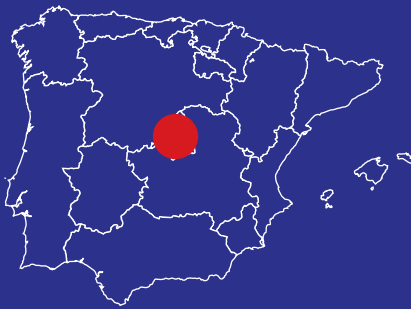


DEAL OF THE YEAR IN SPAIN

CUSHMAN & WAKEFIELD –
CASTELLANA 51, MADRID (ADVISORY)

LOCATION:

Madrid

SECTOR:

Offices

DATE:

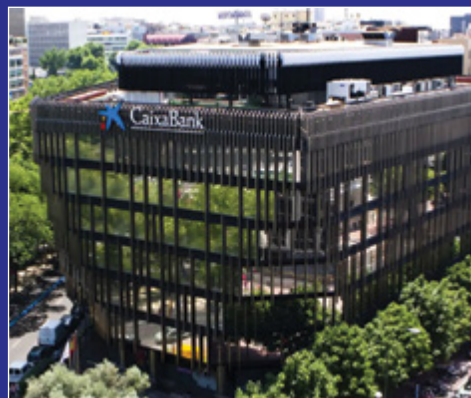
Q4 2022

BUYER:

InmoCaixa

SELLER:

La Caixa



The emblematic Paseo de la Castellana 51 asset, in Madrid, was acquired by InmoCaixa, the real estate development branch of Fundación La Caixa, which counted with Cushman & Wakefield ("C&W") advisory.

"A true trophy asset and one that rarely comes to the market".

This is the most prominent office building sold in the Spanish office market in the past 5 years and represents one of the most significant investment volumes. The vendor was the financial entity La Caixa, advised by CBRE and Ramón y Cajal (legal). C&W undertook the commercial DD, underwriting and buy-side advisory working together with Deerns on the technical elements. Once refurbished it is envisaged that this property will be one of the most prominent in the Spanish market.

This building is unique, benefitting from a privileged location at the heart of the city's prime

stretch of the CBD. Some of the asset distinctive characteristics are i) stand-alone independent urban office building, ii) excellent views over a landscaped garden, iii) high level of luminosity and serenity supporting the wellbeing of its occupiers. Also, the large floorplates, in the context of Madrid's Prime CBD, facilitate the potential for mixed-use reconversion, with retail at the lower levels and offices or residential above.

The history of C&W role and proactive stance could be summarized as follows:

- Undertook of a speculative review of the property prior to any marketing.
- Set up of the best business and redevelopment model, which was particularly difficulty to agree on since the building would be sold partially vacant.
- Study of potential occupiers and overall leasing strategy to obtain comfort on the potential pricing.
- Detailed analysis of the risk/reward ratios of refurbishment options, to face the construction cost inflation.
- Management of clients' risk given the restricted process.

Offers were plentiful and aggressive with a significant number of credible international and national parties submitting proposals. Relative certainty and confidence in closing were key to opt for one bid versus another.