

PRIMERO H SOCIMI: SOCIAL IMPACT REPORT

EXECUTIVE SUMMARY



**Primerro H: Transforming affordable housing
access to eradicate homelessness**

The first social SOCIMI in Spain

Homelessness is a growing phenomenon at the global level (895,000 people in Europe) and specifically in Spain with more than **37,000 people affected**. **The problem has increased in Spain by 25%** between 2012 and 2022 at the same time becoming more chronic: 73% of homeless people have been suffering from this situation for more than a year and 41% for more than 3 years (National Statistics Institute).

Housing-based policies to combat homelessness have proven to be the most successful, and neighbouring countries that implement them are achieving significant reductions in the phenomenon. Primero H offers its tenants - charities, housing associations and NGOs with housing-based projects for excluded people – long term housing rent at prices that are at least 20% below market as well as other accessible conditions.



Primero H is a REIT (SOCIMI in Spanish legislation) launched by **HOGAR SI** and **ASOCIMI**, designed as a social investment project which operates in the secondary stock market (Portfolio) and is subject to the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of July 2. Primero H offers their investors the **transparency and regulation** of a listed company.

www.primerohsocimi.es
www.hogarsi.org
www.asocimi.com



Primero H is a pioneering REIT in channelling impact investment to increase available affordable housing in Spain, with the final objective of fighting against homelessness and housing exclusion. Its business model permits the acquisition and management of houses for excluded people, guaranteeing rent stability and promoting social inclusion. Through strategic alliances with NGOs and public bodies that guarantee the payment of rents, Primero H promotes the access to decent housing for excluded people contributing to poverty reduction and an improvement in quality of life.

Primero H offers their investors a double return:

- **Both economic**
- **Social impact contributing** to the solution of the affordable housing problem in Spain.

Primero H demonstrates the possibility of having a profitable and **impact-based model focused on social housing that is both replicable and scalable.**

Currently it has **5 million euros** in capital and has dedicated **2.2 million** to buying **16 houses** in which **33 formerly homeless people** live.

Primero H

Social impact investment, direct social impact and additionality of the model



Primero H started with the vision of being an additional **social impact investment**. For this purpose, it has generated a strategic framework that joins the three characteristics of this type of investment: **intentionality, additionality and impact measurement**.

The **strategic intentionality** is part of its own conception. Primero H was designed to be an impact investment project, and this is reflected in its corporate purpose and bylaws. To guarantee its social corporate purpose **Primero H has created an ethics committee that issues a mandatory annual report about the fulfillment of its social and governance goals**.



The **additionality** of the model is considered from the point of view of both the **investors** and the project and is directly based on rent affordability and indirectly on the recovery process of excluded people who live in the houses.

Primero H demonstrates its impact by publishing this annual impact report and monitors it through its ethics committee. **The Primero H impact report** has a selection of impact metrics from the IRIS 4.0 Catalog and other proprietary impact and governance metrics, with the purpose of reporting data that can be comparable in the sector and aligned with UN SDGs and targets.

In the report you can find the full impact indicator table, among which we can highlight the following:

WITH A GOOD TRACTION RECORD AND STRONG PERFORMANCE



HOUSING ACQUIRED

Average price of €134,200 per house.



2,2 M€ TOTAL INVESTMENT

Including an average capex of € 7,853 per house.



33 PEOPLE

Living in Primero H houses.



100% HOUSING

That complies with the UN Adequate Housing Standards.



5,7% GROSS PROFITABILITY

Average rent of €651 / month



13 NUMBER OF HOUSING

Units renovated in order to provide accessible housing.



7% PRIMERO H RENTAL PRICES

Compared to the Public Rental Index (Housing Ministry)



-39% PRIMERO H RENTAL PRICES

Compared to market price per m² on www.idealista.com



Primeroh

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