

VALUATION REPORT

AFI COTROCENI

4 Vasile Milea Blvd., Sector 6

Bucharest, Romania

COTROCENI PARK SA

Date of Valuation: 30th September 2019

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or

(ii) € 20 million (20,000,000 Euro).

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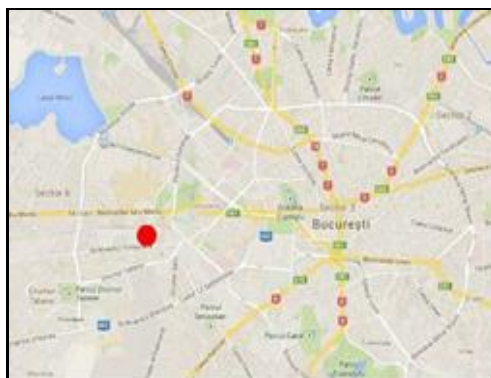
None of the information in this Report constitutes advice as to the merits of entering into any form of transaction.

If you do not understand this legal notice then it is recommended that you seek independent legal advice.

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



The Property

Address: 4 Vasile Milea Blvd, District 6
Bucharest, Romania

Main Use: regional shopping and entertainment centre

According to the information and documents provided by COTROCENI PARK S.A. the Property has a Gross Lettable Area (GLA) of 87,634 sq m, developed on 10 plots of land with total size of 103,468 sq m.

Tenure

We understand that the property is held freehold by S.C. COTROCENI PARK S.A.

Tenancies and Covenant Strengths

The total GLA of the shopping centre is 87,634 sq m, of which 2,639 sq m office space. The Property is 97.20% let at the valuation date and it generates € 37,460,898 (including Additional Income).

AFI Cotroceni is the largest shopping mall in Romania, and one of the largest shopping malls in the CEE/SEE Regions. The tenants are international and national brands. The Mall is hosting the largest Peek&Cloppenburg (P&C) in Romania (5,297 sqm GLA) and the largest Zara shop (4,316 sqm GLA – including Zara, Zara Man and Zara Home) in the CEE Region. The mall has excellent entertainment facilities: 20 screen cinemas, IMAX screen, ice skating rink, bowling alley, electronic casinos, roller coaster, playground for children, Lasermaxx arena and a children's electric train.

The scheme is anchored by:

- Auchan Hypermarket - they are occupying an area of 12,788 sq m (approx. 14.58% of total GLA). The rebranding of real in Auchan within AFI Cotroceni was completed in April 2014, after Auchan Group bought 20 Real hypermarkets in Romania in September 2013.
- P&C opened the largest shop in Romania and occupies 5,297 sq. m of the new mall extension starting October 2017.
- ZARA opened the largest shop in the CEE Region and occupies 4,316 sq. m of the mall starting October 2009.
- Cinema City, with 20 screens occupies 6,530 sq m and an IMAX screen that occupies 841 sq m. This is the second largest tenant of the shopping center in terms of leased GLA - approx. 8.4% of total GLA.
- C&A - the well-renowned fashion retailer is positioned itself on the main entrance of the shopping mall on two levels, occupying a total area of 3,284 sq m.
- Inditex Brands – including the new ZARA mentioned above and the brands Zara Home, Bershka, Pull&Bear, Stradivarius, Oysho and Massimo Dutti occupy 8,243 sq m located on the ground floor and on the first floor. Oysho and Bershka, Zara and Stradivarius have the longest leases.
- H&M - the worldwide fashion giant that has entered the local market in 2011 and it opened on the 25th March 2011 their first shop in Romania, in AFI Cotroceni, a 1,938 sq m unit on two levels close to the entrance from Timisoara Boulevard. H&M extended the leased area by 840 sq m as of 15th November 2013 and leased 135 sqm of storage space.
- World Class Romania SA – fitness club network is occupying in AFI Cotroceni 1,818 sq m on the first floor. They have one of the longest leasing contracts within the shopping center.
- Intersport - the important sports fashion and equipment retailer occupies a unit of 1,032 sq m, located on the ground floor.
- LPP - The Polish group is represented by Reserved, Mohito, Cropp Town and Sinsay brands, totalling 2,729 sq m. These are among the most successful brands on the local market especially addressed to the young generation.
- Maxbet - the local market leader on the casino sector is occupying 2,053 sq m at the 1st floor, close to IMAX.

The key reversionary points are 2023 when 26.95% of contracted income is due to expire and 2020 when 15.60% of actual leases are ending. Overall the tenancies represent relatively good covenant strength and security of income. The weighted average unexpired lease term is 3.42 years.

Gross Income

€37,460,898 (€427.47 per sq m)
per annum

Net Income

€37,052,322 (€422.81 per sq m)
per annum

Gross Market Rent

€38,653,680 (€441.08 per sq m)
per annum

Fair Value

€559,710,000 (FIVE HUNDRED AND FIFTY-NINE MILLION, SEVEN HUNDRED AND TEN THOUSAND EUROS), exclusive of VAT.

Yield Profile

Initial Yield	6.62%
Reversionary Yield	6.91%
Equivalent Yield	6.79%

SWOT Analysis

Strengths

- AFI Cotroceni is the dominant retail scheme in Romania in terms of size, anchors, footfall and merchandise mix. The current GLA after extension is 87,634 sq m, making it the biggest shopping mall in Romania.
- The shopping mall has excellent visibility at the junction of Timisoara and Vasile Milea boulevards in the Western part of the city. Timisoara Boulevard is one of the most important routes (alongside Iuliu Maniu Boulevard) that connect the city centre to the Militari and Drumul Taberei districts and also to the A1 highway.
- Tram line no. 1 - one of the most important public means of transportation in Bucharest that covers the 'inner ring road' has a station in front of the scheme at the junction of Vasile Milea and Timisoara boulevards.
- As a general idea the property is well served by public transport: tram lines no. 8, 25 and 47 on Timisoara Boulevard, bus lines no. 137 and 138 on Timisoara Boulevard,

no. 105 and 635 on Vasile Milea Boulevard and trolley bus lines no. 71 and 93 on Vasile Milea Boulevard.

- The site has a wide frontage to both boulevards - 225 meters alongside Vasile Milea Boulevard and 235 sq m meters alongside Timisoara Boulevard.
- Politehnica metro station is located at 5 minute walk from the shopping mall on Luliu Maniu Boulevard and generates a significant segment of the footfall.
- The infrastructure in the area was constantly improved during the past years starting with 2011 when the Basarab Bridge was inaugurated - it connects the Northern and Eastern areas of the city to the Western area through Victoriei Square.
- The tenant mix includes renowned anchors for the Romanian market, such as Auchan, Inditex brands, H&M, C&A, Peek & Cloppenburg, LPP brands, Intersport, Flanco, Altex and Cinema City, while other international names are CCC, Ecco, Karen Millen, Humanic, Gant, KFC, McDonald's, Tommy Hilfiger, Starbucks, Mango etc.
- The Property benefits from a large parking area, both underground, above ground or within a multi-level parking deck. There is flexibility to build more parking on the upper-levels of the exterior parking deck and on the roof of the mall.
- Parking payment system was implemented for several years now and is contributing to the shopping mall's revenues.
- The total turnover of the tenants for June 2019 is 7.4% higher than the level registered in June 2018.

Weaknesses

- There are currently on-going works for food court renovation, but this will improve mall's revenues and layout
- During the peak hours the traffic is congested (7:30 am to 9 am and 6 pm to 8 pm), which puts a strain on the ease of access; it is directly related to the fact that during those hourly intervals the traffic is mainly generated by the residents of Drumul Taberei and Militari neighbourhoods.
- The immediate vicinity is comprised of former industrial facilities alongside Timisoara Boulevard in the West, a class B office building (a conversion from a textile factory) alongside Vasile Milea Boulevard in the North and a military base just across Vasile Milea Boulevard, but the new office park developed by AFI has mitigated this risk.
- Extensive walking distances to various stores via main circulations.
- The Western area of the city is one of the most crowded areas in terms of modern retail projects, with hypermarket-lead schemes such as: Militari Retail Park, Carrefour Orhideea, Militari Shopping and cora Lujerului while the only shopping mall located nearby is Plaza Romania (refurbished in 2016). Other schemes located at 10-minute drive time from the subject property are Liberty Center and Vulcan Value Center. All these schemes do not pose a threat to AFI Cotroceni but they do have an impact on the catchment figures, respectively footfall.

Opportunities

- The operational AFI Park consisting of five class A office buildings with more than 70,000 sq m GLA and approx. 7,000 employees with above national average salary that can be lured towards the shopping mall at least during the lunch hour, within the food court.
- The catchment area of the scheme includes the entire population of the Western area of Bucharest and also attracts residents from neighbouring sectors and cities due to its dominant position, food, fashion and entertainment anchors.
- In the near future the sitting area is going to be extended within the food court by relocating the Samsung kiosk and shrinking the kids' playground according to the owner.
- The new metro station Orizont is located at approx. 300 m away from the shopping mall and currently is under construction. This is part of the metro line M5 Drumul Taberei - Pantelimon and the construction works for Drumul Taberei - Eroilor is estimated to be completed by the of the end 2019 the earliest. However a realistic completion date is mid-2020.
- A plot of over 4ha was acquired by AFI Europe in the immediate vicinity of the subject property and intends to develop office and residential facilities, that will extend the population density in the primary catchment area.
- Bucharest is the biggest city in Romania with over 2,500,000 inhabitants including the neighbouring localities and concentrates the largest amount of foreign investments whilst also registering the highest average net income per person in the country (with at least 25%-30% above the national average).

Threats

- Mega Mall (75,000 sq m) and ParkLake (70,000 sq m) are the biggest threats to the AFI Cotroceni scheme although located in the Eastern area of Bucharest. Mega Mall was completed in May 2015, while ParkLake is operational since the 1st of September 2016.
- Sun Plaza, with its over 80,000 sq m GLA, located in Berceni area, anchored by cora, C&A, Flanco, Cinema City and H&M is attracting the majority of the population from the Southern part of the city. However, this is not a direct competitor to AFI Cotroceni in terms of a high percentage of large anchors within the total GLA and rather medium to low available expenditure within the catchment area.
- Baneasa Shopping City (54,000 sq m) is performing strongly although the catchment is different, meaning it is visited by high income population from all over the Capital but not limited to.

This executive summary should be read in conjunction with the valuation report and should not be relied upon in isolation. It is provided subject to the assumptions, disclaimers and limitations detailed both throughout this report. This valuation is for the use only of the party to whom it is addressed and for no other purpose than that stated herein. Reliance on this report is conditional upon the reader's acknowledgement and understanding of these statements. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

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VALUATION REPORT

VALUATION REPORT

Report Date	25 th November 2019
Addressee	SC COTROCENI PARK SA
The Property	AFI Cotroceni 4 Vasile Milea Blvd., Sector 6 Bucharest, Romania
Property Description	Shopping center According to the information and documents provided by COTROCENI PARK S.A. the Property has a Gross Lettable Area (GLA) of 87,634 sq m, developed on 10 plots of land with total size of 103,468 sq m.
Ownership Purpose	Investment
Instruction	To value the unencumbered freehold-equivalent interest in the properties on the basis of Fair Value (IFRS 13 and IAS 40) as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee dated 20th August 2019.
Valuation Date	30th September 2019
Capacity of Valuer	External Valuer, as defined in the RICS Valuation – Global Standards 2017
Purpose	Financial Reporting
Fair Value	€559,710,000 (FIVE HUNDRED AND FIFTY-NINE MILLION, SEVEN HUNDRED AND TEN THOUSAND EUROS), exclusive of VAT , as shown in the Schedule of Capital Values set out below.

We confirm that the "Fair Value" reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as "Market Value".

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

Our opinion of Fair Value (IFRS 13) is based upon the

Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

Market Conditions

The values stated in this report represent our objective opinion of Market Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the property has been properly marketed and that exchange of contracts took place on this date.

Compliance with Valuation Standards

The valuation has been prepared in accordance with the RICS Valuation – Global Standards 2017 which incorporate the International Valuation Standards (“the Red Book”). The valuation is also prepared in compliance with IAS 40 (International Accounting Standard 40 Investment Property). In addition, the valuation is also prepared in compliance with IFRS 13 (International Financial Reporting Standards 13 – Fair value measurement).

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently.

Where the knowledge and skill requirements of The Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of The Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This Valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.

Assumptions

The property details on which each valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

	<p>If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.</p>
Variation from Standard Assumptions	<p>None.</p>
Valuer	<p>The Property has been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.</p> <p>The valuer has the equivalent local qualification which is in accordance with the RICS Valuation – Global Standards 2017 (“the Red Book”). Clare Sheils MRICS from CBRE, Czech Republic has overseen the valuation process.</p>
Independence	<p>The total fees, including the fee for this assignment, earned by CBRE Real Estate Consultancy (or other companies forming part of the same group of companies) from the Addressee (or other companies forming part of the same group of companies) are less than 5.0% of the total Romanian revenues.</p>
Conflicts of Interest	<p>We confirm that we have had no previous material involvement with the property, and that copies of our conflict of interest checks have been retained within the working papers.</p>
Disclosure	<p>The principal signatory of this report has continuously been the signatory of valuations for the same addressee and valuation purpose as this report since 2014.</p> <p>CBRE Real Estate Consultancy has carried out Valuation, Agency and Professional services on behalf of the addressee for between 5 and 9 years.</p> <p>CBRE Real Estate Consultancy has continuously been carrying out valuation instructions for the addressee of this report since 2011. The Fair Value as at 30th June 2018 was €545,520,000. The capitalisation method was used.</p>
Reliance	<p>The contents of this Report may only be relied upon by:</p> <p>(i) Addressees of the Report; and</p>

(ii) Parties who have received prior written consent from CBRE in the form of a reliance letter; for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Currency

Our valuation is provided in Euros. As agreed with the Company, we have applied an exchange rate of the Romanian National Bank of the respective country as at the 30th September 2019, which is as follows: 4.7511 RON/EUR (www.bnr.ro)

Yours faithfully



Ovidiu Ion, MRICS

Director

Head of Valuation Romania

For and on behalf of

CBRE

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Project Reference: AFI Cotroceni/ 2019

SCHEDULE OF FAIR VALUES

Properties Held for Investment

Address	Freehold	Leasehold	Fair Value TOTAL
4 Vasile Milea Blvd., Sector 6, Bucharest, Romania	€559,710,000		€559,710,000
TOTAL	€559,710,000		€559,710,000

SCOPE OF WORK & SOURCES OF INFORMATION

Sources of Information	We have carried out our work based upon information supplied to us by COTROCENI PARK SA (AFI EUROPE), which we have assumed to be correct and comprehensive.
The Property	Our report contains a brief summary of the property details on which our valuation has been based.
Inspection	<p>The property was inspected on 17th October 2019. A schedule of the most recent inspection dates is contained within our year-end report/maintained within our working papers and can be made available if required.</p> <p>The inspection was undertaken by Marius Ene on behalf of CBRE.</p>
Areas	We have not measured the property but have relied on the areas provided to us by COTROCENI PARK SA (AFI EUROPE).
Environmental Matters	We have not carried out any investigation into the past or present uses of the Property, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.
Services and Amenities	<p>We understand that all main services including water, drainage, electricity and telephone are available to the properties.</p> <p>None of the services has been tested by us.</p>
Repair and Condition	We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Property. We are unable, therefore, to give any assurance that the Property is free from defect.

Town Planning

We have not made any Planning enquiries except for reviewing the planning documentation provided by AFI Europe. We cannot, therefore, accept responsibility for material omissions in the information supplied to us.

Titles, Tenures and Lettings

Details of title/tenure under which the Property is held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The valuation has been prepared on the basis of "Fair Value" (in accordance with International Financial Reporting Standard (IFRS) 13), which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under IFRS 13, is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with the definition of Market Rent.

The Property

Where appropriate we have regarded the shop units of retail and entertainment area from the parking deck as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In undertaking our work, we have been instructed to assume that the Properties are not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on them.

In the absence of any information to the contrary, we have assumed that:

(a) the Property is not contaminated and is not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Property which are regulated by environmental legislation are properly licensed by the appropriate authorities.

(c) the Property possesses current energy performance certificates as required under government directives.

(d) the properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value.

(e) invasive species such as Japanese Knotweed are not present on the Property.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

(a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the property;

(b) the Property is free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions

to, the Property; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Property. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Planning and Lettings

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Property possesses a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Property is not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

(g) tenants will meet their obligations under their leases;

(h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

(i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;

(j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

(k) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable.

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PROPERTY REPORT

PROPERTY DETAILS

Location

Macro-location

The property is located in the Centre - Western area of Bucharest, approximately 5 km from the city centre. Administratively, the site is included in the 6th district of Bucharest. This sector is the second largest in terms of population and also the second most crowded in terms of density (after 2nd district) with approx. 13,000 inhabitants / sq km (compared to average density for Bucharest City - 9,150 inhabitants / sq km).

The total population living in the 6th district of Bucharest is 389,636. AFI Cotroceni is located between Militari and Drumul Taberei which are ones of the largest and highest-density neighbourhoods in Bucharest. Moreover, being located close to Bucharest city centre and benefiting from the traffic generated by Basarab Bridge, the catchment area of the shopping centre is expanded outside the district limits.

We have not made a catchment area study, but we have relied upon the information provided to us by COTROCENI PARK SA. According to this, the catchment area gathers over 600,000 residents living within 10-minute drive time. This includes some central and luxurious residential districts such as Cotroceni registering on average a high income.

Micro-location

The subject property is located on the corner, at the junction between Timisoara and Vasile Milea boulevards, having the postal address at 4 Vasile Milea Blvd.

Surrounding developments within the micro-location have a mixed-use character with multifamily residential buildings on one side of Timisoara Boulevard (GF+4 and GF +8), as well as retail space (located mainly at ground floor of the apartment buildings) and light industrial buildings, plus administrative buildings of state owned army, student halls of residence etc.

An important commercial component of the micro-location is represented by the office development, namely AFI Park, near the subject property. The project consists of five office buildings developed between 2012 and 2016, with total GLA of approx. 71,000 sq m.

In 2018 AFI bought a plot of 4.3 ha near subject Property. According to their information they are planning to extend the office buildings of AFI Park (and reach 200,000 sq m office space) and to develop more than 300 apartments.

A medium size shopping mall, Plaza Romania, is situated approximately 1 km west of the subject site, at the junction of Timisoara Blvd. with Brasov St. Anchor Group decided to reconvert part of the mall in office space resulting 10,000 sq m of office areas in Plaza Romania Offices starting 2016.

The same developer has under-construction another office building on Timisoara Blvd.

The construction works were re-launched after more than 5 years, but Anchor Metropol (approx. 37,000 sq m) is still not completed.

Together with two old office buildings, both of them on Vasile Milea Blvd: Cotroceni Business Centre (a refurbished class C office building on APACA site, the clothes producer) and Global Business Centre (a class B office building owned by Immofinanz), two new office developments are in the micro-location, on Luliu Maniu Blvd.

First of them is Campus, the project of Skanska who sold in 2018 the first completed building, Campus 6.1, to CA Immo. Campus 6 will be completed in 2022 and it will have four office buildings with total GLA of 85,000 sq m. The other office project on Luliu Maniu currently under final stages of completion is The Light, developed by River Development, who will offer in the first building of the project approx. 21,000 sq m office area.

Other uses in the area include a High school (Petru Maior) situated west on Timisoara Blvd. and a University (Polytechnics) situated further north on Vasile Milea Boulevard, as well as a military base.

The site is well served by public transportation, both underground and above ground.

In front of the scheme on Vasile Milea Blvd. there is a stop for tram lines no. 1, 11 and 35. On the other side, in front of Timisoara Blvd. there is a stop for tram lines no. 8, 25 and 47, for trolley lines no. 69, 90 and 93 and for bus lines no. 126, 168, 268 and 368.

The nearest underground station (Politehnica) is at the junction of Vasile Milea Blvd with Luliu Maniu Blvd (approx. 350 metres distance which can be done in 7 minutes by foot).

The new metro station Orizont is located less than 300 m away from the shopping centre and currently is under construction. This is part of the metro line M5 Drumul Taberei – Pantelimon. The construction works for Drumul Taberei - Eroilor is estimated to be completed by the end of 2019. However a realistic completion date is mid-2020.

A location map is attached in Appendix A.

Site characteristics

Site size

From the documentation provided by COTROCENI PARK SA, we understand that the site consists in 10 plots of land with total size of 103,468 sq m.

As part of this valuation, we were provided with cadastral documentation dated 26th September 2019 and 07th October 2019. The documents confirm that the Site has a total land area of 103,468 sq m. The largest plot has size of 93,371 sq m and it is developed with a UG+GF+2F shopping centre having a Total Built Area of approx. 227,321 sq m.

Around the buildings there are pedestrian alleys, traffic circulations for underground parking, other aesthetical objects, as well as the five office buildings part of AFI Park.

The neighbours of the site are as follows:

- To the North - a large former industrial site, partially reconverted to B class offices

- and Fruntas Gh. Mihail Street;
- To the East - Vasile Milea Blvd., AFI Park 1, AFI Park 2 and AFI Park 3;
 - To the South - Timisoara Blvd. and office project AFI Park 4&5;
 - To the West - a public high-school and former IMS Park Development property (bought by AFI in 2018).

Site shape

The total site has irregular shape, with a frontage of approx. 225 meters on Vasile Milea Boulevard and approx. 235 sq m meters on Timisoara Boulevard.

Utilities

The analysed property is connected to all the public utilities available in the area, i.e. electricity, water, gas, sewers, telephone and internet lines.

Topography

Topography is a very important site characteristic because it can affect the physical design of the site as well as the design and construction of the building.

The analysed site is fairly level which was an advantage for the overall architecture of the scheme.

Description

Building Area

AFI Cotroceni is a regional shopping and entertainment centre, with high-class tenants, completed in October 2009.

The shopping centre comprises a total of approximately 227,321 sq m total built area which includes car parking facilities.

The Gross Leasable Area is 87,634 sq m, arranged over two floors with retail use predominating on the ground floor while the first floor is utilised for the food, cinema and leisure elements of the scheme, as well as additional fashion retail.

The shopping centre is triangular in shape with the main anchor stores located at the corners. The inner area of the triangle is dedicated to a large family leisure and entertainment area.

The ground floor gallery is divided into three malls catering to different tastes and age groups: Champs Elysees (in the East - upmarket brands), the Oxford Street (in the South – West) and Sunset Blvd (in the North).

The layout and design of the project creates a strong competitive advantage with naturally lit space and large circulation areas.

Building entrances

The project has two main entrances: one from Vasile Milea Boulevard opposite to the underground station and bus station (Galaxy Gate), and the other from the crossroads of Timisoara and Vasile Milea boulevards opposite the exits from the tram (Lighthouse Gate). Additional entrances are available from the parking areas.

Entrances are also available (on Champs Elysees) with access from AFI Park 1 and AFI Park 2.

The shopping mall provides adequate space for delivery vehicles. Anchor tenants receive deliveries in large trucks. For instance, the food anchor (Auchan hypermarket) has a separate delivery space from the rest of the retailers.

Customer parking

AFI Cotroceni benefits now from parking spaces distributed within the underground parking, with access from Vasile Milea Boulevard and from Timisoara Boulevard (level - 1) and within the multi-story above-ground parking, with access from Timisoara Boulevard (levels 0, 1, 2 and 3).

A parking payment system was already implemented and it is activated as of May 2014. This had double effect: it improved parking situation for mall's shoppers and it increased mall's revenues.

Structure

According to the cadastral extracts we have been provided with, there is one large building erected on the site.

The building is of concrete frame construction. The underground level is used for parking and technical spaces, having a free height of 3 meters. The above ground levels are also constructed of reinforced concrete panels. The roof is of reinforced concrete panels or prefabricated metallic or steel sandwich panels.

The building has the following configuration: selling areas, offices and technical spaces and warehouse, as well as circulation space. The interior finishing includes: PVC framed windows (on the offices areas), painted partitioned walls and suspended ceilings with fluorescent lights; the bathrooms have ceramic tiled floors and walls. The specification is typical of a shopping and entertaining mall, consisting of suspended ceilings with fan cooling services and fluorescent lights. The walls are concrete and plastered and painted with the tenants' fit out attached accordingly. The floors are of concrete with either a polished tile or plaster. The retail units have light plaster board partitions with full height windows. The corridors are equipped with skylights and smoke exhaust systems.

A distinctive feature is the 4,300 sq m glass dome covering the entertainment centre and food-court, one of the largest of this type in Eastern Europe.

Interior Building Characteristics

The circulation of the shopping mall has triangular shape, with several atriums dividing the shopping area.

There are large atriums at the two main pedestrian entries, with a height exceeding 20 meters, with is very attractive for customers and marks the scheme as a place of space and fluid circulation.

The ground floor is divided into three malls catering to different tastes and age groups. The Champs Elysee mall offers designer brands and high fashion, home wares and family commodities are found on the Oxford Street Mall and the Sunset Blvd mall caters for younger shoppers. The food court is located within the interior of this triangular shape, in a large piazza, with a one-of-a-kind glass cupola, allowing natural light to flood the space.

At the first floor, right above Auchan hypermarket unit, there is another large piazza, currently divided into different entertainment activities mainly for children (Smyk, Zorky Planet, Museum of senses) but not limited to (World Class Academy, Altex, Adidas).

Within the scheme there are many elevators and escalators that transport the customers from the parking area to the shopping mall, but also elevators for the delivery of goods.

The stores benefit from large windows, made of glass. For the majority of the spaces, there is a correct proportion between frontage and depth of the spaces. The storefronts are visible and there are no major visual obstructions. There is one exception to this – the large piazza at the first floor, occupied by several kiosks, makes the visibility of the stores located there rather poor.

Each retail establishment must maintain a sales floor area, a storage area, merchandise receiving areas and an administrative area.

As many of the retailers located in AFI Cotroceni view these stores as prime locations, in some instances the flag-ship stores are rather big, above the average, in comparison with other stores in Bucharest.

Services and Amenities

We assume that all necessary connections to the utilities such as gas, electricity, water, sewage and telephone have been carried out.

Accommodation

We have been provided with copies of Floor Plans as of April 2019 and we have been provided with gross leasable areas detailed within the Tenancy Schedule. According to this, AFI Cotroceni has GLA of 87,634 sq m and Total Built Area of 227,321 sq m, according to Land Book excerpt and Mall areas schedule provided by COTROCENI PARK SA.

AREA	SQ M
FOOTPRINT AREA	76,979
GROSS LEASABLE AREA	87,634
TOTAL GROSS BUILT AREA	227,321
Underground	53,259
Above-ground	174,062

Source: CBRE, based on Land Book excerpt and Mall areas schedule provided by COTROCENI PARK SA

We have not measured the property, but as instructed, we have relied upon floor areas provided to us by COTROCENI PARK SA.

The details of the Gross Leasable Area are set out below:

Gross Lettable Area

USE	GLA (SQ M)
Retail	82,656
Office	2,639
Storage	2,339
TOTAL	87,634

Source: CBRE, based on Tenancy Schedule provided by COTROCENI PARK SA

State of Repair

CBRE have not undertaken a structural survey, nor tested the services. We have not been supplied with a survey report prepared by any other firm. We have undertaken only a limited inspection for valuation purposes. We have assumed, in the absence of any information to the contrary that the building is free from material defect.

Construction Documentation

We have received the following building permits:

- Building Permit no. 1021/ 17.10.2006; pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office authorized the construction works for "Cotroceni Mall Bucharest", on UG+GF+2F
- Building Permit no. 482/ 17.07.2009 replacing the initial permit no. 1021
- Building Permit no. 359/ 13.08.2013 for extension of H&M store, extension of office space on Mezzanine and extension of underground parking
- Building Permit no. 57/ 18.02.2016 for development of parking on Auchan terrace and building a metallic access ramp
- Building Permit no. 58/ 18.02.2016 for extension of retail space in the existing parking and for an additional parking level.

General Condition

We have been provided with the handover protocol of "Cotroceni Mall Bucharest" (as the

Property was named in the building permit) no. 566 dated 18th September, 2009.

According to the above mentioned document, the construction works were based on the building permit no. 482 issued by the City Hall of District 6 Bucharest on July 22, 2009 with the availability date until July 22, 2011.

The shopping mall was officially opened on 29th October 2009, but it was subject to several extension works since then, in 2013, 2015 and 2017.

Moreover, COTROCENI PARK SA have important plans for Central Court renovation: the sitting area is going to be extended within the food court by relocating the Samsung kiosk and shrinking the kids' playground. COTROCENI PARK SA have provided us a total CAPEX amount until end of 2019 of €1,300,000 for food court renovation, maintenance and small repairs works, €1,000,000 for 2020 for improvements, replacements and upgrades of some systems and €800,000/ year for 2021-2025.

During our inspection, we did not notice nor were alerted to any material or technical defects.

Environmental Considerations

We have not been provided with copies of any environmental reports or certificates from the Owners of the Property. We have therefore assumed that there are no environmental issues affecting the Property, or if so, that contamination is minor in nature and will not materially affect the continued use of the Property.

We have not conducted any environmental analysis of the Property and therefore we recommend that any third parties who have an interest in the Site make all necessary investigations to ensure this is the case.

Town Planning

According to the Zoning Urban Plan (PUZ) of District 6, Bucharest, approved by HCGMB (Decision of Bucharest City General Council) no. 213/ 29 September 2006, the property's sites are zoned for "M3": mixed sub-area with buildings of continuous or discontinuous height regime and maximum height of GF+4F.

This sub-area allows uses among others of office, retail, hotels, restaurants, entertainment, parking uses etc.

The urban indicators available for M3 sub-area are as follows:

- maximum land occupancy (coverage-area ratio, POT): 60%, with the possibility of covering the rest of the land to 75% with buildings having maximum 2 levels (8m) for retail activities, halls spectacle, parking etc
- land utilization coefficient (floor-area ratio, CUT): 2.5
- maximum buildings height: 45m.

We have also been provided with Urban Certificate no. 282/45M/08.02.2008 for the plot of land with size of 116,573.81 sq m owned by COTROCENI PARK SA, for five office

buildings. The document confirms that the Site is included in M3: mixed sub-area with buildings of continuous or discontinuous height regime and maximum height of GF+4F. In the above-mentioned Urban Certificate there is mentioned the PUD for "4 Vasile Milea Blvd." for mall and office buildings, approved by Local Decision no. 33/23.02.2006; according to this there were approved the construction works of five office buildings with the following indicators: UG+GF+10, H max 45m, POT max 75% and CUT max 2.5.

We have not made any further verbal enquiries to the planning department and have assumed that the current use of the Site does not contravene any town planning regulations. We were provided with documents by the current owner and have assumed these to be complete and correct.

The building permit confirms that the Building have the relevant permissions for its current use. We have noted that there have been no known changes to the building which would affect the validity of the permit.

According to information provided to us, we understand that the building possesses all necessary approvals and planning permits. In the event we are informed to the contrary we would like to have the opportunity to review our opinion of value.

Planning Restrictions

We are not aware of any additional restrictions applied to the Property and are not aware of any issues which would materially and adversely impact upon the value of the Property.

From the documentation, we viewed and from our inspection, there is nothing that has come to our attention, which in our opinion, would give rise to any contravention of statutory requirements. However, we cannot be certain that we have seen all documentation or physical acts or processes that could give rise to any contravention; therefore, we reserve the right to amend our valuation accordingly if anything further comes to light.

In summary, we are not aware of any planning issues which would adversely impact the value of the property.

VAT

All rents and capital values stated in this report are exclusive of VAT.

LEGAL CONSIDERATIONS

Tenure

We have been provided with copies of the land register excerpts, dated 26th September 2019 and 07th October 2019. The documents show that the Property falls within the cadastral territory of District 6, Bucharest City at the registered address no. 4 Vasile Milea Blvd.

We understand that the property is held freehold.

From documentation provided to us we understand that the subject property (site consisting in 10 plots of land with total size of 103,468 sq m) is owned on the equivalent of freehold by S.C. COTROCENI PARK S.A.

LAND BOOK REGISTRY EXCERPT NO.	DATE OF LAND REGISTER EXCERPT	LAND BOOK NO.	ADDRESS	CADASTRAL NO.	LAND AREA (sq. m)
24783	26.09.2019	227668	4 Vasile Milea Street, Plot 1.1.1.1, District 6, Bucharest	227668	93,371
33320	07.10.2019	210868	4 Vasile Milea Street, District 6, Bucharest	210868	1,120
33322	07.10.2019	213346	4 Vasile Milea Street, District 6, Bucharest	213346	1,441
33321	07.10.2019	213344	4 Vasile Milea Street, District 6, Bucharest	213344	160
24778	07.10.2019	215191	4 Vasile Milea Street, District 6, Bucharest	215191	1,274
24779	07.10.2019	215190	4 Vasile Milea Street, District 6, Bucharest	215190	4,298
24777	07.10.2019	215193	4 Vasile Milea Street, District 6, Bucharest	215193	480
24781	07.10.2019	215192	4 Vasile Milea Street, District 6, Bucharest	215192	888
24780	07.10.2019	216786	4 Vasile Milea Street, District 6, Bucharest	216786	277
24782	07.10.2019	216785	4 Vasile Milea Street, District 6, Bucharest	216785	159
TOTAL					103,468

Source: CBRE based on land book excerpts provided by COTROCENI PARK SA

The shopping center with Total Built Area of 227,321 sq m and Footprint Area of 76,979 sq m is erected on the plot with cadastral number 227668.

The legal situation of the buildings erected on plots with cadastral numbers 227668 and 210868 is presented below:

LAND NO.	BOOK	CADASTRAL NO.	USEFUL AREA (sq. m)	FOOTPRINT AREA (sq. m)	BUILT AREA (sq m)	BUILDING'S USE
	227668	227668-C1				COTROCENI MALL BUCHAREST (UG+GF+2F)
		227668-C1-U1	740.21			Parking 1
		227668-C1-U2	657.50			Parking 2
		227668-C1-U3	207,069.62			Shopping Mall (excluding parking)
TOTAL			208,467.33	76,979	227,321	
	210868	210868-C1		273	273	
TOTAL			208,467.33	77,252	227,594	

Source: CBRE based on land book excerpts provided by COTROCENI PARK SA

The encumbrances registered within Land Books as provide by COTROCENI PARK SA are presented below:

- **Cadastral no. 227668-C1, 227668-C1-U1, 227668-C1-U2, 227668-C1-U3, 227668:**
 - Lease agreement no. 142/20.03.2009 for 5 years term starting with shopping centre's opening date for unit no. E131b & 133 regarding 277 sqm in favour of SC ELMEC ROMANIA SRL
 - Lease agreement no. 147/30.03.2009 for 5 years term starting with shopping centre's opening date for unit no. E 132 regarding 113 sqm in favour of SC ELMEC ROMANIA SRL
 - Lease agreement no. 148/20.03.2009 for 5 years term starting with shopping centre's opening date for unit no. E129 regarding 105 sqm in favour of SC ELMEC ROMANIA SRL
 - Lease agreement no.150/30.03.2009 for 5 years term starting with shopping centre's opening date for unit no. E127 regarding 150 sqm in favour of SC ELMEC ROMANIA SRL
 - Correction registered within land book excerpt no. 79238 and document no. 366632/22.10.2009 regarding the following change: the property identified with cadastral no. 1766/31/1/1 registered at the address 4 Vasile Milea owned by SC COTROCENI PARK SA changes the name from SC ELMEC ROMANIA SA to SC ELMEC ROMANIA SRL.

- Lease agreement no.184/14.07.2009 and addendum no. 01/14.07.2009 for 5 years term starting with shopping centre's opening date for unit no. D101 and D102 regarding 105 sqm in favour of SC INTERTOY ZONE SRL.
- Lease agreement no.134/10.02.2009 for 10 years term starting with shopping centre's opening date for unit no. C115 regarding 635 sqm in favour of SC DEICHMANN COMERCIALIZARE INCALTAMINTE SRL.
- Lease agreement no.235/15.10.2009 and addendum no. 01/15.10.2009 for 5 years term starting with shopping centre's opening date for unit no. A127 regarding 172 sqm in favour of SC SOCATEX ROMANIA SRL.
- Lease agreement no. 282/11.01.2010 and addendum no. 01/11.01.2010, 02/29.01.2010 for 5 years term starting with shopping centre's opening date, meaning 15.03.2010, for unit no. A137 regarding 233 sqm in favour of SC CAMAIEU MODA ROMANIA SRL.
- Novation no. 466 bis/04.10.2010 (agreement no. -/2010/04.10.2010) between SC COTROCENI PARK SA, H&M HENNES AND MAURITZ AB AND H&M HENNES AND MAURITZ SRL. Lease agreement for 5 years term starting with shopping centre's opening date for unit no. B102 (ground floor) regarding 936 sqm and unit no. E100 (1st Floor) regarding 1,002 sqm in favour of H&M HENNES AND MAURITZ SRL.
- Lease agreement no.392/17.01.2011 for 3 years term starting with shopping centre's opening date for unit no. D116 regarding 32 sqm in favour of SC THANG LONG ASIA FOOD CONCEPT SRL.
- Addendum no. 01/17.01.2011 to lease agreement no. 392/17.01.2011 from PIII/20 between SC COTROCENI PARK SA and SC THANG LONG ASIA FOOD CONCEPT SRL recorded within land book excerpt no. 87925 regarding property with cadastral no. 1766/31/1/1/1, owned by SC COTROCENI PARK SA regarding unit no. D116 (32 sqm).
- Addendum no. 01/22.11.2010 to lease agreement no. 371 between SC COTROCENI PARK SA and SC SIMCER EXCLUSIV SRL recorded within land book excerpt no. 87925 regarding property with cadastral no. 1766/31/1/1/1, owned by SC COTROCENI PARK SA.
- Addendum no. 02/29.12.2010 to lease agreement no. 371 between SC COTROCENI PARK SA and SC SIMCER EXCLUSIV SRL recorded within land book excerpt no. 87925 regarding property with cadastral no. 1766/31/1/1/1, owned by SC COTROCENI PARK SA regarding unit no. F518a (storage space – 4 sqm).
- Lease agreement no.371/22.11.2010 for 3 years term starting with shopping centre's opening date for unit no. D116 regarding 32 sqm in favour of SC SIMCER EXCLUSIV SRL.
- Agreement no. 67/20.01.2012 regarding extending the leased area for unit UgSt01 (135 sqm) in favour of H&M HENNES AND MAURITZ SRL.
- Lease agreement regarding unit A140 (previous 190) for 15 years term starting with shopping centre's opening date (05.05.2009) in favour of SC REAL HYPERMARKET ROMANIA SRL.
- Lease agreement regarding unit C101 and B145 for 10 years term starting with shopping centre's opening date (05.05.2009) in favour of SC ZARA BUCURESTI

SRL for 1,605 sqm.

- Lease agreement no.11/04.09.2007 for 5 years term starting with shopping centre's opening date (29.10.2009) for unit no. A145 regarding 234 sqm in favour of SC MIROGLIO ROMANIA SRL.
- Lease agreement for 5 years term starting with 01.06.2011 for unit no. B122 in favour of STEFANEL (ROMANIA) SRL.
- Lease agreement for 3 years term starting with 11.03.2014 for unit no. C103 regarding 625 sqm and a storage unit of 65 sqm (U19a and U19d) in favour of SC FF GROUP ROMANIA SRL.
- Lease agreement for 3 years term starting with 13.06.2014 for unit no. 55 regarding 50 sqm and a storage unit of 65 sqm (U19a and U19d) in favour of SC GARANTI BANK SA.
- Correction of (1) name from SC ELMEC ROMANIA SRL to SC FF GROUP ROMANIA SRL and (2) lease term from 5 years to 3 years.
- Lease agreement regarding unit A516a+b (470 sqm) for 3 years term in favour of SC MAX BET SRL.
- Lease agreement no. 672/26.06.2013 and addendum 02/01.04.2015 for 10 years and 3 months term starting with 10.11.2014 for unit no. C104 regarding 297 sqm in favour of SC PARFUMERIE DOUGLAS SRL.
- Lease agreement no. 8771/01.07.2015 for 6 years term starting with 17.09.2015 for unit no. C136 regarding 291 sqm in favour of SC DIKA STYLE SRL.
- Land registration - right of use – regarding 389 sqm (UG) in favour of ENEL DISTRIBUTIE MUNTENIA SA.
- Land registration – Servitude right - regarding 389 sqm (UG) in favour of ENEL DISTRIBUTIE MUNTENIA SA.
- Lease agreement no. 889/28.08.2015 regarding the space required for a TV SCREEN publicity panel (13.44x7.68 sqm) for 5 years term starting with 12.11.2015 in favour of SC PHOENIX MEDIA SRL.
- Lease agreement regarding unit C106 (1,240 sqm) and unit C106e (300 sqm) for 5 years term starting with 29.01.2014.
- Lease agreement regarding unit E141 (236 sqm) for 5 years term starting with 11.11.2014 and ending at 10.11.2019 in favour of SEPHORA COSMETICS ROMANIA SA.
- Lease agreement regarding units D101 and D102 with total area of 410 sqm for 5 years term starting with 29.10.2014 and ending at 29.11.2019 in favour of SC INTERTOY ZONE SRL.
- Lease agreement for 5 years term starting with 27.11.2015 and ending at 27.11.2020 regarding 765 sqm (unit E155) in favour of SC ALTEX ROMANIA SRL.
- Change of lease term within lease agreement no. 178/03.07.2009 with the following term: 15.11.2015-15.11.2020 in favour of SC MAX BET SRL.
- Land registration – Servitude right: non-exclusive and perpetuum right for trespassing as pedestrian and by vehicle (all authorised transportation vehicle included) the platform meaning 158 sqm according to Layout from Addendum

- no.1 (UG -1); 1,094.84 sqm according to Layout from Addendum no.2 (UG -2) and 665.3 sqm according to Layout from Addendum no.3 in favour of properties with cadastral no. 216783, 216784, 225596, 225599, 225597, 227669, 225600, 225598, 225601.
- Land registration – Servitude right in favour of properties with cadastral no. IE-216783, 216783-C1, 216784, which are in ROI MANAGEMENT SRL ownership regarding (1) the inner pipeline network located within Property 1 CPK which allows for evacuating the waste waters from the AFI PARK 1 property towards public network as described on the layouts within Addendum no.1 and Addendum no. 2 and (2) the inner network of AFI PARK 1 of water supply from public network .
 - Land registration – Servitude right in favour of properties with cadastral no. IE-216783, 216783-C1, 216784 – property of ROI MANAGEMENT SRL, 225596, 225596-C1, 22559 – property of AFI PARK 2 SRL, 225597, 225597-C1, 225600 – property of AFI BUILDING 3 SRL regarding the following segments of utilities network: (1) the part of rainwater network which allows for directing the rainwater from AFI PARK 1, AFI PARK 2 and AFI PARK 3 towards collector pool of Cotroceni Mall Bucuresti , as well as (2) inner pipeline network which allows for water discharge from the aforementioned collector pool as described in the Layouts from Addendum 1 and Addendum 2.
 - **Cadastral no. 227668-C1-U1:**
 - Land registration – right of use in favour of AFI PARK 2 SRL.
 - **Cadastral no. 227668-C1-U2:**
 - Land registration – right of use in favour of AFI BUILDING 3 SRL
 - **Cadastral no. 227668:**
 - Land registration – Free, perpetuum and non-exclusive servitude right regarding the external hydrants (including the fire tank, pump station and 2 hydrants located on the property of COTROCENI PARK SA – cadastral no. IE 227668 in favour of cadastral no. 216783, 216784 owned by ROI MANAGEMENT SRL.
 - Land registration – Free, perpetuum and non-exclusive servitude right regarding the external hydrants (including the fire tank, pump station and 2 hydrants located on the property of COTROCENI PARK SA – cadastral no. IE 227668 in favour of cadastral no. 225596, 225599 owned by AFI PARK 2 SRL.
 - Land registration – Free, perpetuum and non-exclusive servitude right regarding the external hydrants (including the fire tank, pump station and 2 hydrants located on the property of COTROCENI PARK SA – cadastral no. IE 227668 in favour of cadastral no. 225597, 225600 owned by AFI BUILDING 3 SRL.
 - Lease agreement regarding 70 sqm (unit C122) from shopping centre’s opening date to 28.10.2020 in favour of SC HELP NET FARMA SA and SC CENTROFARM SA.
 - Lease agreement for 5 years term starting with 15.10.2017 in favour of PEEK & CLOPPENBURG SRL.
 - Lease agreement regarding 6,530 sqm (unit F628) and 841 sqm (unit D524) for 10 years term starting with shopping centre’s opening date in favour of CINEMA CITY ROMANIA SRL.
 - Addendum no. 01 to lease agreement 1076/21.05.2017 regarding 49 sqm (unit

- C102b), 68 sqm (unit 102S) for 5 years term starting with 15.06.2017 in favour of SC NARCOFFEE ROASTERS SRL.
- Lease agreement regarding unit E153a (1,818 sqm) for 10 years term starting with 14.06.2017 in favour of WORLD CLASS ROMANIA SA BUCURESTI.
 - Lease agreement regarding unit C136a (232 sqm) for 5 years term starting with 10.09.2018 in favour of SC CAMI-CLOD IMPEX SRL.
 - Lease agreement regarding unit T01 with size of 124 sq m for 3 years in favour of INNOVATIVE PIZZA SOLUTIONS SRL
- **Cadastral no. 215193, 215191, 215192:**
 - Land registration- right of use regarding land P1/I for electrical equipments and other related systems in favour of SC ENEL DISTRIBUTIE MUNTENIA SA.
 - **Cadastral no. 2108681**
 - Land registration- right of use regarding electrical equipments in favour of SC FDFEE ELECTRICA MUNTENIA.
 - **Cadastral no. 227668-C1, 227668-C1-U1, 227668-C1-U2, 227668-C1-U3, 227668, 215190, 213346**
 - SC COTROCENI PARK SA is exclusively responsible for supporting the following costs: maintenance, repair, utilities: cleaning, removing snow, maintenance and utilities. The share of total costs related to repairs regarding only the area subject to servitude right is divided as follows: SC COTROCENI PARK SA is responsible for 1/2, ROI MANAGEMENT SRL is responsible for 1/8, AFI PARK 2 SRL is responsible for 1/8, AFI PARK BUILDING 3 SRL is responsible for 1/8, AFI PARK OFFICES 4&5 SRL is responsible for 1/8.
 - **Cadastral no. 215190:**
 - Land registration – servitude right (permanent, non-exclusive and free) for pedestrian and vehicle access regarding cadastral no. 1766/31/1/2 in favour of properties with following cadastral no.: 1766/10/1 (land book excerpt 56716), 1766/10/4 (land book excerpt 56717), 1766/20/1 (land book excerpt 56720), 1766/10/2 (land book excerpt 56585), 1766/21 (land book excerpt 56712), 1766/17/1/2 (land book excerpt 70744), 1766/18 (land book excerpt 56713), 1766/19/1 (land book excerpt 56714), 1766/24/1 (land book excerpt 56722), 1766/24/2 (land book excerpt 56587).
 - Land registration – servitude right (permanent, non-exclusive and free) for pedestrian and vehicle access (any authorised transportation vehicle) regarding 1,715 sqm from the plot of land with total area of 4,298 sqm (cadastral no. 215190) in favour of properties with cadastral no.: 216783, 216784, 225596, 225599, 225597, 225600, 225598, 225601, 227669.
 - Document no. 47444/28.06.2018 issued by OCPI BUCURESTI in order to include the servitude right within the property's cadastral documentation.
 - **Cadastral no. 215190, 215192, 213346:**
 - Land registration – servitude right (permanent, non-exclusive and free) for pedestrian and vehicle access (any authorised transportation vehicle) in favour of 229963.
 - **Cadastral no. 215192:**
 - Servitude right (permanent, non-exclusive and free) upon land PI+1 in favour of

- SC IMS PARK DEVELOPMENT SA (cadastral no.: 1766/10/1; 1766/10/2; 1766/10/4; 1766/20/1; 1766/21; 1766/17/1/2; 1766/18; 1766/19/1; 1766/24/1; 1766/24/2; 1766.)
- **Cadastral no. 215193:**
 - Right of use over plot PI/1 for electrical equipment's in favour of SC ENEL DISTRIBUTIE MUNTENIA SA
 - **Cadastral no. 216785:**
 - Use right regarding 159 sqm in favour of SC ENEL DISTRIBUTIE MUNTENIA SA.
 - Promise to issue servitude right regarding the utilities network located on Property 2 CPK in favour of properties identified by the cadastral no.: 216783, 216783-C1, 216784, which are owned by ROI MANAGEMENT SRL; 225596, 225596-C1, 225599 owned by AFI PARK 2 SRL; 225597, 225597-C1, 225600 owned by AFI PARK BUILDING 3 SRL.
 - **Cadastral no. 216786:**
 - The encumbrances recorded at C.1, C.2, C.3, C.4, C.14, C.15, C.17 are erased (including other interdictions related to the encumbrances).
 - **Cadastral no. 213346:**
 - Land registration – servitude right (permanent, non-exclusive and free) for pedestrian and vehicle access (any authorised transportation vehicle) regarding 1,441 sqm (cadastral no. 213346) in favour of properties with cadastral no.: 216783, 216784, 225596, 225599, 225597, 225600, 225598, 225601, 227669.
 - **Cadastral no. 213344:**
 - Land registration – servitude right (permanent, non-exclusive and free) for pedestrian and vehicle access (any authorised transportation vehicle) regarding 160 sqm (cadastral no. 213344) in favour of properties with cadastral no.: 225597, 225600.
 - SC COTROCENI PARK SA is exclusively responsible for supporting the following costs: maintenance, repair, utilities: cleaning, removing snow, maintenance and utilities. The share of total costs related to repairs regarding only the area subject to servitude right is divided as follows: SC COTROCENI PARK SA is responsible for ½, AFI PARK BUILDING 3 SRL is responsible for ½.
 - **Cadastral no. 227668-C1, 227668-C1-U3, 215190, 215191, 215192, 215193, 216785, 216786, 227668, 216785:**
 - Mortgage right for Total Amount of 450,000,000 EUR (300,000,000 EUR according to credit contract and 150,000,000 EUR estimation of any other owned amounts according to credit contract) in favour of
 1. BCR-BANCA COMERCIALA ROMANA SA
 2. ERSTE GROUP BANK AG
 3. RAIFFEISEN BANK INTERNATIONAL AG

We have assumed there are no other liens or covenants connected to the freehold interest of the subject property. However, we have not undertaken further investigations and we, therefore, recommend that any third parties who have legal interest in the property make all necessary investigations to ensure this is the case.

Tenancies

The total GLA of the shopping centre is 87,634 sq m, of which 2,639 sq m office space. The Property is 97.20% let at the valuation date and it generates € 37,460,898 (including Additional Income).

AFI Cotroceni is the largest shopping mall in Romania, and one of the largest shopping malls in the CEE/SEE Regions. The tenants are international and national brands. The Mall is hosting the largest Peek&Cloppenburg (P&C) in Romania (5,297 sqm GLA) and the largest Zara shop (4,316 sqm GLA – including Zara, Zara Man and Zara Home) in the CEE Region. The mall has excellent entertainment facilities: 20 screen cinemas, IMAX screen, ice skating rink, bowling alley, electronic casinos, roller coaster, playground for children, Lasermaxx arena and a children's electric train.

The scheme is anchored by:

- Auchan Hypermarket - they are occupying an area of 12,788 sq m (approx. 14.58% of total GLA). The rebranding of real in Auchan within AFI Cotroceni was completed in April 2014, after Auchan Group bought 20 Real hypermarkets in Romania in September 2013.
- P&C opened the largest shop in Romania and occupies 5,297 sq. m of the new mall extension starting October 2017.
- ZARA opened the largest shop in the CEE Region and occupies 4,316 sq. m of the mall starting October 2009.
- Cinema City, with 20 screens occupies 6,530 sq m and an IMAX screen that occupies 841 sq m. This is the second largest tenant of the shopping center in terms of leased GLA - approx. 8.4% of total GLA.
- C&A - the well-renowned fashion retailer is positioned itself on the main entrance of the shopping mall on two levels, occupying a total area of 3,284 sq m.
- Inditex Brands – including the new ZARA mentioned above and the brands Zara Home, Bershka, Pull&Bear, Stradivarius, Oysho and Massimo Dutti occupy 8,243 sq m located on the ground floor and on the first floor. Oysho and Bershka, Zara and Stradivarius have the longest leases.
- H&M - the worldwide fashion giant that has entered the local market in 2011 and it opened on the 25th March 2011 their first shop in Romania, in AFI Cotroceni, a 1,938 sq m unit on two levels close to the entrance from Timisoara Boulevard. H&M extended the leased area by 840 sq m as of 15th November 2013 and leased 135 sqm of storage space.
- World Class Romania SA – fitness club network is occupying in AFI Cotroceni 1,818 sq m on the first floor. They have one of the longest leasing contracts within the shopping center.
- Intersport - the important sports fashion and equipment retailer occupies a unit of 1,032 sq m, located on the ground floor.
- LPP - The Polish group is represented by Reserved, Mohito, Cropp Town and Sinsay brands, totalling 2,729 sq m. These are among the most successful brands on the local market especially addressed to the young generation.

- Maxbet - the local market leader on the casino sector is occupying 2,053 sq m at the 1st floor, close to IMAX.

Key 5 tenants in terms of GLA

Tenant	Area (sq m)	%
Auchan	12,788	14.59%
Cinema City	7,371	8.41%
P&C	5,297	6.04%
Zara & Zara Men	3,929	4.48%
C&A	3,284	3.75%

Source: CBRE based on Tenancy Schedule provided by COTROCENI PARK SA

The key reversionary points are 2023 when 26.95% of contracted income is due to expire and 2020 when 15.60% of actual leases are ending. Overall the tenancies represent relatively good covenant strength and security of income. The weighted average unexpired lease term is 3.42 years.

Current Rent

The total rental income of the mall is presented below:

Total Rental Income

Valuation Date	30 th September 2019
Gross Current Rent	€37,460,898
Estimated Rental Value	€38,653,680

Source: CBRE based on data provided by COTROCENI PARK SA

Rent Reviews /Indexation

We understand that the contractual rent will be indexed annually with the Monetary Union Consumer Price Index (MUICP) as communicated by the Eurostat for the previous year.

Service Charges

The tenant is responsible for the repair and maintenance of the leased unit. The tenant shall pay for all costs related to the day-to-day maintenance and operation of the Property (for Common Area and Common Parts), including, but not limited to:

- Utilities within Common Area
- Public taxes, including property taxes for buildings and land of Shopping Centre
- Insurance costs for Shopping Centre
- Management fees
- Security services
- Fire prevention and firefighting equipment
- Cleaning services

Maintenance, repair and check-up of machinery, installations, air condition & heating, of parking sites, traffic roads, green areas

The replacement allowances which are related to the replacement of building elements that have a shorter life term are included in the service charge and paid by tenants.

These allowances vary each year according to the maintenance and replacement schedule approved by technical team.

Considering the above, the type of rent paid by the tenants is a triple-net rent, indicating that the tenant pays for property taxes, insurances, maintenance and repairs.

According to our knowledge on the local market, the service charge paid by each tenant is in line with market practice.

Non- Recoverable Costs

The payment of the service charges is calculated on the basis of an open book with an annual reconciliation: if the total amount due for the service charges is lower/higher than what has been invoiced for the respective year there will be rectified on an annual basis.

We have posted void costs of €14 on all vacant space.

Capital Expenditures

COTROCENI PARK SA provided us the following CAPEX schedule:

YEAR	TOTAL AMOUNT
CAPEX 2019	€1,300,000
CAPEX 2020	€1,000,000
CAPEX 2021	€800,000
CAPEX 2022	€800,000
CAPEX 2023	€800,000
CAPEX 2024	€800,000
CAPEX 2025	€800,000
TOTAL	€6,300,000

Source: CBRE based on data provided by COTROCENI PARK SA

Turnover Figures

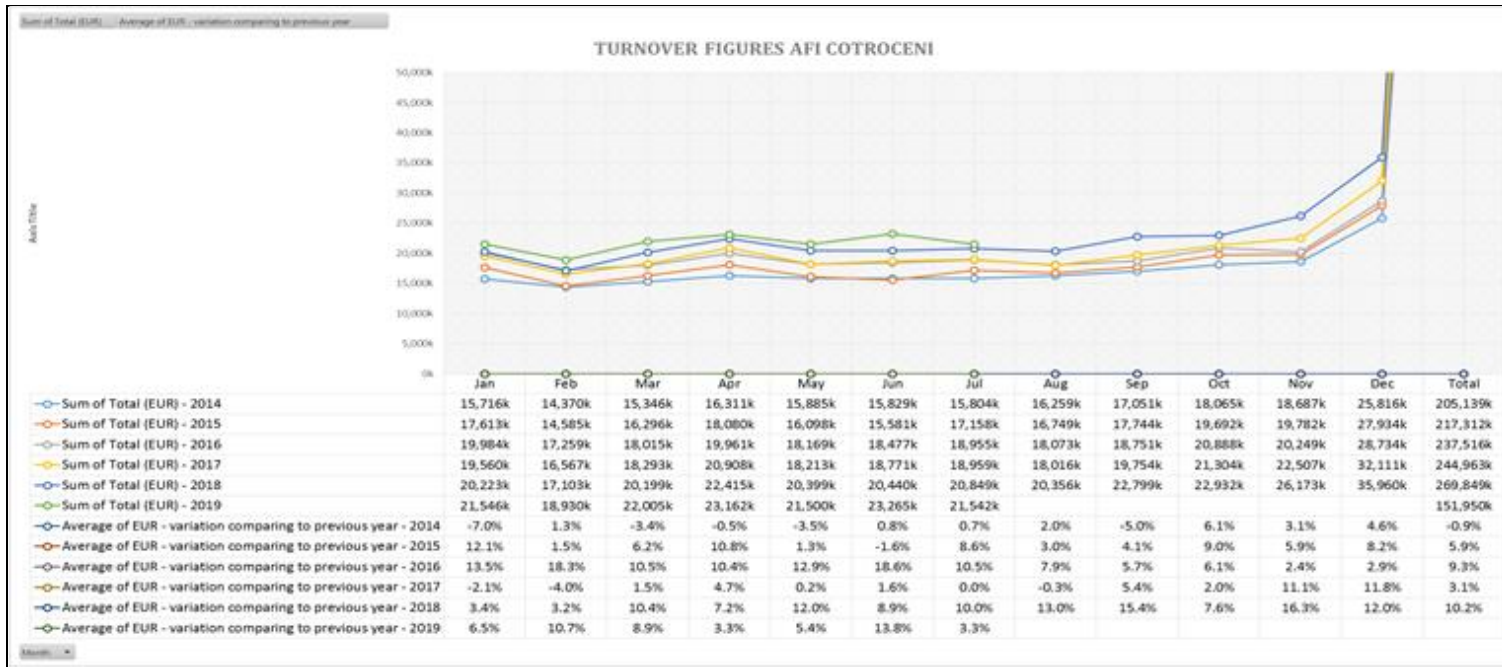
We have been provided with the total turnover of the tenants for January 2014 – July 2019.

The total turnover of the tenants for July 2019 is 3.30% higher than the level registered y-o-y.

We have been provided by COTROCENI PARK SA with the turnover rent collected since 2010; for 2018, this level was of €2,000,000 slightly higher than the level of 2017 – €1,840,000.

Therefore we have included annual Turnover Rent of €2,000,000 in our valuation.

Monthly turnover figures, January 2014 – July 2019 (EUR)

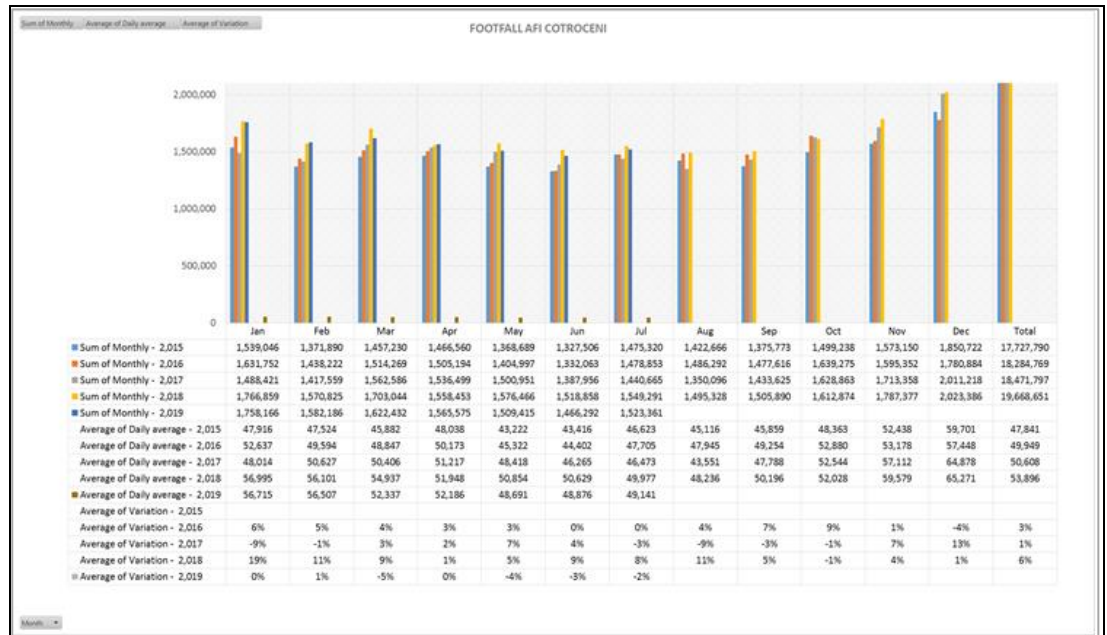


Source: COTROCENI PARK SA

Footfall

We were provided with the footfall for AFI Cotroceni for January 2015 – July 2019 period.

During the first seven months of 2019 the average monthly footfall for the mall was between 48,691 and 56,715 visitors per month, approx. 2% lower than for the same period of 2018.



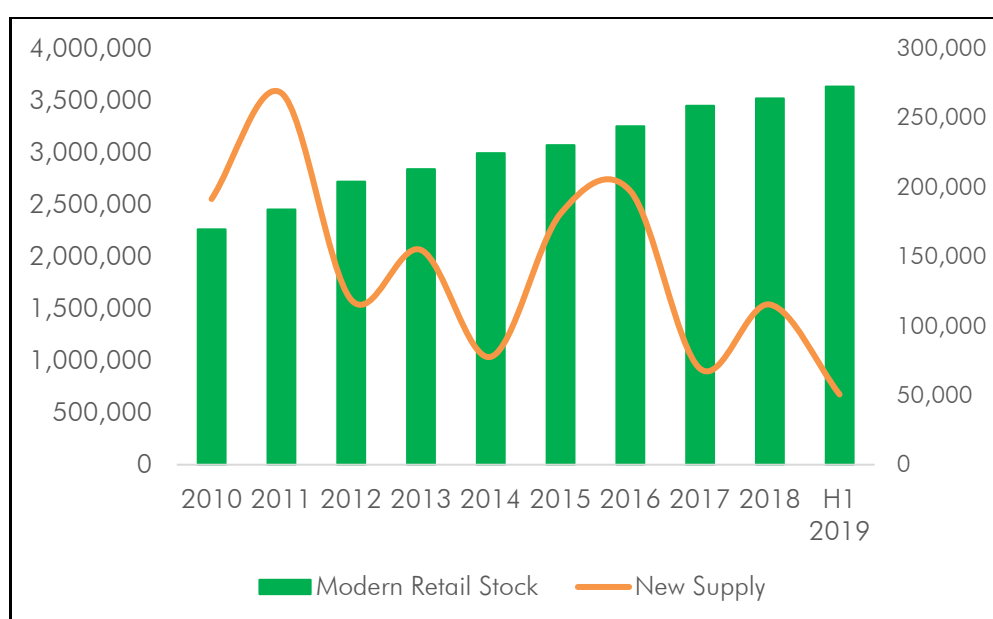
Source: COTROCENI PARK SA

MARKET COMMENTARY

Retail Market Commentary

- The total modern retail stock, which includes both retail parks and shopping centres accounts in H1 2019 approx. 3.7 mln. sq m.
- The great majority of the stock is spread nationwide while Bucharest has a share of 31%.
- The most common retail format on the Romanian market, shopping centres are on top with 61% from the total analysed surface.

Evolution of retail modern stock 2010 - H1 2019



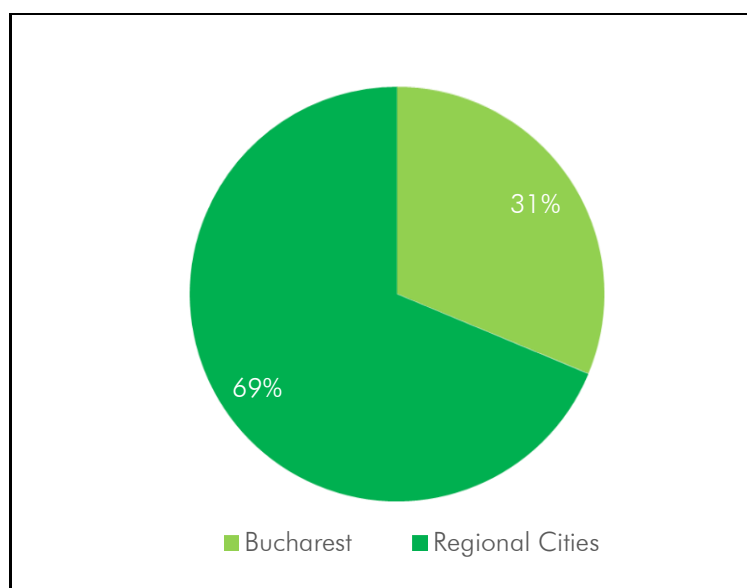
Source: CBRE Research Q2 2019

New supply

In the first half of 2019, approx. 67,000 sq m were added to the modern retail stock, the largest scheme being delivered during the second quarter, meaning the extension of Iulius Town project developed by Iulius Group in Timisoara (47,000 sq m). The new retail schemes brought on the market in the first part of the year are extensions of established and well performing shopping centres while a new small-sized retail park was delivered in Drobeta Turnu Severin.

Developer's focus on secondary and tertiary cities, a trend highlighted since last year, could also be observed in H1 2019, as the extension of Veranda Mall with approx. 6,000 sq m was the single project delivered in the capital city. The strong competition between the existing shopping centres in Bucharest, encourage developers to extend their footfall in the regional cities with developments on small sizes but with potential of extension.

Modern stock by location



Source: CBRE Research Q2 2019

Schemes delivered in H1 2019

City	Scheme	GLA (sq m)	Type	Owner
Timisoara	Iulius Town	47,000	Shopping centre	Iulius Group
Sibiu	Shopping City Sibiu	10,600	Shopping centre (extension)	NEPI
Bucharest	Veranda Mall	6,000	Shopping Centre (extension)	Prodplast Imobiliare
Drobeta Turnu Severin	Mitiska Drobeta	3,600	Retail Park	Mitiska REIM

Source: CBRE Research, companies Q2 2019

Retailers activity

During the first six months of 2019, seven brands decided to enter the Romanian retail market, their first step in their expansion strategy being made in Bucharest. Luxury brands such as Victoria's Secret, Babylon Style, and Atelier Cologne secured their spaces in the top performer shopping centre, Baneasa Shopping City located in the Northern part of the city, an area mainly inhabited by above-average earners.

International brands from U.K. (Topshop & Topman), Italy (Camicissima), China (Xiaomi Mi Store) started their activity in Bucuresti Mall, Plaza Romania, Mega Mall shopping centres while the Dutch retailer Freestyle Motion will start its business with sport equipment

on a retail park premises namely West Park Militari.

The positive trend of private consumption is distinctly visible in retail sales. Customer confidence is also boosting, making retailers to look for new places to be and retail developers to create extensions on new projects.

In the era of speed, e-commerce starts to become a fierce competitor for the traditional retail formats, but at present, traditional retailers are still on top to offering a joyful shopping experience mixing a friendly atmosphere with fun and recreational activities.

In H1 2019 retail prime rents (prime location, 100 sq m leased) is stable at EUR 80 / sq m/month in the shopping centres, at EUR 55 / sq m/month in high street locations, and at EUR 8-15 / sq m/month in retail parks. For established shopping centres we estimate a slightly increase based to appetite of extension of the retailers.

Bucharest retail density (sq m/ 1,000 inhabitants) reached 548 while overall Romania stands for 190 in the first semester of 2019. Major regional cities such as Cluj Napoca, Iasi, Timisoara, and Constanta register the following values: 488, 420, 603 and 582 while Oradea is the regional city with the highest retail density, respectively 657.

Pipeline

In the second half of 2019, approx. 130,000 sq m are expected to be brought on the market, the great majority (97%) being located nationwide. In addition, 37% of the pipeline projects is represented by shopping centres while the remaining are from small and large-sized retail parks.

Retail projects to be delivered by the end of 2019

City	Scheme	GLA (sq m)	Scheme Type	Owner
Sibiu	Promenada Mall	42,200	Shopping centre	NEPI
Balotesti	DN1 Balotesti	28,000	Retail Park	Prime Kapital
Craiova	ElectroputereParc	22,100	Retail Park (extension)	Catinvest
Zalau	Zalau Value Centre	3,600	Retail Park	Prime Kapital
Braila	Mitiska	7,500	Retail Park	Mitiska REIM
Buzau	Aurora Shopping Mall	6,000	Shopping centre (extension)	NEPI
Bucharest	Rotar Park Residence	3,800	Retail Park	Private Developer
Bacau	Mitiska	2,000	Retail Park	Mitiska REIM

Source: CBRE Research, companies Q2 2019

With 73% of the total pipeline surface of 2019, international retail – oriented developers NEPI and Prime Kapital/MAS Real Estate dominate the market with large investments.

Promenada Mall (former Festival Centrum), the 42,200 sq m shopping centre developed by NEPI in Sibiu is expected to be delivered on the 14th of November 2019, while Prime Kapital also prepares for Q4 2019 the opening of two retail parks, one in Balotesti, near Bucharest and another one in Zalau.

Also, by the end of the year, Electroputere Parc extension in Craiova is estimated to be completed and to open its gates for the inhabitants of the Southern part of the country.

Forecast

As modern retail stock should reach approx. 3.8 mln. sq m at the end of 2019, we estimate prime rents to maintain the values registered at mid-year, as both developers and retailers accommodate the new spaces.

Taking into consideration the under construction and planned retail schemes, 2020 will witness the delivery of approx. 210,000 sq m of modern retail space.

Two new large-sized shopping centres are expected in Brasov and Targoviste both of them being under construction and expected to be inaugurated in the first part of 2020.

The extension of Colosseum, currently under construction, is also expected to be delivered in the first part of 2020.

Main schemes to be delivered on the market in 2020

City	Scheme	GLA (sq m)	Scheme Type	Owner
Brasov	AFI Brasov	45,000	Shopping centre	AFI Europe
Targoviste	Targoviste Mall	43,000	Shopping centre	Prime Kapital
Targu Mures	Shopping City Targu Mures	32,600	Shopping centre	NEPI
Bucharest	Colosseum	20,000	Shopping centre (extension)	Nova Imobiliare
Sfantu Gheorghe	Sfantu Gheorghe Value Centre	14,800	Retail Park	Prime Kapital
Timisoara	Prima Shopping Centre	10,000	Retail Park	Supernova & Oasis Retail Development & Consulting

Source: CBRE Research, companies Q2 2019

Occupational Market for Retail Sector

The shopping centre market in Bucharest is as follows:

- 16 modern shopping centres located throughout (excluding retail parks and smaller shopping galleries)
- Over 720,000 sq m GLA of shopping centre space (as at Q3 2019)
- No shopping centre under construction (with the notable exception of two extensions)
- New retailers are choosing Bucharest schemes for their first units in Romania

Shopping Centre Overview

Baneasa Shopping City

- The only other centre apart from AFI Cotroceni which dominates the Bucharest retail market recording the highest traffic and sales
- Size: 119,000 sq m / 54,000 sq m (with / without retail park)
- Delivered: 2008
- Owner and Developer: Baneasa Developments
- Comprises a retail park and large shopping gallery
- All major anchor tenants are present along with a number of retailers which are new entrants to the market, including the only IKEA store in the country
- Located in the Northern periphery of the city on the main route into Bucharest from the international airport
- The only modern shopping centre in the vicinity situated at the centre of a 220 ha commercial and residential development
- However, public transport is limited and is served only by buses
- The very strong performance of the centre is as a result of its dominant presence, large catchment and high-quality niche tenant mix (Christian Dior, Victoria's Secret, Chopard, Furla, Emporio Armani, Michael Kors, Brooks Brothers etc.)
- The scheme is established as an upmarket shopping venue

Sun Plaza

- Size: 81,700 sq m
- Delivered: 2010
- Owner/ Developer: S-Immo / S-Immo and EMCT
- One of the biggest modern shopping centre in Bucharest in terms of GLA
- Located in a densely populated suburb South of the city centre with a large catchment area
- Benefits from excellent public transport, served by buses, trams and the metro (Piata Sudului station)
- All major tenants are present - however, over 50% of the centre is occupied by only 5 anchor tenants, offering less in terms of tenant mix and diversity when compared with AFI Cotroceni and Baneasa Shopping City

- In 2018 a reconfiguration of the layout (that gathers retailers like Intimissimi, Calzedonia, La Femme, Sizeer, Meli Melo Deco, LC Waikiki, Pepco, NYX, Pandora, MAC, Sabon, Melkior etc.) was completed
- The scheme is performing under the level of AFI Cotroceni and Baneasa Shopping City

Plaza Romania

- Located in the west of Bucharest, one metro station (1.5 km) from AFI
- Size: 38,000 sq m (plus approx. 11,000 sq m converted into office space)
- Delivered: 2004 / refurbished 2016
- Owner and Developer: Anchor Group
- Access mainly via tramway while the Lujerului metro station is at 10 minutes walk
- Medium quality tenant mix, comprising Altex, Sephora, Mega Image, Zara, Mango, CCC, H&M, LC Waikiki, Koton, BebeTei, World Class Academy, Movieplex etc.
- The new concept is operational since 2016 and is repositioned as a neighbourhood shopping centre

Mega Mall

- Size: 75,000 sq m
- Delivery: Q2 2015
- Owner and Developer: NEPI
- A major shopping and entertainment centre in Eastern Bucharest comprising 300 retail units: Cinema City, 4DX cinema, Carrefour, Peek&Cloppenburg, Reserved, Cropp, Zara, Pull&Bear, Bershka, Stradivarius, C&A, CCC, Ecco, Douglas, H&M, Hervis, Burger King, Taco Bell etc.
- Excellent location within one of the most populated residential areas of Bucharest and adjacent with the National Arena - the largest football stadium in Romania. Thus, the catchment area is consistent
- Public transport is very good, served by buses and trams. Piata lanului metro station is at 15 minutes walk from Mega Mall
- The main competitor for the primary and especially the secondary area is ParkLake

ParkLake

- Size: 70,000 sq m
- Delivery: Q3 2016
- Owner and Developer: Sonae Sierra
- Excellent location in the highly populated Titan Eastern district of Bucharest, with a consistent catchment area
- Public transport is also excellent, served by buses, trams and the metro (Titan)
- Although a small overlap with the catchment area of Sun Plaza, ParkLake is the main competition for Mega Mall beside the fact that the latter is already operational starting with the first semester of 2015.
- Major anchor tenants: Carrefour, Cinema City, Media Galaxy, Flanco, H&M, Inditex Group (Zara, Bershka, Pull&Bear, Stradivarius, Massimo Dutti, Zara Home), Forever

21, Douglas, Hervis etc.

Other Shopping Centres

Unirea Shopping Centre

- Size: 40,000 sq m
- Delivered: 2000 (refurbished)
- Owner / Developer: Nova Trade
- Located in the heart of the city outside Unirea metro station and records a high level of footfall
- Not completed to a new generation standard, however was formerly the largest department store in communist Romania and has undergone a large extension and renovation since its opening
- An excellent central location, high quality tenant mix (Inditex brands, H&M, Douglas, KFC, McDonald's, Koton etc.) and high level of footfall makes it a solid secondary competing scheme
- Due to its dated layout over 5 floors, certain areas of the centre experience virtually no footfall and as a result these areas have a high level of vacancy
- The original universal store opened in 1976

Promenada

- Opened in Q4 2013
- Size: 40,000 sq m
- Delivery: Q4 2013
- Owner / Developer: NEPI / Raiffeisen Evolution
- Located in the North of Bucharest at Barbu Vacarescu - the new CBD of the city
- 140 shops hosting strong anchors: Inditex brands, H&M, Altex, Carrefour Market, C&A, dm, Douglas, Hervis, Intersport, Humanic, Lego, MAC, Next, Peek&Cloppenburg, Sephora etc.
- Although it is located in the close proximity and easy access from surrounding business centres, the footfall during the week is a little low compared to other competing schemes.

Bucuresti Mall

- Size: 47,000 (increased from 36,000 sq m)
- Delivered: 1999 / refurbished 2016
- Owner and Developer: Anchor Group
- First modern shopping centre in Bucharest
- Located in the South-East of the city with a good catchment area
- The first shopping centre opened in Romania in 1999 and ever since it managed to consolidate its own loyal customers located mainly within the primary catchment area
- Medium quality tenant mix, comprising Mega Image, Diverta, Intersport, H&M, Zara, LC Waikiki, Starbucks, Tommy Hilfiger, Collective, Game World, Hollywood Multiplex

etc.

- Particularly vulnerable to ParkLake and Mega Mall
- The new concept is operational since 2016 and is repositioned as a neighbourhood shopping centre

Veranda Mall

- Size: 27,500 sq m
- Delivery: Q3 2016
- Owner / Developer: Prodplast Imobiliare
- Located in the Eastern part of the city in the vicinity of the biggest traditional grocery market in the Capital
- The hypermarket anchor is Carrefour, while other major tenants are H&M, Altex, Decathlon
- The road infrastructure in the area has been extended in order to accommodate the future car and pedestrian traffic

Planned Schemes

A couple of substantial projects, which might have affected the expenditure power within the catchment area for AFI Cotroceni have been cancelled (Esplanada Unirii) or have been delayed for an unknown period of time (Dambovita Centre).

Colosseum Retail Park extension

- Size: 20 000 sq m
- Delivery: Q4 2021
- Owner and Developer: Nova Imobiliare
- The first phase includes already a Carrefour hypermarket and a Leroy Merlin DIY unit. The second phase will include Happy Cinema, World Class Academy, fashion retailers as well as restaurants

Veranda Mall extension

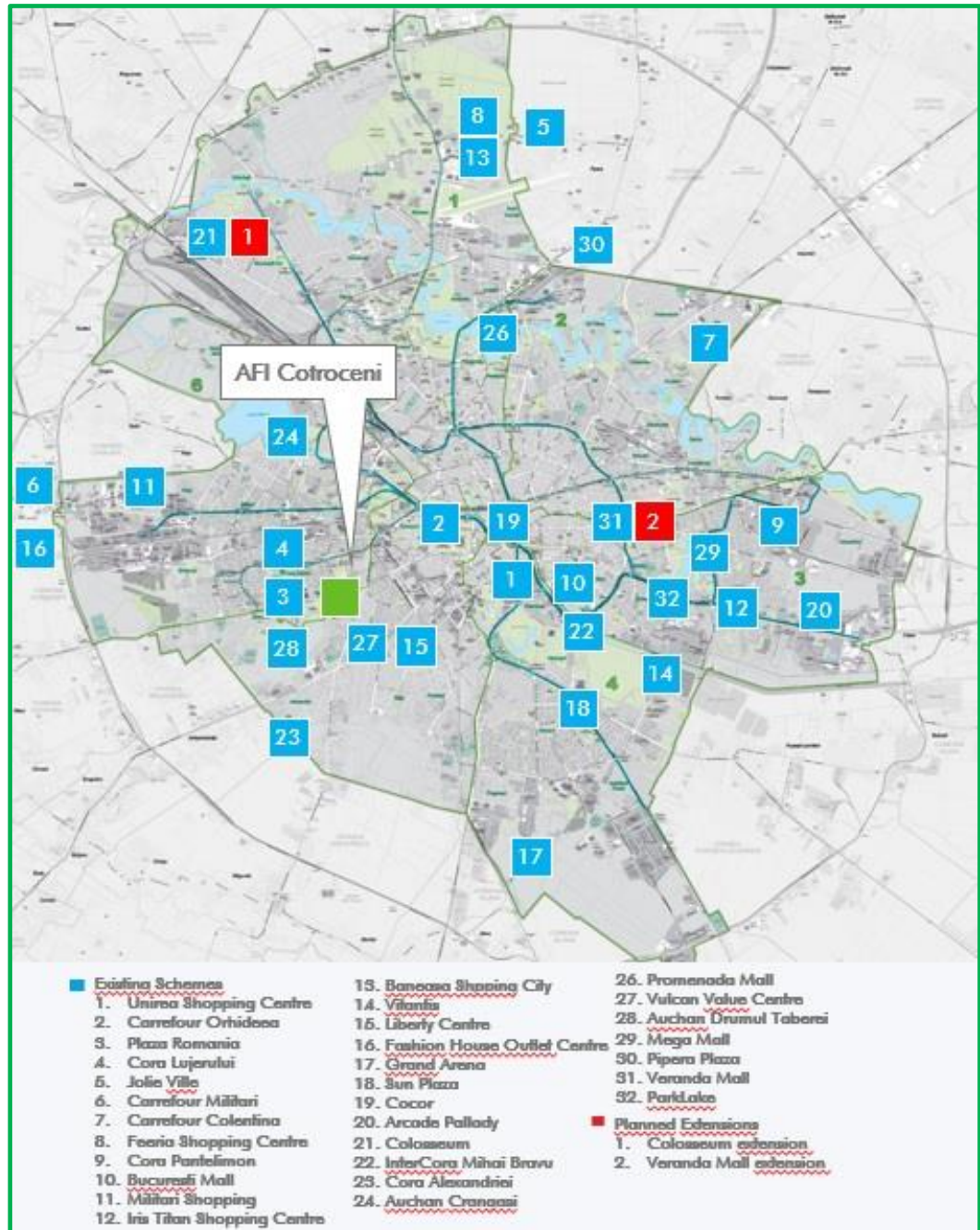
- Size: 6,000 sq m
- Delivery: Q4 2019
- Owner and Developer: Prodplast Imobiliare
- Cinemax, the operator based in Slovakia, will open a 12-screen multiplex cinema by the end of 2019, at the second floor

Promenada Mall extension

- Size: 22,000 sq m
- Delivery: 2020
- Owner and Developer: NEPI

- This phase will be developed alongside a 30,000 sq m office building, but the developer is trying to obtain the building permit

Retail map Bucharest



Source: CBRE

Opinion of Market Rent

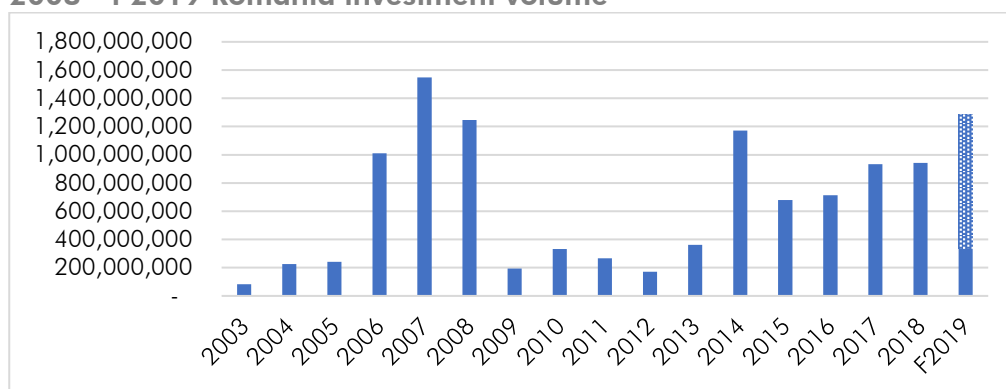
In arriving at our opinion of the rental value we have reflected the quality of the accommodation within the Building, the type of shops, the area, the location within the mall and we have adopted the following headline rents:

Use	€/sq m/month	€/sq m/annum
Anchors	10 - 50	120 - 600
Hypermarket	10	120
Restaurants & Entertainment	5 - 120	60 - 1,440
Shops	5 - 180	60 - 2,160
Storage	17	204
Cinema	7.50	90

Investment Market Commentary

In the first six months of 2019, Romania investment volume accounted for approx. EUR 340 mln., a figure similar to the one registered in the first semester of the previous year, with an average deal value of EUR 26 mln.

2008 - f 2019 Romania investment volume

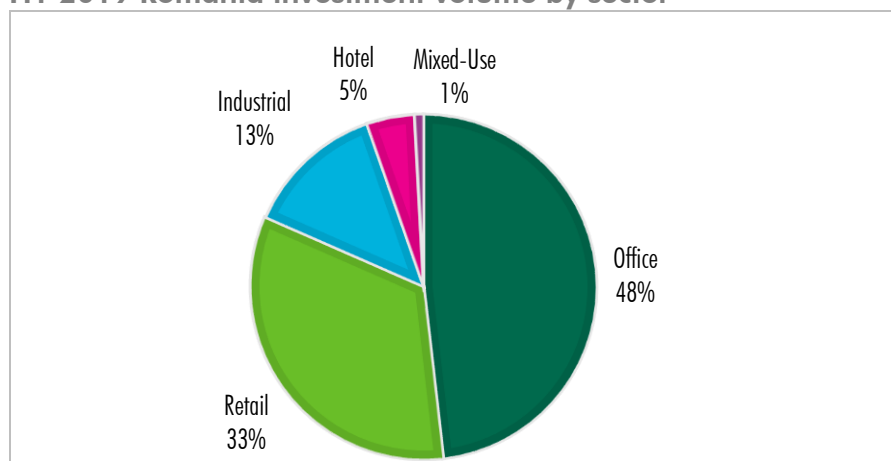


Source: CBRE Research, H1 2019

Investment Activity

60% of the total investment volume was transacted nationwide, while Bucharest attracted 40% of the total volume. With almost half of the total investment volume, the office sector didn't give up the leadership position also held in H1 2018. Retail segment claimed 38% from the total, while the industrial and hotels sectors attracted a combined share of 19%.

H1 2019 Romania investment volume by sector



Source: CBRE Research, H1 2019

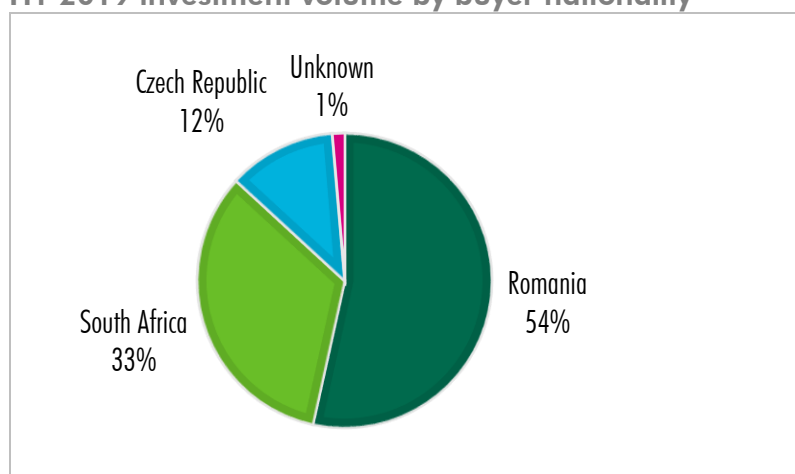
Even though the overwhelming majority from the office deals were concluded in Bucharest, the single transaction signed nationwide amounted approx. 80% of the total office volume. Hence, Dedeman acquisition of the project named The Office and located in Cluj from NEPI Rockastle and businessman Ovidiu Sandor at an estimated value of EUR 129 mln.,

was the highlight in the transactional activity during the first semester of the year. Another major transaction worthy noted is the purchase of Piraeus building in Victoriei Square area, part of CBD office sub – market, which was bought for EUR 20 mln by a local investor from JC Flowers & Co.

Investment activity in the retail sector was dictated by one deal, respectively the transaction between Prime Kapital as a seller and MAS Real Estate as a buyer of a nine retail parks portfolio for an overall estimated value of EUR 113 mln., a deal concluded in the first quarter of the year.

Just like in 2018 as well in the first half of the year, Romanian investors stood out as the main real estate buyers gathering 54% from the total investment volume, followed by South – Africans amounting 34% from the total and the Czechs with a share of 12%.

H1 2019 investment volume by buyer nationality



Source: CBRE Research, H1 2019

Yields

During the past eighteen months Bucharest has recovered the some of the gap but it still remains at 100 - 150 basis points above CEE countries' yields levels. A further compression is possible, but it needs to be backed up with major transactions.

CEE Prime yields Q3 2019*

	Retail SC	Office	Industrial
Bucharest	6.50%	7.00%	7.75%
Budapest	5.50%	5.50%	7.00%
Bratislava	5.50%	5.85%	6.50%
Prague	4.50%	4.40%	5.50%
Warsaw	5.00%	4.50%	6.00%

Source: CBRE Research

*for Budapest, Bratislava, Prague and Warsaw the prime yields are as of June 2019 (latest available data)

At the end of Q3 2019, the prime yields maintained a stable pace and stood at 7.00% for office buildings, 6.50% for shopping centres and 7.75% for industrial properties.

2009 – Q3 2019 prime yield evolution by sector



Source: CBRE Research, Q3 2019

Outlook

We expect that in the second half of 2019 to witness the signing of several large deals which at present are under final settlements. Taking that into consideration we estimate for the entire 2019 a transactional volume with up to 15% higher than the one registered in 2018, surpassing the EUR 1.00 billion thresholds a similar value being reached more than ten years ago, in 2008.

Prime yields are expected to suffer a mild compression towards the year's end especially for prime office properties given the quality of the projects that are in advanced stages of negotiation as well as the mandates on the market for the selling of portfolios that gather class A projects with low vacancy rates, blue-chip tenants and located in Bucharest's office market hot spots.

Major Transactions Q1-Q3 2019

DATE	CITY	PROPERTY	VOLUME (EUR)	BUYER	SELLER
Q2 2019	Cluj	The Office	129.000.000	Dedeman	NEPI Rockastle
Q1 2019	Bucharest	Retail parks portfolio	113.000.000	MAS Real Estate	Prime Kapital
Q2 2019	Bucharest	A1 Bucharest Park	40.000.000	CTP Invest	Vabeld
Q2 2019	Bucharest	Piraeus building	20.000.000	Local businessman	JC Flowers & Co
Q2 2019	Bucharest	Golden Tulip Times	10.000.000	Local businessmen	Local businessmen
Q3 2019	Bucharest	America House	77.000.000	Morgan Stanley	AEW
Q3 2019	Targu Mures	Promenada	42.750.000	Indotek	AEW
Q3 2019	Cluj	Liberty Park Technology	35.000.000	White Star	Fribourg Development
Q3 2019	Bucharest	Oregon Park III	60.000.000	Lion's Investments	Head Portland Trust

Source: CBRE Research, Q3 2019

Retail investment market commentary

The largest retail transaction recorded in Romania was the selling of 12 Auchan hypermarkets and their attached shopping galleries bought by Auchan from local investor for EUR 280 million back in 2014.

The biggest single transaction in Bucharest is represented by Promenada Mall acquired in October 2014 by New Europe Property Investments (NEPI) from Raiffeisen Evolution for EUR 148 million.

Auchan Titan Shopping Centre - consisting of a 17,000 sq m sales area Auchan hypermarket, the shopping gallery in front of it and the shopping mall - was bought by NEPI at the end of August 2015 from DEGI for EUR 86 million.

During 2016 three major transactions were recorded: Shopping Ciy Sibiu, Mega Mall Bucharest and Electroputere Parc Craiova, totalling over EUR 230 million.

There is limited evidence for shopping centre transactions concluded during 2017 with the notable exception of a small portfolio with assets located throughout the country.

The main transactions registered in 2018 accounted for over EUR 270 million for schemes like: Militari Shopping bought by MAS Real Estate from Atrium Real Estate, Festival Centrum (Promenada Sibiu) acquired by NEPI from Primavera Development, Atrium Center bought by MAS Real Estate from Cosmovia Holdings Limited, while Sonae Sierra is the owner of ParkLake with 100% of the shares.

So far in 2019 only one deal was recorded consisting of shares' transfer from Prime Kapital to MAS Real Estate related to a portfolio of nine shopping centres.

NEPI is the biggest player on the local retail investment market (for both Bucharest and the province).

Here is an overview of the most important retail transactions registered in Romania:

Major retail transactions 2014 - Q3 2019

DATE	CITY	SCHEME	SIZE (SQ M)	PRICE (EUR)
Q3 2014	Bucharest, Timisoara, Satu Mare, Oradea, Baia Mare, Cluj, Pitesti, Ploiesti, Constanta, Galati	12 Auchan hypermarkets + shopping galleries	200,000	280,000,000
Q4 2014	Bucharest	Promenada	40,000	148,000,000
Q3 2015	Bucharest	Auchan Titan Shopping Centre	45,000	86,000,000
Q2 2016	Sibiu	Shopping City Sibiu	79,000	100,000,000
Q2 2016	Bucharest	Mega Mall*	75,000	72,000,000
Q3 2016	Craiova	Electroputere Parc**	28,000	60,000,000
Q2 2017	Bucharest, Odorheiu Secuiesc, Sighetu Marmatiei, Deva, Campina, Iasi, Caransebes, Medgidia, Targu Mures, Slatina, Tulcea	InterCora portfolio	35,000	60,000,000
Q1 2018	Sibiu	Festival Centrum***	43,000	21,000,000
Q2 2018	Bucharest	Militari Shopping	51,000	95,000,000
Q4 2018	Arad	Atrium Center	30,000	40,500,000
Q4 2018	Bucharest	ParkLake****	70,000	120,000,000
Q1 2019	Slobozia, Focsani, Targu Secuiesc, Ramnicu Sarat, Fagaras, Sebes, Gheorgheni, Roman, Baia Mare	Prime Kapital schemes*****	68,000	113,000,000

Source: CBRE, companies

* Estimation. The sale of 30% of the shares acquired by NEPI from Real4You.

** Only the gallery was subject to the transaction, while the hypermarket was excluded.

*** NEPI has acquired also the land.

**** Sonae Sierra became the solely owner after Caelum Development sold its part (50% of the shares)

***** MAS Real Estate has acquired the remain 50% of the shares for the respective nine shopping centers.

The current prime yield for shopping centres in Bucharest is stable at 6.50%, following 6.75% registered back in Q1 2018 while 7.50% is registered for the prime assets located in secondary cities.

Opinion of Valuation Yields

Our opinion of the yield applied to the subject Property when using a Capitalisation approach of the valuation is based on our understanding of current investor sentiment.

As mentioned, the prime shopping center yield is 6.5%. Our definition of prime yield is the yield that an investor would receive when acquiring a grade/class A building in a prime location, which is fully let at current market value rents.

The prime yield should reflect the level at which relevant transactions are being completed in the market at the time but need not be exactly identical to any of them, particularly if deal flow is very limited or made up of unusual one-off deals.

In our valuation we applied the following yields:

Tenant/Space Type	Yield
Let	6.50%
Vacant	7.75%
Anchors	6.50%
Kiosk	7.75%
Hypermarket	6.50%
Leisure	7.50%
Signage	8.00%
Additional Income - Turnover rent	7.75%
Additional Income - Advertising	7.75%
Additional Income - Parking & Electricity	8.50%
Office	9.50%
Terraces	7.75%

We are of the opinion that likely purchasers would require a return of 6.50% – 7.50% at the current time in order to secure such a product.

VALUATION CONSIDERATIONS

Income Summary and Analysis of Passing Rent

We have had regard to the current income stream and passing rents at the subject Property. Our main comments and assumptions are below:

- The total GLA of the shopping centre is 87,634 sq m, of which 2,639 sq m office space.
- The Property is 97.20% let at the valuation date.
- The Property generates a gross annual income of €37,460,898 at the valuation date.
- The tenant mix includes important names on the Romanian market, such as Auchan, Inditex brands, H&M, C&A, Reserved, Intersport, and Cinema City, (the anchors), while other international names are CCC, Ecco, Karen Millen, Pizza Hut, Gant, KFC, McDonald's, Clark's, Tommy Hilfiger or Vodafone.
- The key reversionary points are 2023 when 26.95% of contracted income is due to expire and 2020 when 15.60% of actual leases are ending.
- Overall the tenancies represent relatively good covenant strength and security of income.
- The weighted average unexpired lease term is 3.42 years.
- The Property benefits from a generous parking area, both underground, above ground or within a multi-level parking deck.
- The total turnover of the tenants for July 2019 is 3.30% higher than the level registered y-o-y.
- The property benefits from income producing leased areas on the parking deck due to entertainment and leisure facilities (Lasermass, plus temporary exhibitions).

Tenant Covenant Strength

Detailed financial investigations of the tenants are outside the scope of this report.

We believe that the property investment market would view the tenant companies as providing strong security.

Void Periods and Re-Lettability

The tenant mix is generally very well balanced and well-composed, with tenants from all major sectors represented and with class A anchor tenants.

We have applied 1-month current void for all current vacant retail spaces and 6 months for vacant space that will be affected by the Central Court renovation planned for Ground Floor (extension of food area), for vacant storage space and for vacant office space. For current leases we applied 1 month expiry void.

In Bucharest there are waiting lists for only two Shopping Centres – AFI Cotroceni and Baneasa Shopping City. Although Park Lake is a new product it is not established as a

shopping venue yet. There is also a difference when talking about catchment areas between the main Shopping Centres in Bucharest. Our assumption is that the current situation (low void periods) will continue in the next years.

We would expect any future shop tenants to be contracted on a minimum of 5 year lease term and the kiosks on 1 year lease term.

Valuation Methodology

Fair Value

We have valued the property on an open market basis, in line with the RICS standards. We performed a traditional hardcore appraisal of the current income and the continued income over time. We examined the income stream within the property and took account of the current investment and leasing market in the region, when examining the assumptions for sale and leasing.

Valuation Assumptions

- We have reviewed the passing rents and ERVs with our agency team and believe that the centre is largely rack rented. The latest rents achieved confirm this;
- We have applied 1-month current void for all current vacant retail spaces and 6 months for vacant space that will be affected by the Central Court renovation planned for Ground Floor (extension of food area), for vacant storage space and for vacant office space
- We have applied 1 month expiry void for current leases;
- We would expect any future shop tenants to be contracted on a minimum of 5 year lease term and the kiosks on 1 year lease term.
- We have assumed that the property is held in an SPV and therefore that no Stamp Duty or transfer tax would be payable on sale;
- We have applied total capital expenditures related to the property, based upon the schedule that COTROCENI PARK SA has provided to us:

YEAR	TOTAL AMOUNT
CAPEX 2019	€1,300,000
CAPEX 2020	€1,000,000
CAPEX 2021	€800,000
CAPEX 2022	€800,000
CAPEX 2023	€800,000
CAPEX 2024	€800,000
CAPEX 2025	€800,000
TOTAL	€6,300,000

Source: CBRE based on CAPEX Schedule provided by COTROCENI PARK SA

- We have applied Non-recoverable Costs from service charge of €14/sq m on all voids;
- Standard Lease agreements are in place which we are all on broadly standard commercial terms;
- We have applied the following core yields:

Tenant/Space Type	Yield
Let	6.50%
Vacant	7.75%
Anchors	6.50%
Kiosk	7.75%
Hypermarket	6.50%
Leisure	7.50%
Signage	8.00%
Additional Income - Turnover rent	7.75%
Additional Income - Advertising	7.75%
Additional Income - Parking & Electricity	8.50%
Office	9.50%
Terraces	7.75%

OPINION OF VALUE

Fair Value

We are of the opinion that the Fair Value of the freehold interest in **AFI Cotroceni** as at 30th September 2019 is:

€559,710,000 (FIVE HUNDRED AND FIFTY-NINE MILLION, SEVEN HUNDRED AND TEN THOUSAND EUROS), exclusive of VAT.

Yield Profile

Initial Yield	6.62%
Reversionary Yield	6.91%
Equivalent Yield	6.79%

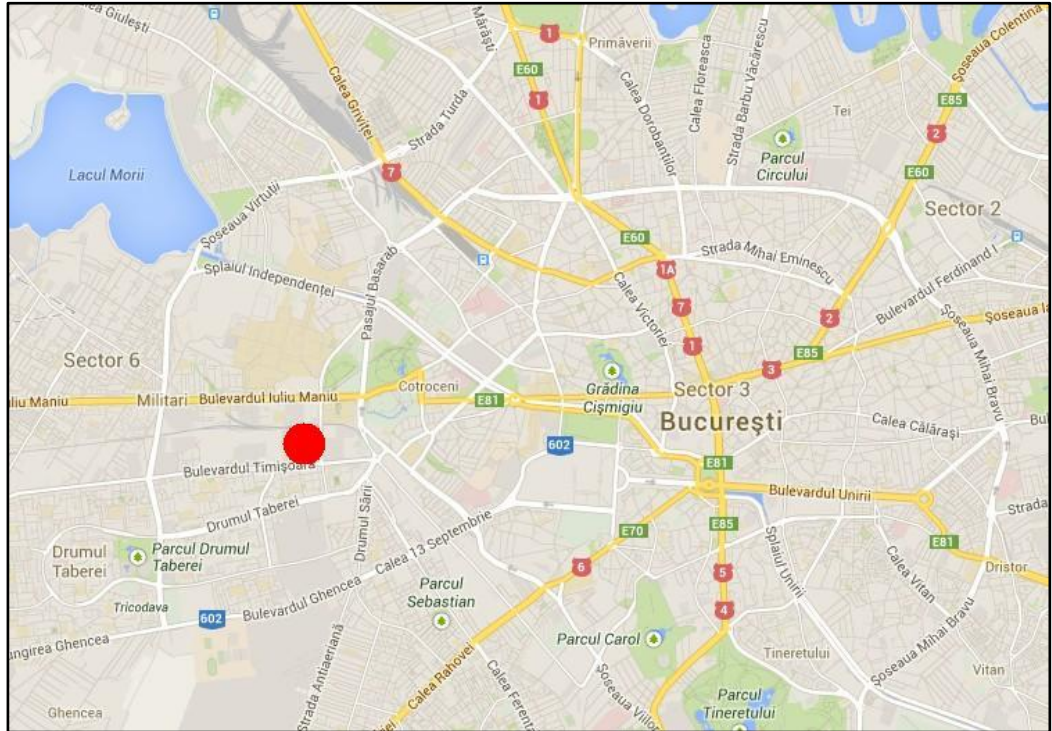
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APPENDICES

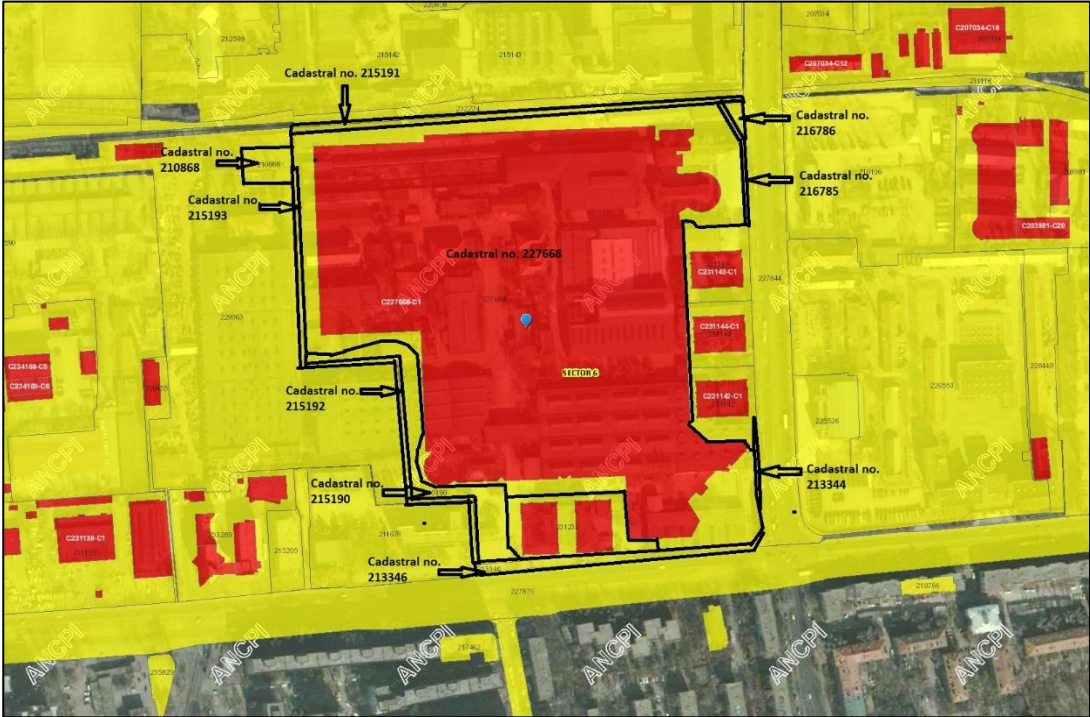
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LOCATION PLANS

LOCATION PLANS



Source: CBRE, based on google maps

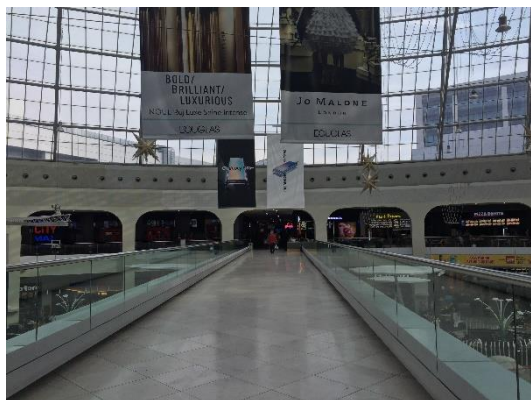


Source: CBRE, based on <http://geoportal.ancpi.ro/geoportal/imobile/Harta.html>

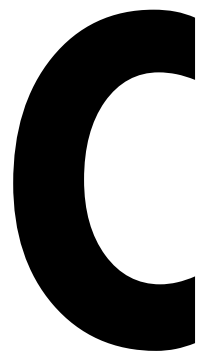
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PHOTOGRAPHS

PHOTOGRAPHS







**SENSITIVITY
ANALYSIS**

REPORT

Sensitivity Analysis

CBRE Ltd

Report Date 31-Oct-2019
Valuation Date 30-Sep-2019

ERV (+/-) 10.0000 % in 5 steps
Yield (+/-) 0.5000 % in 5 steps
Property : AFI Palace Cotroceni_Sept 2019,Timisoara Blvd and Vasile Milea St,Bucharest

	ERV -10.0000 %	€34,788,312 (Relative)	ERV -5.0000 %	€36,720,996 (Relative)	ERV 0.0000 %	€38,653,680 (Relative)	ERV 5.0000 %	€40,586,364 (Relative)	ERV 10.0000 %	€42,519,048 (Relative)
Yield (Absolute)	NET	€553,986,878	NET	€579,652,477	NET	€605,310,765	NET	€630,697,087	NET	€656,076,162
	I.Y	6.6883 %	I.Y	6.3922 %	I.Y	6.1212 %	I.Y	5.8748 %	I.Y	5.6476 %
-0.5000 %	E.Y	6.2898 %	E.Y	6.2866 %	E.Y	6.2836 %	E.Y	6.2835 %	E.Y	6.2835 %
	R.Y	6.2796 %	R.Y	6.3350 %	R.Y	6.3858 %	R.Y	6.4352 %	R.Y	6.4808 %
Yield (Absolute)	NET	€532,606,720	NET	€557,121,005	NET	€581,628,068	NET	€605,867,057	NET	€630,098,917
	I.Y	6.9568 %	I.Y	6.6507 %	I.Y	6.3704 %	I.Y	6.1156 %	I.Y	5.8804 %
-0.2500 %	E.Y	6.5421 %	E.Y	6.5386 %	E.Y	6.5355 %	E.Y	6.5354 %	E.Y	6.5354 %
	R.Y	6.5317 %	R.Y	6.5912 %	R.Y	6.6458 %	R.Y	6.6989 %	R.Y	6.7480 %
Yield (Absolute)	NET	€512,819,926	NET	€536,270,917	NET	€559,714,774	NET	€582,894,358	NET	€606,066,929
	I.Y	7.2252 %	I.Y	6.9093 %	I.Y	6.6199 %	I.Y	6.3566 %	I.Y	6.1136 %
0.0000 %	E.Y	6.7944 %	E.Y	6.7906 %	E.Y	6.7873 %	E.Y	6.7872 %	E.Y	6.7872 %
	R.Y	6.7837 %	R.Y	6.8475 %	R.Y	6.9060 %	R.Y	6.9629 %	R.Y	7.0156 %
Yield (Absolute)	NET	€494,453,771	NET	€516,919,903	NET	€539,378,985	NET	€561,577,511	NET	€583,769,136
	I.Y	7.4936 %	I.Y	7.1679 %	I.Y	6.8694 %	I.Y	6.5979 %	I.Y	6.3471 %
0.2500 %	E.Y	7.0465 %	E.Y	7.0425 %	E.Y	7.0389 %	E.Y	7.0388 %	E.Y	7.0389 %
	R.Y	7.0357 %	R.Y	7.1038 %	R.Y	7.1663 %	R.Y	7.2272 %	R.Y	7.2835 %
Yield (Absolute)	NET	€477,359,714	NET	€498,911,180	NET	€520,455,679	NET	€541,743,255	NET	€563,024,038
	I.Y	7.7619 %	I.Y	7.4266 %	I.Y	7.1192 %	I.Y	6.8395 %	I.Y	6.5809 %
0.5000 %	E.Y	7.2985 %	E.Y	7.2942 %	E.Y	7.2904 %	E.Y	7.2905 %	E.Y	7.2905 %
	R.Y	7.2877 %	R.Y	7.3602 %	R.Y	7.4269 %	R.Y	7.4918 %	R.Y	7.5519 %

VALUATION REPORT

AFI Park

4E, 4F, 4G Vasile Milea Blvd. and 4A Timisoara Blvd.,
District 6, Bucharest, Romania

ROI MANAGEMENT SRL, AFI PARK 2 SRL, AFI PARK BUILDING 3 SRL
AFI PARK OFFICES 4&5 SRL

Date of Valuation: 30th September 2019

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- OPINION OF VALUE

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Legal Notice and Disclaimer

This valuation report (the "Report") has been prepared by CBRE Real Estate Consultancy ("CBRE") exclusively for ROI MANAGEMENT SRL, AFI PARK 2 SRL, AFI PARK BUILDING 3 SRL, AFI PARK OFFICES 4&5 SRL (the "Client") in accordance with the terms of engagement entered into between CBRE and the client dated 20th August 2019 ("the Instruction"). The Report is confidential, and it must not be disclosed to any person other than the Client, its affiliates, advisors, AFI Europe Group and Company's auditors, without CBRE's prior written consent. CBRE has provided this report on the understanding that it will only be seen and used by the Client and no other person is entitled to rely upon it, unless CBRE has expressly agreed in writing.

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- (ii) € 20 million (20,000,000 Euro).

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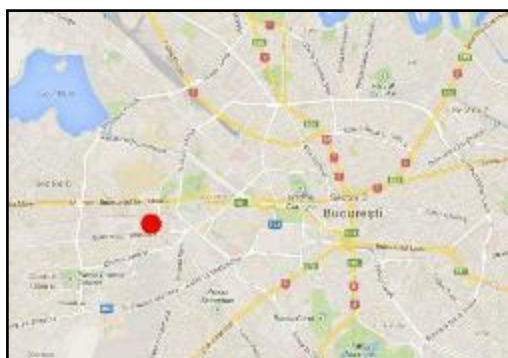
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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



The Property

Address: 4E, 4F, 4G Vasile Milea Blvd. and 4A Timisoara Blvd.,
District 6, Bucharest, Romania

Main Use: Office

According to the information and documents provided by AFI EUROPE the Property consists of five office buildings with Gross Lettable Area (GLA) of 70,917 sq m and 685 underground parking lots.

Tenure

We understand that the property is held freehold by the following companies:

BUILDING	OWNER
AFI Park 1	ROI MANAGEMENT SRL
AFI Park 2	AFI PARK 2 SRL
AFI Park 3	AFI PARK BUILDING 3 SRL
AFI Park 4&5	AFI PARK OFFICES 4&5 SRL

Tenancies and Covenant Strengths

The total GLA of AFI Park is 70,917 sq m, of which 66,261 sq m office space, 2,304 sq m commercial space, 591 sq m storage space, 751 sq m terraces, 1,010 sq m balconies and it has 685 parking lots.

The Property is 99.6% let (there are only three small size vacant spaces, one in AFI Park 1 and two in AFI Park 4&5 and one storage space in AFI Park 4&5) generating a gross annual income of €13,602,895 as at the valuation date.

The main tenant of the office project is the leading IT company Electronic Arts who is occupying the entire office area of AFI Park 2: 11,536 sq m office space, 108 sq m balcony space, 100 sq m storage and 145 parking spaces.

The main tenants of each office building is presented in the table below:

Main Office Tenants	Leased Area (sq m)	Building
Microchip	5,485	AFI Park 1
Sparkware Technologies	1,564	AFI Park 1
Crys Computers	1,210	AFI Park 1
Electronic Arts	11,744	AFI Park 2
Endava	6,107	AFI Park 3
Call Point	5,802	AFI Park 3
Cameron	6,642	AFI Park 4&5
Veeam	4,999	AFI Park 4&5
Securework	4,383	AFI Park 4&5

AFI Park 1

The total GLA of the office building is 12,341 sq m, of which 11,710 sq m office space, 513 sq m commercial space, 63 sq m storage space and 55 sq m balconies and it has 149 parking lots.

The Property is 99.35% let to 9 tenants generating a gross annual income of €2,317,788 as at the valuation date.

The tenancies range from national and international occupiers, most of them in the IT industry. The key tenant is Microchip the leading provider of microcontroller and analog semiconductors who occupies 5,485 sq m. At the valuation date, the second key tenant is Sparkware Technology who occupies 1,564 sq m. The third key tenant is Crys Computers with 1,210 sq m.

The lease terms are ranging between 2 and 15 years, with 4.55 years WAULT.

AFI Park 2

The total GLA of the office building is 12,459 sq m, of which 11,536 sq m office space, 543 sq m commercial space, 111 sq m storage space, 269 sq m balconies and terraces and it has 161 parking lots.

The Property is 100% let to 6 tenants generating a gross annual income of €2,468,471 as at the valuation date.

The main tenant of the office building is the leading IT company Electronic Arts. They are occupying 11,536 sq m office space, 108 sq m balcony space, 100 sq m storage and 145 parking spaces. The main retail tenants of the building are Andy's Pizza and Boutique du Pain who are occupying space on the GF. Andy's Pizza occupies 461 sq m retail space and 110 sq m terraces and Boutique du Pain occupies 64 sq m on the GF and 6 sq m storage space.

The lease terms are ranging between 3 and 7 years with WAULT of 1.68 years.

AFI Park 3

The total GLA of the office building is 12,629 sq m, of which 11,592 sq m office space (including common areas), 523 sq m retail space, 229 sq m storage space, 286 sq m closed balconies and terrace, and it has 163 parking lots.

The Property is 100% let to 7 tenants generating a gross annual income of €2,484,201 as at the valuation date.

The international IT services company Endava is the key tenant of the office building. They occupy 5,919 sq m office space, 88.65 sq m storage, 99.50 sq m balconies and 78 parking spaces. The second tenant is Call Point New Europe, the Business Process Outsourcing (BPO) Canadian services provider who leased the first 5 floors of the office building: 5,673 sq m office space, 29 sq m storage space, 100 sq m balconies and 70 parking spaces. The third tenant is Sushi Univers Dorbanti SRL who occupies 299 sq m retail space on the GF, 111 sq m storage space, 86 sq m terrace and 2 parking spaces.

The lease terms are ranging between 5 and 10 years and the WAULT is 3.02 years.

AFI Park 4&5

The Total GLA of the two office buildings is 33,488 sq m, including additional 504 sq m terraces.

The Property is 99% let to 18 tenants generating a gross annual income of €6,332,435 as at the valuation date.

The tenancies range from national and international occupiers. The key tenant is Cameron Romania. They have leased part of 6th floor, and entire area of the 7th and 8th floors: office space 6,497 sq m, 131 sq. m of balconies and 14.22 sq m storage. The second tenant is Veeam Software with office space 4,876 sq m, 19 sq. m of storage and 104.10 sq. m of balconies. The third tenant is Secureworks Europe who occupies 4,283 sq m office space, 46 sq m storage, 54.50 sq m balconies and 53 parking units.

The lease terms are ranging between 3 and 5 years with WAULT of 2.47 years.

Gross Income

€ 13,602,895 (€ 191.81 per sq m)

per annum

BUILDING	Gross Income/ annum
AFI PARK 1	€ 2,317,788
AFI PARK 2	€ 2,468,471
AFI PARK 3	€ 2,484,201
AFI PARK 4&5	€ 6,332,435
TOTAL AFI PARK	€ 13,602,895

Net Income

€ 13,399,826 (€ 188.95 per sq m)

per annum

BUILDING	Net Income/ annum
AFI PARK 1	€ 2,253,033
AFI PARK 2	€ 2,444,417
AFI PARK 3	€ 2,442,336
AFI PARK 4&5	€ 6,260,040
TOTAL AFI PARK	€ 13,399,826

Gross Market Rent

€ 13,475,986 (€ 190.02 per sq m)

per annum

BUILDING	Gross Market Rent/ annum
AFI PARK 1	€ 2,358,103
AFI PARK 2	€ 2,405,380
AFI PARK 3	€ 2,471,511
AFI PARK 4&5	€ 6,240,992
TOTAL AFI PARK	€ 13,475,986

Fair Value

€ 176,700,000 (ONE HUNDRED AND SEVENTY-SIX MILLION, SEVEN HUNDRED THOUSAND EUROS)

BUILDING	FAIR VALUE
AFI PARK 1	€ 30,600,000
AFI PARK 2	€ 31,280,000
AFI PARK 3	€ 32,200,000
AFI PARK 4&5	€ 82,620,000
TOTAL AFI PARK	€ 176,700,000

Yield Profile

Building	Initial Yield	Reversionary Yield	Equivalent Yield
AFI PARK 1	7.36%	7.63%	7.14%
AFI PARK 2	7.81%	7.61%	7.25%
AFI PARK 3	7.59%	7.60%	7.25%
AFI PARK 4&5	7.58%	7.48%	7.20%

SWOT Analysis

Strengths

- Landmark location as AFI Park is part of a prominent mixed-use development scheme together with AFI Palace Cotroceni mall.
- Excellent technical specifications of the building.
- The property performs excellent in terms of occupancy.
- High-visibility as the office buildings have frontage both on Vasile Milea Blvd. and Timisoara Blvd.
- Excellent car access due to Basarab Bridge which connects the location with Victoriei Square and Northern area of Bucharest.
- Well served by public transport, as it is walking distance from Politehnica metro station (about 5 minutes) and from several bus and tram lines both on Vasile Milea Blvd. and Timisoara Blvd.
- Proximity of all types of support facilities and amenities, as the employees have direct access from the office building to AFI Palace Cotroceni shopping mall.
- Large floor size flexible enough in order to accommodate either full-floor users or small-space users.
- Well known international tenants, mainly activating in IT&C market.

Weaknesses

- Location outside the Central Business District of Bucharest.

Opportunities

- Relatively high occupational demand for quality office accommodation in Bucharest
- West office submarket is the new IT&C hub of Bucharest.
- AFI Park is one of the largest office development in Bucharest, and the entire project has a total GLA of approx. 71,000 sq m thus becoming the dominant project in the centre west sub market of Bucharest and the second one in the entire Western Bucharest (after West Gate)
- With appropriate property management and incentives, extending existing leases and target IT&C companies

Threats

- Future new developments in the central western sub-market, especially in Orhideea area.
- As of H1 2019, Western submarket (including Central Western) has higher vacancy rate than average level for Bucharest (8.70%) of 12.80%.

This executive summary should be read in conjunction with the valuation report and should not be relied upon in isolation. It is provided subject to the assumptions, disclaimers and limitations detailed both throughout this report. This valuation is for the use only of the party to whom it is addressed and for no other purpose than that stated herein. Reliance on this report is conditional upon the reader's acknowledgement and understanding of these statements. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

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VALUATION REPORT

VALUATION REPORT



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Report Date	25 th November 2019
Addressees	ROI MANAGEMENT SRL, AFI PARK 2 SRL, AFI PARK BUILDING 3 SRL AFI PARK OFFICES 4&5 SRL
The Property	AFI Park 4E, 4F, 4G Vasile Milea Blvd. and 4A Timisoara Blvd., District 6, Bucharest, Romania
Property Description	According to the information and documents provided by ROI MANAGEMENT SRL, AFI PARK 2 SRL, AFI PARK BUILDING 3 SRL, AFI PARK OFFICES 4&5 SRL (AFI EUROPE), the office buildings completed between 2012 and 2016 have Total Gross Lettable Area (GLA) of 70,917 sq m and 685 underground parking lots.
Ownership Purpose	Investment
Instruction	To value the unencumbered freehold-equivalent interest in the properties on the basis of Fair Value (IFRS 13 and IAS 40) as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee dated 20 th August 2019.
Valuation Date	30 th September 2019
Capacity of Valuer	External Valuer, as defined in the RICS Valuation – Global Standards 2017.
Purpose	Financial Reporting



Fair Value

€ 176,700,000 (ONE HUNDRED AND SEVENTY-SIX MILLION, SEVEN HUNDRED THOUSAND EUROS), excluding VAT, as shown in the Schedule of Capital Values set out below.

We confirm that the "Fair Value" reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as "Market Value".

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

Our opinion of Fair Value (IFRS 13) is based upon the Scope of Work and Valuation Assumptions attached and has been primarily derived using comparable recent market transactions on arm's length terms.

Market Conditions

The values stated in this report represent our objective opinion of Market Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the property has been properly marketed and that exchange of contracts took place on this date.

Compliance with Valuation Standards

The valuation has been prepared in accordance with the RICS Valuation – Global Standards 2017 which incorporate the International Valuation Standards ("the Red Book"). The valuation is also prepared in compliance with IAS 40 (International Accounting Standard 40 Investment Property). In addition, the valuation is also prepared in compliance with IFRS 13 (International Financial Reporting Standards 13 – Fair value measurement).

We confirm that we have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the valuation competently.

Where the knowledge and skill requirements of The Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those

valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of The Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This Valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.

Assumptions

The property details on which each valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

Variation from Standard Assumptions

None.

Valuer

The Property has been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.

The valuer has the equivalent local qualification which is in accordance with the RICS Valuation – Global Standards 2017 (“the Red Book”). Clare Sheils MRICS from CBRE, Czech Republic has overseen the valuation process.

Independence

The total fees, including the fee for this assignment, earned by CBRE Real Estate Consultancy (or other companies forming part of the same group of companies) from the Addressee (or other companies forming part of the same group of companies) are less than 5.0% of the total Romanian revenues.

Conflicts of Interest

We confirm that we have had no previous material involvement with the property, and that copies of our conflict of interest checks have been retained within the working papers.

Disclosure

The principal signatory of this report has continuously been the signatory of valuations for the same addressee and valuation purpose as this report since 2014.

CBRE Real Estate Consultancy has carried out Valuation, Agency and Professional services on behalf of the addressee for between 5 and 9 years.

CBRE Real Estate Consultancy has continuously been carrying out valuation instructions for the addressee of this report since 2011. The Fair Value as at 30th September 2018 was €175,450,000. The capitalisation method was used.

Reliance

The contents of this Report may only be relied upon by:

- (i) Addressees of the Report; and
- (ii) Parties who have received prior written consent from CBRE in the form of a reliance letter;

for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Currency

Our valuation is provided in Euros. As agreed with the Company, we have applied an exchange rate of the Romanian National Bank of the respective country as at the 30th September 2019, which is as follows:

4.7511 RON/EUR (www.bnr.ro)

Yours faithfully



Ovidiu Ion, MRICS

Director

Head of Valuation Romania

For and on behalf of

CBRE

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Project Reference: AFI Park/ 2019

SCHEDULE OF FAIR VALUES

Properties Held for Investment

Address	Freehold	Leasehold	Fair Value TOTAL
AFI Park 1 - 4E Vasile Milea Blvd., District 6, Bucharest, Romania	€30,600,000		€30,600,000
AFI Park 2 - 4F Vasile Milea Blvd., District 6, Bucharest, Romania	€31,280,000		€31,280,000
AFI Park 3 - 4G Vasile Milea Blvd., District 6, Bucharest, Romania	€32,200,000		€32,200,000
AFI Park 4&5 - 4A Timisoara Blvd., District 6, Bucharest, Romania	€82,620,000		€82,620,000
TOTAL	€176,700,000		€176,700,000

SCOPE OF WORK & SOURCES OF INFORMATION

Sources of Information

We have carried out our work based upon information supplied to us by AFI EUROPE, which we have assumed to be correct and comprehensive.

The Property

Our report contains a brief summary of the property details on which our valuation has been based.

Inspection

The property was inspected on 27th of June 2018. A schedule of the most recent inspection dates is contained within our year-end report/maintained within our working papers and can be made available if required.

The inspection was undertaken by Ovidiu Ion on behalf of CBRE and by Gabriela Alexe on behalf of AFI.

Areas

We have not measured the property but have relied on the areas provided to us by AFI EUROPE.

Environmental Matters

We have not carried out any investigation into the past or present uses of the Property, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Services and Amenities

We understand that all main services including water, drainage, electricity and telephone are available to the properties.

None of the services has been tested by us.

Repair and Condition

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Property. We are unable, therefore, to give any assurance that the Property is free from defect.

Town Planning

We have not made any Planning enquiries except for reviewing the planning documentation provided by AFI EUROPE. We cannot, therefore, accept responsibility for material omissions in the information supplied to us.

Titles, Tenures and Lettings

Details of title/tenure under which the Property is held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The valuation has been prepared on the basis of "Fair Value" (in accordance with International Financial Reporting Standard (IFRS) 13), which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under IFRS 13, is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with the definition of Market Rent.

The Property

Where appropriate we have regarded the shop units of retail and entertainment area from the parking deck as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have

been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

(a) the Property is not contaminated and is not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Property which are regulated by environmental legislation are properly licensed by the appropriate authorities.

(c) the Property possesses current energy performance certificates as required under government directives.

(d) the properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value.

e) invasive species such as Japanese Knotweed are not present on the Property.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

(a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the property;

(b) the Property is free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions

to, the Property; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Property. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Planning and Lettings

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Property possesses a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Property is not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

(g) tenants will meet their obligations under their leases;

(h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

(i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;

(j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

(k) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable.

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PROPERTY REPORT

PROPERTY DETAILS

Location

Macro-location

The property is located in the Central-West area of Bucharest, approximately 5 km from the city centre. Administratively, the site is included in the 6th district of Bucharest.

This sector is the second largest, with an area of 38 sq km and the third most crowded, after districts 2 and 3, with 9,764 inhabitants/ sq km (compared to average density for Bucharest City – 8,170 inhabitants/ sq km). The total population living in the 6th district of Bucharest is 369,649.

Micro-location

The subject property is located at the junction between Timisoara and Vasile Milea boulevards and close to Iuliu Maniu Boulevard. All are main traffic arteries.

Surrounding developments within the micro-location have a mixed use character with a large retail scheme, high rise multifamily residential buildings on one side of Timisoara Boulevard, and light industrial buildings.

The important landmark of the area is AFI Palace Cotroceni shopping mall, one of the biggest shopping centres in Bucharest – the mall has 87,634 sq m GLA.

A medium size shopping mall, Plaza Romania, is situated approximately 1 km west of the subject site, at the junction of Timisoara Blvd. with Brasov St. Anchor Group decided to reconvert part of the mall in office space resulting 10,000 sq m of office areas in Plaza Romania Offices starting 2016.

The same developer has under-construction another office building on Timisoara Blvd. The construction works were re-launched after more than 5 years, but Anchor Metropol (approx. 37,000 sq m) is still not completed.

The landmark office development of the area is AFI Park. The 5 A-Class office buildings part of the park are totalling 71,000 sq m GLA and they were completed between 2012 and 2016.

Together with two old office buildings, both of them on Vasile Milea Blvd: Cotroceni Business Centre (a refurbished class C office building on APACA site, the clothes producer) and Global Business Centre (a class B office building owned by Immofinanz), two new office developments are in the micro-location, on Iuliu Maniu Blvd.

First of them is Campus, the project of Skanska who sold in 2018 the first completed building, Campus 6.1, to CA Immo. Campus 6 will be completed in 2022 and it will have four office buildings with total GLA of 85,000 sq m. The other office project on Iuliu Maniu currently under final stages of completion is The Light, developed by River Development,

who will offer in the first building of the project approx. 21,000 sq m office area.

Other uses in the area include a High school (Petru Maior) situated west on Timisoara Blvd. and a University (Polytechnics) situated further north on Vasile Milea Boulevard, as well as a military base.

A location map is attached in Appendix A.

Site characteristics

Site size

AFI Park 1

From the documentation provided by AFI Europe, we understand that the site consists in one plot of land with total size of 3,258 sq m.

The neighbours of the site are as follows:

- To the South – AFI Park 2;
- To the East – Vasile Milea Blvd.;
- To the West – AFI Palace Cotroceni;
- To the North - AFI Palace Cotroceni.

AFI Park 2

From the documentation provided by AFI Europe, we understand that the site for AFI PARK 2 consists in one plot of land with total size of 2,816 sq m.

The neighbours of the site are as follows:

- To the North – AFI Park 1;
- To the South – AFI Park 3;
- To the East – Vasile Milea Blvd.;
- To the West – AFI Palace Cotroceni.

AFI Park 3

From the documentation provided by AFI Europe, we understand that the site for AFI PARK 3 consists in one plot of land with total size of 3,151 sq m.

The neighbours of the site are as follows:

- To the North – AFI Park 2;
- To the East – Vasile Milea Blvd.;
- To the South – AFI Palace Cotroceni;
- To the West – AFI Palace Cotroceni.

AFI Park 4&5

From the documentation provided by AFI Europe, we understand that the site consists in one plot of land with total size of 5,001 sq m.

The neighbours of the site are as follows:

- To the North – AFI Palace Cotroceni;
- To the East – AFI Palace Cotroceni;
- To the South – Timisoara Blvd.;
- To the West – Technical High School Petru Maior.

Site shape

AFI Park 1

The plot with total size of 3,258 sq m has regular shape and has a frontage of approx. 55 m on Vasile Milea Blvd.

AFI Park 2

The plot with size of 2,816 sq m has approximately rectangular shape and a frontage of 52.6 m on Vasile Milea Blvd.

AFI Park 3

The plot with size of 3,151 sq m has irregular shape and frontage of on Vasile Milea Blvd.

AFI Park 4&5

The plot with size of 5,001 sq m has a total frontage of approx. 88 m on Timisoara Blvd. The plot has an irregular shape, close to a rectangular shape.

Utilities

The subject property is connected to all the public utilities available in the area, i.e. electricity, water, gas, sewers, telephone and internet lines.

Topography

Topography is a very important site characteristic because it can affect the physical design of the site as well as the design and construction of the building.

The subject site is fairly level which was an advantage for the overall architecture of the scheme.

Description

Building Area

AFI Park 1

The property represents an A-Class multi-storey and multi-tenanted office building, completed in September 2012.

The building has a total Gross Lettable Area (GLA) of 12,341 sq m, including two underground levels, retail space and lobby at ground floor level with offices on upper

floors (1-10). The 2 basement levels provide 149 car parking spaces and storage accommodation. The Total Gross Built Area (including the underground levels) is 20,181 sq m.

The building shape is a rectangle, with the front side and the main entrance of the building facing east on Vasile Milea Blvd. The secondary access (for goods) is at the back of the building.

At the south-east corner (Vasile Milea Blvd.) there is the access for the underground parking.

AFI Park 2

The Property consists of one A-Class multi-storey office building completed in April 2014.

AFI Park 2 has Total Gross Built Area (including two underground levels) of 19,795 sq m and Gross Lettable Area (GLA) of 12,459 sq m. The building has 2 underground levels, ground floor, 10 floors and 1 technical floor.

The two underground levels are designed for parking, storage, technical room and shelter. The Ground floor has double story high entrance lobby, a commercial area as well as mechanical electrical and safety functions. First floor has leasable office area, including restrooms and floor technical areas. Typical office floors (levels 2 to 9) include office space. The vertical circulation is merged in one central core for elevators and stairs, with the work places built around it. There are 4 passenger elevators that access all office floors up to the 10th floor. Elevators lobby includes 3 passenger elevators and 1 fireman elevator. There are additional 2 passenger elevators connecting the lobby to the underground -1 and -2 levels.

10th Floor has leasable office area, including restrooms and floor technical areas. Roof level is a technical level which includes the boiler, HVAC and equipment rooms.

The building shape is rectangle, with the front side and the main entrance of the building facing north and AFI Park 1.

The access for the underground parking is at north, near AFI Park 1 (Vasile Milea Blvd.)

The building envelope is based on aluminium glass and stone composition, and the building curtain wall façade system is based on a "Reynaers" system. The building is elevated by 3 steps above the main boulevard. A reflection pool is between AFI Park 1 and AFI Park 2 with stone benches. A paved service road is between the back of the building and the mall for providing access for service vehicles and emergency vehicles.

AFI Park 3

The Property consists of one A-Class multi-storey and multi-tenanted office building, completed in January 2015.

AFI Park 3 has Gross Lettable Area (GLA) of 12,629 sq m on two underground levels, retail space and lobby at ground floor level with offices on upper floors (1-10). The 2

basement levels provide 163 car parking spaces.

The two underground levels are designed for parking, storage, technical room and shelter. The Ground floor has high entrance lobby, a commercial area as well as mechanical electrical and safety functions. First floor has leasable office area, including restrooms and floor technical areas. Typical office floors (levels 2 to 9) include office space. The vertical circulation is merged in one central core for elevators and stairs, with the work places built around it. There are 4 passenger elevators that access all office floors up to the 10th floor. Elevators lobby includes 3 passenger elevators and 1 fireman elevator. There are additional 2 passenger elevators connecting the lobby to the underground -1 and -2 levels.

10th Floor has leasable office area, including restrooms and floor technical areas. Roof level is a technical level which includes the boiler, HVAC and equipment rooms.

The building shape is rectangle, with the front side and the main entrance of the building facing south and AFI Palace Cotroceni. The secondary access (for goods) is at the back of the building.

The access for the underground parking is at north, near AFI Park 1 (Vasile Milea Blvd.)

The building envelope is based on aluminium glass and stone composition, and the building curtain wall façade system is based on a "Reynaers" system. A reflection pool will be between AFI Park 2 and AFI Park 3 as well as between AFI Park 3 and AFI Palace Cotroceni. A paved service road is between the back of the building and the mall for providing access for service vehicles and emergency vehicles.

AFI Park 4&5

The Property consists of two A-Class multi-storey and multi-tenanted office buildings, connected from the 3rd to the 12th floors. The handover certificate of the construction works for AFI Park 4&5 is dated January 2016.

AFI Park 4&5 have Total Gross Built Area of 46,964 sq m (including the underground levels), Total Gross Lettable Area of 33,483 sq m (including 504 sq m terraces), and 212 parking spaces arranged in the 2 levels of underground parking. The buildings have 2 underground levels, ground floor, Mezzanine, 10 floors and 1 technical floor.

The main entrances of the two office buildings are facing each other, whilst the entrances to the retail space located on the ground floors are from Timisoara Blvd. AFI Park 4&5 have commune access with the others office buildings within the park to the underground parking, near AFI Park 1 (Vasile Milea Blvd.).

The two underground levels are designed for parking, storage, technical room and shelter. The Ground floors of the two office buildings have high entrance lobby, a commercial area as well as technical spaces. First floors (Mezzanine) have leasable office area, including restrooms and floor technical areas. The vertical circulation of each building is merged in one central core for elevators and stairs, with the work places built around it. From the third floor to the 12th Floor the office buildings are connected and the new floor area is approx. 3,000 sq m.

The shelter located in the underground level is partly built under plot with size of 244 sq m.

The office space has clear height of 2.8 m floor to ceiling. The electricity and HVAC design are developed according to a floor layout of one work station to 7 sq m and an option for LED lighting in the office space. AFI Park 4&5 have several advanced back-up solutions including electricity high voltage supply from 2 different sources that assure the tenants a 24/7/365 days continuous activity.

Photographs of the property are attached in Appendix B.

Structure

The construction is built on reinforced concrete foundations.

The buildings have a central core of reinforced concrete diaphragms combined with reinforced concrete pillars and beams on the building perimeter.

The façades are a double-glaze curtain wall and aluminium cladding.

Interior Building Characteristics

The property provides good quality finishing's and amenities: suspended ceilings with incorporated fluorescent lighting, a clear height of 2.75 m, raised floors, carpet flooring, HVAC system – 4-pipe system - each office zone has a fan coil unit (FCU) for cooling/heating, sprinklers and smoke detectors throughout the building, CCTV system, Building Management System, control access both for the office building and parking.

Services and Amenities

We assume that all necessary connections to the utilities such as gas, electricity, water, sewage and telephone have been carried out.

Accommodation

We have been provided with copy of Typical Floor Plan and we have been provided with gross leasable areas detailed within the Tenancy Schedule. We have not measured the property, but as instructed, we have relied upon floor areas provided to us by AFI Europe.

The Total Area for AFI Park is as follows:

TOTAL AREA	AFI PARK 1 (sq m)	AFI PARK 2 (sq m)	AFI PARK 3 (sq m)	AFI PARK 4&5 (sq m)	AFI PARK
Land Area	3,258	2,816	3,151	5,001	14,226
Total Gross Built Area	20,181	19,795	19,586	46,964	106,526
Total Footprint Area	1,206	1,202	1,201	2,416	6,025
Gross Lettable Area	12,341	12,459	12,629	33,488	70,917
Underground Parking Places	149	161	163	212	685

Source: CBRE, based on AFI Europe Romania information

The typical floor area:

- AFI Park 1 - 2nd Floor – 9th Floor: 1,207 sq m, the 10th Floor is 1,143.52 sq m
- AFI Park 2 - 2nd Floor – 9th Floor: 1,191 sq m, the 10th Floor is 1,199 sq m
- AFI Park 3 - 2nd Floor – 9th Floor: 1,212- 1,214 sq m, the 10th Floor is 1,170 sq m;
- AFI Park 4&5 - 3rd Floor – 10th Floor: 2,885 – 2,964 sq m, the 11th Floor is 2,546 sq m and the 12th Floor has 1,106 sq m GLA

A summary of the floor areas is set out below:

Floor Areas - AFI Park

	AFI PARK 1 (sq m)	AFI PARK 2 (sq m)	AFI PARK 3 (sq m)	AFI PARK 4&5 (sq m)	TOTAL AFI PARK (sq m)
Office	11,710	11,536	11,592	31,423	66,261
Balconies	55	108	199	648	1,010
Retail	513	543	523	725	2,304
Storage	63	111	229	188	591
Terraces		161	86	504	751
Parking (units)	149	161	163	212	685
Total GLA	12,341	12,459	12,629	33,488	70,857

Source: CBRE, based on AFI Europe Romania information

State of Repair

CBRE have not undertaken a structural survey, nor tested the services. We have not been supplied with a survey report prepared by any other firm. We have undertaken only a limited inspection for valuation purposes. We have assumed, in the absence of any information to the contrary that the building is free from material defect.

Construction Documentation

AFI Park 1

We have received a copy of the building permit no. 706 dated 04 November 2010.

According to the above-mentioned building permit, pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office authorized the construction works for an office building on 2 basements, ground level, mezzanine, and 10 upper levels (of which one technical level).

AFI Park 2

We have received a copy of the building permit no. 120 dated 17 March 2014.

According to the above-mentioned building permit, pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office

authorized the construction works for four office buildings on 2 basements, ground level, mezzanine, and 10 upper levels (of which one technical level).

AFI Park 3

We have received a copy of the building permit no. 120 dated 17 March 2014. This building permit is replacing the former building permit no 489 dated 8 June 2012.

According to the above-mentioned building permit, pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office authorized the construction works for four office buildings on 2 basements, ground level, mezzanine, and 10 upper levels (of which one technical level).

AFI Park 4&5

We were provided with the copy of the new building permit no. 801 dated 08 December 2014. According to the above-mentioned building permit, pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office authorized the construction of two additional floors for buildings D and E (4&5) with 2 basements, ground level, mezzanine, 10 upper levels and 1 Technical level.

The construction of the office building was authorised by the building permit no. 120 dated 17 March 2014.

General Condition

AFI Park 1

We have been provided with the functioning permit for commercial activities no 3097 dated 27 September 2012.

According to the above-mentioned document, the construction works were based on the building permit no. 706 issued by the City Hall of District 6 Bucharest on November 04, 2010.

The construction of the office building was finalized in September 2012, when fire and occupational permits were achieved as well.

AFI Park 2

We have been provided with the functioning permit for commercial activities no 1689 dated 23 April 2014.

The construction of the office building was finalized in April 2014, when fire and occupational permits were achieved as well.

AFI Park 3

The construction works for AFI Park 3 started in July 2013 and the handover protocol for construction works is dated January 2015. The functioning permit was issued by Bucharest Municipality District 6 Mayor's Office in January 2015.

AFI PARK 4&5

The handover protocol for construction works is dated January 2016. The functioning permit was issued by Bucharest Municipality District 6 Mayor's Office in March 2016.

During our inspection, we did not notice nor were we alerted to any material or technical defects.

Environmental Considerations

We have not been provided with copies of any environmental reports or certificates from the Owners of the Property. We have therefore assumed that there are no environmental issues affecting the Property, or if so, that contamination is minor in nature and will not materially affect the continued use of the Property.

We have not conducted any environmental analysis of the Property and therefore we recommend that any third parties who have an interest in the Site make all necessary investigations to ensure this is the case.

Town Planning

According to the Zoning Urban Plan (PUZ) of District 6, Bucharest, approved by HCGMB (Decision of Bucharest City General Council) no. 213/ 29 September 2006, the property's sites are zoned for "M3": mixed sub-area with buildings of continuous or discontinuous height regime and maximum height of GF+4F.

We have been provided with the Urban Certificate no. 2963/241V dated 17th December 2008 pursuant to the application submitted by SC COTROCENI PARK for the total site of 116,573.81 sq m (former cadastral number 1766/31) located on 4 Vasile Milea Blvd.

The certificate is mentioning the Detailed Urban Plan (PUD) "Bd Vasile Milea nr 4" for mall and offices, approved by HCL District 6 (Decision of District 6 Local Council) no. 33/ 23 February 2006.

AFI Park 1 - According to the building permit no. 706 issued by the City Hall of District 6 Bucharest on November 04, 2010 the office building approved for the site with cadastral number 1766/31/1/1/1 (following the dividing act no 1163 dated 22 April 2010), registered in Cadastral Book no. 87925, land book registry excerpt no 2142346 dated 26 April 2010 has the following height regime: 2UG+GF+Mzn+9F+TF.

AFI Park 2, AFI Park 3 and AFI Park 4&5 - According to the building permit no. 120 issued

by the City Hall of District 6 Bucharest on March 17, 2014 the office building approved for the site with cadastral number 1766/31/1/1/1 (following the dividing act no 1163 dated 22 April 2010), registered in Cadastral Book no. 87925, land book registry excerpt no 2142346 dated 26 April 2010 has the following height regime: 2UG+GF+Mzn+9F+TF.

Moreover, for AFI Park 4&5 we have received a copy of the building permit no. 801 dated 08 December 2014 for the 2 office buildings initially authorised by building permit no. 120 dated 17 March 2014.

According to the above-mentioned building permit, pursuant to the application submitted by S.C. COTROCENI PARK S.A, the Bucharest Municipality District 6 Mayor's Office authorized the construction of two additional floors for buildings D and E (4 & 5) and therefore the buildings will have 2 basements, ground level, mezzanine, 10 upper levels and 1 Technical level.

Planning Restrictions

We are not aware of any additional restrictions applied to the Property and are not aware of any issues which would materially and adversely impact upon the value of the Property.

From the documentation we viewed and from our inspection, there is nothing that has come to our attention, which in our opinion, would give rise to any contravention of statutory requirements. However, we cannot be certain that we have seen all documentation or physical acts or processes that could give rise to any contravention; therefore, we reserve the right to amend our valuation accordingly if anything further comes to light.

In summary, we are not aware of any planning issues which would adversely impact the value of the property.

VAT

All rents and capital values stated in this report are exclusive of VAT.

LEGAL CONSIDERATIONS

Tenure

AFI Park 1

We have been provided with copies of the land book dated 07th October 2019. The documents show that the Property consists in one plot of land and it falls within the cadastral territory of District 6, Bucharest at the registered address no. 4E (former no. 4) Vasile Milea Blvd.

We understand that the property is held freehold.

From documentation provided to us we understand that the subject property (land of total area 3,258 sq m) is owned on the equivalent of freehold by SC ROI MANAGEMENT SRL.

According to the land register excerpt, the office building erected on the plot with cadastral number 231143 has Total Built Area of 20,181 sq m and Footprint Area of 1,206 sq m.

LAND BOOK NO	CADASTRAL NO.	SIZE (sq m)	GROSS BUILT AREA (sq m)	FOOTPRINT AREA (sq m)	COMMENTS
231143	231143	3,258			
	231143-C1		20,181	1,206	2UG+GF+Mzn+9F+TechF
		3,258	20,181	1,206	

Source: CBRE, based on cadastral documents provided by AFI Europe

According to the land book excerpts mentioned above for the two plots there are registered the following encumbrances:

ENCUMBRANCES	IN FAVOUR OF
Registration of leasing contracts for 7 years starting October 2012	MICROCHIP TECHNOLOGY
Registration of leasing contracts for 5 years and 4 months starting September 2012	ENDAVA ROMANIA
Registration of leasing contracts for 5 years	BANK LEUMI ROMANIA
Right of way non-exclusive and In Perpetuum for auto and pedestrian traffic for the plot 225596	SC AFI PARK 2 SRL
Right of way non-exclusive and In Perpetuum for auto and pedestrian	SC AFI PARK BUILDING 3 SRL

traffic for the plot 225597

Registration of leasing contracts starting from 30.05.2016 to 25.11.2016	SC SECUREWORKS EUROPE SRL
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Right of way non-exclusive and In Perpetuum for auto and pedestrian traffic for the plot 227668	SC COTROCENI PARK SA
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Right of way non-exclusive and In Perpetuum for auto traffic using the 1 st UG parking level (394.45 sq m), as well as the ramp access (243 sq m) for the plot 225598	AFI PARK OFFICES 4&5 SRL
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Right of way non-exclusive and In Perpetuum for auto traffic using the ramp access (243 sq m) for the plot 227668	COTROCENI PARK SRL
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Mortgage right for the Amount of 38,662,500 EUR and all the other credit obligations: (i) cumulated interest for the amount mentioned above, (ii) all costs (including legal), taxes, costs, duties, and damages incurred by Guarantee's Fiduciary, (iii) penalty interest regarding any owed amounts according to Prospectus Documents or other Financing Documents and (iv) any other owed amount according to Financing Documents. The details of Guaranteed Obligations are not exhaustive (but informative)	STRAUSS LAZER TRUSTEES (1992) LTD
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Mortgage right over the rental income for any present or future incomes related to the Property	STRAUSS LAZER TRUSTEES (1992) LTD (as "Guarantee's Fiduciary")
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Mortgage right for the maximum Amount of 450,000,000 EUR (300,000,000 EUR main credit amount according to mortgage contract + estimation of other credit obligations of 150,000,000 EUR) over the right of way non-exclusive and In Perpetuum for auto, pedestrian and equipment traffic over plot with size of 3,258 sq m, in favour of plot with cadastral number 227668, owned by COTROCENI PARK SA	BCR – BANCA COMERCIALA ROMANA SA
	ERSTE GROUP BANK AG
	RAIFFEISEN BANK INTERNATIONAL AG

Source: CBRE, based on cadastral documents provided by AFI Europe

AFI Park 2

We have been provided with copies of the land register excerpts, dated 07th October 2019. The documents show that the Property consists in two plots and it falls within the cadastral territory of District 6, Bucharest at the registered address no. 4F Vasile Milea Blvd.

We understand that the property is held freehold.

From documentation provided to us we understand that the subject property (land of total area 2,816 sq m) is owned on the equivalent of freehold by SC AFI PARK 2 SRL.

According to the land register excerpt, the office building erected on the plot with cadastral number 231144 has Total Built Area of 19,795 sq m and Footprint Area of 1,202 sq m.

LAND BOOK NO	CADASTRAL NO.	SIZE (sq m)	GROSS BUILT AREA (sq m)	FOOTPRINT AREA (sq m)	COMMENTS
231144	231144	2,816			
	231144-C1		19,795	1,202	2UG+GF+Mzn+9F+TechF
TOTAL		2,816	19,795	1,202	

Source: CBRE, based on cadastral documents provided by AFI Europe

According to the land book mentioned above for the plot has the following encumbrances:

ENCUMBRANCES	IN FAVOUR OF
Right of way for auto and pedestrian traffic over plot with size of 2,533 sq m and right of use over 24.21 sq m of the under-ground level of the building	SC ENEL DISTRIBUTIE MUNTENIA SA
Registration of leasing contract for 7 years	SC ELECTRONIC ARTS ROMANIA SRL
Right of way for auto and pedestrian traffic for plot 216783	SC ROI MANAGEMENT SRL
Right of way for auto and pedestrian traffic for plot 225597	AFI PARK BUILDING 3 SRL
Right of way non-exclusive and In Perpetuum for auto traffic using the 1 st UG parking level (323.82 sq m), for the plot 225598	AFI PARK OFFICES 4&5 SRL
Right of way for auto and pedestrian traffic for plot 216784	SC ROI MANAGEMENT SRL
Right of way for auto and pedestrian traffic for plot 225600	AFI PARK BUILDING 3 SRL
Right of way non-exclusive and In Perpetuum for part of exterior hydrants network in favour of plot 227668	SC COTROCENI PARK SA
Right of leasing contract for 7 years and 4 months starting with 13.06.2014 and ending at 01.10.2021	ANDY'S PIZZA SRL
Mortgage right for the Amount of 38,662,500 EUR and all the other credit obligations: (i) cumulated interest for the amount mentioned above, (ii) all costs (including legal), taxes, costs, duties, and damages incurred by Guarantee's Fiduciary, (iii) penalty interest regarding any owed amounts according to Prospectus Documents or other Financing Documents and (iv) any other owed amount according to Financing Documents. The details of Guaranteed Obligations	STRAUSS LAZER TRUSTEES (1992) LTD

are not exhaustive (but informative)

Mortgage right over the rental income for any present or future incomes related to the Property STRAUSS LAZER TRUSTEES (1992) LTD (as "Guarantee's Fiduciary")

Source: CBRE, based on cadastral documents provided by AFI Europe

AFI Park 3

We have been provided with copies of the land register excerpts, dated 07th October 2019. The documents show that the Property falls within the cadastral territory of District 6, Bucharest at the registered address no. 4G Vasile Milea Blvd.

We understand that the property is held freehold.

From documentation provided to us we understand that the property (land of total area 3,151 sq m) is owned on the equivalent of freehold by SC AFI PARK BUILDING 3 SRL.

The total area of the site is of 3,151 sq m and there is erected an office building with 2UG+GF+Mzn+9F+TF.

LAND BOOK NO.	CADASTRAL NO.	LAND AREA (sq m)	GROSS BUILT AREA (sq m)	FOOTPRINT AREA (sq m)	COMMENTS
231142	231142	3,151			
	321142-C1		19,586	1,201	2UG+GF+Mzn+9F+TechF; Total Built Area 19,586 sq m
TOTAL		3,151	19,586	1,201	

Source: CBRE based on cadastral documents provided by AFI Europe

According to the land book excerpts mentioned above for the plot there is registered following encumbrances:

ENCUMBRANCES	IN FAVOUR OF
Leasing contract for 7 years starting 2014 and 2015	SC CALLPOINT NEW EUROPE SRL
Leasing contract for 5 years and 4.5 months starting with 15.01.2015	SC ENDAVA ROMANIA SRL
Right to use on 24.20 sq m located in the UG of the existing building	ENEL DISTRIBUTIE MUNTENIA SA
Right of way pedestrian and by car In Perpetuum on 1,202 sq m located in UG of the existing building and	ENEL DISTRIBUTIE MUNTENIA SA

on 2,631 sq m plot of land

Right of way pedestrian and by car non-exclusive and In Perpetuum for plot 216783	ROI MANAGEMENT SRL
Right of way pedestrian and by car non-exclusive and In Perpetuum for plot 225596	AFI PARK 2 SRL
Leasing contract for 5 years starting with 2015	SC LS TRAVEL RETAIL ROMANIA SRL
Leasing contract for 7 years and 4 months starting with 2015	ANDY'S PIZZA SRL
Right of way non-exclusive and In Perpetuum for part of exterior hydrants network in favour of plot 227668	SC COTROCENI PARK SA
Right of way non-exclusive and In Perpetuum for auto traffic using the 1st UG parking level (313.21 sq m), for the plot 225598	AFI PARK OFFICES 4&5 SRL
Right of way pedestrian and by car non-exclusive and In Perpetuum for plot 216784	ROI MANAGEMENT SRL
Right of way pedestrian and by car non-exclusive and In Perpetuum for plot 225599	AFI PARK BUILDING 3 SRL
Right of way non-exclusive and In Perpetuum for auto traffic using the 1st UG parking level (58.47 sq m), for the plot 225598	AFI PARK OFFICES 4&5 SRL
Mortgage right for the Amount of 38,662,500 EUR and all the other credit obligations: (i) cumulated interest for the amount mentioned above, (ii) all costs (including legal), taxes, costs, duties, and damages incurred by Guarantee's Fiduciary, (iii) penalty interest regarding any owed amounts according to Prospectus Documents or other Financing Documents and (iv) any other owed amount according to Financing Documents. The details of Guaranteed Obligations are not exhaustive (but informative)	STRAUSS LAZER TRUSTEES (1992) LTD
Mortgage right over the rental income for any present or future incomes related to the Property	STRAUSS LAZER TRUSTEES (1992) LTD (as "Guarantee's Fiduciary")

Source: CBRE based on cadastral documents provided by AFI Europe

AFI Park 4&5

We have been provided with copies of the land register excerpt, dated 07th June 2019. The documents show that the Property consists of one plot and it falls within the cadastral territory of District 6, Bucharest at the registered address no. 4A Timisoara Blvd.

We understand that the property is held freehold.

From documentation provided to us we understand that the subject property (land with area of 5,001 sq m) is owned on the equivalent of freehold by SC AFI PARK OFFICES 4&5 SRL.

The total site of 5,001 sq m and the correspondent buildings have the following cadastral numbers:

LAND BOOK NO	CADASTRAL NO	SIZE (sq m)	GROSS BUILT AREA ((sq m)	FOOTPRINT AREA (sq m)	COMMENTS
231232	231232	5,001			
	231232-C1		23,730	1,208	2UG+GF+M zn+10F+TF
	231232-C2		23,234	1,208	2UG+GF+M zn+10F+TF
TOTAL		5,001	46,964	2,416	

Source: CBRE, based on cadastral documents provided by AFI Europe

According to the land book excerpt received for the plot mentioned above there are registered the following encumbrances:

- Mortgage right for the Amount of 102,200,000 EUR and all the other credit obligations: (i) cumulated interest for the amount mentioned above, (ii) all costs (including legal), taxes, costs, duties, and damages incurred by Guarantee's Fiduciary, (iii) penalty interest regarding any owed amounts according to Prospectus Documents or other Financing Documents and (iv) any other owed amount according to Financing Documents. The details of Guaranteed Obligations are not exhaustive (but informative) in favour of STRAUSS LAZER TRUSTEES (1992) LTD
- Mortgage right over the rental income for any present or future incomes related to the Property in favour of STRAUSS LAZER TRUSTEES (1992) LTD (as "Guarantee's Fiduciary")
- Mortgage right for the maximum Amount of 450,000,000 EUR (300,000,000 EUR main credit amount according to mortgage contract + estimation of other credit obligations of 150,000,000 EUR) over the non-exclusive right of way and right of use by cars, pedestrians and equipment in favour of plot with cadastral number 227668, owned by COTROCENI PARK SA; the credit companies are BCR – BANCA COMERCIALA ROMANA SA, RAIFFEISEN BANK INTERNATIONAL AG and ERSTE GROUP BANK AG.

Moreover, there are also registered the following encumbrances:

ENCUMBRANCES	IN FAVOUR OF
Right to use on 118.5 sq m of the office buildings	ENEL DISTRIBUTIE MUNTENIA SA
Right of way pedestrian and by car on 118.5 sq m of the land and of the office buildings	ENEL DISTRIBUTIE MUNTENIA SA
Leasing contract for 5 year-lease (27.07.2016-27.07.2021)	SC NBI Bearings Romania SRL
Leasing contract for 5 year-lease (01.04.2016-01.04.2021)	PINUM DOORS&WINDOWS SRL
Leasing contract for 5 year-lease (22.06.2016-21.06.2021) and additional leasing contract, until February 2023	SC SECUREWORKS EUROPE SRL
Right of way pedestrian and by car in favour of	Plot 1.1.1.1 , cadastral number 225595
Right to use on 14 sq m of the office buildings	ENEL DISTRIBUTIE MUNTENIA SA
Right of way pedestrian and by car on 14 sq m of the land and of the office buildings	ENEL DISTRIBUTIE MUNTENIA SA
Right of use on the land with cadastral no. 227669 and the area of 244 sq m	cadastral no. 227668
Leasing contract for 6 year-lease and 3 months (01.03.2017-31.05.2023)	SC NEW MAP CASA MAGICA SRL
Leasing contract for 5 year-lease (01.02.2016-01.02.2021)	VEEAM SOFTWARE SRL
Leasing contract for 5 year-lease (15.08.2017-15.08.2022)	SC VIVO STREET FOOD SRL

Source: CBRE based on cadastral documents provided by AFI Europe

We have assumed there are no other liens or covenants connected to the freehold interest of the subject property. However, we have not undertaken further investigations and we, therefore, recommend that any third parties who have legal interest in the property make all necessary investigations to ensure this is the case.

Tenancies

The total GLA of AFI Park is 70,917 sq m, of which 66,261 sq m office space, 2,304 sq m commercial space, 591 sq m storage space, 751 sq m terraces, 1,010 sq m balconies and it has 685 parking lots.

The Property is 99.6% let (there are only three small size vacant spaces, one in AFI Park 1 and two in AFI Park 4&5 and one storage space in AFI Park 4&5) generating a gross

annual income of €13,602,895 as at the valuation date.

The main tenant of the office project is the leading IT company Electronic Arts who is occupying the entire office area of AFI Park 2: 11,536 sq m office space, 108 sq m balcony space, 100 sq m storage and 145 parking spaces.

The main tenants of each office building is presented in the table below:

Main Office Tenants	Leased Area (sq m)	Building
Microchip	5,485	AFI Park 1
Sparkware Technologies	1,564	AFI Park 1
Crys Computers	1,210	AFI Park 1
Electronic Arts	11,744	AFI Park 2
Endava	6,107	AFI Park 3
Call Point	5,802	AFI Park 3
Cameron	6,642	AFI Park 4&5
Veeam	4,999	AFI Park 4&5
Securework	4,383	AFI Park 4&5

AFI Park 1

The total GLA of the office building is 12,341 sq m, of which 11,710 sq m office space, 513 sq m commercial space, 63 sq m storage space and 55 sq m balconies and it has 149 parking lots.

The Property is 99.35% let to 9 tenants generating a gross annual income of €2,317,788 as at the valuation date.

The tenancies range from national and international occupiers, most of them in the IT industry. The key tenant is Microchip the leading provider of microcontroller and analog semiconductors who occupies 5,485 sq m. At the valuation date, the second key tenant is Sparkware Technology who occupies 1,564 sq m. The third key tenant is Crys Computers with 1,210 sq m.

The lease terms are ranging between 2 and 15 years, with 4.55 years WAULT.

AFI Park 2

The total GLA of the office building is 12,459 sq m, of which 11,536 sq m office space, 543 sq m commercial space, 111 sq m storage space, 269 sq m balconies and terraces and it has 161 parking lots.

The Property is 100% let to 6 tenants generating a gross annual income of €2,468,471 as at the valuation date.

The main tenant of the office building is the leading IT company Electronic Arts. They are occupying 11,536 sq m office space, 108 sq m balcony space, 100 sq m storage and 145 parking spaces. The main retail tenants of the building are Andy's Pizza and Boutique du Pain who are occupying space on the GF. Andy's Pizza occupies 461 sq m retail space and 110 sq m terraces and Boutique du Pain occupies 64 sq m on the GF and 6 sq m storage space.

The lease terms are ranging between 3 and 7 years with WAULT of 1.68 years.

AFI Park 3

The total GLA of the office building is 12,629 sq m, of which 11,592 sq m office space (including common areas), 523 sq m retail space, 229 sq m storage space, 286 sq m closed balconies and terrace, and it has 163 parking lots.

The Property is 100% let to 7 tenants generating a gross annual income of €2,484,201 as at the valuation date.

The international IT services company Endava is the key tenant of the office building. They occupy 5,919 sq m office space, 88.65 sq m storage, 99.50 sq m balconies and 78 parking spaces. The second tenant is Call Point New Europe, the Business Process Outsourcing (BPO) Canadian services provider who leased the first 5 floors of the office building: 5,673 sq m office space, 29 sq m storage space, 100 sq m balconies and 70 parking spaces. The third tenant is Sushi Univers Dorbanti SRL who occupies 299 sq m retail space on the GF, 111 sq m storage space, 86 sq m terrace and 2 parking spaces.

The lease terms are ranging between 5 and 10 years and the WAULT is 3.02 years.

AFI Park 4&5

The Total GLA of the two office buildings is 33,488 sq m, including additional 504 sq m terraces.

The Property is 99% let to 18 tenants generating a gross annual income of €6,332,435 as at the valuation date.

The tenancies range from national and international occupiers. The key tenant is Cameron Romania. They have leased part of 6th floor, and entire area of the 7th and 8th floors: office space 6,497 sq m, 131 sq. m of balconies and 14.22 sq m storage. The second tenant is Veeam Software with office space 4,876 sq m, 19 sq. m of storage and 104.10 sq. m of balconies. The third tenant is Secureworks Europe who occupies 4,283 sq m office space, 46 sq m storage, 54.50 sq m balconies and 53 parking units.

The lease terms are ranging between 3 and 5 years with WAULT of 2.47 years.

Overall the tenancies represent relatively high covenant strength and security of income.

Current Rent

The total rental income for the office project is presented below:

Total Rental Income

Valuation date	September 2019*
Gross Current Rent €m	€ 13,602,895
Estimated Rental Value €m	€ 13,475,986

Source: CBRE based on data provided by AFI Europe

*The total rental income as of September 2019 includes also Annual Management Fee.

According to information provided by AFI Europe Romania, the Management Fee included in the detailed Tenancy Schedule we received for current valuation is additional fee that AFI is entitled to charge upon each of the leasing contract. This ranges between 3.0% and 5.0% of Contractual Income.

Rent Reviews /Indexation

We understand that the contractual rent will be indexed annually with the Harmonised Index of Consumer Price Index (HICP) as communicated by the Eurostat for the previous year and the Monetary Union Index of Consumer Prices (MUICP) for Microchip tenant in AFI Park 1.

Service Charges

The tenant is responsible for the repair and maintenance of the leased unit. The tenant shall pay for all costs related to the day-to-day maintenance and operation of the Property (for Common Area and Common Parts), including, but not limited to:

- Utilities within Common Area
- Property taxes and Government charges for building and land
- Insurance costs for the office building
- Management fees
- Security services
- Cleaning services
- Technical Maintenance

Considering the above, the type of rent paid by the tenants is a triple-net rent, indicating that the tenant pays for property taxes, insurances, maintenance and repairs.

Non-Recoverable Costs

The payment of the service charges is calculated on the basis of an open book with an annual reconciliation: if the total amount due for the service charges is lower/higher than what has been invoiced for the respective year this will be rectified on an annual basis.

We have posted Non-Recoverable Service Charge on voids of €3.75 per sq m on and Non-recoverable costs of 1%.

MARKET COMMENTARY

Office Market Commentary

General Overview

Bucharest office market in the last several years is more and more approaching to CEE mature markets like Budapest and Prague. It shows:

- high development activity (70,000 – 294,000 m² new additions pa in 2014-H1 2019);
- high demand for space (gross take up at between 175,000 – 289,000 m² pa in 2014 - H1 2019)
- high level of net absorption (at 89,000 - 265,000 m² pa in 2014– H1 2019);
- vacancy rate shows a decreasing trend since the beginning of 2014.

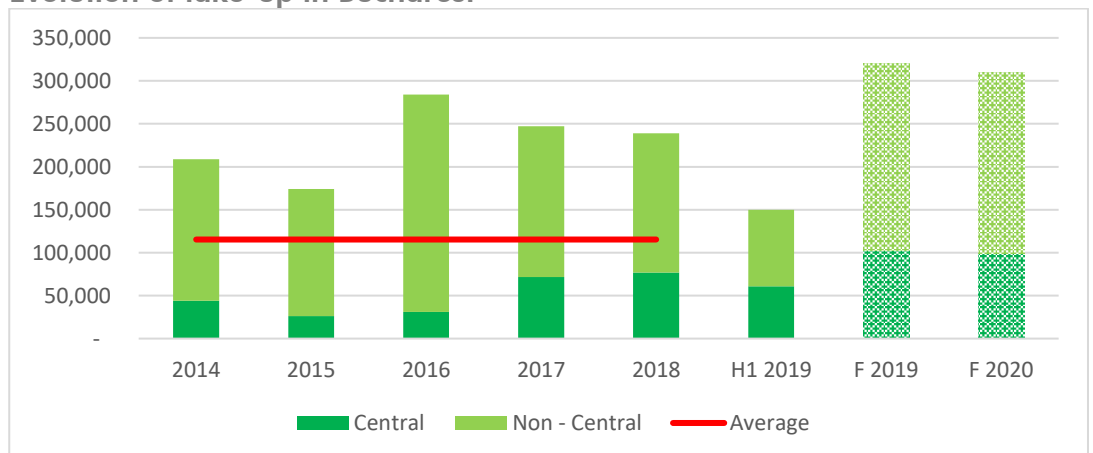
Key Bucharest office market indicators by district, H1 2019

SUB - MARKET	OFFICE STOCK (SQ M)	TAKE - UP (SQ M)	VACANCY (SQ M)	VACANCY RATE	ABSORPTION	COMPLETIONS
CBD	457,689	19,969	16,607	3.6%	28,050	25,600
Central	515,345	40,929	43,233	8.4%	25,167	26,250
North	787,392	18,524	38,739	4.9%	624	7,686
Pipera	714,010	28,232	93,636	13.1%	15,823	24,619
West	522,704	38,314	67,086	12.8%	65,340	110,691
South	47,780	0	4,900	10.3%	400	0
East	57,775	4,000	7,242	12.5%	1,910	0
TOTAL	3,102,695	149,968	271,443	8.7%	137,314	194,846

Source: CBRE Research, H1 2019

Total Leasing Activity

Evolution of take-up in Bucharest

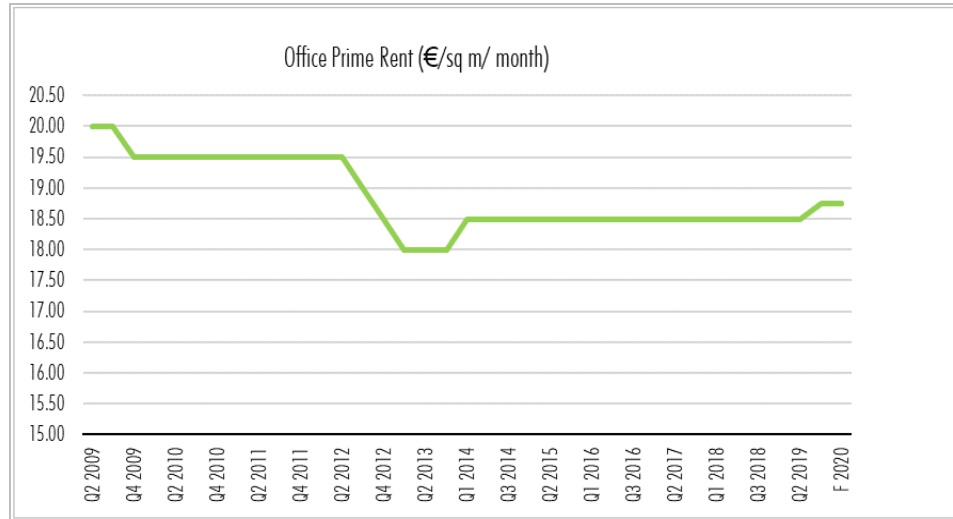


Source: CBRE Research, H1 2019

Rents

The prime rent remained unchanged and is estimated at EUR 18.5 sq m/month.

Prime rents might suffer a mild increase taking into consideration the pressure felt on the vacancy rate in CBD and North sub-markets.

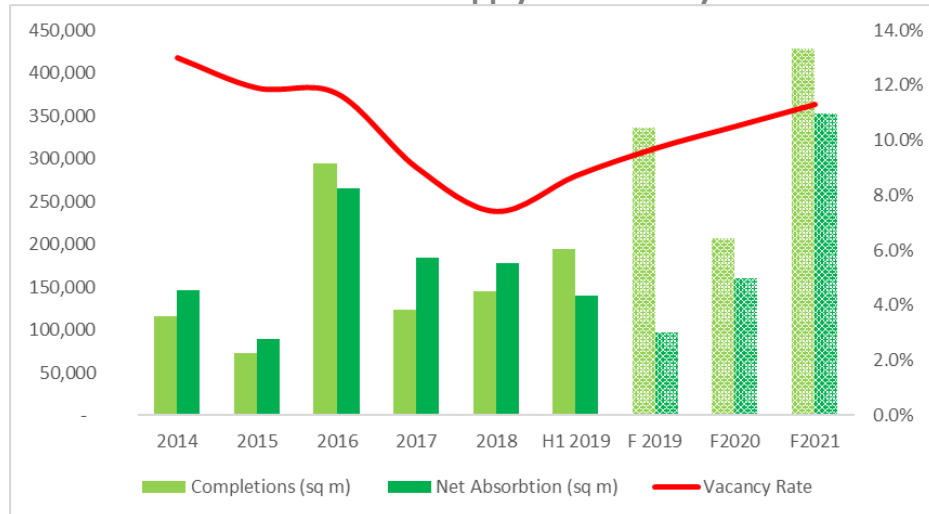


Source: CBRE Research, H1 2019

Pipeline

During 2020 – 2021 approx. 635,000 sq m are expected to be brought on Bucharest office market. From the total forecasted to be delivered area, 46% is under construction, and the rest is found at the planning phase. North and West sub-markets are under massive development as 37%, and 35% of the future office schemes can be found here. Due to the low level of vacancy and strong demand, this space should be absorbed as well.

Bucharest office market – new supply and vacancy fluctuation over the years



Source: CBRE Research, H1 2019

Opinion of Market Rent

AFI Park is located in the Central west areas of Bucharest. Central West and West sub-market are preferred by IT&C Companies due to proximity to Politehnica University and good public transport connections. With development in the area still in the early stages there is an under-supply considering the year-on-year growth in demand.

West area is a new „hot” area for development and is relatively new in terms of age of constructions – oldest building is Global Business Centre in 2004, but majority are built after 2007. Most important properties in Central-West and West areas are: AFI Park 1 - 5, Green Gate, Orhideea Towers, The Light, Campus, West Gate Business Park, Atrium House & Riverview House, The Bridge, Business Garden Bucharest and Anchor Plaza.

Considering the new age of the stock, the total stock in this sub-market is 522,700 sq m, meaning less than 17% of Bucharest modern stock, with 36,700 sq m to be delivered by end of 2019 (The Light and Sema Parc Berlin - River Development) and 57,600 sq m until end of 2020 (The Bridge 3 – Forte Partners and Campus 6.2 and 6.3 - Skanska).

West sub-market (including Central West) registered at the end of H1 2019 a vacancy rate of 12.80%, above average level for Bucharest of 8.40%.

Indicator	Level
Office Stock	522,700 sq m
Vacancy Rate	12.8%
Class A Office Stock	347,000 sq m
Class A Vacancy Rate	11.4%
Rent Class A	13.50-16.00 EUR/sq m/month
Rent Class B	11.00-13.50 EUR/sq m/month
Parking Rent	60.00 – 90.00 EUR/ unit / month
Service Charge	3.50 – 4.50 EUR/ sq m / month

Source: CBRE Research, H1 2019

West segment attracted in the last 6 months (H1 2019) 27% of the total leasing activity for entire Bucharest, almost double compared to the percentage of the modern stock relative to the entire stock (17%). Also 23% of the pre-leasing activity in H1 2019 was signed within the West area.

In H1 2019 west sub-market attracted 27% (55,600 sq m) of TLA and 26% (38,000 sq m) of the take-up (total transactions excluding renewal/renegotiation).

38% of the total leasing activity concluded in H1 2019 in West sub-market was

represented by pre-lease followed by renewal/renegotiation transactions with 31% and new lease (new demand) & expansion with 21% and new lease (relocation).

The continuous growth is coming from the Computers & Hi-Tech, Business Services Services, Business Services Sector, and Manufacturing Industrial & Energy Sector.

Even though the area is a mix between headquarter and back-office locations, the profile of the tenants tends to be that of IT companies and back-office segments.








Headline rents for class A properties are 13.5 – 16.0 EUR / sq m / month.



Regarding net effective rent – this area is under considerable pressure from new developments, even though there is a rather high demand from tenants. As such, net effective rents are around 80 – 85% of the headline rent, in general tenants receiving 5 – 6 months of rent free for a normal lease agreement (of 5 years).

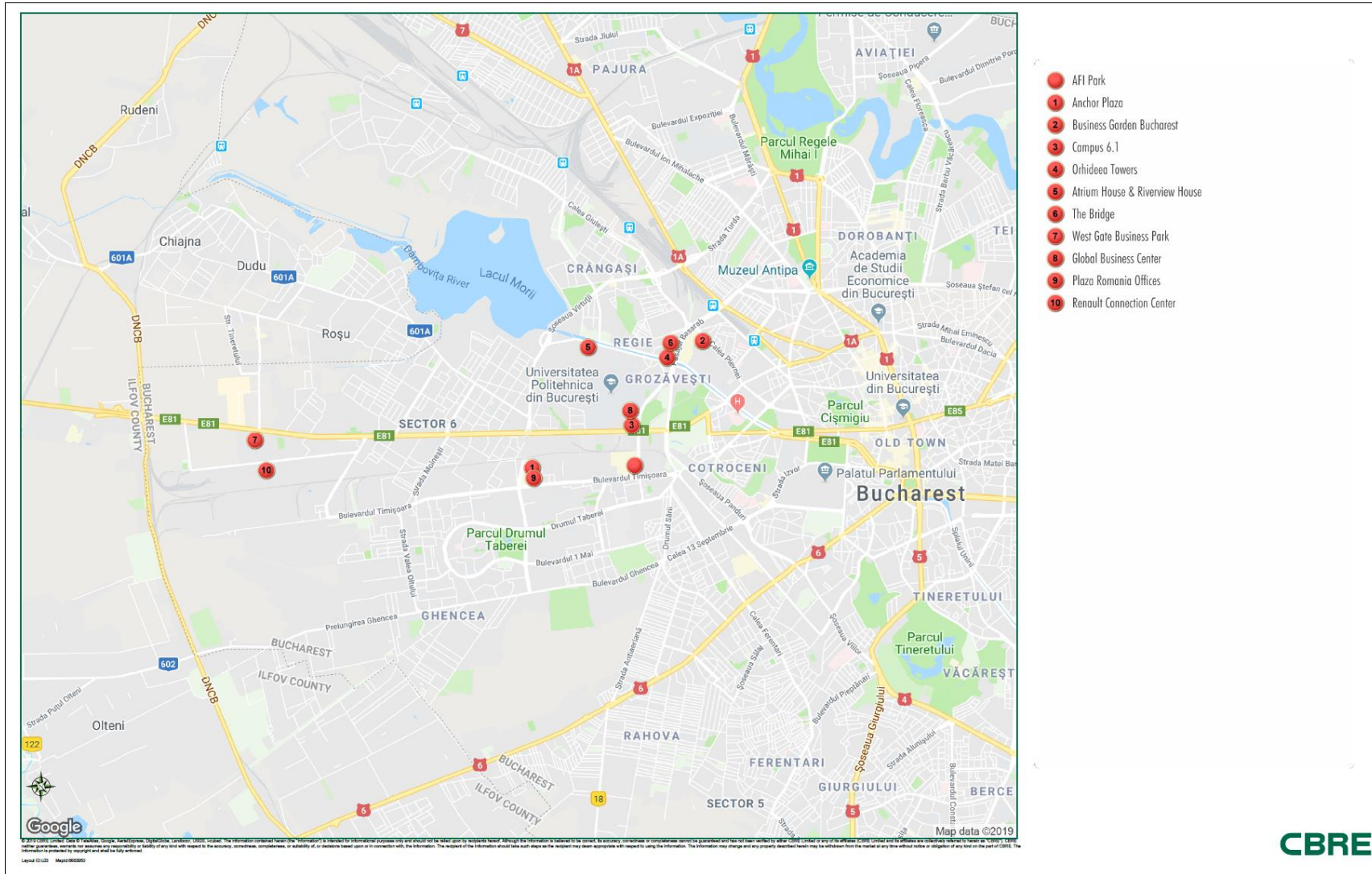
Fit-out contribution is typical in this sub-market; in general tenants receiving a base-built for the building and on top up to 100 euro/sq m as Landlord contribution towards fit-out works to be performed by the tenant. Anchor tenants can receive special conditions and can obtain a net effective rent of under 80%, with superior fit-out contributions.

Service charges include utilities, security, cleaning of common areas, taxes, insurance and all other maintenance and operational costs of the building and common areas. Service charges are more often quoted in EUR, as net plus 19% VAT. A typical service charge in an A - Class building in Bucharest ranges between 3.50 euro and 4.50 euro /sq m/ month.

Competitive supply

Project	Project Details	Photos
Anchor Plaza	Owner: Anchor Grup	
	Location: 4-8, Nicolae Titulescu Blvd.	
	Status: operational	
	Delivery Date: 2007	
	GLA: 25,500 sq m	
	Vacancy Rate: 0%	
	Tenants: Adobe, Agroalim, Securitas, ProCredit Bank, GFM Research Headline Rent: 12.50 euro/ sq m/ month	
Business Garden Bucharest	Owner: Vastint Romania	
	Location: 159, Calea Plevnei	
	Status: operational	
	Delivery Date: 2019	
	GLA: 43,000 sq m	
	Vacancy Rate: 35%	
	Tenants: Sparkware, OSF, BCR Headline Rent: 16.00 euro/ sq m/ month	
Campus 6.1	Owner: CA Immo	
	Location: 6, Iuliu Maniu Blvd.	
	Status: operational	
	Delivery Date: 2018	
	GLA: 22,200 sq m	
	Vacancy Rate: 0%	
	Tenants: London Stock Exchange, Dell Secure Works, Spaces Headline Rent: 14.50 euro/sq m/ month	
Orhideea Towers	Owner: CA Immo	
	Location: 15, Orhideelor Road	
	Status: operational	
	Delivery Date: 2018	
	GLA: 36,900 sq m	
	Vacancy Rate: 10%	
	Tenants: Finastra, Bitdefender, Namco Bandai Headline Rent: 15.50-16.00 euro/sq m/ month	
Atrium House & Riverview House	Owner: CA Immo	
	Location: 319, Splaiul Independentei	
	Status: operational	
	Delivery Date: 2008-2009	
	GLA: 42,600 sq m	
	Vacancy Rate: 5%	
	Tenants: Telekom, Temenos, Ipsos Headline Rent: 14.50-15.00 euro/ sq m/ month	
The Bridge	Owner: Dedeman	
	Location: 15, Orhideelor Road	
	Status: operational/ under construction	
	Delivery Date: 2017/2020	
	GLA: 78,000 sq m	
	Vacancy Rate: 5%	
	Tenants: BCR, UPC, CGI, IBM, Medcover, Schlumberger Headline Rent: 13.50-14.00 euro/sq m/ month	
West Gate Business Park	Owner: Genesis Development	
	Location: 24, Preciziei Street	
	Status: operational	
	Delivery Date: 2007-2012	
	GLA: 73,500 sq m	
	Vacancy Rate: 0%	
	Tenants: Renault, Accenture, Soc Generale Headline Rent: 11.50-12.50 euro/sq m/ month	

Global Business Center	Owner: Immofinanz	
	Location: 4, Vasile Milea Street	
	Status: operational	
	Delivery Date: 2004	
	GLA: 10,400 sq m	
	Vacancy Rate: 0%, 100% vacancy starting with May 2020	
	Tenants: IBM	
	Headline Rent: n.a	
Plaza Romania Offices	Owner: Anchor Grup	
	Location: 26Z, Timisoara Blvd.	
	Status: operational	
	Delivery Date: 2016	
	GLA: 10,600 sq m	
	Vacancy Rate: 0%	
	Tenants: Mega Image, Regus	
	Headline Rent: 8.50-10.00 euro/sq m/ month	



Comparable rental evidence

DATE	HEADLINE RENT (€/SQ M/ MONTH)	LEASED AREA (SQ M)	OFFICE BUILDING
Q1 2019	14.75	13,000	The Bridge 3
Q1 2019	15.50	4,124	Business Garden Bucharest
Q1 2019	14.50	900	AFI Park 4&5
Q1 2019	15.50	2,900	Business Garden Bucharest
Q1 2019	15.50	2,500	Orhideea Towers
Q1 2019	15.50	1,800	Business Garden Bucharest
Q2 2019	13.50	3,200	The Bridge 3
Q1 2019	15.50	1,168	Business Garden Bucharest
Q1 2019	14.75	568	The Bridge 2
Q2 2019	12.00	1,664	Sema Parc - Bruxelles
Q2 2019	12.00	1,215	Sema Parc
Q2 2019	14.75	1,100	Campus 6.1
Q2 2019	14.50	1,200	AFI Park 1
Q2 2019	14.50	1,100	AFI Park 4&5

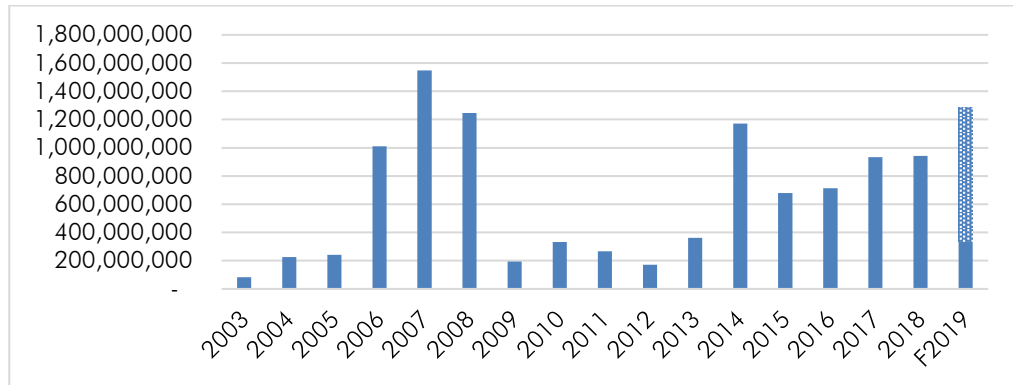
Source: CBRE Research, H1 2019

In arriving at our opinion of the rental value, we have reflected the high quality of the accommodation within the Building, as well as the comparable rental evidence, accordingly, within our valuation we have adopted a headline rent of €14.5/sq m per month for office space, €20 - €25/sq m per month for retail space, €8/sq m per month on storage areas, €7/sq m per month for closed balconies and €50 - €70/space per month for parking.

Investment Market Commentary

In the first six months of 2019, Romania investment volume accounted for approx. EUR 340 mln., a figure similar to the one registered in the first semester of the previous year, with an average deal value of EUR 26 mln.

2008 - f 2019 Romania investment volume

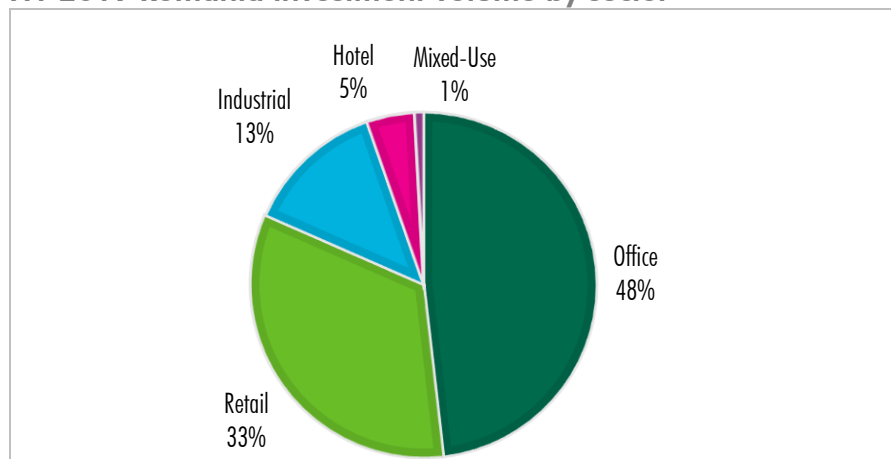


Source: CBRE Research, H1 2019

Investment Activity

60% of the total investment volume was transacted nationwide, while Bucharest attracted 40% of the total volume. With almost half of the total investment volume, the office sector didn't give up the leadership position also held in H1 2018. Retail segment claimed 38% from the total, while the industrial and hotels sectors attracted a combined share of 19%.

H1 2019 Romania investment volume by sector



Source: CBRE Research, H1 2019

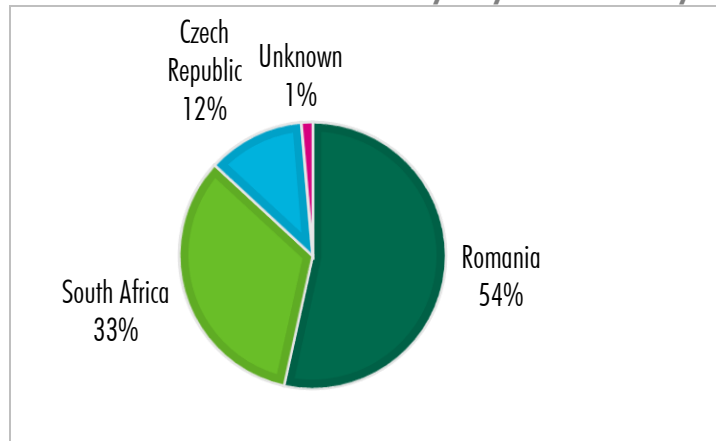
Even though the overwhelming majority from the office deals were concluded in Bucharest, the single transaction signed nationwide amounted approx. 80% of the total office volume. Hence, Dedeman acquisition of the project named The Office and located in Cluj from

NEPI Rockastle and businessman Ovidiu Sandor at an estimated value of EUR 129 mln., was the highlight in the transactional activity during the first semester of the year. Another major transaction worthy noted is the purchase of Piraeus building in Victoriei Square area, part of CBD office sub – market, which was bought for EUR 20 mln by a local investor from JC Flowers & Co.

Investment activity in the retail sector was dictated by one deal, respectively the transaction between Prime Kapital as a seller and MAS Real Estate as a buyer of a nine retail parks portfolio for an overall estimated value of EUR 113 mln., a deal concluded in the first quarter of the year.

Just like in 2018 as well in the first half of the year, Romanian investors stood out as the main real estate buyers gathering 54% from the total investment volume, followed by South – Africans amounting 34% from the total and the Czechs with a share of 12%.

H1 2019 investment volume by buyer nationality



Source: CBRE Research, H1 2019

Yields

During the past eighteen months Bucharest has recovered the some of the gap but it still remains at 100 - 150 basis points above CEE countries' yields levels. A further compression is possible, but it needs to be backed up with major transactions.

CEE Prime yields Q3 2019*

	Retail SC	Office	Industrial
Bucharest	6.50%	7.00%	7.75%
Budapest	5.50%	5.50%	7.00%
Bratislava	5.50%	5.85%	6.50%
Prague	4.50%	4.40%	5.50%
Warsaw	5.00%	4.50%	6.00%

Source: CBRE Research

*for Budapest, Bratislava, Prague and Warsaw the prime yields are as of June 2019 (latest available data)

At the end of Q3 2019, the prime yields maintained a stable pace and stood at 7.00% for office buildings, 6.50% for shopping centres and 7.75% for industrial properties.

2009 – Q3 2019 prime yield evolution by sector



Source: CBRE Research, Q3 2019

Outlook

We expect that in the second half of 2019 to witness the signing of several large deals which at present are under final settlements. Taking that into consideration we estimate for the entire 2019 a transactional volume with up to 15% higher than the one registered in 2018, surpassing the EUR 1.00 billion thresholds a similar value being reached more than ten years ago, in 2008.

Prime yields are expected to suffer a mild compression towards the year’s end especially for prime office properties given the quality of the projects that are in advanced stages of negotiation as well as the mandates on the market for the selling of portfolios that gather class A projects with low vacancy rates, blue-chip tenants and located in Bucharest’s office market hot spots.

Major Transactions Q1-Q3 2019

DATE	CITY	PROPERTY	VOLUME (EUR)	BUYER	SELLER
Q2 2019	Cluj	The Office	129.000.000	Dedeman	NEPI Rockastle
Q1 2019	Bucharest	Retail parks portfolio	113.000.000	MAS Real Estate	Prime Kapital
Q2 2019	Bucharest	A1 Bucharest Park	40.000.000	CTP Invest	Vabeld
Q2 2019	Bucharest	Piraeus building	20.000.000	Local businessman	JC Flowers & Co
Q2 2019	Bucharest	Golden Tulip Times	10.000.000	Local businessmen	Local businessmen
Q3 2019	Bucharest	America House	77.000.000	Morgan Stanley	AEW
Q3 2019	Targu Mures	Promenada	42.750.000	Indotek	AEW
Q3 2019	Cluj	Liberty Park Technology	35.000.000	White Star	Fribourg Development
Q3 2019	Bucharest	Oregon Park III	60.000.000	Lion's Head Investments	Portland Trust

Source: CBRE Research, Q3 2019

Office Investment Market Commentary

During the past years the local office market has constatly contributed to the investment volume, the vast majority of the subjects of transactions being class A office buildings located in Bucharest.

Back in 2014 the most active investor was Globalworth that acquired assets located mainly within Barbu Vacarescu and Pipera areas. They are also the biggest player on the market with office buildings located only in Bucharest.

So far the biggest single transaction in Bucharest was represented by The Bridge project - the first and and the second buildings were bought for EUR 150 million, while the third building is subject to a forward purchase transaction (worth of EUR 50 million) that will be concluded when the third building will be delivered on the market.

In terms of office investment volume the year 2018 registered a record volume (approx. EUR 400 million), higher than the one from 2014, but lower than 2008, the last year of real estate boom.

Since 2014 every year has witnessed the at least one investor entering the market or others consolidating their local porfolios: GLL Real Estate, Globalworth, CA Immo, GTC, Immochan, Revetas Capital and Cerberus Capital, Dedeman, Lion's Head Investment, White Star or Morgan Stanley.

The transactional evidence is dominated by subject properties located in Bucharest, but significat deals were concluded in Cluj or Brasov. Other important cities like Timisoara and Iasi might also appear on the investors' radar in the near future given the consistent class A supply which is under construction to date.

Here is an overview of the most recent and significant office transactions registered in Romania:

Major office transactions 2014 - Q3 2019

DATE	CITY	SCHEME	SIZE (SQ M)	PRICE (EUR)
Q1 2014	Bucharest	Upground Office Building (BOC)	60,000	110,000,000
Q1 2014	Bucharest	CDG Plaza	23,000	61,500,000
Q1 2014	Bucharest	Upground Office Building (BOB)	40,000	42,000,000
Q4 2014	Bucharest	UniCredit HQ	15,800	43,000,000
Q4 2014	Bucharest	Nusco Tower	19,400	46,000,000
Q4 2014	Bucharest	Green Court A	20,000	44,000,000
Q3 2015	Bucharest	Green Court B	18,600	47,000,000
Q3 2015	Bucharest	Floreasca Park	38,000	90,000,000
Q3 2015	Bucharest	RiverView House	28,000	36,750,000
Q1 2016	Bucharest	Cubic Center*	27,000	31,000,000
Q1 2016	Bucharest	City Gate	42,000	61,000,000
Q4 2016	Bucharest	Metropolis Center	11,000	46,900,000
Q4 2016	Bucharest	Swan Office and Technology Park**	29,000	30,300,000
Q3 2017	Bucharest	Green Court C	16,000	38,000,000
Q3 2017	Brasov	Coresi Business Park	40,000	50,000,000
Q2 2018	Bucharest	Crystal Tower	16,000	43,000,000
Q2 2018	Bucharest	The Landmark	23,500	65,000,000
Q2 2018	Bucharest	The Bridge I & II***	57,000	150,000,000
Q4 2018	Bucharest	Oregon Park I & II	44,800	110,000,000
Q4 2018	Bucharest	Campus 6.1	22,000	53,000,000
Q2 2019	Cluj	The Office	63,600	129,000,000
Q3 2019	Bucharest	Oregon Park III	24,600	60,000,000
Q3 2019	Cluj	Liberty Technology Park	18,000	35,000,000
Q3 2019	Bucharest	America House	28,000	77,000,000

Source: CBRE, companies

* Bank repossession.

** Distressed sale.

*** Marks the first acquisition of Dedeman a new local player, with a consistent ticket (approx. EUR 200,000,000 when the third phase will be delivered).

The current prime yield for office in Bucharest is stable at 7% for the past four quarters, following 7.25% registered back in Q3 2018 and capital values for best office assets in Romania are between €2,000 and €3,500/ sq m.

Opinion of Valuation Yields

The Property represents a good quality office building located in Central West Bucharest. We are of the opinion that likely purchasers would require a return of 7.00%-7.25% at the current time in order to secure such a product.

Within our valuation we have applied the following capitalization rates:

TYPE	CAPITALIZATION RATE
Let	7.15 - 7.25%
8-10Years Leases	7.00%
Vacant	8.00%

VALUATION CONSIDERATIONS

Income Summary and Analysis of Passing Rent

We have had regard to the current income stream and passing rents at the subject Property. Our main comments and assumptions are below:

- The total GLA of AFI Park is 70,917 sq m, of which 66,261 sq m office space, 2,304 sq m commercial space, 591 sq m storage space, 751 sq m terraces, 1,010 sq m balconies and it has 685 parking lots.
- The Property is 99.6% let (there are only three small size vacant spaces, one in AFI Park 1 and two in AFI Park 4&5 and one storage space in AFI Park 4&5) generating a gross annual income of €13,602,895 as at the valuation date.
- The main tenant of the office project is the leading IT company Electronic Arts who is occupying the entire office area of AFI Park 2: 11,536 sq m office space, 108 sq m balcony space, 100 sq m storage and 145 parking spaces.
- The main tenants of each office building is presented in the table below:

Main Office Tenants	Leased Area (sq m)	Building
Microchip	5,485	AFI Park 1
Sparkware Technologies	1,564	AFI Park 1
Crys Computers	1,210	AFI Park 1
Electronic Arts	11,744	AFI Park 2
Endava	6,107	AFI Park 3
Call Point	5,802	AFI Park 3
Cameron	6,642	AFI Park 4&5
Veeam	4,999	AFI Park 4&5
Securework	4,383	AFI Park 4&5

Source: CBRE, based on information provided by AFI Europe

- The lease terms are ranging between 2 and 15 years.

Tenant Covenant Strength

Detailed financial investigations of the tenants are outside the scope of this report.

We believe that the property investment market would view the tenant companies as providing good security.

Void Periods and Re-Lettability

We have incorporated a 3-month rent free period for each new letting. We feel this is an appropriate incentive that the landlord will have to provide in order to secure replacement tenants and is consistent with general office market. We would expect any future tenants

to be contracted on 5-year lease terms.

We have applied a 2-4-month void period upon termination of current leases, depending on space's type and size, and 3-4-month void period for existing vacant space.

Valuation Methodology

Fair Value

We have valued the property on an open market basis, in line with the RICS standards. We performed a traditional hardcore appraisal of the current income and the continued income over time. We examined the income stream within the property and took account of the current investment and leasing market in the region, when examining the assumptions for sale and leasing.

Valuation Assumptions

- We have had regard to market rental levels achieved in comparable projects in comparable locations. As a result, we have applied the following Market Rental Values (MRV):

Market Rental Values

Use	€/sq m/month	€/sq m/annum
Office	14.5	174
Retail	20 - 25	240 - 300
Balcony	7	84
Storage	8	96
Car parking	50 - 70	600 - 840

- We have included Current Additional Income from Management Fee

Annual Income from Management Fee	
AFI Park 1	€92,904
AFI Park 2	€74,440
AFI Park 3	€107,193
AFI Park 4&5	€285,672
Total	€560,209

Source: CBRE, based on information provided by AFI Europe

- We have applied a 2 - 4-month void period upon termination of current leases and 3 - 4 -month current void for vacant space;
- We have applied void costs of €3.75 per sq m on all vacant space;
- We have applied 1% non-recoverable costs;
- We have incorporated a 3-month rent free period for each new letting; we would expect any future tenants to be contracted on 5-year lease terms;

- The letting fees were estimated at 16% representing two months of contractual rent;
- We have incorporated the following CAPEX amounts for 2020:

Building	CAPEX
AFI Park 1	€50,000
AFI Park 2	€20,000
AFI Park 3	€40,000
AFI Park 4&5	€30,000
TOTAL AFI PARK	€1400,000

Source: CBRE, based on information provided by AFI Europe

- Standard Lease agreements are in places which are all on broadly standard commercial terms;
- In forming our opinion of the yield applied to the subject Property when using a Capitalisation approach of the valuation, we have had regard to the evidence noted in yield evidence section. We have applied the following capitalisation rates:

TYPE	CAPITALIZATION RATE
Let	7.15% - 7.25%
8-10 Years Leases	7.00%
Vacant	8.00%

OPINION OF VALUE

Fair Value

We are of the opinion that the Fair Value of the freehold interest in **AFI Park** as at 30th September 2019 is:

€176,700,000 (ONE HUNDRED AND SEVENTY-SIX MILLION, SEVEN HUNDRED THOUSAND EUROS)

BUILDING	FAIR VALUE
AFI PARK 1	€ 30,600,000
AFI PARK 2	€ 31,280,000
AFI PARK 3	€ 32,200,000
AFI PARK 4&5	€ 82,620,000
TOTAL AFI PARK	€ 176,700,000

Our opinion of Market Value reflects the following yield profile:

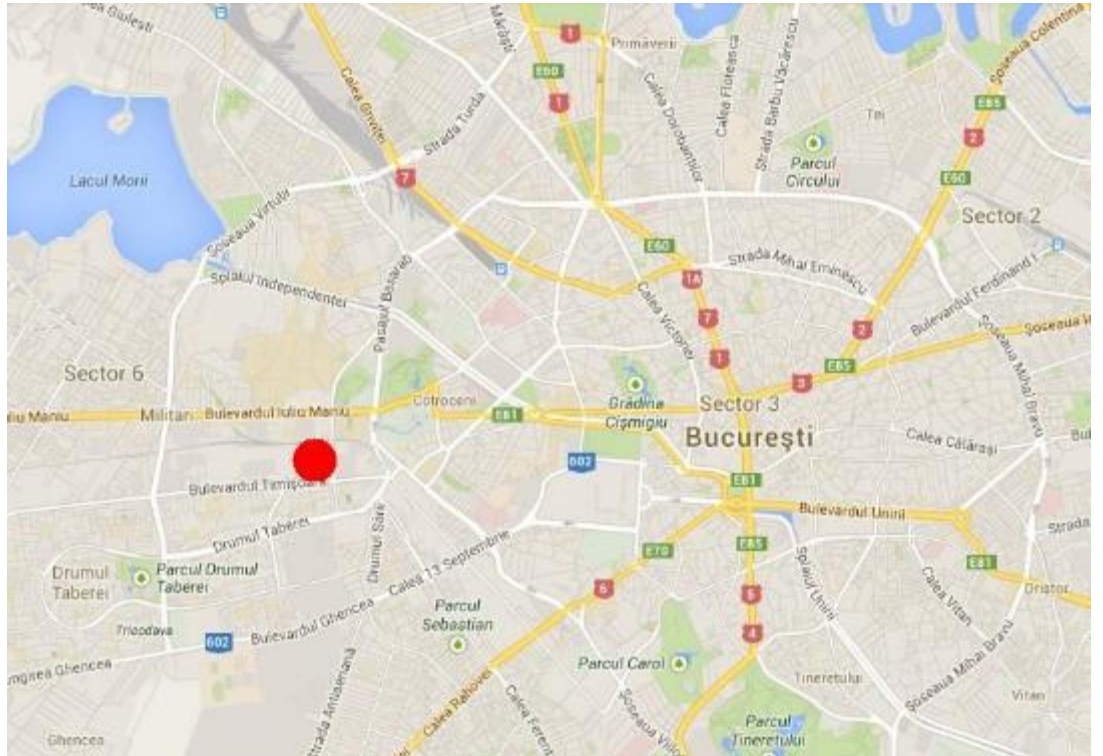
Building	Initial Yield	Reversionary Yield	Equivalent Yield
AFI PARK 1	7.36%	7.63%	7.14%
AFI PARK 2	7.81%	7.61%	7.25%
AFI PARK 3	7.59%	7.60%	7.25%
AFI PARK 4&5	7.58%	7.48%	7.20%

4

APPENDICES

A

LOCATION PLANS





B

PHOTOGRAPHS

AFI Park 1



AFI Park 2



AFI Park 3



AFI Park 4&5





C

**SENSITIVITY
ANALYSIS**



REPORT

Sensitivity Analysis

CBRE Ltd

Report Date 16-Oct-2019
Valuation Date 30-Sep-2019

ERV (+/-) 10.0000 % in 5 steps
Yield (+/-) 0.5000 % in 5 steps
Property : AFI Park 1 _Sept 2019,4E,Vasile Milea Blvd.,6,Bucharest

	ERV -10.0000 %	€2,122,293 (Relative)	ERV -5.0000 %	€2,240,198 (Relative)	ERV 0.0000 %	€2,358,103 (Relative)	ERV 5.0000 %	€2,476,008 (Relative)	ERV 10.0000 %	€2,593,913 (Relative)
Yield (Absolute)	NET	€30,432,433	NET	€31,733,056	NET	€33,033,676	NET	€34,307,830	NET	€35,581,045
	I.Y	7.4034 %	I.Y	7.0999 %	I.Y	6.8204 %	I.Y	6.5671 %	I.Y	6.3321 %
-0.5000 %	E.Y	6.6471 %	E.Y	6.6412 %	E.Y	6.6358 %	E.Y	6.6358 %	E.Y	6.6359 %
	R.Y	6.9040 %	R.Y	6.9889 %	R.Y	7.0671 %	R.Y	7.1449 %	R.Y	7.2173 %
Yield (Absolute)	NET	€29,288,312	NET	€30,529,105	NET	€31,769,896	NET	€32,984,624	NET	€34,198,421
	I.Y	7.6926 %	I.Y	7.3799 %	I.Y	7.0917 %	I.Y	6.8305 %	I.Y	6.5881 %
-0.2500 %	E.Y	6.8980 %	E.Y	6.8917 %	E.Y	6.8860 %	E.Y	6.8859 %	E.Y	6.8861 %
	R.Y	7.1737 %	R.Y	7.2645 %	R.Y	7.3482 %	R.Y	7.4315 %	R.Y	7.5090 %
Yield (Absolute)	NET	€28,224,733	NET	€29,410,118	NET	€30,595,500	NET	€31,755,215	NET	€32,914,007
	I.Y	7.9824 %	I.Y	7.6607 %	I.Y	7.3639 %	I.Y	7.0950 %	I.Y	6.8452 %
0.0000 %	E.Y	7.1489 %	E.Y	7.1422 %	E.Y	7.1362 %	E.Y	7.1361 %	E.Y	7.1362 %
	R.Y	7.4441 %	R.Y	7.5409 %	R.Y	7.6303 %	R.Y	7.7192 %	R.Y	7.8021 %
Yield (Absolute)	NET	€27,233,496	NET	€28,367,439	NET	€29,501,379	NET	€30,610,040	NET	€31,717,785
	I.Y	8.2730 %	I.Y	7.9423 %	I.Y	7.6370 %	I.Y	7.3604 %	I.Y	7.1033 %
0.2500 %	E.Y	7.3998 %	E.Y	7.3927 %	E.Y	7.3863 %	E.Y	7.3863 %	E.Y	7.3864 %
	R.Y	7.7150 %	R.Y	7.8181 %	R.Y	7.9133 %	R.Y	8.0080 %	R.Y	8.0963 %
Yield (Absolute)	NET	€26,307,477	NET	€27,393,550	NET	€28,479,620	NET	€29,540,790	NET	€30,601,053
	I.Y	8.5642 %	I.Y	8.2247 %	I.Y	7.9110 %	I.Y	7.6268 %	I.Y	7.3626 %
0.5000 %	E.Y	7.6506 %	E.Y	7.6432 %	E.Y	7.6365 %	E.Y	7.6364 %	E.Y	7.6365 %
	R.Y	7.9866 %	R.Y	8.0961 %	R.Y	8.1972 %	R.Y	8.2978 %	R.Y	8.3918 %

REPORT

Sensitivity Analysis

CBRE Ltd

Report Date 16-Oct-2019
Valuation Date 30-Sep-2019

ERV (+/-) 10.0000 % in 5 steps
Yield (+/-) 0.5000 % in 5 steps
Property : AFI Park 2_Sept 2019,4F,Vasile Milea Blvd.,6,Bucharest

	ERV -10.0000 %	€2,164,842 (Relative)	ERV -5.0000 %	€2,285,111 (Relative)	ERV 0.0000 %	€2,405,380 (Relative)	ERV 5.0000 %	€2,525,649 (Relative)	ERV 10.0000 %	€2,645,918 (Relative)
Yield (Absolute)	NET	€30,675,457	NET	€32,184,612	NET	€33,693,768	NET	€35,201,196	NET	€36,705,953
-0.5000 %	I.Y	7.9765 %	I.Y	7.5987 %	I.Y	7.2548 %	I.Y	6.9407 %	I.Y	6.6529 %
	E.Y	6.7525 %	E.Y	6.7515 %	E.Y	6.7506 %	E.Y	6.7500 %	E.Y	6.7500 %
	R.Y	6.9867 %	R.Y	7.0290 %	R.Y	7.0676 %	R.Y	7.1031 %	R.Y	7.1363 %
Yield (Absolute)	NET	€29,548,834	NET	€30,996,018	NET	€32,443,202	NET	€33,888,673	NET	€35,331,486
-0.2500 %	I.Y	8.2806 %	I.Y	7.8901 %	I.Y	7.5344 %	I.Y	7.2095 %	I.Y	6.9117 %
	E.Y	7.0027 %	E.Y	7.0016 %	E.Y	7.0006 %	E.Y	7.0000 %	E.Y	7.0000 %
	R.Y	7.2531 %	R.Y	7.2985 %	R.Y	7.3400 %	R.Y	7.3783 %	R.Y	7.4140 %
Yield (Absolute)	NET	€28,500,352	NET	€29,889,902	NET	€31,279,452	NET	€32,667,302	NET	€34,052,509
0.0000 %	I.Y	8.5852 %	I.Y	8.1821 %	I.Y	7.8148 %	I.Y	7.4791 %	I.Y	7.1713 %
	E.Y	7.2529 %	E.Y	7.2517 %	E.Y	7.2506 %	E.Y	7.2500 %	E.Y	7.2500 %
	R.Y	7.5199 %	R.Y	7.5686 %	R.Y	7.6131 %	R.Y	7.6541 %	R.Y	7.6924 %
Yield (Absolute)	NET	€27,522,190	NET	€28,858,009	NET	€30,193,828	NET	€31,527,960	NET	€32,859,463
0.2500 %	I.Y	8.8904 %	I.Y	8.4747 %	I.Y	8.0957 %	I.Y	7.7494 %	I.Y	7.4317 %
	E.Y	7.5031 %	E.Y	7.5018 %	E.Y	7.5007 %	E.Y	7.5000 %	E.Y	7.5000 %
	R.Y	7.7871 %	R.Y	7.8393 %	R.Y	7.8868 %	R.Y	7.9307 %	R.Y	7.9717 %
Yield (Absolute)	NET	€26,607,538	NET	€27,893,150	NET	€29,178,763	NET	€30,462,701	NET	€31,744,025
0.5000 %	I.Y	9.1960 %	I.Y	8.7678 %	I.Y	8.3774 %	I.Y	8.0203 %	I.Y	7.6928 %
	E.Y	7.7532 %	E.Y	7.7519 %	E.Y	7.7507 %	E.Y	7.7500 %	E.Y	7.7500 %
	R.Y	8.0548 %	R.Y	8.1104 %	R.Y	8.1612 %	R.Y	8.2080 %	R.Y	8.2518 %

REPORT

Sensitivity Analysis

CBRE Ltd

Report Date 16-Oct-2019
Valuation Date 30-Sep-2019

ERV (+/-) 10.0000 % in 5 steps
Yield (+/-) 0.5000 % in 5 steps
Property : AFI Park 3_Sept 2019,4G,Vasile Milea Blvd.,6,Bucharest

	ERV -10.0000 %	€2,224,360 (Relative)	ERV -5.0000 %	€2,347,935 (Relative)	ERV 0.0000 %	€2,471,511 (Relative)	ERV 5.0000 %	€2,595,087 (Relative)	ERV 10.0000 %	€2,718,662 (Relative)
Yield (Absolute)	NET	€31,815,798	NET	€33,242,717	NET	€34,669,376	NET	€36,088,861	NET	€37,504,532
-0.5000 %	I.Y	7.6896 %	I.Y	7.3533 %	I.Y	7.0446 %	I.Y	6.7618 %	I.Y	6.5009 %
	E.Y	6.7562 %	E.Y	6.7537 %	E.Y	6.7514 %	E.Y	6.7507 %	E.Y	6.7507 %
	R.Y	6.9215 %	R.Y	6.9924 %	R.Y	7.0575 %	R.Y	7.1189 %	R.Y	7.1764 %
Yield (Absolute)	NET	€30,660,409	NET	€32,024,712	NET	€33,388,757	NET	€34,745,686	NET	€36,098,832
-0.2500 %	I.Y	7.9794 %	I.Y	7.6329 %	I.Y	7.3148 %	I.Y	7.0232 %	I.Y	6.7541 %
	E.Y	7.0066 %	E.Y	7.0039 %	E.Y	7.0015 %	E.Y	7.0007 %	E.Y	7.0007 %
	R.Y	7.1823 %	R.Y	7.2583 %	R.Y	7.3282 %	R.Y	7.3941 %	R.Y	7.4559 %
Yield (Absolute)	NET	€29,585,232	NET	€30,891,362	NET	€32,197,238	NET	€33,496,053	NET	€34,791,117
0.0000 %	I.Y	8.2694 %	I.Y	7.9130 %	I.Y	7.5855 %	I.Y	7.2852 %	I.Y	7.0080 %
	E.Y	7.2570 %	E.Y	7.2541 %	E.Y	7.2515 %	E.Y	7.2507 %	E.Y	7.2507 %
	R.Y	7.4433 %	R.Y	7.5246 %	R.Y	7.5994 %	R.Y	7.6700 %	R.Y	7.7361 %
Yield (Absolute)	NET	€28,582,236	NET	€29,834,192	NET	€31,085,896	NET	€32,330,593	NET	€33,571,573
0.2500 %	I.Y	8.5596 %	I.Y	8.1934 %	I.Y	7.8567 %	I.Y	7.5478 %	I.Y	7.2625 %
	E.Y	7.5074 %	E.Y	7.5043 %	E.Y	7.5016 %	E.Y	7.5007 %	E.Y	7.5007 %
	R.Y	7.7045 %	R.Y	7.7912 %	R.Y	7.8711 %	R.Y	7.9465 %	R.Y	8.0171 %
Yield (Absolute)	NET	€27,644,427	NET	€28,845,819	NET	€30,046,958	NET	€31,241,148	NET	€32,431,651
0.5000 %	I.Y	8.8500 %	I.Y	8.4741 %	I.Y	8.1284 %	I.Y	7.8110 %	I.Y	7.5178 %
	E.Y	7.7578 %	E.Y	7.7545 %	E.Y	7.7516 %	E.Y	7.7507 %	E.Y	7.7507 %
	R.Y	7.9659 %	R.Y	8.0582 %	R.Y	8.1432 %	R.Y	8.2236 %	R.Y	8.2989 %

REPORT

Sensitivity Analysis

CBRE Ltd

Report Date 16-Oct-2019
Valuation Date 30-Sep-2019

ERV (+/-) 10.0000 % in 5 steps
Yield (+/-) 0.5000 % in 5 steps
Property : AFI Park 4&5_Sept 2019,4A,Timisoara Blvd.,6,Bucharest

	ERV -10.0000 %	€5,616,893 (Relative)	ERV -5.0000 %	€5,928,942 (Relative)	ERV 0.0000 %	€6,240,992 (Relative)	ERV 5.0000 %	€6,553,042 (Relative)	ERV 10.0000 %	€6,865,091 (Relative)
Yield (Absolute)	NET	€81,367,921	NET	€85,169,849	NET	€88,971,268	NET	€92,758,905	NET	€96,537,966
	I.Y	7.6935 %	I.Y	7.3501 %	I.Y	7.0360 %	I.Y	6.7487 %	I.Y	6.4845 %
-0.5000 %	E.Y	6.7083 %	E.Y	6.7063 %	E.Y	6.7045 %	E.Y	6.7039 %	E.Y	6.7039 %
	R.Y	6.8340 %	R.Y	6.8917 %	R.Y	6.9445 %	R.Y	6.9939 %	R.Y	7.0402 %
Yield (Absolute)	NET	€78,401,975	NET	€82,042,113	NET	€85,681,746	NET	€89,307,710	NET	€92,925,157
	I.Y	7.9845 %	I.Y	7.6303 %	I.Y	7.3062 %	I.Y	7.0095 %	I.Y	6.7366 %
-0.2500 %	E.Y	6.9586 %	E.Y	6.9565 %	E.Y	6.9546 %	E.Y	6.9539 %	E.Y	6.9539 %
	R.Y	7.0926 %	R.Y	7.1544 %	R.Y	7.2111 %	R.Y	7.2642 %	R.Y	7.3139 %
Yield (Absolute)	NET	€75,642,887	NET	€79,132,704	NET	€82,622,021	NET	€86,097,781	NET	€89,565,081
	I.Y	8.2758 %	I.Y	7.9108 %	I.Y	7.5767 %	I.Y	7.2708 %	I.Y	6.9894 %
0.0000 %	E.Y	7.2089 %	E.Y	7.2067 %	E.Y	7.2047 %	E.Y	7.2039 %	E.Y	7.2039 %
	R.Y	7.3513 %	R.Y	7.4175 %	R.Y	7.4781 %	R.Y	7.5351 %	R.Y	7.5883 %
Yield (Absolute)	NET	€73,069,821	NET	€76,419,629	NET	€79,768,942	NET	€83,104,810	NET	€86,432,274
	I.Y	8.5672 %	I.Y	8.1917 %	I.Y	7.8477 %	I.Y	7.5327 %	I.Y	7.2427 %
0.2500 %	E.Y	7.4593 %	E.Y	7.4569 %	E.Y	7.4547 %	E.Y	7.4540 %	E.Y	7.4540 %
	R.Y	7.6102 %	R.Y	7.6808 %	R.Y	7.7456 %	R.Y	7.8064 %	R.Y	7.8633 %
Yield (Absolute)	NET	€70,664,646	NET	€73,883,752	NET	€77,102,367	NET	€80,307,645	NET	€83,504,577
	I.Y	8.8588 %	I.Y	8.4728 %	I.Y	8.1191 %	I.Y	7.7951 %	I.Y	7.4966 %
0.5000 %	E.Y	7.7096 %	E.Y	7.7071 %	E.Y	7.7048 %	E.Y	7.7040 %	E.Y	7.7040 %
	R.Y	7.8692 %	R.Y	7.9444 %	R.Y	8.0135 %	R.Y	8.0783 %	R.Y	8.1390 %