



City of Buenos Aires, August 9, 2016.

Messrs.

**Securities Exchange Commission
Buenos Aires Stock Exchange
Mercado Abierto Electrónico S.A.**

Ref.: Relevant Fact – Purchase of a property in the city of Buenos Aires – Additional information of the constituted mortgage in warranty of the payment of the property.

Dear Sirs,

We are pleased to contact you on behalf of TGLT S.A. (“TGLT” or the “in order to inform that on August 8, 2016, TGLT acquired four plots located in the southern part of the City of Buenos Aires, in San Telmo, with an area of 6,240 square meters approximately, in which TGLT plans to build its Astor San Telmo project. Additionally, a portion of the plots is currently leased, so TGLT will perceive that rental income as well.

For this property, we agreed to pay the sellers US\$1.5 million in cash and agreed to transfer to them: (i) 52 residential units that in the aggregate account for 3,173.72 square meters; (ii) one commercial property with a total area of 494 square meters suitable for a restaurant located at the corner of Av. Caseros and Bolivar; and (iii) 60 parking spaces (30 located on the first underground parking level and 30 located on the second underground parking level). In the event that the project is modified with a gross sellable area greater than 23,158 square meters, the recipients will have the right to receive 15% of the additional sellable area *pari passu* with TGLT. Cash payment: (a) the payment of US\$1.5 million in cash, of which US\$1.2 million have already been paid upfront on November 30, 2015 and (b) the balance of \$ 300,000 is due on December 1, 2016.

As collateral, TGLT constituted a first-degree mortgage on the property for up to US\$10.5 million, which could be replaced by another property of an equal or higher value if both parties agree to do so.

In compliance with the applicable law, we cannot report inventory value of the mortgaged property on the latest balance sheet of the Company (i.e., for the period ended June 30, 2016) as it is prior to closing of the transaction.

The historical value of the property and the mortgage balance match US\$10.5 million guaranteed by it.

Yours Sincerely,

TGLT S.A.

Rafael I. Soto
Director of Investor Relations