

Ares Management and Redevco's Iberian Joint Venture Acquires Majority Stake in Parque Corredor Shopping Center in Madrid for €140 Million

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LONDON--(BUSINESS WIRE)-- Redevco Iberian Ventures, the joint venture between real estate funds managed by global alternative asset manager Ares Management, L.P. (NYSE:ARES) and pan-European retail real estate investment management company Redevco, has acquired more than 70% of the gross leasable area in the Parque Corredor Shopping Center, one of the largest retail centers in Madrid. The majority stake was acquired through transactions with Sareb, a fund advised by Aermont Capital, and various other co-owners of the property for approximately €140 million. With more than 123,000 square metres of retail and leisure area, Parque Corredor is the main shopping destination in Madrid's east corridor, known as Corredor del Henares, attracting more than 10.5 million visitors annually. This acquisition follows Redevco Iberian Venture's successful 2017 activity, which included the sale of a portfolio of nine retail parks across Spain for €193 million in June as well as the acquisition of the Mercado San Miguel in Madrid for €70 million in July.

Bill Benjamin, Partner of Ares Management and Head of the Ares Real Estate Group, said:

“This investment adds another exciting asset to our joint venture with Redevco. The acquisition of more than 70% of Parque Corredor is representative of our strategy across Europe to acquire quality assets that are in need of investment and repositioning to unlock their value. Parque Corredor attracts more than 10 million visitors a year, making it one of the top 25 retail locations in Spain by footfall, and we believe that through active management and investment, we can further improve consumer traffic and tenant mix before returning this asset to institutional ownership.”

Andrew Vaughan, Redevco's CEO, said: “With this transaction, the joint venture was able to consolidate a significant majority position in Parque Corredor, which will allow us to fully refurbish the asset. We expect to invest more than €40 million to fully renew the shopping environment, adapting and extending existing shops to meet and exceed tenants' and shoppers' requirements, which is a core component of the JV's value-add strategy. The refurbishment plans were already approved by the community of co-owners in July 2017 and have the full support of the center's longstanding fashion tenants, which are highly committed to the future of Parque Corredor.”

Parque Corredor currently offers a variety of food, fashion, services and leisure tenants that include a 24,000-square-metre Alcampo Hypermarket (Auchan Group), one of the largest hypermarkets in Spain, top fashion brands like Primark, Inditex Group, H&M, Mango, Kiabi and C&A, as well as a Cinesa movie theatre. The property fits the investment strategy of Redevco Iberian Ventures that was created by Ares and Redevco in September 2015 to target €500 million of value-add and opportunistic investments in retail properties on the Iberian Peninsula.

Advising on the transaction were Cushman & Wakefield, Deloitte and Simmons & Simmons.

ABOUT ARES MANAGEMENT, L.P.:

Ares Management, L.P. is a publicly traded, leading global alternative asset manager with approximately \$106 billion of assets under management as of September 30, 2017 and more than 15 offices in the United States, Europe, Asia and Australia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole. For more information, visit www.aresmgt.com.

ABOUT REDEVCO:

Redevco is an independent, pan-European real estate investment management company specialised in retail property. It has more than 400 assets under management which are spread across the strongest retail concentrations throughout Europe. Our highly-experienced professionals purchase, develop, let and manage properties, ensuring that the portfolios optimally reflect the needs of our clients. We believe in long term investments where quality and sustainability are key. For further information about Redevco please visit www.redevco.com.



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For Ares Management:

Media:

Bill Mendel, +1 212-397-1030

Mendel Communications

[\[email protected\]](#)

or

Investors:

Carl Drake, 800-340-6597

[\[email protected\]](#)

or

For Redevco:

Priscilla Tomaso, +31 20 599 6262

Head of PR & Corporate Communications

[\[email protected\]](#)

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