

STRICTLY CONFIDENTIAL FOR ADDRESSEE ONLY
VALUATION REPORT 14-MOSC-900028

**“THE MIRLAND DEVELOPMENT CORPORATION
ASSETS”, RUSSIA**

PREPARED FOR MIRLAND DEVELOPMENT CORPORATION PLC

DATE OF VALUATION 31 DECEMBER 2013

3 March 2014

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A VALUATION REPORT

To: MirLand Development Corporation Plc
Cyprus, Limassol 3025, Thessaloniki Street
Nicolau Pentadromos Centre, Floor 10, office 1002

Attention: Roman Rozental, CEO

Property: "Mirland Development Corporation Assets"

Report Date: 3 March 2014

Valuation Date: 31 December 2013

I INSTRUCTIONS

APPOINTMENT

In accordance with your request, as confirmed by the Valuation Agreement 14-MOSC-900028 dated 4 February 2014, ("Agreement"), concluded between Cushman & Wakefield OOO ("C&W") and Mirland Development Corporation Plc ("the Client"), we are pleased to submit our valuation report of various properties known together as "Mirland Development Corporation" plc.

We, Cushman & Wakefield (herein referred as "C&W"), have considered each property as set out in the Appendix I.

Each valuation has been in accordance with the Practice Statements contained in the RICS Appraisal and Valuation Standards ("the Red Book") published by The Royal Institution of Chartered Surveyors and amended in January 2014. The valuation has been prepared by a valuer who conforms to the requirements as set out in the Red Book, acting in the capacity of an independent valuer.

2 BACKGROUND TO THE VALUATION

We are instructed to prepare this Valuation Report for financial reporting purposes. The effective date of each valuation is 30th of June 2013.

3 BASES OF VALUATION

Each property is either: held as an investment; for development; or is in the course of development and has, as instructed and in accordance with the requirements of the Red Book, been valued on the basis of Market Value, as defined in the Red Book as:

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

4. TENURE AND TENANCIES

We have not reviewed the Title Deeds or Leases and each valuation has been based entirely on the information which the Client has supplied to us as to tenure, tenancies and statutory notices. We understand each property is either held by the Client, its subsidiaries, or jointly with third parties. We have valued a 100% share of the tenure stated in each property, unless otherwise specifically stated, as if each property was held entirely by the Client as at the valuation date. We have not made any adjustment to value, which may be appropriate when considering fractional ownership for each individual property. In the summary below, an apportionment has been provided taking into account the share ownership of each property as provided to us by the Client. This is a straight apportionment based on these percentages, and no further deductions have been made to reflect minority share ownerships or the fact of fractional ownership. This number therefore may differ from the Market Value for the share ownership of individual properties, particularly when only a minority interest is held by the Client.

A number of properties are held leasehold on ground leases from Moscow City Government. The standard terms of these leases are that rents are reviewed annually (upwards, or downwards) in accordance with a city-wide formula that is set by the Moscow City Government. Each ground lease is subject to Term Extension Right Clause as standard, allowing for the extension of the duration of the lease upon expiry, on the same terms and conditions. However you should be aware that the effectiveness of the Term Extension Right Clause remains untested in the market because few leases have reached expiry. Our valuation assumes that the ground lease at each property can be extended in accordance with the Term Extension Right Clause.

Where a property is either "*currently in the course of development*" or "*held for future development*" and is held leasehold, the land leases generally confer the landlord's permission to develop. Where the considered development scheme differs from that anticipated by the land lease, our valuation assumes that the required variation to the landlord's permission will be forthcoming without material cost or delay. Where a property is to be held leasehold but the terms of the land lease are not finalised, our valuation takes into account any additional, reasonable, risks of delay and cost in receiving landlord's permissions. We have assumed that there are no unforeseeable circumstances that would cause additional cost or delay in excess of that generally experienced.

Unless disclosed to us to the contrary and recorded in the property descriptions, each valuation is on the basis that:

1. the property possesses a good and marketable title, free from any unusually onerous restrictions, covenants or other encumbrances;
2. where the interest held in the property is leasehold, there are no unreasonable or unusual clauses which would affect value and no unusual restrictions or conditions governing the assignment or disposal of the interest;
3. leases to which the property may be subject are on standard market terms, and contain no unusual or onerous provisions or covenants which would affect value;
4. all notices have been served validly and within appropriate time limits;
5. the property excludes any mineral rights; and
6. vacant possession can be given of all accommodation which is unlet, or occupied either by the Client or by its employees on service occupancies.

In certain cases we have been informed by the Client that land lease rights are "*in the process of being formulated*". Unless otherwise stated our valuation is for a full share interest in the Property and assumes that a good and marketable title exists. This should be taken into account in consideration of individual properties. Where specific outstanding costs have been identified to us as being required to arrive at ownership of a full share interest in the requisite Property or in order to obtain the necessary permits, these costs have been taken into account in the valuation in full.

For some properties we have been informed by the Client that investment contracts are held for the development. In these cases our valuations assume that a ground lease and an ownership certificate will be issued upon completion of the development, as is normal development practice in Moscow.

5. NET ANNUAL RENT

The net annual rent for each property is referred to in the Schedule at Appendix One. Net annual rent is defined as:

"the current income or income estimated by the valuer:

(i) ignoring special receipts or deductions arising from the property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent".

6. TOWN PLANNING

We have not made formal searches, but have generally relied on verbal enquiries and any informal information received from the Local Planning Authority, or from the Client. Each valuation is on the basis that the property has been erected either prior to planning control or in accordance with a valid planning permission and is being occupied and used without any breach of planning or building regulations. Except where stated otherwise, each valuation is on the basis that each property is not affected by proposals for road widening, Compulsory Purchase, planning inquiry, or archaeological investigation.

We are informed by the Client that for a number of "properties held for development", the relevant planning permission approvals are either; "*in the process of being applied for*", or "*in the process of being updated*". Each valuation assumes that all required planning permission consents will be received within a normally acceptable timescale and that there are no such issues which would materially delay the issuance of the required consent, or have a material effect on value or marketability.

Although, where appropriate, we have considered the Client's business plan to develop each property, each valuation reflects our opinion of an appropriate development that could reasonably be expected to form the basis of a bid for a property by a third party. I.e. the Highest and Best Use as defined by the International Valuation Standards has been considered for each property. The Highest and Best Use is defined in Paragraph 3.4 of IVS 1 as: "*The most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued*".

7. STRUCTURE

We have neither carried out a structural survey of each property, nor tested any services or other plant or machinery. We are therefore unable to give any opinion on the condition of the structure or services at any property. Each valuation takes into account any information supplied to us and any defects noted during our inspection, but otherwise are on the basis that there are no latent defects, wants of repair or other matters which would materially affect each valuation.

We have not inspected those parts of each property which are covered, unexposed or inaccessible and each valuation is on the basis that they are in good repair and condition.

We have not investigated the presence or absence of High Alumina Cement, Calcium Chloride, Asbestos and other deleterious materials. In the absence of information to the contrary, each valuation is on the basis that no hazardous or suspect materials or techniques have been used in the construction of any property.

8. SITE AND CONTAMINATION

We have not investigated ground conditions/stability and each valuation is on the basis that any buildings have been constructed, having appropriate regard to existing ground conditions. Where the property has development potential, our valuation is on the basis that there are no adverse ground conditions which would affect building costs. However, where you have supplied us with a building cost estimate, we have relied on it being based on full information regarding existing ground conditions. We have considered the Client's construction estimates in the light of typical market norms.

We have not carried out any investigations or tests, nor been supplied with any information from you or from any relevant expert that determines the presence or otherwise of contamination (including any ground water). Accordingly, our valuation has been prepared on the basis that there are no such matters that would materially affect our valuation.

9. PLANT AND MACHINERY

Where the interest held in the property is freehold, usual landlord's fixtures such as lifts, escalators and central heating have been treated as an integral part of the building and are included within the asset valued. Where the interest held in the property is leasehold (<50 years), these items have been treated as belonging to the landlord upon reversion of the lease.

Process-related plant/machinery and tenants' fixtures/trade fittings have been excluded from each valuation.

10. INSPECTIONS, AREAS AND DIMENSIONS

We have inspected each property internally and externally (except the properties held for development in Penza and Kazan) unless specific reference is made to a limited inspection. Further inspections have been carried out where there have been significant changes to any individual property, and these further inspection dates, where applicable, are identified in the property descriptions below.

No measured surveys have been carried out by C&W. We have relied entirely on the site and floor areas and dimensions provided to us by the Client. We have assumed that these are correct and calculated on the appropriate basis, as normally adopted by the local property market. Any references to the age of buildings are approximate.

11. GENERAL PRINCIPLES

Each valuation is based on the information which has been supplied to us by the Client or which we have obtained in response to our enquiries. We have relied on this information as being correct and complete and on there being no undisclosed matters which would affect each valuation.

In respect of tenants' covenants, whilst we have taken into account information of which we are aware, we have not received a formal report on the financial status of the tenants. We have not been supplied with any information to indicate that there are material arrears or that the tenants are unable to meet their commitments under the leases. Each valuation is on the basis that this is correct. You may wish to obtain further information to verify this.

Where we have reflected development potential in a valuation, we have assumed that all structures at the property will be completed using good quality materials and first class workmanship and that the development scheme will let to tenants who satisfy the tenant mix policy and are of reasonable covenant status and on typical market lease terms.

Each valuation does not make allowance either for the cost of transferring sale proceeds internationally or elsewhere within the Client, or for any restrictions on doing so. No account has been taken of any leases granted between subsidiaries of the Client, and no allowance has been made for the existence of a mortgage, or similar financial encumbrance on or over each property. Where a grant has been received, no allowance has been made in our valuations for any requirement to repay the grant.

A purchaser of a property is likely to obtain further advice or verification relating to certain matters referred to above before proceeding with a purchase. You should therefore note the conditions on which this Valuation Report has been prepared.

We strongly recommend that no disposal of any property should be undertaken without proper exposure to the market. Each valuation assumes that there is an active letting and funding market. This Valuation Report should be read in conjunction with the contracts referred to above, our terms of engagement and in particular our Standard Terms and Conditions of Appointment of Cushman & Wakefield as Valuers.

12. SPECIAL ASSUMPTIONS, RESERVATIONS AND DEPARTURES

We can confirm that each valuation is not made on the basis of any Special Assumptions or any Departures from the Practice Statements contained in the Red Book. Subject to the general limitations of our inspections and sources of information set out above, each valuation is not subject to any specific Reservations in relation to restricted information or property inspection.

13. CONFLICT OF INTEREST

We confirm that there are no conflicts of interest in our advising you on the value of the Properties.

The fee paid to us bears no impact whatsoever on the outcome of the appraisal. The goal of this Report is not to attain a previously agreed market value or its derivative, favorable to the interests of the Client.

14. DISCLOSURE

The members of The Royal Institution of Chartered Surveyors signing this Report have previously been the signatories to the valuations provided to the Client for the same purposes as this Valuation Report. C&W have previously carried out these valuations for the same purpose as this Valuation Report on behalf of the Client.

15. AGGREGATE VALUATION

Subject to the foregoing, and based on values current as at 31st of December 2013, we are of opinion that the aggregation of the Market Value of each 100% share of each freehold and leasehold interest in each Property, as set out in the appendix, is the total sum of (rounded):

US\$977,200,000

NINE HUNDRED SEVENTY SEVEN MILLION, TWO HUNDRED THOUSAND

US DOLLARS

NET OF VAT

This sum may be apportioned as follows:

	FREEHOLD (ROUNDED)	LEASEHOLD (ROUNDED)
Properties held as Investments	US\$235,900,000	US\$250,100,000
Properties in the Course of Development	US\$53,600,000	US\$46,100,000
Properties Held for Development	US\$380,300,000	US\$11,200,000
Total	US\$669,800,000	US\$307,400,000

Based on the information supplied to us as regards ownership, we are of opinion that the Market Value of the Client's beneficial share in each Property, on the basis outlined above is the total sum of (rounded):

US\$880,700,000

EIGHT HUNDRED EIGHTY MILLION, SEVEN HUNDRED THOUSAND

US DOLLARS

NET OF VAT

This sum may be apportioned as follows:

	FREEHOLD (ROUNDED)	LEASEHOLD (ROUNDED)
Properties held as Investments	US\$186,600,000	US\$208,000,000
Properties in the Course of Development	US\$53,600,000	US\$46,100,000
Properties Held for Development	US\$375,800,000	US\$11,200,000
Total	US\$615,400,000	US\$265,300,000

The valuation stated above represents the aggregate of the current values attributable to the individual properties and should not be regarded as a valuation of the portfolio as a whole in the context of a sale as a single lot. We set out the value ascribed to each property in the appendix.

We have considered an appropriate development commencement date and development period for each property in isolation, based on each property's particular circumstance. Each valuation does not consider any effect of multiple properties being developed concurrently (e.g. any resource, expense or savings issues if undertaken by a single developer), or released to the market (occupation or investment) together.

The Summary Valuation Schedule shows our opinion of the appropriate discount rate on an un-leveraged basis as used in the Market Valuation for each property. This discount rate is calculated on the assumption that each property would be held for a reasonable period to allow stabilisation of income upon development completion, with the exception of the development of residential property for sale, and that no debt is used.

16 CONFIDENTIALITY

The contents of this Valuation Report are intended to be confidential to the addressees and for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents. Before the Valuation Report or any part of its contents are reproduced or referred to in any document, circular or statement or disclosed orally to a third party, our written approval as to the form and context of such publication or disclosure must first be obtained. For the avoidance of doubt, such approval is required whether or not this firm is referred to by name and whether or not our Valuation Report is combined with others.

Notwithstanding the preceding paragraph, our prior written approval shall not be required for the reproduction and inclusion of this report, in its entirety or only parts of this report, in respect of the MirLand Development Corporation financial reporting related to its public listing at AIM and TASE.

Signed for and on behalf of Cushman & Wakefield OOO



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APPENDIX I

VALUATION METHODOLOGY

There are three generally adopted approaches used to value property: *The Sales Comparison Approach*; *The Income Approach*; and *The Cost Approach*. We have valued the properties using the income approach, taking account of sales comparables where available. The cost approach has not been used as this produces a "Non-Market Value" suitable for financial statements relating only to "specialised properties". An overview of The Sales Comparison Approach and The Income Approach and how these relate to the Russian Market, follows.

THE COST APPROACH

Under IVS this approach is relevant to specialised properties (i.e. properties that are rarely if ever sold on the open market due to their uniqueness, which arises from their specialised nature or the design of the buildings, their configuration, size, location or otherwise) and limited market property (i.e. properties that because of market conditions, unique features, or other factors attract relatively few buyers).

THE SALES COMPARISON APPROACH

This method involves analyzing all available information on sales of comparable properties that have taken place and making adjustments in the prices achieved to reflect the differences in the properties sold and the property to be valued. This approach hinges on the availability of reliable market evidence of comparable sales. Distinction must be drawn between information that is known to be accurate and reported information that is second hand or at best hearsay. Only information that is known to be accurate can be relied upon with any degree of comfort to provide an accurate valuation.

There are severe difficulties of applying this valuation approach in emerging real estate markets, including Russia, as due to their comparative immaturity the availability of reliable market information is very limited. To reflect this, the International Valuation Standards Committee ("IVSC") (the leading international body for setting valuation standards) devoted a recent White Paper to the study. It identifies specific problems for valuers in emerging markets, which apply very well to Moscow and to Russia – and these problems also tend to inhibit the operation of the market as a whole, in particular as regards investment.

The principal problem is a lack of transparency and a relatively low volume of recorded deals. In mature property markets there is a wealth of information available on completed sales transactions, in the form of yields and total sales prices, and this makes it relatively straight-forward to apply this valuation technique to any property. In Russia this sort of information is often not available, and where the details of transactions are publicized their accuracy cannot always be guaranteed. In addition, a large number of sales transactions in Russia take place "off-market" and therefore details of them are seldom known beyond those who were party to the deal.

The volume of completed deals is very low in all sectors of the Russian real estate market. In addition – as outlined above, deal information is rarely reported accurately and is often manipulated for other reasons benefiting the separate parties to any sale deal. Therefore it is often necessary to use offered prices as a basis for assessing the opinion as to value using the sales comparison approach.

Development sites are transacted, but these transactions are usually "off-market" and therefore reliable comparable information is therefore only available to the parties to the transactions and their advisers – who are usually bound by confidentiality restrictions.

We are aware of the details of a number of transactions of land held for development. This comparable information has been taken into account in assessing the valuations herein, and where possible these comparables are referred to. However – in most cases we are bound by confidentiality and therefore can only provide guideline information.

We applied this method where it was applicable in order to develop our judgment on the market value of each property.

For the purpose of this valuation we applied this method to the properties where it was possible to find relevant comparable offers and information on their status and price. This method was applied while valuing land plots, intended for retail complex development in Penza and Kazan and land plots in Saratov and Novosibirsk, intended for development of a logistics complex.

In regards to the Yaroslavl Phase 2, St. Petersburg Commercial and Perkhushkovo 2 land plot we also used the DCF method as the Properties represents an extension of existing first phases and have development concepts in place.

GLOBAL ASSUMPTIONS FOR THE SALES COMPARISON APPROACH

We have used the Sales Comparison Approach to develop an opinion of land values. Within this approach, we have analyzed prices offered by owners for similar sites in the market. In making comparisons, we have adjusted the sale prices for differences between the Properties and the comparable sites. If the comparable was superior to the Subject Property, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made.

In the valuation of the freehold interest in the Properties, the Sales Comparison Approach has been used to establish the prices being paid for similarly zoned land. The most widely used and market oriented unit of comparison for properties with characteristics similar to those of the subject is the sale price per square meter of land area. All transactions used in this analysis are analyzed on this basis.

The major elements of this approach include tenure, permitted use of the land plot, status of the comparable, location of the property, its size, access to public utilities, documentation and technical conditions.

DISCUSSION OF ADJUSTMENTS

While assessing the adjustments, we were guided by common practice and based our assumptions on our previous experience in valuation of similar kind of assets.

TENURE

This adjustment describes the type of rights in regards of the property: freehold or leasehold. subject properties. Where a comparable is held leasehold for 49 years and the Subject Property is held freehold, an adjustment of 10% is considered to be appropriate.

STATUS

Adjustments for the type of comparable usually reflect the status of the comparable itself. As all comparables are open offers, we made necessary adjustments taking into account the discount that each owner is ready to give to the buyer. General market practice shows that owners are ready to give a 5-10% discount to the offer price. We made downward adjustments of 10% to reflect this fact.

PERMITTED USE

This adjustment describes the permitted use applicable to every land plot comparable. As all comparables have one and the same permitted use as the Properties, we did not make any adjustments in this respect.

As there were no deviations from the applicable zoning plan, no adjustments have been made in this respect to the subject properties.

PROJECT DOCUMENTATION AND TECHNICAL CONDITIONS

Existence of Project documentation and Technical conditions of different utilities always significantly increases the value of the land plot. This adjustment represents a money-based adjustment, which is measured not in the percentage terms but in the amount of money per 1 sq. m. invested into the project and connected with acquisition of all necessary documentation and technical conditions. In our case this adjustment was applied in respect of the Kazan land plot, which is still in the pre-submission design phase.

LOCATION

An adjustment for location is required when the location characteristics of a comparable property are different from those of the Subject Property. We have estimated the data relative to the location of the subject properties including their specific location and immediate surroundings. Based on our analysis, we have made a downward adjustment to those comparables considered superior in location versus the Subject Property. Conversely, an upward adjustment was made to those comparables considered inferior.

SIZE

The size adjustment generally reflects the inverse relationship between the unit price and the lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Hence, upward adjustments were made to larger land parcels, and downward adjustments were made to smaller land parcels.

PUBLIC UTILITIES

The public utilities adjustment usually reflects access to all necessary utilities such as gas, electricity and water supply. We have made a downward adjustment to those comparables where all technical conditions were agreed whereas for the subject properties it was assumed that all necessary utilities are located nearby.

In regards to the Saratov land plot, this adjustment represents a money-based adjustment, which is measured not in percentage terms but in the amount of money per 1 sq. m. invested into the project and connected with the acquisition of the necessary utilities – in our case the money was invested into the laying of electricity lines, construction of an electricity sub-station and the acquisition of technical conditions for 6Mwt of electricity.

On the basis of all the adjustments made, we have estimated the Market Value for the subject properties, derived from the average meaning of the adjusted prices for comparable sites or weighted average where appropriate. Summary tables are presented in the Appendix 6.

THE INCOME APPROACH

The most commonly used technique for assessing Market Value within the Income Approach is the Discounted Cash-flow. This is a financial modelling technique based on explicit assumptions regarding the prospective cash-flow to a property or business and the costs associated with being able to generate the income. To this assessed cash-flow a market-derived discount rate is applied to establish a present value for the income stream. This Net Present Value ("NPV") is an indication of Market Value¹. This approach is considered to be the most sophisticated valuation technique, because it allows differences between comparable sales and the Subject Property to be explicitly considered and analysed

For the basis of the current valuations where for the majority of properties consents exist for a specific type of development, the income approach is the most relevant. The residual value for properties under development or properties held for future development is the NPV of all future income streams less the NPV of all future costs. The costs include all of the development costs still outstanding in respect of each property, taxes paid over the operation incomes and tax for the sale of assets, and future incomes are assessed based on current returns for completed properties of a similar nature in the market adjusted to reflect the expected completion date for the particular project and anticipated future trends in rents and / or sales prices.

The difficulty in applying this method in the Russian market is assessing the correct market derived discount rate, due to the very small number of transactions, the lack of transparency in the reporting of information, and in the wide variations in returns required on projects from different investors.

The costs and incomes associated with the project have been assessed on the basis of standard construction costs in the market together with property or project specific information provided by the developer and current market returns adjusted to reflect anticipated future trends.

¹ International Valuation Standards Sixth Edition – Guidance Note 9

In order to assess the residual valuation of the land, a discount rate has to be applied to the projected cash-flows. The discount rate is market derived and reflects the minimum returns a typical investor would require to undertake a project of this type. This approach then provides the maximum value that an investor would be willing to pay for the land in its current condition, being the Net Present Value of all identified future costs and incomes at the necessary rate of return.

In the Russian market this approach specifically excludes the use of debt and the effect of leverage. The availability of debt, and on what terms, varies widely from investor to investor, and there is no market standard – especially in a comparatively immature debt market such as Moscow. Pre-debt discount and capitalisation rates are therefore used to represent the risk-return requirement of investors.

GLOBAL ASSUMPTIONS FOR THE INCOME APPROACH

For the subject properties some general assumptions have been made in developing the residual valuations.

These are summarized below:

ACQUISITION COST

The properties are mainly owned. However, in the modeling process the Market Value for a third party purchaser has been treated as the initial investment.

DEVELOPMENT PROPOSALS

It has been assumed where project documentation exists that any development would conform to the overall sizes as provided to us unless it is reasonable to assume that development could take place in some other form.

UTILITIES & ROAD IMPROVEMENT

In Russia the cost of providing utilities and executing necessary road improvements can vary widely. Where utilities need to be provided or road works executed it has been assumed that the cost estimates supplied to us are accurate.

CONSTRUCTION PHASING

All projects, unless specifically stated otherwise, have been assumed to be constructed in one phase. Due to the size of the Saint Petersburg (Residential and Trade Centre), Yaroslavl Phase 2 and Perkhushkovo projects it has been assumed that they would be phased and that the phasing would be designed to maximise the returns from the site;

CONSTRUCTION COSTS

Construction costs have been assessed in accordance with standard rates in the market that a third party developer / purchaser would expect to have to pay in the course of the development of each project. All the costs were provided to us by the Client, a reliable and a well-known developer, and were then double-checked by ourselves, based on the tables and construction costs guidance that we have got in-house as well as the data on other developments in Russia that we have from the information provided on other valuation projects.

CONSTRUCTION CONTRACT

An advance payment is included in the cost calculations, which is charged to the first quarter of the construction contract. A hold-back against defects requiring remedy is also included and is charged to the quarter after completion of construction of the relevant phase. The remaining construction costs are applied equally throughout the development period.

PERMIT & DESIGN COSTS

Where there are outstanding permitting costs these have been assessed in line with the anticipated numbers as supplied by the client as, once again, there can be a wide variation in the permitting costs. Design costs – where appropriate have been assessed in line with market standards.

ASSUMED SALE

In order to assess the capital value of a completed development, we have assumed that a property is to be held upon completion for a period until the net income stabilizes, and thereafter is sold. Taxes for the operation period and for the sale of assets were deducted from the proceeds (See taxes below). This is a valuation technique and does not necessarily represent the intention of the owner.

DISCOUNT RATE

We have considered the perceived risk associated with the subject properties, as there is a direct correlation between a property's perceived risk and expected rate of return to an investor. Based on our knowledge of required rates of return for various investments, in particular real estate, as well as through discussions with persons active in

the real estate market of Moscow, St. Petersburg and other regions, we have been able to estimate an appropriate discount rate that reflects the perceived risk and required rate of return for a each subject property.

The term "discount rate" is a rate of return used to convert a monetary sum, payable or receivable in the future, into present value. Thus the discount rate is used to determine the amount an investor would pay today (present value) for the right to receive an anticipated stream of payments (e.g., cash-flows) in the future.

Generally, the discount rate is the rate of return that would be required by an investor to purchase the stream of expected benefits (e.g., future cash-flows), given the risk of achieving those benefits. Risk is generally defined as the degree of certainty or uncertainty as to the realisation of expected future returns. In terms of a discounted cash-flow projection, this can be interpreted as the probability and extent to which the future projections will be realised. In other words, it is the risk of achieving the projections.

The discount rate selected must be based on the same definition of cash-flow utilised in the valuation model.

The level of yield may vary in different areas of each region for many reasons such as condition, desirability of location, which might be related to such factors as accessibility, visibility, reputation, etc. Investors expect larger returns when investing in high-risk income properties. A discount rate, appropriate for each property, was applied in each case.

While assessing the yields, we as appraisers had to work in conditions of market slowdown. As a consequence, there has been a significant reduction in market evidence upon which to base our valuation and so we have had to exercise a greater degree of judgment than usual. This is due to low level of investment activity which results in an imbalance between supply and demand therefore leading to forced transactions and distressed sales. Therefore we based our valuation on our overall experience and our knowledge of the market. While assessing an appropriate level of yields to each property in the portfolio, we used the available information about generalized capitalization rates for a certain real estate sector and a certain balance between prudent sellers' and willing buyers' expectations as well as analyzed general trends and correlations between all market variables. Therefore the yields were mainly derived from the market perception and knowledge rather than from any kind of mathematical calculations, which cannot be fully relied on in view of the market volatility and low activity. All the numbers were confirmed internally with our in-house investment team that has its own range of external and internal sources of information, which is formed on the basis of regular discussions with buyers and sellers, available market data as well as with other consulting and investment companies.

When analyzing the level of yield for the Mirland Business Centre properties located on 2nd Khutorskaya Street, we have analyzed perceived level of risk associated with these properties which is discussed in greater detail below.

When assessing the level of yield for these properties, we based our choice of the discount rate on all the relevant characteristics of the buildings and the fact that the buildings were partially vacant as well as taking into account existing leasing risk for the properties and considering the lease terms applied in the valuation.

Based on an analysis of all salient facts and available information we have assessed the level of discount rate for all Mirland Business Center properties (MAG, Hydromashservice, Tamiz and Century) at the level of 12.5%.

In regards to the yielding retail projects in the regions, we analyzed these Properties in terms of their characteristics, location and income generating ability. Taking into account the above information we are of the opinion that a discount rate of 12.5% represents a reasonable level of yield for shopping centers in Yaroslavl and Saratov.

EXIT CAPITALIZATION RATES

The capitalization rates are derived from our analysis of recent market transactions, together with our market knowledge derived from Cushman & Wakefield's investment agency coverage. In view of the current state of the market a greater degree of judgment was applied than would be the case in more mature markets where there is a large amount of transactional evidence. Nevertheless the yield levels used in the valuation calculation are based on market evidence and our experience of working with investors looking to invest in the market and our knowledge of the levels of return that they are seeking from their investments.

In Q4 2013 prime capitalization rates for Moscow were at the level of 8.5% for prime offices, 9-9.5% for retail premises and 10.5-11% for warehouse properties (for a more detailed explanation see Appendix II). On the basis of our market analysis, our discussions with major investment market players and recent capital markets transactions, both executed and in the process of final negotiations, we have been able to assess the exit capitalisation rates for the subject commercial properties.

Now most of the money moving into the market is focused on the best assets in Moscow. In addition, well managed properties with good reputations and solid rent rolls will command a scarcity premium and will be most attractive to buyers and bankers alike. We believe that the improvement in macro fundamentals will lift interest in the retail and warehouse sectors, particularly once consumer spending accelerates to the extent we believe it has. Residential property is also attractive and of key interest. Market capitalisation rates have been projected based on the assessment that the property investment market for Moscow, Saint Petersburg and the regions will become more sophisticated over the period and that the number of active investors will increase. We consider these to be both logical and appropriate.

RENTAL RATES

Rental rates for commercial office and retail spaces have been projected together with capitalisation rates, for the period of the cash-flow. Sales prices for residential developments have been assessed for the reasonably expected completion dates. These figures are based on research carried out by Cushman & Wakefield and market information.

In respect of commercial rents they have been assessed on a conservative projection of future market movement. They therefore provide realistic minimum figures that it is anticipated can be achieved.

RENTAL RATES GROWTH

Taking into account the rather stable economic and market situation, we decided to apply a moderate rental growth rate of 3% for all office premises for the whole duration of a forecasting period, which practically reflects the level of CPI US (2.44%) and shows a very low real market growth of 0.5%.

Growth rates for the residential element of Triumph Park in St. Petersburg were estimated at a conservative level of 2.5% (CPI-US), taking into account the general market trend of 2.5-5% price growth on residential apartments in prime locations in St. Petersburg and the large scale of the development.

A growth rate of 2.5% was adopted for Perkhushkovo cottage settlement taking into account the rather slow actual selling pace and rather low demand for cottages at the moment.

SALE PRICES

Sales prices for residential properties have been analyzed on the basis of the current sales program together with the current market situation. In addition, we have analyzed current deals in the market as at the date of valuation.

REVIEW / RENEWAL PERIOD

This is the length of the initial leases. The rents for the initial leases remain fixed for their entire term, in line with current market practices where indexation and rent reviews are not prevalent, and the rent during this period will depend upon the prevailing market rental rate in the year of completion. The assumed length of initial leases varies depending upon the property class – office leases are typically 5 years and retail leases are typically 3 to 5 years.

VACANCY RATE

Vacancy has been assumed for the duration of each project and depends upon the property class, its location, the local market and the relative merits of each anticipated project. Vacancy rates in a cutaway view of each particular Property in each particular city were agreed with our internal brokers' departments, which have deep knowledge and significant experience in all sectors of commercial real estate all over Russia.

OPERATING EXPENSES

Operating expenses include the following expenses: Utilities, Insurance, Security, Legal, Land Rent, Taxes (including Property Tax), Audit, Technical operation, Administrative expenses.

For the purposes of our analysis we analysed all operating expenses associated with each property by comparing operating expenses, covered by tenants and operating expenses paid by the Client. As a result we have identified Non-Recoverable Costs for each Property that reduce the net income in each period.

For Yaroslavl Vernissage Mall there are no non-recoverable costs as all of them are covered by tenants.

For residential properties it is assumed that operating expenses will be passed through to residents in the form of a service charge or similar;

TURNOVER

On the basis of our inquiries we have identified that Triumph Mall in Saratov and Vernissage Mall in Yaroslavl are subjects to an additional income stream in the form of turnover rent that we consider to be in line with the current market as at the valuation date. Turnover rent is payable as detailed in the relevant lease agreements as a percentage of the annual turnover net of VAT where this exceeds the amount of the annual base rent net of VAT.

SECURITY DEPOSIT

It is common for tenants to pay security deposits in the Russian market which are held interest free by the Landlord and offset against the last relevant period of the lease. Standard levels of Security Deposit have been assumed for different property classes. These deposits are treated as financing cash-flow and will be off-settable against the final relevant period of each lease.

DEBT ASSUMPTIONS

In assessing the Market Value of the Properties it has been assumed that no debt is used. There are wide variations as to the financing terms available in the, as yet immature, Russian property finance market and it is not therefore possible to apply standard terms.

Therefore unleveraged yields are used to provide a consistent approach.

VAT RATE

The VAT rate has been taken at the current rate of 18% introduced at the beginning of 2004. The VAT rate is of importance because although in theory VAT in Russia is immediately recoverable from the government the practice is slightly different. The VAT paid on construction and other development costs is considered a VAT credit account in favour of the landowner. VAT on future rents can be retained and offset against the VAT account until it is zeroed out. This has a significant effect on cash-flow. For the purchase of existing properties VAT is payable in respect of that part of the purchase price apportioned to building improvements. VAT is not payable in respect of the part (or whole) of the purchase price that relates to the land plot (or land lease).

It has been assumed that all of the costs in association with the development of the project will be subject to VAT and also that all of the tenants (where appropriate) will be VAT paying. Where applicable the current VAT credit account has been taken into account – depending upon the tenure of the property. I.e. freehold property sales are subject to VAT, but sales of shares in a Client are not. For the purposes of this valuation all properties have been assessed on a freehold basis as opposed to the existence of any SPVs.

CASH RESERVE

A contingency account against future capital expenditures is a prudent measure. Contributions to this cash reserve have been set depending on the different criteria of each proposed development.

AGENT'S & BROKERS FEES

Standard market practice is to use brokers to lease commercial space. This has been taken into account in our calculation at market rates.

TAXES

Similarly property tax is payable on the book value of any property, excluding that part which relates to the underlying land value, currently at 2.2% and the nature of the tenure will affect the overall level of property tax payable. There may also be effects on the level of other taxes payable due to the type of tenure.

DEVELOPMENT ASSUMPTIONS

The current Report and Valuation are based on the assumption that all concepts proposed by the Client are legally possible and the proposed development schemes will be realized by the Client under current conditions and commercial terms. Therefore the Values provided are related to the size and use of the planned projects, but are subject to change, the risk for which is taken into account in the discount rates applied.

SCHEDULE OF VALUES

A summary table is included below. The appendices contain information for each of the individual properties within the classes of: "Properties held as investments", "Properties *in the course of development*", and "Properties *held for development*".

SUMMARY TABLE

MirLand Development Corporation Assets - Overview of Market Values as at 31st of December 2013



Ref.	City	Property Name and Address	Portfolio Market Value as of 31st of December 2013	Percentage Owned by MirLand	MirLand Market Value as of 31st of December 2013 (Rounded)	Total sqm of Land	Projected Net Leasable / Saleable Area in sqm upon Completion (excl. Parking)	Market Value per sqm of Projected Net Leasable Area	Discount Rate	Projected Exit Date	Projected Exit Capitalisation Rate for Commercial	Projected Exit Sales Price (Uncompleted Only)	Projected Exit Sales Price per sqm of Net Leasable Commercial Area (Uncompleted Only)	Total Outstanding Investment (excl. VAT & Land for commercial properties and incl. VAT for residential projects)	Total Commercial NOI as of 2014 Market Rental Values (Assuming 100% Occupancy and Fully Completed)
001	Moscow	Hydromashservice, 2-Khutorskaya str., 38A	\$71 700 000	100%	\$71 700 000	12 237	16 696	\$4 295	12,50%	Completed	9,00%	Completed	Completed	Completed	\$7 429 000
002	Moscow	MAG, 2-Khutorskaya str., 38A	\$83 300 000	100%	\$83 300 000	21 940	18 535	\$4 494	12,50%	Completed	9,00%	Completed	Completed	Completed	\$9 120 000
003	Moscow Region	Western Residence, Perkhushkovo, Odintsovsky district	\$53 600 000	100%	\$53 600 000	225 300	56 876	\$942	14% /18%	2016	Residential	Residential	Residential	\$27 928 000	Residential
004	Saratov	Triumph Mall, 167 Zarubina street	\$135 300 000	100%	\$135 300 000	22 000	27 249	\$4 965	12,50%	Completed	10,50%	Completed	Completed	Completed	\$14 698 000
005	Moscow	Skyscraper, Dmitrovskoe schosse, 1	\$0	100%	\$0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
006	Saint Petersburg	Triumph Park, Residential	\$323 200 000	100%	\$323 200 000	326 651	502 135	\$644	19,00%	2013-20204	Residential	Residential	Residential	\$770 369 000	Residential
007	Saint Petersburg	Triumph Park, Trade Center	\$31 600 000	100%	\$31 600 000	81 663	117 775	\$268	25,00%	2021	10%/ 10%	\$412 677 000	\$3 504	\$141 500 000	\$41 268 000
008	Yaroslavl	Vernissage Mall, Kalinina str.	\$100 600 000	50,5%	\$50 800 000	120 000	34 092	\$2 951	12,50%	Completed	10,50%	Completed	Completed	Completed	\$10 883 000
009	Yaroslavl	Phase II	\$9 200 000	50,5%	\$4 600 000	180 000	55 000	\$167	21,00%	2017	10,50%	\$131 602 000	\$2 393	\$62 152 000	\$12 267 000
010	Moscow	Tamiz Building	\$46 100 000	100%	\$46 100 000	4 500	11 737	\$3 928	12,50%	Completed	9,00%	Completed	Completed	Completed	\$4 828 000
011	Moscow	Century Buildings	\$95 100 000	51%/61%	\$52 971 000	5 800	20 904	\$4 549	12,50%	Completed	9,00%	Completed	Completed	Completed	\$10 562 000
012	Kazan	Triumph House	\$11 200 000	100%	\$11 200 000	22 000	16 783	n/a	16,00%	2019	10,00%	\$57 037 000	\$3 398	\$24 051 000	\$5 367 000
013	Saratov	Logistics Complex	\$7 400 000	100%	\$7 400 000	260 000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
014	Novosibirsk	Logistics Complex	\$8 900 000	100%	\$8 900 000	406 752	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total			\$977 200 000		\$880 700 000							\$601 320 000		\$1 026 000 000	

PROPERTIES HELD AS INVESTMENTS

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"MAG"</p> <p>2-Khutorskaya street, 38A</p> <p>Moscow, Russia</p>	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north part of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third Transport Ring road.</p> <p>MAG is a former factory site containing several buildings, which have been refurbished and transformed into new class B office space. According to information provided to us, the total leasable area is 18,534.80 sq. m. with 175 parking spaces. As at the date of valuation there were 808 sq. m. of vacant space, which represents 2.19% of the total rentable area.</p> <p>According to the Long Term Lease Agreement #M-09-031793 of 29th of September 2006, Mashinostroenie and Hydraulika OJSC leases a land plot of 1.2879 ha until 1st of September 2055.</p> <p>The land plot with a total area of 1.0257 ha is held by Mashinostroenie and Hydraulika OJSC under the Decree of the Northern Administrative District of Moscow # 9590 from 19.12.2007 on a leasehold basis up to 30.11.2032.</p>	Differing length periods.	US\$9 119 516	US\$7 851 460	<p>US\$83,300,000</p> <p>US\$83,300,000</p> <p>for the 100% share interest held by the Client according to information provided to us.</p>
<p>"Hydromashservice"</p> <p>2-Khutorskaya street, 38A</p> <p>Moscow, Russia</p>	<p>The Property is located approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third Transport Ring road.</p> <p>Hydromashservice is a former factory site containing several buildings, which have been practically fully refurbished and transformed into new class B office space. According to information provided to us total leasable area is 16,696.00 sq. m (of which 684.7 sq. m. or 4.1% are not leased) and 175 parking spaces. The Property has originally been constructed and used as an industrial premise in the former century. The building improvements are owned by Hydromashservice LLC according to ownership certificates provided by the Client.</p> <p>According to the Amendment Agreement No.5 of 29.09.2006 to the land lease agreement # M-09-025311, dated 28.11.2003.</p> <p>Hydromashservice LLC leases a land plot of 1.2237 ha.</p>	Differing length periods.	US\$7 428 534	US\$6 977 780	<p>US\$71,700,000</p> <p>US\$71,700,000</p> <p>for the 100% share interest held by the Client according to information provided to us.</p>

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"Century Buildings"</p> <p>2-Khutorskaya street, 38A</p> <p>Moscow, Russia</p>	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third Transport Ring road.</p> <p>The property is represented by two Class B office buildings with a total leasable area of 20,903.30 sq. m. located on a land plot with the total area of 0.58 hectares. Vacant premises comprise 2.9% of the GLA, which is 611.5 sq. m</p> <p>The land plot is held leasehold and the building is held freehold.</p>	<p>Differing length periods.</p>	<p>US\$10 561 549</p>	<p>US\$9 485 345</p>	<p>US\$95,100,000</p> <p>US\$53,390,000</p> <p>for the 51%/61% share interest in bld. 8 and bld. 17 respectively held by the Client according to information provided to us.</p>
<p>"Tamiz"</p> <p>2-Khutorskaya street, 38A</p> <p>Moscow, Russia</p>	<p>The Property is located in approximately 10 minutes walking distance from the nearest metro station Dmitrovskaya. This location is in the north portion of the Moscow Novoslobodsky Business District, approximately 2 kilometres from the Third Transport Ring road.</p> <p>The property is represented by Class B office building with a total leasable area of 11,737 sq. m. located on the land plot with the total area of 0.45 hectares. There are 1,051 sq. m. vacant (or a 8.77% vacancy rate) in the building at present. Currently the building is offered on the market for lease. The Property has the benefit of 22 surface parking spaces.</p> <p>The land plot is held leasehold and the building is held freehold.</p>	<p>Differing length periods</p>	<p>US\$4 828 351</p>	<p>US\$4 428 633</p>	<p>US\$46,100,000</p> <p>US\$46,100,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p>

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"Triumph Mall"</p> <p>167 Zarubina Street</p> <p>Saratov, Russia</p>	<p>The Property represents a modern three-floor retail entertainment center with the total area of 27,112 sq. m.</p> <p>The Property conforms to all European standards in terms of technical and engineering conditions as well as in terms of management services.</p> <p>The Mall has a list of prestigious tenants bound with the owner of the Property by long-term relations.</p> <p>The Subject Property is located at the intersection of Astrakhanskaya and Kutyakova streets at a 15 minutes' walking distance from the historical centre of Saratov, near Saratov airport and Saratov railway station.</p> <p>The north-eastern border of the site faces Zarubina Street. Universitetskaya Street is to the north-west of the site and Astrakhanskaya Street is to the south-eastern frontier of the site. The south-western border of the site is Kutyakova Street. The surroundings are predominantly retail, residential and industrial premises.</p> <p>The tenure of the land plot of 2.2 ha is freehold.</p>	<p>Differing length periods</p>	<p>US\$15 772 171</p> <p>(including turnover rent)</p>	<p>US\$15 674 270</p> <p>(including turnover rent)</p>	<p>US\$135,300,000</p> <p>US\$135,300,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p>

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"Vernissage Mall"</p> <p>Moskovskoye Shosse & Kalinina street</p> <p>Yaroslavl Region, Russia</p>	<p>The Property is a modern retail complex with entertainment areas which opened on the 27th of April 2007 with a total leasable area of 34,092 sq. m. Gross buildable area comprises 40,787 sq. m. The complex consists of one ground floor and a guest ground parking with 1,450 spaces.</p> <p>All premises are currently occupied.</p> <p>The Property is located at the intersection of Kalinina Street (ring road of Yaroslavl) and Moskovskoye shosse at the border of the city of and the Yaroslavl region. The city centre (6 km) can be reached in about 15 to 20 minutes driving distance. The district is mostly residential, with a large residential micro-district in the north and individual housing surrounding the Subject Property.</p> <p>The Property conforms to all European standards in terms of technical and engineering conditions as well as in terms of management services.</p> <p>The Mall has a list of prestigious tenants bound with the Owner of the Property by long-term relations.</p> <p>The tenure of the land plot (12 hectares in size) is freehold (according to the Ownership Certificate 76-AA #170178). The remaining land area of 18 hectares is reserved for future development (see "Yaroslavl: Phase II").</p>	<p>Differing length periods.</p>	<p>US\$10 882 511 (including turnover rent)</p>	<p>US\$10 907 414 (including turnover rent)</p>	<p>US\$100,600,000</p> <p>US\$100,600,000</p> <p>for the 100% share interest held by the Client according to information provided to us.</p>

PROPERTIES IN COURSE OF DEVELOPMENT

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
Western Residence Perkhushkovo Odintsovo District Moscow Region, Russia	<p>The Property is located in the Moscow Region, in the Odintsovo District close to Mozhayskoe Shosse approximately 15 km distance to the west of the MKAD (Moscow Ring Road) and approximately five km from Perkhushkovo railway station. The neighbouring land plots are characterised by housing settlements and forests.</p> <p>The Property comprises two adjacent land plots held freehold with a total area of 22.53 ha:</p> <p>Land plot #1 with a total area of 10.57 ha;</p> <p>Land plot #2 with a total area of 11.96 ha.</p> <p>The Property is in the course of development and is intended to provide 163 luxury homes, including about 71 town houses and about 92 business class houses of different types (according to the information provided by the Client). Apart from residential premises a Client Management Building with a total saleable area of 300 sq. m. and 1,570 sq. m. of saleable retail will be constructed.</p> <p>According to the information provided by the Client, as at the date of this Report, the 1st phase of development was 100% completed.</p> <p>25 houses from the 1st phase were already sold as of the date of valuation.</p> <p>Total outstanding development costs for phase 2 are estimated at US\$27,928,000 (including VAT).</p>	Upon completion the units are expected to get sold on a single unit basis.	Upon completion the units are expected to get sold on a single unit basis.	Upon completion the units are expected to get sold on a single unit basis.	<p>US\$53,600,000</p> <p>US\$53,600,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p>
<p>“Triumph Park, Residential” and “Triumph Park, Trade Center”</p> <p>30 Pulkovskoe Shosse</p> <p>Saint</p>	<p>The Property is located in the second line from (set back from) the main road (Pulkovskoe Shosse) connecting the Saint Petersburg airport to the city centre. The distance to the airport is approximately five km. The city centre is about 16 km away.</p> <p>The tenure of the land plot is freehold.</p> <p>The Property is represented by a land plot of 40.8314 hectares in total which is intended for future development of residential apartment dwellings including appertaining community buildings and parking facilities. Gross buildable area of the Property will comprise 788,625 sq. m.</p> <p>A high-voltage power line passes the site along the eastern land plot boundaries. The power line covers a relatively small part of the land plot.</p> <p>The concept of the Residential element provided to us suggests constructing</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to be sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>n/a</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to be sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>n/a</p>	<p><u>Residential:</u></p> <p>Upon completion the units are expected to be sold on a single unit basis.</p> <p><u>Commercial:</u></p> <p>US\$41 267 700</p> <p>upon completion</p>	<p>Total Value for Residential & Trade</p> <p>US\$354,800,000</p> <p>US\$354,800,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p> <p>(Assuming built and fully</p>

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
Petersburg, Russia	<p>all in all 9,000 residential dwellings comprising an average saleable area of 63.5 sq. m. per apartment (520,000 sq. m. in total) over 6 phases. The quality of the apartments is split into "Economy" class and "Comfort" class.</p> <p>The construction of the first phase was started in August 2008 with the consecutive phases following each one and a half years thereafter. Moreover, some 59,700 sq. m. net area of community buildings as well as some 7,639 underground parking spaces as well as open parking areas along the streets will be constructed as part of the Saint Petersburg Residential project.</p> <p>Construction started in August 2008 and will take place in 6 phases, with the last one being completed in 2019.</p> <p>We have also been informed that the general plan of the project was approved as well as the detailed planning.</p> <p>According to the information provided to us by the Client, more than 1,500 apartments were sold before the date of valuation.</p> <p>Commercial part of the property is represented by a land plot of 8.16628 hectares in total and is part of a 40.8314 hectare site which is intended for future development of class B office and retail space, including parking facilities in three phases.</p> <p>It is planned to construct 60,000 sq. m. of leasable area of Class B office space in 3 phases, about 57,775 sq. m. of retail premises in 3 phases with construction expected to start in March 2015 and the last phase being completed in May 2019. The planned retail areas are split into two different forms – street retail and shopping center.</p> <p>Total outstanding development costs are estimated at US\$911,869,332 (together for the commercial and residential elements) (excluding VAT only for the commercial element).</p>			and assuming 100% occupancy. For the purpose of our valuation we have assumed a structural vacancy rate of 20% in 2015 decreasing to 10% in 2019.	sold on market terms US\$412 677 000 for commercial part)

PROPERTIES HELD FOR FUTURE DEVELOPMENT

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"Skyscraper"</p> <p>Dmitrovskoye Shosse 1B</p> <p>Moscow, Russia</p>	<p>The property is represented by a land plot of 9,079 sq. m. of total area and intended for future construction of a multi-storey office building including retail areas in the lower floors. In accordance with the information provided by the Client, the project passed state Gosekspertiza, ARI was approved by the Moscow authorities and the concept design was approved by Chief Architect of Moscow. According to the concept provided by the Client, the planned construction will include (all leasable areas) 85,000 sq. m. of office space, 7,000 sq. m. of retail space and 1,690 underground parking spaces. The gross build area excluding parking will comprise 106,000 sq. m. Construction is expected to take place in one phase starting in January 2014 and expected to be completed in June 2017. The tenure of the land plots is long leasehold.</p> <p>The site is located in the Northern Administrative District of Moscow. The Property is confined by transportation routes of the North-Eastern part of the junction formed by Dmitrovsky lane in the North, and slip road to Dmitrovskoye Shosse in the North-East, Rizhskaya railroad line in the South and street railway depot in the West. Dmitrovskoye Shosse has four lanes each way. Both of the roots are high traffic routes.</p> <p><i>We learnt from the Client and mass media, in the beginning of January 2013, that the Moscow Administration (Department of Land Resources) informed Mirland Development Corporation about a unilateral termination of the land lease agreement due to its recent policy of deliverance from long-lasting paper projects in Moscow. At present the Client had submitted to the Municipality a rigorous objection to the termination. The Client is now evaluating the legal options available in connection with the Lease Agreement, having regard to the legal practice which has evolved since the date on which the amendment to the laws upon which the Moscow government is relying came into effect, including the compensation that may be available to it.</i></p> <p><i>Therefore, at the moment we cannot estimate the market value of the property and consider it equal zero until the matter is cleared out.</i></p>	n/a	n/a	n/a	n/a

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
<p>"Triumph House"</p> <p>Okolnaya street, 28A</p> <p>Kazan, Russia</p>	<p>The Property represents a land plot with a total area of 2.2 ha intended for the construction of a two-storied Home Design Centre. The site is surrounded by residential buildings to the west, south and east. From the north the Site is bounded by an industrial zone.</p> <p>Total gross leasable area will be 16,783 sq. m of which 14,128 sq. m. is intended for OBI and 2,655 sq. m for Behetle. There will be an outdoor parking for 200 cars. As we understand from the Client, this will be a built-to-suite property where the Client has already agreed all the terms and signed the contrasts with the future tenants.</p> <p>The site is located in the Central part of Kazan on the intersection of Gorkovskoe Highway, Bolotnikova Street, Frunze Street and Vosstaniya Street.</p> <p>Total outstanding development costs are estimated at US\$24 051 000 (excluding VAT).</p>	n/a	n/a	<p>US\$5 366 770</p> <p>(assuming 100% occupancy according to signed agreements)</p>	<p>US\$11,200,000</p> <p>US\$11,200,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p>
<p>"Yaroslavl Phase II"</p> <p>Moskovskoye Shosse & Kalinina street</p> <p>Yaroslavl, Russia</p>	<p>The Property is represented by a land plot of approximately 18 hectares (remaining part of the Yaroslavl land plot which has not been used for the development of the Yaroslavl mall) which is unimproved as at the date of valuation.</p> <p>According to information provided by the Client, the construction of a big box retail complex incorporating some 55,245 sq. m. of total leasable area with an entertainment zone is planned in the future. Construction is supposed to be divided into 2 phases.</p> <p>The Property is located at the intersection of Kalinina Street (ring road of Yaroslavl) and Moskovskoye Shosse at the border of the city of and the Yaroslavl Region. The city centre (six km) can be reached in about 15 to 20 minutes by car. The district is largely residential, with a large residential micro-district in the north and individual housing surrounding the Subject Property.</p> <p>The tenure of the land plot is freehold (according to the Ownership Certificate 76-AA #170178)</p> <p>Total outstanding development costs are estimated at US\$62 152 000 (excluding VAT).</p>	n/a	n/a	<p>US\$12 267 000</p> <p>upon completion and assuming 100% occupancy. For the purpose of our valuation we have assumed a vacancy rate of 40% for the retail gallery, food court and other small tenants in 2016, 20% for the same category of tenants for 2017, 10% for 2018 and 5% from 2019 onwards.</p>	<p>US\$9,200,000</p> <p>US\$9,200,000</p> <p>for the 100% share interest held by the Client according to information provided to us</p> <p>(Assuming built and fully let on market terms</p> <p>US\$131 601 519)</p>

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
Logistics Complex	The Property represents an undeveloped land plot of approximately 26 hectares held for construction of a logistics complex.	n/a	n/a	n/a	US\$7,400,000
1,3 km to the south-east of Dubki village	According to information provided by the Client the construction of a logistics complex incorporating some 104,000 sq. m. of total area is planned in the future. Construction is supposed to be divided into 3 phases.				US\$7,400,000
Saratov Region, Russia	The Property is located in close proximity to Dubki Village in the Saratov District, Saratov Region. The tenure of the land plot is freehold (according to the Ownership Certificate 64-AB #286547)				for the 100% share interest held by the Client according to information provided to us
Logistics Complex	The Property is an undeveloped land plot of approximately 40 hectares held for the construction of a logistics complex.	n/a	n/a	n/a	US\$8,900,000
1 km to the north-east of Sadoviy village, along the railway line Inya-Vostochnaya – Krasny Yar	According to the information provided by the Client, the construction of a logistics complex incorporating some 180,000 sq. m. of total area is planned in the future. Construction is supposed to be divided into 5 phases.				US\$8,900,000
Novosibirsk Region, Russia	The Property is located in close proximity to Sadoviy Village, Novosibirsk Region. The tenure of the land plot is leasehold.				for the 100% share interest held by the Client according to information provided to us

APPENDIX II

MARKET COMMENTARY²

MACRO REVIEW

2013 was a year of vanished hopes. It started with a bright outlook for GDP growth at over 4%, but it was several times downgraded resulting in a modest 1.5% actual figure.

Retail trade and consumer market were performing significantly better – 4-5% Y-o-Y growth in a real term.

Inflation remains under control at 6.5% – a relatively low level for Russia.

2014 outlook is also rather dull: GDP growth will unlikely exceed 2%, inflation will remain at the similar level. There is a lot of uncertainty around consumer market. While it still remains rather strong there are indications of a potential slowdown. Consumer credit growth decelerated significantly because banks and government have tightened this market. This will obviously help to avoid consumer debt crisis in the longer term but may affect negatively retail sales in the short term.

In spite of the economy slowdown, real estate market faced a rising real estate cycle. Across all sectors we saw record construction levels. Strong consumer market supported retail and warehouse sector in 2013 with solid demand, but office sector was weak and new supply was almost doubled against net absorption.

In 2014 we again expect high construction levels driven by the development cycle with further deceleration in 2015-2016. In the office market excessive supply will create pressure on landlords who may have to reduce rents in the race for scarce tenants. In retail and warehouse rents will remain stable supported by a stronger demand.

Increase of property taxes for offices and retail premises will test existing lease contracts and force landlords to lease vacant buildings with discounts.

Weakening Ruble will also create pressure on the USD-nominated rents.

Investment market will keep at 7-8 bn USD per year threshold and Moscow will remain #3 investment market in Europe.

On the positive side – after Sochi Olympic games in March-April the government may introduce stimulus package or/and make changes to the cabinet of Ministers to stimulate economy growth.

SUMMARY

GDP FORECAST 2013 | ПРОГНОЗ ВВП 2013

1.4-1.5%

CPI 2013 | ИНФЛЯЦИЯ 2013

7.0%

INDUSTRIAL PRODUCTION 2013 | ПРОМЫШЛЕННОЕ ПРОИЗВОДСТВО 2013

0.1% YoY

FIXED INVESTMENTS 2013 | ИНВЕСТИЦИИ В ОСНОВНОЙ КАПИТАЛ 2013

-1.4% YoY

UNEMPLOYMENT 2013 | УРОВЕНЬ БЕЗРАБОТИЦЫ 2013

6.0%

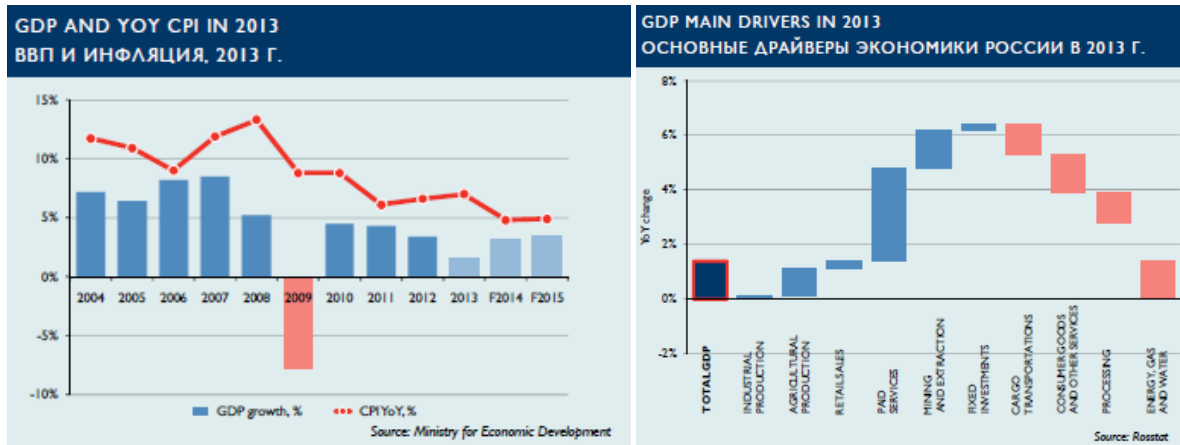
KEY EXPECTATIONS



REDUCTION

Russian economy slowed down considerably in the second half of 2013. According to the Ministry of Economic Development forecast the GDP growth in 2013 should be about 3.4%. In the middle of the year the forecast was reviewed and dropped to 2.5% and to 1.8% later in August. In November it was obvious, that economy growth in 2013 will be not more than 1.4-1.5%. (According to Rosstat GDP growth was amounted to 1.2% from January to September 2013).

²Research department C&W; Marketbeat Q4 2013



Stagnation was caused not only by a decreasing demand on energy resources and slowing-down of Eurozone economies, but also by some internal processes – the dramatic drop of industrial production growth to about zero and reduction of fixed investments from 6.6% in 2012 to 0.2% in 2013.

Retail turnover growth which stimulated economy growth in 2012, also slowed down in the second half of 2013. But nevertheless it became one of the main economy drivers. Its increase was caused by raised salaries of government officials and growing volume of bank loans. Mining and extraction as well as paid services sectors made a considerable input into economy in 2013.

At present with rather high export prices for crude oil, industrial production stacked on the level of the previous year. Investments into industrial production can help to avoid further expansion of oil and gas oriented economy.

RUSSIA'S MACRO PERFORMANCE МАКРОЭКОНОМИЧЕСКИЕ ИНДИКАТОРЫ											
	ROSSTAT'S ACTUAL		MINISTRY FOR ECONOMIC DEVELOPMENT			URALSIB CAPITAL			RENAISSANCE CAPITAL		
	2012	2013	2013	2014	2015	2013	2014	2015	2013	2014	2015
GDP, %	3.4	1.2*	1.8	3.0	3.1	1.7	2.4	3.5	1.6	3.3	-
CPI yoy, %	6.6	7.0	6.0	4.8	4.9	6.5	4.2	4.7	6.8	5.5	-
Industrial production, %	2.6	0.1*	0.7	2.2	2.3	0.4	2.3	2.6	0.0	4.2	-
Retail trade turnover, %	5.4	3.9	4.2	4.0	4.4	3.6	3.9	4.3	6.4	6.2	-
Fixed Investments, %	6.6	-1.4	2.5	3.9	5.6	0.2	4.0	5.8	-0.2	3.8	-
Disposable income, %	4.2	3.6*	3.4	3.3	3.0	3.9	4.0	4.1	-	-	-

* January - September

Source: Ministry for Economic Development, Rosstat, Uralsib Capital, Renaissance Capital

EXCHANGE RATE FORECAST, END OF 2014 ПРОГНОЗ КУРСА РУБЛЯ К ДОЛЛАРУ И ЕВРО, КОНЕЦ 2014		
INVESTMENT BANK	EXCHANGE FORECAST	
	\$/RUR	€/RUR
Citi	34.5	48.4
HSBC	35.4	45.3
Morgan Stanley	35.0	43.4
UBS	36.5	45.7
Alfa bank	35.0	47.3
VTB Capital	35.0	46.2
Otkrytie Capital	32.3	45.0
Renaissance Capital	35.5	45.4
Uralsib	34.0	45.0

CAPITAL MARKETS

TOTAL INVESTMENTS | ОБЪЕМ ИНВЕСТИЦИЙ, 2013, US\$

7.45 bn

PRIME CAPITALIZATION RATES | СТАВКИ КАПИТАЛИЗАЦИИ В ПРАЙМ СЕКМЕНТЕ

OFFICES | ОФИСНЫЕ ЗДАНИЯ

8.5%

SHOPPING CENTERS | ТОРГОВЫЕ ЦЕНТРЫ

9.0%

WAREHOUSES | СКЛАДСКИЕ ОБЪЕКТЫ

11.0%

KEY EXPECTATIONS

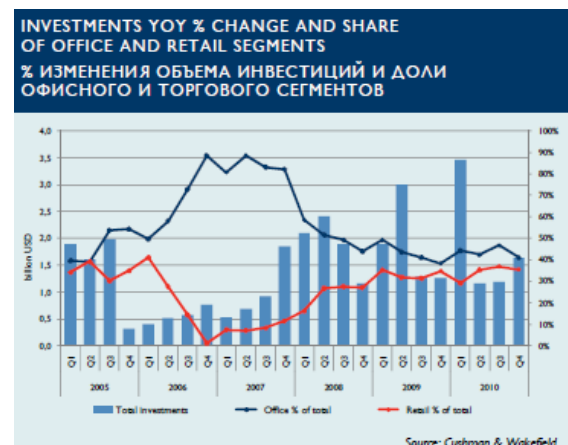


STABILITY

SUMMARY

Total investments into commercial real estate in 2013 were about \$7.45 billion which is similar to the volume of investments in 2012. Many transactions were in the process of finalization at the end of 2013 and they are expected to be closed in the first quarter of 2014.

Investors were interested in all segments of commercial real estate as they had been the year before. The volume of investments into the office segment grew up by 7%. In retail segment the growth was about 2% comparing to 2012. In warehouse and industrial segment the volume of deals doubled in 2013.



Traditionally, the deals were closed in the biggest cities. Moscow is an absolute leader by the amount of investments and remains the investment center of Russia. In 2013 about 70% of all investments were attracted to Moscow.

MAIN DEVELOPMENTS

Office segment registered most of the deals in 2013 and its share was more than 41%. The volume of investments in offices was \$3.06 billion. In 2013 the largest deal in the office segment was White Square office center sale, which amounted about \$1 billion. The second largest Millhouse Capital investment into White Gardens business center amounted to about \$740 million. And the third largest deal in 2013 was Nagatino i-Land deal which was bought by AFK Sistema.

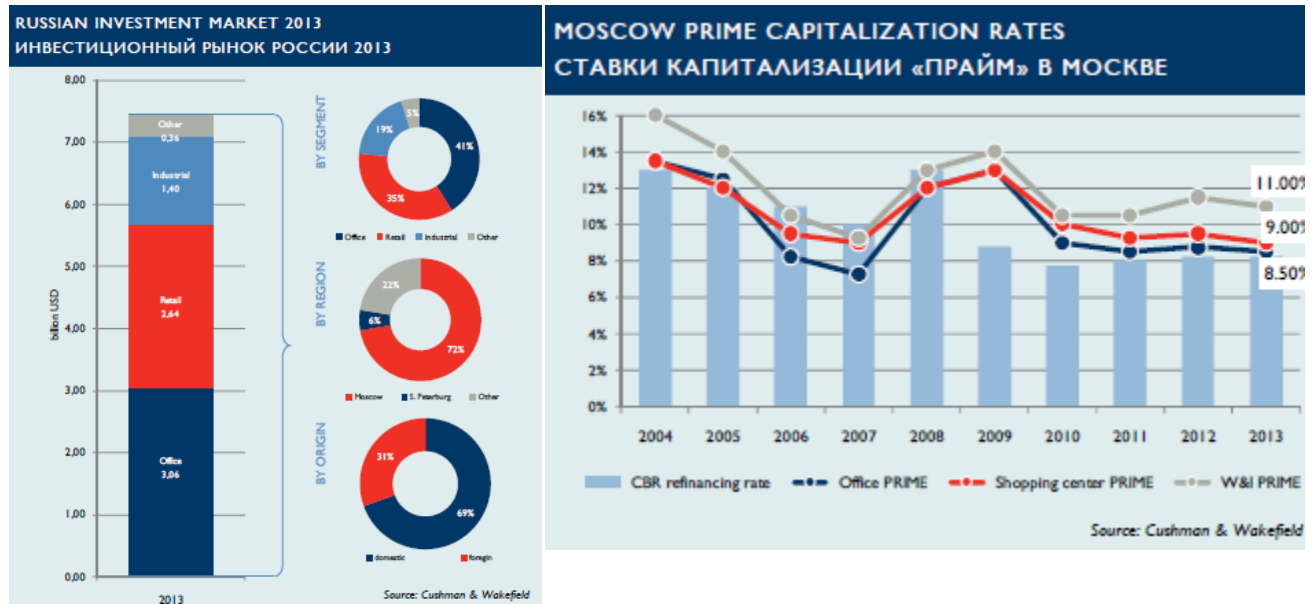
2013 was a record year by investment volumes in retail segment. Compared to the previous year the growth was about 2% and the volume amounted to \$2.64 billion. One of the main deals on the market was the purchase of Metropolis shopping center by Morgan Stanley fund for about \$1.2 billion. The second largest deal was the purchase of shopping and entertainment center Aura – one of the best regional projects located in Novosibirsk.

Industrial and warehouse segment hit the record last year by the volume of investments. In 2013 total investments were about \$1.4 billion, doubled since 2012. The largest deals were the purchase of MLP portfolio by Bin Group that amounted to about \$700 million and the purchase of Eurasia Logistics portfolio by IQ Property Management for about \$500 million.

CAPITALIZATION RATES

The current yields for Prime commercial real estate projects in Moscow are 8.5% for offices, 9.0% for retail and 11.0% for warehouse and industrial projects.

In 2014 we expect that capitalization rates for the best properties will not be corrected significantly, however, we assume the fluctuation in the range of 25-50 bps during the year.



OFFICE MARKET

TOTAL STOCK MOSCOW | ОБЩИЙ ОБЪЕМ ПРЕДЛОЖЕНИЯ В МОСКВЕ
VACANCY RATE | ДОЛЯ СВОБОДНЫХ ПЛОЩАДЕЙ
AVERAGE RENTAL RATE, CLASS A | СРЕДНЯЯ АРЕНДНАЯ СТАВКА, КЛАСС А
2013 DEMAND (TAKE-UP) | ОБЪЕМ СДЕЛОК АРЕНДЫ И ПРОДАЖИ 2013
2013 NEW CONSTRUCTION | НОВОЕ СТРОИТЕЛЬСТВО 2013

13.85 mn sq m
11.93%
US\$ 860
1,58 mn sq m
891,952 sq m

KEY EXPECTATIONS



STABILITY

SUMMARY

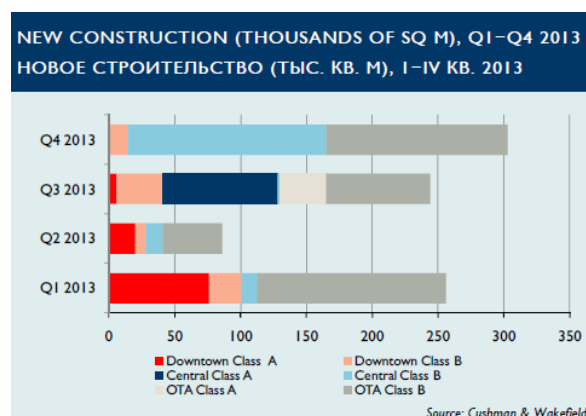
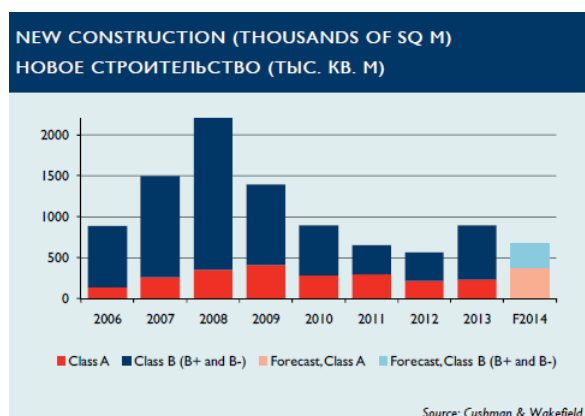
- The volume of supply steadily increases, showing slowing tenant activity though.
- 1.58 mn sq. m of office space were bought and leased in 2013, which is by 18.5% lower than the same indicator in 2012 – 1.94 mn sq. m.
- The new construction was strongly located outside the historical center – in 2013 more than 49.2% of new construction was built outside the Third Transport Ring.
- This year the level of absorption was the same as in the previous year (around 680,000 sq. m), but new supply exceeds absorption. This tendency creates the prerequisites for over abundant supply.
- At the beginning of 2013 the market witnessed the growth of rental rates, which was compensated by an inverse dynamics at the end of the year. As a result the average annual rental rate increased by 7-12% depending on the building, its location and class.



SUPPLY

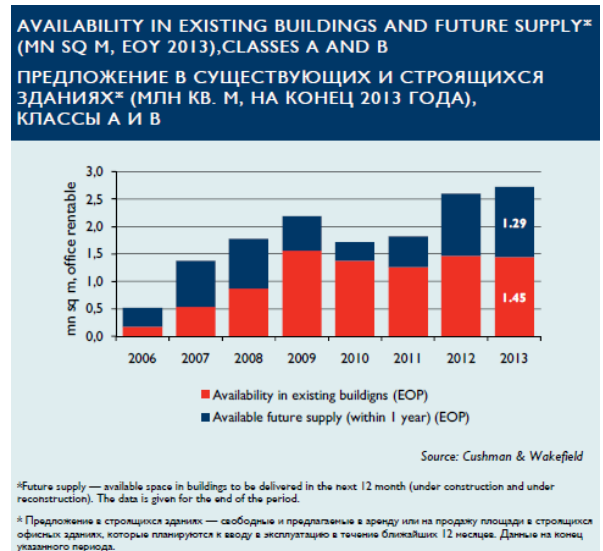
By the end of 2013, Moscow had 13.85 mn sq. m of quality office space. New construction of 892,000 sq. m was highest since 2010. 49 business centers were delivered to the market; among them are Mercury City Tower, business complex White Gardens, 9 Acres, Park Pobedy, Lotte business center, Newton Plaza etc.

Only 25% of new quality office space fit Class A requirement, most office space is classified as Class B. About half of new deliveries is located in suburbs (outside Third Transport Ring).



Altogether there are 1.44 mn sq m of available office premises in 464 existing buildings and 1.8 mn sq m is on the market in buildings under construction.

Class B vacancy rate was rather stable during last 6 years, since 2011 it increased by less than 1 pp. In Class A vacancy rate increased from 16.4% (December 2012) to 21.2% (December 2013), and the average is 18.9%. The tendency of increase in vacancy rates in Moscow will be prolonged in 2014.



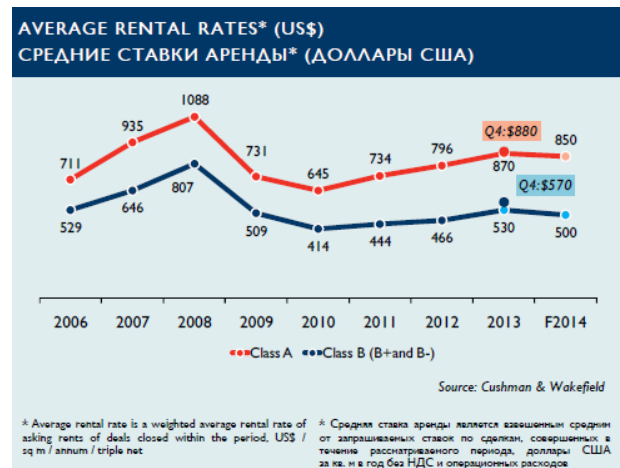
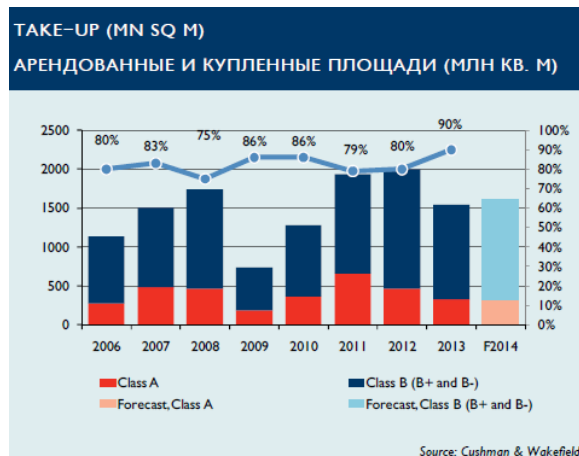
DEMAND

The total volume of office deals decreased practically by 20% and it now amounts to 1.58 mn sq. m. Most of occupiers prefer to stay in their offices and to prolong their leasing contracts, discussing with landlords more profitable conditions.

Tenants continue to be interested primarily in existing buildings, the proportion of pre-lease agreements* in 2013 was 6.3% of the total rented space in 2013, there is a significant reduction in the proportion of sales deals (from 20% on average in 2011-2012 to around 10% in 2013).

RENTAL RATES

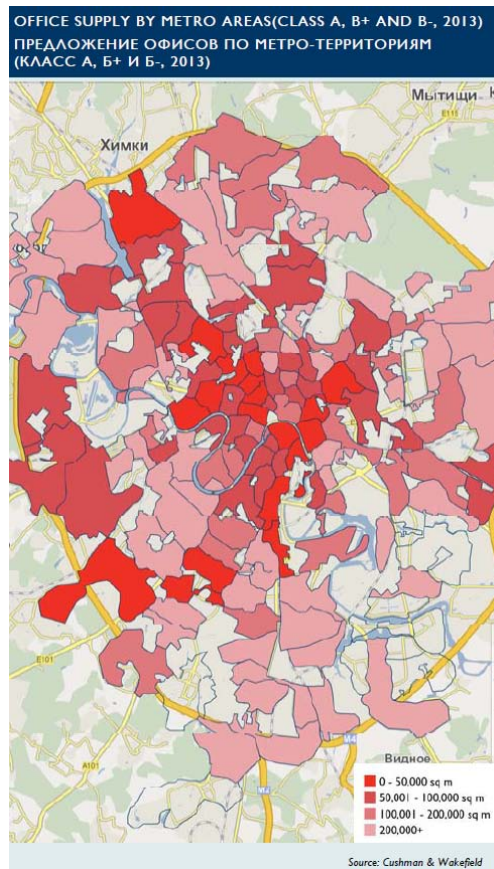
In Class A, the average asking rental rate is \$870. In Class B, the average asking rental rate was stable at \$530. Rental rates for prime office space are at the level of \$1,200 per year per sq. m (triple net).



The second year in a row rental rates for offices grow in accordance with inflation. At the end of 2012 and the beginning of 2013 market players were expecting positive dynamics as a result rental rates saw 15% growth, but later they were adjusted, as a result rental rates increase by 7-12% depending on the class of the building and location. In the centre of Moscow (inside the Garden Ring, Novoslobodskiy district) and in Moscow-City average Class A showed the biggest growth. Average class B+ rental rate grew mostly in the suburbs of Moscow.

FORECAST

Next year the total volume of delivered offices will be significantly decreased. We suppose that the main reasons will be a tax reform, reconsideration of the financial plans by developers and continuous cost savings in the occupiers' policy. 600,000 sq. m or even less will be delivered next year.



Talking about tenants' behavior there would be no rise in the prelease activity, with tenants pursuing wait-and-see policy. Tenants' activity will be limited at the first half of the year, but at the second half the experts expect market revival.

LEASE TERMS IN QUALITY BUSINESS CENTERS УСЛОВИЯ АРЕНДЫ КАЧЕСТВЕННЫХ ОФИСНЫХ ПОМЕЩЕНИЙ	
PAYMENT TERMS АРЕНДНЫЕ ПЛАТЕЖИ	QUALITY OFFICES
Rent Payment/ Валюта по договору аренды	RUR, USD or Euros (rarely used) per sq.m/yr. For currency exchange landlords use either Central Bank of Russia's official rate or set their own rate or fix the dollar corridor e.g. 25-40 RUB/USD.
Payments / Платежи	Quarterly in advance.
Rent Deposit/ Депозит	1-3 months rent equivalent.
Indexation / Индексация	3-5% or at the level of USA / EU CPI; 10-15% for RUR agreements. Sometimes step-rents are used.
Other payments / Другие платежи	
Operational expenses/ Операционные расходы	This sort of payments strongly depends on the service list included. Average market payments: 100-150 USD/sq.m/yr for Class A 80-120 USD/sq.m/yr for Class B
VAT/НДС	18%

RETAIL MARKET

VACANCY RATE / ДОЛЯ СВОБОДНЫХ ПЛОЩАДЕЙ
(Prime shopping centers, Moscow) | (действующие прайм ТЦ, Москва)

1.1 %

PRIME RENTAL RATE INDICATOR | ПРАЙМ ИНДИКАТОР АРЕНДНЫХ СТАВОК
(Prime shopping center retail gallery, Moscow) | (галереи в прайм ТЦ, Москва)

US\$ 4,000

TOTAL QUALITY STOCK IN RUSSIA
ОБЩЕЕ КОЛИЧЕСТВО КАЧЕСТВЕННЫХ ТОРГОВЫХ ПЛОЩАДЕЙ В РОССИИ

16.22 mn sq m
553 quality projects

KEY EXPECTATIONS



STABILITY

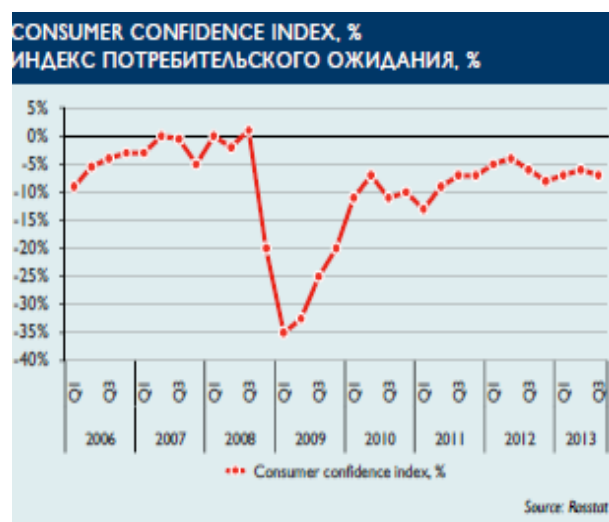
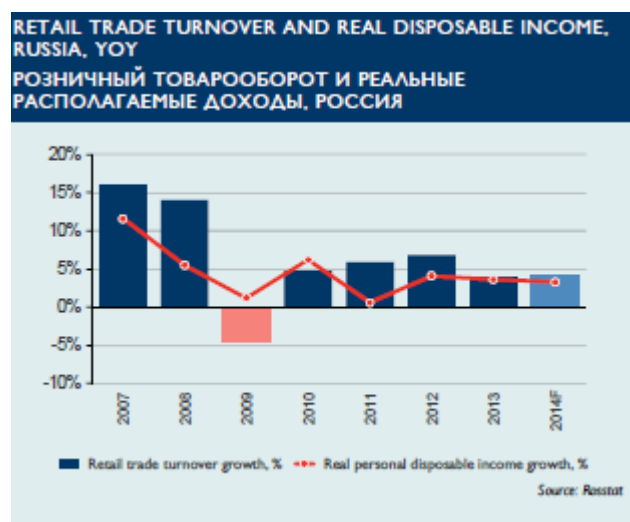
BRIEF SUMMARY

In 2013 the volume of new construction of retail space in Russia was high, 63 new retail complexes have been constructed and delivered in 40 Russian cities. A reduction in the construction of new quality retail premises in Moscow for 2012-2013 is going to be compensated by large-scale and expected projects in 2014. Retailers are expanding and are interested in new space both in Moscow and all Russia's regions. Despite the growing negative consumer expectations retail turnover growth is positive and most of retailers reported income growth. During 2013 rental rents remained stable, as they were in 2012.

CONSUMERS

According to Rosstat, real income of the Russian population in November 2013 grew up by 1.5%, comparing to November 2012. Moreover, it increased by 3.6% in January-November 2013 relatively to the same period of time the year before. The average monthly salary was 30,670 rubles in August 2013 and increased by 11.6% comparing to the previous year.

Total retail trade growth for January-November was 3.9%.



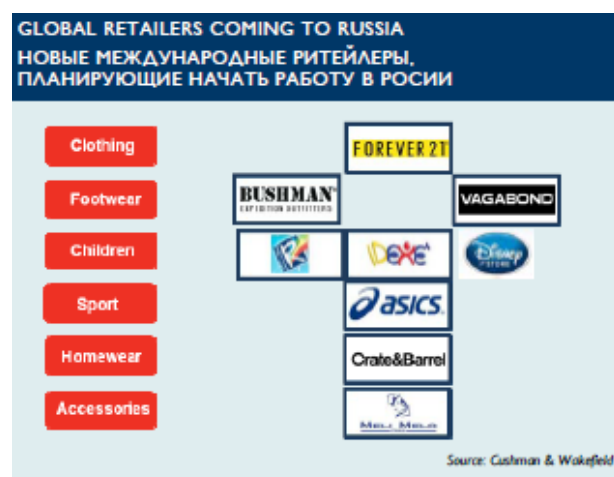
RETAILERS

Retailer demand has remained relatively strong in Russia, with limited new market entrants but existing retailers looking to expand and experiment with new format types.

Several brands started operating directly (Montcler, Tommy Hilfiger), others are expanding through franchising (McDonalds Starbucks, Disney Store). There were a number of monobrand flagship openings among popular brands, such as Reima, Ticcurella, Chicco, Harman, The North Face and some others.

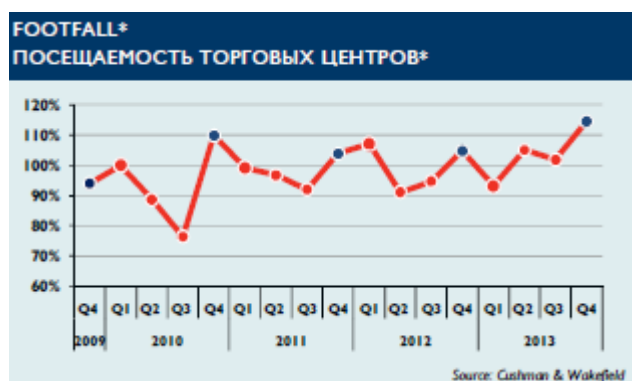
Vacancy rates in prime shopping centres in Moscow are at extremely low levels, with occupiers now transferring interest to the high street as shopping centre space cannot meet the demand.

Those brands already presented in Russia are actively looking to expand into the regions.



NEWCOMER BRANDS WITH DEVELOPMENT PLANS IN RUSSIA				НОВЫЕ ПЛАНЫ РАЗВИТИЯ РИТЕЙЛЕРОВ В РОССИИ			
REGION	CITY	NEWCOMERS 2013	COMING SOON	REGION	CITY	NEWCOMERS 2013	COMING SOON
Central	Moscow	Marukame, Bata, Harman, Takko Fashion, Nautika, The North Face, Chicco, Trollbeads, Krispy Kreme, Marukame Udon, Jamie's Italian, Smoothie Factory	Max Brenner Montder Disney Store 7-Eleven Wetzel's Pretzel	Southern	Volgograd	Leroy Merlin	
		Jack Wolfskin			Armavir	Lenta	
	Balashiha	Lenta			Sochi	Bata, Louis Vuitton	Starbucks
	Ivanovo	Media Markt			Taganrog	Lenta	
	Bryansk		OBI, O'Key, Media Markt	Krasnodar	Barker , Hamleys	Bata, Starbucks Starbucks	
	Serpukhov	Media Markt		Rostov-on-Don			
	Tver	Leroy Merlin		Uralsky	Ekaterinburg	Decathlon, Nespesso, Happyton	
Maloyaroslavets	Lenta		Tymen		Auchan, Familia, Henderson, Leroy Merlin		
Istra		Lenta	Magnitogorsk		Lego		
Yaroslavl		Media Markt	Yass			Karusel	
North-	Saint-Petersburg	Quitznos, Reima	Disney Store		Chelabinsk	Lego	OBI Lenta
				Surgut			
Privolzhsky	Kazan	Leroy Merlin		Sibirsky	Angarsk	Detsky Mir	
	Beloret'sk	Gloria Jeans			Irkutsk	Henderson	
	Nizhny Novgorod	Telemax			Krasnoyarsk	Lego	Lenta
	Naberezhny Chelny		Leroy Merlin		Novosibirsk	Karusel, Tomas Munz	Hamleys, Mamas&Pap
	Orenburg	Sbarro			Nyagan	New Yorker	O'Key
	Penza	H&M		Novokuznetsk		Decathlon	
	Izhevsk		Lenta	Omsk			
	Yliyanovsk	Lenta, Finn Flare		Tomsk	Lenta		
	Perm		Lenta, Joop!, O'Key	Far East	Vladivostok		Metro Cash & Carry PlanetaGoreprimstva (Sbarro, Yamkee, Vostochny bazar)
	Saratov		Decathlon, Media Markt				
	Ufa	O'Key					

Source: official websites and other media



NEW CONSTRUCTION. RUSSIA.

90 quality retail schemes (shopping malls, outlets, retail parks) with a total area of 2.8 mn sq. m were planned for delivery in 2013. By the end of the year 63 new retail centers were delivered in Russia with a total area of more than 1.6 mn sq. m. The new construction volume in Russia is stable at the level of 1.4-1.8 mn sq. m annually. In Q4 22 new shopping malls with total GLA 742,000 sq. m have been opened outside Moscow.

Average area of newly constructed shopping centers is decreasing, in 2013 it averaged to 24,000 sq m and this is 30% lower than it was in 2011. The development in the cities with a population less than 1 mn people is very active. A number of shopping malls (32 from 63) were delivered in small Russian cities, for example Aero Park City in Bryansk (GLA 91,000 sq m) and Kristall in Tymen (GLA 75,000 sq m).



According to developers' plans 3.2 bn sq m of new quality retail space might be delivered next year in Russia, most likely around 60-70% will be opened.

NEW CONSTRUCTION 2013, RUSSIA, QUALITY RETAIL STORES НОВОЕ СТРОИТЕЛЬСТВО В 2013 ГОДУ, РОССИЯ, КАЧЕСТВЕННЫЕ ТОРГОВЫЕ ОБЪЕКТЫ

LOCATION	PROPERTY NAME	RETAIL GLA, SQ M	DELIVERY
MOSCOW	Projects with GLA 15,000 + sq m		
	RIO-Leninakiy	57,000	Q2
	Roomer	34,100	Q4
	Fashion House Outlet-Mall	28,760	Q2
	Otrada (phase II)	22,000	Q2
	SportEX	18,000	Q1
	Raikin Plaza	17,000	Q3
	Vnukovo Outlet Village (phase I)	16,580	Q2
	VDNIKh SC	15,000	Q4
Total GLA Moscow		231,850	
THE LARGEST QUALITY PROJECTS IN RUSSIA, GLA 15,000+ sq m			
Volgograd	Aquafel	92,100	Q1
Bryansk	Aero Park City	91,000	Q4
Tumen	Kristall	75,000	Q4
Ufa	Platets	63,440	Q4
Yaroslavl	Aura	62,550	Q4
Sa. Petersburg	London mall	61,300	Q4
Sa. Petersburg	Kondhenc	56,000	Q1
Belgorod	Mega Grinn	53,000	Q1
Sa. Petersburg	Zhemchushnaya Plaza	48,000	Q3
Armavir	Krasnaya Ploshad	45,000	Q4
Krasnoyarsk	Komsomol	45,000	Q4
Nizhny Novgorod	Indigo Life	39,700	Q2
Taganrog	Marmelad	38,500	Q4
Sa. Petersburg	Avenue	31,500	Q2
Syzyvkar	June (phase II)	30,000	Q3
Magnitogorsk	Kondhenc	30,000	Q4
Surgut	Agora	29,400	Q3
Ekaterinburg	Globus (phase I)	28,500	Q4
Sa. Petersburg	Kondhenc na Zvezdnoy (phase II)	28,200	Q1
Krasnodar	Galeria Krasnodar (phase II)	26,000	Q4
Grozny	Grand Park	25,000	Q4
Tobolsk	Zhemchushina Sibiri	25,000	Q4
Irkutsk	Modniy Kvartal	23,000	Q3
Korolev	Gelios	22,500	Q3
Kosroma	RIO	22,000	Q4
Kaliningrad	Europa Center (phase II)	20,700	Q2
Kursk	Evropa 2	20,400	Q2
Tumen	Voyash	20,000	Q4
Tumen	Magellan	19,000	Q3
Tambov	Evropa	18,000	Q3
Orel	MegaGrinn (retail part)	17,500	Q1
Belgorod	City Mall Belgorodskiy (phase II)	15,000	Q2
Novosibirsk	Malinka	15,000	Q3
Sochi	Mandarin	15,000	Q3
TOTAL GLA RUSSIA		1,435,513	

Source: Cushman & Wakefield

COMMERCIAL RATES IN SHOPPING MALLS

Moscow retail gallery rental rates are in the range of US\$ 500 - 4,000 (per sq m per year before VAT and other expenses) depending on the size of the retail unit and the type of retailer. Throughout H1, and the whole of 2012, rental rates were stable across all sub-sectors.

Moscow's prime retail indicator* is US\$ 3,800 per sq m per annum, as a base rate. However, a tendency towards rate increases was observed in 2013 and near future growth may be higher than 5% (our current conservative estimate).

In other cities, rental rates in shopping malls are typically 30% to 60% below Moscow levels.

Additionally, among other payments there are operational expenses (US\$ 150-250 per sq m annually for units smaller than 500 sq m), marketing (US\$ 10-25 per sq m annually), and others depending on the project.

BUSINESS	GLA, SQ M				
	RETAIL GALLERY		MINI ANCHORS	ANCHORS	
	<100	100 - 300	300 - 1,200	1,200 - 3,500	3,500-7,000
Food court	\$1,800-\$2,000				
Kiosks	\$5,000-\$8,000				
Restaurant	\$600-\$1000		\$700		
Clothing	\$1 600	\$1 200	\$700	\$400	
Shoes	\$2 200	\$1 700	\$1 200	\$800	
White and Brown					\$500
Supermarket					\$500-\$600
Hypermarket					\$250-\$450
Cinema					\$250-\$320

Source: Cushman & Wakefield



QUALITY RETAIL LEASE STRUCTURE СТРУКТУРА ДОГОВОРОВ АРЕНДЫ В КАЧЕСТВЕННЫХ ТОРГОВЫХ ПОМЕЩЕНИЯХ		
ITEM	COMMENTS	КОММЕНТАРИИ
Lease Terms Срок договора	Standard lease terms for gallery tenants are between 3-5 years, break options are rare. For anchor tenants (including fashion anchors) lease terms are up to 20-25 years and break options are becoming popular.	Для арендаторов галерей типичный договор заключается на 3-5 лет, досрочное расторжение договора аренды предусматривается редко. Для якорных арендаторов (включая fashion) договоры заключаются сроком до 20-25 лет, часто с возможностью досрочного расторжения.
Rental Payments Платежи	Rents are typically payable monthly in advance. Turnover / percentage rents are increasingly seen in shopping centres. Rental rates are generally calculated in USD, Euro or commercial units are used. In less quality shopping centres rental rates are calculated in RUR.	Арендные платежи платятся ежемесячным авансом, также распространены платежи как % от оборота. Ставки аренды номинируются в долларах США, Евро или условных единицах, а также в российских рублях (чаще всего в менее качественных торговых центрах).
Rent Deposit Депозит	The rent deposit required in quality shopping centres is typically between 1-3 months rent equivalent.	В качественных торговых центрах составляет 1-3 месяца арендной платы.
Indexation Индексация	Annual indexation is typical between 3-10% or as a level of USD / EU CPI. The practice of premium / key money payments is seldom seen in Russia. Rent reviews are rare on the market.	Ежегодная индексация на уровне 3-10% или на уровне USD / EU CPI. Практика premium / key money payments в России встречается редко. Пересмотр ставок аренды происходит редко.
Service Charges Операционные платежи	Service charge is payable by tenants at either an "open book" basis or more common as a fixed cost. Utilities payments are charged on consumption. Building insurance is normally charged back to tenants via service charge.	Операционные платежи рассчитываются по "открытой книге" или (более распространено) как фиксированные платежи. Страхование здания обычно включено в операционные платежи.
Other costs Другие платежи	VAT 18% Local property taxes are not paid separately, they are generally included in the service charges.	НДС 18% Налог на недвижимость обычно включается в операционные платежи

Source: Cushman & Wakefield

MOSCOW MAIN MARKET INDICATORS

MOSCOW PROPERTY MARKET INDICATORS

ИНДИКАТОРЫ РЫНКА КОММЕРЧЕСКОЙ НЕДВИЖИМОСТИ МОСКВЫ

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
														Q1	Q2	Q3	Q4
OFFICE																	
Stock class A,	'000 sq m	162	186	281	357	529	668	917	1 268	1 670	1 966	2 240	2 459	2 535	2 555	2 683	2 686
Stock class B (B+ and B-)	'000 sq m	2 277	2 631	3 208	3 845	4 499	5 218	6 461	8 318	9 296	9 907	10 283	10 636	10 820	10 881	10 931	11 159
New Construction, A	'000 sq m		24	95	76	172	139	248	351	403	296	274	219	76	20	128	0
New Construction, B (B+ and B-)	'000 sq m		354	577	638	653	719	1 244	1 857	978	610	376	353	182	66	117	303
Vacancy rate class A		0,9%	1,3%	0,9%	2,3%	1,6%	3,3%	3,4%	10,6%	21,1%	19,9%	17,8%	16,6%	16,6%	19,1%	19,6%	21,0%
Vacancy rate class B (B+ and B-)		0,2%	0,3%	0,2%	1,9%	4,0%	2,9%	4,2%	6,0%	11,0%	11,4%	11,1%	11,4%	11,6%	11,5%	11,2%	10,3%
Take up class A,	'000 sq m	29	62	72	153	188	297	488	471	182	376	679	465	70	90	69	107
Take up class B (B+ and B-)	'000 sq m	244	345	571	601	791	840	1 009	1 246	552	922	1 230	1 514	343	295	320	289
Rental rates class A		\$460	\$480	\$500	\$540	\$600	\$710	\$930	\$1 090	\$710	\$640	\$740	\$790	\$850	\$870	\$860	\$880
Rental rates class B (B+ and B-)		\$420	\$390	\$390	\$450	\$470	\$530	\$630	\$810	\$510	\$420	\$460	\$460	\$490	\$500	\$500	\$570
Prime capitalization rates		-	-	-	13,5%	12,5%	8,5%	7,5%	12%	13%	9%	8,5%	8,75%	8,50%	8,50%	8,50%	8,50%
QUALITY SHOPPING CENTERS																	
Total stock	'000 sq m	182	472	613	967	1 337	1 674	1 893	2 272	2 850	3 252	3 449	3 542	3 542	3 645	3 676	4
New construction	'000 sq m		290	141	354	370	337	219	379	578	402	197	152	18	132	17	64
Vacancy rate		-	-	1,6%	1,3%	0,7%	0,7%	1,0%	3,0%	5,0%	2,1%	0,4%	0,50%	1,20%	0,50%	1,20%	1,10%
Rental rate indicator*		\$1 400	\$1 370	\$1 545	\$1 260	\$1 600	\$1 950	\$2 600	\$3 200	\$2 300	\$2 300	\$2 425	\$2 500	\$2 500	\$2 500	\$2 500	\$2 500
Prime rental rate indicator **							\$3 000	\$3 125	\$3 750	\$2 500	\$2 600	\$2 700	\$3 800	\$3 800	\$3 800	\$3 800	\$4 000
Prime capitalization rates		-	-	-	13,5%	12,0%	9,5%	9%	12%	13%	10%	9,25%	9,50%	9,25%	9,25%	9,00%	9,00%
WAREHOUSE AND INDUSTRIAL																	
Total stock, class A	'000 sq m	95	144	531	744	1 080	1 943	3 129	3 723	4 352	4 676	4 933	5 598	5 748	5 955	6 172	6 347
Total stock, class B	'000 sq m	522	580	970	1 326	1 664	1 789	1 978	2 060	2 109	2 157	2 264	2 317	2 336	2 336	2 370	2 387
New construction, class A	'000 sq m		49	387	213	336	863	1 186	594	629	324	257	664	150	208	217	175
New Construction, class B	'000 sq m		59	390	356	338	126	188	82	49	48	107	53	19	0	34	16
Vacancy rate class A		2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	10,5%	8,0%	1,0%	1,0%	1,0%	1,0%	1,0%	1,0%
Vacancy rate class B		2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	5,9%	6,1%	1,5%	1,5%	1,5%	1,5%	1,5%	1,5%
Net Absorption Class A		-	48	380	208	329	846	1 162	582	247	409	580	658	148	206	215	173
Net Absorption Class B		-	57	382	348	331	123	185	80	-33	40	205	53	19	0	34	16
Rental rates class A		\$140	\$140	\$130	\$137	\$128	\$136	\$130	\$140	\$105	\$110	\$135	\$135	\$135	\$135	\$135	\$135
Rental rates class B		\$80	\$88	\$109	\$124	\$123	\$121	\$117	\$125	\$90	\$92	\$130	\$130	\$130	\$130	\$130	\$130
Prime capitalization rates		-	-	-	16,0%	14,0%	10,5%	9,25%	13,0%	14%	10,5%	10,5%	11,5%	11,5%	11,5%	10,75%	11,00%
INVESTMENTS, MN US\$																	
Office		65	5	99	272	126	1 244	1 719	3 159	1 998	3 283	3 322	2 854	1 648	64	844	500
Retail		-	-	-	130	971	2 225	2 216	2 029	30	459	2 043	2 585	1 213	866	250	310
Warehouse		-	-	-	-	19	616	723	110	-	81	1 080	660	600	-	33	700
Other		-	-	-	90	522	475	696	501	228	172	1 102	1 338	-	233	-	120

* Base rental rate for 100-150 sq m unit of prime shopping mall for fashion retailer, average through the retail gallery

** Base rental rate for 100-150 sq m unit on the ground floor of retail gallery of prime shopping mall for fashion retailer

2013 NOTABLE INVESTMENT TRANSACTIONS IN RUSSIA

NOTABLE INVESTMENT TRANSACTIONS IN RUSSIA IN 2013 НЕКОТОРЫЕ ИНВЕСТИЦИОННЫЕ СДЕЛКИ НА РЫНКЕ КОММЕРЧЕСКОЙ НЕДВИЖИМОСТИ РОССИИ В 2013 Г.

CATEGORY	QTR	PROPERTY NAME	MARKET	OFFICE RENTABLE, SQ M	RETAIL GLA, SQ M	WAREHOUSE AREA, SQ M	ROOMS	GRADE	PRICE ESTIMATION, USD	INVESTOR NAME
SINGLE TRANSACTIONS										
RETAIL	Q4	Vremena Goda (60%)	Moscow		64 280				190	Romanov Property Holdings
	Q4	Bolshoy Gostiny Dvor (10%)	St. Petersburg		21 000				290	Froc Group
	Q2	Aura	Novosibirsk		60 439				750	RosEvroDevelopment
	Q2	Mozalka (50%)	Moscow		68 000				100	OST Group
	Q1	Metropolis	Moscow		80 000				1 200	Morgan Stanley Real Estate Fund VII
	Q1	Frunzensky univernag	St. Petersburg		5 500				125	Imperia Holding
OFFICE	Q4	Nagatno I-Land	Moscow	604 240				B+	374	AFK Sistema
	Q3	White Gardens	Moscow	63 900				A	740	Milhouse Capital
	Q3	ICube	Moscow	15 256				B+	90	OI Properties
	Q2	International Commercial bank building	St. Petersburg	8 000				B+	64.1	Gazprom OAO
	Q1	Dvintsev BC bldg B	Moscow	12 003				A	67.5	Central Properties
	Q1	Aquamarine BC Phase III (50%)	Moscow	55 422				A	230	AFI Developments
	Q1	Olympia Park	Moscow	45 966				A	350	Kaspersky Labs
	Q1	White Square office center	Moscow	73 526				A	1 000	OI Properties
INDUSTRIAL	Q3	Terminal SV	St. Petersburg			20 000		A	22.7	Admiral
	Q1	Tomilno	Moscow region			52 328		A	100	BIN Group
HOSPITALITY	Q2	Renaissance Moscow Hotel	Moscow				475	upscale	170	Alexander Kiyachin (Azimut Hotels)
PORTFOLIO TRANSACTIONS										
HOSPITALITY	Q2	ALROSA hotel portfolio (ALROSA na Kazachyem, Vedenskiy, Zamitsa, Pur-Navolok, Polyarnaya Zvezda)	Moscow, St. Petersburg, Mirm, Arkhangelsk, Yakutsk				516	upscale	63.5	Nord OOO
W&I	Q1	Eurasia Logistics portfolio (Tolmachevo, Biek Tau, Pyshma)	Novosibirsk, Kazan, Ekaterinburg			930 594		A	500	IQ Property management
W&I	Q4	MLP portfolio	Moscow, St. Petersburg			1 380 803		A	700	BIN Group

Source: Cushman & Wakefield

REGIONAL MARKETS OVERVIEW

SARATOV RETAIL MARKET COMMENTARY

CITY

Saratov is not included in the list of cities with population over a million of people, though it is a center of large agglomeration, where more than 1.15 mln. people are living. Previously city used to be mainly an industrial production centre, now dynamics of industrial production became lower, though service sector improving. According to Forbes ranking Saratov occupied 10th place in the list of 30 cities with highest business potential. Income level is growing during last years along with unemployment reduction.



Source: CW research

SHOPPING CENTERS

The majority of existing shopping centres are located in the central part of the city. But there is a limited number of vacant land plots in historical center. Potential areas of further construction are industrial areas in suburbs where many closed enterprises are located. For the past years no significant quality shopping malls have been developed in the region. In the nearest future several new large-scale retail projects might be developed.

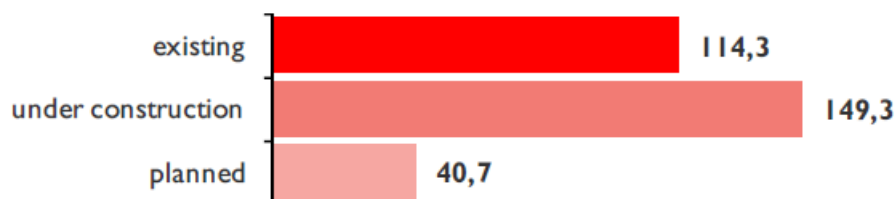
RETAIL STREETS

Main retail districts are Kirova Prospect, Chapaeva Str., Gorkogo Str, Volskaya and Radischeva Streets. Rental rates are rather diversified as well as the quality of retail premises. Annual rental rates may vary from \$300 to \$1,000 per sq. m.

RETAILERS

Both federal chains (food retailers: Metro Cash&Cary, Real, Castorama, SPAR, O'key, W&B: Media Markt, Eldorado, M. Video) and several local players (food retailers: Grozd, Socialism, Palitra Vkusa) are presented.

RETAIL SPACE. '000 SQ M GLA



Source: CW research

SELECTED RETAIL PROPERTIES

	TOTAL, sq m	GLA, sq m	DELIVERY
EXISTING			
Povolzhie	25,000	20,400	1962
City Mall	21,000	17,000	2008
Triumph mall	57,839	27,444	2010
Solnechniy	43,500	37,000	2011
UNDER CONSTRUCTION			
June	76,500	40,600	2014
Tay Gallery	184,414	108,673	2015
PLANNED			
Vesna	45,000	34,000	2015

Source: CW research

SARATOV WAREHOUSE MARKET COMMENTARY

Since the middle of the 20th century, Saratov became an industrial center on the south-east of Russia. At present it is an important center of the Volga region. Saratov produces different complex engineering tools, transport equipment, electricity substations, gas equipment, pastries, tobacco products, furniture and other kinds of industrial production. The following industrial factories are represented in the city: Saratov aviation factory, Saratov Bearing Factory (belongs to the 'European Bearing Corporation'), Saratovstroystek, Saratovskiy NPZ (part of TNK-BP holding), Saratovorgsintez (part of 'Lukoil-Neftekhim'), Satatov electrical appliance named after S. Ordzhonikidze, SaratovDieselApparat, NPP 'Kontakt'.

In 2000 all production volumes in Saratov decreased significantly, therefore the largest part of these factories remain vacant. These free premises and warehouse objects, built in 1990-ies, comprise the largest share of supply in Saratov.

At present there are a lot of vacant premises of industrial type in Saratov. The largest share of warehouses offered for rent have the total area of 1,000 square meters whereas objects with a smaller are (more than 3,000 square meters) are more rarely found on the market. Rental rates differ greatly depending on the area, location and the intended use of the premises. Rental rates are nominated in rubles. Utility costs are usually included into the rent. Owners of big industrial premises prefer to put them on sale rather than offer them for rent.

In 2013 a new built-to-suit warehouse for OOO "RMK" (furniture factory) with a total area of 9,460 sq. m was built in Kleshevka village, Saratov region.

YAROSLAVL RETAIL MARKET COMMENTARY

CITY

Yaroslavl is located close to Moscow Region - 250 km, or 3 hours by car from Moscow, which determines relatively high level of incomes and active development of real estate market. Yaroslavl is included in tourists route "Golden Ring", which generates significant flow of visitors and stimulates steady development of city infrastructure (including modern hotels). This tendency is supported by preparation to city anniversary (1000 years). Economy of the city is growing, new enterprises including joint ventures with foreign companies are appearing. Among examples: Komatsu assembly plant, Baltika beer production facilities, Nycomed pharmaceutical enterprise.



Source: CW research

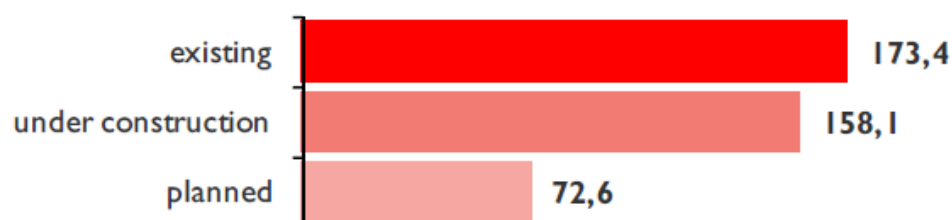
SHOPPING CENTERS

Development of quality shopping centres started in 2004. First quality objects appeared on main streets: Moskovskiy and Leningradskiy prospects. Other directions of active construction: Svobodi st., Gogola st., Tutaevskoe highway. Market development in different city districts is going rather independently, because districts borders are formed by rivers and rail-road branches (Dzerzhinskiy district is divided from main part of the city by industrial area). This requires creation of "autonomous" retail infrastructure in each district. Spread of shopping centres on the territory of the city is not homogeneous. Kirovskiy district concentrates main part, though in city center there is a deficit of quality projects. In comparison with other cities with comparable population provision of retail premises per 1000 citizens is high. After the period of stagnation, when there were no quality retail premises since 2011, it is planned to open two new complexes in 2013.

RETAILERS

A variety of federal and foreign retailers are presented in the market as well as local ones. Mid-market segment dominates (86% of brands). Among large food retailers: Dixy, Real, Metro Cash&Carry, Globus, Perekrestok, Spar, Magnit. W&B retailers: Technosila, Eldorado (by an end of 2013 Media Mart plans to enter market in new shopping centre Aura). Clothing retailers: Modis, Colin's, Zolla, InCity, Be Free, Adidas, Reebok, Mexx, O'stin and others. Among DIY retailers are presented hypermarkets of Metrika, K-Rauta and Nash Dom.

RETAIL SPACE. '000 SQ M GLA



Source: CW research

SELECTED RETAIL PROPERTIES

	TOTAL, sq m	GLA, sq m	DELIVERY
EXISTING			
Altair	55,000	35,750	2006
Vernisazh (phase I)	70,000	33,300	2007
RIO Grand	38,000	21,000	2008
RIO	70,000	53,000	2011
UNDER CONSTRUCTION			
Zavolzhskiy project	20,674	15,583	2013
Aura	121,000	62,550	2013
Yaroslavl Plaza	150,000	80,000	2014
PLANNED			
Park 1000—letiya Yaroslavlya	300,000	22,580	2014
Patero Development project	34,450	25,000	2015
Vernisazh (phase II)	43,200	25,000	2015

Source: CW research

KAZAN RETAIL MARKET COMMENTARY

CITY

Kazan is the capital of Tatarstan, one of Russia's most economically developed regions. Historically Kazan has been developed as one of the major scientific, educational, and industrial centers of Russia. Tatarstan's economy depends mostly on oil, which accounts for approximately 40% of all tax proceeds. Kazan is one of the main logistic centers in Russia with the high development potential.



Source: CW research

SHOPPING CENTERS

Booming development in 2004 and 2005, which happened in view of the 1000th anniversary of Kazan, provided the city with 360 sq m of quality retail space per 1,000 inhabitants. Some experts consider Kazan's retail market as being close to saturation but the city is not in the leading position among 1 mn+ cities yet. The share of non-quality retail premises in the general supply is still high. Such developments require reconstruction to compete with modern projects.

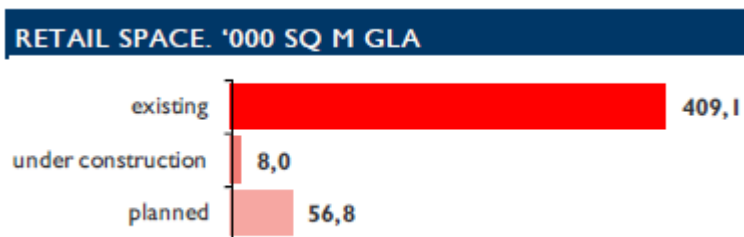
Among significant developments in Kazan are: Korston Park Hotel (retail-entertainment center with hotel facilities by Korston Hotel Group), Park-House and MEGA shopping center. For the past two years (2012-2013) no significant shopping malls have been developed. Projects which are under construction and planned are pretty small (less than 20 000 sq. m GLA).

RETAILERS

Many international, national and local companies do business in Kazan, e.g. IKEA, METRO Cash&Carry, SPAR, Perekrestok, Edelveys-group, TatgazInvest and etc.

New retailers:

- 2012: Samsung stores (by e:Store Retail Group and "Kholodilniki I Klimat").
- 2013: The first Leroy Merlin store.



Source: CW research

SELECTED RETAIL PROPERTIES			
	TOTAL, sq m	GLA, sq m	DELIVERY
EXISTING			
City-Center	24,000	19,200	2003
XL	40,000	25,000	2004
Tandem	67,000	43,000	2005
MEGA – Kazan	120,000	92,500	2005
Suvar Plaza	60,000	17,400	2006
Korston Hotel & Mall	71,951	16,788	2006
Koltso	86,800	23,560	2006
Park House	70,000	48,100	2007
Frant	40,000	25,000	2010
Uzhny	78,000	46,800	2011
PLANNED			
Admiralteiskiy	27,000	12,000	2016
MEGA – Kazan 2	50,000	37,000	2016

Source: CW research

NOVOSIBIRSK WAREHOUSE MARKET COMMENTARY

CITY

Novosibirsk is the third city in Russia by population (after Moscow and St.-Petersburg), the cultural, economic and industrial center of Siberia. Novosibirsk is a part of important transport paths (to Middle Asia, South-East Asia, Northern Russia, Russia's Far East, Europe) and is the largest logistics hub in Siberia, with high-quality warehouses and regional logistics centers. Retail turnover in the city is on the fourth place in Russia.



Source: CW research

Total amount of warehouse quality supply in Novosibirsk for 2013 was at the level of 604,000 sq. m (class A – 487,000 sq. m; class B – 117,000 sq. m). Such federal developers as PNK Group, Raven Russia, “Evrasia-Logistics” (phase I put into operation in Q3 2012) are presented here. However, the biggest amount of class A warehouse premises fell for 2009, when logistics park “Ob” (total area – 136,000 sq. m) and phase I of the warehouse complex “PNK-Tolmachevo” entered the market.

For 2010-2011 there were no new quality warehouse premises put into operation. New construction was presented only by built-to-suit projects. This situation changed in 2012. In Q1 2012 phase 2 of “PNK-Tolmachevo” was finished and Bosch concern opened its own warehouse with total area of 4,000 sq. m.

At present all companies that have good land plots are ready to start build-to-suit construction for an end-user. In terms of territorial concentration the largest part of warehouses is located on the left bank of the river Ob.

Anyway, Novosibirsk warehouse market is one of the well-developed markets in Russia where high level of demand and big volume of investments into the sector can be observed. In 2012 the market showed one of the highest levels of absorption (133,000 sq. m). At the same time the level of vacant premises decreased from 20% in 2012 to 17% in 2013 though still remaining rather high. Novosibirsk is practically the only city in Russia beside Moscow and St. Petersburg that can offer high quality warehouse premises for lease. No new speculative properties are expected to enter the market in 2014, while vacancy will be gradually becoming lower and a very modest rental rates increase can be observed (currently they are at the level of 100-115 USD per 1 sq. m pa).

ST. PETERSBURG MARKET COMMENTARY

CITY

St. Petersburg is Russia's second-largest city and the most important Russian port on the Baltic Sea. The city centre is registered as a UNESCO World Heritage site as a result of its beautiful architecture together with its network of canals and waterways. The consumer market is large and includes significant numbers of tourists to add to spending by the local population. St. Petersburg's transportation infrastructure is not as well developed as Moscow's so consumers prefer to work, go shopping and find entertainment close to their homes. People living in the southern part of the city rarely visit the northern part and vice versa.



Source: CW research

RETAIL MARKET

The main high street retail corridors are Nevsky Prospect, Bolshoy prospect and Zagorodny Prospect. Among others are 6-7 Lanes of Vasilievsky Ostrov, Vladimirsky and Moskovsky Prospects, Rubinstein Street, Sadovaya Street and Malaya Sadovaya Street.

Nevsky Prospect is the focus of the city's retail, entertainment and night life. The main tourist attraction routes go through and near the street. It is not only Nevsky Prospect itself, but also the adjacent smaller streets and lanes in the area close to it which are popular locations for shops, restaurants and coffee shops (Maly and Bolshoy Konyushenny, Mikhailovskaya, Griboedova Canal, etc.). Luxury brands are mixed with mass-market retailers. The highest concentration of luxury brands is at the beginning of Nevsky Prospect (Bosco Di Ciliegi, Kenzo, etc.) and Bolshaya Konishennaya street (DLT/TSUM, Louis Vuitton and others).

Bolshoy Prospect and Moskovsky prospect are strong retailing areas with a large local catchment population. Retailers on these streets include McDonalds, Levi's, Villeroy & Boch, Mascotte, Ile De Beaute, Salamander, Toto Group, Yves-Rocher, Carnaby and TJ Collection.

Rubinshteina Street is a "restaurant street" with a great variety of cafes, night clubs, theatres.

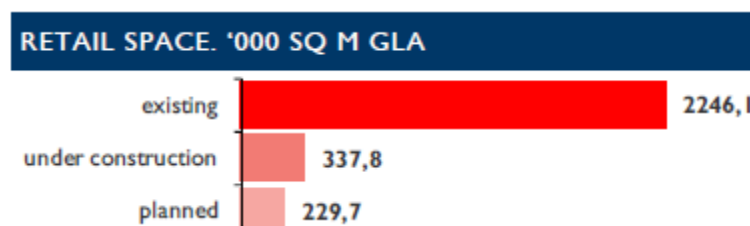
The development of modern retail real estate in St. Petersburg only started in 2006 and has resulted as the completion of a large amount of shopping centre space though it varies in quality. Given its large local population and relatively high salary levels, the city is a target for expansion by international and national Russian retail operators. As a result St. Petersburg is a city with one of the highest provisions of retail space per citizen in Russia. Significant new construction brings to growth of average vacancy rate

(in 2013 - up to 8%) and low dynamics of rental rates growth. In period 2013 - 2015 this tendency will be supported by market entry of new large-scale projects.

Existing shopping centers in the city can be defined by several groups:

- Mid and large-scale quality projects (GLA >50,000 sq m) located closer to city borders (e.g., MEGA Dybenko, MEGA Parnas, Raduga, Leto): Adjacent to the Moscow railway station, GALERIA (GLA 93,000 sq m) houses high street-brands such as Toshop, Levi's, Mexx and French Connection, supermarket, food court, movie theatre, bowling alley and restaurants. When it opened in 2010 Galeria established a new standard of quality in the St. Petersburg retail market.
- STOCKMANN NEVSKY CENTER, Stockmann Group's flagship department store in Russia is at the core of Nevsky street. The Finnish-based company Stockmann which has been operating in St. Petersburg since 1993 opened the Stockmann Nevsky Center in 2010, including not only the Stockmann department store but also a multi-level shopping mall of some 45,000 sq.m GLA behind a historic facade from the early 19th century.
- Smaller shopping centers located in the center were developed more than 5 years ago (and even earlier). There are only a few of them due to the limited supply of development sites and to the serious restrictions on development and redevelopment (such as Sennaya, PIK, Gostinny Dvor).
- Small-sized quality projects, majority of them located close to the city's center (e.g. June, Atmosphaera, Rodeo Drive) which can be classified as neighborhood centers targeting mostly their district.

With the saturation of demand in central districts and growth of competition market will become more decentralized. For example, Fashion House outlet started its new project in 20 km from city center.



Source: CW research



Source: CW research

SELECTED RETAIL PROPERTIES			
	TOTAL, sq m	GLA, sq m	DELIVERY
EXISTING			
Mercuriy	96,000	60,000	2003
Grand Canyon	150,000	53,000	2005
Novy Balkansky	90,000	63,000	2006
MEGA Parnas	130,000	84,000	2006
MEGA Dybenko	130,000	85,000	2006
Raduga-Piter	85,000	75,000	2007
Atlantic City	108,500	70,000	2008
Galeria	192,000	93,000	2010
Leto	116,000	80,000	2011
Balkaniya Nova 2	78,000	56,000	2012
Piterland	180,000	80,000	2012
Kontinent	74,700	56,000	2013
UNDER CONSTRUCTION			
Monpasie	58,500	30,500	2013
Zanevskiy kaskad 3	62,000	46,500	2013
Zhemchuzhnaya Plaza	94,000	48,000	2013
London mall	82,000	63,000	2013
Fashion House	37,000	28,000	2014
Evropolis	141,700	60,400	2014
PLANNED			
Balkansky (phase 2)	110,000	30,929	2015
Hollywood	120,000	71,000	2015
Utkina Zavod	77,000	59,895	2016

Source: CW research

OFFICE MARKET

The total A&B-class office stock at the beginning of Q4 2013 reached 1.86 mln m², with 32% of A-class office space. Construction in the pipeline is at high level. In total, there are around 40 office buildings currently under construction with a total rentable area of 420,000 m². The majority of these projects belong to A-class, which shows that developers are focusing more on modern, high quality projects, including projects applied for LEED/BREEAM certification. The first Gold LEED office building was completed this year by Renaissance Development.

Market activity in terms of demand remains stable. The major share of requests for office space comes from tenants that require 300-500 m² office. The demand for office space is formed mainly by companies, which already have established their business in the city. New office space is absorbed via expansions and relocation from poor, low quality buildings to new ones. New companies account for approximately 20% of the total demand. In terms of business sector, the most active demand was sourced from companies, operating in energy industry, IT, and construction. Manufacturing companies are active on the local market as well.

Average rental rates for class A office premises announced at the end of 2013 have slightly decreased and amounted to 14 650 rub. per 1 sq.m. per year (including operational costs, excluding VAT). Average rental rates for class B+/B office premises amounted to 12 250 rub. per 1 sq. m.

Following the results of 2013 we may expect a moderate increase of rental rates at the level of 4-5% in annual terms.

RESIDENTIAL MARKET

St. Petersburg real estate market is extremely varied, not only by price, but by quality as well.

Looking on the market at a whole we can outline three areas of construction. First area contains old buildings in the city center (mostly they are located in Central, Petrogradskiy, Admiralteiskiy and Vasilievskiy island districts). Relatively new industrial and residential area is the second (Viborgskiy, Kalininskiy, Kirovskiy, Krasnogvardeiskiy, Krasnosel'skiy, Moskovskiy, Nevskiy, Primorskiy and Frunsenskiy districts). The third area is Leningrad region in a radius of 20-40 km from St. Petersburg (the most expensive realty in this area is sold in Vsevolodskiy, than Viborgskiy, Lomonosovskiy and Priozerskiy districts).

The most expensive urban real estate objects are located in the Petrogradskiy and Central districts of the city, followed by Vasilievskiy island and Admiralteiskiy area. Average price per square meter (APM) in this areas is 25% higher in comparison to residential districts. But this is the average data that includes "komunalki" (shared apartments) and shabby buildings, on the verge of demolition. Practically a renovated apartment with a view on historical site like St. Isaac's Cathedral or just close to Smolny, the governor residence, will cost several times more expensive than a cozy flat on the outskirts of residential area. Every year it's harder to find sites for construction in the historic part of the city, new buildings in this area become the most expensive estate of St. Petersburg. Earlier Leningrad (former name of St. Petersburg) was a major scientific and industrial center of the Soviet Union and today the city has 57 industrial zones, still 29 of them are located at the heart of the city. That makes new construction extremely limited and obviously affects real estate prices.

At the beginning of 2013 average price per square meter (APM) in a new building in the center of St. Petersburg was 130 120 rub/sq. m (3 253 eur/sq. m), APM for secondary market was 93 000rub/sq. m. Real estate prices in the city center proved themselves stable in recent years (no growth, sometimes slight falls), the residential area prices, on the contrary, are steadily growing.

The most expensive residential district is Moskovskiy. The price per square meter here doesn't differ a lot from the city center and continues to rise, because the area consists mostly of "Stalin" buildings (High-cost architecture built in the Soviet Union under the leadership of Joseph Stalin), historically built and designed for high-class.

The next in the prices line come the Vyborgskiy, Krasnogvardeisky, Kalininskiy and Primorskiy districts. Krasnosel'skiy district is the cheapest area of the city, on average even lower than the suburbs (like Pushkin city or Kurortniy area). The prices increase in these areas on the secondary market about 10% per year and almost 15% on new buildings.

Prices in accordance with districts are represented in the table:

City district	Average price per square meter (APM)
Admiralteyskiy	96,5
Vasileostrovskiy	102,8
Viborgskiy	91,3
Kalininskiy	92,9
Kirovskiy	86,1
Krasnogvardeiskiy	90,3
Krasnoselskiy	86,2
Moskovskiy	102,6
Nevskiy	88,6
Pavlovskiy	99,7
Primorskiy	88,8
Centralniy	100,1
Frunsenskiy	92,5

Prices raised by 9% on the market of buildings under construction in 2012. Petersburg suburbs, such as Shushary Devyatkinno, Kolpino, are developed faster due to availability of allotments for construction. The city grows in the direction of Leningrad region by its Primorskiy, Kurortniy and Vyborskiy districts.

St. Petersburg is often called the "cultural capital of Russia", a city of palaces, magnificent views and bridges – buying luxury property here is both prestigious and fashionable. This trend appeared in 2000, when a native citizen of St. Petersburg Vladimir Putin became a Russian President. As it was already mentioned the most expensive and prestigious real estate is sold in the Central and Petrogradskiy districts. According to the experts, the price leader of the areas is project "Zoological 2-4", a new building with a view at the Hermitage, priced up to 1.5 million rubles per square meter (37 500 euro/sq. m). Another object, which can be associated by price – house "Venice" on Krestovskiy island - 252 million rubles (6.3 mln euro) for apartment of 458 square meters. The top three most expensive buildings rating in St. Petersburg is closed by "Premier Palace", the complex located on the shores of the Gulf of Finland with its own marina (price per square meter – up to 358.5 thousand rubles).

For residents with lower income the city's banks offer a developed system of loans. Mortgage in St. Petersburg is offered by more than 40 banks accessing 350 different programs for apartment purchases at both primary and secondary markets. Mortgage rates are in the range from 6.00 to 18.00% per annum on loans in rubles and 5.98 – 15.00% per annum on loans in foreign currency. Mortgage down payment begin from 0%, the loan can be taken up to 50 years.

In addition, there is a social mortgage for those who are waiting for public housing improvements. This program registers you in a special waiting list to buy an apartment and when your time comes the apartment can be bought half the market price. Participation in the social mortgage program is approved for socially vulnerable citizens, eligible to take advantage of government subsidies and privileges ("maternity capital", benefits for young and large families, military mortgages, etc).

However, the social mortgage has a very complicated procedure of documents collection and time-consuming process of confirmation of the borrower's right on benefits.

Mortgage real estate market continues its growth. In 2012 in St. Petersburg 25.6 thousands of mortgage loans were granted amounting to 54,3 billions rubles, which is 15% more than in 2011.

APPENDIX III

BOOK VALUES*

Name of Property	Presented in FS
Investment Properties under construction	
Skyscraper	-
St. Petersburg commercial	26 420
Kazan Mall	9 000
Novosibirsk logistic	7 735
Saratov Logistic	7 300
	50 456
Investment Properties	
Saratov Mall	118 627
Hydro	67 224
MAG	78 285
Tamiz buildings	44 806
Century	85 168
Yaroslavl Mall *	-
	394 110
TOTAL	444 565

* The table represents the figures as mentioned in the Client's last Financial Statements as of 31.12.2013. The information has been provided to us by the Client.

APPENDIX IV

SENSITIVITY ANALYSIS

MAG

Vacancy rate	+5%	current	-5%
Market Value	\$82 500 000	\$83 300 000	\$83 500 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$75 500 000	\$83 300 000	\$93 000 000
Average rental rate	+5%	current	-5%
Market Value	\$86 600 000	\$83 300 000	\$80 000 000

HYDROMASHSERVICE

Vacancy rate	+5%	current	-5%
Market Value	\$69 900 000	\$71 700 000	\$72 000 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$64 900 000	\$71 700 000	\$80 300 000
Average rental rate	+5%	current	-5%
Market Value	\$75 100 000	\$71 700 000	\$68 400 000

CENTURY

Vacancy rate	+5%	current	-5%
Market Value	\$94 600 000	\$95 100 000	\$95 700 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$86 100 000	\$95 100 000	\$106 300 000
Average rental rate	+5%	current	-5%
Market Value	\$104 800 000	\$95 100 000	\$90 700 000

TAMIZ

Vacancy rate	+5%	current	-5%
Market Value	\$45 700 000	\$46 100 000	\$46 500 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$41 800 000	\$46 100 000	\$51 500 000
Average rental rate	+5%	current	-5%
Market Value	\$48 100 000	\$46 100 000	\$44 200 000

ST. PETERSBURG_commercial

Vacancy rate	+5%	current	-5%
Market Value	\$24 700 000	\$31 600 000	\$37 800 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$19 300 000	\$31 600 000	\$47 100 000
Average rental rate	+5%	current	-5%
Market Value	\$38 000 000	\$31 600 000	\$25 200 000
Total Development Costs	+5%	current	-5%
Market Value	\$26 800 000	\$31 600 000	\$36 400 000

YAROSLAVL_Vernissage Mall

Vacancy rate	+5%	current	-5%
Market Value	\$99 100 000	\$100 600 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$92 400 000	\$100 600 000	\$110 500 000
Average rental rate	+5%	current	-5%
Market Value	\$105 500 000	\$100 600 000	\$95 700 000

SARATOV_Triumph Mall

Vacancy rate	+5%	current	-5%
Market Value	\$134 400 000	\$135 300 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$124 700 000	\$135 300 000	\$148 100 000
Average rental rate	+5%	current	-5%
Market Value	\$142 000 000	\$135 300 000	\$128 500 000

YAROSLAVL_Phase 2

Vacancy rate	+5%	current	-5%
Market Value	\$7 700 000	\$9 200 000	\$10 000 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	\$5 000 000	\$9 200 000	\$14 200 000
Average rental rate	+5%	current	-5%
Market Value	\$11 200 000	\$9 200 000	\$6 900 000
Total Development Costs	+5%	current	-5%
Market Value	\$7 200 000	\$9 200 000	\$11 000 000

APPENDIX V

DISCOUNT RATE BREAKDOWN

For the purpose of our valuation we calculated the discount rate on the basis of a cumulative method:

$$DR = \text{Risk Free Rate} + \text{Investment Risk} + \text{Liquidity Risk} + \text{Management Risk} + \text{Specific Risk (if applicable)}.$$

When assessing the discount rate for incomplete development Properties, we added additional risks associated directly with the construction process.

We have calculated the discount rate on the basis of a long term risk-free rate plus a risk premium in accordance with international valuation practice. The Risk Free Rate is estimated on the basis of the most liquid and secure investments. The risk-free rate has been taken from the yield of Russia-30 Bonds to reflect the long-term horizon of real estate investments. As of the date of valuation this number is estimated to be around 4.15%. The generally applied discount rate has therefore been calculated from the risk-free rate of 4.15% and specific risk premiums reflecting the limited liquidity of the real estate investments compared to more liquid asset classes such as stocks or bonds. Then we took into consideration location, degree of completion, type of property and other characteristics while assessing risk premiums in line with every separate Property.

MAG (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,50%
- Specific Risk (Region Risk)	1,50%
Discount Rate	12,50%

Tamiz Building (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,50%
- Specific Risk (Region Risk)	1,50%
Discount Rate (Fully Completed Property)	12,50%

Hydromashservice (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,50%
- Specific Risk (Region Risk)	1,50%
Discount Rate	12,50%

Century (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,50%
- Specific Risk (Region Risk)	1,50%
Discount Rate	12,50%

Vernissage Mall Yaroslavl (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,00%
- Specific Risk (Region Risk)	2,00%
Discount Rate	12,50%

Triumph Mall Saratov (Completed)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	2,50%
- Management Risk	1,00%
- Specific Risk (Region Risk)	2,00%
Discount Rate	12,50%

Yaroslavl Phase II (Held for Future Development)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	3,00%
- Liquidity Risk	1,50%
- Management Risk	1,00%
- Specific Risk (Region Risk)	2,50%
Discount Rate (Fully Completed Property)	12,00%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	5,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	4,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	21,00%

St. Petersburg Commercial (Held for Future Development)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	4,00%
- Liquidity Risk	3,00%
- Management Risk	1,00%
- Specific Risk (Region Risk)	2,00%
Discount Rate (Fully Completed Property)	14,00%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	5,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	6,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	25,00%

Retail Center Kazan (Held for Future Development)	31.12.2013
Risk Free Rate	4,13%
Risk Adjustments:	
- Investment Risk	1,00%
- Liquidity Risk	1,50%
- Management Risk	1,00%
- Specific Risk (Region Risk)	2,50%
Discount Rate (Fully Completed Property)	10,13%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	3,00%
- Construction currently Stopped	0,00%
- Outstanding Construction & Related Permissions	3,00%
- Land Plot without Zoning for Proposed Use	0,00%
Discount Rate Conclusion	16,00%

APPENDIX VI

FINANCIAL MODELS

SARATOV LOGISTICS

	Subject property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Price, \$	-	577 823	458 589	1 864 930	192 608
Total area (ha)	26,0000	7,00	6,00	3,70	5,60
Total area ex	26,0000	7,00	6,00	3,70	5,60
Price per ha, \$	-	82 546	76 432	504 035	34 394
Adjustments					
Size					
Adjustment, %	-	-15,00%	-15,00%	-20,00%	-15,00%
Subtotal, \$	-	70 164	64 967	403 228	29 235
Location					
	Russia, Saratov region, 1.3 km south-east to Dubki village	Saratov, Frunzenskiy district, near Vesna village	Saratov, Kirovskiy district, Deputatskaya Str.	Saratov, Zavodskoy district, 2, Ordzhonikidze sq.	Saratov, Volsky Trakt
Adjustment	-	-10,00%	-10,00%	-50,00%	0,00%
Subtotal, \$	-	63 147,76	58 470,15	201 614,07	29 235,07
Transport access					
	Good	Good	Good	Excellent	Good
Adjustment	-	0,00%	0,00%	-10,00%	0,00%
Subtotal, \$	-	63 147,76	58 470,15	181 452,66	29 235,07
Zoning					
	industrial	industrial	industrial	industrial	industrial
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, \$	-	63 148	58 470	181 453	29 235
Property rights					
	freehold	leasehold	leasehold	freehold	leasehold
Adjustment	-	5,00%	5,00%	0,00%	5,00%
Subtotal, \$	-	66 305	61 394	181 453	30 697
Utilities					
	on the site	on the border of the site	on the border of the site	on the site	on the border of the site
Adjustment	-	10,00%	10,00%	0,00%	10,00%
Subtotal, \$	-	72 936	67 533	181 453	33 767
Market conditions					
	-	sale offer	sale offer	sale offer	sale offer
Adjustment	-	-5,00%	-5,00%	-5,00%	-5,00%
Subtotal, \$	-	69 289	64 156	172 380	32 078
Other					
	Electricity brought to the land plot. Technical conditions on electricity (6Mw t) are received and paid.	no	no	Dilapidated building on the site, Electricity brought to the land plot. Technical conditions on electricity (1Mw t) are received and paid.	no
Adjustment, \$	-	203 846	203 846	192 308	203 846
Subtotal, \$	-	273 135	268 003	364 688	235 924
Weights, %	-	0,2500	0,2500	0,2500	0,2500
Source					
		http://www.rosreal.ru/Saratov/uchastok/153773	http://www.rosreal.ru/Saratov/uchastok/160976	http://saratov.afy.ru/object/promzem/200300964.html	http://saratov.afy.ru/object/promzem/200330543.html
Weighted average, per ha, \$		285 437			
Weighted average, per sotka, \$		2 854			
Fair value, \$		7 400 000			

NOVOSIBIRSK LOGISTICS

	Subject property	Comparable 1	Comparable 2	Comparable 3
Price, \$	-	1 833 181	1 032 692	3 971 891
Total area (ha)	40,6700	5,00	3,10	14,09
Total area ex encumbrances (ha)	40,6700	5,00	3,10	14,09
Price per ha, \$	-	366 636	333 126	281 850
Adjustments				
Size				
Adjustment, %	-	-15,00%	-20,00%	-5,00%
Subtotal, \$	-	311 641	266 501	267 758
Location	Novosibirskiy region, MO Stacionnogo selsoveta, 1 km to the north-east from village Sadoviy along railway line Inya-Vostochnaya – Krasniy Yar	Novosibirsk, Leninskiy district, Kaytymovskaya Str.	Novosibirsk, Leninskiy district, Stantsionnaya Str.	Novosibirsk, Kalinskiy district, Tayginskaya Str.
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	311 641	266 501	267 758
Transport access	Average	Good	Good	Good
Adjustment	-	-10,00%	-10,00%	-10,00%
Subtotal, \$	-	280 477	239 851	240 982
Zoning	industrial	industrial	industrial	industrial
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, \$	-	280 477	239 851	240 982
Property rights	leasehold	freehold	freehold	freehold
Adjustment	-	-5,00%	-5,00%	-5,00%
Subtotal, \$	-	266 453	227 858	228 933
Utilities	electricity and gas on the site	on the site	on the site	on the border
Adjustment	-	0,00%	0,00%	10,00%
Subtotal, \$	-	266 453	227 858	251 826
Market conditions		sale offer	sale offer	sale offer
Adjustment	-	-5,00%	-5,00%	-5,00%
Subtotal, \$	-	253 130	216 466	239 235
Other	shared way to the site	none	railway siding on the site	none
Adjustment	-	-10,00%	0,00%	-10,00%
Subtotal, \$	-	227 817	216 466	215 311
Weights, %	-	0,3333	0,3333	0,3333
Source		http://novosibirsk.irr.ru/real-estate/out-of-town/lands/Prodazh-zemel-nyy-uchastok-Kaytymovskaya-advert202228844.html	http://www.rosrealt.ru/Novosibirsk/uchastok/159738	http://www.rosrealt.ru/Novosibirsk/uchastok/159739
Weighted average, per ha, \$		219 865		
Weighted average, per sotka, \$		2 199		
Market value, \$		8 900 000		

MAG

GLA	18 534,90 sq m
Vacancy at Beginning of Year 1	405,30 sq m
Vacancy Rate in Terms of GLA	2,19%

Moscow,2 Khutorskaya 38a MAG DISCOUNTED CASHFLOW ANALYSIS																									
PERIOD QUARTER		1				2				3				4				5				6			
		1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 01.01.2017 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 01.01.2018 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019
NET OPERATING INCOME		\$ 242 276	\$ 2318 967	\$ 2302 233	\$ 2256 041	\$ 2176 613	\$ 2332 106	\$ 2363 622	\$ 2363 622	\$ 2441 023	\$ 2452 495	\$ 2499 109	\$ 2498 803	\$ 2542 329	\$ 2575 618	\$ 2452 892	\$ 2550 904	\$ 2237 449	\$ 1375 753	\$ 2142 354	\$ 2227 380	\$ 2244 327	\$ 2269 264	\$ 2294 201	\$ 2294 201
PRESENT VALUE																									
Use 1 Cash Flow Discounted Cash Flow	Discount Rate 12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
		\$ 134 399	\$ 208 693	\$ 2191 959	\$ 2145 767	\$ 2068 737	\$ 2223 031	\$ 2253 348	\$ 2253 348	\$ 2331 948	\$ 2343 420	\$ 2388 835	\$ 2388 456	\$ 2424 449	\$ 2456 428	\$ 2332 393	\$ 2430 404	\$ 216 033	\$ 1252 988	\$ 2018 240	\$ 2103 266	\$ 2119 269	\$ 2142 816	\$ 2166 363	\$ 2166 363
		\$ 203 205	\$ 211 261	\$ 2036 395	\$ 1935 638	\$ 1812 002	\$ 1890 649	\$ 1860 825	\$ 1806 830	\$ 1815 598	\$ 1771 589	\$ 1753 520	\$ 1702 369	\$ 1777 882	\$ 1650 685	\$ 1521 857	\$ 1539 793	\$ 1301 722	\$ 748 436	\$ 1170 557	\$ 1184 474	\$ 1158 856	\$ 1137 732	\$ 1116 859	\$ 1084 452
Parking Cash Flow Discounted Cash Flow	Discount Rate 12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
		\$ 107 877	\$ 110 274	\$ 1102 274	\$ 110 274	\$ 107 877	\$ 109 075	\$ 110 274	\$ 110 274	\$ 109 075	\$ 109 075	\$ 110 274	\$ 110 347	\$ 117 880	\$ 119 190	\$ 120 499	\$ 120 499	\$ 121 416	\$ 122 765	\$ 124 114	\$ 124 114	\$ 125 059	\$ 126 448	\$ 127 838	\$ 127 838
		\$ 106 300	\$ 105 509	\$ 102 448	\$ 99 475	\$ 94 489	\$ 92 767	\$ 91 065	\$ 88 272	\$ 84 923	\$ 82 459	\$ 80 946	\$ 78 650	\$ 81 581	\$ 80 094	\$ 78 624	\$ 76 343	\$ 74 692	\$ 73 330	\$ 71 985	\$ 69 896	\$ 68 384	\$ 67 138	\$ 65 906	\$ 63 994
Other Cash Flow Discounted Cash Flow	Discount Rate 12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Non-recoverable Costs, Other Adjustments to Value Cash Flow Discounted Cash Flow	Discount Rate 12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
		\$ -213 617	\$ -177 940	\$ -177 772	\$ -177 310	\$ -236 805	\$ -218 434	\$ -178 386	\$ -178 386	\$ -179 160	\$ -179 275	\$ -179 741	\$ -179 738	\$ -180 173	\$ -180 506	\$ -237 738	\$ -180 259	\$ -177 124	\$ -297 788	\$ -391 604	\$ -177 024	\$ -177 193	\$ -177 443	\$ -177 692	\$ -177 692
		\$ -210 494	\$ -170 251	\$ -165 156	\$ -159 947	\$ -207 417	\$ -185 775	\$ -147 312	\$ -143 038	\$ -139 490	\$ -135 529	\$ -131 939	\$ -128 108	\$ -124 692	\$ -121 298	\$ -155 121	\$ -114 204	\$ -108 962	\$ -177 875	\$ -227 126	\$ -99 693	\$ -96 893	\$ -94 214	\$ -91 608	\$ -88 950
Terminal Value Cash Flow Discounted Cash Flow	Discount Rate 12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 92 311 715	\$ 0	\$ 0	\$ 0	\$ 0
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 51 226 444	\$ 0	\$ 0	\$ 0
Total Cash Flow Discounted Cash Flow		\$ 208 659	\$ 2141 027	\$ 2124 460	\$ 2078 730	\$ 1939 808	\$ 2113 672	\$ 2185 236	\$ 2185 236	\$ 2261 863	\$ 2273 220	\$ 2319 368	\$ 2319 065	\$ 2362 156	\$ 2395 111	\$ 2215 154	\$ 2370 644	\$ 2060 325	\$ 1077 965	\$ 1750 751	\$ 94362 071	\$ 2067 134	\$ 2091 822	\$ 2116 509	\$ 2116 509
		\$ 1999 011	\$ 2048 519	\$ 1973 687	\$ 1875 166	\$ 1939 074	\$ 1797 641	\$ 1804 577	\$ 1752 215	\$ 1761 032	\$ 1718 519	\$ 1702 528	\$ 1652 911	\$ 1634 771	\$ 1609 481	\$ 1445 360	\$ 1501 932	\$ 1267 452	\$ 6643 891	\$ 1015 416	\$ 52381 121	\$ 1130 347	\$ 1110 657	\$ 1091 157	\$ 1059 495
NET PRESENT VALUE		\$83 284 303																							
MARKET VALUE		\$83 300 000																							

HYDRO

GLA	16 695,50 sq m
Vacancy at Beginning of Year 1	688,40 sq m
Vacancy Rate in Terms of GLA	4,12%

Moscow, 2 Khutorskaya 38a Hydromashservice																										
DISCOUNTED CASHFLOW ANALYSIS																										
PERIOD QUARTER		1				2				3				4				5				6				
		1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 01.01.2017 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 01.01.2018 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019	
NET OPERATING INCOME		\$1 841 690	\$1 872 494	\$1 883 730	\$1 830 621	\$1 818 193	\$1 911 367	\$1 940 144	\$1 957 011	\$1 960 308	\$1 958 611	\$1 973 256	\$1 812 479	\$1 743 811	\$1 936 941	\$1 951 166	\$1 955 317	\$1 973 150	\$1 995 074	\$2 004 778	\$1 979 526	\$1 994 587	\$2 016 749	\$2 038 911	\$2 038 911	
PRESENT VALUE																										
Use 1	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$1 679 726	\$1 706 948	\$1 717 523	\$1 655 816	\$1 646 361	\$1 737 604	\$1 763 734	\$1 778 105	\$1 783 637	\$1 782 355	\$1 794 272	\$1 630 753	\$1 555 738	\$1 746 779	\$1 758 069	\$1 758 802	\$1 776 800	\$1 796 543	\$1 816 285	\$1 816 285	\$1 830 104	\$1 850 439	\$1 870 773	\$1 870 773
Discounted Cash Flow			\$1 655 177	\$1 633 195	\$1 595 631	\$1 493 666	\$1 442 044	\$1 477 801	\$1 456 499	\$1 425 760	\$1 388 696	\$1 347 432	\$1 317 083	\$1 162 317	\$1 076 675	\$1 173 811	\$1 147 118	\$1 114 297	\$1 093 036	\$1 073 112	\$1 053 425	\$1 022 858	\$1 000 735	\$982 494	\$964 469	\$936 483
Use 2	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$54 087	\$55 272	\$55 933	\$64 531	\$63 955	\$64 688	\$66 137	\$68 632	\$67 595	\$67 182	\$68 709	\$71 379	\$70 193	\$70 973	\$72 598	\$76 015	\$74 933	\$75 766	\$76 379	\$79 127	\$39 424	\$39 862	\$40 300	\$40 300
Discounted Cash Flow			\$53 296	\$52 884	\$51 963	\$58 212	\$56 018	\$55 016	\$54 616	\$55 032	\$52 628	\$50 788	\$50 436	\$50 875	\$48 578	\$47 693	\$47 369	\$48 160	\$46 097	\$45 256	\$47 339	\$22 034	\$21 558	\$21 165	\$20 777	\$20 174
Parking	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$107 877	\$110 274	\$110 274	\$110 274	\$107 877	\$109 075	\$110 274	\$110 274	\$109 075	\$109 075	\$110 274	\$110 347	\$117 880	\$119 190	\$120 499	\$120 499	\$121 416	\$122 765	\$124 114	\$124 114	\$125 059	\$126 448	\$127 838	\$127 838
Discounted Cash Flow			\$106 300	\$105 509	\$102 448	\$99 475	\$94 489	\$92 767	\$91 065	\$88 422	\$84 923	\$82 459	\$80 946	\$78 650	\$81 581	\$80 094	\$78 624	\$76 343	\$74 692	\$73 330	\$71 985	\$69 896	\$68 304	\$67 138	\$65 906	\$63 994
Other	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			-\$196 182	-\$158 325	-\$158 337	-\$197 430	-\$213 325	-\$158 614	-\$158 901	-\$159 070	-\$159 103	-\$159 086	-\$159 233	-\$157 625	-\$274 199	-\$158 069	-\$159 012	-\$159 053	-\$159 231	-\$159 451	-\$159 548	-\$159 595	-\$159 446	-\$159 667	-\$159 889	-\$159 889
Discounted Cash Flow			-\$193 315	-\$151 388	-\$147 100	-\$178 097	-\$186 851	-\$134 898	-\$131 221	-\$127 549	-\$123 874	-\$120 267	-\$116 884	-\$112 347	-\$189 764	-\$106 758	-\$103 753	-\$100 769	-\$97 955	-\$95 243	-\$92 536	-\$89 709	-\$87 188	-\$84 776	-\$82 430	-\$80 038
Terminal Value	Discount Rate	12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$81 952 946	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45 478 063	\$0	\$0	\$0	\$0	\$0
Total			\$1 645 508	\$1 714 269	\$1 725 393	\$1 633 190	\$1 604 868	\$1 752 753	\$1 781 243	\$1 797 941	\$1 801 205	\$1 799 525	\$1 814 023	\$1 654 855	\$1 469 612	\$1 778 072	\$1 792 155	\$1 796 264	\$1 813 918	\$1 835 623	\$1 845 231	\$83 773 177	\$1 835 141	\$1 857 082	\$1 879 022	\$1 879 022
Cash Flow			\$1 621 459	\$1 640 199	\$1 602 941	\$1 473 256	\$1 405 700	\$1 490 685	\$1 470 958	\$1 441 665	\$1 402 374	\$1 360 413	\$1 331 581	\$1 179 496	\$1 017 070	\$1 194 840	\$1 169 358	\$1 138 031	\$1 115 870	\$1 096 456	\$1 070 213	\$46 503 143	\$1 003 490	\$986 021	\$968 722	\$940 613
Discounted Cash Flow																										
NET PRESENT VALUE		\$71 725 709																								
MARKET VALUE		\$71 700 000																								

CENTURY BLD. 8

GLA	11 086,30 sq m
Vacancy at Beginning of Year 1	581,80 sq m
Vacancy Rate in Terms of GLA	5,25%

Moscow, 2-ya Khutorskaya 38a Century DISCOUNTED CASHFLOW ANALYSIS																										
PERIOD		1				2				3				4				5				6				
QUARTER		1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019	
NET OPERATING INCOME		\$1 378 358	\$1 430 130	\$1 476 059	\$1 562 735	\$1 572 859	\$1 604 325	\$1 475 393	\$1 504 420	\$1 440 227	\$1 333 975	\$1 317 250	\$1 339 623	\$1 348 613	\$1 363 597	\$1 378 582	\$1 386 966	\$1 396 557	\$1 396 137	\$1 411 479	\$1 411 479	\$1 422 219	\$1 438 021	\$1 453 824	\$1 453 824	
PRESENT VALUE																										
Use 1	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018				0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632		0,5468	0,5310	0,5155	0,5006
Cash Flow			\$1 283 757	\$1 331 174	\$1 374 798	\$1 460 727	\$1 473 069	\$1 501 613	\$1 373 321	\$1 406 834	\$1 341 684	\$1 235 433	\$1 217 625	\$1 239 977	\$1 246 411	\$1 260 260	\$1 274 109	\$1 282 494	\$1 291 290	\$1 289 700	\$1 303 873	\$1 303 873	\$1 313 794	\$1 328 391	\$1 342 989	\$1 342 989
Discounted Cash Flow			\$1 264 995	\$1 273 657	\$1 277 228	\$1 317 682	\$1 290 258	\$1 277 095	\$1 134 094	\$1 128 059	\$1 044 603	\$933 968	\$893 795	\$883 792	\$862 601	\$846 877	\$831 340	\$812 530	\$794 364	\$770 365	\$756 232	\$734 288	\$718 407	\$705 312	\$692 372	\$672 282
Use 2	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018				0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632		0,5468	0,5310	0,5155	0,5006
Cash Flow			\$65 628	\$69 340	\$71 645	\$72 391	\$70 818	\$73 418	\$72 456	\$67 970	\$69 248	\$69 248	\$70 009	\$70 009	\$70 542	\$71 326	\$72 110	\$72 110	\$72 658	\$73 466	\$74 273	\$74 273	\$74 838	\$75 670	\$76 501	\$76 501
Discounted Cash Flow			\$64 669	\$66 344	\$66 560	\$65 302	\$62 029	\$62 440	\$59 835	\$54 501	\$53 915	\$52 351	\$51 390	\$49 899	\$48 820	\$47 930	\$47 051	\$45 685	\$44 697	\$43 883	\$43 077	\$41 827	\$40 923	\$40 177	\$39 440	\$38 295
Parking	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018				0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632		0,5468	0,5310	0,5155	0,5006
Cash Flow			\$28 973	\$29 616	\$29 616	\$29 616	\$28 973	\$29 295	\$29 616	\$29 616	\$29 295	\$29 295	\$29 616	\$29 616	\$31 659	\$32 011	\$32 363	\$32 363	\$32 609	\$32 971	\$33 334	\$33 334	\$33 587	\$33 960	\$34 334	\$34 334
Discounted Cash Flow			\$28 549	\$28 337	\$27 515	\$26 716	\$25 377	\$24 914	\$24 457	\$23 748	\$22 808	\$22 146	\$21 740	\$21 123	\$21 910	\$21 511	\$21 116	\$20 504	\$20 060	\$19 694	\$19 333	\$18 772	\$18 366	\$18 031	\$17 701	\$17 187
Other	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018				0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632		0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018				0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632		0,5468	0,5310	0,5155	0,5006
Cash Flow			-\$170 465	-\$161 195	-\$161 654	-\$184 330	-\$162 622	-\$162 937	-\$210 685	-\$161 938	-\$161 296	-\$212 985	-\$174 088	-\$160 290	-\$160 380	-\$160 529	-\$160 763	-\$160 763	-\$160 859	-\$160 855	-\$161 008	-\$161 008	-\$161 116	-\$161 274	-\$161 432	-\$161 432
Discounted Cash Flow			-\$167 973	-\$154 230	-\$150 181	-\$166 279	-\$142 440	-\$138 575	-\$173 985	-\$129 848	-\$125 581	-\$161 014	-\$127 789	-\$114 246	-\$110 993	-\$107 874	-\$104 841	-\$101 852	-\$98 956	-\$96 082	-\$93 383	-\$90 673	-\$88 101	-\$85 629	-\$83 225	-\$80 810
Terminal Value	Discount Rate	12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901				0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$56 348 977	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31 269 679	\$0	\$0	\$0	\$0
Total																										
Cash Flow			\$1 207 893	\$1 268 935	\$1 314 405	\$1 378 405	\$1 410 237	\$1 441 388	\$1 264 708	\$1 342 483	\$1 278 931	\$1 120 990	\$1 143 162	\$1 179 333	\$1 188 233	\$1 203 068	\$1 217 902	\$1 226 203	\$1 235 698	\$1 235 282	\$1 250 471	\$57 599 448	\$1 261 103	\$1 276 747	\$1 292 392	\$1 292 392
Discounted Cash Flow			\$1 190 240	\$1 214 108	\$1 221 121	\$1 243 422	\$1 235 223	\$1 225 875	\$1 044 401	\$1 076 459	\$995 745	\$847 451	\$839 136	\$840 568	\$822 337	\$808 445	\$794 666	\$776 866	\$760 165	\$737 860	\$725 259	\$31 973 893	\$689 595	\$677 892	\$666 287	\$646 954
NET PRESENT VALUE		\$50 373 241																								
MARKET VALUE		\$50 400 000																								

CENTURY BLD. 17

GLA	9 817,40 sq m
Vacancy at Beginning of Year I	5,00 sq m
Vacancy Rate in Terms of GLA	0,05%

Moscow-2-ya Khutorskaya 38a Century																										
DISCOUNTED CASHFLOW ANALYSIS																										
PERIOD QUARTER		1				2				3				4				5				6				
		1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 01.01.2017 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 01.01.2018 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019	
NET OPERATING INCOME		\$1 106 354	\$1 175 269	\$1 197 812	\$1 234 833	\$1 214 234	\$1 276 554	\$1 315 472	\$1 198 111	\$708 240	\$1 309 827	\$1 324 221	\$1 369 142	\$1 370 257	\$1 385 482	\$1 400 707	\$1 282 320	\$1 149 658	\$1 265 511	\$1 279 417	\$1 279 417	\$1 289 152	\$1 303 476	\$1 317 800	\$1 317 800	
PRESENT VALUE																										
Use 1 Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
			\$1 079 664	\$1 147 987	\$1 170 504	\$1 207 526	\$1 187 454	\$1 249 385	\$1 287 348	\$1 169 987	\$679 587	\$1 281 174	\$1 295 253	\$1 340 174	\$1 341 069	\$1 355 969	\$1 370 870	\$1 252 483	\$1 119 594	\$1 235 113	\$1 248 685	\$1 248 685	\$1 258 186	\$1 272 166	\$1 286 146	\$1 286 146
			\$1 063 885	\$1 098 385	\$1 087 433	\$1 089 277	\$1 040 088	\$1 062 580	\$1 063 097	\$938 145	\$529 110	\$968 547	\$950 778	\$955 208	\$928 110	\$911 193	\$894 475	\$793 516	\$688 742	\$737 759	\$724 223	\$703 209	\$688 000	\$675 459	\$663 067	\$643 827
Use 2 Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
			\$2 648	\$2 707	\$2 733	\$2 731	\$2 739	\$2 781	\$2 812	\$2 812	\$2 865	\$2 865	\$2 896	\$2 896	\$2 918	\$2 950	\$2 983	\$2 983	\$3 006	\$3 039	\$3 072	\$3 072	\$3 096	\$3 130	\$3 165	\$3 165
			\$2 610	\$2 590	\$2 539	\$2 463	\$2 399	\$2 365	\$2 322	\$2 254	\$2 230	\$2 166	\$2 126	\$2 064	\$2 019	\$1 983	\$1 946	\$1 890	\$1 849	\$1 815	\$1 782	\$1 730	\$1 693	\$1 662	\$1 631	\$1 584
Parking Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
			\$24 041	\$24 575	\$24 575	\$24 575	\$24 041	\$24 388	\$25 313	\$25 313	\$25 789	\$25 789	\$26 072	\$26 072	\$26 270	\$26 562	\$26 854	\$26 854	\$27 058	\$27 359	\$27 660	\$27 660	\$27 870	\$28 180	\$28 490	\$28 490
			\$23 690	\$23 514	\$22 831	\$22 169	\$21 058	\$20 742	\$20 903	\$20 297	\$20 078	\$19 496	\$19 138	\$18 583	\$18 181	\$17 849	\$17 522	\$17 014	\$16 646	\$16 342	\$16 042	\$15 577	\$15 240	\$14 962	\$14 688	\$14 261
Other Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
			-\$141 144	-\$141 833	-\$142 059	-\$142 429	-\$142 223	-\$142 846	-\$143 235	-\$142 062	-\$391 204	-\$143 179	-\$143 323	-\$143 772	-\$143 783	-\$143 935	-\$144 088	-\$142 904	-\$248 461	-\$142 736	-\$142 875	-\$142 875	-\$142 972	-\$143 115	-\$143 259	-\$143 259
			-\$139 081	-\$135 705	-\$131 977	-\$128 481	-\$124 573	-\$121 488	-\$118 284	-\$113 911	-\$304 582	-\$108 241	-\$105 206	-\$102 473	-\$99 508	-\$96 723	-\$94 015	-\$90 537	-\$152 846	-\$85 259	-\$82 866	-\$80 461	-\$78 180	-\$75 987	-\$73 856	-\$71 713
Terminal Value Cash Flow Discounted Cash Flow	Discount Rate	12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51 211 854	\$0	\$0	\$0	\$0
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28 418 941	\$0	\$0	\$0
Total Cash Flow Discounted Cash Flow	Discount Rate	12,50%	\$965 210	\$1 033 436	\$1 055 753	\$1 092 404	\$1 072 011	\$1 133 708	\$1 172 237	\$1 056 049	\$317 037	\$1 166 648	\$1 180 898	\$1 225 370	\$1 226 474	\$1 241 547	\$1 256 620	\$1 139 416	\$901 197	\$1 122 775	\$1 136 543	\$52 348 396	\$1 146 180	\$1 160 361	\$1 174 541	\$1 174 541
			\$951 103	\$988 784	\$980 826	\$985 428	\$938 972	\$964 199	\$968 038	\$846 785	\$246 837	\$881 968	\$866 836	\$873 381	\$848 803	\$834 302	\$819 928	\$721 882	\$554 390	\$670 657	\$659 182	\$29 058 995	\$626 753	\$616 096	\$605 530	\$587 959
NET PRESENT VALUE		\$44 661 298																								
MARKET VALUE		\$44 700 000																								

TAMIZ

GLA	11 737,00 sq m
Vacancy at Beginning of Year I	1 029,50 sq m
Vacancy Rate in Terms of GLA	8,77%

Moscow, 2-ya Khutorskaya 38a Tamiz DISCOUNTED CASHFLOW ANALYSIS																								
PERIOD	1				2				3				4				5				6			
QUARTER	1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 01.01.2017 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 01.01.2018 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019
NET OPERATING INCOME	\$1 153 534	\$1 205 110	\$1 228 242	\$1 241 465	\$1 356 903	\$1 399 921	\$1 048 085	\$1 234 029	\$1 373 243	\$1 388 032	\$1 405 876	\$1 369 135	\$1 386 151	\$1 385 871	\$1 290 953	\$1 281 386	\$1 163 003	\$1 242 702	\$1 256 358	\$1 256 358	\$1 265 918	\$1 279 983	\$1 294 049	\$1 294 049
PRESENT VALUE																								
Use 1																								
Discount Rate	12,50%																							
Cash Flow	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Discounted Cash Flow	\$1 135 017	\$1 186 586	\$1 209 717	\$1 222 940	\$1 338 644	\$1 381 459	\$1 029 421	\$1 215 364	\$1 354 639	\$1 369 427	\$1 387 067	\$1 350 318	\$1 366 348	\$1 365 848	\$1 270 710	\$1 261 144	\$1 142 606	\$1 222 079	\$1 235 508	\$1 235 508	\$1 244 909	\$1 258 741	\$1 272 574	\$1 272 574
Discounted Cash Flow	\$1 118 429	\$1 135 316	\$1 123 864	\$1 103 181	\$1 172 516	\$1 174 907	\$850 100	\$974 530	\$1 054 689	\$1 035 265	\$1 018 174	\$962 437	\$945 605	\$917 831	\$829 122	\$799 003	\$702 898	\$729 973	\$716 581	\$695 788	\$680 740	\$668 331	\$656 070	\$637 033
Use 2																								
Discount Rate	12,50%																							
Cash Flow	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Discounted Cash Flow	\$4 955	\$4 662	\$4 662	\$4 662	\$4 697	\$4 749	\$4 802	\$4 802	\$4 892	\$4 892	\$4 946	\$4 946	\$4 983	\$5 039	\$5 094	\$5 094	\$5 133	\$5 190	\$5 247	\$5 247	\$5 287	\$5 346	\$5 404	\$5 404
Discounted Cash Flow	\$4 883	\$4 460	\$4 331	\$4 205	\$4 114	\$4 039	\$3 965	\$3 850	\$3 809	\$3 698	\$3 630	\$3 525	\$3 449	\$3 386	\$3 324	\$3 227	\$3 158	\$3 100	\$3 043	\$2 955	\$2 891	\$2 838	\$2 786	\$2 705
Parking																								
Discount Rate	12,50%																							
Cash Flow	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Discounted Cash Flow	\$13 562	\$13 863	\$13 863	\$13 863	\$13 562	\$13 712	\$13 863	\$13 863	\$13 712	\$13 712	\$13 863	\$13 872	\$14 819	\$14 984	\$15 148	\$15 148	\$15 264	\$15 433	\$15 603	\$15 603	\$15 722	\$15 896	\$16 071	\$16 071
Discounted Cash Flow	\$13 363	\$13 264	\$12 879	\$12 505	\$11 879	\$11 662	\$11 448	\$11 116	\$10 676	\$10 366	\$10 176	\$9 887	\$10 256	\$10 069	\$9 884	\$9 597	\$9 390	\$9 219	\$9 050	\$8 787	\$8 597	\$8 440	\$8 285	\$8 045
Other																								
Discount Rate	12,50%																							
Cash Flow	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Discounted Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value																								
Discount Rate	12,50%																							
Cash Flow	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Discounted Cash Flow	-\$114 117	-\$110 051	-\$110 282	-\$110 415	-\$143 728	-\$111 999	-\$108 481	-\$217 839	-\$111 732	-\$111 880	-\$112 059	-\$111 691	-\$111 862	-\$111 859	-\$146 921	-\$110 814	-\$182 474	-\$110 427	-\$110 564	-\$110 564	-\$110 659	-\$110 800	-\$110 940	-\$110 940
Discounted Cash Flow	-\$112 449	-\$105 296	-\$102 456	-\$99 602	-\$125 891	-\$95 253	-\$89 584	-\$174 672	-\$86 992	-\$84 580	-\$82 257	-\$79 608	-\$77 416	-\$75 167	-\$95 864	-\$70 207	-\$112 253	-\$65 960	-\$64 126	-\$62 265	-\$60 511	-\$58 829	-\$57 195	-\$55 535
Terminal Value																								
Discount Rate	12,50%																							
Cash Flow	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
Discounted Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51 597 247	\$0	\$0	\$0	\$0
Discounted Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28 632 807	\$0	\$0	\$0	\$0
Total																								
Cash Flow	\$1 039 417	\$1 095 059	\$1 117 960	\$1 131 050	\$1 213 175	\$1 287 922	\$939 604	\$1 016 190	\$1 261 510	\$1 276 151	\$1 293 817	\$1 257 444	\$1 274 289	\$1 274 012	\$1 144 032	\$1 170 572	\$980 529	\$1 132 275	\$1 145 795	\$52 743 042	\$1 155 258	\$1 169 183	\$1 183 109	\$1 183 109
Discounted Cash Flow	\$1 024 226	\$1 047 745	\$1 038 618	\$1 020 289	\$1 062 617	\$1 095 355	\$775 929	\$814 824	\$982 181	\$964 750	\$949 724	\$896 242	\$881 894	\$856 118	\$746 466	\$741 621	\$603 193	\$676 332	\$664 548	\$29 278 072	\$631 717	\$620 780	\$609 946	\$592 248
NET PRESENT VALUE	\$46 120 746																							
MARKET VALUE	\$46 100 000																							

YAROSLAVL MALL

GLA	34 092,04 sq m
Vacancy at Beginning of Year I	0,00 sq m
Vacancy Rate in Terms of GLA	0,00%

Yaroslavl Vernisazh Mall Phase I																										
DISCOUNTED CASHFLOW ANALYSIS																										
PERIOD QUARTER		1				2				3				4				5				6				
		1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 01.01.2017 31.03.2017 2017	2Q 01.04.2017 30.06.2017	3Q 01.07.2017 30.09.2017	4Q 01.10.2017 31.12.2017	1Q 01.01.2018 31.03.2018 2018	2Q 01.04.2018 30.06.2018	3Q 01.07.2018 30.09.2018	4Q 01.10.2018 31.12.2018	1Q 01.01.2019 31.03.2019 2019	2Q 01.04.2019 30.06.2019	3Q 01.07.2019 30.09.2019	4Q 01.10.2019 31.12.2019	
NET OPERATING INCOME		\$2 653 010	\$2 730 054	\$2 741 928	\$2 757 518	\$2 709 313	\$2 745 913	\$2 779 407	\$2 784 993	\$2 777 134	\$2 780 200	\$2 815 420	\$2 824 927	\$2 774 383	\$2 807 133	\$2 833 427	\$2 758 332	\$2 758 047	\$2 776 163	\$2 806 589	\$2 808 313	\$2 762 606	\$2 782 083	\$2 817 122	\$2 812 551	
INCOME FROM TURNOVER		\$49 315	\$50 411	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	\$49 863	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	
PRESENT VALUE																										
Use I	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$2 653 010	\$2 730 054	\$2 741 928	\$2 757 518	\$2 709 313	\$2 745 913	\$2 779 407	\$2 784 993	\$2 777 134	\$2 780 200	\$2 815 420	\$2 824 927	\$2 774 383	\$2 807 133	\$2 833 427	\$2 758 332	\$2 758 047	\$2 776 163	\$2 806 589	\$2 808 313	\$2 762 606	\$2 782 083	\$2 817 122	\$2 812 551
Discounted Cash Flow			\$2 614 236	\$2 612 095	\$2 547 333	\$2 487 482	\$2 373 081	\$2 335 350	\$2 295 247	\$2 233 126	\$2 162 210	\$2 101 787	\$2 066 654	\$2 013 463	\$1 920 060	\$1 886 354	\$1 848 775	\$1 747 554	\$1 696 670	\$1 658 260	\$1 627 790	\$1 581 528	\$1 510 645	\$1 477 152	\$1 452 355	\$1 407 925
Turnover	Discount Rate	17,50%	0,9800	0,9413	0,9041	0,8684	0,8341	0,8011	0,7695	0,7391	0,7099	0,6818	0,6549	0,6290	0,6041	0,5803	0,5573	0,5353	0,5142	0,4938	0,4743	0,4556	0,4376	0,4203	0,4037	0,3877
Cash Flow			\$49 315	\$50 411	\$50 411	\$50 411	\$1 300	\$49 863	\$50 411	\$50 411	\$49 863	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411	\$49 315	\$49 863	\$50 411	\$50 411
Discounted Cash Flow			\$48 331	\$47 453	\$45 578	\$43 777	\$1 084	\$39 946	\$38 789	\$37 257	\$35 396	\$33 997	\$33 012	\$31 708	\$29 793	\$28 933	\$28 096	\$26 985	\$25 356	\$24 624	\$23 911	\$22 966	\$21 579	\$20 957	\$20 350	\$19 546
Parking	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			-\$26 530	-\$27 301	-\$27 419	-\$27 575	-\$27 093	-\$27 459	-\$27 794	-\$27 850	-\$27 771	-\$27 802	-\$28 154	-\$28 249	-\$27 744	-\$28 071	-\$28 334	-\$53 826	-\$27 580	-\$27 762	-\$28 066	-\$28 083	-\$27 626	-\$27 821	-\$28 171	-\$28 126
Discounted Cash Flow			-\$26 142	-\$26 121	-\$25 473	-\$24 875	-\$23 731	-\$23 354	-\$22 952	-\$22 331	-\$21 622	-\$21 018	-\$20 667	-\$20 135	-\$19 201	-\$18 864	-\$18 488	-\$34 101	-\$16 967	-\$16 583	-\$16 278	-\$15 815	-\$15 106	-\$14 772	-\$14 524	-\$14 079
Terminal Value	Discount Rate	12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$105 582 111	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58 590 571	\$0	\$0	\$0	\$0
Total																										
Cash Flow			\$2 675 795	\$2 753 164	\$2 764 920	\$2 780 354	\$2 683 520	\$2 768 316	\$2 802 024	\$2 807 554	\$2 799 226	\$2 802 261	\$2 837 677	\$2 847 089	\$2 795 954	\$2 828 925	\$2 855 504	\$2 754 918	\$2 779 781	\$2 798 264	\$2 828 934	\$108 412 751	\$2 784 295	\$2 804 125	\$2 839 362	\$2 834 837
Discounted Cash Flow			\$2 636 425	\$2 633 427	\$2 567 437	\$2 506 384	\$2 350 435	\$2 351 943	\$2 311 084	\$2 248 051	\$2 175 983	\$2 114 766	\$2 079 000	\$2 025 036	\$1 930 652	\$1 896 424	\$1 858 383	\$1 740 438	\$1 705 059	\$1 666 302	\$1 635 423	\$60 179 250	\$1 517 117	\$1 483 337	\$1 458 181	\$1 413 391
NET PRESENT VALUE		\$100 611 902																								
MARKET VALUE		\$100 600 000																								

TRIUMPH MALL SARATOV

GLA	27 249,09 sq m
Vacancy at Beginning of Year I	0,00 sq m
Vacancy Rate in Terms of GLA	0,00%

Saratov Triumph Mall DISCOUNTED CASHFLOW ANALYSIS																										
PERIOD QUARTER	1				2				3				4				5				6					
	1Q 31.12.2013 30.03.2014 2013/2014	2Q 31.03.2014 30.06.2014 2013/2014	3Q 01.07.2014 30.09.2014	4Q 01.10.2014 31.12.2014	1Q 01.01.2015 31.03.2015 2015	2Q 01.04.2015 30.06.2015	3Q 01.07.2015 30.09.2015	4Q 01.10.2015 31.12.2015	1Q 01.01.2016 31.03.2016 2016	2Q 01.04.2016 30.06.2016	3Q 01.07.2016 30.09.2016	4Q 01.10.2016 31.12.2016	1Q 31.03.2017 2017	2Q 30.06.2017	3Q 30.09.2017	4Q 31.12.2017	1Q 31.03.2018 2018	2Q 30.06.2018	3Q 30.09.2018	4Q 31.12.2018	1Q 31.03.2019 2019	2Q 30.06.2019	3Q 30.09.2019	4Q 31.12.2019		
NET OPERATING INCOME		\$3 584 711	\$3 682 932	\$3 697 711	\$3 732 659	\$3 793 859	\$3 853 765	\$3 912 323	\$3 915 140	\$3 848 256	\$3 842 671	\$3 888 451	\$3 903 840	\$3 805 604	\$3 842 363	\$3 890 661	\$3 899 193	\$3 800 612	\$3 826 717	\$3 855 439	\$3 860 385	\$3 814 234	\$3 858 737	\$3 907 424	\$3 904 516	
INCOME FROM TURNOVER		\$320 548	\$327 671	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	\$324 110	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	
PRESENT VALUE																										
Use I	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$3 584 711	\$3 682 932	\$3 697 711	\$3 732 659	\$3 793 859	\$3 853 765	\$3 912 323	\$3 915 140	\$3 848 256	\$3 842 671	\$3 888 451	\$3 903 840	\$3 805 604	\$3 842 363	\$3 890 661	\$3 899 193	\$3 800 612	\$3 826 717	\$3 855 439	\$3 860 385	\$3 814 234	\$3 858 737	\$3 907 424	\$3 904 516
Discounted Cash Flow			\$3 532 320	\$3 523 802	\$3 435 284	\$3 367 130	\$3 323 032	\$3 277 559	\$3 230 813	\$3 139 325	\$2 996 159	\$2 904 999	\$2 854 311	\$2 782 458	\$2 633 734	\$2 582 014	\$2 538 607	\$2 470 351	\$2 338 026	\$2 285 778	\$2 236 111	\$2 174 013	\$2 085 694	\$2 048 804	\$2 014 455	\$1 954 547
Turnover	Discount Rate	17,50%	0,9800	0,9413	0,9041	0,8684	0,8341	0,8011	0,7695	0,7391	0,7099	0,6818	0,6549	0,6290	0,6041	0,5803	0,5573	0,5353	0,5142	0,4938	0,4743	0,4556	0,4376	0,4203	0,4037	0,3877
Cash Flow			\$320 548	\$327 671	\$327 671	\$327 671	\$23 340	\$324 110	\$327 671	\$327 671	\$324 110	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671	\$320 548	\$324 110	\$327 671	\$327 671
Discounted Cash Flow			\$314 151	\$308 442	\$296 254	\$284 548	\$19 467	\$259 651	\$252 131	\$242 168	\$230 071	\$220 979	\$214 580	\$206 101	\$193 653	\$188 068	\$182 621	\$175 405	\$164 811	\$160 058	\$155 422	\$149 281	\$140 265	\$136 219	\$132 274	\$127 047
Parking	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	12,50%	0,9854	0,9568	0,9290	0,9021	0,8759	0,8505	0,8258	0,8018	0,7786	0,7560	0,7340	0,7127	0,6921	0,6720	0,6525	0,6336	0,6152	0,5973	0,5800	0,5632	0,5468	0,5310	0,5155	0,5006
Cash Flow			-\$335 587	-\$336 569	-\$336 717	-\$337 067	-\$337 679	-\$338 278	-\$338 863	-\$338 891	-\$338 223	-\$338 167	-\$338 625	-\$338 778	-\$337 796	-\$338 164	-\$338 647	-\$338 732	-\$337 746	-\$338 007	-\$338 294	-\$338 344	-\$337 882	-\$338 327	-\$338 814	-\$338 785
Discounted Cash Flow			-\$330 682	-\$322 027	-\$312 820	-\$304 059	-\$295 772	-\$287 699	-\$279 835	-\$271 737	-\$263 332	-\$255 649	-\$248 567	-\$241 464	-\$233 778	-\$227 241	-\$220 963	-\$214 605	-\$207 772	-\$201 899	-\$196 207	-\$190 542	-\$184 760	-\$179 636	-\$174 674	-\$169 591
Terminal Value	Discount Rate	12,50%	0,9710	0,9428	0,9155	0,8889	0,8631	0,8381	0,8137	0,7901	0,7672	0,7449	0,7233	0,7023	0,6820	0,6622	0,6430	0,6243	0,6062	0,5886	0,5715	0,5549	0,5388	0,5232	0,5080	0,4933
Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$141 539 332	\$0	\$0	\$0	\$0	\$0
Discounted Cash Flow			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78 544 274	\$0	\$0	\$0	\$0
Total																										
Cash Flow			\$3 569 672	\$3 674 034	\$3 688 665	\$3 732 264	\$3 479 520	\$3 839 597	\$3 901 131	\$3 903 900	\$3 834 143	\$3 828 614	\$3 877 498	\$3 892 733	\$3 788 356	\$3 828 309	\$3 879 686	\$3 888 132	\$3 783 413	\$3 812 819	\$3 844 816	\$145 389 045	\$3 796 900	\$3 844 520	\$3 896 281	\$3 893 402
Discounted Cash Flow			\$3 515 789	\$3 510 218	\$3 418 718	\$3 347 619	\$3 046 728	\$3 249 510	\$3 203 110	\$3 109 756	\$2 962 898	\$2 870 330	\$2 820 324	\$2 747 094	\$2 593 610	\$2 542 840	\$2 500 266	\$2 431 151	\$2 295 066	\$2 243 937	\$2 195 326	\$80 677 026	\$2 041 199	\$2 005 388	\$1 972 055	\$1 912 003
NET PRESENT VALUE			\$135 281 315																							
MARKET VALUE			\$135 300 000																							

SAINT PETERSBURG COMMERCIAL

	Description	Type of Premises	Type of Deal	GLA (sqm)	Phase 1	Phase 2	Phase 3
Zone 1	Office Park, Class B	Office	Lease	60 000	33%	33%	33%
Zone 2	Retail (Commercial Centre)	Retail	Lease	22 000			100%
Zone 3	Street Retail (incorporated in the residential buildings)	Retail	Lease	35 775	50%	50%	
	Surface Parking (# spaces)		Lease	401	100%		
	Underground Parking (# spaces)		Lease	777	33%	33%	33%
Total Area for Lease sqm (excl. Parking)				117 775	37 888	37 888	42 000
Total Parking for Lease (spaces)				1178	660	259	259
Total Area (excl. Parking)				117 775	37 888	37 888	42 000
Total Parking (spaces)				1178	660	259	259

	Units	Amount
Design & Construction Costs		
Office Park, Class B	\$/sqm	1 028
Retail (Commercial Centre)	\$/sqm	1 028
Street Retail (incorporated in the residential buildings)	\$/sqm	1 028
Surface Parking	\$/place	2 500
Structured Parking	\$/place	0
Underground Parking	\$/place	25 000
Utilities	\$/sqm	0
Developer's Fee	\$/sqm	0
Completion Condition		Shell & Core
Construction Contract Type		Fixed
Construction Costs Inflation Rate	%	0%
Permit & Design Costs Inflation Rate	%	0%
Fit-out Period	Months	3
VAT Rate	%	18%
Percentage of Project Subject to VAT (est.)	%	100%
Percentage of Tenants Paying VAT	%	100%
VAT Reimbursement (Properties for Sale)		Next Period
VAT Inflation Loss	%	0%
Maximum Equity Required	\$mIn	164,08
Contribution to Cash Reserve (% of GOI)	%	1,25%
Interest on Cash Reserve	%	0%
Security Deposit	Months	3
Review / Renewal Period	Years	1
Review / Renewal Period for Anchors	Years	1
Agent's Fees on Acquisition (% of land acquisition costs)	%	0,00%
Broker's Fees on Leasing (% of GOI)	%	8,33%
Broker's Fees on Sale (% of Sale Price)	%	0,50%
Depreciation Rate for Buildings	%	2%
Accelerating Multiple for Depreciation	Units	1
Operating Expenses (% of GOI)	%	0%
Property Tax Rate	%	2,00%
Advance Payment for Construction	%	10%
Hold Back on Construction	%	5%

Year	Annual Rent/Sale Price per sq m			
	Zone 1 Office Park, Class B	Zone 2 Retail (Commercial Centre)	Zone 3 Street Retail (incorporated in the residential buildings)	Underground Parking
2014	300	400	500	1 500
2015	300	400	500	1 500
2016	300	400	500	1 500
2017	300	400	500	1 500
2018	300	400	500	1 500
2019	300	400	500	1 500
2020	300	400	500	1 500
2021	300	400	500	1 500
2022	300	400	500	1 500

31-Dec-2013		31-Mar-2014	30-Jun-2014	30-Sep-2014	31-Dec-2014	31-Mar-2015	30-Jun-2015	30-Sep-2015	31-Dec-2015	31-Mar-2016	30-Jun-2016	30-Sep-2016	31-Dec-2016
Cashflow of the Project		1Q2014	2Q2014	3Q2014	4Q2014	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Cashflow from Operating Activity													
Phase 1	Last Review Date	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
	Last Review Date - Anch N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
45 Weights	Office Park, Class B	0	0	0	0	0	0	0	0	0	0	0	0
48 9%	Retail (Commercial Centre)	0	0	0	0	0	0	0	0	0	0	0	0
48 91%	Street Retail (incorporated in the n	0	0	0	0	0	0	0	0	0	0	0	0
45		0	0	0	0	0	0	0	0	0	0	0	0
45	Surface Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Structured Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Underground Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Gross Operating Income	0	0	0	0	0	0	0	0	0	0	0	0
	Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Phase 2	Last Review Date	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
	Last Review Date - Anch N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Weights	Office Park, Class B	0	0	0	0	0	0	0	0	0	0	0	0
33%	Retail (Commercial Centre)	0	0	0	0	0	0	0	0	0	0	0	0
67%	Street Retail (incorporated in the n	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0
	Surface Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Structured Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Underground Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Gross Operating Income	0	0	0	0	0	0	0	0	0	0	0	0
	Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Phase 3	Last Review Date	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
	Last Review Date - Anch N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Weights	Office Park, Class B	0	0	0	0	0	0	0	0	0	0	0	0
33%	Retail (Commercial Centre)	0	0	0	0	0	0	0	0	0	0	0	0
67%	Street Retail (incorporated in the n	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0
	Surface Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Structured Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Underground Parking	0	0	0	0	0	0	0	0	0	0	0	0
	Gross Operating Income	0	0	0	0	0	0	0	0	0	0	0	0
	Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Operating Income		0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	Double Count	0	0	0	0	0	0	0	0	0	0	0	0
Property Tax		0	0	0	0	0	0	0	0	0	0	0	0
Total Net Operating Income from Leasing		0	0	0	0	0	0	0	0	0	0	0	0
Broker's Fees on Leasing		0	0	0	0	0	0	0	0	0	0	0	0
EBITDA		0	0	0	0	0	0	0	0	0	0	0	0
Opening Book Value		0	31 597 121	31 597 121	31 597 121	31 597 121	41 877 116	47 514 533	53 151 950	58 789 367	64 426 784	80 122 214	91 275 315
Depreciation Rate	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%	0,50%
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Addition in Book Value	31 597 121	0	0	0	0	10 279 995	5 637 417	5 637 417	5 637 417	5 637 417	15 695 430	11 153 102	7 836 974
Reduction in Book Value	0	0	0	0	0	0	0	0	0	0	0	0	0
Closing Book Value	31 597 121	31 597 121	31 597 121	31 597 121	31 597 121	41 877 116	47 514 533	53 151 950	58 789 367	64 426 784	80 122 214	91 275 315	99 112 289
Accounting of Security Deposit	90	0	0	0	0	0	0	0	0	0	0	0	0
Net Income		0	0	0	0	0	0	0	0	0	0	0	0
Total CF from Operating Activity (excl. VAT)		0	0	0	0	0	0	0	0	0	0	0	0
Cashflow from Investing Activity													
Property Acquisition		-31 597 121	0	0	0	0	0	0	0	0	0	0	0
Agent's Fees on Acquisition		0	-26	-25	-24	-24	-22	-21	-20	-19	-18	-17	-16
Phase 1													
	Period Counter	0	0	0	0	1	2	3	4	5	6	7	8
	Construction Costs	0	0	0	0	-10 279 995	-5 637 417	-5 637 417	-5 637 417	-5 637 417	-5 637 417	-5 637 417	-2 321 286
	Permit & Design Costs	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal	10 165 527	10 165 527	10 165 527	10 165 527	20 445 523	26 082 940	31 720 357	37 357 773	42 995 190	48 632 607	54 270 024	56 591 313
Phase 2													
	Period Counter	0	0	0	0	0	0	0	0	0	1	2	3
	Construction Costs	0	0	0	0	0	0	0	0	0	-10 058 013	-5 515 685	-5 515 685
	Permit & Design Costs	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal	10 165 527	10 165 527	10 165 527	10 165 527	10 165 527	10 165 527	10 165 527	10 165 527	10 165 527	20 223 541	25 739 225	31 254 910
Phase 3													
	Period Counter	0	-26	-25	-24	-24	-22	-21	-20	-19	-18	-17	-16
	Construction Costs	0	0	0	0	0	0	0	0	0	0	0	0
	Permit & Design Costs	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945	11 268 945
Total Acquisition/Disposal		-31 597 121	0	0	0	0	0	0	0	0	0	0	0
Tax on Sale Proceeds		0	0	0	0	0	0	0	0	0	0	0	0
Total Construction, Permit and Design Costs		0	0	0	0	-10 279 995	-5 637 417	-5 637 417	-5 637 417	-5 637 417	-15 695 430	-11 153 102	-7 836 974
Value Added Tax Calculation													
VAT Received from Tenants		0	0	0	0	0	0	0	0	0	0	0	0
VAT Paid on Maintenance Costs & Broker's Fees		0	0	0	0	0	0	0	0	0	0	0	0
VAT on Investment Activity		0	0	0	0	-1 850 399	-1 014 735	-1 014 735	-1 014 735	-1 014 735	-2 825 177	-2 007 558	-1 410 655
VAT Received from Sales		0	0	0	0	0	0	0	0	0	0	0	0
VAT Paid on Broker's Fees		0	0	0	0	0	0	0	0	0	0	0	0
VAT Paid on Construction, Permit & Design		0	0	0	0	0	0	0	0	0	0	0	0
Total VAT Received (Paid)		0	0	0	0	-1 850 399	-1 014 735	-1 014 735	-1 014 735	-1 014 735	-2 825 177	-2 007 558	-1 410 655
Balance of VAT	0	0	0	0	0	-1 850 399	-2 865 134	-3 879 869	-4 894 604	-5 909 339	-8 734 517	-10 742 075	-12 152 730
Total VAT Received (Paid) Disregarding Inflation		0	0	0	0	-1 850 399	-1 014 735	-1 014 735	-1 014 735	-1 014 735	-2 825 177	-2 007 558	-1 410 655
Balance of VAT Disregarding Inflation	0	0	0	0	0	-1 850 399	-2 865 134	-3 879 869	-4 894 604	-5 909 339	-8 734 517	-10 742 075	-12 152 730
Total CF from Investment Activity		-31 597 121	0	0	0	-12 130 395	-6 652 152	-6 652 152	-6 652 152	-6 652 152	-18 520 607	-13 160 660	-9 247 629
Cashflow from Financing Activity													
Advance Financing by Tenants													
Security Deposit		0	0	0	0	0	0	0	0	0	0	0	0
Phase 1		0	0	0	0	0	0	0	0	0	0	0	0
Phase 2		0	0	0	0	0	0	0	0	0	0	0	0
Phase 3		0	0	0	0	0	0	0	0	0	0	0	0
Cumulative		0	0	0	0	0	0	0	0	0	0	0	0
Total Use of Loan		0	0	0	0	0	0	0	0	0	0	0	0
Total Principal Payments		0	0	0	0	0	0	0	0	0	0	0	0
Total Loan Balance		0	0	0	0	0	0	0	0	0	0	0	0
Equity Financing		31 597 121	0	0	0	12 130 395	6 652 152	6 652 152	6 652 152	6 652 152	18 520 607	13 160 660	9 247 629
Equity Cumulative Financing		31 597 121	31 597 121	31 597 121	31 597 121	43 727 516	50 379 667	57 031 819	63 683 971	70 336 123	88 856 730	102 017 390	111 265 020
Total CF from Financing Activity		31 597 121	0	0	0	12 130 395	6 652 152	6 652 152	6 652 152	6 652 152	18 520 607	13 160 660	9 247 629
Contributions to Cash Reserve		0	0	0	0	0	0	0	0	0	0	0	0
Cash Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Project Cashflow		-31 597 121	0	0	0	-12 130 395	-6 652 152	-6 652 152	-6 652 152	-6 652 152	-18 520 607	-13 160 660	-9 247 629
Cumulative Project Cashflow		-31 597 121	-31 597 121	-31 597 121	-31 597 121	-43 727 516	-50 379 667	-57 031 819	-63 683 971	-70 336 123	-88 856 730	-102 017 390	-111 265 020
IRR Quarterly	5,55%												
IRR Annually	24,12%												
Equity Cashflow		-31 597 121	0	0	0	-12 130 395	-6 652 152	-6 652 152	-6 652 152	-6 652 152	-18 520 607	-13 160 660	-9 247 629
Quarterly IRR	5,74%												
Annually IRR	25,00%												
NPV	0												
Discount Rate	25,00%												
Period	0	0	1	2	3	4	5	6	7	8	9	10	11
NPV Factor	1	0,94574309	0,89442191	0,84589701	0,8	0,756693287	0,715541763	0,676717609	0,64	0,60529465	0,572433402	0,541374867	0,511374867
Discounted Equity Cashflow		-31 597 121	0	0	0	-9 704 316	-5 032 973	-4 759 892	-4 501 626	-4 257 377	-11 210 054	-7 533 601	-5 006 427
Cumulative		-31 597 121	-31 597 121	-31 597 121	-31 597 121	-41 301 437	-46 334 410	-51 094 302	-55 595 931	-59 853 308	-71 063 362	-78 596 963	-83

31-Dec-2013		31-Mar-2017	30-Jun-2017	30-Sep-2017	31-Dec-2017	31-Mar-2018	30-Jun-2018	30-Sep-2018	31-Dec-2018	31-Mar-2019	30-Jun-2019	30-Sep-2019	31-Dec-2019	31-Mar-2020	30-Jun-2020	30-Sep-2020	31-Dec-2020	
Cashflow of the Project		4Q2013	1Q2017	2Q2017	3Q2017	4Q2017	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020
Cashflow from Operating Activity																		
Phase 1	Last Review Date	N/A	1-Feb-2017	1-Feb-2017	1-Feb-2017	1-Feb-2017	1-Feb-2018	1-Feb-2018	1-Feb-2018	1-Feb-2018	1-Feb-2019	1-Feb-2019	1-Feb-2019	1-Feb-2019	1-Feb-2020	1-Feb-2020	1-Feb-2020	1-Feb-2020
	Last Review Date - Anch	N/A	1-Feb-2017	1-Feb-2017	1-Feb-2017	1-Feb-2017	1-Feb-2018	1-Feb-2018	1-Feb-2018	1-Feb-2018	1-Feb-2019	1-Feb-2019	1-Feb-2019	1-Feb-2019	1-Feb-2020	1-Feb-2020	1-Feb-2020	1-Feb-2020
45	Weights		0	778 022	1 200 000	1 200 000	1 200 000	1 200 000	1 200 000	1 200 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	410 870
48	9%		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
48	91%		0	1 159 739	1 788 750	1 788 750	1 900 547	1 900 547	1 900 547	1 900 547	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	612 452
45			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Surface Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Structured Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Underground Parking		0	50 377	77 700	77 700	77 700	77 700	77 700	77 700	87 413	87 413	87 413	87 413	87 413	87 413	87 413	26 604
	Gross Operating Income		0	1 988 138	3 066 450	3 066 450	3 178 247	3 178 247	3 178 247	3 178 247	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	1 049 926
	Operating Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phase 2	Last Review Date	N/A	N/A	N/A	N/A	N/A	N/A	1-May-2018	1-May-2018	1-May-2018	1-May-2018	1-May-2019	1-May-2019	1-May-2019	1-May-2019	1-May-2020	1-May-2020	1-May-2020
	Last Review Date - Anch	N/A	N/A	N/A	N/A	N/A	N/A	1-May-2018	1-May-2018	1-May-2018	1-May-2018	1-May-2019	1-May-2019	1-May-2019	1-May-2019	1-May-2020	1-May-2020	1-May-2020
Weights			0	0	0	0	0	0	821 739	1 200 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	1 350 000	410 870
33%			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
67%			0	0	0	0	0	0	1 301 461	1 900 547	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	2 012 344	612 452
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Surface Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Structured Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Underground Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Gross Operating Income		0	0	0	0	0	0	53 208	77 700	87 413	87 413	87 413	87 413	87 413	87 413	87 413	26 604
	Operating Expenses		0	0	0	0	0	0	2 176 408	3 178 247	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	3 449 756	1 049 926
Phase 3	Last Review Date	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1-May-2019	1-May-2019	1-May-2019	1-May-2019	1-May-2020	1-May-2020	1-May-2020
	Last Review Date - Anch	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1-May-2019	1-May-2019	1-May-2019	1-May-2019	1-May-2020	1-May-2020	1-May-2020
Weights			0	0	0	0	0	0	0	0	0	924 457	1 350 000	1 350 000	1 350 000	1 350 000	410 870	
33%			0	0	0	0	0	0	0	0	0	0	1 355 870	1 980 000	1 980 000	1 980 000	602 609	
67%			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Surface Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Structured Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Underground Parking		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Gross Operating Income		0	0	0	0	0	0	0	0	0	59 859	87 413	87 413	87 413	87 413	87 413	26 604
	Operating Expenses		0	0	0	0	0	0	0	0	0	2 340 185	3 417 413	3 417 413	3 417 413	3 417 413	3 417 413	1 040 082
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Operating Income			0	1 988 138	3 066 450	3 066 450	3 178 247	3 178 247	5 354 655	6 356 494	6 899 513	6 899 513	9 239 697	10 316 925	10 316 925	10 316 925	10 316 925	3 139 934
Total Operating Expenses			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Tax			-350 785	-404 688	-473 664	-530 227	-578 678	-612 773	-640 622	-668 471	-687 454	-690 743	-687 206	-683 668	-680 131	-676 593	-673 056	-669 518
Total Net Operating Income from Leasing			-350 785	1 583 450	2 592 786	2 536 223	2 599 569	2 565 474	4 714 033	5 688 023	6 212 059	6 208 769	8 552 492	9 633 257	9 636 794	9 640 332	9 643 869	2 470 416
Broker's Fees on Leasing			-1 021 741	0	0	0	0	-1 058 992	0	0	-1 138 682	0	0	0	0	0	0	0
EBITDA			-1 372 526	1 583 450	2 592 786	2 536 223	2 599 569	1 506 482	4 714 033	5 688 023	6 212 059	5 070 088	8 552 492	9 633 257	9 636 794	9 640 332	9 643 869	2 470 416
Opening Book Value			99 112 289	104 395 845	120 673 535	131 986 132	143 298 729	151 366 806	156 936 602	162 506 398	168 076 194	170 099 495	169 391 995	168 684 495	167 976 995	167 269 495	166 561 995	165 854 495
Depreciation Rate			0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Depreciation			232 129	232 129	232 129	232 129	232 129	459 245	459 245	459 245	459 245	707 500	707 500	707 500	707 500	707 500	707 500	707 500
Addition in Book Value			5 515 685	16 509 819	11 544 726	11 544 726	8 300 206	6 029 041	6 029 041	6 029 041	6 029 041	0	0	0	0	0	0	0
Reduction in Book Value			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Closing Book Value			104 395 845	120 673 535	131 986 132	143 298 729	151 366 806	156 936 602	162 506 398	168 076 194	170 099 495	169 391 995	168 684 495	167 976 995	167 269 495	166 561 995	165 854 495	165 146 995
Accounting of Security Deposit			90	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9 662 109
Net Income			-1 604 655	1 351 321	2 360 658	2 304 095	2 367 440	1 047 237	4 254 788	5 228 778	5 752 814	4 362 588	7 844 992	8 925 757	8 929 294	8 932 832	8 936 369	1 762 916
Total CF from Operating Activity (excl. VAT)			-1 372 526	1 583 450	2 592 786	2 536 223	2 599 569	1 506 482	4 714 033	5 688 023	6 212 059	5 070 088	8 552 492	9 633 257	9 636 794	9 640 332	9 643 869	2 470 416
Cashflow from Investing Activity																		
Property Acquisition			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agent's Fees on Acquisition			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phase 1	Period Counter		-16	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	0
	Construction Costs		10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Permit & Design Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal		56 359 184	56 127 055	55 894 926	55 662 797	55 430 669	55 198 540	54 966 411	54 734 282	54 502 153	54 270 024	54 037 895	53 805 766	53 573 637	53 341 508	53 109 379	52 877 250
Phase 2	Period Counter		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
	Construction Costs		-5 515 685	-5 515 685	-5 515 685	-5 515 685	-2 271 164	0	0	0	0	0	0	0	0	0	0	0
	Permit & Design Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal		36 770 595	42 286 279	47 801 964	53 317 649	58 833 334	55 361 697	55 134 569	54 902 441	54 670 312	54 438 183	54 206 054	53 973 925	53 741 796	53 509 667	53 277 538	53 045 409
Phase 3	Period Counter		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Construction Costs		0	-10 994 134	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041
	Permit & Design Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sale Proceeds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Book Value for Disposal		11 268 945	22 263 079	28 292 121	34 321 162	40 350 203	46 379 245	52 408 286	58 437 327	60 919 874	60 671 619	60 423 364	60 175 110	59 926 855	59 678 600	59 430 346	59 182 091
Total Acquisition/Disposal			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax on Sale Proceeds			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Construction, Permit and Design Costs			-5 515 685	-16 509 819	-11 544 726	-11 544 726	-8 300 206	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041	-6 029 041
Value Added Tax Calculation																		
VAT Received from Tenants			551 961	357 865	551 961	551 961	572 084	1 144 169	963 838	1 144 169	1 241 912	1 857 047	1					

APPENDIX VII

PRINCIPAL TERMS AND CONDITIONS OF APPOINTMENT AS VALUERS

1. PRELIMINARY

- 1.1. These terms and conditions (the "**Terms of Business**") shall apply to all valuation services (excluding agency services and other forms of professional services, to which separate terms will apply) provided by LLC "Cushman & Wakefield OOO", a limited liability company having its registered office at Gasheka str., bld. 6, Moscow, Russia, 125047 ("**C&W**", "**we**" or "**us**") to the client to whom a real estate valuation agreement (the "**Agreement**") is sent ("**you**"). They shall apply separately to each service subsequently provided to you.
- 1.2. The Terms of Business are to be read in conjunction with the relevant Agreement and general valuation principles ("**Valuation Principles**") attached thereto. In the event of any ambiguity or conflict between the relevant Agreement, the Valuation Principles and these Terms of Business, the provisions in the relevant Agreement shall prevail. These Terms of Business and the relevant Agreement may only be varied in writing by agreement between the parties. It is our practice to review and upgrade our Terms of Business frequently and new versions will be sent to you and agreed with you.

2. PERFORMANCE OF THE SERVICES

- 2.1. We undertake to use all reasonable skill and care in providing the services and advice described in the relevant Agreement, based on the instructions given by you (the "Services"). We will inform you if it becomes apparent that the Services need to be varied or external third party advice is required. Any variation is to be confirmed in writing and agreed between the parties.
- 2.2. We may need to appoint third party providers to perform all or part of the Services and we shall agree this with you in advance.

3. BASIS OF FEES

- 3.1. The basis of our fees for our Services is set out in the relevant Agreement.
- 3.2. You shall pay all applicable VAT in addition to any fees and disbursements at the applicable rate.
- 3.3. You shall pay our fees on completion of our Services (whether or not additional work is still to be carried out by third parties) or, where the fees are in relation to an ongoing instruction or an instruction of a duration of more than three months, at least quarterly in arrears upon submission by us of quarterly invoices. Payment is due within 10 working days of the invoice date.
- 3.4. Where valuations are undertaken for a lender for loan security purposes and it is agreed that a borrower will pay our fee, you shall remain primarily liable to pay our fee should such borrower fail to meet its liabilities to us in full. Payment of our fees is not conditional upon the loan being drawn down or any of the conditions of the loan being met.
- 3.5. If you do not dispute with us an invoice or any part thereof within 15 days of the date of such invoice, you shall be deemed to have accepted the invoice in its entirety.
- 3.6. If we are required by you to undertake any additional work in relation to an instruction, you shall pay additional fees based upon our usual rates. We will notify you of the amount of such additional fees. This also applies where we are asked to review a legal report or Certificate of Title provided to us more than 8 weeks after we have submitted our Report (either draft or final).
- 3.7. Where there is a change to the stated purpose for which our valuation is being commissioned and in our sole opinion we deem this to result in an increase in our liability (for example a valuation for annual accounts being used for loan security purposes), we reserve the right to charge an additional fee.
- 3.8. If you subsequently request our invoice to be re-addressed to a party other than that originally agreed, we reserve the right to make an administration charge of \$170. Payment will still be due within 10 working days of the original invoice date.
- 3.9. In the event that you withdraw our instructions prior to completion of a valuation, you shall be liable to pay us for a fair and reasonable proportion of our fees and any agreed disbursements. If we have sent you draft valuation figures, such fees shall be subject to 50% of the fee originally agreed between us and if we have sent you a draft valuation report, such fees shall be subject to 75% of the fee originally agreed between us.
- 3.10. We will advise you in advance if it is necessary or convenient to instruct a third party to provide advice or to act as an expert or arbitrator and provide an estimate of the likely cost.

- 3.1.1. Where we are instructed to provide Services to one of your subsidiaries or associated / related entities or should you subsequently request that another entity be substituted for you at a later stage and we are unable to seek or obtain payment of any outstanding monies for whatever reason, you shall remain primarily liable to pay those outstanding monies if the subsidiary, associated / related or other entity does not meet its liabilities in relation to payment for the Services provided by us.

4. INTEREST

You shall pay interest on the amount of any invoice for fees or other disbursements that remains unpaid for 10 working days after the date of the invoice in amount of 0,1 per cent for each day but no more than 10 per cent in total.

5. DISBURSEMENTS

You shall pay all disbursements incurred by us in the provision of the Services. Disbursements include, but are not limited to: travel and subsistence expenses at their actual cost.

6. INFORMATION RECEIVED FROM THE CLIENT

We will take all reasonable steps to ensure that property information is accurate where we are responsible for its preparation. Where you provide us with any information on a property that is necessary or convenient to enable us to provide the Services properly, you acknowledge that we will rely on the accuracy, completeness and consistency of any information supplied by you or on your behalf and, unless specifically instructed otherwise in writing, we will not carry out any investigation to verify such information. We accept no liability for any inaccuracy or omission contained in information disclosed by you or on your behalf, whether prepared directly by you or by a third party, and whether or not supplied directly to us by that third party and you shall indemnify us should any such liability arise. If our valuation is required for the purpose of purchase or loan security, you accept that full investigation of the legal title and any leases is the responsibility of your lawyers.

7. CONFLICTS OF INTEREST AND ANTI CORRUPTION

- 7.1. We have conflict management procedures designed to prevent us acting for one client in a matter where there is or could be a conflict with the interest of another client for whom we are acting. If you are aware or become aware of a possible conflict of this type, please raise it immediately with us. If a conflict of this nature arises, then we will decide, taking account of legal constraints, relevant regulatory body rules and your and the other client's interests and wishes, whether we can continue to act for both parties (e.g. through the use of separate teams with appropriate Chinese Walls), for one only or for neither. Where we do not believe that any potential or actual conflict of interest can be managed appropriately, we will inform you and consult with you as soon as reasonably practicable.
- 7.2. You acknowledge that we may earn commissions, referral fees and may charge handling fees connected to the services that we perform and agree that we shall be entitled to retain them without specific disclosure to you. We will not accept any commissions or referral fees in circumstances where we are of the reasonable belief that they would compromise the independence of any advice that we provide to you.
- 7.3. We confirm that we will not, and will procure that our employees will not, knowingly engage in any activity which would constitute a breach of Russian anti-corruption legislation as well as the UK Bribery Act 2010 and that we have in place a compliance programme designed to ensure compliance with the terms of the UK Bribery Act 2010.

8. MANAGEMENT OF THE PROPERTY

We shall not be responsible for the management of the property nor have any other responsibility (such as maintenance or repair) in relation to the property. We shall not be liable for any damage that may occur while the property is unoccupied. The property shall be your sole responsibility.

9. TERMINATION BY NOTICE

- 9.1. Unless a fixed period has been agreed, either party may terminate the instruction by giving 14 days' notice in writing to the other party.
- 9.2. In the event of termination by notice, you shall be obliged to pay forthwith all the fees accrued in relation to the Services and work performed up to the date of termination (and any abort fee) plus any expenses or disbursements incurred by us or to which we are committed at the date of termination.

10. PROFESSIONAL LIABILITY

- 10.1. We shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Services in respect of:

(i) any direct loss of profit;

- (ii) any indirect, special or consequential loss whatsoever howsoever caused including without limitation (a) indirect loss of profit; (b) loss of business; (c) loss of goodwill; (d) loss of use of money; (e) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.
- 10.2. We shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of the Services.
- 10.3. You acknowledge and agree that the exclusions contained in this clause 10 are reasonable in all the circumstances and that you have had the opportunity to take independent legal advice.
- 10.4. Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.
- 10.5. Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our Services to you.
- 10.6. Our total aggregate liability (including that of our members and employees) to you or to any other party relying on our valuation and/or report pursuant to this clause 10 in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Services shall be limited to an aggregate sum not exceeding twenty times the fee as defined in the relevant Assignment to the Agreement. Nothing in these Terms of Business excludes or limits our liability: (i) for death or personal injury caused by our negligence; (ii) for any matter which it would be illegal for us to exclude or attempt to exclude our liability and (iii) for fraud or fraudulent misrepresentation.
- 10.7. We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.
- 10.8. To cover any liability that might be incurred by us, we confirm that we will maintain compulsory professional indemnity insurance. .
- 10.9. Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However in the event of us being asked by you to readdress our report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to the following minimum fees:

	FIRST EXTENDED PARTY	SECOND & SUBSEQUENT EXTENDED PARTIES
For the first USD 1m of reported value	0.075%	0.025% per party
Thereafter	0.035%	0.015% per party

These fees are exclusive of VAT and expenses (including the cost of readdressing the report) and are subject to a minimum fee of \$1,250. Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.

- 10.10. Where we consent in writing to reliance on our report by another party or other parties, we do so on the condition that (i) the other party or parties agree in writing to be bound by the Agreement and these Terms of Business as if it / they had been a party to the original Agreement between us, with such written agreement being provided to us, (ii) such other party pay the fees demanded as set out in clause 10.9 above (unless agreed otherwise in writing) and (iii) where you act on behalf of a syndicate or in relation to a securitisation, you agree that you are not entitled to pursue any greater claim on behalf of any other party than you would have been entitled to pursue on your own behalf had there been no syndication or securitisation.
- 10.11. Where you provide a copy of and / or permit another party or parties to rely upon our valuation report without obtaining our express written consent and fail to provide us with the written consent of any other party or parties who have received our report to be bound by the Agreement and Terms of Business (in accordance with clause 10.10 above), you agree to indemnify us for any and all liability which arises from the use of or reliance upon our report by such unauthorised party.

- 10.12. Notwithstanding clause 10.11, where a valuation report is prepared or where we consent to a valuation report being used for the purpose of a prospectus, offering (either directly or indirectly), or a circular to shareholders, you agree to indemnify us for any liability whatsoever that we may have to any parties that have not agreed with us in writing to be bound by these Terms of Business which exceeds our aggregate cap on liability (referred to at clause 10.6) arising from their use and / or reliance on the valuation report.

11. QUALITY OF SERVICE AND COMPLAINTS

- 11.1. All our valuation reports are signed by a Member of C&W whose responsibility it is to ensure that all relevant quality control procedures have been complied with. In particular, for valuations of properties with an individual value of \$34m or over, the valuer is required to present and explain his methodology to another member of the Valuation & Advisory Team unconnected with the instruction and who is a Member of C&W.
- 11.2. If you wish to complain about the level of our service to you, in accordance with the requirements of the Royal Institution of Chartered Surveyors, we have a standard complaints procedure, a copy of which is available on request.

12. DATA PROTECTION

- 12.1. We (and any of our relevant international partnerships, group companies and affiliated organisations) are data controllers of all personal data collected during the provision of the Services. We shall use such personal data and information we obtain from other sources for providing the Services, for administration and customer services, for marketing and to analyse your preferences. We may keep such personal data for a reasonable period for these purposes. We may need to share personal data with our service providers and agents for these purposes. We may disclose personal data in order to comply with a legal or regulatory obligation and you may request, in writing and upon payment of a fee, a copy of the details held about you by us.
- 12.2. To help us to make credit decisions about you, to prevent fraud, to check identity and to prevent money laundering, we may search the files of credit reference agencies and we may also disclose details of how you conduct your account to such agencies.
- 12.3. We may share personal data within our international partnerships, group companies and affiliated organisations and with our business partners for marketing purposes, which may be to countries or jurisdictions which do not provide the same level of data protection as the country in which you are based, or we may send you and your employees information about other organisations' goods and services. We or any business partners may contact you and your employees, directly or via our agents, by mail, telephone, fax, email, SMS or other electronic messaging service with offers of goods and services or information that may be of interest. By providing us with your or your employees' personal data (whether that data is deemed sensitive or not) including fax numbers, telephone numbers or email addresses, you and your employees consent to being contacted by these methods for these purposes.

13. MONEY LAUNDERING REGULATIONS

In order to comply with all applicable money laundering legislation and regulation, we may be required to verify certain of your details and may ask you to assist us in complying with such requirements. Where such information is requested, you will provide such information promptly to enable us to provide our Services. We shall not be liable to you or any other parties for any delay in the performance or any failure to perform the Services which may be caused by our duty to comply with any such legal and regulatory requirements.

14. ELECTRONIC COMMUNICATIONS

We may communicate with each other by electronic mail, sometimes attaching electronic data. By consenting to this method of communication, we and you accept the inherent risks (including the security risks of interception of, or unauthorised access to, such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). In the event of a dispute, neither of us will challenge the legal evidential standing of an electronic document and our system shall be deemed to be the definitive record of electronic communications and documentation.

15. CONFIDENTIALITY

- 15.1. We owe you a duty of confidentiality. You agree that we may, when required by our insurers or other advisers, provide details to them of any engagement on which we act or have acted for you, and that we may also disclose confidential information relating to your affairs if required to do so for legal, regulatory or insurance purposes only.

- 15.2. Subject to clause 16.1, we both agree never to disclose sensitive details of transactions or our advice without the other's consent. Unless we are expressly bound by a duty of confidentiality which otherwise overrides this, we both shall be entitled to mention to third parties (e.g. in the course of presentations, speeches or pitches) and/or publish (e.g. in brochures, marketing or other written material) that we provide our services to you.
- 15.3. We shall provide the Services to you only for your sole use and for the stated purpose. We shall not be liable to any third party in respect of our Services. You shall not mention nor refer to our advice, in whole or in part, to any third party orally or in annual accounts or other document, circular or statement without our prior written approval. The giving of an approval shall be at our sole discretion.
- 15.4. We will not approve any mention of our advice unless it contains sufficient reference to all the special assumptions and/or limitations (if any) to which our advice is subject. Our approval is required whether or not we are referred to by name and whether or not our advice is combined with others.

16. INTELLECTUAL PROPERTY

All intellectual property rights (including copyrights) in the documents, materials, records, data and information in any form developed or provided to you by us or otherwise generated in the provision of our Services shall belong to us solely. You are granted an irrevocable, non-exclusive, royalty-free licence to use or copy such intellectual property rights for any purpose connected with the property.

17. ASSIGNMENT

Neither party shall be entitled to assign this contract or any rights and obligations arising from it without the prior written consent of the other, such consent not to be unreasonably withheld.

18. GENERAL

- 18.1. If any provision of these Terms of Business is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of these Terms of Business and the remainder of such provision shall continue in full force and effect.
- 18.2. Failure or delay by us in enforcing or partially enforcing any provision of these Terms of Business shall not be construed as a waiver of any of our rights under these Terms of Business.
- 18.3. No term of the relevant Agreement or these Terms of Business is intended to confer a benefit on or to be enforceable by any person who is not a party to the same.
- 18.4. The Agreement shall be governed by and be construed in accordance with legislation of the Russian Federation. Any dispute arising out or in connection with the services shall be submitted to the exclusive jurisdiction of the Arbitration Court of Moscow.

Where the Client is a legal entity established under the laws other than Russian any dispute, controversy or claim which may arise out of or in connection with the present contract (agreement), or the execution, breach, termination or invalidity thereof, shall be settled by the International Commercial Arbitration Court at the Chamber of Commerce and Industry of the Russian Federation in accordance with its Rules.
- 18.5. References to partners of LLC "Cushman & Wakefield OOO" are used to refer to a Member of LLC "Cushman & Wakefield OOO" or an employee or consultant with equivalent standing and qualifications. A list of the members of LLC "Cushman & Wakefield OOO" and of the non-members who are designated as "partners" is open to inspection at our registered office, 6th floor, Gasheka str., bld.6, Moscow, Russia, 125047.

APPENDIX VIII

GENERAL VALUATION PRINCIPLES

I. PRELIMINARY

- 1.1. These general valuation principles (the "Valuation Principles") shall apply to all valuation instructions, other than agency services and other forms of professional services (to which separate terms will apply), provided by LLC "Cushman & Wakefield OOO", a limited liability company having its registered office at Gasheka str., bld. 6, Moscow, Russia, 125047 ("C&W", "we" or "us") to the client to whom a real estate valuation agreement (the "Agreement") is sent ("you"). They shall apply separately to each service subsequently provided to you.
- 1.2. The Valuation Principles are to be read in conjunction with the relevant Agreement and the Terms of Business attached thereto. In the event of any ambiguity or conflict between the relevant Agreement, the Terms of Business and these Valuation Principles, the provisions in the relevant Agreement shall prevail. These Valuation Principles may only be varied in writing by agreement between the parties. It is our practice to review and upgrade our Valuation Principles frequently and new versions will be sent to you and agreed with you.

2. VALUATION BASES

- 2.1. Unless we have said otherwise within the Agreement, the date of valuation will be the date of our inspection.
- 2.2. Unless we have said otherwise in the relevant Agreement, the valuation will be prepared in accordance with the RICS Valuation Professional Standards current at the date of the Agreement (the "Red Book") by valuers conforming to its requirements, acting as external valuer.
- 2.3. Each property will be valued on a basis appropriate to the purpose of the valuation, in accordance with the Red Book in part not contradictory to standards for valuation adopted in Russia. The basis of valuation that we will adopt for each property is specified in the relevant Agreement. Unless the definitions below contradict with the mandatory standards for valuation in Russia the definitions are as follows:

(i) Market Value

Market Value is "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".

(ii) Market Rent

Market Rent is "the estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

(iii) Existing Use Value

Existing Use Value is "the estimated amount for which an asset 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 acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its market value to differ from that needed to replace the remaining service potential at least cost".

(iv) Fair Value

Fair Value is "the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction." In the context of International Accounting Standard (IAS) 17, the fair value of the leased asset of interest will normally be its market value (see (i) above).

(v) Existing Use Value for Social Housing

Existing Use Value for Social Housing is "the estimated amount for which a property should exchange, on the date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had acted knowledgeably, prudently, and without compulsion, subject to the following special assumptions that the property will continue to be let by a body pursuant to delivery of a service for the existing use:

- a) at the valuation date, any regulatory body, in applying its criteria for approval, would not unreasonably fetter the vendor's ability to dispose of the property to organisations intending to manage their housing stock in accordance with that regulatory body's requirements;
- b) properties temporarily vacant pending re-letting would be valued, if there is a letting demand, on the basis that the prospective purchaser intends to re-let them, rather than with vacant possession; and
- c) any subsequent sale would be subject to all of the above special assumptions."

(vi) Projected Market Value of Residential Property

Projected Market Value of Residential Property is "the estimated amount for which an asset is expected to exchange at a date, after the valuation date and specified by the valuer, 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".

- 2.4. When assessing either Existing Use Value, Fair Value or Market Value for balance sheet purposes, we will not include directly attributable acquisition or disposal costs in our valuation. Where you have asked us to reflect costs (as required under FRS 15), they will be stated separately.

In the case of specialised properties (where valuation methods such as market comparison or an income (profits) test cannot be reliably applied), we may use Depreciated Replacement Cost ("DRC") as a method of estimating Value. The valuation using this method of a property in the private sector will include a statement that it is subject to the adequate profitability of the business, paying due regard to the value of the total assets employed. If the property is in the public sector, the valuation will include a statement that it is subject to the prospect and viability of the continued occupation and use. Any writing down of a valuation derived solely from the DRC method to reflect the profitability/viability of the entity in occupation is a matter for the occupier. If the valuation is being undertaken for inclusion in accounts prepared under International Financial Reporting Standards, our report will contain a statement that because of the specialised nature of the property, the value is estimated using a DRC method and is not based on the evidence of sales of similar assets in the market. If we consider that the value of the asset would be materially lower if the business ceased, the report will contain a statement to this effect.

3. GENERAL VALUATION ASSUMPTIONS

- 3.1. Unless otherwise agreed, we will provide the Services in relation to any property on the following assumptions:

- (i) the property and any existing buildings are free from any defect whatsoever;
- (ii) all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual effect on building costs, property values or viability of any development or existing buildings;
- (iii) all the building services (such as lifts, electrical, gas, plumbing, heating, drainage and air conditioning installations and security systems) and property services (such as incoming mains, waste, drains, utility supplies, etc) are in good working order without any defect whatsoever;
- (iv) roads and sewers serving the property have been adopted and that the property has all necessary rights of access over common estate roads, paths, corridors and stairways and to use common parking areas, loading areas and other facilities;
- (v) there are no environmental matters (including but not limited to actual or potential land, air or water contamination, or by asbestos or any other harmful or hazardous substance) that would affect the property, any development or any existing buildings on the property in respect of which the Services are provided or any adjoining property, and that we shall not be responsible for any investigations into the existence of the same and that you are responsible for making such investigations;
- (vi) any building, the building services and the property services comply with all applicable current regulations (including fire and health and safety regulations);
- (vii) the property and any existing building comply with all planning and building regulations, have the benefit of appropriate planning consents or other statutory authorisation for the current use and no adverse planning conditions or restrictions apply (which includes, but is not limited to, threat of or actual compulsory purchase order);
- (viii) appropriate insurance cover is, and will continue to be, available on commercially acceptable terms for any building incorporating types of construction or materials which may pose an increased fire or health and safety risk, or where there may be an increased risk of terrorism, flooding or a rising water table;
- (ix) items of plant and machinery that usually comprise part of the property on an assumed sale are included in the property but items of plant and machinery that are associated with the process being carried on in the property or tenants trade fixtures and fittings are excluded from the property;

- (x) in reflecting the development potential of any property, that all structures will be completed using good quality materials and first class workmanship;
- (xi) any occupational leases are on full repairing and insuring terms, with no unusually onerous provisions or covenants that would affect value;
- (xii) in respect of any lease renewals or rent reviews, all notices have been served validly within any time limits;
- (xiii) vacant possession can be given of all accommodation which is unlet or occupied by the entity/borrower or its employees on service tenancies; and
- (xiv) any mineral rights are excluded from the property.

4. VALUATION ASSUMPTIONS FOR PROPERTY VALUED HAVING REGARD TO TRADING POTENTIAL

- 4.1. Unless we have agreed otherwise, for trading related property (such as hotels, marinas and self storage properties where the property is trading and is expected to continue, we will value on the basis and assumption of a fully equipped operational entity, having regard to trading potential.
- 4.2. Where we are instructed to value a property having regard to its trading potential, we will take account of any trading information that either the operator has supplied to us or that we have obtained from our own enquiries. We will rely on this information being correct and complete and on there being no undisclosed matters that could affect our valuation. The valuation will be based on our opinion as to future trading potential and the level of fair maintainable turnover and fair maintainable operating profit likely to be achieved by a reasonably efficient operator.
- 4.3. Unless we have said otherwise in the relevant Agreement:
 - (i) the valuation will be made on the basis that each property will be sold as a whole including all fixtures, fittings, furnishings, equipment, stock and goodwill required to continue trading;
 - (ii) we will assume that the new owner will normally engage the existing staff and the new management will have the benefit of existing and future bookings or occupational agreements (which may be an important feature of the continuing operation), together with all existing statutory consents, operational permits and licences;
 - (iii) we will assume that all assets and equipment are fully owned by the operator and are not subject to separate finance leases or charges;
 - (iv) we will exclude any consumable items, stock in trade and working capital; and
 - (v) we will assume that all goodwill for the properties is tied to the land and buildings and does not represent personal goodwill to the operator.

5. STRUCTURE

- 5.1. We will not carry out a structural survey of any property nor will we test services. Further, no inspection will be made of the woodwork and other parts of the structures which are covered, unexposed or inaccessible. In the absence of information to the contrary, the valuation will be on the basis that the property is free from defect. However, the value will reflect the apparent general state of repair of the property noted during inspection, but we do not give any warranty as to the condition of the structure, foundations, soil and services. Our report should not be taken or interpreted as giving any opinion or warranty as to the structural condition or state of repair of the property, nor should such an opinion be implied.
- 5.2. If we give the age of a building in our report, this will be an estimate and for guidance only.

6. MEASUREMENTS

- 6.1. Where we are required to measure a property we will generally do so in accordance with the latest edition of the RICS Code of Measuring Practice. However, you should specifically note that the floor areas contained in any report we may publish are approximate and if measured by us will be within a 3% tolerance either way. In cases where the configuration of the floor plate is unusually irregular or is obstructed, this tolerance may be exceeded.
- 6.2. We will not be able to measure areas that we are unable to access. In these cases we may estimate floor areas from plans or by extrapolation. Where we are required to measure land or site areas, the areas will be approximate and will be measured from plans supplied. They will not be physically checked on site.
- 6.3. The areas we report will be appropriate for the valuation purpose, but should not be relied upon for any other purpose.

7. PLANNING AND STATUTORY REGULATIONS

- 7.1. Unless specifically instructed in writing to make formal searches with local planning authorities, we shall rely in the provision of our Services on the information provided informally by the local planning authority or its officers. We recommend that your lawyers be instructed to confirm the planning position relating to the property and review our comments on planning in the light of their findings.
- 7.2. We may consider the possibility of alternative uses being permitted. Unless otherwise notified by you in writing, we shall assume that the property and any existing buildings comply with all planning and building regulations existing uses have the benefit of appropriate planning consent or other statutory authorisation, and that no adverse planning conditions or restrictions apply.
8. VALUATION EXCLUSIONS
 - 8.1. We will not inspect title deeds and we will therefore rely on the information supplied as being correct and complete. In the absence of information to the contrary, we will assume the absence of unusually onerous restrictions, covenants or other encumbrances and that the property has a good and marketable title. Where supplied with legal documentation, we will consider it but we will not take responsibility for the legal interpretation of it.
 - 8.2. We will take into account any information that you provide concerning any tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed, we will assume that the property was let with all alterations and improvements evident during our inspection (or, in the case of valuation without inspection, as described within the information that you provide).
 - 8.3. Our valuation will take into account potential purchasers' likely opinion of the financial strength of tenants. However, we will not undertake any detailed investigations on the covenant strength of the tenants. Unless informed to the contrary by you, we will assume that there are no significant arrears and that the tenants are able to meet their obligations under their leases or agreements.
 - 8.4. Any plans we provide to you indicating the site of a property are for identification only. We will rely on our inspection and information that you provide in outlining the extent of each property, but you should not rely upon our plans to define boundaries.
 - 8.5. Where comparable evidence information is included in our report, this information is often based upon our oral enquiries and its accuracy cannot always be assured, or may be subject to undertakings as to confidentiality. However, such information would only be referred to where we had reason to believe its general accuracy or where it was in accordance with expectation. In addition, we have not inspected comparable properties.
 - 8.6. For a recently completed development property, we will not take account of any retentions or outstanding development costs. For a property in the course of development, we will reflect your advice on the stage of construction, the costs already incurred and those still to be spent at the date of valuation, and will have regard to any contractual liabilities.
 - 8.7. We will not make any allowance in our Services for the existence of any mortgage or other financial encumbrance on or over the property nor take account of any leases between subsidiaries.
 - 8.8. Any valuation figures provided will be exclusive of VAT whether or not the building has been elected.
 - 8.9. We will not make any allowance in any valuation advice provided for the expenses of realisation or any taxation liability arising from the sale or development of the property.
 - 8.10. Unless we have said otherwise in the Agreement, each property will be valued individually; in the case of a portfolio, we will assume that the properties would be marketed in an orderly way and not placed on the market at the same time.
 - 8.11. The components of our valuation calculations (such as future rental values, cost allowances, or void periods) may only be appropriate as part of the valuation calculation. They should not be taken as a forecast or prediction of a future outcome. You should not rely on any component of the valuation calculation for any other purpose.
 - 8.12. We will value in the local currency. If we are to report to you in another currency, unless we have agreed otherwise we will adopt a conversion rate equivalent to the closing rate ("spot rate") on the date of valuation.
 - 8.13. Our valuation does not make allowance either for the cost of transferring sale proceeds to another state, or for any restrictions on doing so.

8.14. In instances where we are instructed to provide an indication of current reinstatement costs for insurance purposes, this will be given solely as a guide without warranty. Formal estimates for insurance purposes can only be given by a building surveyor or other person with sufficient current experience of replacement costs. The property will not be inspected by a building surveyor or qualified building cost estimator and the guide will be based on costs obtained from generic building cost tables. You should not rely on it as the basis for insurance cover.

9. REGULATED PURPOSE VALUATIONS AND MONITORING

9.1. In circumstances where a valuation, although provided for a client, may also be of use to third parties, for instance the shareholders in a company (otherwise defined as a "Regulated Purpose Valuation" in the Red Book), we are required to state our policy on the rotation of the surveyor who prepares the valuation and the quality control procedures that are in place.

9.2. Irrespective of the purpose of the valuation, we will select the most appropriate surveyor for the valuation having regard to his/her expertise and the possible perception that independence and objectivity could be compromised where a valuer has held the responsibility for a particular client for a number of years. This may result in us rotating the surveyor responsible for repeat valuations for the same client although we will not do so without prior discussion with the client.

9.3. For all Regulated Purpose Valuations we are required by the Red Book to state all of the following in our report:

- (i) the length of time the valuer continuously has been the signatory to valuations provided to you for the same purpose as the report, together with the length of time we have continuously been carrying out that valuation instruction for you;
- (ii) the extent and duration of the relationship between you and us;
- (iii) in relation to our preceding financial year the proportion of the total fees, if any, payable by you to our total fee income expressed as one of the following:
 - less than 5%; or
 - if more than 5%, an indication of the proportion within a range of 5 percentage points;
- (iv) where, since the end of the last financial year, it is anticipated that there will be a material increase in the proportion of the fees payable, or likely to be payable, we shall include a further statement to that effect in addition to (iii) above.

9.4. The valuation may be subject to monitoring under the RICS's conduct and disciplinary regulations.

APPENDIX IX

VALUATION LICENSES

THIS IS TO CERTIFY THAT

Cushman & Wakefield

IS REGISTERED AS A FIRM REGULATED BY RICS

Valid from: June 2013

Until: June 2014

Firm Registration no. 47410

Steele

DIRECTOR OF RICS REGULATION

RICS

This certificate is valid from year to year subject to the provisions of the bye-laws of the Institution and is not a certificate of practice.



This Diploma is held from year to year subject to the provisions of the Bye-Laws of the Institution.