

ADVERO PROPERTIES SOCIMI ACQUIRES ITS SEVENTH PORTFOLIO ASSET AND SECOND IN MADRID FOLLOWING THE COMPANY'S RECENT CAPITAL INCREASE

- The new asset is located in Vallecas district and has 16 apartments and 11 parking spaces
- This is the first acquisition following the 6.8 M€ capital raise closed last June 15th

Barcelona, June 29, 2020. - ADVERO Properties Socimi, S.A., a Spanish residential real estate investment trust, established in August 2017 with the aim of facilitating the supply of quality rental housing in middle-income areas, has formalised today the acquisition of its second asset in Madrid, expanding the company's portfolio to 7 assets and 109 apartments total.

The building, located on Teresa Maroto street in the Puente de Vallecas district of Madrid, consists of 16 apartments and 11 parking spaces. The asset was built in 2011 but had not been in operation before. ADVERO plans to start marketing it for rent immediately.

The transaction amounted to 1.8 million euros and was financed through the company's recently raised equity.

ADVERO closed on June 15th a capital increase of 6.8 million euros, and the GSM granted powers to the board of directors to complement this share issue with a second tranche to set total new equity raised this year in ca. 10 million euros (see Relevant Fact from June 16 on www.adveroproperties.com).

On December 31, 2019 ADVERO's net financial debt represented only 14% of the company's gross asset value. Total new equity resources, together with the possibility of additional bank financing, will provide ADVERO with an investment capacity of 15 million euros, which will allow it to more than double its size.

ADVERO began its first asset acquisitions in April 2018 and, prior to the acquisition of this last asset, the company had 6 buildings within its portfolio with a total of 93 apartments located in municipalities within the first belt of Barcelona (Rubi, Sabadell, and Terrassa) and in the Tetuan neighbourhood of Madrid.

The acquisition of ADVERO's first 6 assets amounted to a total investment size of 11.1 million euros and a gross asset value of 17.9 million (representing a 61% asset appreciation), according to an appraisal conducted by Savills Aguirre Newman on December 31, 2019. This valuation placed the company's NAV/share at 8.83 euros, not taking into account the potential value generation with this latest acquisition and the deployment of the new available financial resources.

As the company had announced in early 2020, the achievements to date led the ADVERO board of directors to end the initial "proof of concept" stage to work on a new stage of growth. To date, the extraordinary situation generated by Covid-19 has not diminished these plans, since the company has not suffered any relevant impact due to this circumstance: the number of tenants that have asked the company for some type of help in order to partially postpone the amount of the rent has evolved downwards between April and June, representing the deferred amounts in June less than 4% of the total income for the month; Additionally, the demand for new contracts has remained strong; and ADVERO shares have appreciated 34% since the IPO in November 2019 and 5.5% since the start of the state of alarm in Spain.

According to Pau Corbera, Chairman of ADVERO: *"The low risk of ADVERO's business model has been key to successfully concluding a capital increase in the middle of Covid-19 and being able to take advantage in the coming months of the investment opportunities generated by the pandemic. This will allow us not to interrupt the company's expansion plan in a key year after the listing on the Spanish MAB stock exchange at the end of 2019. We will continue to actively work to increase the supply of rental housing in middle-income areas in Spain, where demand has even grown by the uncertainty of the moment."*

About ADVERO Properties SOCIMI, S.A.

ADVERO Properties Socimi, S.A. is a real estate investment trust established in August 2017 with the aim of facilitating the supply of quality rental housing in middle-income areas in Spain. The company concentrates its investment on exclusively residential assets; located on the outskirts of large cities or middle-income neighbourhoods; with full ownership of the property to facilitate the creation of cohesive tenant communities.

About ADVERO's shares

Share capital prior to the capital increase in 2020: 1,629,231 shares (2,426,373 after June 2020 capital raise)

Stock exchange: Mercado Alternativo Bursátil (MAB)

Stock ticker: YADV

ISIN: ES0105448007

More information can be found on the "Investors" section of www.adveroproperties.com

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