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OPTIBASE LTD. ANNOUNCES \$15,000,000 NON-REVOLVING CREDIT FACILITY IN FLORIDA

HERZLIYA, Israel, July 8, 2015 – Optibase Ltd. (NASDAQ: OBAS) (the “Company” or “Optibase”) today announced that its wholly owned subsidiary, Optibase Real Estate Miami, LLC, a Delaware limited liability company (the “Borrower”), has entered into a Fifteen Million Dollar (\$15,000,000) non-revolving credit facility (“Loan”) with City National Bank of Florida (“Lender”) for the financing of certain condominium inventory located in Miami, Florida (“Properties”), which are owned by the Borrower.

The Loan is for a term of three (3) years, with an interest rate of Libor 30-day-rate plus 2.65%. Interest on the Loan shall be paid monthly commencing August 1, 2015, and the principal shall be reduced in six-month intervals beginning July 2016. The securities for the Loan include a mortgage spread over 25 residential condominium units in Florida owned by the Borrower (including 23 units contained in the Marquis Condominium, Miami, one unit contained in the Continuum on South Beach Condominium, The North Tower, Miami Beach, and one unit contained in the Ocean One Condominium, Sunny Isles Beach), and a guaranty from the Company's subsidiary, Optibase, Inc., a California corporation.

Amir Philips, CEO of Optibase commented "To date, the Miami portfolio has been financed in full with the Company's equity. We have decided to lever this investment to provide us flexibility and additional financial resources to allow for a future increase in our overall real estate portfolio".

For further details on the transaction, see the Company's report on Form 6-K as filed with the Securities and Exchange Commission on July 8, 2015.

About Optibase

Optibase invests in the fixed-income real estate field and currently holds properties in Switzerland and in Miami, Texas and Philadelphia, USA and is currently looking for additional real estate investment opportunities. Optibase was previously engaged in the field of digital video technologies until the sale of its video solutions business to Optibase Technologies Ltd., a wholly owned subsidiary of VITEC Multimedia (“Vitec”) in July 2010. For further information, please visit www.optibase-holdings.com.

This press release contains forward-looking statements concerning our marketing and operations plans. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. All forward-looking statements in this press release are made based on management's current expectations which involve risks, uncertainties and other factors that could cause results to differ materially from those expressed in forward-looking statements. These statements involve a number of risks and uncertainties including, but not limited to, difficulties in finding suitable real-estate properties for investment, availability of financing for the acquisition of real-estate, difficulties in leasing of real-estate properties, insolvency of tenants, difficulties in the disposition of real-estate projects, risk relating to collaborative arrangements with our partners relating to our real-estate properties, risks relating to the full consummation of the transaction for the sale of our video solutions business, general economic conditions and other risk factors. For a more detailed discussion of these and other risks that may cause actual results to differ from the

forward looking statements in this press release, please refer to Optibase's most recent annual report on Form 20-F. The Company does not undertake any obligation to update forward-looking statements made herein.