



AZORA STRENGTHENS ITS POSITION IN THE US WITH THE ACQUISITION OF TWO ICONIC BUILDINGS IN BOSTON AND MIAMI, WITH A \$57 MILLION INVESTMENT

- **The asset manager has acquired two iconic properties for \$57 million: a modern retail building in Miami Beach, fully leased, and an office building in the heart of Boston's financial district, already leased at 91%, with Fidelity Investments as the anchor tenant.**
- **Through these transactions, Azora reaffirms its commitment to the U.S. market, where it has invested over \$500 million in the commercial and residential sectors since the beginning of 2022.**

Madrid, 7 September 2023. – Azora, through its subsidiary Azora Exan, has strengthened its position in the U.S. market by executing two new transactions, totaling a \$57 million investment. These acquisitions comprise two iconic properties in prime locations: an office building in Boston, marking the first office transaction in the city since January 2022, and a retail building in Miami Beach. With these acquisitions, Azora's total investment in the commercial and residential sectors in the U.S. since its entry in 2022 now exceeds \$500 million.

The office building, located at 7 Post Office Square, has more than 60,000 square feet and was acquired for \$41 million. Situated in the heart of Boston's financial district, it is currently 91% leased to seven tenants, with Fidelity Investments having been the primary tenant since 1996. The building's corner facade provides excellent visibility, allowing natural light to enter from three sides. The asset has undergone significant renovations, including the lobby, common areas, bathrooms, and the installation of new mechanical and electrical systems, as well as a new air conditioning system. Additionally, Azora Exan plans to implement a tactical investment plan to enhance the tenant experience and achieve LEED certification in compliance with ESG best practices.

The retail building in Miami Beach is located at 1000 17th Street in South Beach, covering 18,000 square feet, and was acquired for \$16 million. This iconic and avant-garde commercial building is fully leased and enjoys a prime location in the heart of South Beach, a market that receives 11 million tourists annually. Azora Exan's strategy involves maintaining the current operation of the building while gradually increasing rents, which in some cases, are currently 30% below market rates.



Ignacio Gil-Casares, Managing Partner at Azora Exan, commented: "Both transactions involve trophy assets in prime locations with attractive returns and significant discounts compared to pre-pandemic prices. Unlike other investors who follow the 'herd effect' of not investing in these segments, Azora focuses on analyzing the real estate fundamentals of properties, thus identifying opportunistic deals that generate attractive returns for our investors."

Juan José Zaragoza, Managing Partner at Azora Exan, added: "We firmly believe that value creation exists in these types of asset classes, which have performed well during the pandemic and offer quality spaces that companies demand in the current market. Over the coming months, our strategy in the commercial segment will focus on expanding our portfolio through the acquisition of boutique office and retail assets in key U.S. markets."

Azora, which already owns over 1,000 rental homes in strategic markets in the southern and southeastern United States (Texas, North Carolina, and Georgia), is further expanding its commercial portfolio, complementing acquisitions made in 2022 and 2023, including two office buildings in Chicago and Miami, as well as two shopping centers in Fort Lauderdale and Pembroke Pines, Florida, and a complex of office buildings in Cincinnati, Ohio.

Azora entered the U.S. market alongside Exan in December 2021 with the creation of Azora Exan. In May 2022, it launched a new residential rental fund in the U.S. with a total investment target of \$650 million over the next three years, focusing on affordable residential rentals in multifamily properties that are already built and operational, generating income from the outset but with potential for improvement through repositioning and active management policies.

In May 2023, it also launched the first Closed-End Investment Company in Spain, a regulated investment vehicle supervised by the CNMV and focused on channeling Spanish investment into its residential rental fund in the U.S.

Azora's strategy also includes offices, industrial, and retail segments in the main U.S. markets, leveraging the experience of its affiliate, Azora Exan, in these sectors.

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About Azora

Founded in 2003, Azora Capital is an international alternative asset management firm headquartered in Madrid, with over €6.5 B in assets under management. Azora Capital has been a pioneer in developing investment platforms based on megatrends, with extensive experience in investing and managing real assets, identifying attractive opportunities in sustainable themes, and investing institutional capital where it is most needed.

Azora specializes in various asset types, including residential, hospitality, logistics, offices, senior living, and renewable energy, and is driving new investment lines in leisure, data centers, and infrastructure.

Azora was a pioneer in the residential rental segment in Spain, launching its first BTR vehicle in 2003 and currently managing the largest portfolio of purpose-built residential rental assets in Spain, with approximately 15,000 units under management. Azora has also been a pioneer in other segments related to the social aspect of living space, including student housing (where it built the largest portfolio of student housing in continental Europe; RESA) and housing for seniors (currently investing in Spain through Adriano Care).

As part of its international expansion plan, Azora entered the United States in October 2021. To do so, it created Azora Exan, with an ambitious growth plan across various asset types, targeting an investment of \$650 million over the next three years.

About Azora Exan

Through its subsidiary in the U.S., Azora Exan, Azora has been offering its investors the opportunity to diversify their savings in the world's most powerful, stable, and legally secure economy since December 2021. This diversification extends beyond creating and managing real estate wealth in offices, logistics, and retail to include other value-added activities where Azora has decades of proven experience, such as the launch of its new multifamily fund in the U.S., focused on the "Sunbelt" states. Through Azora Exan, Azora will continue expanding its presence in the U.S. (where it has owned hotels for several years) in the residential, hospitality, logistics, and office segments.