

SUMMARY OF THE MAIN TERMS AND CONDITIONS REGARDING THE ASSET (RESIDENTIAL) MANAGEMENT AGREEMENT

*This summary sets forth the main terms and conditions of the residential management agreement (the “**Agreement**”) to be entered into by Hispania Activos Inmobiliarios, SOCIMI, S.A. (“**Hispania**”) and Fidere Residencial S.L.U. (“**Fidere**”)*

Manager’s background

Fidere’s (www.fidere-socimi.com) business is focused on the acquisition, leasing and management of residential properties in Spain. Fidere’s strategy is to provide the best service to tenants and increase shareholder value through active asset management. The management team has extensive experience and deep knowledge of the Spanish residential real estate market.

Fidere develops potentially competing activities with Hispania.

1. PARTIES

The Owner	Hispania Activos Inmobiliarios, SOCIMI, S.A. (“ Hispania ” or the “ Owner ”)
The Manager	Fidere Residencial S.L.U. (“ Fidere ” or the “ Manager ”)

(Fidere and Hispania shall hereinafter be referred to jointly as the “**Parties**” and individually as the “**Party**”)

2. OFFICE BUILDING ASSETS MANAGER’S SERVICES

Purpose and Services The Owner appoints the Manager to provide customary property and asset management services in respect (the “**Services**”) in relation to the properties owned by the Owner (and to be listed in schedule 4 to the Agreement), along with such other buildings or properties which may be subsequently acquired by the Owner (the “**Portfolio**”).

The Manager shall, if requested by the Owner, attend the meetings and board meetings of the Owner to report on the Manager's actions and to answer reasonable enquiries.

Manager shall diligently provide the Services subject to (i) the Agreement; (ii) applicable law, (iii) professional codes of conduct (iv) documents and organisation documents provided by Owner; and (v) any contract to which the Owner is a party; (vi) Owner’s instructions; and (vii) taking into

account any effect on the rentable and capital value of the properties comprising the portfolio. Also, Manager shall cooperate and work with any contractors or professionals appointed by Owner.

The Manager shall disclose any conflicts of interest resulting from the performance of its duties/obligations under the Agreement.

The Manager shall, on request of the Owner, enter into a duty of care agreement in favour of the Owner's and/or its affiliates' lenders or any agent or other representative of any such lender in a manner acceptable to the Manager.

Agency

The Owner appoints the Manager its agent for the purposes of giving instructions under or exercising its rights (where required by the Manager in order to carry out the proper performance of the Services) contained in any document to which the Owner is a party relating to the Services.

The Owner agrees to ratify any act properly done by the Manager as agent in the proper performance of its obligations.

**Power of Attorney
and Excluded Matters**

The Owner shall grant the Manager a power of attorney which will be subject to certain specific matters that shall require the prior written consent of the Owner (the "**Excluded Matters**")- with the authorities to make decisions in relation to the management of the Portfolio, and expressly authorizes Manager to bind, to act for, to execute any document or instrument on behalf of, or to assume any obligation, cost, expense, liability, or responsibility on behalf of the Owner, which the Manager deems necessary or advisable (acting reasonably) to carry out the Services subject to and in accordance with the terms of the Agreement. Notwithstanding the above, under no circumstances shall the Manager take any action which is an Excluded Matter without the prior written approval of the Owner.

Fees

Owner shall pay a fee to the Manager in an amount equal to 110% of the costs and disbursements reasonably and properly incurred by the Manager in the performance of the Services and set forth in the Corporate Overhead Budget in connection with or arising as a result of the Services provided in relation to Portfolio (the "**Fee**"). The Fee will

not be at any case higher than 0.55% on the last reported aggregate gross asset value of the Assets by the Owner.

The Fee shall start accruing on the date following the date on which the investment manager termination agreement entered into by the Owner, Azora Gestion SGIIC SAU, Alzette Investment SARL and Azora Capital SL on September 24, 2018 is terminated in accordance with the terms thereof (the “**Azora Termination Date**”).

From the effective date of the Agreement until the Azora Termination Date, the Manager shall receive, as remuneration for the rendered Services, the total amount of EUR 40,000 (the “**Interim Remuneration**”). The Interim Remuneration shall be paid by the Owner to the Manager on the Azora Termination Date. In the event that the Azora Termination Date occurs after 31 January 2019, the amount of the Interim Remuneration shall be increased proportionally.

The Manager will render quarterly invoices in arrears on or before the last business day of each quarter (with the first quarter of any calendar year terminating on March, 31) to the Owner in respect of the Fee. The Owner will pay the Fee, together with any VAT (if applicable), in EURO within 30 days of receipt of an invoice.

In the event of any dispute between the Parties in relation to the Costs or the Fee, any such dispute shall be determined by the auditors of the Owner whose decision will be final and binding for both Parties. The Fees include all expenses, disbursements, travel and other costs of the Manager.

Owner, acting in its sole discretion, may decide to further incentivize the Manager in the future with a performance fee based on the performance of the portfolio.

3. BUSINESS PLAN AND REPORTING UNDERTAKINGS

Business Plan

No more than 30 days following the execution of the Agreement, the Manager will submit a proposed initial business plan in such form as to be determined by the Owner (“**Business Plan**”).

Objectives

(i) maximize capital and rental value of the Portfolio; (ii) optimise the lease-up strategy and other operations in respect of the Portfolio; (iii) optimise long term investment value of the Portfolio through its investment returns; (iv) maintain quality residential use at the Portfolio; (v) provide recommendations to Owner in respect of potential future acquisitions to form part of the Portfolio; (vi) support and provide recommendations of the Owner in respect of any potential refinancing of the Portfolio; and (vii) support the disposal and exit strategies of the Owner and provide any recommendations accordingly. (“**Objectives**”)

Reporting undertakings

The Manager shall keep the Owner regularly informed of progress on all Services and shall provide all such information the Owner shall reasonably request insofar as the same may be lawfully provided by the Manager.

4. TERM AND TERMINATION

The Term

The Agreement shall retroactively commence on the Effective Date (to be determined) and shall continue, unless sooner terminated as hereinafter provided, until the date 12 months from the Effective Date (the "**Term**")

At the expiry of the Term (and of any subsequent period of renewal), the Agreement shall automatically renew for an additional **12 months**, unless written notice of termination is provided by the Manager or the Owner to the other Parties at least 3 months prior to the next date of renewal.

Termination by the Owner

The Owner may terminate the Agreement:

- (i) at any time subject to giving the Manager not less than 3 months' prior notice in writing;
- (ii) with a sale or transfer of 50% or more of the ownership shares in the Owner or the Portfolio to a *bona fide* third party purchaser which is not an affiliate of an Owner by providing the Manager with written notice of the anticipated date of consummation of such sale or transfer;
- (iii) Upon written notice to manager: (w) if control or ownership of the Manager passes to any person or group of persons not being a person or group of persons who have control or ownership of the

Manager at the date hereof; (x) if the Manager commits a material breach of any of the provisions of the Agreement, which, if such material breach can be remedied, the Manager has failed to remedy within 30 days after receipt of notice in writing from the Owner requiring it to do so and setting out the details of such breach in reasonable detail; (y) if the Manager shall commit any act of malfeasance, willful misconduct or fraud committed by the Manager or in the event the Manager or any employee, officer, representative or agent of the Manager misappropriates any funds of the Owner in the possession or control of the Manager or shall otherwise commit an act of fraud, theft, embezzlement or material misrepresentation (in each case regardless of whether such act is prosecuted or established by the relevant authorities); or (z) if the Manager or any of its affiliates goes into liquidation, insolvency proceedings or compounded with its creditors generally or if a motion for declaration of the Manager's bankruptcy or similar insolvency proceeding has been filed or if the Manager is otherwise deemed unable to pay its debts as they fall due or been guilty of gross misconduct as the case may be.

- (iv) in relation to any part of the Portfolio by notice in writing served on the Manager in the event that the Owner shall dispose of such part of the Portfolio but shall be obliged to give the Manager advance notice of its intention to sell.

Also, the Agreement shall terminate at the Owner's election or at the election of any agent of any lender with respect to any financing arrangements entered into prior to, on, or after the Effective Date by the Owner and/or the Owner's affiliate(s) and relating to, or secured (in whole or in part) by, the Portfolio and/or the interests in the Owner ("**Facility Agreement**") (such termination effective immediately upon receipt by the Manager of written notice of termination from the Owner or the agent of such lender (as applicable)) if at any time the shares or other interests in the Owner are the subject of an enforcement action by the Owner's and/or its affiliates' lenders or any agent or other representative of any such lenders with respect to a Facility Agreement.

Following termination of the Agreement (excluding for

this purpose the termination as to part only pursuant to section (ii) above) the Manager shall cease to be entitled to any further payment of the Fees, but without prejudice to any unpaid fees due to the Manager but remaining unpaid at the date of termination.

Any termination of the Agreement shall be without prejudice to any rights accrued in favour of any Party.

Termination by the Manager

Not expressly regulated

Obligations on Termination

Following termination of the Agreement the Manager shall: (i) cease to carry out the Services, and shall immediately deliver up to the Owner all keys, documents and other property belonging to the Owner ; (ii) the relationship of the parties shall cease and any rights or licences granted under or pursuant to the Agreement shall cease to have effect save as otherwise provided for in the Agreement; (iii) Manager shall vacate the properties at the Portfolio or spaces provided by the Owner; (iv) notify tenants of the termination of the Agreement, at request of Owner; (v) the Manager shall deliver to the Owner any balance of monies of the Owner and/or tenant security deposits held by the Manager; and (vi) from the date of issue of any notice of termination, the Manager shall, at no additional expense to the Owner, co-operate with the Owner in ensuring the smooth handover and continued running of the Services during such handover to the Owner and/or any new provider of any services in relation to the Portfolio.

The Owner shall allow the Manager access to inspect or take copies of any documents required for regulatory or other binding obligations or completing its tax returns (or to prepare its or Owner's statutory accounts).

5. GENERAL CLAUSES

Owner's Obligations

Owner shall fulfil with standard obligations to enable Manager properly fulfil its obligations under the Agreement (e.g. allow Manager to access the Portfolio, provide original documentations, leases, title and other information reasonably required by Manager, operational documents, etc).

If at any time the Collection Account has insufficient funds to pay for anything which is due to be settled by payment out of the collection account the Owner will forthwith upon notification to such effect from the Manager credit to the collection account sufficient funds to enable the appropriate payments to be made provided that where the whole or any part of such funds are subsequently recovered from the tenants or any of them the Owner shall be reimbursed to the extent that such funds are recovered within a reasonable period of the receipt of such funds from the tenants.

Representations and warranties

The Agreements includes standard representations and warranties covering capacity and authority (corporate powers).

Capital Expenditure

Manager shall not incur any capital expenditure in relation to the Portfolio without the written consent of the Owner.

In the event that the Manager shall incur expenditure in respect of any item in any year in relation to any items of expenditure which do not fall within the list of recoverable items of expenditure pursuant to the service charge provisions contained in the leases in an amount exceeding EUR 6,000 (including, for this purpose, irrecoverable value added tax) without first having obtained the Owner's prior written consent (which may be delayed or withheld in its absolute discretion) then the Manager will indemnify the Owner in respect of such expenditure.

The Manager is authorised to assume without inquiry that any tenant holding under any lease is duly performing and observing all the covenants and provisions therein contained as on its part to be performed unless and until the Manager has actual notice to the contrary or would have had such notice if it had carried out inspections (insofar as access can be obtained pursuant to the terms of the existing leases or any other agreement affecting the same) no less frequently than once every three months or had carried out such other investigation or made such enquiries as would be made by a person experienced and skilled in the management of and the provision of property investment advice relating to the acquisition of interests in and the active management of properties similar to the Portfolio.

Staff

The Manager shall procure the employment or engagement, payment and management of all persons necessary to be engaged by it for the proper and efficient delivery of the Services, such persons to be employees of the Manager, at Manager's expense and responsibility.

Indemnity

The Manager shall indemnify and keep indemnified the Owner against all:

- (i) losses, costs, claims and proceedings arising as a consequence of any breach by the Manager of the obligations or conditions on its part contained in the Agreement provided that if by reason of any of the latter, the liability of the Manager exceeds €5,000,000 for any claim the liability of the Manager shall be €5,000,000 in respect of such claim provided always, and the parties agree, that the Owner shall use reasonable endeavours to mitigate any losses arising as a consequence of the breach referred to in this "Indemnity" section. Nothing shall limit or exclude the Manager's liability under the Agreement for any liability arising out of the negligence, wilful or intentional misconduct or fraudulent or criminal conduct on the part of the Manager.
- (ii) actions, proceedings, claims, damages, fines, penalties, expenses, legal remedies, compensation, court or employment tribunal orders, awards, costs and any other liabilities whatsoever (including legal expenses on an indemnity basis) arising in connection with any claims (whether or not legal proceedings are issued) made against the Owner by any third party appointed or engaged by the Manager in relation to the performance of any of the Services, but not including employees of the Manager (such indemnity to include any award made in respect of a breach of the Transfer of Undertakings (Protection of Employment) Regulations (Article 44 of the Spanish Workers Statute approved by the Royal Decree 1/2005 dated 24 March) and any other statute or statutory provision which may from time to time implement or purport to implement the Acquired Rights Directive (EC 2001/23) dated 12 March 2001 as the same may be amended from time to time) ("**Regulations**").

Upon the expiration or termination of the Agreement, the

Owner shall indemnify and keep indemnified the Manager against all actions, proceedings, claims, damages, fines, penalties, expenses, legal remedies, compensation, court or employment tribunal orders, awards, costs and any other liabilities whatsoever (including legal expenses on an indemnity basis) arising in connection with any made against the Manager by any employee of the Manager claiming that the Regulations apply to transferring their employment to the Owner on such termination (such indemnity to include any award made in respect of a breach of the Regulations).

Applicable Law

Spanish law.

Jurisdiction

Courts and tribunals of Madrid.

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