IMMEDIATE REPORT - DERECH HASHALOM

09 May, 2022

Amot will purchase a lot sized approximately 0.79 acres on Derech HaShalom Street in Tel Aviv, for NIS 262 million

The lot is located next to the company's ToHa project and is designated for construction of residential, employment and commercial areas

Amot Investments, part of the Alony Hetz group, reports this morning (Monday) that in a public envelope opening procedure held yesterday, the company's bid, in the amount of approximately NIS 261 million plus VAT, was found to be the highest bid submitted to a tender of the Tel Aviv Municipality for the purchase of the full lease rights in Lot 300, a complex sized approximately 0.79 acres on Derech HaShalom St. in Tel Aviv. As of the date of the report, the company has yet to receive official notice from the municipality of its winning of the tender.

The complex, designated residential, employment and commercial, is located at 15 Derech HaShalom St. in Tel Aviv, next to the TOHA project. Two buildings have been constructed on the complex: The first, sized approximately 3,100 sqm, is intended for strict preservation, and the second, sized approximately 2,300 sqm, is intended for partial preservation (to be partly demolished and partly preserved).

The lot has an approved urban construction plan for construction of 15,845 sqm gross aboveground, of which 9,507 sqm gross aboveground are designated residential for 94 housing units, 4,754 sqm gross aboveground are designated for employment, 1,584 sqm gross aboveground are designated for commerce and belowground service areas in an identical total area.

The municipality has the right to mobilize additional construction rights to the complex, from preservation at a scope of approximately 560 sqm gross designated residential.

Amot has extensive activity in the area. In collaboration with Gav Yam, the company constructed the ToHa1 office tower, accommodating a series of leading international companies. These days, the companies are constructing ToHa2 tower, a 77-floor employment tower which is to rise to a height of approximately 300 meters. Once its construction is completed in 2026, ToHa Towers will house approximately 20 thousand employees.

Shimon Abudraham, CEO of Amot: "Israel's central transportation district is about to be constructed at HaShalom Junction in Tel Aviv. A planned underground transportation terminal will connect "HaShalom" heavy rail station with two future metro stations. The terminal will be connected directly to ToHa Gardens and a considerable part of the country's populace will enjoy excellent public transport accessibility to this strategic location. We estimate that the complex, which today serves as Tel Aviv's central business district, will in the future reposition itself as the central business district of the State of Israel; and, through this purchase, Amot further develops its presence in the complex.
In a zoning reality in which mixed uses are being implemented in most of the significant employment projects, the company's entry into an activity including a residential component is vital for its continued development and growth. Once we receive official notice of winning, we intend to vigorously act to further the project's development, planning and construction".