

## RETAIL

### RETAIL CANARY ISLANDS, LA PALMA, SANTA CRUZ - SPAIN



The four supermarkets acquired by CORUM represent a retail floor area of 10,542 sq.m. They are leased to food retailer Hiperdino. Two supermarkets, representing 41% of total floor area, are located in Tenerife, the largest island of the archipelago. The other two are in La Palma island. In addition to the large influx of tourists, the Canary Islands have 2.2 million inhabitants (7 times more than Corsica) with a high population density (284 inhabitants/sq.km versus 36 inhabitants/sq.km in Corsica, and 326 inhabitants/sq.km in the Nord-Pas-de-Calais region), thus offering a favourable demographics for large retailers. Moreover, the island offers tax incentives to companies.

This investment generates a net initial yield\* of 10.42% (incl. transfer tax and brokerage fees).

#### Tenants | HiperDino

HiperDino is the leading food retailer in the Canary Islands with 207 stores spread across the 5 main islands of the archipelago. In 2013, its revenue stood at €748m (up 32% compared to 2012) and its market share grew significantly in the Canary Islands. The business model of these supermarkets is focused on low prices and priority is given to locally sourced products. The socially-responsible growth strategy implemented by Hiperdino has the support of local authorities.

Type  
Retail

Acquisition price (incl. transfer tax and brokerage fees)\*  
14,35€m

Net initial yield\*  
10,42%

\* Net initial yield: Annual rent divided by acquisition price including transfer tax and brokerage fees.