

CHENAVARI ANNOUNCEMENT

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Chenavari successfully exits investment in prime retail asset at Fuencarral 16, Madrid

Chenavari Investment Managers has successfully exited its investment in a high street property comprising some 1,320 sq m of rental space in one of Madrid's main shopping streets. Built in 1900, the five-storey building at Calle de Fuencarral 16 was completely refurbished in partnership with Thor Equities in 2017.

The long-term tenant occupying the entire property is the H&M Group, which has established a flagship store for its COS brand in the building. The new shop is scheduled to open at the beginning of February 2018. The property was purchased by a German institution.

"We are delighted to successfully exit this first mortgage secured whole loan investment at an attractive IRR after backing our partner to undertake a comprehensive refurbishment and lease up business plan. We set out a thematic investment strategy in the retail space to invest in value add properties in dominant high street locations in key Western European gateway cities and it's satisfying to see this come to fruition" says Sam Mellor, Partner & Senior Portfolio Manager at Chenavari.

"Calle de Fuencarral is one of Madrid's prime retail pitches and this is one of the only buildings to be fully utilized solely for retail" said Jose Garcia Cedrun, Director at Chenavari. "We are actively pursuing further value-add transactions in the main Spanish cities – one of our key target markets for 2018 - in the high street retail space as well as the residential and student sectors" he added.

Footfall in Calle de Fuencarral is more than 9,000 people an hour, making the street one of the top retail locations in Europe. The approximately 1,320 sq m of rental space in the acquired property is spread over four storeys. The retail space used by COS comprises approximately 910 sq m on the lower three floors, with storage rooms and building services located on the top floor.

About Chenavari Investment Managers

Chenavari Investment Managers (www.chenavari.com) is a specialist alternative asset manager focusing on the European markets. With 100+ professionals and c.\$5.4 billion of assets under management, Chenavari's investment model is focused on niche credit market strategies across **Credit** (Corporate and High yield, Financials, Credit Derivatives), **Structured Finance** (ABS, CMBS, Regulatory Capital) and **Illiquid Credit Opportunities** (Private Debt, Real Estate, Consumer Finance).