencia de sucesos pasados, cuya materialización futura está condicionada a que ocurra, o no, uno o más eventos futuros independientes de la voluntad de la Sociedad.

Las cuentas anuales adjuntas recogen todas las provisiones con respecto a las cuales se estima que la probabilidad de que se tenga que atender la obligación es mayor que de lo contrario. Salvo que sean considerados como remotos, los pasivos contingentes no se reconocen en las cuentas anuales sino que se informa sobre los mismos sobre los mismos en las notas de la memoria

Las provisiones se valoran por el valor actual de la mejor estimación posible del importe necesario para cancelar o transferir la obligación, teniendo en cuenta la información disponible sobre el suceso y sus consecuencias, y registrándose los ajustes que surjan por la actualización de dichas provisiones como un gasto financiero conforme se va devengando.

7. Activos financieros

La clasificación de los activos financieros por categorías y clases, así como el valor en libros en euros de los mismos, al cierre del ejercicio 2019 se detalla a continuación:

Categorías	Euros	
	Activos financieros a largo plazo	Activos financieros a corto plazo
	Créditos, derivados y otros	Créditos, derivados y otros
Efectivo y otros activos líquidos equival.	0,00	1.847,71
TOTAL	0,00	1.847,71

Para hacer frente a las obligaciones de pago, la Sociedad posee la tesorería que se muestra en el balance, siendo de libre disposición.

8. Pasivos financieros

La clasificación de los pasivos financieros por categorías y clases, así como el valor en libros de los mismos al cierre de los ejercicios 2019, se detalla a continuación:

Categorías	Euros	
	Pasivos financieros a largo plazo	Pasivos financieros a corto plazo
	Deudas con empresas del grupo	Deudas, derivados y otros
Otras Deudas	68.996,95	0,00
Otros Acreedores	0,00	11.820,75
TOTAL	68.996,95	11.820,75

9. Patrimonio neto y fondos propios

9.1 Capital social y Prima de Asunción

A 31 de diciembre de 2019 el Capital social de la Sociedad ascendía a 5.000.000 euros, representado por 5.000.000 acciones de 1 euro de valor nominal cada una, todas ellas de la misma clase, totalmente suscritas y desembolsadas.

El 10 de octubre de 2019 se aprobó una ampliación de capital por compensación de créditos por importe de 4.997.000,00 euros, con una prima de asunción global de 1.182.485,00 euros.

A 31 de diciembre de 2019, la Sociedad estaba participada al 100% por el Socio Único Ryan Craig Howsam con NIE X7774785A

9.2 Reserva legal

De acuerdo con la Ley de Sociedades de Capital, la sociedad anónima debe destinar una cifra igual al 10% del beneficio del ejercicio a la reserva legal hasta que ésta alcance el 20% del capital social.

La reserva legal sólo podrá utilizarse para aumentar el capital social. Salvo para la finalidad mencionada anteriormente, esta reserva sólo podrá destinarse a la compensación de pérdidas y siempre que no existan otras reservas disponibles suficientes para este fin.

De acuerdo con la Ley 11/2009 por la que se regulan las sociedades anónimas cotizadas de inversión en el mercado inmobiliario SOCIMI la reserva legal de las sociedades que hayan optado por la aplicación del régimen fiscal especial establecido en esta Ley no podrán exceder del 20% del capital social. Los estatutos de la sociedad no pueden establecer ninguna otra reserva de carácter indisponible distinta a la anterior.

De acuerdo con el Plan General de Contabilidad los gastos de constitución de la Sociedad se contabilizaron contra la cuenta de reservas netas del efecto impositivo.

Al 31 de diciembre de 2019 la reserva legal de la Sociedad no encuentra constituida.

9.3 Otras aportaciones de socios

A 31 de diciembre de 2019 no existen aportaciones por parte del socio único a la sociedad.

9.4 Limitaciones para la distribución de dividendos

Dada su condición de SOCIMI, la Sociedad estará obligada a distribuir en forma de dividendos a sus accionistas, una vez cumplidas las obligaciones mercantiles que correspondan, el beneficio obtenido en el ejercicio de conformidad con lo previsto en el artículo 6 de la Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario SOCIMI.

10. Administraciones Públicas y situación fiscal

10.1 Saldos corrientes con las Administraciones Públicas

La composición de los saldos con las Administraciones Públicas es la siguiente:

	31/12/2019
Hacienda Pública acreedora por Retenciones	5.788,80
Total	5.788,80

10.2 Conciliación resultado contable y base imponible fiscal

La conciliación entre los ingresos y gastos del ejercicio y la base imponible de Impuesto sobre Sociedades, es la siguiente:

	Euros
	31/12/2019
Resultado contable antes de impuestos	-83.558,44
Base imponible fiscal	-84.138,51
Cuota íntegra: 0% (Nota 4.5)	0,00
Cuenta a pagar / Gasto por Impuesto sobre Sociedades	0,00

10.3 Ejercicios pendientes de comprobación y actuaciones inspectoras

Según establece la legislación vigente, los impuestos no pueden considerarse definitivamente liquidados hasta que las declaraciones presentadas hayan sido inspeccionadas por las autoridades fiscales o haya transcurrido el plazo de prescripción de cuatro años. Al cierre del ejercicio 2019, la Sociedad tiene abiertos a inspección los últimos cuatro ejercicios para todos los impuestos que le son de aplicación. El Consejo de Administración de la Sociedad considera que se han practicado adecuadamente las liquidaciones de los mencionados impuestos, por lo que, aún en caso de que surgieran discrepancias en la interpretación normativa vigente por el tratamiento fiscal otorgado a las operaciones, los eventuales pasivos resultantes, en caso de materializarse, no afectarían de manera significativa a los estados financieros.

10.4 Exigencias informativas derivadas de la condición de SOCIMI, Ley 11/2009, modificada con la Ley 16/2012.

La información requerida por la normativa en vigor se incluye dentro de los Anexos adjuntos a esta memoria de la que forma parte.

11. Ingresos y gastos

11.1 Otros gastos de explotación

El detalle de esta cuenta a 31 de diciembre de 2019 es el siguiente:

	31/12/2019
Servicios de profesionales independientes	68.060,24
Servicios bancarios	123,90
Otros servicios	192,70
Ajustes negativos imposición indirecta	15.181,60
Total	83.558,44

12. Operaciones y saldos con partes vinculadas

12.1 Operaciones con vinculadas

Las transacciones con empresas del grupo y asociadas al ejercicio 2019 han tenido la siguiente naturaleza:

Deudas con el Socio Único: el saldo a 31 de diciembre se corresponde con pagos realizados por el Socio Único por importe de 68.996,95 euros (nota 8).

12.2 Retribuciones al Administrador Único y a la Alta Dirección

Durante el ejercicio 2019 la Sociedad no ha pagado ninguna cantidad por ningún concepto al Administrador Único. Tampoco ha concedido ningún anticipo o crédito ni ha contraído obligación alguna por pensiones y seguros de vida respecto a dicho administrador. Adicionalmente, la Sociedad tampoco ha pagado en nombre del administrador ningún seguro de responsabilidad social durante el ejercicio 2019.

Asimismo, durante el ejercicio 2019 la Sociedad no mantiene personal, por lo que no existe Alta Dirección, siendo desempeñadas estas funciones por el Administrador Único.

12.3 Otra información.

En el deber de evitar situaciones de conflicto con el interés de la Sociedad, durante el ejercicio el Administrador Único que ha ocupado cargos en el órgano de administración ha cumplido con las obligaciones previstas en el artículo 228 del Texto refundido de la Ley de Sociedades de capital. Asimismo, tanto él como las personas a él vinculadas, se han abstenido de incurrir en supuestos de conflictos de interés previstos en el artículo 229 de dicha ley, excepto en los casos en que haya sido obtenida la correspondiente autorización.

13. Información sobre el período medio de pago a proveedores. Disposición Adicional Tercera. "Deber de información" de la Ley 15/2010, de 5 de julio.

El detalle de la información requerida en relación con el periodo medio de pago a proveedores es el siguiente:

	2019
Periodo medio pago	19

El plazo máximo legal de pago aplicable a la Sociedad en el ejercicio 2018 según la Ley 3/2004, de 29 de diciembre, por la que se establecen medidas de lucha contra la morosidad en las operaciones comerciales es de 30 días a partir de la publicación de la mencionada Ley y hasta la actualidad (a menos que se cumplan las condiciones establecidas en la misma, que permitirían elevar dicho plazo máximo de pago hasta los 60 días).

14. Información sobre los derechos de emisión de gases de efecto invernadero.

A efectos de dar cumplimiento a lo establecido en la Ley 1/2005 de 9 de marzo, se pone de manifiesto que la actividad la Sociedad no se encuentra incluida en el ámbito de aplicación de la citada ley por lo que no ha dispuesto de derechos de emisión de gases de efecto invernadero durante el ejercicio 2019.

15. Información medioambiental.

En general, las actividades de la Sociedad no provocan impactos negativos de carácter medioambiental, no incurriendo, en consecuencia, en costes ni inversiones significativas cuya finalidad sea mitigar dichos posibles impactos durante el ejercicio 2019.

16. Hechos posteriores al cierre

La aparición del Coronavirus COVID-19 en China en enero de 2020 y su reciente expansión global a un gran número de países, ha motivado que el brote vírico haya sido calificado como una pandemia por la Organización Mundial de la Salud desde el pasado 11 de marzo.

Por ello, a la fecha de formulación de estas Cuentas Anuales es prematuro realizar una valoración detallada o cuantificación de los posibles impactos que tendrá el COVID-19 sobre la Sociedad, debido a la incertidumbre sobre sus consecuencias, a corto, medio y largo plazo, no obstante, los Administradores de la Sociedad consideran que su impacto será mínimo en la Sociedad.

El Administrador Único de la Sociedad, ha realizado una evaluación preliminar de la situación actual conforme a la mejor información disponible, destacando los siguientes aspectos:

- Riesgo de liquidez: es previsible que la situación general de los mercados pueda provocar un aumento general de las tensiones de liquidez en la economía, así como una contracción del mercado de crédito. En este sentido, la Sociedad mantiene la mayoría de las cuentas a cobrar con un cliente con un riesgo de crédito bajo dadas las calificaciones crediticias del mismo, lo que, unido a la puesta

en marcha de planes específicos para la mejora y gestión eficiente de la liquidez, permitirán afrontar dichas tensiones.

- Riesgo de valoración de activos: un cambio en las estimaciones futuras operaciones, costes de operación y mantenimiento y costes financieros de la Sociedad podría tener un impacto negativo en el valor contable de determinados activos, así como en la necesidad de registro de determinadas provisiones u otro tipo de pasivos. No obstante, dado que la compañía tiene un contrato a largo plazo sobre los mismos, no se espera un impacto significativo en la valoración de los activos de la Sociedad.

Por último, resaltar que el Administrador Único de la Sociedad está realizando una supervisión constante de la evolución de la situación, con el fin de afrontar con éxito los eventuales impactos, tanto financieros como no financieros, que puedan producirse.

En el momento de formular las Cuentas Anuales no se ha producido ningún hecho posterior al cierre adicional a los comentados anteriormente que sea necesario mencionar en esta memoria.

Anexo I Información relativa a la Sociedad Arimelia ITG, S.A. Sociedad Unipersonal

Descripción	31.12.2019
a) Reservas procedentes de ejercicios anteriores a la aplicación del régimen fiscal establecido en la Ley 11/2009, modificado por la Ley 16/2012, de 27 de diciembre.	N/A
b) Reservas de cada ejercicio en que ha resultado aplicable el régimen fiscal especial establecido en dicha ley <ul style="list-style-type: none"> Beneficios procedentes de rentas sujetas al gravamen del tipo general Beneficios procedentes de rentas sujetas al gravamen del tipo del 19% Beneficios procedentes de rentas sujetas al gravamen del tipo del 0% 	N/A
c) Dividendos distribuidos con cargo a beneficios de cada ejercicio en que ha resultado aplicable el régimen fiscal establecido en esta Ley <ul style="list-style-type: none"> Dividendos procedentes de rentas sujetas al gravamen del tipo general Dividendos procedentes de rentas sujetas al gravamen del tipo del 18% 2009 y 19% 2010 a 2012 Dividendos procedentes de rentas sujetas al gravamen del tipo del 0% 	N/A N/A
d) Dividendos distribuidos con cargo a reservas, <ul style="list-style-type: none"> Distribución con cargo a reservas sujetas al gravamen del tipo general. Distribución con cargo a reservas sujetas al gravamen del tipo del 19% Distribución con cargo a reservas sujetas al gravamen del tipo del 0% 	N/A
e) Fecha de acuerdo de distribución de los dividendos a que se refieren las letras c y d anteriores	N/A
f) Fecha de adquisición de los inmuebles destinados al arrendamiento que producen rentas acogidas a este régimen especial Fecha de adquisición de las participaciones en el capital de entidades a que se refiere el apartado 1 del artículo 2 de esta Ley.	Nota 5 N/A
g) Identificación del activo que computa dentro del 80 por ciento a que se refiere el apartado 1 del artículo 3 de esta Ley	Nota 5
h) Reservas procedentes de ejercicios en que ha resultado aplicable el régimen fiscal especial establecido en esta Ley, que se hayan dispuesto en el período impositivo, que no sea para su distribución o para compensar pérdidas. Deberá identificarse el ejercicio del que proceden dichas reservas.	N/A

DILIGENCIA DE FORMULACION

Las Cuentas Anuales Abreviadas, incluyendo Balance, Cuenta de Pérdidas y Ganancias, y Notas explicativas correspondientes al periodo finalizado el 31 de diciembre de 2019, son firmadas por el Administrador Único.

D. Ryan Craig Howsam
Administrador Único

Madrid, a 20 de Noviembre de 2020

ARIMELIA ITG SOCIMI, S.A.U.
Annual Financial statements for the
year ended at 31 December 2019

ARIMELIA ITG, SOCIMI, S.A.U.

ABRIDGED BALANCE SHEET AT 31 DECEMBER 2019
(Euros)

ASSETS		Notes	31/12/2019	EQUITY AND LIABILITIES	Notes	31/12/2019
NON-CURRENT ASSETS				EQUITY		
Real estate investments		Note 5	6,183,105.28	OWN FUNDS	Note 9	6,098,346.49
Construction			6,183,105.28	Capital		5,000,000.00
			0.00	Issued capital		5,000,000.00
			6,183,105.28	Share premium		1,182,485.00
			0.00	Reserves		-580.07
				Other reserves		-580.07
				Year's Profit/Loss		-83,558.44
CURRENT ASSETS			1,847.71	CURRENT LIABILITIES		86,606.50
Cash and cash equivalents.		Note 7	1,847.71	Short-Term Debt	Note 8, 12	68,996.95
Other Bank Accounts			1,847.71	Other Short-Term Debt.		68,996.95
				Trade Payables and other accounts payable		17,609.55
				Miscellaneous creditors		11,820.75
				Other debt with Public Administrations	Note 10	5,788.80
TOTAL ASSETS			6,184,952.99	Total EQUITY AND LIABILITIES		6,184,952.99

Notes 1 to 16 are an integral part of the balance sheet at 31 December 2019.

ARIMELIA ITG, SOCIMI, S.A.U.
ABRIDGED INCOME STATEMENT FOR 2019
(Euros)

	Notes	31/12/2019
CONTINUING OPERATIONS		
Other Operating Expenses	Note 11	-83,558.44
OPERATING PROFIT		-83,558.44
PROFITS/LOSSES BEFORE TAXES		-83,558.44
		0.00
YEAR'S PROFITS/LOSSES		-83,558.44

Notes 1 to 16 are an integral part of the income statement.

ARIMELIA ITG SOCIMI, S.A.U.
REPORT FOR 2019

(The monetary units in the tables are expressed in euros)

1. Company's Activity

The company Arimelia ITG SOCIMI, S.A.U. (the Company), was incorporated in Madrid on 8 April 2019 under the trade name Arimelia ITG, S.L. By resolution of the sole shareholder of 20 December 2019, it was transformed into a Limited Company (*Sociedad Anónima*) by public deed on 20 December 2019.

The corporate purpose of the Company, according to its Articles of Association, is:

1. The acquisition and development of urban real estate properties for their lease [Spanish National Economic Activity Code (CNAE) 6820]. Development includes the renovation of buildings in the terms established in Law 37/1992 on the Value-Added Tax.
2. Ownership of shares in the capital of listed companies for investment in the real estate market ("REITs") or in other companies that are not residents of Spain that have the same main corporate purpose as REITs and are subject to a similar system to that established for REITs as regards the mandatory, legal, or statutory policy for distribution of profits.
3. Ownership of shares in the capital of other companies, be they residents of Spain or not, whose main corporate purpose is the acquisition of urban real estate properties for their lease, subject to the same system established for REITs as regards the mandatory, legal, or statutory policy for distribution of profits and meet the investment requirements specified in section 3 of Law 11/2009, of 26 October, on listed stock companies for investment in the real estate market, or any law that might replace it, as well as the other requirements specified in section 2 of said Law.
4. Ownership of shares or stock in Real Estate Investment Trusts as regulated by Law 35/2003, of 4 November, on Undertakings for Collective Investment. Real Estate Development (CNAE 4110).
5. Construction of residential (CNAE 4121) and non-residential buildings (CNAE 4122).
6. Purchase and sale of real estate properties on its own behalf (CNAE 6810).
7. Rental of its own rural properties (CNAE 6820).

Those activities for the performance of which the Law establishes requirements that cannot be fulfilled by the Company are excluded.

The activities that constitute the corporate purpose may be carried out both in Spain and abroad.

The Company is subject to Law 11/2009, of 26 October, amended by Law 16/2012, of 27 December, on Listed Limited Companies for Investment

in the Real Estate Market. Section 3 establishes the requirements for this type of Company, namely:

1. REITs must invest at least 80 per cent of their assets in urban real estate properties for lease, on plots for the development of real estate property for this purpose provided that development starts within three years from their acquisition, as well as in shares in the capital or equity of other entities referred to section 2(1) of said Law.

The value of the assets will be established based on the average of the quarterly individual balance sheets for the year. The Company may opt to substitute the book value for the market value of the items included in the balance sheets in order to calculate such value, which would apply to all balance sheets for the year. Money or credit rights from the transfer of those real estate properties or shares carried out in the same year or previous ones, if any, will not count for this purposes, provided, in the latter case, that the reinvestment deadline specified in section 6 of the Law has not elapsed.

2. At least 80 per cent of the rents in the tax year for each financial year, excluding those derived from the transfer of the shares and of the real estate properties connected to the fulfilment of its main corporate purpose must also come, once the maintenance period referred to in the following section has ended, from the lease of real estate properties and dividends or shares in profits from those shares.

This percentage will be calculated on the consolidated earnings if the company is the parent of a group according to the criteria established in section 42 of the Spanish Commercial Code [Código Civil], regardless of its place of residence and its obligation to file consolidated financial statements. This group will solely comprise the REITs and the other entities referred to in section 2(1) of the Law regulating it.

3. The real estate properties that constitute the Company's assets must remain leased for at least three years. The time that the properties have been offered for lease, with a maximum of one year, will be counted for calculation purposes.

The period will be calculated:

- a) In the case of real estate properties included in the Company's assets before it started to benefit from the system, from the start date of the same tax period in which the special fiscal system established in this Law applies, provided that the property was leased or offered for lease on that date. Otherwise, the provision in the following section will be followed.
- b) In the case of real estate properties later developed or acquired by the Company, from the date when they were leased or offered for lease for the first time.

In the case of shares or stock in entities referred to in section 2(1) of this Law, they must remain in the Company's assets for at least three years from their acquisition, or, if applicable, from the start of the first tax period when the special fiscal system established in this Law applies.

4. The minimum capital required is 5 million euros.
5. REITs are obliged to be listed in a listed market.

As established in Transitional Provision one of Law 11/2009, of 26 October, amended by Law 16/2012, of 27 December, on Listed Investment Limited Companies in the Real Estate Market (REITs), the application of the special fiscal system may be opted for in the terms established in section 8 of that Law, even when the

requirements established in it are not met, provided that these requirements come to be met within two years from the date of the option to apply that system.

On 20 September 2019, the Company opted for the special fiscal system for REITs, and notified this to the tax authorities on 23 September 2019.

2. Basis for the submission of the annual accounts

2.1 Regulatory Framework on financial reporting applicable to the Company

These abridged financial statements were drafted by the Sole Director in accordance with the regulatory framework on financial reporting applicable to the Company, which is that established in:

- a) the Commercial Code and other commercial legislation.
- b) The National Chart of Accounts approved by R.D. 1514/2007 and its sectoral adaptation to real estate companies.
- c) The mandatory standards approved by the Spanish Institute of Accounting and Auditing implementing the National Chart of Accounts and its supplementary standards.
- d) Law 11/2009 of 26 October, amended by Law 16/2012, of 27 December, on Listed Investment Limited Companies in the Real Estate market (REITs).
- e) Any other applicable Spanish accounting legislation.

2.2 Fair reflection

The abridged financial statements have been obtained from the Company's accounting records and are submitted in accordance with the applicable regulatory framework for financial reporting and, in particular, the accounting principles and criteria contained in it, providing a fair reflection of the Company's equity, financial situation, and results.

2.3 Non-mandatory accounting principles followed

No non-mandatory accounting principles have been applied. There is no mandatory accounting principles that has not been applied.

2.4 Critical aspects of the valuation and estimation of uncertainty

In preparing the financial statements attached, estimates made by the Company's Sole Director have been used to value some of the assets, liabilities, income, expenses, and commitments recorded in them. Basically, these estimates pertain to:

~~The assessment of potential losses for impairment of certain assets [see Notes 4(2) and 4.(4)].~~

- The useful life of real estate investments [see Note 4(1)]
- The market value of certain financial instruments [see Note 4(4)]
- Financial risk management [see Note 7(3)]

Even though these estimates were made on the basis of the best information available at close of 2019, events may take place in

the future that require modifying them (upward or downward) in coming years, which would be done, if applicable, prospectively.

2.5 Comparison of the information

The Company was incorporated in April 2019, and thus the balance sheet items and the income statement items are not comparable.

2.6 Grouping of items

Certain items in the balance sheet and in the income statement are grouped for easier comprehension. However, insofar as it is significant, information has been broken down in the corresponding explanatory notes.

2.7 Changes in accounting criteria

No significant changes in accounting criteria have occurred in 2019.

3. Distribution of Profits/Losses

In 2019, the Company incurred in losses for EUR 83,558.44, and the Sole Director will propose the following distribution to the Sole Shareholder:

- To prior years' losses to offset them with future years' profits.

The Sole Director believes that the proposed distribution of profits/losses will be approved by the Sole Shareholder.

Standards for distribution of profits/losses applicable to REITs

As established in current legislation, REITs that have opted for the special fiscal system will be obligated to distributed the profits made in the year in the form of dividends to their shareholders, once the applicable commercial obligations have been met. Distribution must be agreed on within six months from the end of each year and paid within the month following the date of the distribution agreement.

As stated in Law 11/2009, of 26 October 2009, amended by Law 16/2012, of 27 December, the Company must distribute as dividends:

- 100% of the profits from dividends or shares in profits distributed by the entities referred to in section 2(1) of Law 11/2009.
- At least 50% of the profits arising from the transfer of real estate property and shares or stock referred to in section 2(1) of Law 11/2009, carried out after the deadlines specified in section 3(2) of Law 11/2009, connected to the fulfilment of the main corporate purpose. The other profits must be reinvested in other properties or shares subject to compliance with the Company's corporate purpose within three years of the date of transfer. In their default, these profits shall be distributed in their entirety together with any profits originating in the financial year when the reinvestment term ends. Should the elements being reinvested be transferred before the end of the minimum period for maintenance, those profits shall be distributed in their entirety together with any profits originating in the financial year when they were transferred. The obligation of distribution shall not affect any portion of these profits attributable to financial years when the Company was not taxed under the special tax system established in said Law.
- At least 80% of the rest of the profits made.

Valuation Report

ARIMELIA ITG SOCIMI SA PROPERTY PORTFOLIO PUENTE ROMANO - MARBELLA & CENTRO POLO - NUEVA ANDALUCIA - SPAIN

Diego Vilaró Colaïanni
Director de Operaciones Advisory Services
GESVALT SOCIEDAD DE TASACION S.A.
Motivo: Visado Digital
Fecha: 01/06/2021 10:23:11

Real Estate Advisory

Client: ARIMELIA ITG SOCIMI SA

Report Number: 21-002813

Purpose: Regulated Market purposes

Valuation Date: 25th April 2021

INDEX

Executive Summary	5
Terms of Reference	10
SECTION 1 - TERMS OF REFERENCE.....	11
1.1. Valuer Identification and Status	11
1.2. Identification of Petitioner.....	11
1.3. Purpose of the Assessment.....	11
1.4. Identification of the asset to be valued	11
1.5. Valuation Basis.....	11
1.6. Valuation Date	12
1.7. Scope of Research	12
1.8. Nature and Sources of the Information Used.....	12
1.9. Restrictions on Use, Distribution and Publication.....	14
1.10. Compliance with International Valuation Standards (IVS)	14
1.11. Date of Valuation report	14
Valuation Report	15
SECTION 2 - THE PORTFOLIO	16
2.1. Location	16
2.2. Description	21
2.3. State of Repair & CapEx	24
2.4. Environmental Considerations	24
2.5. Flood Risk.....	25
SECTION 3 - LEGAL.....	25
3.1. Town Planning and Licenses	25
3.2. Tenure.....	26
SECTION 4 - ECONOMIC MARKET ANALYSIS	27
4.1. Spain Economy.....	27
4.2. Residential Market	33
SECTION 5 - VALUATION APPROACH	46
5.1. Methodology & Assumptions	46
5.2. Valuation and COVID-19	47
5.3. Market Value	47
5.4. Calculation Parameters	48
5.5. Risk.....	49

5.6. Market Value	52
Individual Valuation Reports.....	55
6. Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano; (Linares 12).....	56
1.1. Description of Location.....	56
1.2. Location Assessment	57
1.3. Description of the Property	58
1.4. Photos.....	59
1.5. Site.....	61
1.6. Tenure and Statutory Details	62
1.7. Market Analysis.....	62
1.8. Valuation Approach & Assumptions	63
1.9. Market Value.....	65
7. Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano II; (Amazonas)	66
1.1. Description of Location.....	66
1.2. Location Assessment	67
1.3. Description of the Property	68
1.4. Photos.....	69
1.5. Site.....	71
1.6. Tenure and Statutory Details	72
1.7. Market Analysis.....	72
1.8. Valuation Approach & Assumptions	73
1.9. Market Value.....	75
8. Urbanización Marina Puente Romano 5 Es: 0 Pl:01 Pt 22 Cortijo Jardín Persa; (Orquídea)	76
1.1. Description of Location.....	76
1.2. Location Assessment	77
1.3. Description of the Property	78
1.4. Photos.....	79
1.5. Site.....	82
1.6. Tenure and Statutory Details	83
1.7. Market Analysis.....	83
1.8. Valuation Approach & Assumptions	84
1.9. Market Value.....	88
9. Urbanización Marina Puente Romano 6 Es:D Pl:00 Pt 11 Cortijo Jardín Japonés; (Dalia).....	89

1.1. Description of Location.....	89
1.2. Location Assessment	90
1.3. Description of the Property	91
1.4. Photos.....	92
1.5. Site.....	94
1.6. Tenure and Statutory Details	95
1.7. Market Analysis.....	95
1.8. Valuation Approach & Assumptions	96
1.9. Market Value.....	99
10. Calle Torre Verde 18; Conjunto Villamagna (Villa Romane)	100
1.1. Description of Location.....	100
1.2. Location Assessment	101
1.3. Description of the Property	102
1.4. Photos.....	104
1.5. Site.....	107
1.6. Tenure and Statutory Details	108
1.7. Market Analysis.....	108
1.8. Valuation Approach & Assumptions	109
1.9. Market Value.....	112
11. Calle Los Nardos - Nueva Andalucía 51 - Marbella; (Centro Polo)	113
1.1. Description of Location.....	113
1.2. Location Assessment	114
1.3. Description of the Property	115
1.4. Photos.....	117
1.5. Site.....	121
1.6. Tenure and Statutory Details	122
1.7. Market Analysis.....	122
1.8. Valuation Approach & Assumptions	125
1.9. Market Value.....	132
Appendixes	133

Executive Summary

Location: The Portfolio comprises five luxury residential buildings (4 apartments & 1 villa) located in Puente Romano, Marbella and Centro Polo, a mixed-use office & residential property located in Nueva Andalucía just to the north of Puerto Banus.

Number	Name	Description	Post Code	City / Town
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	29602	Marbella
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	29602	Marbella
3	Orquidea	Urbanización Marina Puente Romano 5; Jardín Persa	29602	Marbella
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	29602	Marbella
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	29602	Marbella
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	29660	Marbella
		Calle Los Nardos 51; Nueva Andalucía; Residential	29660	Marbella

The five residential properties are well connected to an extensive road/motorway network situated some 4.0 kilometers to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and a mixture of low-rise residential housing split into apartments and terraced or detached housing. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The properties are within a short distance of the beach (max 200 metres).

There are numerous services within the subject area and to the north on the boulevard Príncipe Alfonso Hohenlohe which includes professional services, supermarkets, restaurants, chemists, sports facilities, private business enterprises and public administration occupiers.

Centro Polo is located in Nueva Andalucía, just off pitch from the main Puerto Banus area due to the motorway which acts as a barrier. The property is well communicated due to the main Mediterranean motorway which runs within 300 metres of the subject properties. There are a number of residential and commercial uses in the area, these include tourist accommodation, hotels, bars, restaurants, shopping centre Plaza Centro and also the bull ring located nearby. Main commercial activity is located in and around Puerto Banus.

Description: The main residential part of the portfolio (1-5) comprises 5 luxury dwellings situated within urbanizations located within Puente Romano, Marbella. The properties have been refurbished and fitted out to a very high specification, in general superior to what is readily available in the subject market. Orquidea is currently undergoing a refurbishment and is in a skeleton condition at present with works ongoing at time of inspection. These properties are currently available on short to medium term lets and are actively promoted via the company's website. Centro Polo is a mixed use complex currently undergoing refurbishment to be used as offices, workspace, business club and also residential letting rooms. In general the properties have

been refurbished to a very high occupier standard. In general the properties are provided with associated car parking and storage areas.

Number	Name	Post Code	City / Town	Description	Size (Area)	Bedrooms
1	Linares 12	29602	Marbella	Apartment	160,20 m ²	2
2	Amazonas	29602	Marbella	Apartment	150,80 m ²	2
3	Orquídea	29602	Marbella	Duplex	327,51 m ²	4
4	Dalia	29602	Marbella	Apartment	188,88 m ²	3
5	Villa Romano	29602	Marbella	House	440,32 m ²	3/4
6 & 7	Centro Polo	29660	Marbella	Retail & Office	816,73 m ²	
		29660	Marbella	Residential	360,89 m ²	4

We consider the general portfolio to be luxurious residential properties in a niche market within an excellent location of Marbella.

We understand the management of the portfolio is carried out internally. The basic business plan has been the acquisition of assets, these are renovated and a refurbishment budget is invested in the properties to a high standard in readiness for their posterior letting either on a short or medium term basis.

Tenure: **Freehold**

Valuation Date: **25th April 2021**

Aggregate Net Market Value of the freehold interest (Current State): **€23,385,000 (Twenty-Three Million Three Hundred and Eighty Five Thousand Euro Only)**

Number	Name	Description	Market Value (Net)
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	€2.000.000
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	€1.575.000
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	€4.175.000
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€3.235.000
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€8.400.000
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	€4.000.000
		Calle Los Nardos 51; Nueva Andalucía; Residential	
Total		Aggregate Net Market Value (current state)	€23.385.000

Aggregate Net Market Value under special assumption Completed Refurbishment **€26,005,000 (Twenty-Six Million and Five Thousand Euro Only)**

Number	Name	Description	Refurbished Market Value (Net)
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	€2.000.000
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	€1.575.000
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	€5.500.000
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€3.235.000
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€8.400.000
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Offices Staysure	€5.295.000
		Calle Los Nardos 51; Nueva Andalucía; Work Space	
		Calle Los Nardos 51; Nueva Andalucía; Residential	
Total		Aggregate Net Market Value (Capex Completed)	€26.005.000

Key Issues:

- Puente Romano is considered a luxurious group of urbanizations set around the Hotel Puente Romano and Puente Romano Tennis Club within the Golden Mile. Considered a key residential market for both first and second homeowners and appeals to both national and

foreign investors. The Centro Polo is located in proximity to Puerto Banus, a recognised port area with associated luxury services and facilities.

- Subject area is well known, well connected (principally by private car) but has a number of key transport connections within a relatively short distance including the 3rd largest airport in Spain (Malaga) and also the fast train connection (Malaga Maria Zambrano). These provide ease of access from multiple destinations.
- The general building quality and specifications are excellent and exceed/compared to the subject market area and competing schemes nearby. The layout distribution and characteristics of the residential properties are in line with market requirements and demand.
- Orquidea is currently undergoing a refurbishment and is in a skeleton state at present. Works are due to be completed in the short term. This property has a great deal of potential once refurbishment is completed due to the size, nature, sea views and location. Front line beach properties are more likely to obtain a premium in the price paid. Our analysis has not taken into account this potential premium.
- Centro Polo is a commercial property which is currently being refurbished. There are limited comparable properties of the size and nature and a weak demand for occupier requirements for floor areas which exceed 250m² within the subject area. There is demand for flexible workspace in the subject area and we consider this will receive interest. Residential letting is of interest in the subject area, above all in the 3 key tourist months of June, July and August. There is potential of a knock on effect from business users within the workspace areas and also from the main tenant Staysure. The key to value in the scheme once refurbished is the contractual agreement with Staysure and we have been provided with limited information regarding the heads of terms and should be formally requested in the event of a vested financial interest.
- Linares 12 has the benefit of being part of Hotel Puente Romano and therefore has limited obligations regards service charge to common areas as a reciprocal access and easement rights regarding the hotel. This should be formally clarified with your legal advisors.
- There are no potential issues or risks we have been made aware of regarding Dalia, Amazonas or Villa Romano.
- All properties are available to let on the company's website based on short term rental agreements. Our analysis considers a long-term rental based on some 12 months but

having reference to the potential income which could be derived from holiday lets. Unfortunately, as most properties have been acquired within the last 24 months there is limited historical trading coupled with the refurbishment, pandemic impact and limitations imposed on travelling. Our instructions are based on a 12-month let albeit we consider there is potential to receive more income based on short term holiday lets albeit there would be further management and letting costs.

- Variance of returns (the volatility) - probability levels. The properties current marketing scheme will be subject to COVID-related developments. Activity continues to be greatly influenced by epidemiological developments. The authorities are responding to the successive oscillations in infection rates by means of changes in the stringency of the containment measures, which is making for relatively pronounced fluctuations in activity and employment. This is not only at local level but impact on individual countries and the ability to travel to the subject properties destination.

This summary should be read in conjunction with the remainder of the valuation Report and must not be relied upon in isolation.



James L.S. Allwood, BSc (Hons)

Senior Consultant



Miguel A. López, MRICS

Senior Consultant

RE Advisory Services



Diego Vilaró, MRICS

Director

Advisory Services

Terms of Reference

SECTION 1 - TERMS OF REFERENCE

1.1. Valuer Identification and Status

This valuation report has been prepared by James Allwood and Miguel A. López, MRICS, Gesvalt Senior Valuer, and supervised by Diego Vilaró, MRICS Director of Gesvalt Advisory Services GESVALT SOCIEDAD DE TASACIÓN, S.A.

Furthermore, we confirm the following:

- That we have the experience and insight to carry out this piece of work.
- That the valuation has been carried out by qualified, independent professionals without any vested interest in the parties involved in the process.
- That Gesvalt stands to gain no benefit from carrying out this task other than the fees corresponding to the Valuation.

We confirm to the requester of the valuation report that we are unaware of any issues which would influence our independence, integrity and objectivity in acceptance of this valuation instruction. We confirm we have the necessary experience and professional capability to undertake the preparation of this valuation report. We are independent valuers.

1.2. Identification of Petitioner

The petitioner of this report is the company Arimelia ITG SOCIMI SA located at Calle Serrano 41, Floor 4, 28001 Madrid.

1.3. Purpose of the Assessment

The purpose of this study is to obtain the Market Value for Regulated Market Use.

1.4. Identification of the asset to be valued

In accordance with your instruction, we have undertaken the relevant investigations in order to provide you with a market valuation and appraisal report under RICS standards in relation to seven properties located in Marbella with the scope and special valuation assumptions detailed latter in this report.

1.5. Valuation Basis

The valuation has been carried out in line with the current Edition of the RICS Valuation - Global Standards (the “Red Book”), issued in November 2019 and effective from 31 January 2020.

The purpose of this valuation report is to obtain the Market Value of the cited properties. The definition of said valuation basis is set forth in these standards:

Market Value

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.” (IVSC 2013).

Our valuation report is subject to our standard valuation conditions and assumptions which are included in the report appendices. In the event that our assumptions prove to be incorrect, our valuation must subsequently be reviewed.

The valuation should be read in conjunction with the other sections of this Valuation Report. The appendices of the report include details of the properties and our specific calculations. They also contain several plans, maps, locations, and photographs. All the said plans, location maps and photos in the Report and the Appendices are included purely for identification purposes.

1.6. Valuation Date

This valuation is provided as of **25th April 2021**.

1.7. Scope of Research

We have inspected all the properties internally and externally on a superficial visual inspection basis. Due to the nature of ongoing works in some properties we were unable to visit some parts of the properties, however sufficient property inspection was made in order to form an opinion in these cases. At the time of inspection the weather was fair to good.

1.8. Nature and Sources of the Information Used

In order to compile this report, the client has provided us with the following information:

- 1) Cadastral Information.
- 2) Land Registry Excerpts.
- 3) Detail of portfolio units (Excel file)
- 4) Refurbishment project budgets in excel and copy invoices
- 5) Some Town planning information and licenses
- 6) Website Access

The Report and the Valuation have been prepared solely on the basis of the analysed information; Gesvalt has not validated the information provided to us by the Client, requestor or other relevant parties as stipulated within the body of the report, regarding the description of the asset (measurements, building conditions; distribution by use typology). Gesvalt has adopted for the valuation as a base, the market rents and prices obtained in the market study carried out assuming the premises established by the Client regarding the Property's classification. Save from the analysed Information and ongoing conversations with the client, no information has been provided to Gesvalt, directly or indirectly, either verbally or in writing, by the Client or other parties herein mentioned; The Report does not ensure that the analysed information is complete, correct and accurate. It is possible that there are other documents or information that may alter the analysed information and, therefore, the Valuation. Gesvalt has not verified the accuracy of the analysed information or its conformity with the corresponding originals.

1.9. Restrictions on Use, Distribution and Publication

This report, and the conclusions reached, may only be used by the parties to which it is addressed, for the sole purpose that is specified and as of the valuation date referred to, and the conclusions are based on information provided by the Company and other sources. Likewise, GESVALT will not be liable to any third party for the content of said Report or for the advice given.

No content, total or partial, of this document, especially regarding the assessment conclusions and the identity data of any of the consultants or technicians, as well as their signatures, may be spread, by any means, without the prior and express written consent of GESVALT.

The contents of this Valuation Report are intended to be confidential to the addressee and for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents.

Before the Valuation Report or any part of its contents are reproduced or referred to in any document, circular or statement or disclosed orally to a third party, our written approval as to the form and content of such publication or disclosure must first be obtained.

Such publication or disclosure will not be permitted unless; where relevant it incorporates any special assumptions referred to herein. For avoidance of doubt, such approval is required whether or not this firm is referred to by name and whether or not our Valuation Report is combined with others.

1.10. Compliance with International Valuation Standards (IVS)

The valuation has been carried out in line with the current Edition of the RICS Valuation - Global Standards (the “Red Book”), issued in November 2019 and effective from 31 January 2020.

1.11. Date of Valuation report

This document is issued on the 1 of June 2021.

Valuation Report

SECTION 2 - THE PORTFOLIO

2.1. Location

2.1.1. Macro-Location:

General figures:

Population (at 1 July 2020):

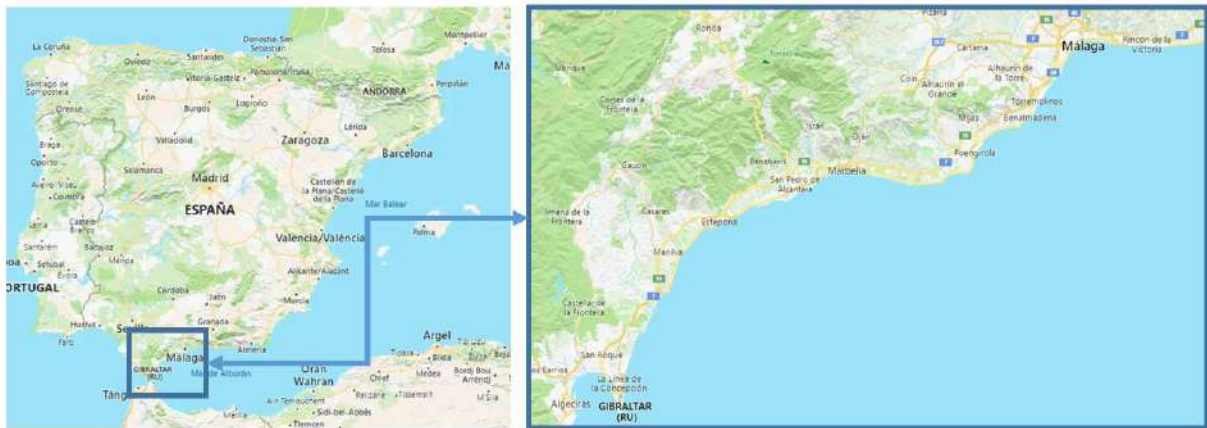
1,685,874 Malaga Province (INE)

Unemployment rate (at 12/2020):

22.7% Andalucía (Spain: 16.1%) (Source: datos.macro)

Malaga, capital of the Province of the same name, is in the Autonomous Community of Andalusia, Spain. Malaga is the second most populous city of Andalusia and the sixth largest in Spain. The southernmost large city in Europe, it lies on the Costa del Sol (Coast of the Sun) of the Mediterranean, about 100 km east of the Strait of Gibraltar and about 130 km north of Africa.

Malaga's strategic position has contributed to its economic stance, generating one of the most important ports in the Mediterranean, and its favourable location on the Costa del Sol enabling the city to attract millions of tourists every year.



Source: Bing Maps

The port in Malaga is the second largest in Spain making it very popular with foreign traders from Europe and North Africa, and it even holds the third largest international Airport. This has converted the city of Malaga into Costa del Sol's commercial capital. The most important business sectors in M laga are tourism, construction and technology services, but other sectors such as transportation and logistics are beginning to expand. M laga is the main economic and financial centre of southern Spain. Excellent infrastructures coupled with good weather has made the Malaga region and above all the Costa del Sol an important tourist hub.

Marbella is one of the major cities and one of the most well-known places within Malaga. Situated on the coast and some 66 kilometres to the west of Malaga. A mainly residential and tourist area considered one of the most luxurious places to live within the Costa del Sol. Marbella has a population of some 147,633 with an unemployment rate of some 23.53%.

Among the main places of interest in Marbella, we can highlight Marbella's Golden Mile, a stretch of 6.4 km which begins at the western edge of Marbella city and stretches to Puerto Ban s. The area is home to some of Marbella's most luxurious villas and estates with views of mountain and sea, as well

as some landmark hotels. The Golden Mile is divided into two parts by a motorway that runs through it. Along the motorway are numerous retail units, five-star hotels, golf courses and other services.

The Golden Mile ends at Puerto Banus, a luxury marina and shopping complex visited by nearly 5 million people per annum. The marina has capacity for 915 boats, including those of the world's wealthiest families. The area is filled with bars, luxury boutiques, restaurants, nightclubs and one of the largest El Corte Ingles Department Stores in Spain. We provide an illustration of the main Marbella coastline:



The Costa del Sol is popular as a holiday destination in general including beaches, recreational activities and golf courses which are located along the coast. There are numerous golf courses within the subject area such as Guadalmina, Marbella Club, El Higueral, La Quinta, Los Naranjos, Magna Marbella, Las Brisas, Aloha, Dama de Noche and Monte Paraiso amongst others. We provide a plan illustrating golf courses along the Costa del Sol:



- | | | | |
|------------------------|----------------------|---------------------|--------------------------|
| • 01. Alcaidesa Resort | • 14. La Rosina | • 27. Aloha | • 40. Calanova |
| • 02. San Roque Resort | • 15. Los Flamings | • 28. Dama de Noche | • 41. La Cala |
| • 03. Almenara | • 16. El Paraiso | • 29. Monte Paraiso | • 42. Santana |
| • 04. La Reserva | • 17. Atalaya | • 30. Rio Real | • 43. El Chaparral |
| • 05. Valderrama Club | • 18. Guadalmina | • 31. Santa Clara | • 44. Mijas |
| • 06. Sotogrande | • 19. Monte Mayor | • 32. Marbella G&C | • 45. Cerrado del Aguilá |
| • 07. La Canada | • 20. Los Arqueros | • 33. Greenlife | • 46. Alhaurin |
| • 08. La Canada | • 21. Marbella Club | • 34. Santa Maria | • 47. Torrequebrada |
| • 09. Dona Julia | • 22. El Higueral | • 35. El Soto | • 48. Benalmadena |
| • 10. Casares | • 23. La Quinta | • 36. Cabopino | • 49. Lauro 27 Golf |
| • 11. Finca Cortesin | • 24. Los Naranjos | • 37. La Siesta | • 50. Parador |
| • 12. Estepona | • 25. Magna Marbella | • 38. Miraflores | • 51. Guadalhorce |
| • 13. Valle Romano | • 26. Las Brisas | • 39. La Noria | • 52. Anoreta |

2.1.2. Micro -Location

The majority of the subject properties are situated with Puente Romano which forms part of the Golden Mile and Nueva Andalucía which is located just north of Puerto Banus.



Puerto Romano:

Puerto Romano is made up of various residential urbanizations surrounding both the Hotel Puerto Romano and the tennis club of the same name. The properties are located within private residential developments and within proximity to the beach front. We provide a plan to illustrate the location of the subject properties within Puerto Romano:



The properties are well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and a mixture of low rise residential housing split into apartments and terraced or detached housing. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The properties are within a short distance of the beach (200 metres).

There are numerous services within the subject area and to the north on the boulevard Príncipe Alfonso Hohenlohe which includes professional services, supermarkets, restaurants, chemists, sports facilities, private business enterprises and public administration occupiers.

We provide an aerial image from google earth:



Nueva Andalucía

The subject property which comprises two main assets is situated in Nueva Andalucía 800 metres north of Puerto Banus. The property is situated on a street known as Calle Las Azaleas. There are a number of private residential urbanizations in the subject area. Predominantly residential there are a number of commercial uses in proximity to Puerto Banus. We provide a plan to illustrate the subject properties location:



Just off pitch from the main Puerto Banus area due to the motorway which acts as a barrier. The property is well communicated due to the main Mediterranean motorway which runs within 300 metres of the subject properties. There are a number of residential and commercial uses in the area, these include tourist accommodation, hotels, bars, restaurants, shopping centre Plaza Centro and also the bull ring located nearby. Main commercial activity is located in and around Puerto Banus.

We provide an aerial view from google earth:



2.1.3. Transport Communications

The properties are well communicated due to their proximity to Marbella and some main tourist attractions within the vicinity. The Mediterranean motorway runs within 300 metres of the properties and connects to main arterial routes to the south of Spain.

Private car is the most comfortable way of arriving at the subject property and although there is private car parking on site there are a number of public car parking facilities and on street parking nearby.

By Rail: The properties are not available via Metro nor any specific train network. The AVE fast train network station is located in Malaga Zambrano. Marbella is inaccessible by train because the railway ends in Fuengirola located some 30 kilometers away, there are bus connections but these are ponderous and infrequent.

By Bus: Marbella has main connections with main cities including Malaga. The properties are directly served by a number of buses routes located along the Boulevard Príncipe Alfonso Hohenlohe including lines 1; 8; L-76; L-78; L-79 which stop at Hotel Puente Romano. These are local bus routes which serve the Marbella region. Nueva Andalucía and specifically within 200 metres of the subject properties there are a number of bus lines including those cited for Hotel Puente Romano but also lines L-77; 4; Avanza routes L-302, L-303, L-304, L-305, L313.

By Air: The nearest airport, “Aeropuerto de Malaga Costa Del Sol” is located some 58 kilometers from the property via the MA-21 motorway connecting with either A7 or AP-7 motorway. There are various terminals in the airport providing national and international destinations for both public and commercial flights.

We are of the opinion the subject property has excellent public transport communications. As with most major cities traffic problems can be experienced at peak traffic times including congestion and parking difficulties in the surrounding areas. During the working hours the area does have problems for immediate on street parking, however there are numerous parking facilities within a short distance to the property.

In conclusion the properties are well located and are served by a number of different public transport alternatives which can be accessed in a relatively short time by foot. Access to the property via public

transport is reasonable but private car is the most convenient and most likely way to arrive at the subject properties.

2.1.4. Property Address Details

The portfolio is located in consolidated residential areas considered to be upper to high end residential market. Five of the properties are situated within Puente Romano and in close proximity to the beaches and hotel services and urbanisations. Properties in the area are used as both 1st and 2nd residence. Centro Polo is located just to the north of Puerto Banus and although well located we would consider just off pitch but all the same a very decent location.

We provide a schedule of properties:

Reference	Name	Address	Nº	Urbanisation	Town
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe	1	Puente Romano	Marbella
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe	2	Puente Romano	Marbella
3	Orquídea	Urbanización Marina Puente Romano	5	Jardín Persa	Marbella
4	Dalia	Urbanización Marina Puente Romano	5	Jardín Japones	Marbella
5	Villa Romano	Calle Torre Verde	1	Puente Romano	Marbella
6	Centro Polo	Calle Los Nardos	51	Nueva Andalucía	Marbella
7	Centro Polo	Calle Los Nardos	51	Nueva Andalucía	Marbella

2.2. Description

The main residential part of the portfolio (1-5) comprises 5 luxury dwellings situated within urbanizations located within Puente Romano, Marbella. The properties have been refurbished and fitted out to a very high specification, in general superior to what is readily available in the subject market. Orquídea is currently undergoing a refurbishment and is in a skeleton condition at present with works ongoing at time of inspection. These properties are currently available on short to medium term lets and are actively promoted via the company's website. Centro Polo is a mixed use complex currently undergoing refurbishment to be used as offices, workspace, business club and also residential letting rooms. In general the properties have been refurbished to a very high occupier standard. In general the properties are provided with associated car parking and storage areas.

Number	Name	Description	Description	Size (Area)	Bedrooms
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	Apartment	160,20 m ²	2
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	Apartment	150,80 m ²	2
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	Duplex	327,51 m ²	4
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	Apartment	188,88 m ²	3
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	House	440,32 m ²	3/4
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	Retail & Office	816,73 m ²	
		Calle Los Nardos 51; Nueva Andalucía; Residential	Residential	360,89 m ²	4

We consider the general portfolio to be luxurious residential properties in a niche market within an excellent location of Marbella. Some of the properties are undergoing a refurbishment (Orquídea and Centro Polo). It is expected works will terminate in the next 4-6 months.

Number	Name	Description	Description	Size (Area)	Status
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	Apartment	160,20 m ²	Refurbished
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	Apartment	150,80 m ²	Refurbished
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	Duplex	327,51 m ²	CAPEX Ongoing
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	Apartment	188,88 m ²	Refurbished
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	House	440,32 m ²	Refurbished
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	Retail & Office	816,73 m ²	CAPEX Ongoing
		Calle Los Nardos 51; Nueva Andalucía; Residential	Residential	360,89 m ²	

We understand the management of the portfolio is carried out internally. The basic business plan has been the acquisition of assets, these are renovated and a refurbishment budget is invested in the properties to a high standard in readiness for their posterior letting either on a short or medium term basis.

Individual descriptions are available in the corresponding summarised individual reports in SECTION 6.

2.3. Accommodation

A general overview of the accommodation in the portfolio is as follows detailing the land registry information:

Number	Name	Description	Description	Area	Terrace	Common	Total
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	Apartment Parking Space	107,60 m²	30,60 m²	22,00 m²	160,20 m²
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	Apartment Parking Space	117,25 m² 12,50 m²		33,55 m²	150,80 m² 12,50 m²
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	Duplex Parking Space Storage	224,22 m² 16,00 m² 8,60 m²	103,29 m²		327,51 m² 16,00 m² 8,60 m²
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	Apartment Parking Space Storage	140,63 m² 14,25 m² 10,40 m²	48,25 m²		188,88 m² 14,25 m² 10,40 m²
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	House	440,32 m²	98,05 m²	0,00 m²	440,32 m²
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	Unit 1	136,59 m²		33,44 m²	170,03 m²
			Unit 2	152,13 m²		25,96 m²	178,09 m²
			Unit 3	149,09 m²		8,98 m²	158,07 m²
			Unit 4	292,91 m²		17,63 m²	310,54 m²
		Calle Los Nardos 51; Nueva Andalucía; Residential	Residential	296,26 m²	64,63 m²		360,89 m²
Total				2.118,75 m²	344,82 m²	141,56 m²	2.507,08 m²

We have been provided with the floor areas via the land registry. Unfortunately practice on the Spanish property market does not conform to the RICS Code of Measuring practice, but in line with local practice we have relied on the land registry areas as provided. From our investigations we consider the floor to ceiling heights of the subject property comply with current planning regulations.

We have made superficial check measurements against both the cadastral.

Number	Name	Description	Description	Area	Other	Common	Total
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	Apartment Parking Space	123,00 m²	0,00 m²	3,00 m²	126,00 m² 0,00 m²
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	Apartment Parking Space	151,00 m² 34,00 m²		5,00 m²	156,00 m² 34,00 m²
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	Duplex Parking Space Storage	267,00 m² 33,00 m² 25,00 m²	0,00 m²	27,00 m² 1,00 m² 1,00 m²	294,00 m² 34,00 m² 26,00 m²
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	Apartment Parking Space Storage	148,00 m² 32,00 m² 25,00 m²	0,00 m²	14,00 m² 1,00 m² 1,00 m²	162,00 m² 33,00 m² 26,00 m²
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	House	441,00 m²	15,00 m²	0,00 m²	456,00 m²
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	Unit 1	137,00 m²		33,00 m²	170,00 m²
			Unit 2	152,00 m²		26,00 m²	178,00 m²
			Unit 3	149,00 m²		9,00 m²	158,00 m²
			Unit 4	293,00 m²		18,00 m²	311,00 m²
		Calle Los Nardos 51; Nueva Andalucía; Residential	Residential	237,00 m²	141,00 m²		378,00 m²
Total				2.247,00 m²	156,00 m²	139,00 m²	2.542,00 m²

Areas provided are not dissimilar, but it is very rare that both the land registry and cadastral coincide. The cadastral areas are larger in general. For the purpose of the valuation, we have adopted land registry area as this is the most conservative measurements available and furthermore as they are legal documents based on previous sales and therefore we consider they are realistic.

2.3. State of Repair & CapEx

It must be noted that due to the size and nature of the building we were not able to undertake a detailed and exhaustive inspection of the properties in their entirety due to the occupying tenants and their own private areas in some cases as well as ongoing refurbishment works in two of the properties. We inspected the property superficially visiting certain parts internally of the building but undertook a full external inspection where possible.

At the time of the inspection, the buildings appeared to be in a generally reasonable state of repair and condition commensurate with its age and use. In general, the interior and exterior of the property appeared to be in a reasonable state of condition, there were no major or significant repair works noticed that would be of immediate concern. The majority of the properties have undergone a full refurbishment. We would expect those 2 properties which are under refurbishment at present to be finished to the same standard and quality as others within the portfolio.

Normal market practice is that if any remedies were required these would be taken up with company employed to take out refurbishment works. We were not made aware of any problems within any of the buildings visited where refurbishment had been completed.

Overall, the property portfolio shows a condition which could be expected and superior from a recent refurbished building of these characteristics in Spain. Generally, the complex shows a reasonable maintenance condition. At the time of our inspection, we confirm that we could see no evidence of any significant structural problems to the properties. As commented in our general principles we are not building surveyors and as such are unable to confirm the evidence of structural defects or inherent problems of construction.

The general conclusion obtained from building inspections and from the analysis of technical and administrative documents provided, indicates that there are no visible defects or obvious potential risks derived from the physical state of the buildings that could mean an important economic impact in the operation. As would be expected those two properties (Orquidea and Centro Polo) are currently undergoing refurbishment and we would advise to carefully monitor their completion to the required standard.

We can consider the properties as good quality buildings, with high class materials and market finishes. The observed defects are minimal and with a relatively low repair cost. An ongoing maintenance programme is constantly updating the building as and when the owners can. We consider the property currently complies with and well above market requirement standards and some sort of maintenance or refurbishment programme will be required in the medium to long term.

2.4. Environmental Considerations

We have not undertaken or been commissioned to carry out an environmental assessment to establish whether contamination exists or may exist, nor are we aware of any such assessment having been prepared by a specialist adviser in respect of the subject property and its environs.

We have not undertaken any detailed investigations into past and present uses of the subject property or of any adjoining property. However, we did not observe evidence of potential and actual contamination that we consider could be likely to affect our valuation.

Overall, and for the purposes of this Valuation, we have assumed that no contamination exists in relation to the properties sufficient to affect value. However, should this assumption prove to be incorrect, the values reported herein might be reduced.

As stated in our general principles and valuation basis we do not normally undertake environmental surveys as these should be commissioned by a suitably qualified environmental specialist. We have assumed for the purpose of this report that the property is free from contamination and that no potentially contaminative product, material or substance has been used on site. We have also assumed that the property complies with existing environmental legislation and any activities on site are properly authorized with the relevant permissions.

During our limited site inspection, there were no signs of contamination in the immediate vicinity or evidence of uses, which may cause an environmental impact. This valuation is prepared on this assumption. Should contamination subsequently be found to exist on site or any neighboring sites, this may affect upon our valuations as herein reported.

We have not analysed the land on which the building sits, whether it is unstable or whether it has been contaminated. We would normally assume there to be no adverse ground or soil conditions and that the load bearing capacity of the sites of each property are sufficient to support the building constructed or any proposed development. Unless we are notified otherwise, we consider that the materials, the facilities and the land are in an acceptable condition.

We would recommend that your legal advisors obtain formal confirmation from the current owner and occupiers that no notices have been served on them by the local authority in respect of environmental issues.

2.5. Flood Risk

We understand that there is no history of flooding at these sites and that they are not located within designated flood plain or flood risk areas. Accordingly, we have not made any adjustment to our valuation in respect of flood risk.

SECTION 3 - LEGAL

3.1. Town Planning and Licenses

All our investigations have been carried out on informal basis, both by telephone or from the information gathered in the towns planning authority's website. The result of this consultation is included in each individual valuation report.

However, we want to point out that all this documentation and information consulted is for informational purposes and is not binding. Only a planning certificate issued by that administration has that legal and binding character.

We have been provided with the occupancy licences of the residential estates, so we understand that all the properties are legal and comply with the planning regulations.

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals.

3.2. Tenure

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation.

We recommend clarification be sought from your legal advisers with regard to the position regarding rights of access to the buildings and designated boundaries. We would strongly advise that your legal advisors confirm the title position and ensure that there are no elements, restrictions or charges contained within the title documentation which are likely to have a detrimental effect upon the valuation as herein reported.

Other easements or rights may only become an issue if the buildings were to be sold in individual lot sizes, divided up or segregated. We would also recommend that you clarify the position with regards other properties within the area which are not subject to this valuation and their associated rights of way, parking designation and site areas.

SECTION 4 - ECONOMIC MARKET ANALYSIS

4.1. Spain Economy

The global economy continues to be much influenced by COVID-related developments. In 2020 Q4, the rise in infections gave rise to new pandemic-containment measures, which have been stepped up in many countries in the opening months of 2021. In Spain, economic activity also continues to be greatly influenced by epidemiological developments. The authorities are responding to the successive oscillations in infection rates by means of changes in the stringency of the containment measures, which is making for relatively pronounced fluctuations in activity and employment even within each quarter.

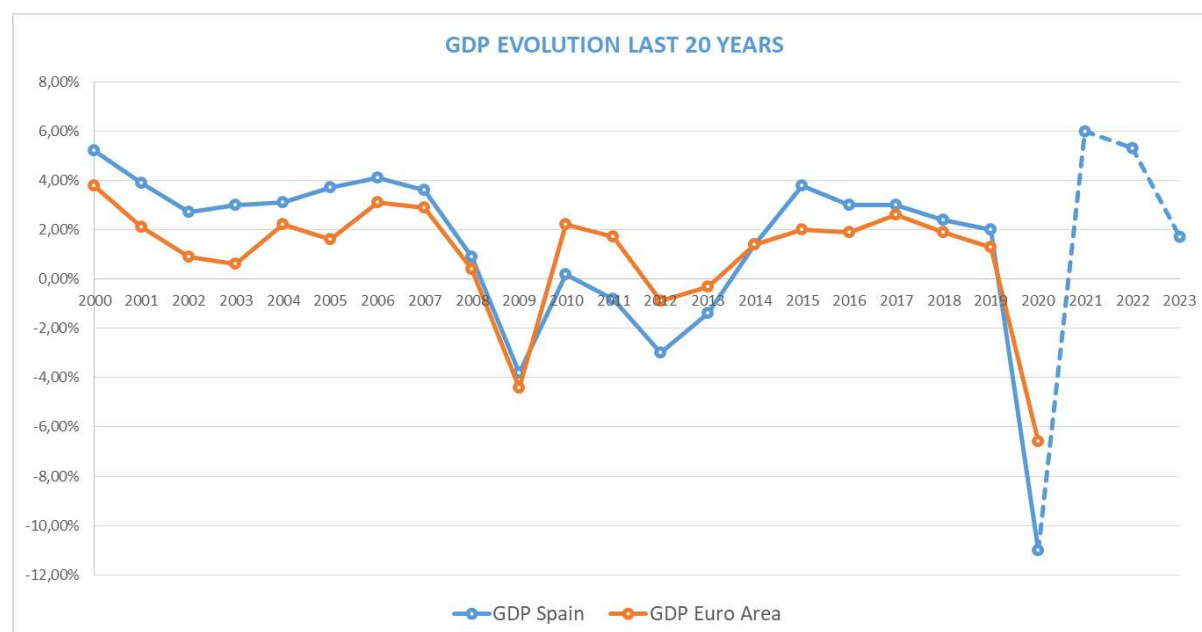
Spain ranks 23rd in the global list of country development and is the 14th largest economy in the world by nominal GDP, the 5th in the European Union and the 4th of the Euro area. General figures:

Population (at 2019): 47.33 m latest figures

Unemployment rate (at 02/2021): 16.19% (Source: datos.macro)

Renta Per Capita (at 2020): €23,690 latest figures

Spain has been in the midst of a balanced economic recovery in recent years; however; the COVID-19 crisis led the country into an unprecedented downturn in economic activity in 2020, with GDP falling by 11.0% (BDE), one of the largest contractions in Europe. The service sector was hit hard, especially the tourism industry (which accounts for about 12% of Spain's economy). SMEs, which contribute to over 70% of employment, have been struggling to stay afloat. GDP has been affected drastically by the Covid-19 pandemic as illustrated in the following graph:



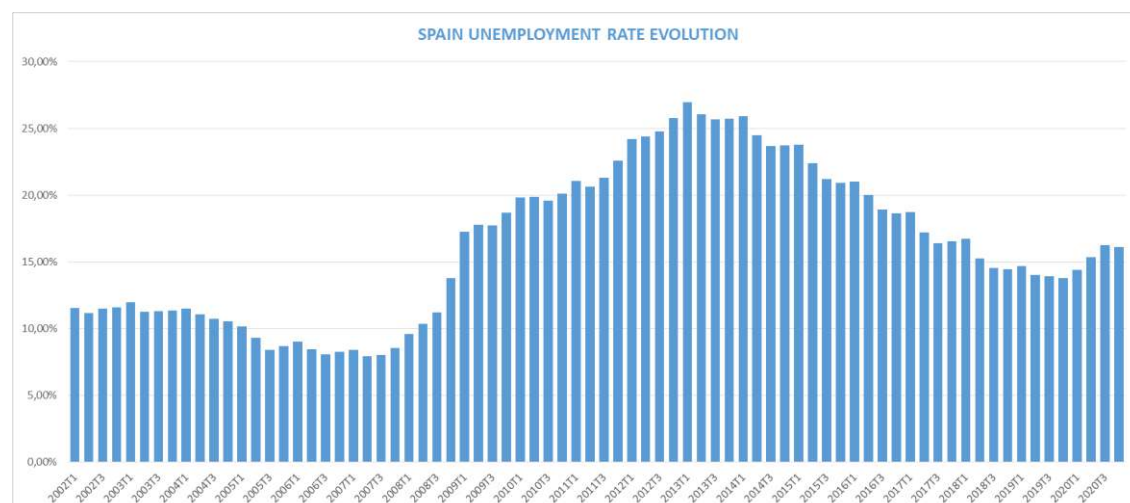
Source: Datos Macro/BDE

According to Spain economic forecast (BDE 01/2021), the recovery is expected to be uneven across sectors and due to the uncertainty surrounding Covid-19 economic repercussions and impact are

adopting potential scenarios including mid scenario, baseline scenario and severe scenario. We have adopted a baseline scenario in our analysis as the most likely future impact. Overall GDP projected to grow 6.0% in 2021 and 5.3% the following year and 1.7% in 2023.

The Spanish government has provided swift income and liquidity support to limit the fallout of the pandemic (with public guarantees equivalent to 14% of GDP and other policy measures costing around 1.3% of GDP), causing the general budget to turn negative by 10.5% of GDP in 2020. Similarly, debt-to-GDP ratio skyrocketed to 120% in 2020, from 95.5% one year earlier, a level that is expected to remain somewhat stable in the following years. Amid reduced consumption and low oil prices, inflation turned negative in 2020 (-0.3%), though it is projected to gradually increase to 1.4% this year and 0.8% in 2022 (BDE). In its 2021 budget, the government led by Pedro Sánchez plans to raise taxes on large companies and high earners to boost revenues by EUR 6.8 billion.

Existing short-time work schemes were reinforced to offset the COVID-19 crisis; however, the pandemic widened inequalities in the labour market, with disruptions among young, low-skilled, and temporary workers being particularly harsh. The overall unemployment rate was estimated at 16.13% at the end of 2020 (from 13.78% one year earlier -INE) and is expected to remain relatively stable this year (rising to 16.8%), before starting to decrease again in 2022.



Source: Datos Macro/BDE

The economic panorama is constantly changing, households have become more cautious in their spending habits and savings have increased substantially. Furlough schemes and government backed loans will come under scrutiny regarding business over the next 12 months. The greater these effects, the more acute and persistent will be the impact on activity; in these circumstances, this impact may also be exacerbated by a larger volume of loan write-offs, so that less financing is available to the private sector, and at a higher cost. The second source relates to the degree of persistence of the COVID-induced changes in society behaviour. Spending decisions of households, in Spain and in the rest of the world, and both their direct impact on various demand aggregates (private consumption, housing investment and tourism exports) and their indirect impact on the economy as a whole.

Politics are more or less fully concentrated on the Covid-19 pandemic and the economic repercussions. The President of the Government of Spain, Pedro Sánchez, maintained that 70% of

Spanish citizens will be vaccinated by August, committed to the centralised purchase of vaccines and announced that the Recovery, Transformation and Resilience Plan will allocate more than 3 billion euros to guaranteeing the competitiveness of the tourism sector.

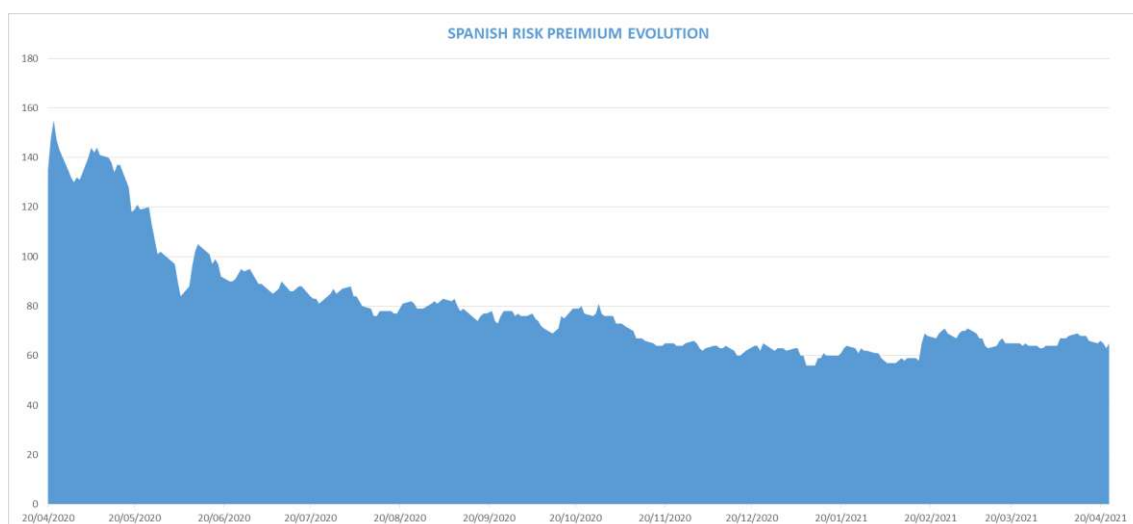
Spain's consumer confidence indicator rose by 7.1 points from the previous month to 73 in March of 2021, improving for the second consecutive month to its highest level since February 2020. Still, the reading is much lower than the 85.7 reached in February 2020.

Consumer confidence in Spain reached an all-time high of 108.80 Index Points in August of 2017 and a record low of 37.60 Index Points in July of 2012.

In terms of the risk premium in Spain is trading at 65 points at the time of writing. Its value has risen 2 points from the previous day.

On October 7, 1992, the risk premium reached its maximum price, 668, in the period from 1991 to the present. In this same period, its minimum price was -6, at which it traded on November 26, 2004.

We provide an illustration of the last 12 months:

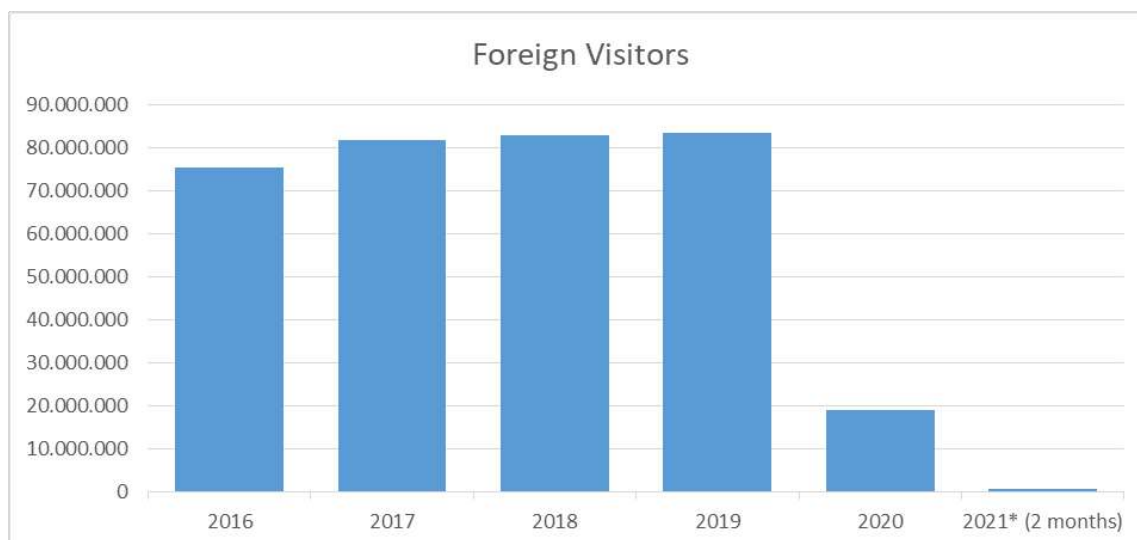


Source: *Datos Macro/BDE*

The vaccination programme coupled with the economic support provided at government level is providing a positive outlook over the short to medium term. There are insecurities regarding rising prices in terms of basic products and these are clouding the outlook. Spain needs to open up its tourism industry once again in order to recover the services and hospitality sectors.

Having received some 83.5 million tourists in 2019, Spain hit an all-time record in overseas tourist arrivals for the seventh year running. The Covid-19 pandemic slashed visitor numbers as travel restrictions were imposed across many countries:

We provide details of visitors at a national level:



Source: INE

As can be clearly seen the sheer reduction in visitor numbers has had a knock on effect in the Spanish economy across the tourism and hospitality sectors including those service providers related to the sector.

11.1.1 Tourism and Visitation to Marbella

Tourism dominates the economy of Marbella. Although there are many visitors during the autumn and winter, much of the employment arising from tourism is still seasonal, leading to greater unemployment at 'off peak' times.

As in most of the Andalusian coastline, Marbella's economy revolves around tertiary activities. The services sector accounts for 60% of employment, while commerce accounts for almost 20%. The main branches of the services sector are the hotel industry and real estate and business services activities, which confirms the importance of tourism in the Marbella economy. For their part, the construction, industrial and agricultural sectors represent 14.2%, 3.8% and 2.4% of employment respectively.

The number of business establishments in the services sector represents 87.5% of the total, while those dedicated to construction account for 9.6% and industrial establishments, 2.9%. Regarding the size of these companies, 89.5% have fewer than 5 workers and only 2.3% have a workforce of more than 20 employees.

The Malaga region has a modern, high-quality infrastructure network that offers services in the social, healthcare and educational areas, making for a solid and constructive social climate. The Malaga economy's combined heavy demand and entrepreneurial spirit generates a long chain of synergies. The result is a persistently dynamic market and a continual increase in business opportunity.

In 2019 the GDP figure was 165,866 million euros, making Andalusia one of the most important autonomous communities by volume of GDP, occupying the 3rd position in the ranking of the GDP of the autonomous communities.

The GDP per capita of Andalusia in 2019 was € 19,633, € 515 higher than that of 2018, which was € 19,118. Just as GDP helps us to know the size of an economy, GDP per capita indicates the wealth of

its citizens. If we order the autonomous communities according to their GDP per capita, Andalusia is in 17th place, so its inhabitants are, according to this parameter, among the poorest or at least have a low standard of living compared to those of other autonomous communities.

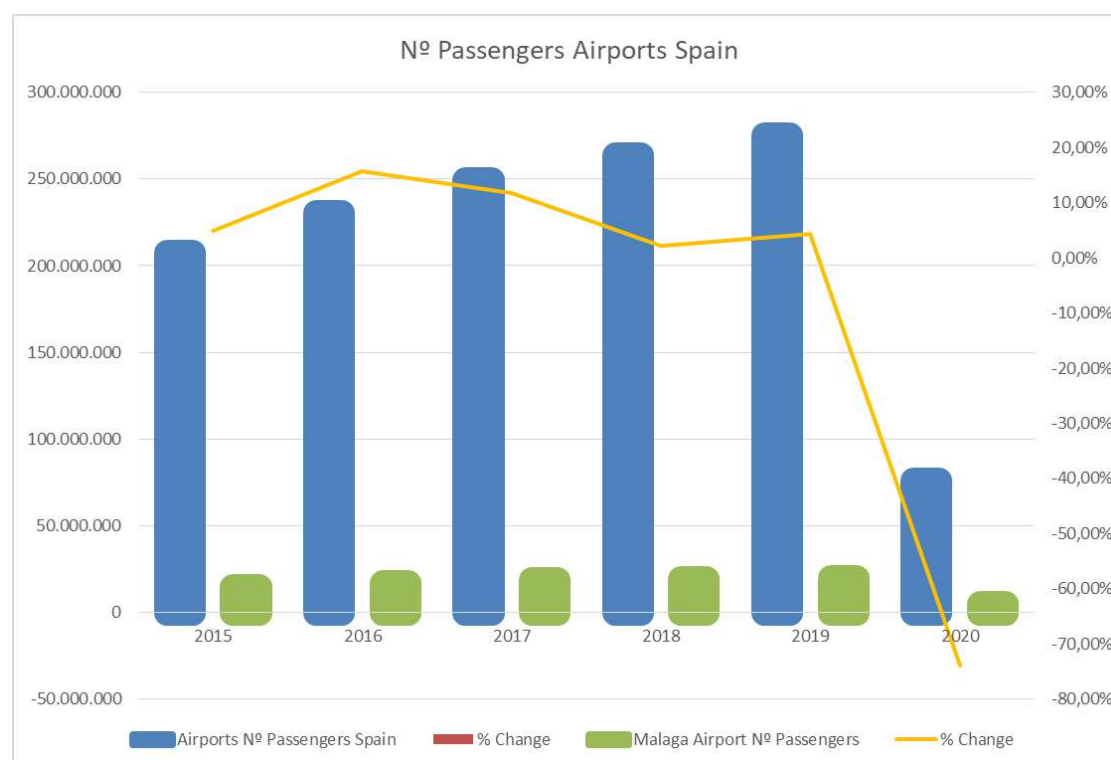
However, Marbella has a rent per capita of some € 26,541 (2018) a great deal higher than that of Andalusia in general and highlights the area as a wealthy sub market.

11.1.2 Key Demand Generators - Business & Leisure

The economic activity in Marbella is mainly driven by leisure tourism; large multinationals with presence in the Malaga region are mainly located in the capital of the province Malaga, which is larger and provides better access to the rest of Spain and also has the third largest airport in Spain. This has cited Marbella as one of the most luxurious places to live on the coastline and is within commuter distance of Malaga.

The major generators of leisure hospitality demand in the local market area are outlined that Marbella is a recognised and luxurious holiday destination. There is a well-known night life coupled with some 27 kilometres of quality beaches. National and international tourism are predominant in the area and attracts short break visitors from neighbouring countries and those within a 2-3 hour flight time.

We provide an illustration of visitor numbers to the Malaga region with access via Malaga airport in relation with Spain:



Source: INE/AENA

As can be observed the impact of Covid-19 on visitor numbers at both National and local level.

Year	2015	2016	2017	2018	2019	2020
Airports N° Passengers Spain	207.421.046	230.231.359	249.218.316	263.754.357	275.247.387	76.064.322
% Change	5,90%	11,00%	8,25%	5,83%	4,36%	-72,37%
Malaga Airport N° Passengers	14.404.206	16.673.151	18.626.581	19.021.779	19.858.656	5.161.636
% Change	4,80%	15,75%	11,72%	2,12%	4,40%	-74,01%

11.1.4 Tourism and Visitation to Spain and Marbella

The market area of a hotel / hospitality / holiday let encompasses the geographic regions from which demand for hospitality accommodation originates. In certain countries, demand is generated almost exclusively from the domestic market, which implies that the relevant market area would be the country itself. However, in cases where a significant proportion of the total hotel demand emanates from international countries, economic factors that influence travellers from these source countries must also be evaluated.

To determine the effective relevance of the domestic market and the international source countries, an analysis of visitation to the region has been performed. Visitation to Spain over the past five years is summarised below.

Country	2016	2017	2018	2019	2020
Germany	11.208.656	11.897.376	11.414.955	11.158.022	2.401.079
Belgium	2.301.627	2.474.720	2.505.146	2.525.887	747.140
France	11.258.541	11.267.270	11.293.321	11.147.397	3.890.805
Ireland	1.808.468	2.046.121	2.053.386	2.177.592	329.808
Italy	3.969.321	4.222.866	4.389.454	4.534.513	955.861
Holland	3.355.031	3.704.550	3.855.270	3.684.260	916.782
Scandinavian	5.129.023	5.826.549	5.803.535	5.530.112	1.174.039
Portugal	1.996.163	2.137.880	2.344.322	2.428.789	761.245
United Kingdom	17.675.368	18.806.774	18.523.957	18.012.482	3.151.102
Russia	1.004.577	1.150.056	1.227.530	1.314.079	137.577
Switzerland	1.703.480	2.059.200	1.883.147	1.811.867	399.401
Rest of Europe	5.026.962	5.543.011	6.003.628	6.441.422	1.690.154
USA	2.001.812	2.637.483	2.959.487	3.324.870	405.883
Rest America	2.572.061	3.228.531	3.411.060	3.767.276	899.716
Rest World	4.303.914	4.866.134	5.140.214	5.650.584	1.043.670
Total	75.315.009	81.868.522	82.808.412	83.509.151	18.904.262

Source: FRONTUR / INE

We note the visitation to Spain has registered continuous and sustained growth until 2020, being 2019 a record year in the total number of visitors. It is also of note that the highest growth rates have been achieved by international visitors from those outside of the UK, Germany and France or the traditional foreign visitor.

11.1.5 Source Markets

As discussed previously, a significant proportion of the visitors to Spain is made up of international travellers. The British continue to lead Spain's Tourism business making up some 22.25% of all visitors over the last five years, followed by France (14.27%) and Germany (14.04%). There has also been significant growth in visitor numbers over the same period from USA, Russia and South America and a slight decline in the so called traditional visitor.

11.1.6 Economic Forecasts and Important Source Markets

The projected economic performance of major source markets is an important consideration for estimating future hospitality demand in any given destination.

The United Kingdom, Germany and France are Spain's largest source markets for visitors and together accounted for approximately 50.56% of total international visitors over the last 5 years. Economic growth, decline or stability in these markets will impact consumer spending behaviours and hold implications for hospitality demand in Marbella.

As the economic situation of the above-mentioned countries continues to deal with Covid-19 and travel implications, their travel habits should improve to normal levels with more people looking to travel abroad and spend their holidays away from home. In addition, travellers are looking for security when travelling abroad and given the health, political and social uncertainty in some tourist destinations such as Turkey, North Africa and Greece travellers are looking to the Iberian Peninsula, other Mediterranean destinations and the Balearic and Canary Islands as alternatives. The UK is currently enjoying a high vaccination rate and has begun once again to open up borders. There has been a huge demand for example in travel to Portugal as said country now permits vaccinated UK residents to enter the country without having to undertake quarantine. As only recently permitted, there are initial signs that there is a substantial demand in flights to Portugal with some airlines looking to increase flight numbers to account for the demand.

4.2. Residential Market

Residential Market General Overview

In general Spain and its economy have been heavily linked with the construction and real estate sectors. Spain is considered one of the principal housing markets in Europe not only for the domestic population but also as a result as a retirement or holiday home destination. Current statistics illustrate that Spain has the largest housing stock in Europe

During this first quarter of 2021, still immersed in the scenario that the pandemic has generated at a global level, the Spanish property market is judging the potential extent of the economic impact that the pandemic could cause in the medium and long term.

Spanish house pricing has maintained the downward path that we already observed during the three previous quarters, and this evolution has confirmed the change in trend of slowed growth experienced in the last few years. On the other hand, the decrease year-on-year has been lower than in previous quarters, standing at some 0.6%; and an average price per square metre sale of some € 1,388 / m² (includes both protected and free market dwellings).

At the end of 2020, the development sector remained relatively buoyant, irrespective of the implications of the last 12 months.

During 2020, the number of building certifications increased by 8.7% compared to 2019; although construction management visas have been reduced by 19.5% during the same period. Communities in those with the most certifications approved include the Community of Madrid, Andalusia and Catalonia; this being the same ranking in terms of volume of construction management visas.

During the last quarter, the Euribor has continued to register all-time lows. With figures that have fallen below -0,500%, some nine consecutive months descending, and remains at its lowest level since its inception, almost 22 years ago.

In the last published data, corresponding to the closing of the fourth quarter of 2020, the theoretical effort necessary for the purchase of housing by the families decreased by 4 tenths compared to the quarter above, standing at 30.8%, which means increasing three tenths the data for the same quarter

of previous exercise. The loss of purchasing power has caused that, in one year and at the national level, in three tenths the number of years of salary what a middle-income family would need to dedicate to be able to acquire a house also of average type, this figure being 7.3 years.

Loan to Value increased in the last quarter of year 2020 until reaching 65.2%, which represents an increase of 2.2 points compared to the same period of last year. Despite this, and although it increases slightly, the percentage of mortgages with a higher LTV at 80% remains at a minimum, with 9.5% in the last trimester. According to the latest published data, the average term of new mortgages are some 23.5 years.

The number of home sales at closing 2020 has been 415,748 units, according to the INE. Year-on-year compared to 2019, we are with a decrease in the number of sales 17.0%.

May presented the worst behavior month-on-month of 2020, since during this month the volume of purchases and sales decreased by 52.9% compared to the same month last year. From that moment, we observe how the volume of sales it was increasing slightly month per month, until the end of December with a growth 3.9%. The following table details the percentage participation of each autonomous community on the total number of purchases made, with Andalusia, Catalonia and Madrid absorbing 50% of the total purchases made.

Housing Purchases 2020			
Autonomous Community	% Total	Autonomous Community	% Total
1 Andalucía	20,1%	10 Region de Murcia	3,5%
2 Cataluña	15,6%	11 Aragón	2,8%
3 Comunidad Valenciana	14,1%	12 Baleares	2,6%
4 Comunidad de Madrid	13,6%	13 Asturias	1,8%
5 Castilla y Leon	4,4%	14 Extremadura	1,7%
6 Castilla La Mancha	4,3%	15 Cantabria	1,4%
7 Pais Vasco	4,2%	16 Navarra	1,1%
8 Canarias	4,0%	17 La Rioja	0,8%
9 Galicia	3,6%		

Source: INE

The purchases made by foreigners during the fourth quarter of 2020 have been reduced to 13.5%, from 14.8% recorded during the previous quarter. Communities with a higher percentage of transactions carried out by foreigners during this quarter have been the Balearic Islands with 32.3%, followed by the Community Valenciana and the Canary Islands, with a 25.6% and 25.4% respectively.

In absolute terms, the decrease in the number of purchases made by foreigners in the fourth quarter compared to the same period of 2020 amounts to 14.6%. In the annual accumulated, the reduction in 2020 has been 25.6% compared to the previous year.

Residential Market Coastal Areas

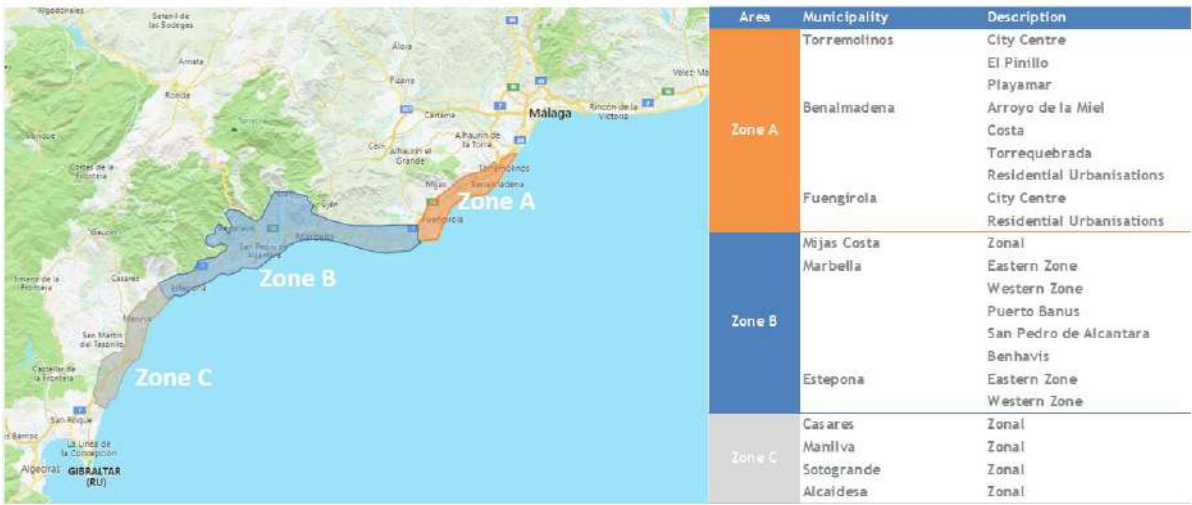
The residential market in the coastal areas is subject to a great deal of tourism and second holiday homes. Spain has naturally developed as a holiday destination due to the climate and large amount of beaches available to tourists. These areas are popular on a both a national basis as well as from international markets, in particular the United Kingdom, Germany and the Northern Scandinavian Countries.

We provide a brief plan illustrating the 17 Autonomous Communities of Spain and also detail the main coastal residential areas:



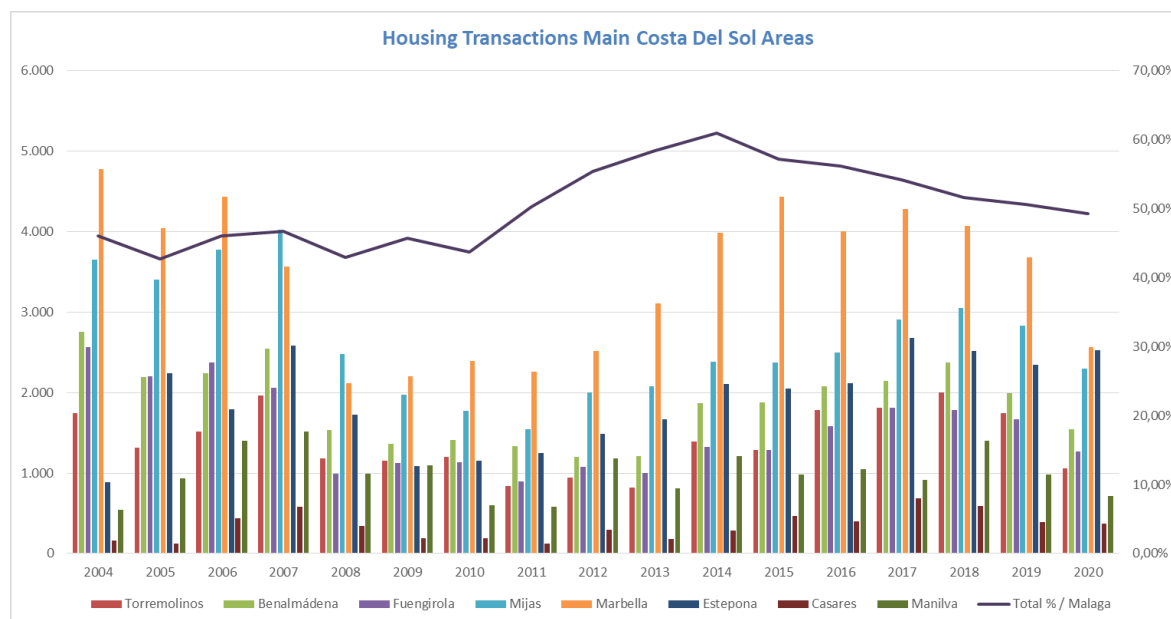
To the north of Spain is a traditional domestic market for second homes usually avoided by international second home investors due to the invariable climate and poor transport communications. North western Spain, Cataluña, is once again typically the domestic investor. The three most popular tourist destinations for second residence on behalf of international purchasers include Andalusia, Murcia and Valencia. These markets have seen a resurgence of development activity over the last seven years encouraged by demand levels and relative ease of finance. The most popular destinations are in Andalusia in the region of Marbella and in the Comunidad Valenciana in the vicinity of Alicante and Benidorm.

The subject of our valuation report lies in the Costa del Sol and specifically Marbella. We provide an illustration of the main Costa del Sol areas in the vicinity of Marbella:



To the west of Malaga are detailed the main residential holiday destinations.

The municipalities as detailed make up near to 50% of the transactions within the Malaga region. We provide an illustration showing the transaction evolution since 2004 in the subject area:



Source: INE

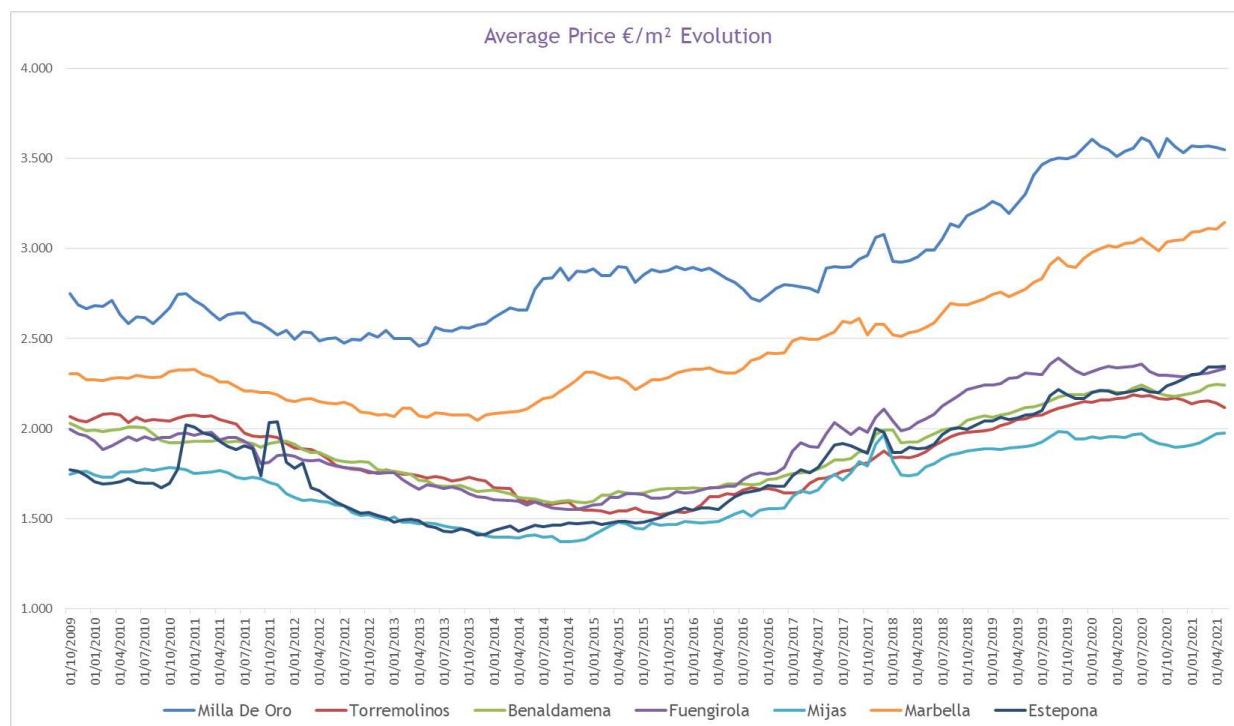
Marbella clearly outshines the other areas in terms of number of transactions albeit there has been a steady decline in the number of transactions since 2017.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Torremolinos	1.200	840	943	820	1.396	1.287	1.787	1.808	2.002	1.747	1.060
Benalmádena	1.412	1.332	1.205	1.208	1.865	1.876	2.078	2.142	2.371	1.988	1.544
Fuengirola	1.137	899	1.080	997	1.323	1.287	1.582	1.814	1.780	1.672	1.267
Mijas	1.778	1.547	2.000	2.078	2.382	2.374	2.500	2.904	3.047	2.832	2.294
Marbella	2.389	2.259	2.519	3.106	3.982	4.435	4.003	4.279	4.075	3.681	2.568
Estepona	1.154	1.248	1.490	1.669	2.109	2.054	2.118	2.677	2.514	2.344	2.524
Casares	192	121	293	185	282	464	400	682	588	395	372
Manilva	602	579	1.179	808	1.206	980	1.047	911	1.399	981	710
Total % / Malaga	43,71%	50,31%	55,37%	58,40%	60,92%	57,20%	56,22%	54,16%	51,61%	50,65%	49,28%

Source: INE

Pricing

In order to illustrate price evolution over the last 10 years we provide a graph to show main cities within the Costa del Sol. Please bear in mind this is an average including all types of residential property and covers a wide area. Please note the Milla de Oro is the highest rate on the subject graph:



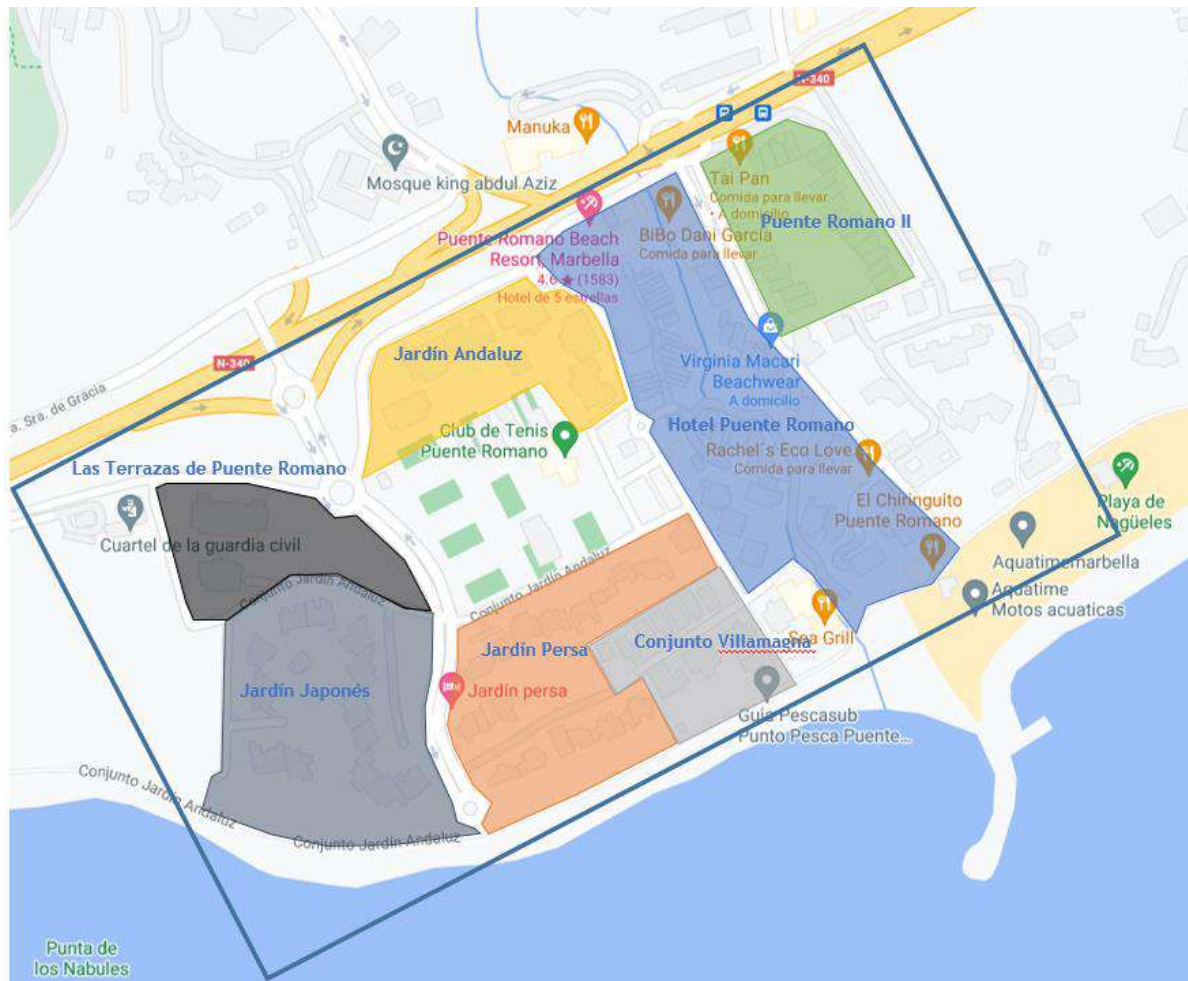
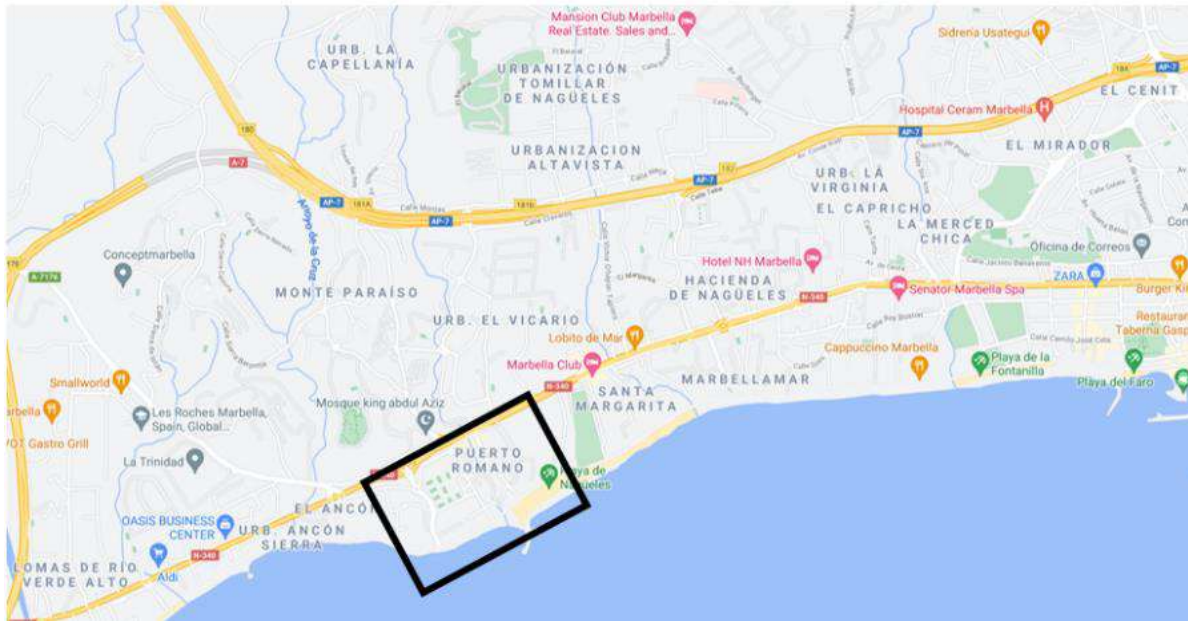
Source: Idealista

The Milla de Oro reached a low point in April 2013 at a rate of some €2,459/m² reaching a peak of €3,614/m² in May 2020. During the pandemic (last 12 months) prices have remained fairly static across all regions within the Costa del Sol. Notably Marbella has continued to increase in prices even during the pandemic rising some 4.49% over the last 12 months. Marbella has seen an increase of some 36.41% in the evolution of prices since 01/10/2009.

In terms of the subject area valuation this can be considered a niche market within the Milla de Oro and average prices €/m² are significantly higher due to location, nature and characteristics of the subject properties.

Puente Romano Residential Market

In terms of our analysis we have concentrated on the specific niche market as the majority of the properties are located within a short distance. Our main focus areas is as follows:



The subject area is broken down into a number of urbanisations. Location is obviously a key factor and proximity to the beach, near to main services and facilities or those with sea views command higher prices. Jardin Andaluz, Las Terrazas de Puente Romano and Puente Romano II are located inland and are secondary to the other urbanisations within the subject area although it must be stated

that these are superior to what is available within the general market in Marbella and the immediate surroundings. These urbanisations are typified by apartments with views over tropical or botanical gardens and sizes range from 1 bedroom apartments to 4/5 bedrooms. The Puente Romano tennis club is within the urbanisations boasting 10 tennis courts and inaugurated in 1979 by Bjorn Borg.

Hotel Puente Romano stands on its own in terms of facilities and services available as owner's forms part of the hotels services and facilities (subject to arrangement). Inaugurated in 1979 the hotel has maintained a prestigious standing and the setting within mature landscaped gardens provides a quality setting.

Both Jardin Japonés and Jardin Persa are private urbanisations benefitting from a beach front location coupled with beautifully landscaped and mature botanical gardens. Frontline properties benefit from sea views.

Outside of these main urbanisations are singular housing including the conjunto Villamagna comprising a number of detached and terraced housing, these are either front line or secondary. These properties in general are more private and command own private areas. There are also a number of detached high quality villas in proximity to Hotel Puente Romano just south of Puente Romano II.

As the majority of the properties are from the late 1970's/1980's the majority of the area is fully consolidated with little scope for development opportunities. There has been talk of development to the west of the site and also a potential redevelopment of the Club de Tennis, neither of which have come to fruition and is based on speculation.

There is a mixture of dated property and newly refurbished which means a considerable difference in prices which these properties can command.

Demand in Marbella is rather focused on modern villas and apartments featuring sleek white lines and open interiors full of high-tech gadgetry. Clients have become more demanding and look for a wider palate of materials and styles, inventive work with layouts and landscaping. Most buyers are couples or families, above all from late thirties up to mid-sixties, and the majority are end-user buyers, with a smaller number buying purely for investment.

Buyers have similar requests; sea views, walking distance to amenities, south or south-west orientation, privacy and sea views. Gated communities are also a popular request but not a necessity.

Capital Values

In terms of pricing for apartments these start from €1m euros but are small lot sizes in the range of 50m² to 60m² up to some €6m which are modernized duplex with sea views and approximately 250 m² built area. Average asking price for properties between 140m² to 160 m² are in the region of €1.5m to €2.5m and will go out of this scope if modernized to a high specification reaching between €2.5m to €3.5m, have sea views or are very well located. There has been a noticeable revival in the luxury market, above 3 million euros, for which demand has increased. In this segment, the prestige of the area and the exclusivity of the dwelling is important along with commanding views. The demand for residential property in Marbella remains strong and this has been further acknowledged during the pandemic as many people make lifestyle choices. There has been an influx of enquiries from the business community as working from home has become more common place.

We provide details of some property transactions which have occurred in the last 18 months:

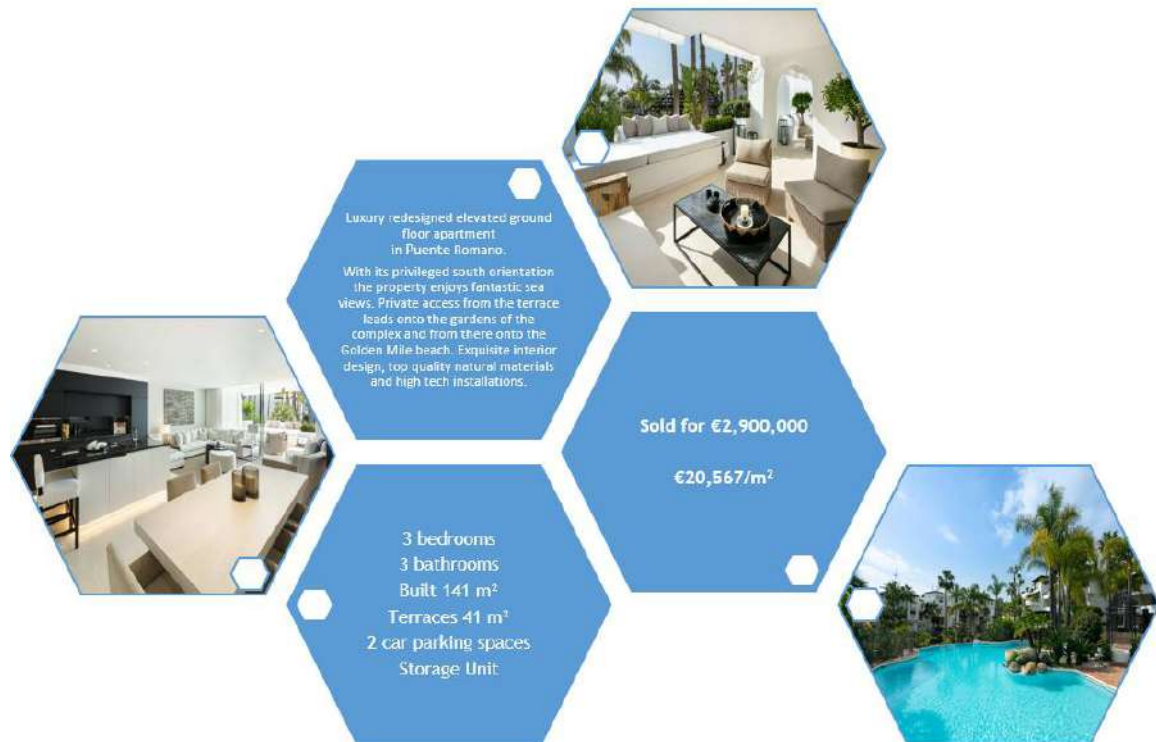
Ref	Type	Name	Complex	Floor	Dwelling Area	Terraces	Other	Total	Bedrooms	Bathrooms	Car Parking	Quoted Sales / Sold Price	€/m ²
PM01	Sold	Iris	Jardin Japones	Ground	144 m ²	54 m ²	0 m ²	198 m ²	2	2	1	€1.707.500	€11.858
PM02	Sold	Jacinto	Jardin Japones	Second	140 m ²	59 m ²	11 m ²	210 m ²	2	2	1	€1.945.000	€13.930
OM01	Offer	Gardenia	Jardin Japones	Ground	150 m ²	47 m ²	0 m ²	197 m ²	3	3	1	€2.695.000	€17.967
OM02	Offer	Iris	Jardin Japones	Duplex	218 m ²	0 m ²	0 m ²	218 m ²	3	3	0	€3.995.000	€18.326
PM03	Sold	Iberis	Jardin Persa	First	131 m ²	34 m ²	10 m ²	175 m ²	3	3	1	€2.500.000	€19.120
PM04	Sold	Carmalita	Jardin Japones	First	140 m ²	0 m ²	0 m ²	140 m ²	2	2	0	€2.800.000	€20.000
OM03	Offer	Hotel Puente Romano	Hotel Puente Romano	First	105 m ²	20 m ²	0 m ²	125 m ²	2	2	0	€2.000.000	€19.048
OM04	Offer	Marina Puente Romano	Marina Puente Romano	First	140 m ²	0 m ²	0 m ²	140 m ²	2	2	0	€1.600.000	€11.429
SV01	Sold	Helecho	Jardin Japones	Ground	141 m ²	41 m ²	34,15	216 m ²	3	3	2	€2.900.000	€20.567
SV02	Sold	Puente Romano 2	Jardin Persa	Upper	136 m ²	34 m ²	0 m ²	170 m ²	3	2	1	€3.200.000	€23.599
SV03	Sold	Mimosa 2-1	Jardin Persa	Upper	216 m ²	103 m ²	0 m ²	319 m ²	4			€6.450.000	€29.861
SV04	Sold	Drago 3-1	Jardin Persa	Upper	215 m ²	104 m ²	0 m ²	319 m ²	4	4	1	€4.500.000	€20.930
OM05	Offer	Indo	Puente Romano II	Attic	65 m ²	0 m ²	0 m ²	65 m ²	2	1	1	€1.200.000	€18.462
OM06	Offer	Marina Puente Romano	Hotel Puente Romano	Ground	125 m ²	20 m ²	0 m ²	145 m ²	2	2		€2.000.000	€16.000
OM07	Offer	Marina Puente Romano	Puente Romano II	Upper	140 m ²	20 m ²	0 m ²	160 m ²	2	2	1	€1.600.000	€11.429
OM08	Offer	Elba	Puente Romano II	Upper	145 m ²	54 m ²	0 m ²	199 m ²	3	2	1	€1.950.000	€13.448
OM09	Offer	Danubio	Puente Romano II	Upper	125 m ²	21 m ²	0 m ²	146 m ²	2	2	1	€1.695.000	€13.560
OM10	Offer	Marina Puente Romano	Puente Romano II	Upper	120 m ²	20 m ²	0 m ²	140 m ²	3	2	1	€1.950.000	€16.250
OM11	Offer	Marina Puente Romano	Jardin Andaluz	Upper	235 m ²	55 m ²	0 m ²	290 m ²	5		2	€6.300.000	€26.809
OM12	Offer	Marina Puente Romano	Torre Verde 34	Villa	240 m ²	0 m ²	0 m ²	240 m ²	5	5	1	€8.500.000	€35.417
OM13	Offer	Marina Puente Romano	Torre Verde 3	Villa	397 m ²	70 m ²	0 m ²	467 m ²	4	4	1	€8.000.000	€20.151
OM14	Offer	Urb. Ancon Playa	Urb. Ancon Playa	Villa	402 m ²	0 m ²	578 m ²	980 m ²	3	3		€12.500.000	€31.095

We also provide an illustration to gage capital values on a per square metre basis in Puente Romano:

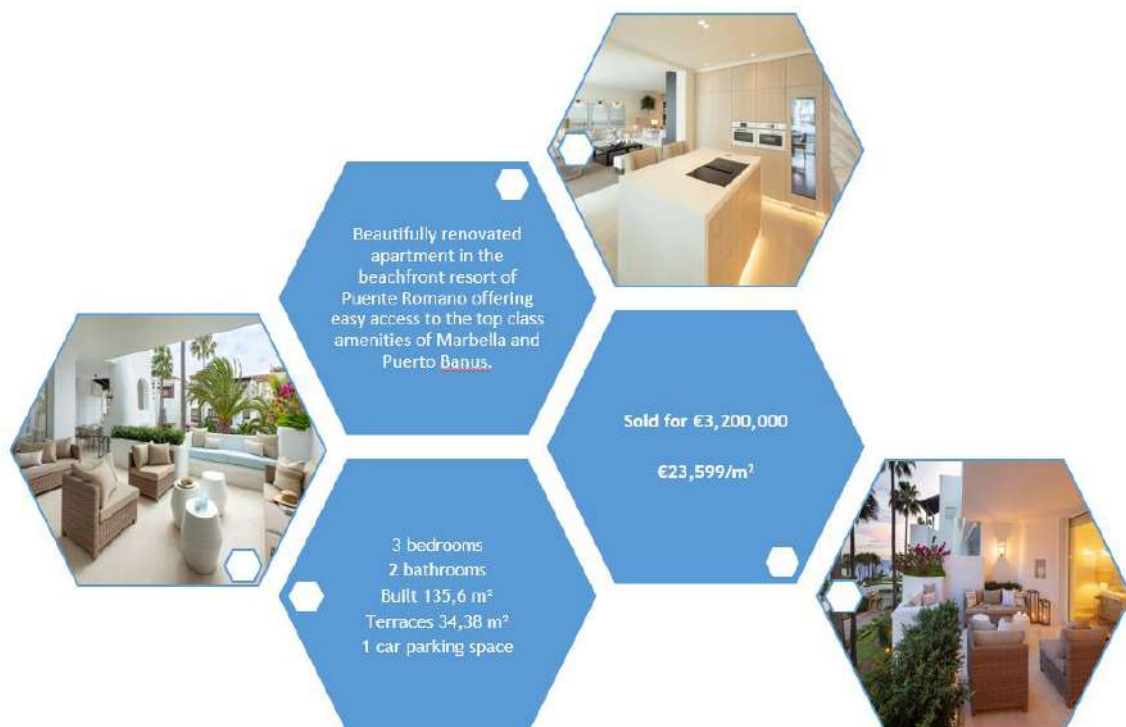


We also provide details of some of the properties which have sold in the subject area and have influenced our valuation analysis:

Comparable: Puente Romano, Helecho 1-2 (Ref: SV01)



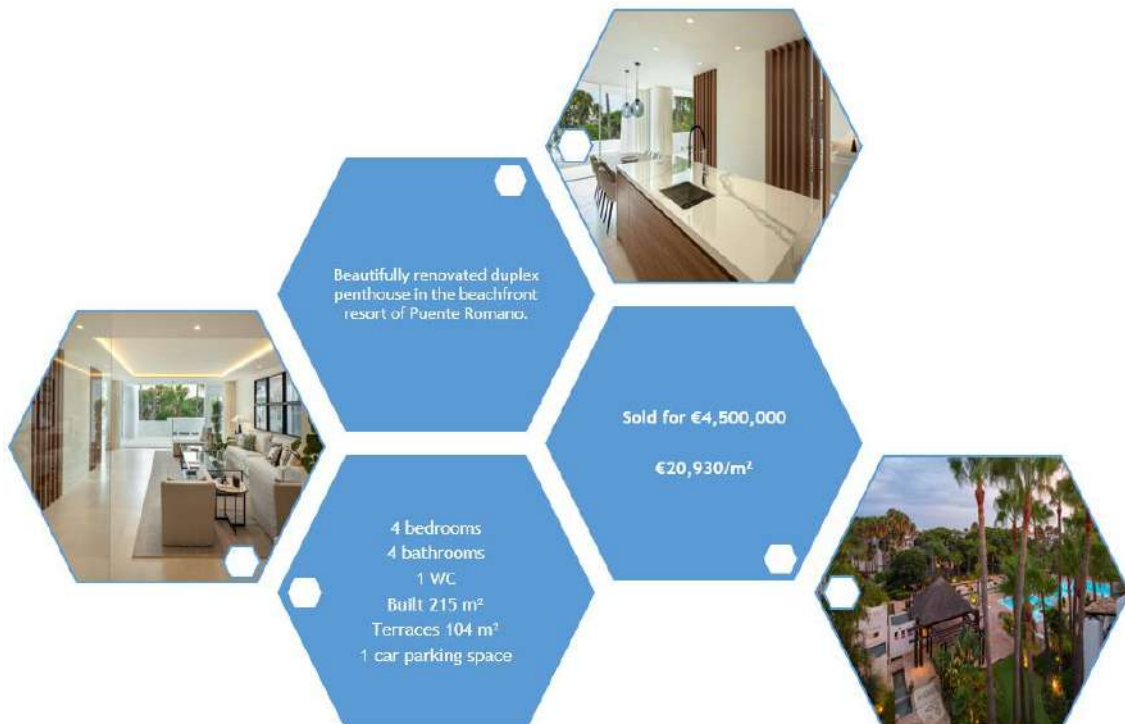
Comparable: Puente Romano 2 (Ref: SV02)



Comparable: Puente Romano, Mimosa 2-1 (Ref: SV03)



Comparable: Puente Romano, Drago 3-1 (Ref: SV04)



Comparable: Puente Romano Iris, Jardín Japonés (Ref: PM01)



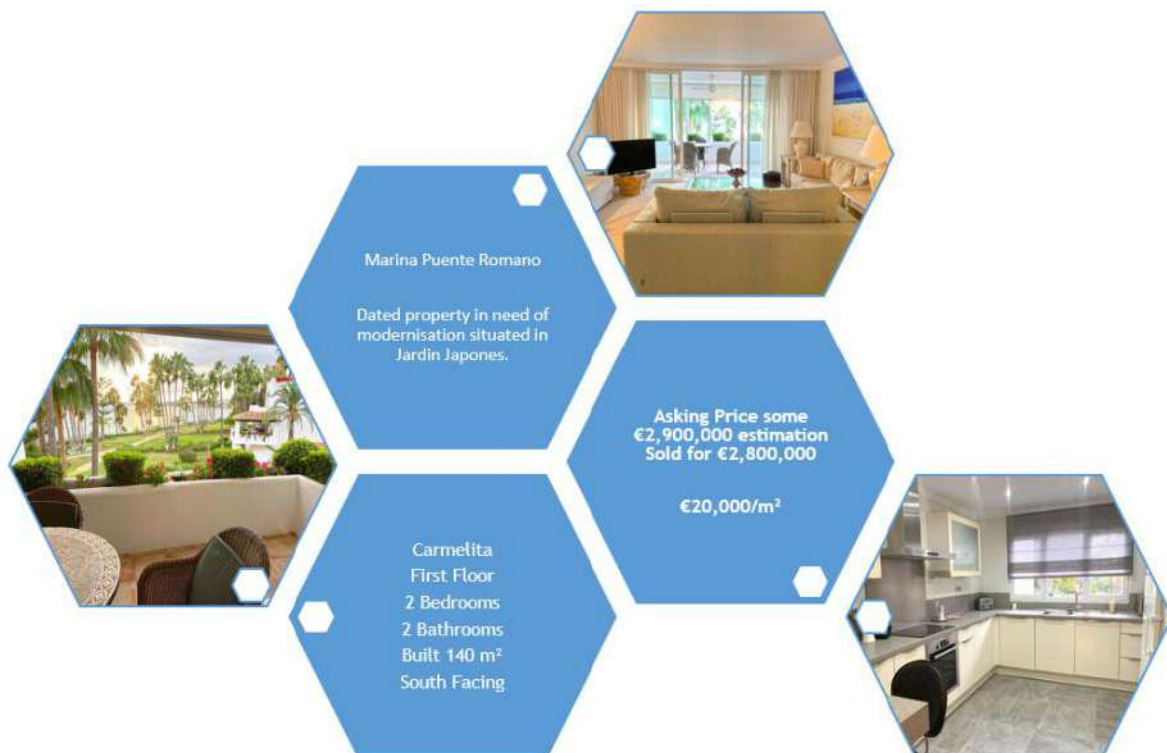
Comparable: Puente Romano Jacinto, Jardín Japonés (Ref: PM02)



Comparable: Puente Romano Iberis, Jardín Persa (Ref: PM03)



Comparable: Puente Romano Carmelita, Jardín Japonés (Ref: PM04)



From our analysis there is a clear indication in the capital value tone of the subject area. As can be expected there are some property offers which are outside of market parameters and they will need to readjust their pricing. In some instances there may be a forced sale situation and the asking price / sale price may be lower than would normally be expected. At present there is some uncertainty around the evolution of the market due to those points outlined in both the economy section and the impact of the pandemic.

We have analysed the subject properties and adopted a market value which we consider would be appropriate. As a niche market there is sometimes the potential a premium will be obtained in order to acquire certain properties due to their nature and characteristics such as specific location, size, layout, views etc.

SECTION 5 - VALUATION APPROACH

5.1. Methodology & Assumptions

As per our instructions we have considered the valuation of the subject property on both a comparable basis and a long-term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice.

Comparable Basis: This involves relying on comparable evidence for properties of similar characteristics to the subject property. Value adjustments may be made for location, size, nature, design, condition and characteristics of comparable evidence and adopted to the subject property. This valuation method applies a €/m² basis.

DCF: The principal method of valuation adopted is a DCF approach to assess the value of the asset on the basis' requested. This method requires the assumptions for income growth to be explicitly stated and therefore increases the transparency of the valuation and the effect on value of different hypotheses. This method is becoming increasingly common in the market to value real estate assets of all types particularly those which are multi-let. The method relies on a number of projections for the future which could prove inaccurate if actual market conditions were to change unexpectedly. The net income flow is predicted over the length of the cash flow and assumes a notional sale at the end of the cash flow period. The cash flow is discounted at a market derived Discount Rate (reflecting a target Internal Rate of Return - IRR) to arrive at the Net Present Value (NPV).

We have used a 10-year Discounted Cash Flow model in order to arrive at our opinion of Market Value of the property.

The Discounted Cash Flow method of valuation consists in projecting future Net Income flows, then discounting them at a given rate (representative of the rate of return a potential investor would expect on this property) to arrive at a Net Present Value.

The net income flow is made up of:

- Estimated Gross rental income
- Property's exit value (=value at re-sale at the end of the cash flow)

Minus

- Operational charges - Common services - Waste Removal - IBI
- Capital expenditures - Insurance - Miscellaneous
- Acquisition and disposal costs.

Indexation and market growth are both reflected in the cash flow. It must be stressed that assumptions on both these elements are the valuer's own estimations based on forecasts, experience, and market knowledge.

5.2. Valuation and COVID-19

Material Valuation Uncertainty - Covid-19

The outbreak of the Novel Coronavirus (COVID-19), declared by WHO as a “Global Pandemic” on the 11th March 2020, has impacted global financial markets and the impact has been seen across most sectors. Travel restrictions and lockdowns have been implemented in most countries.

Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. The current response and ever changing circumstances that we are faced with are unprecedented and therefore make it more difficult to which base a judgement.

Our valuation is therefore reported on the basis of “material valuation uncertainty” as per VPS3 and VPGA 10 of the RICS Red book Global. Consequently, less certainty - and a higher degree of caution should be attached to our valuation than would normally be the case. Given the unknown future impact that Covid-19 might have on the real estate market, we recommend that you keep the valuation of the property under frequent review.

For the avoidance of doubt, the inclusion of the “Material Valuation Uncertainty” declaration above does not mean the valuation cannot be relied upon but merely to be clear and transparent with all parties that we are currently in extraordinary circumstances and therefore less certainty can be attached to the valuation than would otherwise be the case.

5.3. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the “Market Value” is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, *“the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”*

5.4. Calculation Parameters

We detail the key pricing indicators within the portfolio in order to aid your assessment:

Number	Name	Refurbished Market Value (Net)	€/m²	Monthly Rent	€/m²/month	IRR	Exit Yield (Yr 10)	Gross Yield	Net Yield
1	Linares 12	€2.000.000	€18.587	€7.000	€43,70	4,26%	4,00%	4,20%	4,04%
2	Amazonas	€1.575.000	€13.433	€6.550	€43,44	4,44%	4,37%	4,99%	4,34%
3	Orquidea	€5.500.000	€24.529	€15.000	€45,80	3,72%	2,87%	3,27%	3,05%
4	Dalia	€3.235.000	€23.004	€9.600	€50,83	3,64%	3,12%	3,56%	3,23%
5	Villa Romano	€8.400.000	€19.077	€24.000	€54,51	4,73%	2,87%	3,43%	3,32%
6 & 7	Centro Polo	€5.295.000	€4.500	€20.000	€24,49	7,06%	6,43%	6,53%	6,44%
			€4.016	-	-	10,00%	7,17%	1,50%	1,40%
			€5.977	-	-	6,50%	6,60%	1,33%	1,25%
Total		€26.005.000							

We have adopted our calculations in accordance with the quality of the property portfolio and their associated risk profile. We have not only undertaken a €/m² basis but have considered a market rent on the basis of a 12-month letting.

Please note the yield profile is provided as refurbishment completed. Centro Polo has been valued on a DCF basis considering a rental agreement with Staysure. We have considered a Hardcore and froth valuation approach discounting the rent at different risk profile. We have also considered a DCF business model for both the workspace area and the 4 letting rooms, further details are provided in the individual report.

€/m² Justification Map

For ease we have included a map illustrating the values obtained on €/m² basis in line with the comparables provided:



Please note Orquidea has potentially added value and we consider a premium may be paid once refurbishment completed. On this basis we potentially consider a price of in the region of some €6.5m could be achieved based on €28,989. However, we have been conservative in our approach reflecting current refurbishment works.

5.5. Risk

Risk quantification is a factor that is often treated subjectively and is inherent to the performance of the property asset. We have identified a number of possible risk factors that should be considered in the analysis but also reiterate that a proactive and reactive asset management on behalf of the current owners should limit or reduce these possible risks.

Overall Assessment

We consider these are the most important factors when determining the suitability for investment purposes:

- Puente Romano is considered a luxurious group of urbanizations set around the Hotel Puente Romano and Puente Romano Tennis Club within the Golden Mile. Considered a key residential market for both first and second home owners and appeals to both national and foreign investors. The Centro Polo is located in proximity to Puerto Banus, a recognised port area with associated luxury services and facilities.
- Subject area is well known, well connected (principally by private car) but has a number of key transport connections within a relatively short distance including the 3rd largest airport in Spain (Malaga) and also the fast train connection (Malaga Maria Zambrano). These provide ease of access from multiple destinations.
- The general building quality and specifications are excellent and exceed/compared to the subject market area and competing schemes nearby. The layout distribution and characteristics of the residential properties are in line with market requirements and demand.
- Orquidea is currently undergoing a refurbishment and is in a skeleton state at present. Works are due to be completed in the short term. This property has a great deal of potential once refurbishment is completed due to the size, nature, sea views and location. Front line beach properties are more likely to obtain a premium in the price paid. Our analysis has not taken into account this potential premium.
- Centro Polo is a commercial property which is currently being refurbished. There are limited comparable properties of the size and nature and a weak demand for occupier requirements for floor areas which exceed 250m² within the subject area. There is demand for flexible workspace in the subject area and we consider this will receive interest. Residential letting is of interest in the subject area, above all in the 3 key tourist months of June, July and August. There is potential of a knock on effect from business users within the workspace areas and also from the main tenant Staysure. The key to value in the scheme once refurbished is the contractual agreement with Staysure and we have been provided with limited information regarding the heads of terms and should be formally requested in the event of a vested financial interest.
- Linares 12 has the benefit of being part of Hotel Puente Romano and therefore has limited obligations regards service charge to common areas as a reciprocal access and easement rights regarding the hotel. This should be formally clarified with your legal advisors.
- There are no potential issues or risks we have been made aware of regarding Dalia, Amazonas or Villa Romano.

- All properties are available to let on the company's website based on short term rental agreements. Our analysis considers a long term rental based on some 12 months but having reference to the potential income which could be derived from holiday lets. Unfortunately as most properties have been acquired within the last 24 months there is limited historical trading coupled with the refurbishment, pandemic impact and limitations imposed on travelling.
- Variance of returns (the volatility) - probability levels. The properties current marketing scheme will be subject to COVID-related developments. Activity continues to be greatly influenced by epidemiological developments. The authorities are responding to the successive oscillations in infection rates by means of changes in the stringency of the containment measures, which is making for relatively pronounced fluctuations in activity and employment. This is not only at local level but impact on individual countries and the ability to travel to the subject properties destination.

Upside Potential - exceed performance

Good asset management should ensure the properties receive an income. At this time we consider most asset managers will seek to obtain tenants either on short or medium term basis. The subject market is traditionally used as a short term holiday lets and it is only in the last few months owners within the area are considering more medium term contracts to ensure income. We are aware the current owners are receiving enquiries for 2-3 month letting periods. Once both Orquidea and Centro Polo have completed their refurbishment these properties will be worth more in the short term. We consider Orquidea has a potential to receive a premium in the purchase price once completed due to its location, nature and characteristics.

Downside Potential - falls short of required returns

Supply and demand factors will have an impact on the area as well as the evolution of the occupier's needs and requirements. Our valuation has been conservative adopting rents to market levels. In the event of Staysure we consider the rent to be above market rent but have taken into account this within our valuation. We have no real concerns regarding demand from both occupiers and investors alike for the residential property, however should Centro Polo become vacant we consider this would be a difficult property to lease and there would be a reduction in the rents currently proposed with the subject property. Good management should help maintain rents and although we have incorporated this lowering within our cash flow.

Tenant Default

The tenant will affect the returns to the property by his actions. (voids, bankruptcy, repairing obligations, relationships with other tenants). This situation will be needed to be managed effectively ensuring that the tenant fulfils their contractual obligations or that the properties are effectively marketed to attract other occupiers. Major occupiers will have more negotiating power at the time of addressing rents; however we consider that current rental levels are rack rented when compared to the market place and the managers will need to be able to reach mutually beneficial arrangements to ensure tenant occupation. Fortunately most holiday lets are prepaid and therefore tenant default is unlikely unless longer term agreements are reached. This maybe more relevant to Centro Polo due to the nature of the operation.

Capital Risk

This is the risk attributable to changes in capital value brought about by a variation in the yield obtained from an investment Property. Volatility in capital values or yield movements are fairly subjective in today's market. The potential economic repercussions of the pandemic have not yet been felt. Positively house prices in the subject area have remained buoyant and also an increase in €/m² evolution within the Marbella area. This is positive but also a reflection of purchases made by wealthy individuals in lifestyle choices during the pandemic.

Market Effect

In the current market circumstances the price of property investments are subjective due to the current market circumstances fueled with uncertainty. Value attributed to real estate will depend greatly on the contractual terms, rental paid and strength of the individual tenants, these factors are important when analysing the portfolio as a whole.

In terms of investment transactions, these remain limited and are subject to a great deal of scrutiny at the time of assessment. There has been an influx of demand over the last 12 months within the subject area. There is a great deal of capital wealth currently looking at residential opportunities within Marbella. Those investors which are active continue to seek prime properties. Cash has also been a great influence in pricing terms, distressed sellers welcome the input of new money and the investor is not reliant on bank finance.

Highway Proposals

We are not aware of any significant highway proposal in the vicinity that may impact on the portfolio.

Exchange Rates

The impact of the evolution of the pound and dollar against the euro may impact the investment over the short to medium term. Spain is currently perceived as expensive for most foreign investors the strengthening of these currencies may see Spain as attractive for these type of investors

Legal Risk

We suggest that all legal issues with regards tenure, contractual obligations and town planning be directed to your solicitors for their confirmation.

Holding Period

The properties remains fairly secure over the short to medium term encouraged by a more positive outlook as vaccinations are undertaken.

Financial Risk

We have not been privy to the current loan amounts outstanding with regard the subject property or the associated obligations & covenants.

Liquidity Risk

Essentially refers how long to convert investment into cash. Our analysis is based on a marketing period of between 6-12 months. Some funds are active, but they are generally European Funds which are buying prime located properties in major capitals. The geographical location is

important, lack of historical results will make investors weary. A two-tier market continues to operate in Spain between prime locations and secondary locations. Asset type and management are also important factors

Investors Implication

We have not been provided with accounts or other financial information on the owners and are unable to comment on their financial strength. We would usually consider that the owner has the necessary capability to meet loan repayments and comply with the obligations therein. The amount invested by the owner as equity is usually a good indicator of commitment to the project.

We consider that is of utmost importance in real estate to know your customer (KYC) and be fully comfortable with regard the obligations of all parties concerned.

Legal

In term of legal matters related to the subject properties we consider that the following should be confirmed with your legal advisors:

- (i) The assets are clear and free of any charge, lien and encumbrance
- (ii) The owners hold legal title over the asset and has all necessary authorisations and is in compliance with applicable regulations including town planning and has the relevant works and first occupation licenses for all subject properties
- (iii) That there is no easement, no expropriation or requisition, no security interest on the site title (other than with respect to the transaction)
- (iv) The asset holds and respects existing town planning rules and authorisations as well as the relevant licenses and grants and conditions required for the assets full operational capability including rules and regulations related to environmental standards.

5.6. Market Value

Market Value “Current State”

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the aggregate Market Value of the properties detailed herein as described with the characteristics defined in their “Current State” herein as at 25th April 2021, would be fairly represented in the sum of:

Aggregate Net Market Value (€) rounded	
<p style="text-align: center;">€23,385,000 EUROS</p> <p style="text-align: center;">(Twenty-Three Million Three Hundred and Eighty-Five Thousand Euros Only)</p>	

SUMMARY TABLE OF VALUES AS OF 25th April 2021

Number	Name	Description	Market Value (Net)
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	€2.000.000
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	€1.575.000
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	€4.175.000
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€3.235.000
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€8.400.000
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Comercial	€4.000.000
		Calle Los Nardos 51; Nueva Andalucía; Residential	
Total		Aggreagte Net Market Value (current state)	€23.385.000

Market Value under special assumption Completed Refurbishment.

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein as described with the characteristics defined herein as at 25th April 2021 under the understanding the refurbishment had been completed to the modern and high specification, would be fairly represented in the sum of:

Special Assumption: Aggregate Net Market Value (€) rounded
<p>€26,005,000 EUROS</p> <p>(Twenty-Six Million and Five Thousand Euros Only)</p>

SUMMARY TABLE OF VALUES AS OF 25th April 2021

Number	Name	Description	Refurbished Market Value (Net)
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	€2.000.000
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	€1.575.000
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	€5.500.000
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€3.235.000
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€8.400.000
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Offices Staysure	€5.295.000
		Calle Los Nardos 51; Nueva Andalucía; Work Space	
		Calle Los Nardos 51; Nueva Andalucía; Residential	
Total		Aggreagte Net Market Value (Capex Completed)	€26.005.000



James L.S. Allwood, BSc (Hons)

Senior Consultant



Miguel A. López, MRICS

Senior Consultant

RE Advisory Services



Diego Vilaró, MRICS

Director

Advisory Services




This valuation report has been prepared to the best of our ability and on the basis of the specific circumstances of the real estate market at the time of assessment and based on data; documentation and information provided to us at the valuation date.

Should you require any further information or clarification with regards this report or its contents should be directed to Gesvalt for the attention of either James Allwood, Miguel Ángel López, or Diego Vilaró.

Individual Valuation Reports

6. Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano; (Linares 12)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanisation Hotel Puente Romano Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Malaga, 58 kilometres Puerto Banus 2.5 kilometres	<p><i>Map / Aerial View</i></p> 

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The property is within a short distance of the beach. Considered one of the main luxurious residential areas and prime real estate locations within Marbella.

The property is situated within the Hotel Puente Romano complex in the south of the urbanisation some 50 metres from the beach front. The complex comprises some 32,120 m² landscaped and botanical gardens with numerous palm trees, plants, flora, shrubbery and man-made water features. There are numerous swimming pools incorporated within the urbanisation. There are some 26 residential apartment blocks within the urbanisation, the majority with names of Andalusian towns. The subject property is within the residential block known as Linares.

There are numerous services and facilities on site mainly due to the existence of the hotel. There is an owners club, Tennis club, Health and Fitness, Six Senses Spa, Kids Club, retail units and hotel and private parking. There are also meeting rooms available within the hotel. In terms of gastronomy and restaurants these are located within the urbanisation at various points including the Sea Grill Lounge and El Chiringuito located on the beach front. The Plaza which comprises some 6 restaurants including Nobu, Thai Gallery, Leña, BiBo. Seafina and Celicioso located to the north of the urbanisation. There are some 9 other main restaurants or bars such as La Concha, La Selva, Les Jardins I du Liban, Supperclub, La Suite, Cheat, Rachel's Eco Love, Lagom! Café and Monkey Club dotted in and around the urbanisation.

The subject property is very well located within the urbanisation to the south and in close proximity to the beach area adjacent to the residential apartment block Kenia. The property overlooks the botanical gardens and is private in nature.

1.3. Description of the Property

Building characteristics

Property/ building type	Residential Apartment																
Year of construction	Approximately 1976																
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. We understand the last major refurbishment was undertaken in the last 12 months. The property has recently been refurbished to a high standard and provides excellent fixtures and fittings.																
Facilities	Forms part of Hotel Puente Romano benefits from the facilities and services available on site																
Parking	We understand there is a car parking space allocated to the subject property																
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>32,120 m²</td></tr> <tr> <td>Participation</td><td>0.5200%</td></tr> <tr> <td>Dwelling</td><td>123 m²</td></tr> <tr> <td>Common Areas</td><td>3 m²</td></tr> <tr> <td>Constructed Area</td><td>126 m²</td></tr> </table>	Cadastral		Main figures		Use	Residential	Land Plot	32,120 m ²	Participation	0.5200%	Dwelling	123 m ²	Common Areas	3 m ²	Constructed Area	126 m ²
Cadastral																	
Main figures																	
Use	Residential																
Land Plot	32,120 m ²																
Participation	0.5200%																
Dwelling	123 m ²																
Common Areas	3 m ²																
Constructed Area	126 m ²																
Description:	<p>Situated within the urbanisation known as Hotel Puente Romano. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first floor level</p> <p>The property comprises a Kitchen, Living room, 2 bedrooms and 2 bathrooms, WC, Laundry/Storage area.</p> <p>There is a terrace area to the rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views over the botanical gardens.</p>																

1.4. Photos



State of repair

Overall, the condition of the subject property can be assessed as excellent and during our inspection, we did not consider any refurbishment or extensive repairs required. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1970s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 13/12/2013: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total	C . Area %
Apartment	12/12/2013	3 Marbella	971	39	22	2985	107,60 m ²	30,60 m ²	22,00 m ²	160,20 m ²	0,52%
Parking 32	12/12/2013	3 Marbella		457	184	10349-B					

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals.

1.7. Market Analysis

The local market analysis is detailed within the Residential Market section of this report. We have given particular attention to what is essentially a niche property market within an exclusive area of Marbella. Our comparables are detailed within this section and we have made adjustments in accordance to size, location, quality, design and characteristics related to the subject property. In terms of rental values, short term holiday lets has been the main rental arrangements within the subject urbanisation. However, the impact of COvid-19 has seen some owners wish for greater income security and have adopted to monthly lets or in some cases longer. The subject area has a fairly limited long term rental agreement market but we would expect this to increase over the short term whilst the pandemic continues.

1.8. Valuation Approach & Assumptions

Hypothesis:

As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice.

Rental Income

We have adopted a long term market rental income scenario based on at least a 12 month assured tenancy and in line with market practice in Spain.

In terms of income we have analysed the information provided to us and consider

- a) The rental level is realistic i.e. that they are considered market rent. We consider that market rental levels will begin to rise over the short term, we have reflected little market rental growth over the next 18-24 months, and thereafter we consider rental should begin to make improvements.
- b) We have increased rental levels in accordance with CPI predictions over the cash flow period at an average of some 1.13%.
- c) We have considered that the Minimum Guaranteed Rent (only rental contract related to tenants no additional income included) for the property. Our first-year rental expectations are some €84,000 for the first 12 months of the cash flow.

Outgoings

In terms of day to day management costs we have reflected the following costs in our cash flow:

- a) A building and rental insurance amount which would be sole responsibility of the landlord in order to protect their interest, this amount has been based on 0.90% of the minimum guaranteed rent.
- b) We have also applied a sinking fund and contingencies over the cash flow period of some 0.50% and 0.50% each mainly to reflect any possible one off repairs, possible additional expenses or any other item which is not specifically covered within the lease contracts. This is purely a contingency measure.
- c) We understand the subject property has no service charge associated with the common areas due to an agreement regarding easements with Hotel Puente Romano.
- d) We have also considered IBI tax charge and based on some €136 per month.

We provide details of our DCF to illustrate the calculation parameters adopted:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€84.000	€84.952	€85.915	€86.888	€87.873	€88.869	€89.876	€90.895	€91.925	€92.967	
Costs	-€3.230	-€3.267	-€3.304	-€3.341	-€3.379	-€3.417	-€3.456	-€3.495	-€3.535	-€3.575	
Net Operating Income	€80.770	€81.685	€82.611	€83.547	€84.494	€85.452	€86.420	€87.400	€88.390	€89.392	
Exit Yield	4,00%	4,24%									
Exit Price	€2.234.801										
Exit Costs	-€44.696										
Net Exit Price	€2.190.105										
Cash-flow	-€2.069.230	€81.685	€82.611	€83.547	€84.494	€85.452	€86.420	€87.400	€88.390	€89.392	€2.190.105
Gross Value	€2.150.000		Net Yield			4,04%		All Risks Yield			4,25%
Purchasers Costs	-€150.000		Triple Net Yield			3,76%		IRR			4,26%
Net Value	€2.000.000		Gross Yield			4,20%		€/m² Total			€12.484
								€/m² Built Dwelling			€18.587

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. In terms of the subject area the property lies in the Hotel Puente Romano complex and benefits from singular advantages such as service charges and waste disposal are not attributable due to negotiations with the hotel regarding easements and rights of way. 2. Due to the nature and characteristics of the hotel many apartments available in the subject area are mostly 1 bedroom and limited in size - average properties available range between 50m² to 80m² and command prices in the region of €14,500/m² to €20,000/m² for refurbished or modernized flats. 3. There are limited properties available of the subject properties dimensions and due to quality, location and characteristics we would expect high demand for the type of product the subject property offers 4. There is a limited long term rental market in the area as traditionally based on short term let's to holiday makers mainly over the summer break and punctual holiday dates. Adopting an appropriate market rent is based on professional knowledge and have considered what we would consider reasonable. 5. There is limited availability of properties subject typology asking prices for smaller apartments range between €1m to €1.2m euros 6. In terms of key comparable apartments we have had reference to two properties available both of which are asking €2m and have some 105m² and 125 m² respectively based on a price of some €16,000/m² and €19,048/m². We have adjusted for both size and quality of specification in our analysis including a discount on the asking price and would expect to have a price range in the region of some €17,000/m² to €20,000/m² for the subject property. The subject property has been refurbished to a much higher standard and is within the best area of the Hotel Puente urbanization. 7. Size, nature and characteristics of the property means it would be of significant interest and demanded amongst potential purchasers. Well located and in proximity to the beach area albeit does not benefit from sea views. We consider the property would be of interest to both national and international occupiers. 8. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 9 to 12 months would be required to achieve a sale of the property under current market conditions. If a forced sale situation
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	were to arrive (Disposal within a 1-month period) we consider there would be a decrease in the valuation figure herein reported
	9.

1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is "Market Value".

Our opinion of the "Market Value" is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Market Value




Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 160.20 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€2,000,000

(Two Million Euros Only)

7. Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano II; (Amazonas)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p style="text-align: center;"><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanisation Puente Romano II Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p style="text-align: center;"><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Malaga, 58 kilometres Puerto Banus 2.5 kilometres	<p style="text-align: center;"><i>Map / Aerial View</i></p> 

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The property is within a short distance of the beach. Considered one of the main luxurious residential areas and prime real estate locations within Marbella.

The property is situated within the Puente Romano II complex in the south east of the urbanisation forming part of terraced housing. The complex comprises some 18,934 m² landscaped and botanical gardens with numerous palm trees, plants, flora, shrubbery and man-made water features. There are two swimming pools incorporated to the north of the urbanisation. There are some 13 adjoined residential apartment blocks within the urbanisation, the majority with names of foreign place names. The subject property is within the residential block known as Amazonas.

There are limited services on site within the urbanisation, mainly limited to the landscaped areas and swimming pool. Services are located in close proximity as Hotel Puente Romano is located opposite to the east and provides numerous services and facilities on site mainly due to the existence of the hotel. There is an owners club, Tennis club, Health and Fitness, Six Senses Spa, Kids Club, retail units and hotel and private parking. There are also meeting rooms available within the hotel. In terms of gastronomy and restaurants these are located within the urbanisation at various points including the Sea Grill Lounge and El Chiringuito located on the beach front. The Plaza which comprises some 6 restaurants including Nobu, Thai Gallery, Leña, BiBo. Seafina and Celicioso located to the north of the urbanisation. There are some 9 other main restaurants or bars such as La Concha, La Selva, Les Jardins I du Liban, Supperclub, La Suite, Cheat, Rachel's Eco Love, Lagom! Café and Monkey Club dotted in and around the urbanisation.

The subject property is reasonably located within the urbanisation to the south and in close proximity to the service road but some 50 metres for a pathway to a street which connects to the beach located some 300 metres away. The subject property is an end terrace and is adjacent to the residential apartment block Bidaosa. The property overlooks the botanical gardens and is private in nature.

This urbanisation with Puente Romano is the furthest away from the beach area and lacks immediate services and facilities but is within a short distance when required.

1.3. Description of the Property

Building characteristics

Property/ building type	Residential Apartment																
Year of construction	Approximately 1982																
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. We can confirm the last major refurbishment has recently completed to a high standard. The property has recently been refurbished to a high standard and provides excellent fixtures and fittings.																
Facilities	Limited on site to communal grounds and swimming pools																
Parking	We understand there is a car parking space allocated to the subject property																
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>18,934 m²</td></tr> <tr> <td>Participation</td><td>1.1400%</td></tr> <tr> <td>Dwelling</td><td>151 m²</td></tr> <tr> <td>Common Areas</td><td>5 m²</td></tr> <tr> <td>Constructed Area</td><td>156 m²</td></tr> </table>	Cadastral		Main figures		Use	Residential	Land Plot	18,934 m ²	Participation	1.1400%	Dwelling	151 m ²	Common Areas	5 m ²	Constructed Area	156 m ²
Cadastral																	
Main figures																	
Use	Residential																
Land Plot	18,934 m ²																
Participation	1.1400%																
Dwelling	151 m ²																
Common Areas	5 m ²																
Constructed Area	156 m ²																
Description:	<p>Situated within the urbanisation known as Puente Romano II. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at ground floor level</p> <p>The property comprises a Kitchen, Living room, 2 bedrooms and 2 bathrooms, WC, Laundry/Storage area.</p> <p>There are two terrace areas to the rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views over the botanical gardens.</p>																

1.4. Photos



State of repair

Overall, the condition of the subject property can be assessed as excellent and during our inspection, we did not consider any refurbishment or extensive repairs required. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1980s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 16/07/2019: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total	C . Area %
Apartment	16/07/2019	3 Marbella	1443	419	156	34002	117,25 m²	0,00 m²	33,55 m²	150,80 m²	1,14%
Parking 88	16/07/2019	3 Marbella	1443	419	158	34003	12,50 m²	0,00 m²	0,00 m²	12,50 m²	0,08%

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals.

1.7. Market Analysis

The local market analysis is detailed within the Residential Market section of this report. We have given particular attention to what is essentially a niche property market within an exclusive area of Marbella. Our comparables are detailed within this section and we have made adjustments in accordance to size, location, quality, design and characteristics related to the subject property. In terms of rental values, short term holiday lets has been the main rental arrangements within the subject urbanisation. However, the impact of COvid-19 has seen some owners wish for greater income security and have adopted to monthly lets or in some cases longer. The subject area has a fairly limited long term rental agreement market but we would expect this to increase over the short term whilst the pandemic continues.

1.8. Valuation Approach & Assumptions

Hypothesis:

As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long-term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice.

Rental Income

We have adopted a long-term market rental income scenario based on at least a 12 month assured tenancy and in line with market practice in Spain.

In terms of income we have analysed the information provided to us and consider

- d) The rental level is realistic i.e. that they are considered market rent. We consider that market rental levels will begin to rise over the short term, we have reflected little market rental growth over the next 18-24 months, and thereafter we consider rental should begin to make improvements.
- e) We have increased rental levels in accordance with CPI predictions over the cash flow period at an average of some 1.13%.
- f) We have considered that the Minimum Guaranteed Rent (only rental contract related to tenants no additional income included) for the property. Our first year rental expectations are some €78,600 for the first 12 months of the cash flow.

Outgoings

In terms of day to day management costs we have reflected the following costs in our cash flow:

- e) A building and rental insurance amount which would be sole responsibility of the landlord in order to protect their interest, this amount has been based on 0.90% of the minimum guaranteed rent.
- f) We have also applied a sinking fund and contingencies over the cash flow period of some 0.50% and 0.50% each mainly to reflect any possible one off repairs, possible additional expenses or any other item which is not specifically covered within the lease contracts. This is purely a contingency measure.
- g) The subject property has a service charge associated with the common areas and have adopted a monthly amount of some €550 in line with the budget.
- h) We have also considered an IBI tax charge and based on some €166,66 per month and a refuse collection charge of some €16 monthly.

We provide details of our DCF to illustrate the calculation parameters adopted:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€78.600	€79.491	€80.392	€81.303	€82.224	€83.156	€84.099	€85.052	€86.016	€86.990	
Costs	-€10.285	-€10.402	-€10.520	-€10.639	-€10.760	-€10.882	-€11.005	-€11.130	-€11.256	-€11.383	
Net Operating Income	€68.315	€69.089	€69.872	€70.664	€71.465	€72.275	€73.094	€73.922	€74.760	€75.607	
Exit Yield	4,37%	5,13%									
Exit Price	€1.731.462										
Exit Costs	-€34.629										
Net Exit Price	€1.696.832										
Cash-flow	-€1.624.810	€69.089	€69.872	€70.664	€71.465	€72.275	€73.094	€73.922	€74.760	€75.607	€1.696.832
Gross Value	€1.693.125		Net Yield			4,34%		All Risks Yield			4,57%
Purchasers Costs	-€118.125		Triple Net Yield			4,03%		IRR			4,44%
Net Value	€1.575.000		Gross Yield			4,99%		€/m² Total			€10.444
								€/m² Built Dwelling			€13.433

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. In terms of the subject area the property lies in the Puente Romano II complex which has private communal areas which are gardens and swimming pools. Located next to Hotel Puente Romano where majority of services and facilities are located. 2. There are several properties available within the subject area and similar in dimensions. Asking prices are in the region of €9,800/m² (199 m²) to €18,500/m² for a much smaller lot size (65m²). We would expect a capital value price in the region of €12,000/m² to €14,000/m² reflecting current stock available. Due to quality, location and characteristics we would expect demand for the type of product the subject property offers 3. There is a limited long term rental market in the area as traditionally based on short term let's to holiday makers mainly over the summer break and punctual holiday dates. Adopting an appropriate market rent is based on professional knowledge and have adopted a reasonable monthly amount. 4. There is limited availability of properties subject typology asking prices for smaller apartments range between €1m to €1.2m euros. Those properties between 160m² and 200m² are in the region of some €1.6m to €1.95m. We would expect a discount on these prices at time of purchase. 5. In terms of key comparable apartments we have had reference to two properties available which are asking €1.695m (Danubio) for some 146m² and €1.95m (Elba) for some 199m² respectively based on a price of some €11,610/m² and €9,800/m². We have adjusted for both size and quality of specification in our analysis including a discount on the asking price and would expect to have a price range in the region of some €12,000/m² to €14,000/m² for the subject property. 6. The subject property is superior to those available within the subject urbanization in terms of quality and specification. The dwelling is more private and located further away from the more rowdy elements of the urbanization (swimming pools). 7. Size, nature and characteristics of the property means it would be of significant interest and demanded amongst potential purchasers mainly because of price permitting albeit secondary in terms of location when compared to other urbanisations. We consider the property would be of interest to both national and international occupiers. 8. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 9 to 12 months would be required to achieve a sale of the property under current market conditions. If a forced sale situation were to
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	arrive (Disposal within a 1 month period) we consider there would be a decrease in the valuation figure herein reported
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1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the "Market Value" is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value




Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 160.20 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€1,575,000

(One Million Five Hundred and Seventy-Five Thousand Euros Only)

8. Urbanización Marina Puente Romano 5 Es: 0 Pl:01 Pt 22 Cortijo Jardín Persa; (Orquídea)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p style="text-align: center;"><i>Map</i></p> 
Micro Location District: Surrounding:	Urbanisation Jardín Persa Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p style="text-align: center;"><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometres Malaga, 58 kilometres Puerto Banus 2.5 kilometres	<p style="text-align: center;"><i>Map / Aerial View</i></p> 

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The property is within a short distance of the beach. Considered one of the main luxurious residential areas and prime real estate locations within Marbella.

The property is situated within the Jardin Persa Puente Romano complex in the south of the urbanisation some 30 metres from the beach front and with full beach frontage and sea views. The complex comprises some 23,192 m² landscaped and botanical gardens with numerous palm trees, plants, flora, shrubbery and man-made water features. There are three swimming pools incorporated within the urbanisation. There are some 16 residential apartment blocks within the urbanisation, the majority with names of flora and plants. The subject property is within the residential block known as Orquidea.

There are limited services on site within the urbanisation, mainly limited to the landscaped areas and swimming pool. Services are located in close proximity as Hotel Puente Romano is located opposite to the east and provides numerous services and facilities on site mainly due to the existence of the hotel. There is an owners club, Tennis club, Health and Fitness, Six Senses Spa, Kids Club, retail units and hotel and private parking. There are also meeting rooms available within the hotel. In terms of gastronomy and restaurants these are located within the urbanisation at various points including the Sea Grill Lounge and El Chiringuito located on the beach front. The Plaza which comprises some 6 restaurants including Nobu, Thai Gallery, Leña, BiBo. Seafina and Celicioso located to the north of the urbanisation. There are some 9 other main restaurants or bars such as La Concha, La Selva, Les Jardins I du Liban, Supperclub, La Suite, Cheat, Rachel's Eco Love, Lagom! Café and Monkey Club dotted in and around the urbanisation.

The subject property is very well located within the urbanisation to the south and in close proximity to the beach area adjacent to the residential apartment block Papaya. The residential block Naranjo is to the west. The property overlooks the botanical gardens and is private in nature with uninterrupted sea views.

As the property is located to the south east of the urbanisation there is good access to the beach area. The property remains private as the communal area of swimming pools is to the rear and need to cross a service road to reach the property. The beach is within 30 metres of the duplex.

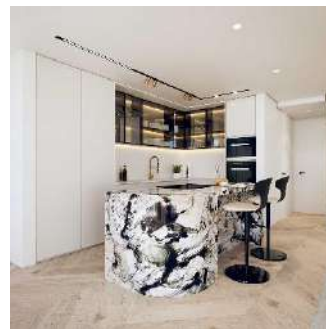
1.3. Description of the Property

Building characteristics

Property/ building type	Residential Apartment Duplex																		
Year of construction	Approximately 1986																		
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. The exterior of the property fits in with the surroundings. The property is currently undergoing an extensive refurbishment programme at the time of inspection. The quality, nature and characteristics of the property are similar in comparison to other properties along the beach front with an added feature of a Duplex.																		
Facilities	Limited to communal services and swimming pools within urbanisation albeit able to make full use of services located within Hotel Puente Romano																		
Parking	We understand there is a car parking space allocated to the subject property																		
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>23,192 m²</td></tr> <tr> <td>Participation</td><td>1.4900%</td></tr> <tr> <td>Dwelling First Floor</td><td>152 m²</td></tr> <tr> <td>Dwelling Second Floor</td><td>115 m²</td></tr> <tr> <td>Common Areas</td><td>27 m²</td></tr> <tr> <td>Constructed Area</td><td>294 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	23,192 m ²	Participation	1.4900%	Dwelling First Floor	152 m ²	Dwelling Second Floor	115 m ²	Common Areas	27 m ²	Constructed Area	294 m ²
Cadastral																			
Main figures																			
Use	Residential																		
Land Plot	23,192 m ²																		
Participation	1.4900%																		
Dwelling First Floor	152 m ²																		
Dwelling Second Floor	115 m ²																		
Common Areas	27 m ²																		
Constructed Area	294 m ²																		
Description:	<p>Situated within the urbanisation known as Puente Romano Jardin Persa. The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first and second floor level</p> <p>The property is currently under refurbishment and will comprise a Kitchen, Living room, 4 bedrooms and 5 bathrooms, Laundry/Storage area.</p> <p>There are numerous terrace areas at each level to both front and rear of the property.</p> <p>The property benefits from an open plan living room / kitchen with a terrace area and views to the beach front.</p> <p>There is a car parking space and storage area at basement level</p>																		

1.4. Photos







State of repair

The property is currently in a skeleton state and undergoing an extensive refurbishment programme. The photos illustrate the concept that will be adopted upon completion. In general to a high specification and modern standard.


Assessment of building

Well known and established residential area incorporating mature landscaped and botanical gardens with sea views. Some exterior parts of the property date from the 1980s but this does add charm and character to the subject property. The property is in the process of being modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

1.5. Site

Site & Boundaries	The land plot is irregular in shape. The property forms part of the urbanization Puente Romano Jardin Persa. The urbanization has clear marked boundaries. The subject property is within a residential block known as Orquidea which is attached to a residential block known as Papaya
North	Internal botanic and landscaped gardens including overview to the swimming pool, service road located between
East	Attached residential block known as Papaya.
South	Internal botanic and landscaped gardens and access to the beach areas. The beach and sea are in full view.
West	Residential block known as Naranja
Commentary	We have made enquiries with the local authority in regards to the land on which the building sits, whether it is unstable or whether it has been contaminated We would normally assume there to be no adverse ground or soil conditions and that the load bearing capacity of the sites of each property are sufficient to support the building constructed or any proposed development. Unless we are notified otherwise, we consider that the materials, the facilities and the land are in an acceptable condition.

Cadastral Plan Layout



GOBIERNO DE ESPAÑA
MINISTERIO DE HACIENDA

SECRETARÍA DE ESTADO DE HACIENDA
DIRECCIÓN GENERAL DEL CATASTRO

CONSULTA DESCRIPTIVA Y GRÁFICA DE DATOS CATASTRALES DE BIEN INMUEBLE

Referencia catastral: 7615201UF2471N0277ZO

DATOS DESCRIPTIVOS DEL INMUEBLE

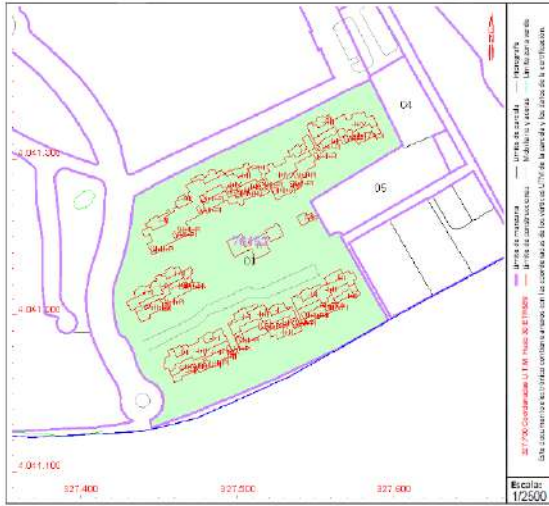
Localización:
UR MARINA PUENTE ROMANO 5 Es.O PL:01 PL:22 CJTO JARDIN PERSA
29602 MARBELLA (MÁLAGA)

Clase: URBANO
Uso principal: Residencial
Superficie construida: 294 m2
Año construcción: 1986

Destino	Escalera / Planta / Puerta	Superficie m²
VIVIENDA	O/01/22	152
VIVIENDA	O/02/22	115
Elementos comunes		27

PARCELA

Superficie gráfica: 23.192 m2
Participación del inmueble: 1,4900 %
Tipo: Parcela con varios inmuebles (división horizontal)



Este documento no es una certificación catastral, pero sus datos pueden ser verificados a través del "Acceso a datos catastrales no protegidos de la SEC".

Jueves, 6 de Mayo de 2021

1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 16/08/2019: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total	C . Area %
Apartment O -2-2	16/08/2019	3 Marbella	1398	379	169	31307	224,22 m ²	103,29 m ²	0,00 m ²	327,51 m ²	32,84%
Parking 11-0	16/08/2019	3 Marbella	1397	378	175	31198	16,00 m ²	0,00 m ²	0,00 m ²	16,00 m ²	1,78%
Storage B-0	16/08/2019	3 Marbella	1397	378	221	31221	8,60 m ²	0,00 m ²	0,00 m ²	8,60 m ²	0,96%

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals.

1.7. Market Analysis

The local market analysis is detailed within the Residential Market section of this report. We have given particular attention to what is essentially a niche property market within an exclusive area of Marbella. Our comparables are detailed within this section and we have made adjustments in accordance to size, location, quality, design and characteristics related to the subject property. In terms of rental values, short term holiday lets has been the main rental arrangements within the subject urbanisation. However, the impact of COvid-19 has seen some owners wish for greater income security and have adopted to monthly lets or in some cases longer. The subject area has a fairly limited long term rental agreement market but we would expect this to increase over the short term whilst the pandemic continues.

1.8. Valuation Approach & Assumptions

Hypothesis:

Due to the nature and characteristics of the subject property (Currently undergoing major refurbishment) we have adopted 2 scenarios:

- (I) As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice. This is the end capital value expected at termination of the refurbishment works
- (II) Market value considering the current condition of the property as of the valuation date and subject to the costs remaining to be paid in the termination of the works

Rental Income (Once Refurbishment Completed)

We have adopted a long term market rental income scenario based on at least a 12 month assured tenancy and in line with market practice in Spain.

In terms of income we have analysed the information provided to us and consider

- g) The rental level is realistic i.e. that they are considered market rent. We consider that market rental levels will begin to rise over the short term, we have reflected little market rental growth over the next 18-24 months, and thereafter we consider rental should begin to make improvements.
- h) We have increased rental levels in accordance with CPI predictions over the cash flow period at an average of some 1.13%.
- i) We have considered that the Minimum Guaranteed Rent (only rental contract related to tenants no additional income included) for the property. Our first year rental expectations are some €180,000 for the first 12 months of the cash flow.

Outgoings

In terms of day to day management costs we have reflected the following costs in our cash flow:

- i) A building and rental insurance amount which would be sole responsibility of the landlord in order to protect their interest, this amount has been based on 0.90% of the minimum guaranteed rent.
- j) We have also applied a sinking fund and contingencies over the cash flow period of some 0.50% and 0.50% each mainly to reflect any possible one off repairs, possible additional expenses or any other item which is not specifically covered within the lease contracts. This is purely a contingency measure.
- k) The subject property has a service charge associated with the common areas and have adopted a monthly amount of some €533 in line with the budget.
- l) We have also considered an IBI tax charge and based on some €166.66 per month and a refuse collection charge of some €16 monthly.

We provide details of our DCF to illustrate the calculation parameters adopted:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€180.000	€182.040	€184.103	€186.190	€188.300	€190.434	€192.592	€194.775	€196.982	€199.215	
Costs	-€12.016	-€12.152	-€12.290	-€12.429	-€12.570	-€12.712	-€12.857	-€13.002	-€13.150	-€13.299	
Net Operating Income	€167.984	€169.888	€171.813	€173.760	€175.730	€177.721	€179.736	€181.773	€183.833	€185.916	
Exit Yield	2,87%										
Exit Price	€6.485.444										
Exit Costs	-€129.709										
Net Exit Price	€6.355.735										
Cash-flow	-€5.475.766	€169.888	€171.813	€173.760	€175.730	€177.721	€179.736	€181.773	€183.833	€185.916	€6.355.735
Gross Value	€5.643.750		Net Yield			3,20%		All Risks Yield			3,37%
Purchasers Costs	-€393.750		Triple Net Yield			2,98%		IRR			4,29%
Net Value	€5.250.000		Gross Yield			3,43%		€/m² Total			€16.030
								€/m² Built Dwelling			€23.415

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. In terms of the subject area the property lies in the Puente Romano Jardin Persa complex which has private communal areas which are gardens and swimming pools. Located next to Hotel Puente Romano where majority of services and facilities are located. 2. The property will be modernized to a high specification but is currently in a skeleton works and refurbishment is ongoing. 3. Several properties have sold within the subject area albeit characteristics are different in terms of size and distribution. Sold prices are in the region of €20,000/m² to €24,000/m² for properties in the second line within the urbanization, lot sizes range between 170m² to 320m². Recent sales for properties on the sea front have capital value price in the region of €30,000/m. This included a property located at Mimosa 2-1 which sold for some €29,861/m² fully modernized and high specification. Drago 3-1 also sold (albeit second line) at a price of some €24,613/m² once again for 319m² and is located just to the rear of the subject property. Due to quality, location and characteristics we would expect demand for the type of product the subject property offers. Based on this we would expect a capital value between €24,000/m² and €30,000/m² for the subject property reflecting a slight weighting for the larger property size of the subject property. 4. There is a limited long term rental market in the area as traditionally based on short term let's to holiday makers mainly over the summer break and punctual holiday dates. Adopting an appropriate market rent is based on professional knowledge and have adopted a reasonable monthly amount. 5. There is limited availability of properties subject typology at present within the urbanization and of similar characteristics in terms of quality and sea views will be difficult to acquire. 6. The subject property will be superior to those available within the subject urbanization in terms of quality and specification. The dwelling is more private and located further away from the more raucous elements of the urbanization (swimming pools). The benefit of sea views and the duplex arrangement makes the property highly demanded 7. Size, nature and characteristics of the property means it would be of significant interest and demanded amongst wealthy potential purchasers. Albeit not reflected in our market value we consider there is potential a
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	<p>premium could be paid to acquire the property once completed, this is difficult to judge but reflecting the high demand in the subject area at present we would not be surprised if the property could be sold for €6.5 m meaning a near 20% premium. We consider the property would be of interest to both national and international occupiers.</p> <p>8. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 12 months would be required to achieve a sale of the property under current market conditions and once completed. Under the current state of repair and ongoing refurbishment potential purchasers would be limited and a discount on the price indicated would be expected. If a forced sale situation were to arrive (Disposal within a 1 month period) we consider there would be a decrease in the valuation figure herein reported</p>
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Refurbishment

We have been provided with the remaining costs involved with the refurbishment of the subject property. We have been provided with these by the current owners and have relied on them in making our assessment.

We understand there are some €450,000 approximately in costs remaining to be incurred. We have adopted this amount and also taken into account marketing and sales fees in any eventual disposal.

We provide our estimated calculation parameters based on the information provide:

Calculations - Principal Parameters - ORQUIDEA

Acquisition & Related Costs

Total acquisition payment	-4.175.000 €	82,88%	-11.857,09 €/m² Over 352 m2
Legal Documentation	-10.438 €	0,21%	-29,64 €/m² Over 352 m2
Acquisition Fees	-125.250 €	2,49%	-355,71 €/m² Over 352 m2
Site Study	-10.438 €	0,21%	-29,64 €/m² Over 352 m2
Due Diligence	-10.438 €	0,21%	-29,64 €/m² Over 352 m2
Valuation	-5.219 €	0,10%	-14,82 €/m² Over 352 m2
Legal Costs	-10.438 €	0,21%	-29,64 €/m² Over 352 m2
Notary and Registry	-41.750 €	0,83%	-118,57 €/m² Over 352 m2
Other additional costs	-5.219 €	0,10%	-14,82 €/m² Over 352 m2
Total Acquisition Cost	-4.394.188 €	86,30%	-12.479,59 €/m² Over 352 m2

Construction and Related Costs

Site works and Demolition	0 €	0,00%	0,00 €/m² Over 352 m2
Construction	-363.244 €	7,21%	-1.031,62 €/m² Over 352 m2
Legal Development Costs	-1.816 €	0,04%	-5,16 €/m² Over 352 m2
Architect & Technical Engineer	-31.481 €	0,62%	-89,41 €/m² Over 352 m2
Licence Fees	-9.081 €	0,18%	-25,79 €/m² Over 352 m2
Project Manager	-11.805 €	0,23%	-33,53 €/m² Over 352 m2
Planning & Licence Management	-1.771 €	0,04%	-5,03 €/m² Over 352 m2
Taxes	-8.011 €	0,16%	-22,75 €/m² Over 352 m2
Quality control	-1.968 €	0,04%	-5,59 €/m² Over 352 m2
Health and safety	-3.935 €	0,08%	-11,18 €/m² Over 352 m2
Insurance	-4.541 €	0,09%	-12,90 €/m² Over 352 m2
Miscellaneous Contingency	-13.158 €	0,26%	-37,37 €/m² Over 352 m2
Marketing & Sales Fees	-192.500 €	3,82%	-546,70 €/m² Over 352 m2
Total Hard & Soft Costs	-643.312 €	12,77%	-1.827,02 €/m² Over 352 m2

Total Acquisition & Development Cost	-5.037.500 €	100,00%	-14.306,61 €/m² Over 352 m2
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Revenues

Adjusted Gross Rental Income	0 €	0,00%	
Gross Sales Revenues	5.500.000 €	100,00%	15.620,12 €/m² Over 352 m2
Total Sales	5.500.000 €	100,00%	15.620,12 €/m² Over 352 m2

DEAL SUMMARY

Total cost	5.037.500 €	91,59%	14.306,61 €/m² Over 352 m2
Net proceeds	5.500.000 €	100,00%	15.620,12 €/m² Over 352 m2
Profit	462.501 €	8,41%	1.313,51 €/m² Over 352 m2
Deal margin	9,18%		11,02% Return Per annum
IRR	13,47%		
Development Yield	3,57%		75,91% Land Value/Sales Price

1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the “Market Value” is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value (Current Condition)

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 352,11 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€4,175,000

(Four Million One Hundred and Seventy-Five Thousand Euros Only)

Market Value under special assumption Completed Refurbishment

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 352,11 m² as described with the characteristics defined herein as at 25th April 2021 under the understanding the refurbishment had been completed to the modern and high specification, would be fairly represented in the sum of:

€5,500,000


(Five Million Five Hundred Thousand Euros Only)

Madrid, 25th April 2021

Note: We consider there is the potential of a premium to be paid for the subject property as a result of current demand factors in the area and the property will be refurbished to a high standard with excellent distribution, layout, nature and characteristics with sea views. We consider a premium amount or bidding war could drive the price up to some €6,500,000. However, until the property is completed we have remained conservative in our approach.

9. Urbanización Marina Puente Romano 6 Es:D Pl:00 Pt 11 Cortijo Jardín Japonés; (Dalia)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucía Málaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p style="text-align: center;"><i>Map</i></p>  <p>The map shows the southern coast of Spain, with Marbella highlighted. A red dot indicates the location of the Puente Romano Beach Resort & Spa, with a label below it.</p>
Micro Location District: Surrounding:	Urbanisation Jardin Japonés Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p style="text-align: center;"><i>Map</i></p>  <p>A detailed street map of the Urbanisation Jardin Japonés area, showing residential streets, a beach, and surrounding facilities.</p>
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometers Malaga, 58 kilometers Puerto Banus 2.5 kilometers	<p style="text-align: center;"><i>Map / Aerial View</i></p>  <p>An aerial photograph of the Urbanisation Jardin Japonés area, showing the layout of the residential development, green spaces, and the beach. A white circle highlights a specific area within the development.</p>

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The property is within a short distance of the beach. Considered one of the main luxurious residential areas and prime real estate locations within Marbella.

The property is situated within the Jardin Japones Puente Romano complex in the south east of the urbanisation some 100 metres from the beach front and benefits sea views. The complex comprises some 22,406 m² landscaped and botanical gardens with numerous palm trees, plants, flora, shrubbery and man-made water features. There is one main swimming pool incorporated within the centre of the urbanisation. There are some 13 residential apartment blocks within the urbanisation which are separated into 5 blocks. The subject property is within the residential block known as Dalia and the majority are named after plants such as Magnolia, Lotus, Bambu etc.

There are limited services on site within the urbanisation, mainly limited to the landscaped areas and swimming pool. Services are located in close proximity as Hotel Puente Romano is located some 350 metres to the east and provides numerous services and facilities on site mainly due to the existence of the hotel. There is an owners club, Tennis club, Health and Fitness, Six Senses Spa, Kids Club, retail units and hotel and private parking. There are also meeting rooms available within the hotel. In terms of gastronomy and restaurants these are located within the urbanisation at various points including the Sea Grill Lounge and El Chiringuito located on the beach front. The Plaza which comprises some 6 restaurants including Nobu, Thai Gallery, Leña, BiBo. Seafina and Celicioso located to the north of the urbanisation. There are some 9 other main restaurants or bars such as La Concha, La Selva, Les Jardins I du Liban, Supperclub, La Suite, Cheat, Rachel's Eco Love, Lagom! Café and Monkey Club dotted in and around the urbanisation.

The subject property is very well located within the urbanisation to the south and in close proximity to the beach area between residential apartment blocks Carmelita and Erika. The property overlooks the botanical gardens and is private in nature with uninterrupted sea views from the balcony terrace.

As the property is located to the south east of the urbanisation there is good access to the beach area. The property remains private as the communal area of swimming pools is to the north and more centrally located within the urbanisation. There is some 80 metres to the beach front area.

1.3. Description of the Property

Building characteristics

Property/ building type	Residential Apartment																
Year of construction	Approximately 1992																
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the club. The exterior of the property fits in with the surroundings. The property has been modernised and is to a high specification. The quality, nature and characteristics of the property are similar in comparison to other properties but with a high specification fit out.																
Facilities	Limited to communal services and swimming pools within urbanisation albeit able to make full use of services located within Hotel Puente Romano																
Parking	We understand there is a car parking space and storage allocated to the subject property																
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>22,406 m²</td></tr> <tr> <td>Participation</td><td>0.9170%</td></tr> <tr> <td>Dwelling First Floor</td><td>148 m²</td></tr> <tr> <td>Common Areas</td><td>14 m²</td></tr> <tr> <td>Constructed Area</td><td>162 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	22,406 m ²	Participation	0.9170%	Dwelling First Floor	148 m ²	Common Areas	14 m ²	Constructed Area	162 m ²
Cadastral																	
Main figures																	
Use	Residential																
Land Plot	22,406 m ²																
Participation	0.9170%																
Dwelling First Floor	148 m ²																
Common Areas	14 m ²																
Constructed Area	162 m ²																
Description:	<p>Situated within the urbanisation known as Puente Romano Jardin Japones.</p> <p>The urbanisation is made up of various residential blocks located around landscaped gardens including facilities and amenities such as swimming pools, recreational areas, botanical gardens etc.</p> <p>The subject property is situated at first floor level</p> <p>The property has been refurbished and comprises a hallway, Kitchen, Living room, 2 bedrooms and 2 bathrooms, Laundry/Storage area, WC. There are terrace areas to the front of the property with sea views. The property benefits from an open plan living room / kitchen with a terrace area and views to the beach front.</p> <p>There is a car parking space and storage area at basement level</p>																

1.4. Photos



State of repair

Overall, the condition of the subject property can be assessed as excellent and during our inspection, we did not consider any refurbishment or extensive repairs required. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

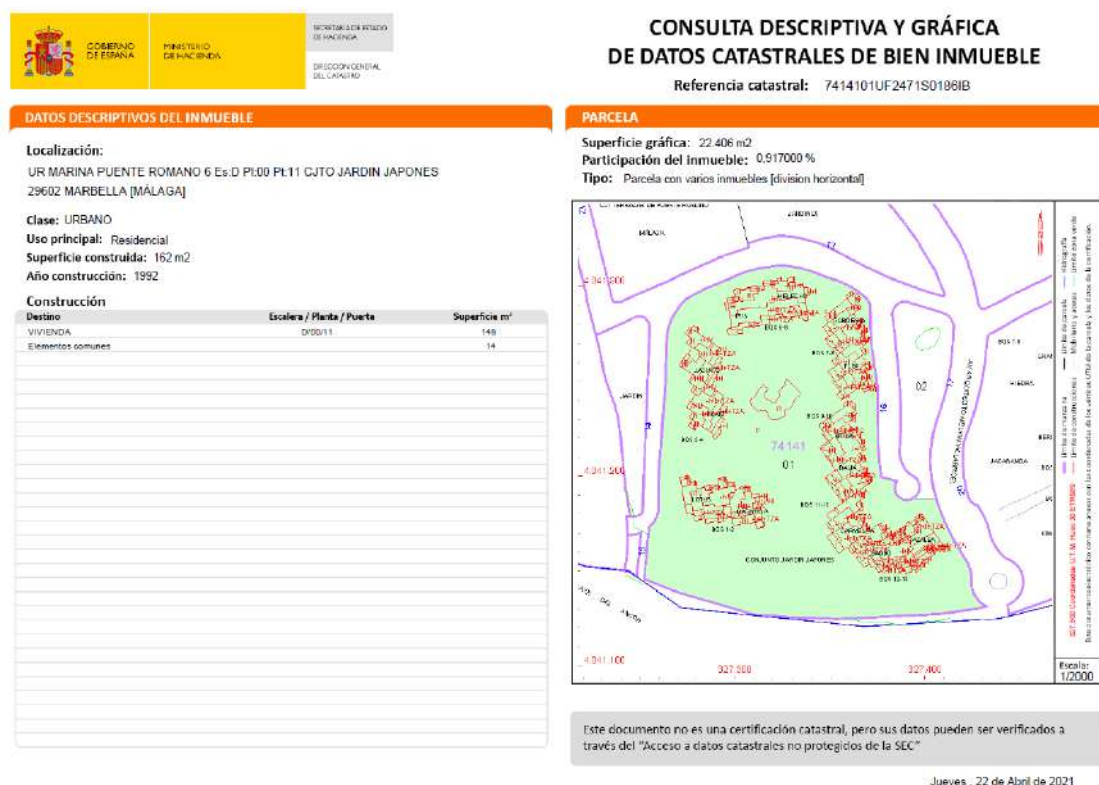
Assessment of building

Well known and established residential area incorporating mature landscaped and botanical gardens. Some exterior parts of the property date from the 1990s but this does add charm and character to the subject property. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

1.5. Site

Site Boundaries	&	The land plot is irregular in shape. The property forms part of the urbanization Puente Romano Jardin Japonés. The urbanization has clear marked boundaries. The subject property is within a residential block known as Dalia which forms part of a terrace in between residential apartments Carmelita and Erika.
North		Residential block known as Erika
East		Service road to the urbanization and car parking but also gardens and landscaped areas with frontage to the urbanization known as Jardin Persa.
South		Residential block known as Carmelita
West		Internal botanic and landscaped gardens and access to the beach areas. The beach and sea are in full view.
Commentary		We have made enquiries with the local authority in regards to the land on which the building sits, whether it is unstable or whether it has been contaminated We would normally assume there to be no adverse ground or soil conditions and that the load bearing capacity of the sites of each property are sufficient to support the building constructed or any proposed development. Unless we are notified otherwise, we consider that the materials, the facilities and the land are in an acceptable condition.

Cadastral Plan Layout



1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 01/10/2019: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total	C . Area %
Apartment D-1-1	01/10/2019	3 Marbella	1505	479	123	31498	140,63 m ²	48,25 m ²	0,00 m ²	188,88 m ²	14,43%
Parking 5-D	01/10/2019	3 Marbella	1399	380	50	31355	14,25 m ²	0,00 m ²	0,00 m ²	14,25 m ²	4,33%
Storage B-D	01/10/2019	3 Marbella	1399	380	72	31366	10,40 m ²	0,00 m ²	0,00 m ²	10,40 m ²	3,16%

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals

1.7. Market Analysis

The local market analysis is detailed within the Residential Market section of this report. We have given particular attention to what is essentially a niche property market within an exclusive area of Marbella. Our comparables are detailed within this section and we have made adjustments in accordance to size, location, quality, design and characteristics related to the subject property. In terms of rental values, short term holiday lets has been the main rental arrangements within the subject urbanisation. However, the impact of COvid-19 has seen some owners wish for greater income security and have adopted to monthly lets or in some cases longer. The subject area has a fairly limited long term rental agreement market but we would expect this to increase over the short term whilst the pandemic continues.

1.8. Valuation Approach & Assumptions

Hypothesis:

As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice.

Rental Income

We have adopted a long term market rental income scenario based on at least a 12 month assured tenancy and in line with market practice in Spain.

In terms of income we have analysed the information provided to us and consider

- j) The rental level is realistic i.e. that they are considered market rent. We consider that market rental levels will begin to rise over the short term, we have reflected little market rental growth over the next 18-24 months, and thereafter we consider rental should begin to make improvements.
- k) We have increased rental levels in accordance with CPI predictions over the cash flow period at an average of some 1.13%.
- l) We have considered that the Minimum Guaranteed Rent (only rental contract related to tenants no additional income included) for the property. Our first year rental expectations are some €115,200 for the first 12 months of the cash flow.

Outgoings

In terms of day to day management costs we have reflected the following costs in our cash flow:

- m) A building and rental insurance amount which would be sole responsibility of the landlord in order to protect their interest, this amount has been based on 0.90% of the minimum guaranteed rent.
- n) We have also applied a sinking fund and contingencies over the cash flow period of some 0.50% and 0.50% each mainly to reflect any possible one off repairs, possible additional expenses or any other item which is not specifically covered within the lease contracts. This is purely a contingency measure.
- o) The subject property has a service charge associated with the common areas and have adopted a monthly amount of some €533 in line with the budget.
- p) We have also considered an IBI tax charge and based on some €166.66 per month and a refuse collection charge of some €16.67 monthly.

We provide details of our DCF to illustrate the calculation parameters adopted:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expect	€115.200	€116.506	€117.826	€119.161	€120.512	€121.878	€123.259	€124.656	€126.069	€127.497	
Costs	-€10.785	-€10.907	-€11.031	-€11.156	-€11.282	-€11.410	-€11.539	-€11.670	-€11.802	-€11.936	
Net Operating	€104.415	€105.599	€106.795	€108.006	€109.230	€110.468	€111.720	€112.986	€114.266	€115.561	
Exit Yield	3,12%	3,51%									
Exit Price	€3.707.852										
Exit Costs	-€74.157										
Net Exit Price	€3.633.695										
Cash-flow	-€3.373.210	€105.599	€106.795	€108.006	€109.230	€110.468	€111.720	€112.986	€114.266	€115.561	€3.633.695
Gross Value	€3.477.625		Net Yield			3,23%		All Risks Yield			3,40%
Purchasers C	-€242.625		Triple Net Yield			3,00%		IRR			3,64%
Net Value	€3.235.000		Gross Yield			3,56%		€/m ² Total			€17.127
								€/m ² Built Dwelling			€23.004

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. In terms of the subject area the property lies in the Puente Romano Jardin Japones complex which has private communal areas which are gardens and swimming pools. Located within 350 metres of Hotel Puente Romano where majority of services and facilities are located. 2. The property is modern and high specification in terms of design, characteristics and the distribution is excellent. 3. The property is similar in characteristic in terms of size and layout to those properties within the urbanization and value added opportunities arise in regards to specific location within the urbanization, sea views and orientation. 4. There are several properties which have been sold in the subject area recently and similar in dimensions. Sold prices are in the region of €12,000/m² to €14,000/m² for none refurbished property and which are slightly dated. This relates to two properties located to the north of the urbanization within residential blocks Jacinto and Iris which sold respectively for approximately €1.7m and €1.95m both had dwelling areas of some 140m² with 50m² terraces. Their location matched with state of repair reflected a significant discount in pricing. 5. Refurbished properties in the urbanization have sold between €20,000/m² to €21,000/m² for quality properties, namely within Helecho, a modern specification situated to the north with views over the botanical gardens and a sea view albeit from a distance. Helecho sold for some €20,567/m² and can be found in our comparable list. Carmelita is adjacent to the subject property and enjoys similar views, in contrast the property has undergone a part refurbishment in terms of bathrooms and kitchen but in no way meets the high specification attributed to the subject property. We would expect a capital value price in the region of €22,000/m² to €24,000/m² reflecting current stock available. Due to quality, location and characteristics we would expect demand for the type of product the subject property offers. We are also encouraged by the sale of the property within Jardin Persa of Puente Romano II at some €23,599/m² 6. There is a limited long term rental market in the area as traditionally based on short term let's to holiday makers mainly over the summer break and
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	<p>punctual holiday dates. Adopting an appropriate market rent is based on professional knowledge and have adopted a reasonable monthly amount.</p> <ol style="list-style-type: none">7. There is limited availability of properties with the urbanization. We have adjusted for both size and quality of specification in our analysis.8. The subject property is superior to those available within the subject urbanization in terms of quality and specification. The dwelling is more private and located further away from the (swimming pools).9. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 9 to 12 months would be required to achieve a sale of the property under current market conditions. If a forced sale situation were to arrive (Disposal within a 1 month period) we consider there would be a decrease in the valuation figure herein reported
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1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the “Market Value” is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value




Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 213,53 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€3,235,000

(Three Million Two Hundred and Thirty Five Thousand Euros Only)

10. Calle Torre Verde 18; Conjunto Villamagna (Villa Romane)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucía Málaga Marbella Puente Romano Some 4 kilometres to the west of Marbella city centre - Golden Mile	<p style="text-align: center;"><i>Map</i></p>  <p>The map shows the southern coast of Spain, with Marbella highlighted. A red dot indicates the location of the Puente Romano Beach Resort & Spa, with a label below it.</p>
Micro Location District: Surrounding:	Conjunto Villamagna within Puente Romano Mainly Residential Low rise residential Hotel Services Restaurants Tourist facilities Beach	<p style="text-align: center;"><i>Map</i></p>  <p>A detailed street map of the Puente Romano area, showing the resort's layout, surrounding roads, and the beach area.</p>
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 within 300 metres also AP7 and A7 motorway within 2.2 kilometers Malaga, 58 kilometers Puerto Banus 2.5 kilometers	<p style="text-align: center;"><i>Map / Aerial View</i></p>  <p>An aerial photograph of the Puente Romano resort area, showing the resort's buildings, swimming pools, and surrounding landscape. A white circle highlights the specific location of the property.</p>

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 4.0 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a prime and decent residential area with associated services and facilities on the sea front within the golden mile of Marbella. The property is within a short distance of the beach. Considered one of the main luxurious residential areas and prime real estate locations within Marbella.

The property is situated within the Villamagna Puente Romano urbanisation. A private street within Puente Romano and adjacent to the Hotel Puente Romano complex. The subject property is detached and considered second line in terms of the beach front. The property does have sea views from the upper floors. The complex comprises some 2,525 m² separated into seven different dwellings. Each property is independent and private. The property is very well located in terms of 50 metres from Hotel Puente Romano services and facilities but also 50 metres from the beach. The property is a short distance from the Sea Grill Lounge and El Chiringuito.

Services are located in close proximity as Hotel Puente Romano is located some 50 metres to the east and provides numerous services and facilities on site mainly due to the existence of the hotel. There is an owners club, Tennis club, Health and Fitness, Six Senses Spa, Kids Club, retail units and hotel and private parking. There are also meeting rooms available within the hotel. In terms of gastronomy and restaurants these are located within the urbanisation at various points including the Sea Grill Lounge and El Chiringuito located on the beach front. The Plaza which comprises some 6 restaurants including Nobu, Thai Gallery, Leña, BiBo. Seafina and Celicioso located to the north of the urbanisation. There are some 9 other main restaurants or bars such as La Concha, La Selva, Les Jardins I du Liban, Supperclub, La Suite, Cheat, Rachel's Eco Love, Lagom! Café and Monkey Club dotted in and around the urbanisation.

The subject property is very well located and there is some external car parking to the east of the property. The property overlooks the residential properties to the south and is private in nature with sea views from the balcony terrace.

The area is consolidated and access is protected with various road barriers on site (this is particularly important during the summer months when the area can be congested). The subject property is within walking distance of a number of services and facilities. Access to major roads can also be reached with relative ease. Security is provided at the entrance to Puente Romano and there are numerous caretakers on site.

1.3. Description of the Property

Building characteristics

Property/ building type	Detached Residential Dwelling	
Year of construction	Approximately 1999	
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary to reflect the prestigious nature of the area. The exterior of the property fits in with the surroundings and is slightly more modern in aspect. The property has been modernised and is to a high specification. The quality, nature and characteristics of the property are superior in comparison to other properties in terms of design, characteristics, distribution and layout.	
Facilities	Private garden and terraced areas on site but able to access Hotel Puente Romano if necessary	
Parking	There are parking facilities for up to 3 cars at basement level. This is accessed at street level and a car lift. Once car can be parked at basement level and 2 cars fit within the lift mechanism.	
Lettable Areas	Our floor areas are based on the information provided and are as follows:	
	Cadastral	
	Main figures	
	Use	Residential
	Land Plot	2,525 m²
	Participation	16.910%
	Basement	145 m²
	Ground Floor Dwelling	119 m²
	First Floor Dwelling	106 m²
	Sports	15 m²
	Second Floor Dwelling	71 m²
	Constructed Area	456 m²

Description:	<p>Situated within the street known as Torre Verde.</p> <p>Singular detached dwelling with basement and 3 upper floors</p> <p>The property has been extensively refurbished to a modern and high specification standard. The property is walled and can be accessed by either the garage door which fronts street Torre Verde or the pedestrian access. This leads to a paved terrace area which fronts the property and is enclosed by a perimeter wall with tropical plants to help protect privacy. It is possible to walk around the majority of the house via a terraced area. There are various plants, shrubbery and palm trees planted to the exterior wall. Upon entering the property greeted with a hallway and stairs which lead to the upper floors.</p> <p>Heading to the ground floor we are met with a large and spacious living room with patio doors to the front. To the rear is located 2 bedrooms and associated bathrooms including a WC. There is also a stairwell which provides access to the basement area.</p> <p>The basement comprise various rooms including an open plan living room with a themed bar, to the rear is a large conference room (this could be adapted to provide a 4th bedroom). To the front are two rooms related to laundry and services as well as a Bathroom and WC. To the east side of the basement is the car parking area which is separated by a glass panel. There is room for the parking of some 3 cars. The property also benefits from a lift installation which runs throughout the house with a capacity for 3 person or 225kg.</p> <p>Returning to the main hallway entrance there is a stairwell which leads to the first floor level to an open plan living room which leads to a south facing terrace and comprises a plunge pool, refreshing plunge pool and a barbecue area. There is a kitchen area to the rear. The space has also been adopted to office area.</p> <p>Leading to the 2nd floor is the master bedroom which benefits from a sun lounging terrace with patio doors and with views to the sea. There is a very stylish walk-in wardrobe and a large bathroom incorporating a bath with external views.</p> <p>To the roof there are numerous solar panels which contribute to the heating efficiency within the subject property.</p> <p>The subject property is very well maintained and provides quality finishing's and fixtures. The property interior design is by Ambience Home Design and reflects quality workmanship throughout.</p> <p>We understand the property is connected to al mains and services.</p>
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1.4. Photos





State of repair

Overall, the condition of the subject property can be assessed as excellent and during our inspection, we did not consider any refurbishment or extensive repairs required. The property has recently undergone a full refurbishment and the quality of workmanship and finishes was excellent.

Assessment of building

Well known and established residential area within a setting of various urbanisations with mature landscaped and botanical gardens. Some exterior parts of the property date from the 1990s but this does keep in line with the general construction build in the subject area. The property has been modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions.

Notably there are very few opportunities of properties of this size and dimensions within Puente Romano area. The area is typified by apartments within small rise residential blocks. The property is second line but in close proximity to the main services and facilities in the area.

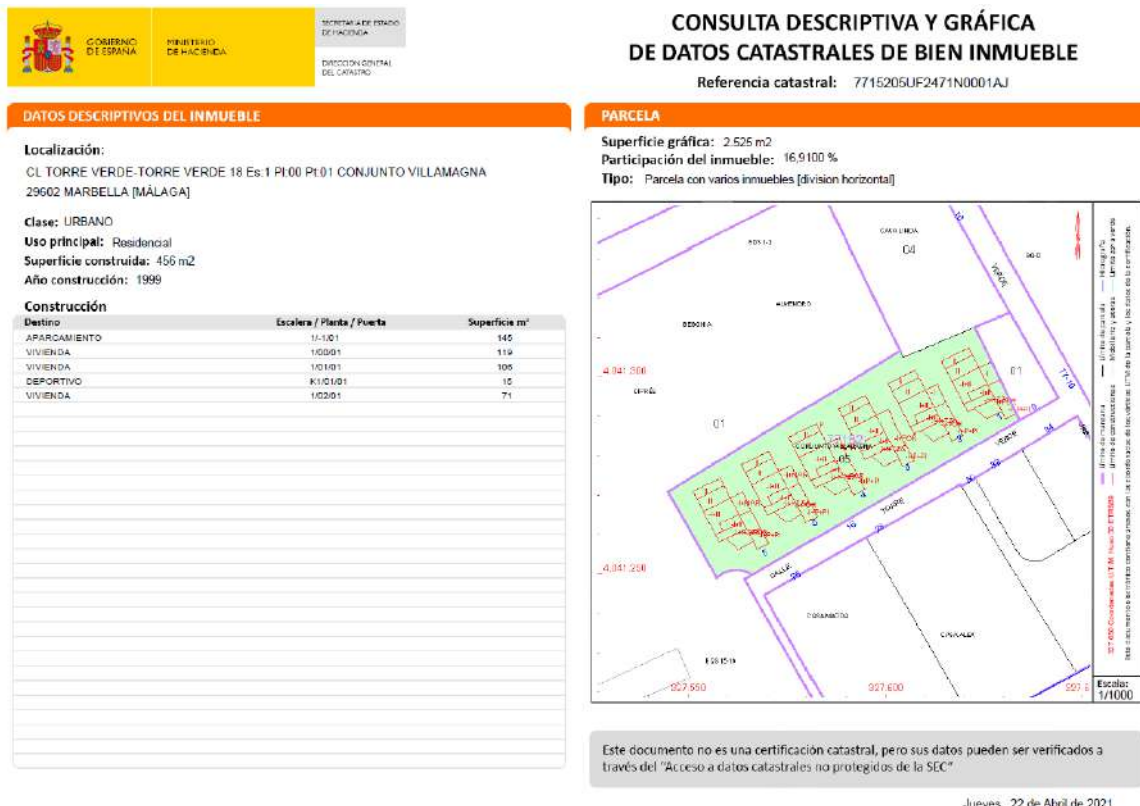
The property is well distributed and adopted to the current occupiers requirements. There is scope to convert the conference room to a further bedroom within the basement, as a positive there is natural light to this area. The property is well proportioned and is triple the size of normal apartment buildings in the subject area.

As an end terrace there is little opportunity of construction next door, this area currently serves as car parking and service road. We consider the property to be exclusive in nature.

1.5. Site

Site Boundaries	&	The land plot is irregular in shape. The property forms part of the urbanization Conjunto Villamagna. The urbanization has clear marked boundaries and the subject property has clear perimeter walling marking its boundaries.
North		Large residential detached property known as Casa Linda and also street known as Torre Verde
East		Service road to the urbanization and car parking, further afield is the Hotel Puente Romano complex.
South		Service road and detached residential housing, further afield is the beach area
West		Further 6 dwellings attached to the conjunto Villamagna.
Commentary		We have made enquiries with the local authority in regards to the land on which the building sits, whether it is unstable or whether it has been contaminated We would normally assume there to be no adverse ground or soil conditions and that the load bearing capacity of the sites of each property are sufficient to support the building constructed or any proposed development. Unless we are notified otherwise, we consider that the materials, the facilities and the land are in an acceptable condition.

Cadastral Plan Layout



1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 15/12/2016: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total
Vivienda Unifamil	15/12/2016	3 Marbella	1668	642	219	47023	440,32 m ²	98,05 m ²	0,00 m ²	440,32 m ²

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals

1.7. Market Analysis

The local market analysis is detailed within the Residential Market section of this report. We have given particular attention to what is essentially a niche property market within an exclusive area of Marbella. Our comparables are detailed within this section and we have made adjustments in accordance to size, location, quality, design and characteristics related to the subject property. In terms of rental values, short term holiday lets has been the main rental arrangements within the subject urbanisation. However, the impact of COvid-19 has seen some owners wish for greater income security and have adopted to monthly lets or in some cases longer. The subject area has a fairly limited long term rental agreement market but we would expect this to increase over the short term whilst the pandemic continues.

1.8. Valuation Approach & Assumptions

Hypothesis:

As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice.

Rental Income

We have adopted a long term market rental income scenario based on at least a 12 month assured tenancy and in line with market practice in Spain.

In terms of income we have analysed the information provided to us and consider

- m) The rental level is realistic i.e. that they are considered market rent. We consider that market rental levels will begin to rise over the short term, we have reflected little market rental growth over the next 18-24 months, and thereafter we consider rental should begin to make improvements.
- n) We have increased rental levels in accordance with CPI predictions over the cash flow period at an average of some 1.13%.
- o) We have considered that the Minimum Guaranteed Rent (only rental contract related to tenants no additional income included) for the property. Our first year rental expectations are some €288,000 for the first 12 months of the cash flow.

Outgoings

In terms of day to day management costs we have reflected the following costs in our cash flow:

- q) A building and rental insurance amount which would be sole responsibility of the landlord in order to protect their interest, this amount has been based on 0.90% of the minimum guaranteed rent.
- r) We have also applied a sinking fund and contingencies over the cash flow period of some 0.50% and 0.50% each mainly to reflect any possible one off repairs, possible additional expenses or any other item which is not specifically covered within the lease contracts. This is purely a contingency measure.
- s) We have not included any service charge within our budget.
- t) We have also considered an IBI tax charge based on 1.25% (€300/monthly) of the rental income stream and a refuse collection charge of some 0.125% (€30/monthly).

We provide details of our DCF to illustrate the calculation parameters adopted:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€288.000	€291.264	€294.565	€297.903	€301.280	€304.694	€308.147	€311.640	€315.172	€318.744	
Costs	-€9.432	-€9.539	-€9.647	-€9.756	-€9.867	-€9.979	-€10.092	-€10.206	-€10.322	-€10.439	
Net Operating Income	€278.568	€281.725	€284.918	€288.147	€291.413	€294.715	€298.055	€301.433	€304.850	€308.305	
Exit Yield	2,87%	3,02%									
Exit Price	€10.754.809										
Exit Costs	-€215.096										
Net Exit Price	€10.539.713										
Cash-flow	-€8.751.432	€281.725	€284.918	€288.147	€291.413	€294.715	€298.055	€301.433	€304.850	€308.305	€10.539.713
Gross Value	€9.030.000		Net Yield			3,32%		All Risks Yield			3,49%
Purchasers Costs	-€630.000		Triple Net Yield			3,08%		IRR			4,73%
Net Value	€8.400.000		Gross Yield			3,43%		€/m ² Total			€19.077
								€/m ² Built Dwelling			€19.077

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. In terms of the subject area the property lies within a convenient and private area but in very close proximity to both the Hotel Puente Romano (main services and facilities) and within 50 metres of the beach front 2. The property is modern and high specification in terms of design, characteristics and the distribution is excellent. 3. The property is superior in terms of size, characteristics and layout when compared to other properties within the Puente Romano area, there are limited properties available of similar characteristics. 4. Albeit apartments are slightly different product we do need to make comparisons with regards the prices paid for such properties and looking at both first line and second line properties within nearby urbanization such as Jardin Persa and Jardin Japones. Refurbished properties in the Jardin Japones urbanization have sold between €20,000/m² to €21,000/m² for quality properties, namely within Helecho, a modern specification situated to the north with views over the botanical gardens and a sea view albeit from a distance. Helecho sold for some €20,567/m² and can be found in our comparable list. A property within Carmelita also sold for a price of some €20,000/m² (€2.8m) slightly better located but slightly poorer design characteristics. 5. In terms of urbanization Jardin Persa sold prices are in the region of €20,000/m² to €24,000/m² for properties in the second line within the urbanization, lot sizes range between 170m² to 320m². Recent sales for properties on the sea front have capital value price in the region of €30,000/m². This included a property located at Mimosa 2-1 which sold for some €29,861/m² fully modernized and high specification. Drago 3-1 also sold (albeit second line) at a price of some €24,613/m² once again for 319m² and is located second line. 6. There are two residential villa opportunities available within the same street opposite the subject property. Torre Verde 34 with a floor area of some 240m² has an asking price of some €8.5m (€35,417/m²), slightly better located and
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	<p>sea views but poorer construction materials. Torre Verde 3 with a total floor area of some 467m² (397m² residential) has an asking price of some €8m (€20,151), slightly odd construction materials adopted to the exterior but fairly modern specification internally, second line with some sea views. There is also a villa available in urbanization Ancon Playa located some 900 metres to the west with a floor area of some 402m² and a garden of 578m² including swimming pool, frontline with sea views and modern specification with an asking price of some €12.5m (31,095/m²).</p> <ol style="list-style-type: none"> 7. Based on the market within the subject area we would expect a capital value price in the region of €22,000/m² to €24,000/m² for properties in the region of 170m² to 300m² and making an allowance for size (the subject property is larger than the comparable market) we would expect a price in the region of some €17,000/m² to €20,500/m² reflecting current stock available. Due to quality, location and characteristics we would expect demand for the type of product the subject property offers. 8. There is a limited long term rental market in the area as traditionally based on short term let's to holiday makers mainly over the summer break and punctual holiday dates. Adopting an appropriate market rent is based on professional knowledge and have adopted a reasonable monthly amount. 9. There is limited availability of properties with the urbanization. We have adjusted for both size and quality of specification in our analysis. 10. The subject property is superior to those available within the subject urbanization in terms of quality and specification. 11. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 9 to 12 months would be required to achieve a sale of the property under current market conditions. If a forced sale situation were to arrive (Disposal within a 1 month period) we consider there would be a decrease in the valuation figure herein reported 12. The impact of the pandemic has meant that certain properties have become more demanded as a reflection of mixing business and home life. There has been an increase in demand from business owners wishing to relocate to the area as the work from home policy has become more normalised. This has the benefit of the family being located in affluent areas with all the advantages and the parents able to work from home or travel when strictly necessary.
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1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the “Market Value” is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value




Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 440,32 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€8,400,000

(Eight Million Four Hundred Thousand Euros Only)

11. Calle Los Nardos - Nueva Andalucía 51 - Marbella; (Centro Polo)

1.1. Description of Location

Macro Location Region: Province: Nearest Main City: Situation Name: Distance:	Andalucia Malaga Marbella Nueva Andalucia Some 7.5 kilometres to the west of Marbella city centre - 800 metres north east of Puerto Banus	<p><i>Map</i></p> 
Micro Location District: Surrounding:	Nueva Andalucia - Urbanisation La Pera Mainly Residential Low rise residential, detached and terraced housing Hotels, retail Restaurants Shopping Centre	<p><i>Map</i></p> 
Public Transport Train: Bus: Roads: Airport: Port:	Limited (Malaga AVE) Various - inner city N-340 (A7) within 300 metres also AP7 motorway within 4.5 kilometres Malaga, 61.5 kilometres Puerto Banus 800 metres	<p><i>Map / Aerial View</i></p> 

1.2. Location Assessment

The property is well connected to an extensive road/motorway network situated some 7.5 kilometres to the West of Marbella city centre. Residential housing in surrounding areas of socio-economic level upper medium to high and mainly quality residential. Considered a decent residential area with associated services and in proximity to Puerto Banus. The property is within 800 metres of the port area. Considered a mixed use area with both residential and commercial uses. There are large private urbanisations typified with communal areas and also detached residential dwellings with private gardens and swimming pools. Commercial uses in the area are retail including the Puerto Banus area, there is the Centro Plaza shopping centre which incorporates offices uses to the upper floors, hotels such as H10 Andalucía Plaza, there are numerous retail outlets and also the bullring located in proximity.

The property is situated within a residential area and within an urbanisation known as La Pera. Due to the nature of the property it also fronts Street Azaleas and cannot therefore be considered a private urbanisation as there is public access. The residential part of the scheme is accessed via the urbanisation on an internal service road and the commercial part on the lower floors can be accessed via Azaleas. The office and residential complex (Centro Polo) lies in a plot of some 1,042m² and is located to the east of the urbanisation. The majority of the properties within La Perla are detached single residential dwellings with gardens and swimming pools. There are some new build developments within the urbanisation and located opposite to the subject property a development by Alquimia.

There are limited services on site or within the urbanisation. Services are located in close proximity within the shopping centre Centro Plaza and is situated some 200 metres to the north. These include general services such as supermarkets, banks, pharmacists, bars & restaurants, gymnasium etc.

The subject property is reasonably well located as access to the A7 motorway is within 300 metres. Puerto Banus is within a short distance. The property overlooks residential schemes and urbanisation within the subject area but is also private in nature. Parking is limited to on street within the subject area and within la Perla urbanisation itself parking is difficult.

We consider the subject area to be within short distances of main commercial areas but also convenient to avoid the hassle of main commercial hubs. The property is located to the north of the N340 (A7) main road, which acts as a barrier and can be considered to be just off pitch.

1.3. Description of the Property

Building characteristics

Property/ building type	Mixed Use - Residential - Offices - Business Centre with associated services																				
Year of construction	Approximately 2002																				
Quality of building	The construction and finishes to the property are commensurate with its age and use. The property has been well maintained and upgraded as and when necessary. The exterior of the property fits in with the surroundings. The property is currently undergoing an extensive refurbishment programme at the time of inspection. The quality, nature and characteristics of the property are different to what is readily available in the subject area																				
Facilities	Limited on site but within proximity to Centro Plaza and Puerto Banus																				
Parking	Limited to on street parking - potential to incorporate a space to rear of property.																				
Lettable Areas	<p>Our floor areas are based on the information provided and are as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Cadastral</th></tr> <tr> <th colspan="2">Main figures</th></tr> </thead> <tbody> <tr> <td>Use</td><td>Residential</td></tr> <tr> <td>Land Plot</td><td>1,042 m²</td></tr> <tr> <td>Office</td><td>731 m²</td></tr> <tr> <td>Common Areas</td><td>86 m²</td></tr> <tr> <td>Residential</td><td>237 m²</td></tr> <tr> <td>Storage</td><td>83 m²</td></tr> <tr> <td>Other</td><td>58 m²</td></tr> <tr> <td>Constructed Area</td><td>1,195 m²</td></tr> </tbody> </table>	Cadastral		Main figures		Use	Residential	Land Plot	1,042 m ²	Office	731 m ²	Common Areas	86 m ²	Residential	237 m ²	Storage	83 m ²	Other	58 m ²	Constructed Area	1,195 m ²
Cadastral																					
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Use	Residential																				
Land Plot	1,042 m ²																				
Office	731 m ²																				
Common Areas	86 m ²																				
Residential	237 m ²																				
Storage	83 m ²																				
Other	58 m ²																				
Constructed Area	1,195 m ²																				
Description:	<p>Situated within the urbanisation known as Urbanisation La Pera. The urbanisation is made up of various residential dwellings with associated gardens and swimming pools.</p> <p>The property although described as two different entities is a singular block but due to the lay of the land can be accessed at different levels of the property from the front and rear.</p> <p>The property is set over some 4 floors.</p> <p>The lower floors which can be accessed via Calle Azaleas have a typical retail front (although described as basements 1 & 2 within the cadastral) they are in fact at street level and from Calle Azaleas appear as ground and first floor.</p> <p>These two floors are currently undergoing extensive refurbishment work and are connected by an internal staircase. The floors are fairly open plan and partitioning walls have been removed. The floors are</p>																				

	<p>currently undergoing distribution and layout. Natural light is confined to the front of the subject units at basement level 2 and at basement level 1 natural light is incorporated at the front and side of the subject property.</p> <p>Ongoing works included division of areas and some storage areas but in general the property was open plan. These two floors are connected by a main internal staircase.</p> <p>Four of the subject land registry plots are included within these two floor areas.</p> <p>The fifth land registry plot is the residential element. At present this can be accessed via calle Los Nardos at ground floor level (Floor 3 within the subject property) and has own private access. There is also an external garden area at this level including a swimming pool and terrace areas. The property has an upper floor which is currently undergoing refurbishment including terrace areas. The property is being refurbished to provide residential accommodation for letting purposes.</p>
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1.4. Photos







Fixed Desks



Hot Desks



VIP Offices



Conference Rooms



Gym



Luxury Rooms

State of repair

The property is currently in a skeleton state and undergoing an extensive refurbishment programme. The photos illustrate the concept that will be adopted upon completion. In general to a high specification and modern standard.

Assessment of building

Well known and established residential area within proximity to Puerto Banus. Property was built some 19 years ago but the characteristics and design fit in with the local construction. The property is in the process of being modernised to an excellent standard. Distribution and layout are adequate for a property of the size and dimensions. The majority of the property will be dedicated to office and business space use with the upper floor dedicated to room rental.

1.5. Site

Site & Boundaries	The land plot is rectangular in shape. The property forms part of the urbanization known as the Pera. The urbanization has only once access point within the internal ring road. Due to the lay of the land the property has a ground floor entrance at Calle Las Azaleas and also a ground floor level at Calle Nardos (3 rd floor level). These two points of access are situated to the west and east of the subject property.
North	Residential detached dwelling with associated gardens and swimming pool
East	Internal service ring road Calle Los Nardos overlooking residential detached villas and a new luxury residential development.
South	Residential building divided into numerous apartments including gardens and swimming pool.
West	Frontage to street known as Calle Las Azealas and overlooking the residential urbanization known as Andalusia Garden Club.
Commentary	We have made enquiries with the local authority in regards to the land on which the building sits, whether it is unstable or whether it has been contaminated We would normally assume there to be no adverse ground or soil conditions and that the load bearing capacity of the sites of each property are sufficient to support the building constructed or any proposed development. Unless we are notified otherwise, we consider that the materials, the facilities and the land are in an acceptable condition.

Cadastral Plan Layout

DATOS DESCRIPTIVOS DEL INMUEBLE

Localización:
CL LOS NARDOS-NVA ANDALUCIA 51 CENTRO POLO
29660 MARBELLA (MÁLAGA)

Clase: URBANO
Uso principal: Residencial
Superficie construida: 378 m²
Año construcción: 2002


Destino	Escalera / Planta / Puerta	Superficie m ²
ALMACEN	1A-1/01	72
VIVIENDA	1/00/01	150
PORCHE 100%	1/00/02	9
SOPORT. 50%	1/00/03	12
DEPORTIVO	1/00/04	52
ALMACEN	1/00/05	11
VIVIENDA	1/01/01	87
SOPORT. 50%	1/01/02	9

CONSULTA DESCRIPTIVA Y GRÁFICA DE DATOS CATASTRALES DE BIEN INMUEBLE

Referencia catastral: 4602112UF2440S0005SM

PARCELA

Superficie gráfica: 1.042 m²
Participación del inmueble: 30,6500 %
Tipo: Parcela con varios inmuebles (división horizontal)



Este documento no es una certificación catastral, pero sus datos pueden ser verificados a través del "Acceso a datos catastrales no protegidos de la SEC"

Miércoles, 21 de Abril de 2021

1.6. Tenure and Statutory Details

Tenure

We have been provided with a copy of the legal due diligence as detailed at the purchase of the subject property. The report provides details regarding both from the cadastral note and from the land registry. We have provided our opinion of value on the basis that the property does not have any mortgage or any other unusual outgoings.

In reporting our value we have assumed the property as detailed herein are held on the equivalent to a Freehold albeit this should be checked and confirmed with your legal advisors. We recommend that our interpretation of all legal documentation be referred to your legal advisers for confirmation

We have been provided with land registry excerpts issued by the Property Registry 3 of Marbella dated 05/02/2020: Ownership:

Description	Document Date	Property Register N°	Take	Book	Sheet	Land Registry Plot N°	Area	Terrace	Common	Total	C . Area %
Retail Unit N° 1	05/02/2020	3 Marbella	2183	1157	220	82693	136,59 m ²		33,44 m ²	170,03 m ²	0,14%
Retail Unit N° 2	05/02/2020	3 Marbella	2183	1157	222	82694	152,13 m ²		25,96 m ²	178,09 m ²	0,15%
Retail Unit N° 3	05/02/2020	3 Marbella	2183	1157	224	82695	149,09 m ²		8,98 m ²	158,07 m ²	0,15%
Retail Unit N° 4	05/02/2020	3 Marbella	2184	1158	1	82696	292,91 m ²		17,63 m ²	310,54 m ²	
Residential	05/02/2020	3 Marbella	2184	1158	3	82697	296,26 m ²	64,63 m ²		360,89 m ²	30,65%

Town Planning

We would normally obtain Town Planning information by means of a verbal enquiry to the Urban Planning Department in the local Town Hall. We take into account the licenses, limitations and permits granted and mention them expressly in the present report. We accept and rely on this information as been correct, further clarification on such matters can be sought via your legal advisors. We would normally assume that properties have been constructed, or those that are being constructed, and are occupied or used have obtained and been granted the appropriate consents for their use and occupation and that there are no outstanding statutory notices. We would normally assume that the premises comply with all relevant statutory requirements including building, fire and health and safety regulations. We would also assume that the property is not adversely affected by any town planning or highways proposals

1.7. Market Analysis

The local market analysis in terms of economics is detailed within the market section of this report. In terms of offices and business space this is currently a limited market within Marbella as traditional investment funds and principal occupiers are situated in main cities. Malaga is the nearest focal point in terms of office investment.

Highest rents correspond to modern facilities, which have modern specifications and installations. On the contrary, poorly located or those that do not meet modern specification are experiencing difficulties to let up space due to the excess of supply in decentralized areas and the weaker demand from operators.

Up to the pandemic March 2020, the rents in prime offices / retail and locations are steady with respect to 2019 and there was a sensation that the market was picking up. This was reflected in the amount of leasing enquiries, incentives offered to tenants had reduced. Rent free periods had reduced from between 2-6 months depending on the negotiations.

The pandemic has caused a shock to the market in terms of occupier requirements, the change to working from home and many people making lifestyle choices due to being able to work from a home environment. We are still in the process of the repercussions of the impact on the office market and these will likely come to avail once the vaccine is implemented fully.

There has been an increase in demand for flexible office working environments as a result of the pandemic. Small and medium sized companies including sole practitioners are demanding flexible office space away from the home environment but maintaining an image. We are at the beginning of the process but this appears a probable way forward. There are a number of similar schemes in advance near to Puerto Banus and also the reconversion of part of the El Corte Ingles to a teleworking subsidiary in the El Capricho shopping center in Marbella. El Capricho, located on Alfonso de Hohenlohe Boulevard. We are also aware of a project located at the roundabout of Calle Los Granados (entrance Puerto Banus) whereby an office project with associated services is currently under construction / refurbishment. We understand an agreement was reached for a floor area of approximately 595m² in 2019 at an acquisition price of some €6,400/m². The property is better located but has required a near demolition of existing structure and reconstruction.

Top office rents within Marbella for unit sizes of some 150m² to 250m² range from €14.00-€16.00/m²/month. Such rents rise considerably when smaller lot sizes or form part of a professional offices unit. Such rates tend to change to a monthly rate rather than a rent per square metre e.g. €600 monthly for a 25m² office.

Retail rents vary in accordance to footfall and position within Puerto Banus. Rentals can range from €75/m² month to €225/m²/month but will depend on unit size and position within the prime area of Puerto Banus. Once in secondary areas or not first line these rents decrease considerably ranging from €25/m²/month to €100/m²/month for units of between 75m² to 300m².

Rental commitments will depend on the size of unit and occupier requirements. The subject property has added features such as terrace areas, common areas, is well located. The subject property is well communicated but has limited car parking - all such factors would impact on the rent an occupier would be willing to pay.

There are limited properties available to lease in the subject area and range from between 30m² to 40m² at rates of €20/m²/month to €45/m²/month dependent on location.

The subject property is substantial in size when compared to the local market, there are some reasonable office available within Marbella of sizes 750m² to 900m² with asking rents in the region of €12/m²/month to €16/m²/month. We would expect the subject property to command a similar rent if leased as a whole and to increase dependent on the size of units.

Recent key real estate market sentiment include:

There is still a strong capital requirement to invest in property but many funds require finance as part of the purchasing condition. Banks have become weary, taking a wait and see approach or offering unrealistic finance conditions. There is still an underlying concern that the economic fallout from the pandemic will be harsh.

There is a great deal of pressure on funds to invest in Spain at present. New investment is coming from international funds which have recently landed in Spain or local investors / asset managers with the backing of major financial institutions or capital risk companies. During the pandemic a wait and see approach has been taken by the majority of investors and banks alike but key deals continue to occur if investor and seller meet each other's requirements.

SOCIMI's have been major purchasers in the property market recently as they try to complete investment timing with the funds allocated by their backers.

There have been limited transactions within the subject area. This is for a number of reasons, existing capital is more focused on more centrally located properties in prime city areas (Top six Spanish cities) and the knock on effect to peripheral areas such as this has not yet seen much activity. Lot size is also important - main investors are of international status and only look at lot sizes in excess of €10m.

Developers are more focused on prime locations or major provincial cities as well as coastal areas. The emphasis is on securing demand from end purchasers.

Major purchasers are from international backed funds cantering on core / core plus properties in main markets with lot sizes in excess of €10m. Other main market is Non Performing Loans related to real estate as banks clear up balances. Middle market for added value properties in provincial towns lacks funds (lot sizes between €2m to €10m) - limited to private wealth or family offices.

Major transactions in the area have been limited and focused on hotel and tourism in general. Logistics and Offices continue to be centred on Malaga whereas High Street does include Marbella.

Notable transactions include Philyra Inmuebles Alfa acquiring an office block from Merlin of some 2,046 m² situated at Maestranza 6 for a some of €3.65m at a yield of some 6.50% in June 2017. Although some 4 years ago we wanted to illustrate historical yield levels.

Optima Real estate purchased a retail unit occupied by RKS in Puerto Banus (Muelle de Benabola, 17) of some 105m² at a price of some €3m reflecting a yield of some 5% in September 2018.

Pilma Travel purchased a retail unit at Muelle Príncipe Salman. Puerto Banús with a size of some 200m² at a price of some €4m in March 2017.

Investment transactions are limited for the type of asset and its nature and characteristics. The most relevant transaction would be the redevelopment purchase at Calle Los Granados at some €6,400/m². The site has a mixed use business plan similar to the subject property and making allowance for location, size, layout, nature and characteristics on the commercial element a price in the region of some €3,200/m² - €3,500/m² would seem reasonable.

1.8. Valuation Approach & Assumptions

Hypothesis:

Due to the nature and characteristics of the subject property (Currently undergoing major refurbishment) we have adopted 2 scenarios:

- (III) As per our instructions we have considered the valuation of the subject property on both a comparative basis and a long term rental basis. We have done a hybrid valuation of the two methods which means in some instances the yield profile maybe considered hard but has been adopted to market practice. This is the end capital value expected at termination of the refurbishment works
- (IV) Market value considering the current condition of the property as of the valuation date and subject to the costs remaining to be paid in the termination of the works

Due to the nature and characteristic of the site investment market there are various points which need to be considered in arriving at our opinion of value. We consider any developer will closely consider the size and nature of the subject property, the timing related to the refurbishment and sales of the end product. We have therefore paid particular interest to the type of investors target rate of return and judgement of risk associated with the site; the profit on cost resultant from any proposed project and also the annual return on equity over the time period of the development.

We have adopted a time period for the cash flow in arriving at our opinion of value. We consider this timescale to be reasonable to reflect the project and the development and sale of the proposed project in line with market prices and sentiment. We have taken into account an internal rate of returns in the region of 14.00% plus or depending on the valuation scenario and risk profile, we have applied rates that consider are in line with current market sentiment from an equity investor. This IRR reflects adequately the risk profile of the investment and country profile at present, there are limited purchasers for this type of investment. In accordance with our DCF approach we have remained all costs and revenues constant with no allowance made for either growth or inflation. Due to the nature of the current market we have adopted a snapshot of both property prices and also construction costs.

We also consider relevant that the profit on costs and annual return on equity should be considered. In accordance with the timing of the project considering the town planning assumption we consider an investor would look at a margin of in the region of 18-20% upwards but also checked back on financing terms and considering today's prices and current panorama. As the refurbishment has already commenced and there is a preleasing agreement in place we have lowered the developers profit to just under 10% to reflect work incurred and less risk associated to finish the property.

There are a number of assumptions adopted to our valuation including:

- Town planning situation confirmed with local authority in terms of refurbishment and use potential
- Business plan adopted in accordance with local authority requirements (legal advisors should confirm this is the case) reflecting areas adopted, design and specification of refurbishment and use adopted within the business plan.
- The property has been leased up on long term secure rental agreements with appropriate guarantees. Significantly the rental agreement with Staysure Insurance is key to the

added value of the scheme due to rental obtained and status this provides. We have considered the heads of terms provided verbally as a long term lease agreement (10 years plus), full repairing and insuring, the occupier is responsible for all costs related to the operation based on a monthly rental of some €20,000. We understand the rent is index linked upwards only.

- The project contemplates the following uses

Type	Number Units	Floor	Area
Staysure Group	1	Main Tenant Area	817m ²
Business	50	Mixed	150m ²
Holiday Lets	4	Residential	87m ²
Common Areas		Common Areas	124m ²
Total	55	Total Above Ground	1.178m²

- Staysure will occupy the lower two floors under a long term contractual agreement based on €20,000 per month.
- A “Workspace” area of some 150m² will be utilised as a “business club” with some 50 members sought paying an average of some €400 per month having use of the services and facilities on site including reception, meeting rooms, gymnasium etc. in order to promote their business.
- There are 4 ensuite rooms adopted to holiday lets albeit we consider this will be used by not only holiday makers but also as a knock on effect from the business operating on site.

We have considered three end capital values at the completion of refurbishment based on the three business uses:

We have considered the following end capital values at present:

Type	Area	Construction Hard Costs	Rental Level Expected	Cap Rate	Price €/m ² /Unit	Price
Staysure Group	817m ²	€272m ²	€24,49m ² /month	6,53%	€4.499,65	€3.675.000
Business	150m ²	€340m ²	€42,78m ² /month	7,00%	€7.333,33	€1.100.000
Holiday Lets	87m ²	€544m ²	€29,89m ² /month	6,00%	€5.977,01	€520.000
Common Areas	124m ²	€544m ²	€0,00m ² /month	6,25%	€0,00	€0
Total	1.178m²	329,25 €	23,16 €	Sales €/m²	€4.496,36	€5.295.000

We have based our valuation on both the workspace and the holiday lets on a business model taking into account expected revenues, occupation and capitalising a net operating income.

In terms of Staysure we have adopted a DCF valuation based on a hard-core and froth method which basically capitalises the secure market rent at a certain discount rate and the rent above market rent is capitalised at a higher risk rate. We provide details of our DCF to illustrate the calculation parameters adopted. It should be noted that the rent above market rent has a higher risk element attached and is therefore is valued accordingly.

Contractual Agreement with Staysure (Total):

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€240.000	€242.720	€245.471	€248.253	€251.066	€253.912	€256.789	€259.700	€262.643	€265.620	
Costs	-€3.360	-€3.398	-€3.437	-€3.476	-€3.515	-€3.555	-€3.595	-€3.636	-€3.677	-€3.719	
Net Operating Income	€236.640	€239.322	€242.034	€244.777	€247.551	€250.357	€253.194	€256.064	€258.966	€261.901	
Exit Yield	6,43%	8,98%									
Exit Price	€4.072.673										
Exit Costs	-€40.727										
Net Exit Price	€4.031.946										
Cash-flow	-€3.658.860	€239.322	€242.034	€244.777	€247.551	€250.357	€253.194	€256.064	€258.966	€261.901	€4.031.946
Gross Value	€3.895.500		Net Yield			6,44%		All Risks Yield			6,78%
Purchasers Costs	-€220.500		Triple Net Yield			6,07%		IRR			7,06%
Net Value	€3.675.000		Gross Yield			6,53%		€/m ² Total			€4.500
								€/m ² Built Dwelling			€4.500

Hardcore

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€147.011	€148.678	€150.363	€152.067	€153.790	€155.533	€157.296	€159.078	€160.881	€162.705	
Costs	-€2.058	-€2.081	-€2.105	-€2.129	-€2.153	-€2.177	-€2.202	-€2.227	-€2.252	-€2.278	
Net Operating Income	€144.953	€146.596	€148.257	€149.938	€151.637	€153.356	€155.094	€156.851	€158.629	€160.427	
Exit Yield	5,37%	5,50%									
Exit Price	€2.989.319										
Exit Costs	-€29.893										
Net Exit Price	€2.959.425										
Cash-flow	-€2.595.147	€146.596	€148.257	€149.938	€151.637	€153.356	€155.094	€156.851	€158.629	€160.427	€2.959.425
Gross Value	€2.740.100		Net Yield			5,61%		All Risks Yield			5,90%
Purchasers Costs	-€155.100		Triple Net Yield			5,29%		IRR			6,49%
Net Value	€2.585.000		Gross Yield			5,69%		€/m ² Total			€6.330
								€/m ² Built			€3.165

Froth

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029	2.030	
Gross Expected Income	€185.977	€188.085	€190.217	€192.372	€194.553	€196.758	€198.987	€201.243	€203.523	€205.830	
Costs	-€2.604	-€2.633	-€2.663	-€2.693	-€2.724	-€2.755	-€2.786	-€2.817	-€2.849	-€2.882	
Net Operating Income	€183.374	€185.452	€187.554	€189.679	€191.829	€194.003	€196.202	€198.425	€200.674	€202.948	
Exit Yield	9,37%	9,60%									
Exit Price	€2.166.708										
Exit Costs	-€21.667										
Net Exit Price	€2.145.041										
Cash-flow	-€972.026	€185.452	€187.554	€189.679	€191.829	€194.003	€196.202	€198.425	€200.674	€202.948	€2.145.041
Gross Value	€1.155.400		Net Yield			16,82%		All Risks Yield			17,71%
Purchasers Costs	-€65.400		Triple Net Yield			15,87%		IRR			23,02%
Net Value	€1.090.000		Gross Yield			17,06%		€/m ² Total			€1.335
								€/m ² Built Dwelling			€1.335

Business Workspace:

[illegible]

In terms of gross revenues we have considered a potential of some 50 membership places based on a monthly fee of some €400. Occupancy starts at some 30% in the 1st year, 48% in the 2nd year, 60% in the 3rd year, 66% in the 4th year and 72% in the 5th year rising to 95% in the 10th year.

We have adopted appropriate costs to manage such a workspace including a receptionist, cleaner etc. We have included an amount for utilities such as Electricity and gas, refuse collection, water charges, internet and WIFI connections. We have allowed for Repairs and Maintenance based on some 7.5% of the gross income. We have included external fees such as solicitors and recruitment. An administrative and general costs has also been included.

A business model based on some 30 years has been used which we have adopted a 10% discount rate initially. Based on the fifth year once the business has consolidated we consider an implicit yield based on net operating income of 7.32% to be reasonable. Including common areas this breaks down to some €4,016/m².

We provide details of our calculation parameters:

Calculations - Principal Parameters - CENTRO POLO - NUEVA ANDALUCIA			
Acquisition & Related Costs			
Total acquisition payment	-4.000.000 €	82,72%	-3.396,68 €/m² Over 1.178 m²
Legal Documentation	-10.000 €	0,21%	-8,49 €/m ² Over 1.178 m ²
Acquisition Fees	-120.000 €	2,48%	-101,90 €/m ² Over 1.178 m ²
Site Study	-10.000 €	0,21%	-8,49 €/m ² Over 1.178 m ²
Due Diligence	-10.000 €	0,21%	-8,49 €/m ² Over 1.178 m ²
Valuation	-5.000 €	0,10%	-4,25 €/m ² Over 1.178 m ²
Legal Costs	-10.000 €	0,21%	-8,49 €/m ² Over 1.178 m ²
Notary and Registry	-40.000 €	0,83%	-33,97 €/m ² Over 1.178 m ²
Other additional costs	-5.000 €	0,10%	-4,25 €/m ² Over 1.178 m ²
Total Acquisition Cost	-4.210.000 €	86,14%	-3.575,01 €/m² Over 1.178 m²
Construction and Related Costs			
Site works and Demolition	-7.815 €	0,16%	-6,64 €/m ² Over 1.178 m ²
Construction	-392.574 €	8,12%	-333,36 €/m ² Over 1.178 m ²
Legal Development Costs	-2.002 €	0,04%	-1,70 €/m ² Over 1.178 m ²
Architect & Technical Engineer	-32.565 €	0,67%	-27,65 €/m ² Over 1.178 m ²
Licence Fees	-9.814 €	0,20%	-8,33 €/m ² Over 1.178 m ²
Project Manager	-12.212 €	0,25%	-10,37 €/m ² Over 1.178 m ²
Planning & Licence Management	-1.952 €	0,04%	-1,66 €/m ² Over 1.178 m ²
Taxes	-8.714 €	0,18%	-7,40 €/m ² Over 1.178 m ²
Quality control	-2.036 €	0,04%	-1,73 €/m ² Over 1.178 m ²
Health and safety	-4.071 €	0,08%	-3,46 €/m ² Over 1.178 m ²
Insurance	-4.907 €	0,10%	-4,17 €/m ² Over 1.178 m ²
Miscellaneous Contingency	-14.391 €	0,30%	-12,22 €/m ² Over 1.178 m ²
Marketing & Sales Fees	-132.375 €	2,74%	-112,41 €/m ² Over 1.178 m ²
Total Hard & Soft Costs	-625.428 €	12,93%	-531,09 €/m² Over 1.178 m²
Total Acquisition & Development Cost	-4.835.428 €	100,00%	-4.106,10 €/m² Over 1.178 m²
Revenues			
Adjusted Gross Rental Income	0 €	0,00%	
Gross Sales Revenues	5.295.000 €	100,00%	4.496,36 €/m² Over 1.178 m²
Total Sales	5.295.000 €	100,00%	4.496,36 €/m² Over 1.178 m²
DEAL SUMMARY			
Total cost	4.835.428 €	91,32%	4.106,10 €/m² Over 1.178 m²
Net proceeds	5.295.000 €	100,00%	4.496,36 €/m² Over 1.178 m²
Profit	459.572 €	8,68%	390,25 €/m² Over 1.178 m²
Deal margin	9,50%		11,41% Return Per annum
IRR	13,94%		
Development Yield	7,20%		75,54% Land Value/Sales Price

Comments - Rationale - conclusions

Comments	<ol style="list-style-type: none"> 1. The property will be modernized to a high specification but is currently in a skeleton works and refurbishment is ongoing. 2. The heads of terms agreed with Staysure are key to the properties end capital value. We have undertaken a DCF regarding the workspace area and considered a membership scheme. Our cash flow considers a rank up period with occupation at just 15 persons in the 1st year and build to some 45 members by the tenth year. 3. We understand the 4 letting rooms will be advertised through a well-known holiday destination site. Our focus has been fundamentally on the months of June, July and August with the potential for sporadic lettings at other times of the year. We consider there will be a knock on effect from the workspace leasing in the property and the occupation of Staysure. 4. The subject property is management intensive and a specialized property manager will be required in order to manage the three different concepts so that they are mutually beneficial but do not infringe on each other's areas 5. Size, nature and characteristics of the property means it would be of interest amongst wealthy potential purchasers. Due to the lot size this would probably be limited to family wealth offices or local investors. 6. The end capital value is derived from the potential rental income stream and its security. The leasing agreement with Staysure is fundamental to the value and the associated guarantees. 7. The Market value as detailed "as is" is hypothetical in nature as it considers the amount of refurbishment costs remaining and an adjusted developers profit. 8. In our opinion, subject to availability of all legal documentation, consents etc., a period of approximately 12 months would be required to achieve a sale of the property under current market conditions and once completed. Under the current state of repair and ongoing refurbishment potential purchasers would be limited and a discount on the price indicated would be expected. If a forced sale situation were to arrive (Disposal within a 1 month period) we consider there would be a decrease in the valuation figure herein reported
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1.9. Market Value

Definition of Market Value

The valuation report stipulates the purpose of the valuation and unless stated to the contrary, the basis of valuation is contained within the RICS Appraisal and Valuation Manual. In this instance, our basis of valuation is “Market Value”.

Our opinion of the “Market Value” is expressed according to the definition settled by the RICS Appraisal and Valuation Manual as, “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value (Current Condition)

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 1,178 m² as described with the characteristics defined herein as at 25th April 2021, would be fairly represented in the sum of:

€4,000,000

(Four Million Euros Only)

Market Value under special assumption Completed Refurbishment

Having regard to the comments and assumptions set out in this report, on the assumption the lands as detailed herein are held on the Spanish equivalent to a Freehold, with relevant licenses and planning approvals and that the property is free of defects and has good marketable title, we are of the opinion that the Market Value of the property detailed herein subject to a total area of some 1,178 m² as described with the characteristics defined herein as at 25th April 2021 under the understanding the refurbishment had been completed to the modern and high specification, would be fairly represented in the sum of:

€5,295,000

(Five Million Two Hundred and Ninety Five Thousand Euros Only)

Appendixes

1. General Terms & Conditions Gesvalt SA

Following are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have agreed otherwise and specifically mentioned the variation in the body of the report.

RICS Appraisal and Valuation Standards Manual

This Valuation has been prepared in accordance with the current Edition of the RICS Valuation - Global Standards (the “Red Book”), issued in November 2019 and effective from 31 January 2020.

Valuation Basis

Our reports state the purpose of the valuation and, unless otherwise noted, the basis of valuation is as defined in the Appraisal and Valuation Standards Manual. The full definition of the basis which we have adopted is either set out in our report or appended to these General Principles.

Onerous Covenants

That the Freehold/Leasehold interest is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings contained in the Freehold Title. Should there be any mortgages or charges, we have assumed that the property would be sold free of them.

Disposal Costs and Liabilities

No allowances are made for any expenses of realisation, or for Capital Gains Tax or other taxation that might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or other charges that may be secured thereon.

Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

Fixed Plant and Machinery

We assume that all fixed plant and machinery and the installation thereof complies with the relevant EEC legislation.

Goodwill, Fixtures and Fittings

Excluded from our valuation(s) is any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.

Confidentiality

In accordance with our normal practice this report is confidential to the party to whom it is addressed for the specific purpose to which they refer. No responsibility is accepted to any third party and neither the whole of the report nor any part, nor reference thereto, may be published in any document, statement or circular nor in any communication with third parties without our prior written approval.

Subcontractors

There are circumstances where we may wish to instruct subcontractors. It is our normal policy to agree the appointment with you. We have a duty of care to ensure that, in the delivery of services, the subcontractors meet our own standards.

Source of Information

We accept as being complete and correct the information provided to us, by the sources listed, as to details of tenure, tenancies, tenant's improvements, planning consents and other relevant matters, as summarized in our report.

Documentation

We do not normally read leases or documents of title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation, we recommend that reliance should not be placed on our interpretation without verification by your lawyers.

Tenants

Although we reflect our general understanding of a tenant's status in our valuations, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

Measurements

All measurement is carried out in accordance with local market practice except where we specifically state that we have relied on another source.

Town Planning and Other Statutory Regulations

Information on town planning is, wherever possible, obtained verbally from the local planning authority and, if confirmation is required, we recommend that verification be obtained from lawyers that: -the position is correctly stated in our report; the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities; that there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory and EC regulations, including enactments relating to fire regulations.

Structural Surveys

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services and we therefore do not give any assurance that any property is free from defects. We seek to reflect in our valuations and readily apparent defects or items of disrepair which we note during our inspection or costs of repair which are brought to our attention.

Deleterious Materials

We do not normally carry out investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example, high alumina cement concrete, wood wool as permanent shuttering, calcium chloride or asbestos). Unless we are otherwise informed, our valuations are on the basis that no such materials or techniques have been used.

Site Conditions

We do not normally carry out investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor do we undertake archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these matters.

Services

That the property (ies) is/are connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.

Environmental Contamination

Unless expressly instructed, we do not carry out site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with you.

Outstanding Debts

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

Individual Valuations

The asset has been valued considering a hypothetical individual sale and not as part of a complete portfolio.

Gesvalt has assumed that:

- the Client is the undisputed legal and beneficial owner of the Property, it has good and marketable title to it and all documents necessary to prove title to the Property are in the possession of the Client. Moreover, there are no onerous or restrictive covenants in the titles or leases which could affect the use or the transferability of the Property or the Valuation;

- the Property is duly registered in the relevant Land Registries and that there are no new works pending to be registered and no discrepancies between the registry or the cadastral information and effective measures and data of the Property;
- no third party has any right over the Property other than those under the applicable regulation, even in case of transfer of the relevant asset.
- there are no restrictions, liens, additional payments or additional works included in the statutes of the urban entities and/or communities to which the Property may belong;
- the Client is up to date in the payment of all common expenses levying the Property;
- the Client has entered into all required drainage, gas, electricity, water or other required service and/or supply agreement related to the Property. There are no restrictive or onerous provisions in the relevant service and/or supply agreements related to the Property;
- there is no action, arbitration or dispute, either threatened or current, regarding any of the premises of the Property, title, deeds, use, condition, licenses, permits or any other issue regarding the assets;
- there are no urban development planning proposals affecting the Property and/or to the urban characteristics (“ficha urbanística”) of the same;
- The owner has obtained all the required licenses and permits according to the current legal regulations, including the necessary licenses for the activities carried out in the assets. The owner has not received any communication from any authority requiring the application for any additional licence or permit and there are no reasons to revoke current licenses and permits. The owner complies with all conditions imposed by the corresponding authorities in such licenses and permits, and there are no works to be carried out or conditions imposed by the authorities or included in the tenancy agreements or in the articles of association not satisfied already;
- the Client is registered in the relevant industrial registry;
- The owner complies with all the current regulations regarding environmental issues, is registered in the relevant registries, has obtained all the necessary local permits and there are no special conditions, or substances that might be considered as dangerous for the environment;
- the Client has underwritten the necessary insurance policies to cover the Property or the activities therein developed, and is up to date in the payment of the premiums;
- all taxes levying the property have been declared and paid. There are no sanctions/inspections, potential, current or already imposed on any of the buildings.
- When preparing the Valuation, Gesvalt has not taken into account any liability for taxes which may arise on a disposal, whether actual or notional, and neither have we made any deduction for capital gains, value added or any other transaction related taxes which may exist under Spanish law or market practice.
- Gesvalt has not reviewed any leases, agreements to lease, pre-letting letters of intention or any other documentation which provides proof of current or future investment / rental income on which the valuations have been based. All information has been provided by Client and has been assumed to be accurate and correct without any further investigations by Gesvalt.



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Opinion of fair value

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GESVALT SOCIEDAD DE TASACION S.A.
Motivo: Visado Digital
Fecha: 23/07/2021 10:41:33

Corporate Advisory Services

Client: ARIMELIA ITG SOCIMI, S.A.

File number: 21-002813

Purpose: Fair value for incorporation on to EURONEXT



ARIMELIA ITG SOCIMI, S.A.

41-Serrano, Madrid (Madrid)

C.P. 28001 - Madrid (Madrid)

(Tax ID) CIF - A-88362892

Madrid, 20th of July 2021

As per instructions agreed via the proposal made in April 2021, GESVALT SOCIEDAD DE TASACIÓN, S.A. ([gesvalt](#)) has proceeded to complete an analysis of the fair value of the company ARIMELIA ITG SOCIMI, S.A. in the context of its listing on Euronext.

The following are the results of the study and analysis we have carried out.

INDEX

1. EXECUTIVE SUMMARY	3
2. PURPOSE AND SCOPE	5
2.1. Purpose	5
2.2. Scope - Information available	5
2.3. Standards	6
2.4. Restrictions on Use, Distribution and Publication	6
3. COMPANY INFORMATION	8
3.1. General Information on the SOCIMI scheme (Real Estate Investment Trust)	8
3.2. Company Description	9
4. METHODOLOGY USED	13
5. VALUATION PROCESS	15
5.1. Identification of relevant assets	15
5.2. Market value adjustments	15
5.3. Tax Treatment	16
5.4. Other adjustments	17
6. VALUATION RESULT	20
7. CONCLUSION	22
8. FIGURES SUMMARY (Break Down of the assets and their valuation method)	23

Section 1

Executive Summary

1. Executive Summary

2. Purpose and Scope

3. Company Information

4. Methodology Used

5. Valuation Process

6. Valuation Result

7. Conclusion

1. EXECUTIVE SUMMARY

Below is the outcome of the valuation of the Company, ARIMELIA ITG SOCIMI, S.A., which is developed over the following sections. A sensitivity analysis has been carried out, giving a three-value-range as a result:

NNNAV (31/03/2021)		LOW RANGE	MID RANGE	HIGH RANGE
Equity value	①	€ 11,519,307.00	€ 11,519,307.00	€ 11,519,307.00
Capital gains on real estate assets	②	€ 7,465,888.80	€ 8,766,138.80	€ 10,066,388.80
Structuring costs	③	-€ 3,096,100.88	-€ 3,781,431.16	-€ 4,853,564.29
Adjusted Equity Value (NNNAV)	①+②-③	€ 15,889,094.92	€ 16,504,014.64	€ 16,732,131.51

Section 2

Purpose and Scope

1. Executive Summary

2. Purpose and Scope

3. Company Information

4. Methodology Used

5. Valuation Process

6. Valuation Result

7. Conclusion

2. PURPOSE AND SCOPE

2.1. Purpose

The purpose of this report is to provide independent expert opinion as to the fair value of the company ARIMELIA ITG SOCIMI, S.A., regarding its situation on March 31st of 2021, on the back of the accounting information on that date.

This document contains a valuation which is understood to have been carried out in accordance with international recognised criteria, with the ultimate purpose to determine the company's fair value, understood as *"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."*¹

Also considered are the directives set out in the RICS® Red Book (Royal Institution of Chartered Surveyors)².

It is also important to highlight that the valuation of a company is a procedure based on a methodology and objective and generally accepted processes, on the base of a theoretical value in line with market prices, which doesn't take into account subjective components, synergies, logistics, opportunities or speculation which all ultimately have a part to play in the closing price of any sales transaction.

¹ IFRS 13 — Fair Value Measurement

The value is explicitly "estimated" or potential, obtained on independent principles by employing assumptions and calculations free of any influences, with the aim of assisting in decision-making, and it is in this manner that we shall provide our conclusions on the matter at hand.

2.2. Scope - Information available

During the study we have had access to the following information, from the sources indicated, all considered reliable:

INFORMATION PROVIDED BY THE PETITIONARY

- Interim balance sheet at the valuation date
- Audit report at 30th of September 2020.
- Estimated structuring costs.
- Valuation reports for the properties, carried out by Gesvalt.
- Net book values of the assets which make up the real estate investments account and tangible fixed assets.

OTHER INFORMATION

- Databases and recent valuation reports compiled by GESVALT SOCIEDAD DE TASACIÓN, S.A.
- Public information from official entities: The National Statistics Institute, the Bank of Spain, the Ministry of Economy and Finance.

² Based on compliance with PS1 and PS2, as well as VPGA 3 insofar as it covers the International Valuation Standards (IVS).

We should also stress that the purpose of this report does not lie in inspecting the origin of the captions included in the accounts provided, which we take as reliable for compiling this study. This in mind, the conclusions reached in the report are inextricably linked to the truthfulness of the information provided.

2.3. Standards

The standards fundamentally considered in completing this valuation are as follows:

- IVS 13 Fair Value Measurement: In order to increase coherence and comparability of the value measurements carried out, that set out in the standards related to the application of variables of levels 1, 2 or 3 have been taken into account as applicable. Methods covered in paragraphs 61 to 66 of valuation techniques have also been taken into account.
- IVS (International Valuation Standards) issued by the IVSC. The methods covered in sections C13-C30 of the standards are considered.
- The Red Book issued by the RICS (Royal Institution of Chartered Surveyors). VPGA 3, on Valuation of businesses and business interests, section 7.

2.4. Restrictions on Use, Distribution and Publication

This report and the conclusions reached may only be used by the parties to which it is addressed, for the sole purpose that is specified and as of the valuation date referred to, and the conclusions are based on information provided by the Company and other sources. Likewise, GESVALT will not be liable to any third party for the content of said Report or for the advice given.

No content, total or partial, of this document, especially regarding the assessment conclusions and the identity data of any of the consultants or technicians, as well as their signatures, may be spread, by any means, without the prior and express written consent of GESVALT.

We allow to send the report to EURONEXT.

Section 3 Company Information

1. Executive Summary
2. Purpose and Scope
3. Company Information
4. Methodology Used
5. Valuation Process
6. Valuation Result
7. Conclusion

3. COMPANY INFORMATION

3.1. General Information on the SOCIMI scheme (Real Estate Investment Trust)

The investment requirements for this kind of Companies are as follows:

1. A SOCIMI must have invested at least 80 per cent of its asset value in leasable urban properties, lands for development of leasable urban properties, providing said development begins within three years of their acquisition.
2. According to article 3 of the 11/2009 Law which regulates Real Estate Investment Trusts (SOCIMI), the value of the asset is determined by replacing the book value by the market value of elements making up the balance sheet. For this reason, money or credit rights deriving from the transfer of the properties or participations carried out in the same or previous financial periods will not be calculated, providing that, in the latter case, the reinvestment period required by article 6 of this Law has not passed.
3. Likewise, at least 80 percent of the revenue for the tax periods corresponding to each financial year, excluding those derived from the transfer of shares and property assets related to fulfilling the prime corporate purpose must come from leasing of properties and dividends or stockholdings in profits derived from said participations, once the maintenance period set out in the following section has expired.

4. This percentage will be calculated on the consolidated result wherever the company is the parent of a group according to the criteria established in article 42 of the Code of Commerce, regardless of the location of its registered office or an obligation to prepare consolidated annual accounts. Said group must be formed exclusively of SOCIMIs or other entities which are set out in section 1 of article 2 of this Law.
5. Properties which make up the company's assets must remain leased for a period of at least three years or have been offered for lease for at least one year in order to be included in calculations.

In the case of shares or stockholdings in any of the entities set out in section 1 of article 2 of said Law, these must be held as assets by the company for at least three years from their acquisition, or, where applicable, since the start of the first tax period in which the special tax regime established by Law is applied.

As set out in the first transitory provision of the Law 11/2009, of the 26th of October, amended by the Law 16/2012, of the 27th of December, this tax regime may still be applied despite the requisites set out within not being met, provided that said requisites are complied with inside two years following the decision to apply the regime.

Any failure to comply as such will result in the Company contributing under the general Corporate Tax regime as of the tax period in which said breach of compliance occurs, unless this is rectified in the following financial year. Alongside the quota for said tax period, the Company must also pay the

difference between the quota applied as a result of abiding by the general regime and the quota paid by having subscribed to the special tax regime in previous tax periods, without prejudice to interest on arrears, surcharges or fines that may be applicable.

Furthermore, the amendment to Law 11/2009 of the 26th of October by Law 16/2012 of the 27th of December, establishes the following specific modifications:

- a) Flexibility of the entry and maintenance criteria for properties: no lower limit on the number of properties to be contributed to establish a SOCIMI. Properties no longer have to remain in the company's balance sheets for 7 years, but rather a minimum of 3.
- b) Lowering of capital requirements and freedom of leverage: the minimum capital required is reduced from 15 to 5 million euros, with the ceiling on maximum debt levels for real estate investment vehicles being removed completely.
- c) Reduction on dividend distribution: until this new Law came into force, the mandatory profits distribution was 90%, but as of the 1st of January 2013, this obligation was reduced to 80%.

The tax rate on SOCIMIs is zero percent in terms of Corporate Tax, providing all the aforementioned requisites are met.

3.2. Company Description

Name: ARIMELIA ITG SOCIMI S.A.

CIF (Tax ID): A-88362892

Address: 41, Serrano Street, Madrid (Madrid)

ARIMELIA ITG SOCIMI, S.A. has been constituted the 8th of April of 2019 in Madrid. They are a real estate investment trust (REIT), specialised in properties in stunning destinations. Its portfolio includes 6 residential assets in Marbella, as shown below (more detail in Section 8 Figures Summary):

- Villa Romane.



- Amazonas.



- Orquidea.



- Dalia.



- Linares 12.



- Centro Polo.



It adopted the corresponding agreement to subscribe to the special tax regime which regulates Real Estate Investment Trusts (SOCIMI), resulting from the application presented by the Company to the State Tax Administration Agency.

The company's balance sheet at the valuation date is shown below:

BALANCE SHEET	31/03/2021	30/09/2020
NON CURRENT ASSET	€ 17,238,861	€ 9,811,262
Real Estate Investments	€ 17,238,861	€ 9,811,262
Non current financial assets	€ 0	€ 0
Non current trade receivables	€ 0	€ 0
CURRENT ASSET	€ 236,506	€ 20,353
Inventory	€ 0	€ 0
Trade and other receivables	€ 83,362	€ 7,297
Current financial investments	€ 792	€ 0
Current accruals	€ 5,457	€ 1,122
Cash and other equivalents	€ 146,895	€ 11,934
TOTAL ASSETS	€ 17,475,367	€ 9,831,615

The activity of the company is based on generating economic benefit through its real estate investments. For this reason, non-current assets are the main investments. It represents the 98% of the total assets.

BALANCE SHEET	31/03/2021	30/09/2020
EQUITY	€ 11,519,307	€ 5,697,545
Share capital	€ 5,631,000	€ 5,000,000
Share premium	€ 6,861,485	€ 1,182,485
Reserves	-€ 22,523	-€ 580
Prior period profit/loss	-€ 462,416	-€ 105,501
Period profit/loss	-€ 488,238	-€ 378,858
NON CURRENT LIABILITIES	€ 5,807,503	€ 2,598,627
Long term debt	€ 5,807,503	€ 2,598,627
CURRENT LIABILITIES	€ 148,557	€ 1,535,443
Short term debt	€ 122,058	€ 76,902
Accounts payable	€ 26,499	€ 1,458,541
TOTAL EQUITY & LIABILITIES	€ 17,475,367	€ 9,831,615

On the other hand, regarding the financial situation, shareholder's equity represents almost the 66% of the total equity and liabilities.

This study is based on accounting information (interim accounting information on the 31st of March 2021).

Section 4 Methodology Used

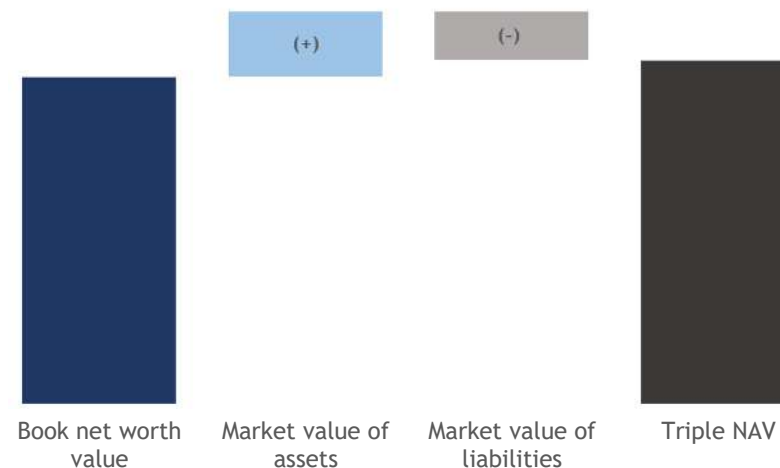
1. Executive Summary
2. Purpose and Scope
3. Company Information
4. Methodology Used
5. Valuation Process
6. Valuation Result
7. Conclusion

4. METHODOLOGY USED

The Company subject to this analysis is a SOCIMI and as such, its activity is based on leasing its real estate assets. On the back of that fact, the process that best fits to be used is what is referred to as the Triple NAV approach, part of which is the hypothetical immediate liquidation of the company. Said supposed liquidation would mean the sale of all the assets owned by the company and the settling of all its liabilities, as well as consideration of all net tax liabilities derived from the theoretical recognition of the capital gains on assets and other adjustments to the fair value of all assets and liabilities.

In respect to the deferred assets or liabilities which originate from differences between their book and market values, it's logical to assume that a tax liability or credit would be generated according to whether there exists a capital gain or depreciation. Once the company becomes a SOCIMI, deferred tax assets or liabilities would not need to be recognised, since once this happens, the company would be taxed at 0%.

Therefore, according to our criteria, the Triple-NAV method has been used in order to value the company subject to this analysis. The following is a graphic representation of the approach:



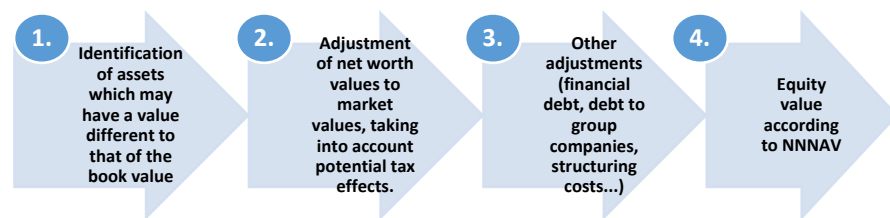
This graphic represents the result of applying the chosen valuation criteria, using the book net worth value as a basis, and adding the market value of the company's assets, before subtracting the market value of the liabilities in order to obtain the value of the company.

Section 5 Valuation Process

1. Executive Summary
2. Purpose and Scope
3. Company Information
4. Methodology Used
5. Valuation Process
6. Valuation Result
7. Conclusion

5. VALUATION PROCESS

The valuation is carried out based on the following sequence:



As mentioned above, the valuation will be carried out as at the date, the 31st of March 2021.

5.1. Identification of relevant assets

The following are the noteworthy elements from within the company's assets:

Real Estate Investments

This is the heading which covers assets subject to independent valuation, all of which will be analysed in a more specific section.

Other balance sheet items

Aside from the items mentioned above, there are balances under other headings, which due to their nature and the information provided, are likely to have a market value similar to that of the book value at the time of valuation.

This in mind, we propose analysing the valuation of the items under the real estate investments and long-term financial investments sections, in order to determine the value of the company.

5.2. Market value adjustments

As set out above, we will only proceed to assess the valuation of elements contained under real estate investments. In this respect, independent valuations have been carried out by Gesvalt Sociedad de Tasación, S.A., which determine the market value to be considered in this analysis.

In order to provide a range of market values for the properties, we have considered a higher range and a lower range based on a sensitivity analysis with the following assumption:

- Variation of +/- 5.00 % in market values.

We take the following checks as objective data on which to base our opinion, and we assume that both the procedures and the results they have produced are appropriate for the demands placed on them.

Likewise, we can confirm that Gesvalt Sociedad de Tasación, S.A, has completed the following analytical process:

- Verification of the application method.
- Verification of the location and description of each element.
- Identification of the variables applied.
- Understanding of the calculations obtained.



These valuations have been completed in accordance with the Red Book “RICS Professional Valuation Standards”, published in 2017.

The definition of Market Value is set out in VPS 4 Valuation Practice Statement, as follows: “*The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.*” (IVSC 2013).

REAL ESTATE INVESTMENTS AT 31/03/2021

In order to apply the net worth procedure adjusted for the market value of the investments held, it’s important to isolate those assets which have a market value different to that which appears on the balance sheet (nominal value). In this case, this refers to investments held on December 31st of March 2021.

Below is a list of the company’s properties, both their book and market values, as well as the gross difference (capital gains/loss) derived from them:

Asset	Address	Market Value 31/03/2021	Book Value 31/03/2021	Difference
Linares 12	Boulevard Principe Alfonso Hohenlohe 1; Puente Romano	€ 2,000,000.00	€ 935,610.06	€ 1,064,389.94
Amazonas	Boulevard Principe Alfonso Hohenlohe 2; Puente Romano	€ 1,575,000.00	€ 883,597.93	€ 691,402.07
Orquidea	Urbanización Marina Puente Romano 5; Jardín Persa	€ 5,500,000.00	€ 4,121,761.04	€ 1,378,238.96
Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€ 3,235,000.00	€ 2,701,387.80	€ 533,612.20
Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€ 8,400,000.00	€ 4,491,539.84	€ 3,908,460.16
Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Offices Staysure	€ 5,295,000.00	€ 4,104,964.53	€ 1,190,035.47
TOTAL		€ 26,005,000.00	€ 17,238,861.20	€ 8,766,138.80

The aggregate book value of the properties is **€ 17,238,861.20**, while the aggregate market value obtained via the valuation reports, considering the Capex completed, compiled by Gesvalt Sociedad de Tasación, S.A. reaches **€ 26,005,000.00**. These two values give a gross difference (capital gains) of **€ 8,766,138.80**.

In order to provide a range of market values for the properties, we have considered a higher range and a lower range based on a sensitivity analysis with the following assumption:

- Variation of +/- 5.00 % in market values.

Capital Gains REAL ESTATE INVESTMENT	Low Range	Mid Range	High Range
Book Value	€ 17,238,861.20	€ 17,238,861.20	€ 17,238,861.20
Market Value	€ 24,704,750.00	€ 26,005,000.00	€ 27,305,250.00
Capital Gains	€ 7,465,888.80	€ 8,766,138.80	€ 10,066,388.80

5.3. Tax Treatment

The consideration of any tacit capital gain in a commercial transaction will consequently incur tax charges or a tax contribution obligation on behalf of the party carrying out the transaction. This in mind, any capital gains should not be considered without first analysing their impact on the taxes imposed on the company as a result. However, the contribution rate imposed by the regime to which the company is subscribed gives rise to different interpretations as follows:

- Generally, the corporate tax rate will be 0% providing the following requisites are met:

- a. Minimum capital stock of 5 million euros.
 - b. At least 80% of the consolidated market value of the assets must be eligible.
 - c. There are no restrictions on debt levels.
 - d. At least 80% of returns must come from assets deemed eligible.
 - e. Dividend distribution obligation.
- Additionally, there will be a 19% rate applied on dividends and shares in profits distributed to shareholders with a significant stockholding (equal to or greater than 5%) whose contribution rate is less than 10%, unless this is another company subscribed to the regime or a REIT.
 - In exceptional circumstances, the transitional regime described by the General Tax Administration exists, which specifies the possibility of adapting to the non-essential requisites (such as those established for certain taxation rates) within a period of 2 years.

This in mind and assuming that the Company meets all the requisites established in order to subscribe to the 0% rate, and that in any case the taxation policy on capital gains should be carried out from the point of view of dividends and not with regard to corporate tax, we have opted to consider capital gains with a negligible tax impact in both cases.

It is worth noting that the Company has acquired the assets in order to subscribe to the SOCIMI regime.

In any case and as mentioned above, we understand that this task should be subject to analysis by the investor on one hand, while at the same time, it

is more linked to derivatives from revenues in the case of disposal than to the revenues to be generated by the company, given the fact it is subscribed to a special tax system. Furthermore, having confirmed the requisites of subscribing to said system, not applying a taxation rate in these cases is a commonly used practice in similar market analyses.

5.4. Other adjustments

Structuring costs: in order to calculate the NNNAV, the company must cover certain structuring costs for the management of their real estate portfolio, such as listing, commercial advice, Due Diligence and valuation costs. These costs have been provided by the company.

For the end of the financial period, the terminal value has been estimated according to the company as a going concern.

The following assumptions have been employed for the calculations:

Total structuring costs	€ 3,781,431.16
G	1.00 %
K	5.54 %

The structuring costs for year 2021 are € 143,908.00. In subsequent years, until year 2025, these expenses remain constant. In following years, it is assumed costs increasing at a rate similar to the CPI (1%). The applicable



discount rate has been calculated as the weighted average of discount rates applicable to the real estate assets in the portfolio.

The structuring costs forecast is as follows:

	1	2	3	4	5	
	2021	2022	2023	2024	2025	N+1
Total Costs	€ 143,908.00	€ 179,648.00	€ 179,648.00	€ 179,648.00	€ 179,648.00	€ 181,444.48
Factor	0.9475	0.8977	0.8506	0.8059	0.7635	
Discounted costs	€ 136,349.14	€ 161,271.40	€ 152,800.52	€ 144,774.58	€ 137,170.20	€ 3,049,065.32
Accumulated A.V.	€ 136,349.14	€ 297,620.54	€ 450,421.06	€ 595,195.63	€ 732,365.84	€ 3,781,431.16

As mentioned above, in order to calculate a range of values, a lower and a higher range are calculated for structuring costs based on the following assumptions:

- Variation of +/- 1.00% in the discount rate applied to assets.
- The perpetual growth rate (g) remains constant at 1%.

The result is as follows:

	High range	Mid range	Low range
k	4.54%	5.54%	6.54%
Structuring Costs	€ 4,853,564.29	€ 3,781,431.16	€ 3,096,100.88

Financial debt: following the financial debt analysis carried out in consideration of its characteristics, we believe that the interest rates and spread applied according to the credit standard of the issuing institution are all in line with market parameters. As a result, we take the book value as a reference equal to its current market value.

Section 6

Valuation Result

1. Executive Summary
2. Purpose and Scope
3. Company Information
4. Methodology Used
5. Valuation Process
6. Valuation Result
7. Conclusion



6. VALUATION RESULT

Based on the information provided, the valuations carried out and the valuation process described in the above sections, we conclude that the value of the company ARIMELIA ITG SOCIMI, S.A. will be determined in the following fashion:

<u>EQUITY VALUE AT 31-03-2021</u>	<u>Low Range</u>	<u>Mid Range</u>	<u>High Range</u>
Previous Equity	€ 11,519,307.00	€ 11,519,307.00	€ 11,519,307.00
REAL ESTATE INVESTMENT Capital Gains	€ 7,465,888.80	€ 8,766,138.80	€ 10,066,388.80
Capital Gains Tax (0%)	€ 0.00	€ 0.00	€ 0.00
Structuring Costs	- € 3,096,100.88	- € 3,781,431.16	- € 4,853,564.29
Adjusted Equity Value (NNNAV)	€ 15,889,094.92	€ 16,504,014.64	€ 16,732,131.51

In light of the conclusion obtained, it is worth noting the following observations:

Observations:

- Our conclusion should be interpreted only within the scope of and according to the procedures employed in this study, while deriving no responsibility beyond that concerning the reasonableness of the valuation procedures analysed and the results obtained.
- Our work is carried out on an external and independent basis and therefore the results contained within it are in no way linked to agents related to the company or any other third party.
- The result of this study is inextricably linked both to the truthfulness of the information provided to this end, and that provided for the independent valuations of the real estate assets. This in mind, the supplied balance sheet and other information provided by the petitioner is considered closely related to the results obtained, hence said results are conditioned by the reality of the accounts of the valued company.
- The figures featured on the balance sheet have not been checked against supporting documentation, such as deeds, deposit certificates or verification of entries, since these kinds of tasks are not included in the scope of the work requested.
- In regard to the balance sheet headings taken at their book value as the best approach, this has been considered basing the criteria on the nature of elements included in each heading.

Section 7 Conclusion

1. Executive Summary
2. Purpose and Scope
3. Company Information
4. Methodology Used
5. Valuation Process
6. Valuation Result
7. Conclusion

7. CONCLUSION

GESVALT SOCIEDAD DE TASACIÓN, S.A. (**gesvalt**), registered on the Special Appraisal Company Register of the Bank of Spain, as no. 4455, on the 27th of May 1994, has completed this report estimating the fair value of the company ARIMELIA ITG SOCIMI, S.A. at the 31st of March 2021, in accordance with the context of integration which the company is currently carrying out in order to be absorbed into the EURONEXT market.

Our opinion is based on an objective and widely accepted methodology, using information provided by the petitioner.

NNNAV (31/03/2021)		LOW RANGE	MID RANGE	HIGH RANGE
Equity value	①	€ 11,519,307.00	€ 11,519,307.00	€ 11,519,307.00
Capital gains on real estate assets	②	€ 7,465,888.80	€ 8,766,138.80	€ 10,066,388.80
Structuring costs	③	-€ 3,096,100.88	-€ 3,781,431.16	-€ 4,853,564.29
Adjusted Equity Value (NNNAV)	①+②-③	€ 15,889,094.92	€ 16,504,014.64	€ 16,732,131.51

Conditions and Warnings:

- Our analysis is substantially based on the information provided by the petitioner, meaning that it is carried out under the condition that there are no financial-capital variations or changes to the activity not included in this information.
- The conclusions related to value included in this report are closely linked to observations set out in section 6 herein, which envisage and limit the scope of the work carried out.
- Likewise, our opinion is not considered a vested interest, and is based purely on finding a fair value, close to market price, which does not take into account the subjective components, synergies, competitive advantages, logistics, opportunities or speculation which may have an effect on the closing price of any purchase-sale transaction.
- The approach to this valuation is to apply, at all times, the concept of a going concern, without attempting to value potential changes in the activity management policies. In this sense, the final value is obtained from a perspective of current investment in the Company and the sector in which it operates, based on reasoned and justifiable hypotheses.
- The company's annual accounts are interim. This in mind, the result of the valuation is linked to the veracity of said information.

GESVALT SOCIEDAD DE TASACIÓN, S.A. accepts no liability in terms of ownership or responsibilities derived from the valued property, nor do they have any vested interest in it. The financial compensation charged for carrying out this report is in no way contingent on the conclusions drawn within.

Madrid, 20th of July 2021

GESVALT SOCIEDAD DE TASACIÓN, S.A.



Fernando Gálvez Saborido
Consultor Advisory Services



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8. FIGURES SUMMARY (Break Down of the assets and their valuation method)

ARIMELIA PORTFOLIO

Number	Name	Description	Refurbished Market Value (Net)	€/m²	Monthly Rent	€/sqm/month	IRR	Exit Yield (Yr 10)	Gross Yield	Net Yield
1	Linares 12	Boulevard Príncipe Alfonso Hohenlohe 1; Puente Romano	€ 2,000,000	€ 18,587	€ 7,000	€ 43.70	4.26%	4.00%	4.20%	4.04%
2	Amazonas	Boulevard Príncipe Alfonso Hohenlohe 2; Puente Romano	€ 1,575,000	€ 13,433	€ 6,550	€ 43.44	4.44%	4.37%	4.99%	4.34%
3	Orquídea	Urbanización Marina Puente Romano 5; Jardín Persa	€ 5,500,000	€ 24,529	€ 15,000	€ 45.80	3.72%	2.87%	3.27%	3.05%
4	Dalia	Urbanización Marina Puente Romano 5; Jardín Japones	€ 3,235,000	€ 23,004	€ 9,600	€ 50.83	3.64%	3.12%	3.56%	3.23%
5	Villa Romano	Calle Torre Verde 1; Conjunto Villamagna; Puente Romano	€ 8,400,000	€ 19,077	€ 24,000	€ 54.51	4.73%	2.87%	3.43%	3.32%
6 & 7	Centro Polo	Calle Los Nardos 51; Nueva Andalucía; Offices Staysure	€ 5,295,000	€ 4,500	€ 20,000	€ 24.49	7.06%	6.43%	6.53%	6.44%
		Calle Los Nardos 51; Nueva Andalucía; Work Space		€ 4,016	-	-	10.00%	7.17%	1.50%	1.40%
		Calle Los Nardos 51; Nueva Andalucía; Residential		€ 5,977	-	-	6.50%	6.60%	1.33%	1.25%
Total		Aggregate Net Market Value (Capex Completed)	€ 26,005,000							



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