VALUATION REPORT 83801/S510/OP-174652

VARIOUS PROPERTIES TOGETHER KNOWN AS "MIRLAND DEVELOPMENT CORPORATION ASSETS"

Prepared for:

MIRLAND DEVELOPMENT CORPORATION PLC

Valuation date:

December 31, 2015

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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:	15 March 2016
Valuation Date:	31 December 2015

1 INSTRUCTIONS

APPOINTMENT

In accordance with your request, as confirmed by the Valuation Agreement 83801/S510/OP-174652 dated 11 January 2016, ("Agreement"), concluded between LLC "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 31st of December 2015.

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 fractural 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 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.

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. MARKET UNCERTAINTY

GENERAL COMMENT

Recent events in Russia linked to geo-political events, currency fluctuations and a reduction in the availability of finance due to sanctions, have resulted in abnormal volatility in the Russian economy with unpredictable consequences for the local real estate market. We have valued the Property on the basis of the market evidence available at the date of valuation, although during 2015 there have been an increasingly limited volume of transactions. We have endeavoured to reflect current market sentiment, although this is mixed: some commentators are taking a pessimistic view, whilst others suggest that the prospects for Russian real estate may not be adversely affected in the medium term. In the absence of information to the contrary, our valuation has been undertaken assuming that the property market will continue to perform broadly as it has in the past, but we recommend you keep the valuation of this property under review, so far as you judge it to be relevant in the context of the purposes for which this valuation is required.

MARKET INSTABILITY

In accordance with Guidance Note 5 of the RICS Valuation Standards, we would draw your attention to the following comment regarding current market conditions. The current volatility in the Russian financial system, including the significant weakening of the Russian rouble, has created a significant degree of uncertainty in all sectors of the commercial real estate market. In this environment, it is possible that prices and values could go through a period of heightened volatility whilst the market absorbs the various issues and reaches its conclusions. he lack of liquidity in the capital markets means that it may be very difficult to achieve a successful sale of these assets in the short term and we would recommend that the situation and the valuations are kept under regular review and specific marketing advice is obtained should you wish to effect a disposal.

UNCERTAINTY CLAUSE

It must be noted that sentiment towards the property investment market has weakened considerably during the course of 2015 and continued this trend into 2016. Fewer transactions are occurring in the market places as investor's contemplate how the market will adjust to the current environment of economic volatility. Our opinion of Market Value is provided in the light of these conditions and investor sentiment. The limited number of comparable transactions and the current market uncertainty mean that, in arriving at our opinion of Market Value, we are having to exercise more than the usual degree of judgment. Further, we recommend that the valuation is kept under constant review.

13. 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.

14. 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.

15. 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.

16. AGGREGATE VALUATION

Subject to the foregoing, and based on values current as at 31st of December 2015, 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$415,200,000

FOUR HUNDRED FIFTENN MILLION, TWO HUNDRED THOUSAND US DOLLARS

NET OF VAT

OR

30 260 897 000 RUR[1]

THIRTY BILLION, TWO HUNDREN SIXTY MILLION, EIGHT HUNDRED NINETY SEVEN THOUSAND

RUSSIAN ROUBLES

NET OF VAT

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$394,900,000

THREE HUNDRED NINTY FOUR MILLION, NINE HUNDRED THOUSAND

US DOLLARS

NET OF VAT

OR

28 781 378 000 RUR[2]

TWENTY EIGHT BILLION, SEVEN HUNDRED EIGHTY ONE MILLION, THREE HUNDRED SEVENTY EIGHT THOUSAND

RUSSIAN ROUBLES

NET OF VAT

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.

17. 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.

[1] As at the exchange rate of Central Bank of Russia as at December 31, 2015
[2] As at the exchange rate of Central Bank of Russia as at December 31, 2015

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 LLC "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 the land plot in Saratov intended for development of a logistics complex, land plot in St. Petersburg intended for office and retail complex construction and Perkhushkovo 2 land plot intended for cottage settlement development.

In regards to the Yaroslavl Phase 2 and Kazan we used the DCF method. Yaroslavl Phase 2 represents an extension of existing first phase and Kazan represents a build-to-suit project, therefore they already 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.

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 Value[3]. 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.

[3] 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:

DCF MODEL HOLDING PERIOD

Our models assume a resale of assets at the end of a 5-year holding period. Our DCF valuation thus projects incomes and costs for a 5-year period running from the end of 2015 to the end of 2020, with a hypothetical resale of the assets, following the 5 year holding period.

CURRENT RENTAL RATES

Current rents were set according to the agreements with tenants. According to the information, received from the Client, under the current turbulent market conditions practically all tenants signed addendums with fixed corridors or even with certain rent reductions and discounts. All this was taken into account while setting the current rent for the tenants. For office premises we analyzed each tenant separately and set each rent according to the fixed corridor where applicable (in most cases it was at the level of 38-41 RUR per 1 USD) and recalculated them using the exchange rate as at the valuation date.

For retail malls in Saratov and Yaroslavl we took into account all discounts that were made to special tenants and also recalculated rents using set corridors for each tenant.

For the purpose of our valuation we assumed that these corridors will be in place for the duration of each contract until lease expiration. For office premises weighted unexpired lease term is from 1.5 to 2 years, which means that the corridor will be set for at least 2 years. For retail malls unexpired lease term is from 3 to 5 years. As from year 2 we assume indexation of rents according to existing contracts, we assume this to be reasonable and conservative, give current market uncertainty.

For Kazan development project (build-to-suit) we set rents according to existing preliminary agreement with OBI and Behetle. For Yaroslavl Phase 2 we also recalculated possible rents on the basis of those, currently used in the operating Mall.

For Perkhushkovo and St. Petersburg Residential we set sale prices based on the results of sales occurred last year and on the basis of current sale prices for similar projects.

CURRENT RENT INDEXATION

Taking into current turbulent market conditions and discounts given to tenants, we applied 0% indexation for year 1 and then contracted indexation according to existing lease terms.

ESTIMATED RENTAL VALUE/MARKET RENT

In preparing our valuation we have made reference to rental values appropriate to the nature and use of the accommodation as well as the location of the Property. As at the respective date of valuation we have estimated the rental income based on our ERVs for the different uses and qualities of net leasable area. These figures are based on research carried out by C&W and market data as described in Appendix VI of the current Report.

In conclusion, consistent with the above market evidence and the opinion of consultants in our Office Agency and Retail Department, who have a significant amount of experience in letting this type of Properties, based on the analysis of all the salient facts and circumstances we are of opinion that as of the date of valuation net ERV for office premises are in the range from 250 to 265 USD per 1 sq. m

The Market Rent applied is net of operating costs, taxes and insurance costs and assumes appropriate and prevalent current lease terms.

We have adjusted downwards our opinions of ERV for all of the properties valued, in order to reflect the current occupational market for these buildings.

For all properties we have lowered the ERV if compared to the previous year in an absolute amount. For both retail properties we asked our Retail Department to analyse each rent-roll on the tenant by tenant basis and to set the ERV for each tenant separately. Therefore we used several types of Use depending on the type of the tenant, the area leased and current expectations of each tenant.

ERV GROWTH

Based on market research carried out by Cushman & Wakefield and taking into account current trends in the office market, we have applied 0% of annual growth on ERV for the forecasted period in regards to each Property for the coming year, which actually means slight decrease of rents because no correction on inflation was made. After that period we assume the recovery of the economics and a 5% growth of ERV for office premies, which according to our opinion is in line with the current market trends and represents rather conservative approach. As it has been seen after previous turbulence periods, market grows quite rapidly during the recovery periods, therefore we believe that our approach is reasonable and rather conservative.

For retail premises we assumed 7.5% growth for the first two years and then 5% onwards – this is based on the Russian CPI forecast and is in line with the current market trends.

A growth rate of 2.5% for each year during the holding period was adopted for Perkhushkovo cottage settlement taking into account the nature of the Property and rather low initial sale prices, which according to the Client will be definitely indexed this year and will be indexed the coming years onwards.

VOID PERIOD

For those spaces currently vacant we have assumed a marketing/letting period of 3 to 12 months for to be fully let. All our assumptions are based on the current market trends, our internal discussions with our Office Agency and Retail Teams and the Landlords' letting team.

In regards to those Properties which are now half or fully vacant, we assumed different letting periods depending on the type of the Property, its characteristics and the level of rents adopted for ERV. It is common knowledge that the higher the rent it, the longer time it will take to lease the Property in case the owner would like to keep this level of rent and give few or no discounts at all.

For those premises with a total area of more than 1,000 sq. m which become vacant due to lease expiries we have assumed that they will be re-let after a 2-4 month expiry void, as we have assumed that the landlord will begin marketing the space on the tenant's service of notice not to renew the lease 3 to 6 months before lease expiry. For areas more than 5,000 sq. m we assume longer void periods of 5-6 months.

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 analyzed 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.

We were informed by the Client that in 2016 there are some one-time non-recurring additional expenses that we deducted from the rental income in the first period.

For Yaroslavl Vernissage Mall there are no on-going non-recoverable costs as all of them are covered by tenants, except for some one-time non-recurring expenses that occur this year. These were included into the cash flow and then deducted from the rental income.

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.

FEES ON LEASING AND DISPOSAL FEES

When selling (but not acquiring) and leasing commercial premises, it is a standard market practice to use brokers' services. Taking into account the size of each Property, standard market practice and other relevant characteristics, we have estimated brokers' fee commission. The fee commission was applied at the level of 0.5% for each Property at the end of the cash flow on disposal of each property. We have consulted our Brokers and assume that this level of fees is reasonable under the current market conditions.

Leasing commission equals one month's rent or 8.33% of the annual lease related income for all premises, which are vacant as at the valuation date.

CURRENCY EXCHANGE RATE

In accordance with the Central Bank of the Russian Federation, as at the valuation date the currency exchange rates were as follows:

1 USD= 72.8827 RUR

1 EURO= 79. 6972 RUR

DISCOUNT RATE

We have considered the perceived and actual risks associated with the Property, as there is a direct correlation between a property's perceived risk and the expected rate of return to an investor (the discount rate). Generally, the yield or 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 realization of expected future returns.

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

The appropriate discount rate will be the rate of return that adequately compensates the investor for the risks taken. As risk rises, the required compensation for the level of risk should also rise, reflected in a rise in the discount rate. The discount rate (the target rate of return) is usually derived by reference to the return on an alternative form of perceived low-risk or riskless asset (frequently the benchmark is the gross redemption yield on government gilts or cash), plus appropriate additions for risk.

The level of rate may vary in different areas of a city or country 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. High quality newer investment properties generally have lower yields and discount rates than older existing properties.

Based on our knowledge of required rates of return for various investments, in particular real estate, as well as through discussions with investors active in the real estate market in Russia, we have been able to estimate an appropriate discount rate which reflects the perceived risk and required rate of return for a property such as the subject property.

In determining this discount rate, we have used a number of factors to ensure that it is accurate, applicable, market derived and theoretically robust. Firstly, we have derived the discount rate both from our knowledge of the minimum hurdle rates of return (minimum IRR) required by actual developers and investors currently active in the Russian market (that is, from real market participants and the real rates of return required by our clients).

Secondly, we have used the cumulative method to rationalize and verify the market derived discount rate applied in a more quantitatively and economically robust context. The Cumulative Method assesses the likely return required by investors and developers based on the desired rate of return (also referred to as the discount rate or target rate) conventionally constructed from a risk-free rate and market risk premium; for real estate, investors may also choose to add specific risk premiums.

Finally, we have tested the reasonableness of the discount rates and exit yields applied to the discounted cash flow by considering the initial yield produced by our calculations at the date of valuation based on the current annual income and the Market Value produced by the DCF. This initial yield has been tested against current evidence and market sentiment as to initial yields in the particular property sector ad macro-location considered.

We therefore analyzed each asset and considered each as an investment opportunity and that a third party purchaser in the current market would require a minimum un-geared/deleveraged internal rate of return in order to purchase the asset.

While the construction of a discount rate using the cumulative or build-up method may seem to be a relatively straightforward process, actually determining the risk premium is more complex. Although some areas can be estimated quantitatively from historic data, a number of factors, resist that kind of analysis. As a result, investors are required to make subjective or qualitative adjustments to discount rates. The positive interpretation of this is that being aware of a risk, even if one cannot quantify it exactly, is the first step in controlling it.

The following are examples of the sort of factors, which may be used in deriving a property risk premium:

1. Risk-free rate of investment
2. Market risks
   a. Illiquidity upon sale (e.g. lot size, transaction times, availability of finance)
   b. Failure to meet market rental expectations (forecast rental growth)
   c. Failure to meet market yield expectations (forecast yield shift)
   d. Risk of locational, economic, physical and functional depreciation through structural change
   e. Risks associated with legislative change (e.g. planning/privity of contract, changes in fiscal policy)
3. Specific risks
   a. Permitting/Planning risk (for development land or properties)
   b. Construction risk (for development land or properties
   c. Sales or market cycle risk (the risk of failure to let or sell the specific asset due to demand changes)
   d. Tenant default on rental payment (covenant risk)
   e. Risk of failure to re-let (void risks)
   f. Costs of ownership and management
   g. Differing lease structures (e.g. rent review structure, lease breaks).

The risk-free return rate is normally taken to be the gross redemption yield on a medium-dated government gilt, preferably of the same duration as the assumed holding period of the investment. (Alternatively it is possible to adopt the real return of index-linked gilts, in which case this needs to be applied to cash flows expressed in real terms.) Equally, geared investors or property companies frequently have reference to debt costs or the weighted average cost of capital (WACC) as the core metric against which assets are assessed.

The second group – risks of structural change or market failure – is those that may affect the market as a whole, particular subsectors or groups of property. The structural impacts on the in-town retail market brought about by the introduction of out-of-town retailing and changes to property taxation such as value added tax(VAT) are good examples of this. As such, these risks could be called market or systemic risks.

The third group – property, non-market or 'unsystemic' risk factors – are, broadly speaking, risks associated with individual assets.

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.

The exit yield applied in the end of a forecasted period of the discounted cash flow, that is, after the holding period in the DCF, assumes a hypothetical sale of the Property at this time through the application of an All-Risks Yield to the final year's income stream.

In assessing the exit yield to apply, we have had regard to current initial yields for the segment and type of Property represented by the subject property, market sentiment relating to anticipated yields in the short term for this type of property and the anticipated state of each Property in 5 years. We have also had regard to the likely competition in the office segment in forthcoming years and the resultant and likely attractiveness of the Properties to investors given an increase/decrease in supply of similar quality assets.

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.

Arriving at discount and capitalization rates and bearing in mind how these should be correlated to each other is an important process in the calculation of value, which requires a valuer to draw on their specific skills and knowledge of the market under consideration. The discount rate reflects the return sought by the investor from the asset and takes into account the current level of risk inherent in the investment concerned.

The initial yields and running yields generated by our valuations are principally in the range of 11.5% to 14%, these being in line with those yields reported for the office and retail sectors by major real estate companies (Jones Lang Lasalle and Cushman and Wakefield Research teams). We have also discussed our adopted yields with our in-house Capital Markets team to ensure we are reflecting existing market sentiment of both buyers and sellers.

Both the discount rates and exit yields are functions within the valuation calculations, from which our opinions of Market Value are derived. These calculations generate a variety of outputs, including initial / running yield and capital value per sq. m, which are considered collectively in order to arrive at what we consider to be an appropriate value, in line with the market.

For Properties in the course of development (St. Petersburg Residential, Kazan and Yaroslavl phase 2) the following additional assumptions were made:

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), 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.

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 were agreed with our internal brokers' departments, which have significant knowledge and transactional experience in all sectors of commercial real estate in Russia.

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.

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.

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".*

MirLand Development Corporation Assets - Overview of Market Values as at 31st of December 2015

Ref.	City	Property Name and Address	Portfolio Market Value as of 31st of December 2015	Percentage Owned by MirLand	MirLand Market Value as of 31st of December 2015 (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 Capitalisation Rate for Commercial	Total Outstanding Investment (excl. VAT & Land for commercial properties and incl. VAT for residential projects)	Total Commercial Rental Income as of 2016 Market Rental Values (Assuming 100% Occupancy and Fully Completed)
001	Moscow	Hydromashservice, 2-Khutorskaya str., 38A	$32 200 000	100%	$32 200 000	12 237	16 696	$1 929	14,00%	10,00%	Completed	$4 395 000
002	Moscow	MAG, 2-Khutorskaya str., 38A	$37 300 000	100%	$37 300 000	21 940	18 535	$2 012	14,00%	10,00%	Completed	$4 487 000
003	Moscow Region	Western Residence, Perkhushkovo, Odintsovsky district	$19 300 000	100%	$19 300 000	225 300	44 063	$438	15,50%	Residential	n/a	Residential
004	Saratov	Triumph Mall, 167 Zarubina street	$72 000 000	100%	$72 000 000	22 000	27 243	$2 643	14,00%	11,50%	Completed	$7 851 000
005	Saint Petersburg	Triumph Park, Residential	$116 700 000	100%	$116 700 000	326 651	325 059	$359	20,00%	Residential	$350 635 000	Residential
006	Saint Petersburg	Triumph Park, Commercial	$8 200 000	100%	$8 200 000	81 663	117 775	$232	n/a	n/a	n/a	n/a
007	Yaroslavl	Vernissage Mall, Kalinina str.	$48 400 000	100,0%	$48 400 000	120 000	34 092	$1 420	14,00%	11,50%	Completed	$4 176 000
008	Yaroslavl	Phase II	$2 500 000	100,0%	$2 500 000	160 000	40 000	$63	21,50%	11,50%	$39 018 000	$8 573 000
009	Moscow	Tamiz Building	$24 700 000	100%	$24 700 000	4 500	11 737	$2 104	14,00%	10,00%	Completed	$2 552 000
010	Moscow	Century Buildings	$45 600 000	51%/61%	$25 300 000	5 800	20 904	$2 181	14,00%	10,00%	Completed	$5 160 000
011	Kazan	Triumph House	$4 300 000	100%	$4 300 000	22 000	18 500	$232	20,00%	11,00%	$21 138 000	$4 753 000
012	Saratov	Logistics Complex	$4 000 000	100%	$4 000 000	260 000	104 000	n/a	n/a	n/a	n/a	n/a
		Total	**$415 200 000**		**$394 900 000**						**$410 800 000**	**$41 900 000**

PROPERTIES HELD AS INVESTMENTS

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
"MAG" 2-Khutorskaya street, 38A Moscow, Russia	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. 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, total leasable area is 18,534.90 sq. m. with 175 parking spaces. As at the date of valuation there were 4,684 sq. m. of vacant space, which represents 25.27% of the total rentable area. According to the Long Term Lease Agreement #M-09-031793 as of September 29, 2006, Mashinostroenie and Hydravlika OJSC leases a land plot of 1.2879 ha until 1st of September 2055. The land plot with a total area of 1.0257 ha is held by Mashinostroenie and Hydravlika 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.	Different length periods	US$3 592 724	US$4 896 225	**US$37,300,000** **US$37,300,000** for the 100% share interest held by the Client according to information provided to us.
"Hydromashservice" 2-Khutorskaya street, 38A Moscow, Russia	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. 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 2,516 sq. m. or 15.07% 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. According to the Amendment Agreement No.5 of 29.09.2006 to the land lease agreement # M-09-025311, dated 28.11.2003. Hydromashservice LLC leases a land plot of 1.2237 ha.	Different length periods	US$3 849 180	US$4 263 495	**US$32,200,000** **US$32,200,000** for the 100% share interest held by the Client according to information provided to us.

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
"Century Buildings" 2-Khutorskaya street, 38A Moscow, Russia	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. 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 23.78% of the GLA, which is 4,972 sq. m The land plot is held leasehold and the buildings are held freehold.	Different length periods	US$5 717 737	US$8 046 958	**US$45,600,000** **US$25,300,000** for the 51%/61% share interest in bld. 8 and bld. 17 respectively held by the Client according to information provided to us.
"Tamiz" 2-Khutorskaya street, 38A Moscow, Russia	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. 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 2,251 sq. m. vacant (or 23.78% 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. The land plot is held leasehold and the building is held freehold.	Different length periods	US$2 076 860	US$2 933 240	**US$24,700,000** **US$24,700,000** for the 100% share interest held by the Client according to information provided to us

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
"Triumph Mall" 167 Zarubina Street Saratov, Russia	The Property represents a modern three-floor retail entertainment center with a total leasable area of 27,240.83 sq. m, of which 0.22% are currently vacant. The Property conforms to all European standards in terms of technical and engineering conditions as well as in terms of management services. The Mall has a list of prestigious tenants bound with the owner of the Property by long-term relations. 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. 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. The tenure of the land plot of 2.2 ha is freehold.	Different length periods	US$8 012 076 (including turnover rent)	US$8 579 015 (including turnover rent)	**US$72,000,000** **US$72,000,000** for the 100% share interest held by the Client according to information provided to us

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
"Vernissage Mall" Moskovskoye Shosse & Kalinina street Yaroslavl Region, Russia	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, of which 10.61% are currently vacant. Gross buildable area comprises 40,787 sq. m. The complex consists of one ground floor and a guest ground parking with 1,450 spaces. All premises are currently occupied. 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. The Property conforms to all European standards in terms of technical and engineering conditions as well as in terms of management services. The Mall has a list of prestigious tenants bound with the Owner of the Property by long-term relations. 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").	Different length periods	US$4 275 765 (including turnover rent)	US$$4 693 739 (including turnover rent)	**US$48,400,000** **US$48,400,000** for the 100% share interest held by the Client according to information provided to us.

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	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. The Property comprises two adjacent land plots held freehold with a total area of 22.53 ha: Land plot #1 with a total area of 10.57 ha; Land plot #2 with a total area of 11.96 ha. 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. According to the information provided by the Client, as at the date of this Report, the 1st phase of development was 100% completed. 52 houses from the 1st phase were already sold as of the date of valuation.	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.	**US$19,300,000** **US$19,300,000** for the 100% share interest held by the Client according to information provided to us
"Triumph Park, Residential" and "Triumph Park, Trade Center" 30 Pulkovskoe Shosse Saint Petersburg, Russia	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. The tenure of the land plot is freehold. 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. 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. The concept of the Residential element provided to us suggests constructing all in all approximately 7,000 residential dwellings comprising an average	Residential: Upon completion the units are expected to be sold on a single unit basis. Commercial: n/a	Residential: Upon completion the units are expected to be sold on a single unit basis. Commercial: n/a	Residential: Upon completion the units are expected to be sold on a single unit basis. Commercial: n/a	Total Value for Residential &Trade **US$124,900,000** **US$124,900,000** for the 100% share interest held by the Client according to information provided to us

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
	saleable area of 63.5 sq. m. per apartment over 8 phases. The quality of the apartments is split into "Economy" class and "Comfort" class. Moreover, some 7,000 underground parking spaces as well as open parking areas along the streets will be constructed as part of the Saint Petersburg Residential project. Construction started in August 2008 and will take place in 8 phases, with the last one being completed in 2022. We have also been informed that the general plan of the project was approved as well as the detailed planning. Commercial part of the property is represented by a land plot of 8.16628 hectares in total, which is intended for future development of class B office and retail space, including parking facilities in three phases. Total outstanding development costs are estimated at US$350 635 000 (for residential part including VAT).				

PROPERTIES HELD FOR FUTURE DEVELOPMENT

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
"Triumph House" Okolnaya street, 28A Kazan, Russia	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. 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. The site is located in the Central part of Kazan on the intersection of Gorkovskoe Highway, Bolotnikova Street, Frunze Street and Vosstaniya Street. Total outstanding development costs are estimated at US$21 138 000 (excluding VAT).	n/a	n/a	US$4 753 000 (assuming 100% occupancy according to signed agreements)	**US$4,300,000** **US$4,300,000** for the 100% share interest held by the Client according to information provided to us (Assuming built and fully let on market terms US$42 584 497)
"Yaroslavl Phase II" Moskovskoye Shosse & Kalinina street Yaroslavl, Russia	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. According to information provided by the Client, the construction of a big box retail complex incorporating some 57,000 sq. m. of total leasable area with an entertainment zone is planned in the future. 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. The tenure of the land plot is freehold (according to the Ownership Certificate 76-AA #170178) Total outstanding development costs are estimated at US$39 018 000 (excluding VAT).	n/a	n/a	US$8 573 000 (upon completion and assuming 100% occupancy)	**US$2,500,000** **US$2,500,000** for the 100% share interest held by the Client according to information provided to us (Assuming built and fully let on market terms US$88 573 208)

Property Address:	Description, Status and Tenure:	Terms of Existing Tenancies:	Current Net Rent:	Estimated Rent:	Market Value:
Logistics Complex 1,3 km to the south-east of Dubki village Saratov Region, Russia	The Property represents an undeveloped land plot of approximately 26 hectares held for construction of a logistics complex. 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. 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)	n/a	n/a	n/a	**US$4,000,000** **US$4,000,000** for the 100% share interest held by the Client according to information provided to us

APPENDIX II

MARKET COMMENTARY[4]

OUTLOOK

2016 will be a difficult year for both landlords and tenants. Landlords will focus on minimizing losses. Utilization of vacant commercial space will require creative approach.

RENTAL RATES WILL HIT THE BOTTOM IN 2016

Retail real estate will be the first to demonstrate signs of recovery.

Real estate indicators will show lowest values in Q1-Q2 21016. In this period we expect diminishing business activity in financial sector and consumer markets.

By midyear retail sales may stabilize and consumers will adapt to the drop in income. Retail rents will consolidate and may start recovering in the second half of the year.

Office rents will remain low. We will see less rents nominated in foreign currency.

Investment activity will remain at the same level as in 2015. We expect volume of investment transactions at 2 bn USD. Investors will be looking for assets with predictable and sustainable cash flow.

REGULATION

IN 2016 RUSSIA WILL FACE BUDGET DEFICIT

2.36 bn RUB (17% of revenue) budget deficit will be compensated out of the sovereign wealth fund. If oil price drop below 40 USD/barrel, overall deficit will reach 5% of GDP.

In spite of the very high popularity of the political course of the federal government, we may see more local conflicts between different elite groups in 2016 with possible local protest outbursts.

Population will have to adapt to the new reality by returning to the old-fashioned consumer model (spending focused on food and immediate needs).

However, in large cities urban post-industrial culture, which emerged in the previous years, will remain strong. As a result, we will see consumer behavior split between conservative approach (street markets, discounters, etc.) and modern culture (cafeterias, designer shops, etc.). However, both groups will experience drop in income.

Unemployment rate will remain low because of the public sector, which has become the major employer since 2009 – governmental structures will prefer to cut salaries but keep the jobs.

Sanctions will be still the major threat for the Russian economy. Trade restrictions will not only affect imports of consumer goods, but also imports of technological goods and equipment, which is crucial for domestic production and import substitution.

The government will continue attempts to facilitate development through infrastructure projects and state programs. However, this will be restricted by the lack of credit resources. As a result, lobbying groups will compete for financing by offering more and more ambitious projects with questionable financial models.

Large scale projects with state participation and strong social function will dominate the market in the coming years.

While economy is shrinking, the government regulation will become major factor for real estate business.

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[4]*Research department C&W; Marketbeat Q4 2015*

1.3%

Of cadastral value

PROPERTY TAX RATE IN 2016

MACROREVIEW

Economy Recession will last until 2017. Consumer demand will be shrinking due to the decrease in disposable income and import restrictions.

PERSONAL CONSUMPTION

2015	2016	2017	2018
-9.7%	-0.9%	1.2%	2.2%

CPI

2015	2016	2017	2018
15.5%	7.5%	5.6%	5.2%

REAL WAGES

2015	2016	2017	2018
-7.7%	1.2%	3.5%	3.6%

Source: Rosstat, Oxford Economics

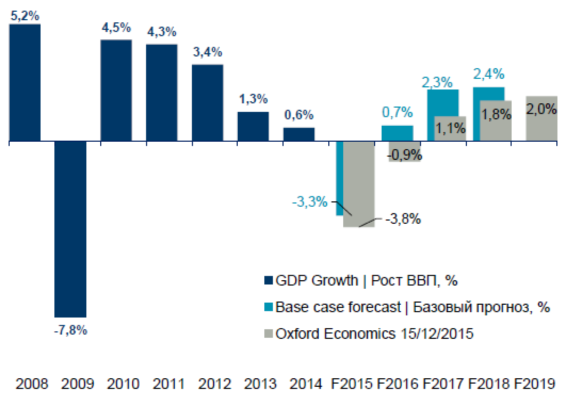
MACRO SUMMARY

IN 2016 ECONOMY WILL CONTINUE CONTRACTION

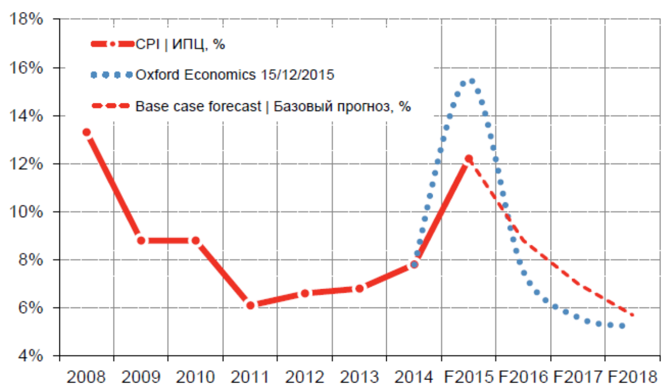
The economy is expected to perform poorly until 2018. RUB will be weak. Economy isolation will restrict international trade and prevent Russia from integration into the world markets. Real estate will be under pressure from weak demand and lack of credit resources.

After extreme RUB devaluation in 2015 inflation jumped up to 15%. In 2016 the government will try to put it under control. It may use some non-fiscal measures like price control and foreign currency exchange restrictions. As a result, b2b inflation may exceed consumer inflation.

GDP GROWTH



INFLATION



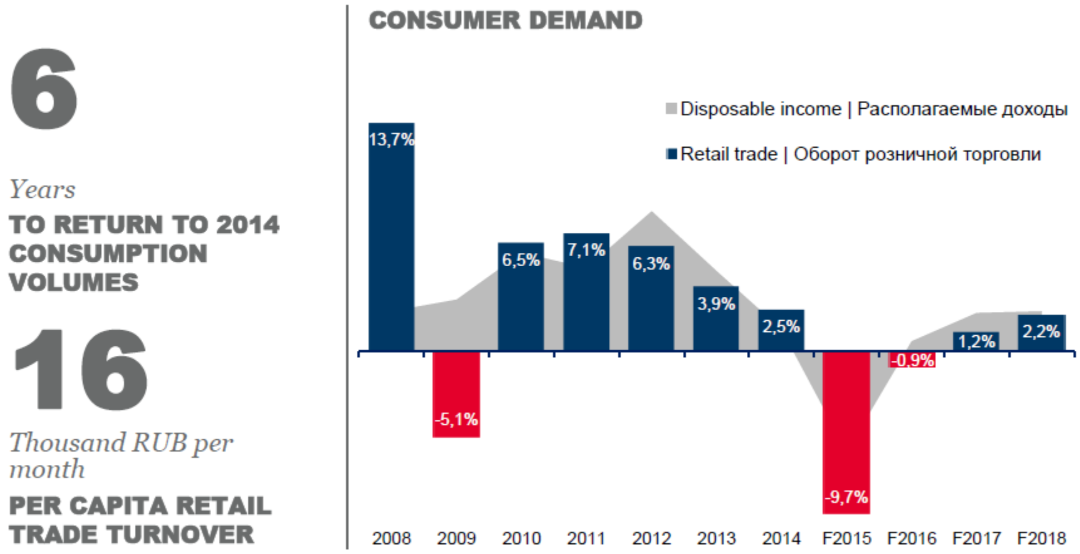
CONSUMER MARKET

CONSUMER DEMAND IS SHRINKING AND RESHAPING

For the first time in the modern history, Russia will experience contraction of consumer demand for two years in a row.

End of Q4 2015 will be the turning point for retailers. New Year sales are supposed to help them to improve performance in 2015. However, in January 2016 this resource will be exhausted. Consumers will have to pay back debts; income is seasonally low in January.

Retailers will prepare themselves for long winter optimizing stocks, personnel and stores. Non-food retail may start recovering in the second half of 2016. However, this will be a very slow recovery. Even the most optimistic forecasts predict retail trade growth at a rate less than 3% in 2017. This means that Russia may return to 2014 consumption volumes only by 2020.



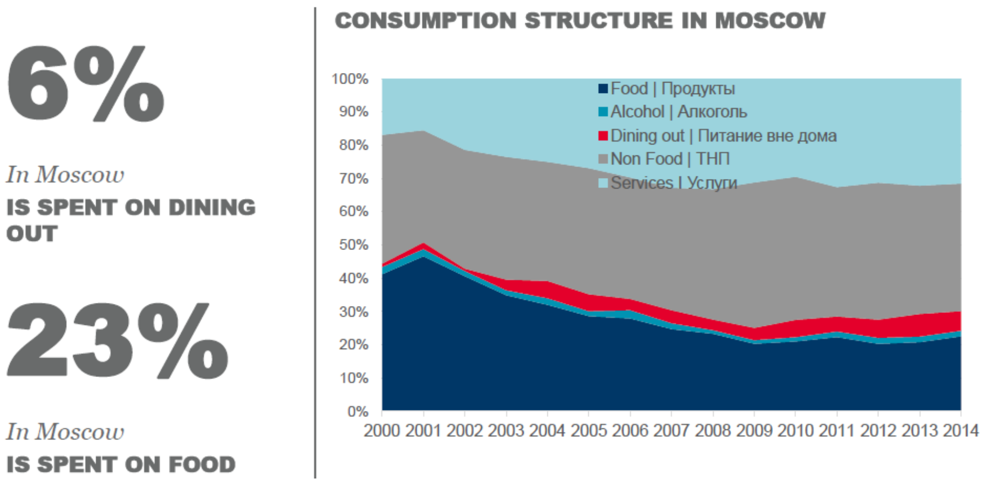
URBAN CULTURE IS SUPPORTING MODERN RETAIL BUSINESS

During the last 10 years consumer market has transformed radically. Even now in spite of the decrease in income many consumers in bigger cities will be holding on their consumption patterns.

Over last 10 years food spending decreased significantly in large cities. While non-food spending remained relatively stable, there was extraordinary increase in the demand for services and dining out. It means that dining out for urban citizens became culturally important.

The share of services has doubled over the last decade and dining out increased by 6%, starting from 1% in 2000 to 6% in 2014.

In 2016 these consumers will be likely to sacrifice non-food consumption in order to keep up with their habits.



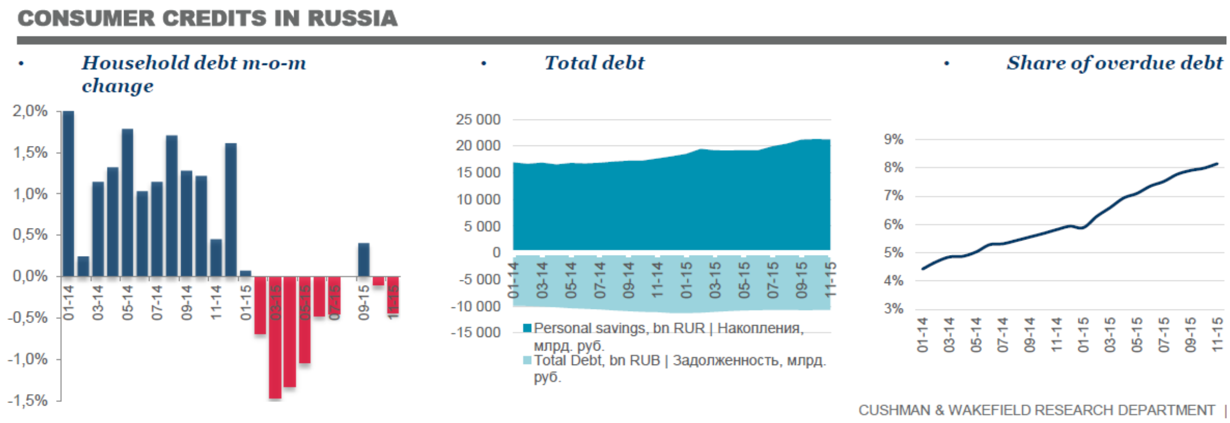
CREDIT MARKET

CONSUMER CREDIT SLOWS DOWN. OVERDUE DEBT IS GROWING

The share of overdue debt is growing even though the amount of total debt is shrinking. It means that households without financial problems are trying to repay debts while other household sink deeper into financial problems.

In 2015 households were repaying debts and their overall credit load decreased. However, growing share of overdue debts suggests that the quality of bank portfolios is decreasing.

Savings tend to increase mainly due to the large share of savings in foreign currencies that gain in RUB value with each devaluation round.



CREDITS

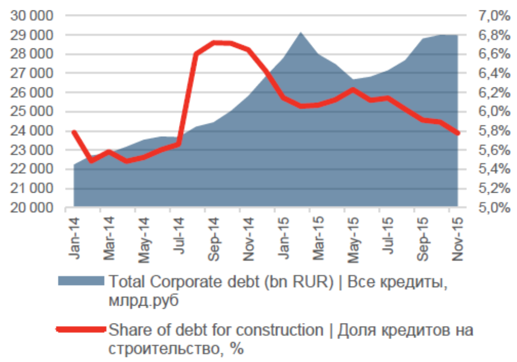
CONSTRUCTION IS SHORT OF FINANCING

In 2015 nominal corporate debt in RUB remained almost unchanged since the end of 2014. However, taking into account inflation, real credit volumes decreased. Construction sector was the one that underperformed in comparison to other industries. Its share fell from 6.8% in 2014 to 5.8% by the end of 2015.

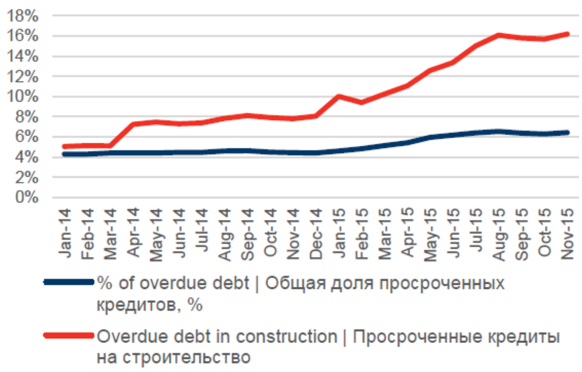
Generally overdue debt rate remains low – slightly over 6%. Construction is the most risky business for banks with the rate of overdue debts over 16%.

Notable underperformance of construction started in spring 2014 and was most likely is driven by the Olympic construction debt.

CORPORATE AND CONSTRUCTION DEBT



OVERDUE DEBT



CAPITAL MARKETS

ACTUAL INVESTMENT VOLUMES

2015
2.8
US$ bn

EXPECTED TOTAL INVESTMENTS

2016
2.8
US$ bn

PRIME CAPITALIZATION RATES

	Q3 2015	Q4 2015
OFFICES	11.00%	10.50% (-0.5 pp)
SHOPPING CENTERS	11.00%	11.00%
WAREHOUSES	13.00%	12.75% (-0.25 pp)

INVESTMENT VOLUME

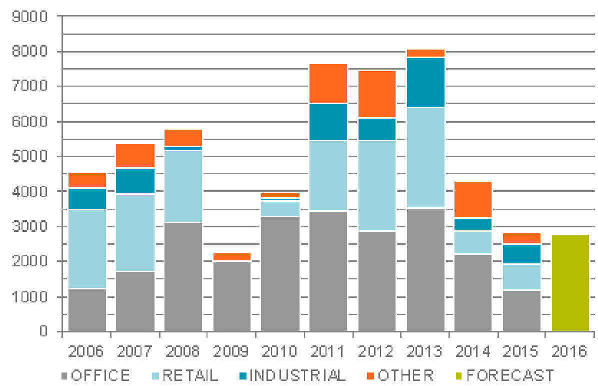
The bottom is expected to be reached soon and any trace of revival is to be expected only in the end of 2016 – beginning of 2017.

In 2015, the total volume invested in the Russian commercial real estate was US$2.8 bn. The number was significantly less comparing to both 2014 (US$4.3 bn) and average for the last five years (US$6.3 bn). Almost double decrease (–46%) of investments in the office segment is registered (US$1.2 bn). On top of that hospitality and leisure segment was moderately interesting for investors (US$0.3 bn, –71%). At the same time both retail and industrial segments attracted more money than in 2014 – US$731 mn (+14%) and US$584 mn (+61%), accordingly.

In 2016, we forecast US$2.8 bn of investments. It promises to be the record low value for the last eleven years.

2.8
US$ bn
2016 FORECAST

INVESTED VOLUMES, US$ MN



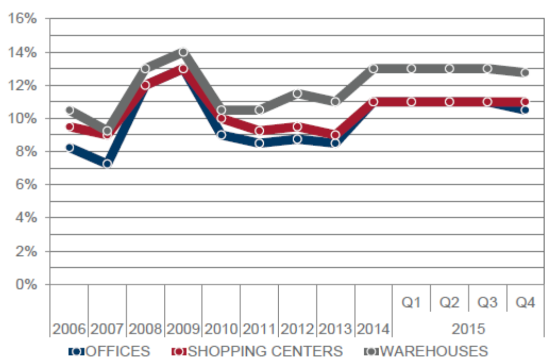
CAPITALIZATION RATES

A SMALL DECREASE OF CAPITALIZATION RATES IN OFFICE AND WAREHOUSE SEGMENTS

In Q4 2015, capitalization rates decreased for offices (10.50%, –0.50 p.p.) and warehouse objects (12.75%, – 0.25 p.p.). At the same time prime retail capitalization rate remains stable (11.00%). All the indicated capitalization rates are applicable to the objects with dollar based cash-flows.

In December 2015, the Central Bank of the Russian Federation decided to keep the key rate at 11.00% per annum. The regulatory authority will revise the key rate as inflation slows down. The previous change took place in August 2015 – the key rate decreased from 11.50% to 11.00%.

CAPITALIZATION RATES, %



CBR KEY RATE, CBR REFINANCING RATE, %

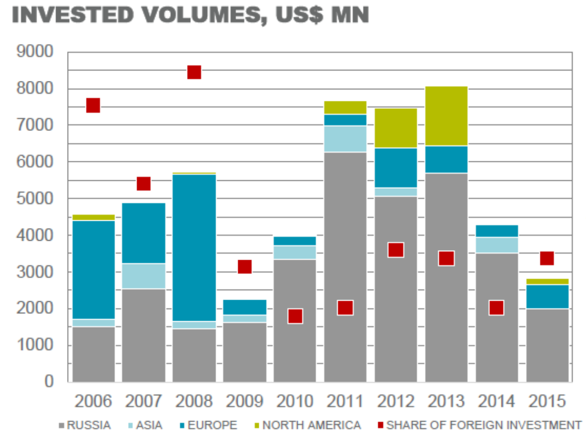
INVESTMENT VOLUME BY ORIGIN

FOREIGN INVESTMENTS – ONE THIRD OF THE TOTAL INVESTMENT VOLUME

Based on results of 2015 the share of foreign investments is still high – 30%. In fact, the share varies from just 4% for retail segment to almost half (47%) for office one. The share is comparable to that in 2012 – 2013. The European investors were the most active during the year. They spent US$644 mn (23%) that is much more than their average share in the last five years. The American companies – excluding Hines (US$180 mn, 6%) – abstained from investing. The Asian investors confirmed their potential interest in the Russian commercial real estate but spent just US$24 mn (1%).

30%

SHARE OF FOREIGN INVESTMENTS



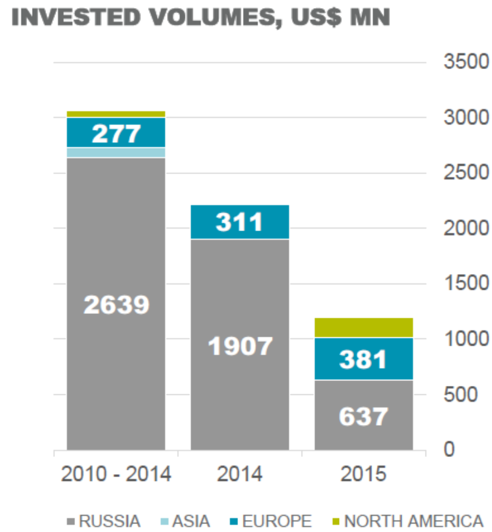
OFFICES

TRIPLE FALL OF DOMESTIC INVESTMENTS

Almost half of the money attracted by the office segment was invested by foreign companies.

Just US$1,198 mn (42% of the total volume) were invested in the office segment in 2015. The number shows the fall of investment volume comparing to both 2014 (–46%) and average for the 2010 – 2014 period (–61%). The fall caused by triple decrease of domestic investments. At the same time, foreign companies spent US$ 238 mn more (+74%). Comparable amounts – US$ 637 mn and US$ 561 mn – were spent by domestic and foreign investors accordingly. The return of North-American money is remarkable.

1,198
US$ mn
INVESTED VOLUME



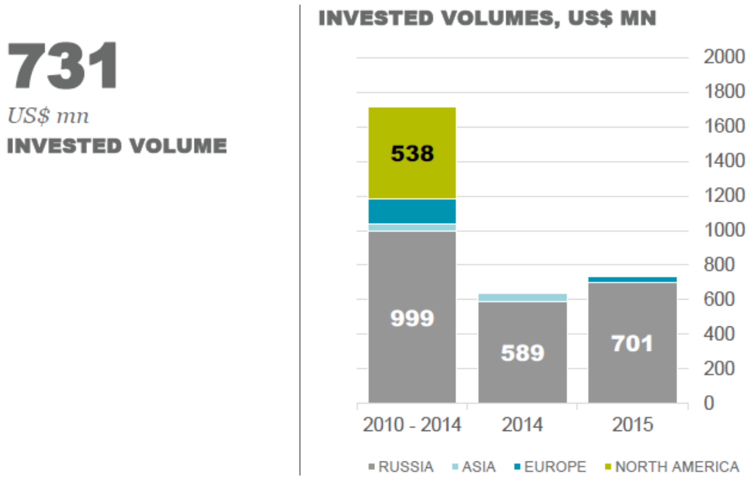
RETAIL

RETAIL SEGMENT – ALMOST NOT INTERESTING FOR FOREIGN INVESTORS

Foreign investors spent moderate money during the second year at a run.

In 2015, the retail segment attracted US$ 731 mn – one fourth of the total investment volume and 57% less than the average value for the last five years.

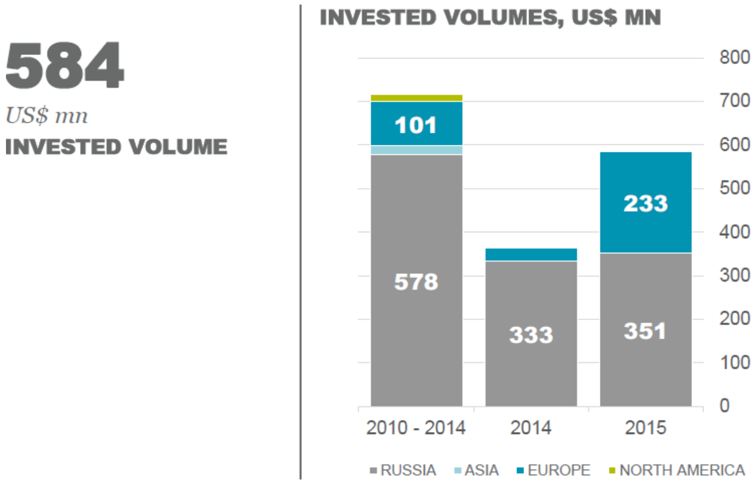
At the same time, domestic investors spent slightly more comparing to 2014. Devaluation and common negative economic situation significantly affected Russian buyers. 85% of them preferred not to spend money on clothes, footwear, electronics, but rather to save it. As a result, rotation of tenants in shopping centers and high vacancy rates scare potential investors making them wait for better times.



WAREHOUSES

BRIGHT RETURN OF EUROPEAN MONEY

The warehouse segment of the Russian real estate attracted US$583 mn (one fifth of the total amount). The number is less than average for the last five years but 61% more than in 2014. On top of that, European companies returned to the market and spent almost seven times more than in 2014. Experts believe the prices reached the bottom. Expected future growth of prices make the current moment ideal for investors following their long-term strategies to enter the market. Half a volume (51%) was spent by domestic (US$ 91 mn) and foreign (US$ 205 mn) retailers. Retailers spent money for both owner occupation and investment purposes.



THE BIGGEST DEALS

US$ 100+ MN DEALS –59% OF TOTAL VOLUME

282

US$ mn

THE BIGGEST DEAL

SEGMENT	QUARTER	PROPERTY	INVESTOR	AMOUNT
OFFICES	Q4	ORUZHEYNY	MEGAFON	282
OFFICES	Q1	HERMITAGE PLAZA	EASTERN PROPERTY HOLDINGS	195
OFFICES	Q3	METROPOLIS C	PPF GROUP / HINES	190
OFFICES	Q1	METROPOLIS A	PPF GROUP / HINES	170
RETAIL	Q3	MODNYY SEZON	KOMPLEKSNYE INVESTITSII	250
RETAIL	Q4	RIGA MALL	MELNICHENKO, VLADIMIR	125
RETAIL	Q4	TSUM	ARKADA KHOLDING	70
RETAIL	Q2	OLIMP	MAJOR	42
WAREHOUSES	Q2	PNK – CHEKHOV	BIN GROUP	> 200
WAREHOUSES	Q1	SOUTH GATE	LEROY MERLIN	110
WAREHOUSES	Q3	PNK – CHEKHOV 2	ADIDAS	95
WAREHOUSES	Q1	PNK – BEKASOVO	DETSKIY MIR	71
HOTELS	Q4	FOUR SEASONS HOTEL MOSCOW	KOMPLEKSNYE INVESTICII	120
HOTELS	Q4	SHERATON PALACE MOSCOW	BIN GROUP	100

OFFICES

Office market continues to suffer from negative economic factors starting from Q4 2014. As a result by the end of 2015 the market experienced the strongest decline in the history.

SHARE OF VACANT OFFICE SPACES

15.9 mn sq m
TOTAL STOCK

3.1 mn sq m
VACANT OFFICES

19.6 %
VACANCY RATE

CONSTRUCTION
721,000 SQ M

NET ABSORBTION
87,000 SQ M

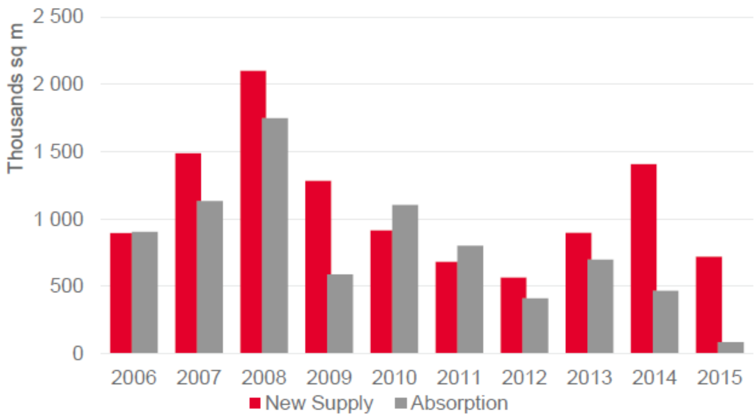
TAKE-UP
1.25 mn SQ M

RENTAL RATES		
CLASS A	CLASS B	CLASS A&B
$549	$282	$358

MINOR ABSORPTION IN 2015

Slightly increased demand for new quality offices in the second half of 2015 compensated negative absorption trend observed in the two first quarters of the year.

ABSORPTION AND NEW CONSTRUCTION



Despite negative values in the first and second quarters, in 2015 net absorption[5] volume returned to its positive value comprising 87,000 sq. m in total.

While absorption in class A is positive, class B figure is in the negative zone. Yearly absorption figures were 263,000 sq. m in class A against -176,000 sq. m in class B.

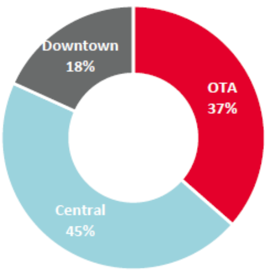
DEMAND

TAKE-UP VOLUME IS THE SAME AS IN 2014

1,587 AVERAGE DEAL SIZE = 625 SQ M
new lease deals

1,25 2015 TAKE UP VOLUME. SAME AS 2014
mn sq m

DEMAND ALLOCATION



MAJOR DEALS IN 2015

COMPANY	AREA	PROPERTY	CLASS / SUBMARKET
Transneft	79,053 sq m	Evolution Tower	A / Central
Megafon	49,300 sq m	Oruzheyny	A / Central
Government of Moscow Region	31,860 sq m	Orbita	B+/ OTA
Adidas	20,045 sq m	Krylatsky Hills	A / OTA
Yamal SPG	16,630 sq m	Algoritm	B+ / OTA
Avtodor	12,278 sq m	Pushkinsky Dom	A / Downtown

NEW SUPPLY

SIGNIFICANT DECREASE IN CONSTRUCTION ACTIVITY

New construction volume will remain low for the upcoming two or three years.

In 2015, 721,000 sq. m entered the market. This represents half of th enew construction in 2014.

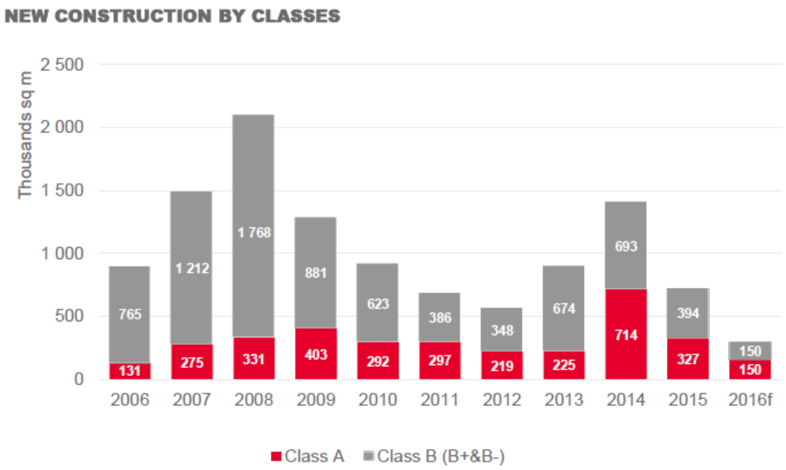
[5] Net absorption represents the change in the occupied stock within a market during the period.
Calculation: X –Y = Net Absorption.
X = Current stock –current vacancy
Y = Previous stock (same quarter, previous year) –previous vacancy (same quarter, previous year)

Around one million sq m of quality offices are currently approaching completion, but only a handful is expected to be commissioned in 2016. Annual new construction volume in 2016 is expected to reach 300,000 sq. m.

The majority of planned developments as well as those at early stages of construction are either frozen or being conceptually re-considered.

Overall construction activity is down due to challenging economic conditions and weakened leasing appetite of the market.

Construction completion delays may exceed 2 years as anticipated deliveries of 2015 have been postponed to 2016 – 2017.



AVAILABILITY

EVERY FIFTH SQUARE METER OF THE EXISTING OFFICES IS VACANT

Vacancy rate on the Moscow office market is increasing every month starting from mid 2014. By the end of 2015 average level for quality office space rose up to almost 20%.

It is the first time in history when the Moscow office market faces such high vacancy rate.

Considering low level of new construction we don't expect significant increase in vacancy volume next year.

Average vacancy rate for the upcoming 2-3 years will remain high at the current level of around 20%.

19.6

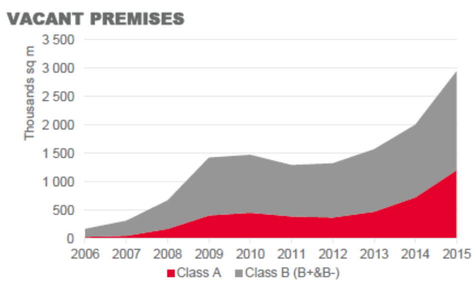
%

VACANCY RATE AT THE END OF 2015

3.1

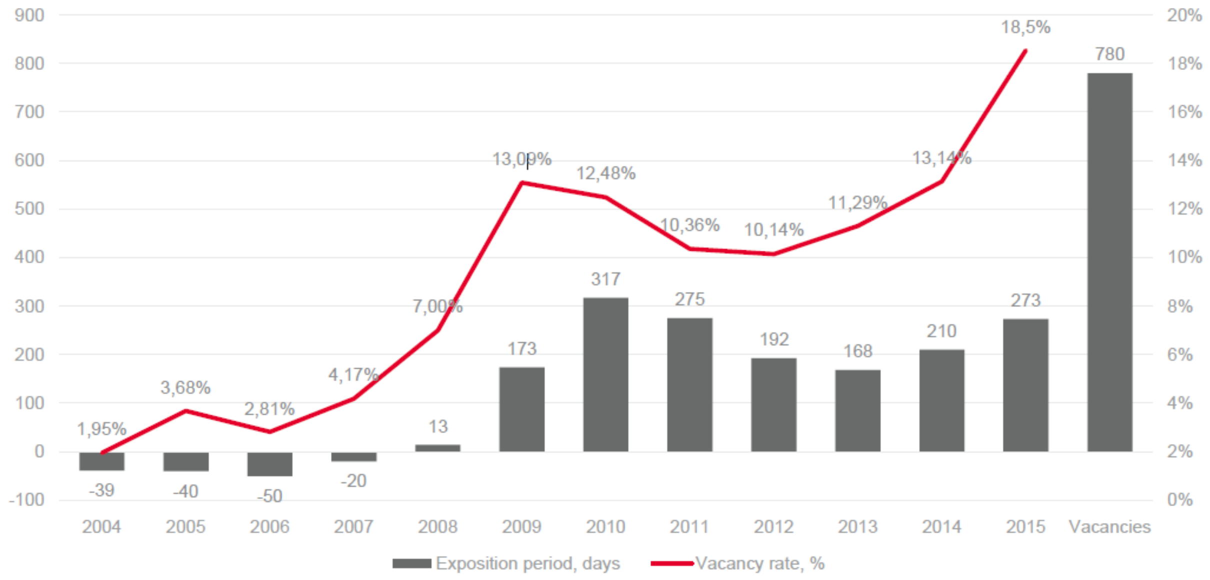
mn sq m

EXISTING AVAILABILITY



EXPOSITION

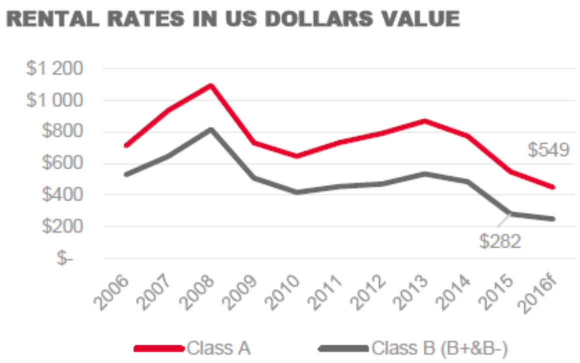
SOME PREMISES HAVE BEEN VACANT FOR 3 YEARS AND MORE

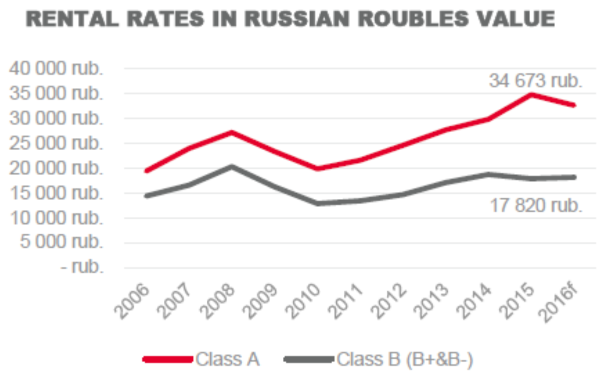


RENTAL RATES

RENTAL RATES IN US DOLLARS EQUIVALENT ARE AT HISTORICALLY LOW LEVEL

In Q4 2015 rental rates in dollar equivalent showed historically lowest figures. Both rouble and dollar rates dropped down. Due to the weakening rouble, rates quoted in dollars are dropping faster than those quoted in roubles.





RETAIL MARKET OVERVIEW

SUMMARY

2 % ▼

VACANCY RATE
(selected shopping centers *, Moscow)

2800 US$

PRIME RENTAL RATE INDICATOR
(prime shopping center retail gallery, Moscow)

18.4 mn sq m

TOTAL QUALITY STOCK, RUSSIA
(Quality shopping malls, mixed-use buildings, outlets, and retail parks)

456 QUALITY PROJECTS

TOTAL QUALITY STOCK, RUSSIA
(Quality shopping malls, mixed-use buildings, outlets, and retail parks)

** Cushman & Wakefield quarterly monitoring of 9 selected quality shopping centres (total GLA – 0,5 sq m). The monitoring has been conducted since 2009.*

2016 trends:

- construction volumes are comparable to 2015,
- vacancy rate in prime shopping centres will remain low,
- new shopping centres will have soft openings,
- favorable rental terms will support retailers' activity

In the mid-term unique properties providing comfort social space additionally to traditional scope of goods and services will be the most demanded and successful on the market.

The retail market has passed through noticeable structural changes in 2015. The current new reality is formed by two main factors –changing economical and political situation in the country and maturity of the market. The market has experienced active development -quality retail supply has grown by almost two times for the past five years with appreciable competition as a result.

Currently we move from active growth to fine tuning, from large-scale projects with standard concepts to middle and small-scale schemes with well thought-out commercial and social functions providing unique experience helping to single out the project and attracting potential customers.

The essential point of the on-going changes is that tenants and owners are in the constant process of negotiations. Actually, the market was switched to the "manual" managing process. Every aspect is negotiated individually – discounts, new commercial terms, space optimization and relocation. The most popular payment scheme are percentage of turnover or compound rent, which also includes a minimum fixed payment.

Due to the unstable economic situation, consumer behavior has changed and people prefer to save money now–goods with lower prices are of high priority, people cut spending on particular types of goods. As for the retailers, they are looking for new approaches, formats, ways of communication with customers and are trying to support the demand.

SHOPPING CENTRES, RUSSIA

Construction activity was high in 2015. Comparable construction volumes are expected in 2016.

48 shopping centres, with a total GLA of 1,723,727 sq. m were opened in 34 Russian cities in 2015. The quantity of the shopping centres corresponds to the last years' average.

Total GLA of new shopping centres delivered to the market in Q4 is around 1.5 times higher than in the period of Q1-Q3 2015. The majority of the shopping centres, which were announced to be opened in Q4 2015, did open on time - the developers are traditionally aimed at opening shopping centres before the New Year holidays.

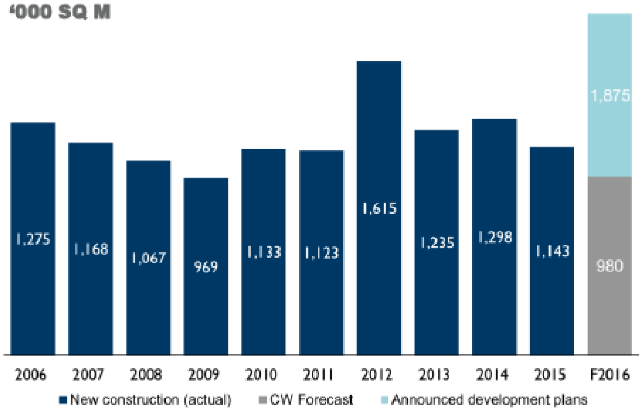
The shopping centres had soft openings during the year 2015 (launch of anchor tenants and low occupancy rate of the retail gallery). We expect this trend to continue in 2016.

Despite the fact that in 2016 construction volumes will remain at the same level as in 2015, we forecast the decline in construction volumes starting from 2017.

LOCATION	PROPERTY NAME	RETAIL GLA, SQ M	DELIVERY
Perm	SpeshiLove	43,700	Q1 2015
Izhevsk	Italmas	40,000	Q1 2015
Tumen	Ostrov	30,000	Q1 2015
Murmansk	Murmansk Mall	45,000	Q2 2015
Ekaterinburg	Maksidom (phase 1)	28,000	Q2 2015
Magnitogorsk	Tetris	22,000	Q2 2015
Barnaul	Volna	18,000	Q2 2015
Ozersk	Festival	15,000	Q2 2015
Saratov	Tay Gallery	44,000	Q3 2015
Orel	MegaGRINN (phase 3)	37,000	Q3 2015
Tver	RIO	20,000	Q3 2015
Vladikavkaz	Alaniya Mall	20,000	Q3 2015
Smolensk	Galaktika (phase 2)	15,800	Q3 2015
St. Petersburg	Au Pont Rouge (Y krasnogo mosta)	11,200	Q3 2015
Krasnoyarsk	Galereya Enisey (phase 1)	9,000	Q3 2015
Chita	Novocity (phase 1)	8,500	Q3 2015
Rostov-On-Don	Megacentr Gorizont (phase 2)	5,000	Q3 2015
Ulan-Ude	Pioner (phase 2)	3,500	Q3 2015
Chelyabinsk	Almaz	85,000	Q4 2015
Tula	Maxi	85,000	Q4 2015
Nizhnyi Novgorod	Zhar-Ptitsa	75,000	Q4 2015
Nakhodka	Nakhodka Mega	72,000	Q4 2015
Nizhnyi Novgorod	Nebo	69,650	Q4 2015
Irkutsk	Silver Mall	53,000	Q4 2015
Bryansk	Aero Park (phase 2)	40,000	Q4 2015
Ekaterinburg	Passage	38,000	Q4 2015
Saransk	City Park	35,000	Q4 2015
St. Petersburg	Piter-Raduga (phase 2)	32,000	Q4 2015
Velykyi Novgorod	Marmelad	30,300	Q4 2015
Magnitogorsk	Semeynyi Park	30,000	Q4 2015
Kostroma	Gallery (Phase 1)	22,000	Q4 2015
Orenburg	Voskhod (phase 2)	21,600	Q4 2015
Gatchina	Cubus	19,900	Q4 2015
St. Petersburg	Outlet Village Pulkovo	15,400	Q4 2015
Novosibirsk	Lukse	3,000	Q4 2015
Total GLA Russia (without Moscow and Moscow region), 2015		1,142,550	

In 2016 we expect construction volumes to remain at the level of 2015. The reason for this is that construction of the projects that are planned to be opened in 2016 was started before crisis and currently the projects are on the final stage of construction. At the same time only several projects have been recently announced by the developers, so construction volumes decline can be expected after 2016.

NEW CONSTRUCTION IN THE REGIONS OF RUSSIA, '000 SQ M



LOCATION	PROPERTY NAME	RETAIL GLA, SQ M	DELIVERY
Kursk	MegaGRINN	129 000	Q1 2016
Vladivostok	Sedanka-City	45 000	Q1 2016
Novosibirsk	Evropeyskiy	45 000	Q2 2016
Samara	Good'Ok	115 000	Q3 2016
St. Petersburg	Okhta Mall	76 000	Q3 2016
Lipetsk	Riviera	61 000	Q3 2016
Voronezh	Chizhov Gallery (phase 3)	60 000	Q3 2016
Tumen	Star City Mall	53 000	Q3 2016
Orenburg	Armada Capital	51 000	Q3 2016
Arkhangelsk	Maxi	49 243	Q3 2016
Nizhny Tagil	Retail Park Depo	40 000	Q3 2016
Kursk	Evropa (phase 2)	107 000	Q4 2016
Barnaul	Galaktika	100 000	Q4 2016
Ekaterinburg	Greenvich (phase 5)	41 836	Q4 2016
Total GLA Russia (without Moscow and Moscow region), Announced development plans 2016		**1,875,308**	

COMMERCIAL TERMS

The majority of lease deals are nominated in rubles, which is a noticeable change on the market. Only a limited number of properties offer fixed rental rates.

Generally the market has moved to a ruble zone -rental rates in shopping centres. New lease agreements are nominated in local currency. As for existing contracts that are nominated in foreign currency, temporary fixation of exchange rate or corridor for payment are applied. Under the changing conditions these terms are often used in a short-term period (3-6 months) with a renewal option.

Fixed rents are generally used only in the most successful shopping centres. In other cases (about 80% of the market) various approaches of structuring of rental payments are applied.

YAROSLAVL RETAIL MARKET COMMENTARY

CITY

Yaroslavl is located close to the Moscow Region - 250 km away. Yaroslavl is included into the touristic route "Golden Ring", which generates significant flow of visitors and stimulates steady development of the city's infrastructure (including modern hotels). Economy of the city is supported by different companies including joint ventures with foreign capital: Komatsu assembly plant, Baltika bear production facilities, Takeda pharmaceutical enterprise.

	2013	% Ref*
POPULATION, '000 inhabitants	602	41,7%
RETAIL TRADE TURNOVER, mn RUB	46815	24,5%
RETAIL TURNOVER PER CAPITA, RUB	77714	58,8%
AVERAGE MONTHLY SALARY, RUB	29062	78,0%
RETAIL STOCK, sq m/ 1000 citizens	369	89,9%

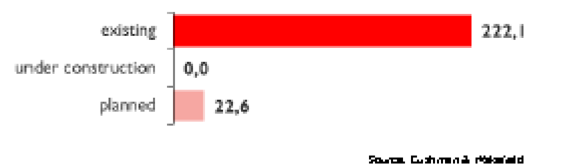
*compared to Ekaterinburg (reference city for regional comparisons)

SHOPPING CENTERS

Development of quality shopping centres started in 2004. First quality objects appeared on the main streets: Moskovsky and Leningradsky prospects. The market development in different city districts is going rather independently, because districts' borders are formed by rivers and railroad branches. Dzerzhinskiy district is separated from main part of the city by industrial area. This requires creation of "autonomous" retail infrastructure in each district. The spread of shopping centres across the territory of the city is not homogeneous.

In comparison to other cities with comparable population provision of retail premises per 1,000 citizens is high—369 sq. m.

RETAIL SPACE, '000 SQ M GLA



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
Aura	121,000	62,550	2013
Yarkiy	24,000	16,500	2014

Source: Cushman & Wakefield

After the period of stagnation, when no quality retail premises have been delivered to the market since 2011, Aura shopping center (RosEvroDevelopment, GLA 62,550 sq m) was opened in 2013, which is now the biggest mall in Yaroslavl.

Also first quality shopping center in Volzhsky district was delivered in 2014 - Yarkiy (Base Property Group, GLA 16,500 sq. m).

RETAILERS

A variety of federal and foreign retailers are presented on the market as well as local ones. Mid-market segment dominates. Among large food retailers are the following companies: Dixy, Real, Metro Cash&Carry, Globus, Perekrestok, Spar, Magnit. W&B retailers: Technosila, Eldorado, Media Markt. Clothing retailers: Modis, Colin`s, Zolla, InCity, Be Free, Adidas, Reebok, O'stin and others. Among DIY retailers - hypermarkets of Metrika, K-Rauta and Nash Dom.

SARATOV RETAIL MARKET COMMENTARY

CITY

Saratov is not included into the list of cities with population over one million of people, though it is a center of a large agglomeration, where more than 1.15 mn people are living. Previously the city used to be mainly an industrial production centre, now the industrial production dynamics became lower. During the past years, unemployment rate has been reducing and income level has been growing (however, it is still one of the lowest among cities with 500.000+ population).

	2013	% Ref*
POPULATION, '000 inhabitants	841	58,2%
RETAIL TRADE TURNOVER, mn RUB	57 928	30,3%
RETAIL TURNOVER PER CAPITA, RUB	68 896	52,1%
AVERAGE MONTHLY SALARY, RUB	26 095	70,0%
RETAIL STOCK, sq m / 1,000 citizens	225	55,0%

*compared to Ekaterinburg (reference city for regional comparisons)

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 the suburbs.

RETAIL SPACE, '000 SQ M GLA

Source: Cushman & Wakefield

SELECTED RETAIL PROPERTIES

	TOTAL, sq m	GLA, sq m	DELIVERY
EXISTING			
City Mall	21,000	17,000	2008
Triumph mall	57,839	27,444	2010
Happy Mall (Phases 1 and 2)	68,500	55,000	2011-2014
Oranzhevyi	54,000	46,000	2014
Tau Gallery	102,000	44,000	2015
PLANNED			
Karnaval	200,000	75,000	2017
Happy Mall (Phases 3 and 4)	28,000	25,500	2016-2017

Source: Cushman & Wakefield

TAU Gallery (GLA 44,000 sq. m), the largest shopping centre in Saratov, was opened in 2015.

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 offered for rent.

RETAILERS

Federal and international chains are presented on the market (Auchan, Metro Cash&Cary, SPAR, O'key, Lenta, Perekrestok, Magnit, Castorama, OBI, Media Markt, Eldorado, M.Video) as well as several local players (food retailers: Grozd, Palitra Vkusa).

KAZAN RETAIL MARKET COMMENTARY

CITY

Kazan is the capital of Tatarstan, one of the 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 has a noticeable share in all tax proceeds. Kazan is one of the main logistic centers in Russia with a high development potential.

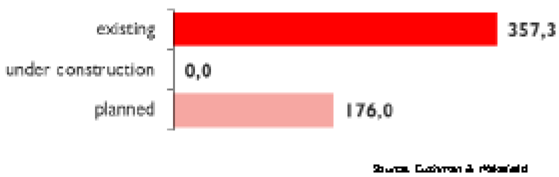
RETAIL STREETS

Street retail is not popular among chain retailers and is mostly occupied by tenants from service industries (banks, insurance companies, etc.).

	2013	% Ref*
POPULATION, '000 inhabitants	1,191	82,4%
RETAIL TRADE TURNOVER, mn RUB	134,587	70,4%
RETAIL TURNOVER PER CAPITA, RUB	113,013	85,5%
AVERAGE MONTHLY SALARY, RUB	29,555	79,3%
RETAIL STOCK, sq m/ 1,000 citizens	300	73,2%

*compared to Ekaterinburg (reference city for regional comparisons)

RETAIL SPACE. '000 SQ M GLA



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			
Galereya Kazan	100,000	60,000	2017
SC in Oktyabrskiy Gorodok	30,000	24,000	2017

Source: Cushman & Wakefield

SHOPPING CENTERS

Booming development, which happened in view of the 1,000th anniversary of Kazan and after it, provided the city with 300 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 total supply is still high. Such developments require reconstruction to compete with modern projects.

Among significant developments in Kazan are the following: Korston Park Hotel (retail-entertainment center with hotel facilities by Korston Hotel Group), Park-House and MEGA shopping center.

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 in 2015: Atak, Spar, Verniy, Podium market, Zolotoe Yabloko, Chicco and other small operators.

ST. PETERSBURG RESIDENTIAL MARKET COMMENTARY[6]

Political and economic state of affairs in the country influenced residential market in St. Petersburg, though not as much as other sectors of real estate. Residential developers compete a lot for buyers and therefore decrease prices and offer additional service lines to potential clients.

For example, some developers sign contracts with furniture and fit-out companies in order to be able to offer apartments not only in shell and core state, but also with some initial fit-out and basic furniture set. Buying such apartments on the construction stage is much more profitable and convenient for those, not eager to spend more time and money on refurbishment later.

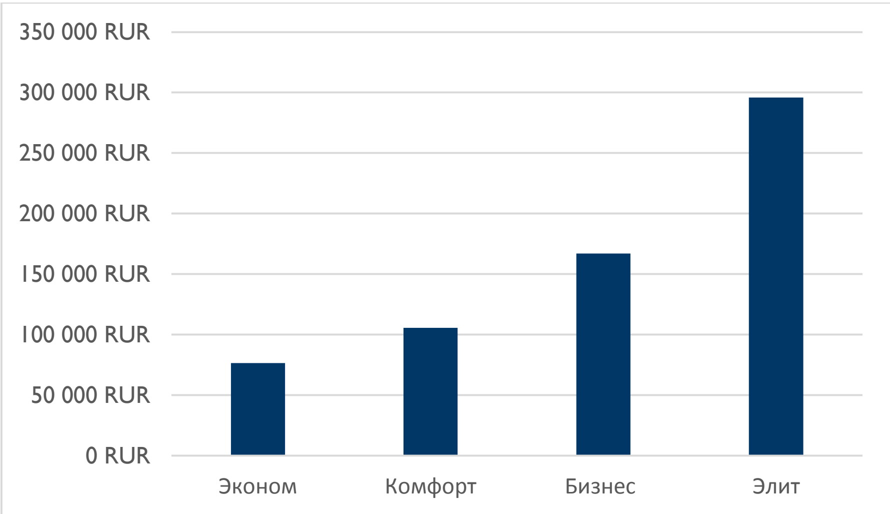
Quite good mortgage conditions from different banks also stimulate residential market.

Secondary market is becoming less attractive. Apartments in newly built houses benefit from comfort and high quality construction standards as well as interesting design and location. St. Petersburg takes the 5th place among all Russian cities in terms of the number of new construction. During 2015, the demand here grew by 14%.

The share of apartments, which price is less than 75,000 RUR per 1 sq. m makes up 19.7% in the total amount of supply. Apartments, priced between 75,000 and 105,000 RUR per 1 sq. m, take the largest share in the stock – 42.8%. Apartment from 105,000 to 135,000 RUR per 1 sq. m take 20.6% and apartments with prices more than 135,000 RUR per 1 sq. m – 16.8%.

Based on the construction stage, the share of projects already delivered and partially sold takes 29.7%. In 2016 another 39% of houses under construction are announced for delivery, in 2017 – 20.8%, in 2018 – 8.6% and in 2019-2020 – 1.9% of all projects on sale.

Average price based on the class of the apartments in January 2016 looked the following way:



In terms of the offer distribution across St. Petersburg, Primorsky district takes the leading role offering 16.2% of all new construction and followed by Moskovsky (12.2%), Vyborgsky (11.3%) and Petrogradsky (11.3%) district accordingly.

[6] *Based on the materials prepared by Group of Companies "Byulleten Nedvizhimosti"*

Most expensive apartments are traditionally offered in the Central, Petrogradsky, Admiralteysky and Vasileostrovky districts. Average price per 1 sq. m here is 105,500 – 192,200 RUR. Cheapest apartments can be found in Vyborgsky and Nevsky districts, where 1 sq. m costs from 68,100 RUR, depending on the type of the apartment.

District	Average prices, new construction, RUR/sq. m	Change from December 2014, %
Admiralteysky	116,635	-2.5
Vasileostrovsky	128,722	17.7
Vyborgsky	74,911	-0.9
Kalininsky	85,374	-5.3
Kirovsky	98,619	3.5
Krasnogvardeysky	96,512	-2.7
Krasnoselsky	87,665	3.4
Moskovsky	111,154	6
Nevsky	79,037	-6.6
Petrogradsky	172,431	7.9
Primorsky	102,333	3.1
Frunzensky	105,865	9.3
Tsentralny	194,545	33.3
Vsevolozhsky	67,770	1.2
Kolpinsky	76,722	4.2
Kronshtadsky	75,365	-0.4
Kurortny	109,964	30.7
Petrodvortsovy	71,111	12.6
Pushkinsky	78,299	14.7

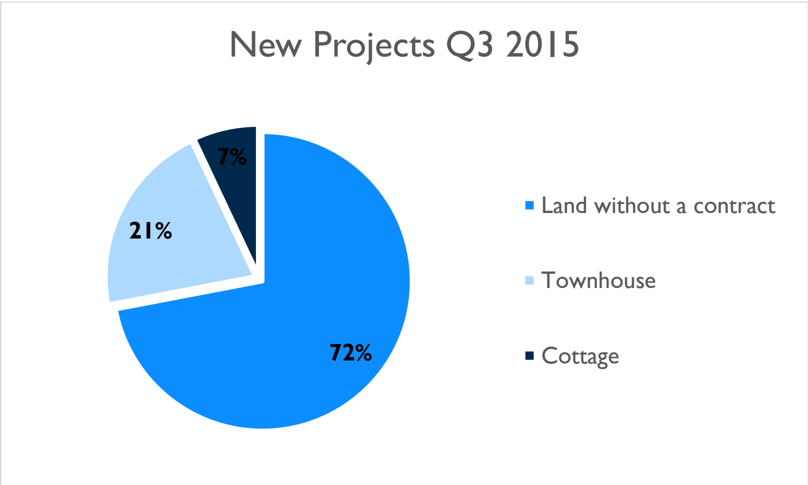
MOSCOW REGION COTTAGE MARKET COMMENTARY[7]

SUPPLY

In October 2015 there were 648 cottage settlements of all classes and formats offered for initial sales in the Moscow Region (including the territory of New Moscow), 375 settlements offered on secondary market and about 24 frozen projects, where sales have stopped.

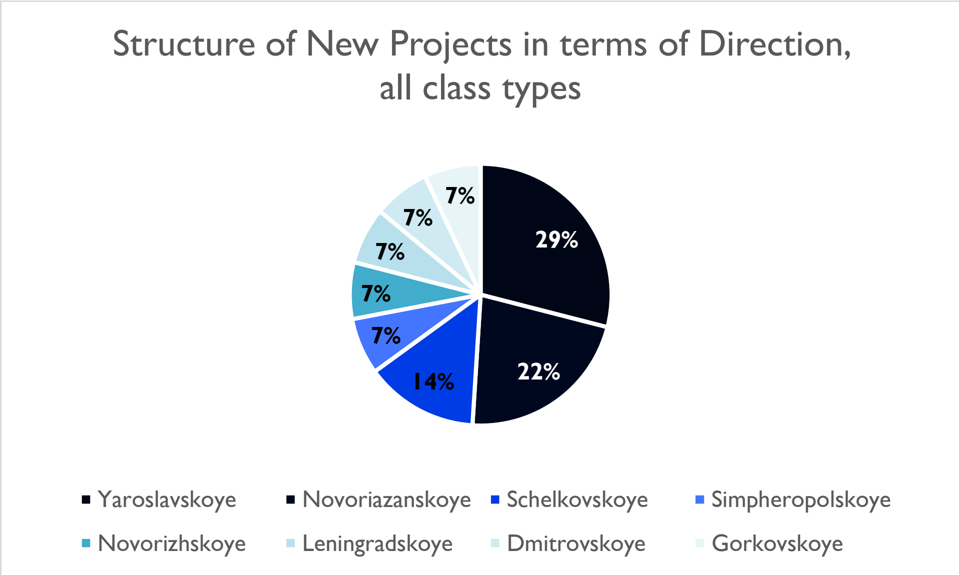
In Q3 2015 14 new projects of different types and formats entered the market:

- "Yakhonty Club", Gorkovskoye highway, 45 km from MKAD (land without a contract);
- "Fedortsovo", Schelkovskoye highway, 48 km from MKAD (land without a contract);
- "Kudrino", Yaroslavskoye highway, 65 km from MKAD (land without a contract);
- "Granvil", Yaroslavskoye highway, 59 km from MKAD (land without a contract);
- "Olvil", Simpheropolskoye highway, 45 km from MKAD (land without a contract);
- "Matrenino", Novorizhskoye highway, 95 km from MKAD (land without a contract);
- "Zagoryanka park", Schelkovskoye highway, 16 km from MKAD (townhouse);
- "Nikolskoye-Lesnoye", Leningradskoye highway, 26 km from MKAD (land without a contract);
- "Sosnovy Bor", Novoryazanskoye highway, 14 km from MKAD (flathouse);
- "Zelenaya Gorka", Yaroslavskoye highway, 75 km from MKAD (land without a contract);
- "Solnechnaya dolina 1", Novoryazanskoye highway, 75 km from MKAD (land without a contract);
- "Solnechny bereg", Novoryazanskoye highway, 16 km from MKAD (land without a contract);
- "Pribrezhna kvartal", Yaroslavskoye highway, 12 km from MKAD (cottage);
- "Mechta-kvartal 2.2", Dmitrovskoye highway, 23 km from MKAD (townhouse).



In the structure of new supply in autumn 2015 the share of economy class settlements became dominant – 100%. Yaroslavkoye highway took the leading role in the number of new projects delivered to the market in Q3 2015 (29% of all delivered projects). The previous multiyear leader – Novorizhskoye highway – showed one of the lowest results – 7%.

[7] *Based on the materials prepared by OPIN group*

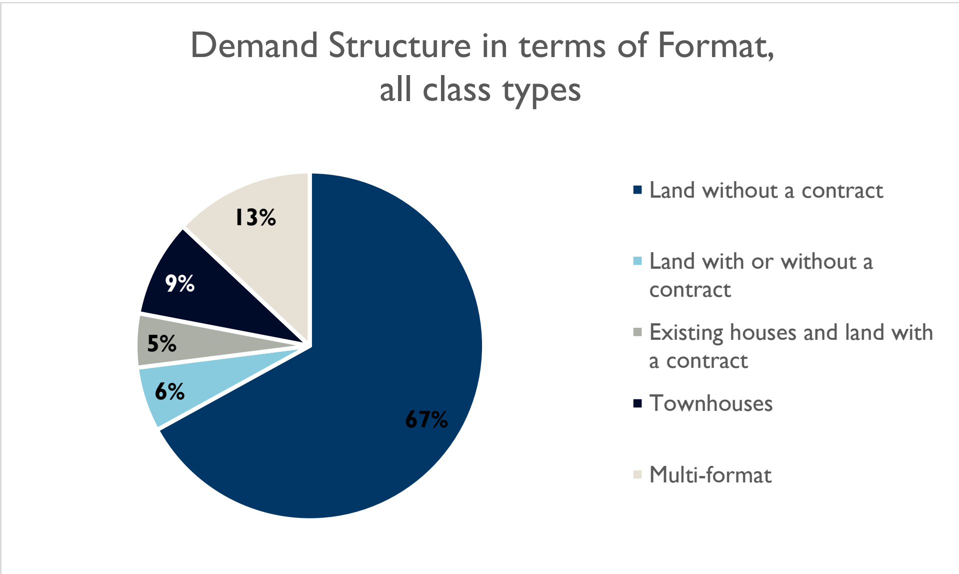


Rublevo-Uspenskoye highway still represents one of the most developed and "habitable" direction and takes only 0.5% of primary market. New projects are quite rare in this direction and analysts believe that if the situation continues this way, soon only secondary market offers will be available for purchase.

The market continues its direction away from MKAD. Projects located within 10-15 km from MKAD occasionally enter the market, whereas projects within 3-5 km are practically non-represented. The biggest supply share falls for settlements within 16-30 km from MKAD – 36%.

DEMAND

Traditionally the biggest share of demand falls for land without a contract. In Q3 2015 about 67% of all deals took place in this segment. Demand for existing houses or land with a contract was at the level of 5% only.



In Q3 2015 the share of "economy" class objects hit the 80% mark, whereas the share of "business" class segment is still rather low – only 17%. "Elite" class objects take the smallest share of 2.5% of all deals on the market.

PRICES

Most developers turned to the ruble-based calculations while pricing their properties; however, dollar price-lists still can be found on the market, mostly in the "elite" class segment. In this case, foreign currency exchange rate corridors or discounts are given to potential buyers.

In Q3 2015 average price per 1 sq. m of a household, including the value of land and utilities, was the level of 247,100 RUR for "elite" class, 110,000 RUR for "business" class and 59,600 RUR for "economy" class. Prices for business class lost about 8% due to low demand for this segment.

Leaders among most popular directions - Novorizhskoye, Kievskoye (Kaluzhskoye) and Yaroslavskoye highways – showed the following prices for land plots without a contract:

- Novorizhskoye highway – 428,200 RUR per sotka (100 sq. m);
- Kievskoye and Kaluzhskoye highways – 415,500 RUR per sotka;
- Yaroslavskoye highway – 287,100 RUR per sotka.

Developers try to get used to the new reality and to meet the buyers expectations under the current market conditions. Though the overall market sentiment is more "wait and see" at the moment, some developers are ready to be more active in 2016.

APPENDIX III

BOOK VALUES*

Name of Property	FV 30.09.2015 US Dollars'000
Investment Properties under construction	
St. Petersburg commercial	8 500
Kazan Mall	7 600
Novosibirsk logistic	-
Saratov Logistic	5 400
	21 500
Investment Properties	
Saratov Mall	78 600
Hydro	41 000
MAG	48 600
Tamiz buildings	29 500
Century	58 600
Yaroslavl Mall	60 445
	316 745
Total	**338 245**

* The table represents the figures as mentioned in the Client's last Financial Statements as of 30.09.2015. The information has been provided to us by the Client.

APPENDIX IV

SENSITIVITY ANALYSIS

MAG

Vacancy rate	+5%	current	-5%
Market Value	$37 000 000	$37 300 000	$37 400 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$33 800 000	$37 300 000	$41 500 000
ERV	+5%	current	-5%
Market Value	$39 200 000	$37 300 000	$35 300 000

HYDROMASHSERVICE

Vacancy rate	+5%	current	-5%
Market Value	$32 000 000	$32 200 000	$32 400 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$29 300 000	$32 200 000	$37 200 000
ERV	+5%	current	-5%
Market Value	$34 100 000	$32 200 000	$30 400 000

CENTURY

Vacancy rate	+5%	current	-5%
Market Value	$45 300 000	$45 600 000	$45 900 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$41 300 000	$45 600 000	$50 700 000
ERV	+5%	current	-5%
Market Value	$47 900 000	$45 600 000	$43 100 000

TAMIZ

Vacancy rate	+5%	current	-5%
Market Value	$24 500 000	$24 700 000	$24 800 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$22 300 000	$24 700 000	$27 600 000
ERV	+5%	current	-5%
Market Value	$25 900 000	$24 700 000	$23 500 000

YAROSLAVL_Vernissage Mall

Vacancy rate	+5%	current	-5%
Market Value	$48 200 000	$48 400 000	$48 600 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$44 400 000	$48 400 000	$53 100 000
ERV	+5%	current	-5%
Market Value	$49 400 000	$48 400 000	$47 400 000

SARATOV_Triumph Mall

Vacancy rate	+5%	current	-5%
Market Value	$71 600 000	$72 000 000	n/a
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	$66 400 000	$72 000 000	$78 700 000
ERV	+5%	current	-5%
Market Value	$74 700 000	$72 000 000	$69 300 000

YAROSLAVL_Phase 2

Vacancy rate	+5%	current	-5%
Market Value	$500 000	$2 500 000	$3 500 000
Discount rate/Exit cap rate	+1%	current	-1%
Market Value	-$2 500 000	$2 500 000	$5 800 000
ERV	+5%	current	-5%
Market Value	$4 000 000	$2 500 000	$900 000
Total Development Costs	+5%	current	-5%
Market Value	$7 800 000	$2 500 000	$11 600 000

APPENDIX V

DISCOUNT RATE BREAKDOWN

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

DR = Risk Free Rate +Investment Risk +Liquidity Risk + Management Risk + 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-25 Bonds to reflect the long-term horizon of real estate investments. As of the date of valuation this number is estimated to be around 9.80%. The generally applied discount rate has therefore been calculated from the risk-free rate of 9.80% 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)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Tamiz Building (Completed)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Hydromashservice (Completed)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Century (Completed)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Vernissage Mall Yaroslavl (Completed)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Triumph Mall Saratov (Completed)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate	**14,00%**

Retail Center Kazan (Held for Future Development)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate (Fully Completed Property)	14,00%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	2,00%
- Outstanding Construction & Related Permissions	0,00%
- Other	4,00%
Discount Rate Conclusion	**20,00%**

Yaroslavl Phase II (Held for Future Development)	**31.12.2015**
Risk Free Rate	2,93%
Risk Adjustments:	
- Investment Risk	5,00%
- Liquidity Risk	4,00%
- Management Risk	2,00%
Discount Rate (Fully Completed Property)	14,00%
Risk Adjustments for Not Completed State:	
- Construction (0% Completed)	4,50%
- Outstanding Construction & Related Permissions	0,00%
- Other	3,00%
Discount Rate Conclusion	**21,50%**

APPENDIX VI

FINANCIAL MODELS

SARATOV LOGISTICS

Land Value Estimation

Saratov

	Subject property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Price, $	-	246 972	137 207	109 765	86 440
Total area (ha)	26,0000	9,00	3,00	4,80	5,60
Total area ex encumbrances (ha)	26,0000	9,00	3,00	4,80	5,60
Price per ha, $	-	27 441	45 736	22 868	15 436
Adjustments					
Size					
Adjustment, %	-	-15,00%	-30,00%	-30,00%	-15,00%
Subtotal, $	-	23 325	32 015	16 007	13 120
Location	Russia, Saratov region, 1.3 km south-east to Dubki village	Saratov, Volsky Trakt	Saratov, Moskovskoye Shosse	Saratov, Leninsky district, Zhasminka	Saratov, Volsky Trakt
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, $	-	23 325,15	32 014,91	16 007,46	13 120,40
Transport access	Good	Good	Good	Good	Good
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, $	-	23 325,15	32 014,91	16 007,46	13 120,40
Zoning	industrial	industrial	industrial	industrial	industrial
Adjustment	-	0,00%	0,00%	0,00%	0,00%
Subtotal, $	-	23 325	32 015	16 007	13 120
Property rights	freehold	leasehold	leasehold	leasehold	leasehold
Adjustment	-	5,00%	5,00%	5,00%	5,00%
Subtotal, $	-	24 491	33 616	16 808	13 776
Utilities	on the site	on the border of the site	on the border of the site	on the border of the site	on the border of the site
Adjustment	-	5,00%	5,00%	5,00%	5,00%
Subtotal, $	-	25 716	35 296	17 648	14 465
Market conditions	-	sale offer	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%	-10,00%
Subtotal, $	-	23 144	31 767	15 883	13 019
Other	Electricity brought to the land plot. Technical conditions on electricity (6Mwt) are received and paid.	no	no	no	no
Adjustment, $	-	134 615	134 615	134 615	134 615
Subtotal, $	-	157 760	166 382	150 499	147 634
Weights, %	-	0,2500	0,2500	0,2500	0,2500
Source		http://www.rosrealt.ru/Saratov/uchastok/163803	http://saratov.afy.ru/object/promzem/200763055.html	http://saratov.afy.ru/object/promzem/201034044.html	http://saratov.afy.ru/object/promzem/200330543.html
Weighted average, per ha, $		**155 569**			
Weighted average, per sotka, $		**1 556**			
Fair value, $		**4 000 000**			

ST. PETERSBURG COMMERCIAL

Land Value Estimation

St. Petersburg

	Subject property	Comparable 1	Comparable 2	Comparable 3
Price, $	-	10 644 158	2 318 246	9 841 496
Total area (ha)	8,20	14,11	3,20	9,20
Price per ha, $	-	754 637	724 452	1 069 728
Adjustments				
Size				
Adjustment, %	-	0,00%	0,00%	0,00%
Subtotal, $	-	754 637	724 452	1 069 728
Location	St. Petersburg, Pulkovskoye Shosse 30, Liter "Zh", on the main road connecting the airport to the city	St. Petersburg, Pulkovskoye Shosse 1	St. Petersburg, Pulkovskoye Shosse, Moscow district, 1 km away from KAD	St. Petersburg, Pulkovskoye airport area
Adjustment	-	30,00%	30,00%	30,00%
Subtotal, $	-	981 028,42	941 787,28	1 390 646,17
Transport access	Good	Good	Good	Good
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, $	-	981 028,42	941 787,28	1 390 646,17
Zoning	settlement land, for commercial construction	ТД 2.1 zone of multifunctional public and business development	settlement land, for possible commetcial use	ТД 2.1 zone of multifunctional public and business development
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, $	-	981 028	941 787	1 390 646
Property rights	freehold	freehold	freehold	freehold
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, $	-	981 028	941 787	1 390 646
Utilities	on the border	on the border of the site	on the border of the site	on the border of the site
Adjustment	-	0,00%	0,00%	0,00%
Subtotal, $	-	981 028	941 787	1 390 646
Market conditions	-	sale offer	sale offer	sale offer
Adjustment	-	-10,00%	-10,00%	-10,00%
Subtotal, $	-	882 926	847 609	1 251 582
Other		no	no	no
Adjustment, $	-	0,00%	0,00%	0,00%
Subtotal, $	-	882 926	847 609	1 251 582
Weights, %	-	0,3333	0,3333	0,3333
Source		http://www.beboss.ru/kn/spb/793714	http://www.roszem.ru/land/266370/	http://www.beboss.ru/kn/spb/85822
Weighted average, per ha, $		994 039		
Weighted average, per sotka, $		9 940		
Fair value, $		8 200 000		

MAG

GLA	18 534,90 sq m
Vacancy at Beginning of Year 1	4 684,60 sq m
Vacancy Rate in Terms of GLA	25,27%

Moscow,2 Khutorskaya 38a
MAG

DISCOUNTED CASHFLOW ANALYSIS

PERIOD			1				2			
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
			2015/2016				**2017**			
NET OPERATING INCOME			$849 100	$863 673	$901 296	$978 656	$1 062 978	$1 099 676	$1 038 848	$1 128 335
TOTAL EXPENDITURE			$226 234	$441 887	$446 605	$233 350	$239 233	$219 633	$210 638	$254 347
TOTAL QUARTERLY CASH FLOW			$622 866	$421 786	$454 691	$745 306	$823 745	$880 043	$828 210	$873 987
PRESENT VALUE										
Use 1	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$796 744	$810 741	$848 364	$925 724	$1 011 197	$1 047 319	$985 917	$1 075 403
Discounted Cash Flow			$783 800	$771 868	$781 658	$825 448	$872 606	$874 651	$796 838	$841 152
Parking	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$52 356	$52 932	$52 932	$52 932	$51 781	$52 356	$52 932	$52 932
Discounted Cash Flow			$51 506	$50 394	$48 770	$47 198	$44 684	$43 724	$42 780	$41 402
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			-$226 234	-$441 887	-$446 605	-$233 350	-$239 233	-$219 633	-$210 638	-$254 347
Discounted Cash Flow			-$222 559	-$420 699	-$411 489	-$208 073	-$206 444	-$183 423	-$170 242	-$198 944
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Total										
Cash Flow			$622 866	$421 786	$454 691	$745 306	$823 745	$880 043	$828 210	$873 987
Discounted Cash Flow			$612 747	$401 562	$418 939	$664 573	$710 845	$734 953	$669 376	$683 610
NET PRESENT VALUE			$37 261 838							
MARKET VALUE			$37 300 000							

PERIOD	3				4			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2018	01.04.2018	01.07.2018	01.10.2018	01.01.2019	01.04.2019	01.07.2019	01.10.2019
	31.03.2018	30.06.2018	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019	31.12.2019
	2018				**2019**			
NET OPERATING INCOME	$1 146 472	$803 150	$1 223 469	$1 280 883	$1 312 092	$1 326 671	$1 342 582	$1 240 222
TOTAL EXPENDITURE	$235 499	$242 008	$338 095	$213 059	$213 371	$213 517	$213 676	$212 652
TOTAL QUARTERLY CASH FLOW	$910 973	$561 142	$885 374	$1 067 824	$1 098 721	$1 113 154	$1 128 906	$1 027 570
PRESENT VALUE								
Use 1	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$1 094 691	$750 793	$1 170 538	$1 227 772	$1 240 732	$1 254 518	$1 269 636	$1 167 276
Discounted Cash Flow	$828 646	$550 011	$829 870	$842 396	$823 854	$806 163	$789 585	$702 534
Parking	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$51 781	$52 356	$52 932	$53 111	$71 360	$72 153	$72 946	$72 946
Discounted Cash Flow	$39 196	$38 355	$37 527	$36 441	$47 384	$46 366	$45 365	$43 903
Non-recoverable Costs, Other Adjustments to Value	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	-$235 499	-$242 008	-$338 095	-$213 059	-$213 371	-$213 517	-$213 676	-$212 652
Discounted Cash Flow	-$178 265	-$177 289	-$239 698	-$146 183	-$141 680	-$137 208	-$132 885	-$127 986
Terminal Value	0,7447	0,7207	0,6974	0,6750	0,6532	0,6322	0,6118	0,5921
Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Total								
Cash Flow	$910 973	$561 142	$885 374	$1 067 824	$1 098 721	$1 113 154	$1 128 906	$1 027 570
Discounted Cash Flow	$689 577	$411 077	$627 699	$732 653	$729 558	$715 322	$702 066	$618 451

PERIOD	5				6			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
	2020				**2021**			
NET OPERATING INCOME	$1 177 426	$1 271 619	$1 349 047	$1 367 301	$1 331 891	$1 433 772	$1 450 077	$1 450 077
TOTAL EXPENDITURE	$257 947	$245 789	$235 794	$213 923	$213 569	$243 498	$214 751	$214 751
TOTAL QUARTERLY CASH FLOW	$919 479	$1 025 831	$1 113 253	$1 153 378	$1 118 322	$1 190 274	$1 235 326	$1 235 326
PRESENT VALUE								
Use 1	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$1 151 665	$1 245 858	$1 322 453	$1 340 707	$1 303 216	$1 404 223	$1 419 654	$1 419 654
Discounted Cash Flow	$670 801	$702 279	$721 432	$707 820	$665 854	$694 340	$679 349	$657 456
Parking	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$75 761	$75 761	$76 594	$76 594	$78 675	$79 549	$80 423	$80 423
Discounted Cash Flow	$44 128	$42 706	$41 784	$40 437	$40 197	$39 334	$38 485	$37 245
Non-recoverable Costs, Other Adjustments to Value	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	-$257 947	-$245 789	-$235 794	-$213 923	-$213 569	-$243 498	-$214 751	-$214 751
Discounted Cash Flow	-$150 244	-$138 549	-$128 632	-$112 940	-$109 119	-$120 401	-$102 765	-$99 453
Terminal Value	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow	$0	$0	$0	$47 553 520	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$24 697 808	$0	$0	$0	$0
Total								
Cash Flow	$969 479	$1 075 831	$1 163 253	$48 756 898	$1 168 322	$1 240 274	$1 285 326	$1 285 326
Discounted Cash Flow	$564 684	$606 436	$634 584	$25 333 126	$596 932	$613 273	$615 069	$595 247

HYDRO

GLA	16 695,50 sq m
Vacancy at Beginning of Year 1	2 516,40 sq m
Vacancy Rate in Terms of GLA	15,07%

Moscow,2 Khutorskaya 38a
Hydromashservice

DISCOUNTED CASHFLOW ANALYSIS

PERIOD			1				2			
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
			2015/2016				**2017**			
NET OPERATING INCOME			$940 541	$959 289	$963 842	$985 507	$996 196	$877 602	$1 082 955	$1 068 500
TOTAL EXPENDITURE			$296 272	$387 843	$387 888	$275 105	$303 180	$317 252	$300 516	$275 935
TOTAL QUARTERLY CASH FLOW			$644 269	$571 447	$575 954	$710 402	$693 016	$560 350	$782 439	$792 565
PRESENT VALUE										
Use 1	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$796 180	$811 047	$815 774	$840 595	$856 340	$735 372	$933 688	$918 723
Discounted Cash Flow			$783 245	$772 159	$751 630	$749 540	$738 972	$614 134	$754 625	$718 601
Use 2	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$86 396	$89 640	$89 466	$86 310	$82 528	$84 265	$90 664	$91 174
Discounted Cash Flow			$84 992	$85 342	$82 431	$76 961	$71 217	$70 372	$73 277	$71 314
Parking	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$57 966	$58 603	$58 603	$58 603	$57 329	$57 966	$58 603	$58 603
Discounted Cash Flow			$57 024	$55 793	$53 995	$52 255	$49 471	$48 409	$47 364	$45 838
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			-$296 272	-$387 843	-$387 888	-$275 105	-$303 180	-$317 252	-$300 516	-$275 935
Discounted Cash Flow			-$291 459	-$369 247	-$357 389	-$245 305	-$261 627	-$264 948	-$242 883	-$215 829
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Total										
Cash Flow			$644 269	$571 447	$575 954	$710 402	$693 016	$560 350	$782 439	$792 565
Discounted Cash Flow			$633 803	$544 047	$530 667	$633 450	$598 033	$467 967	$632 383	$619 924
NET PRESENT VALUE			$32 236 977							
MARKET VALUE			$32 200 000							

PERIOD	3				4			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2018	01.04.2018	01.07.2018	01.10.2018	01.01.2019	01.04.2019	01.07.2019	01.10.2019
	31.03.2018	30.06.2018	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019	31.12.2019
	2018				**2019**			
NET OPERATING INCOME	$1 057 162	$1 050 217	$1 072 736	$1 141 742	$1 171 145	$1 186 762	$1 202 268	$1 179 899
TOTAL EXPENDITURE	$299 571	$275 752	$320 582	$276 667	$276 961	$277 118	$277 273	$277 049
TOTAL QUARTERLY CASH FLOW	$757 592	$774 464	$752 154	$865 075	$894 184	$909 644	$924 995	$902 850
PRESENT VALUE								
Use 1	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$907 647	$896 673	$915 264	$984 186	$1 001 272	$1 012 397	$1 023 522	$1 023 522
Discounted Cash Flow	$687 059	$656 878	$648 890	$675 267	$664 851	$650 575	$636 528	$616 015
Use 2	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$92 187	$95 578	$98 869	$98 835	$98 513	$102 211	$105 799	$83 430
Discounted Cash Flow	$69 782	$70 018	$70 095	$67 813	$65 413	$65 682	$65 796	$50 213
Parking	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$57 329	$57 966	$58 603	$58 721	$71 360	$72 153	$72 946	$72 946
Discounted Cash Flow	$43 396	$42 464	$41 547	$40 289	$47 384	$46 366	$45 365	$43 903
Non-recoverable Costs, Other Adjustments to Value	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	-$299 571	-$275 752	-$320 582	-$276 667	-$276 961	-$277 118	-$277 273	-$277 049
Discounted Cash Flow	-$226 765	-$202 009	-$227 282	-$189 826	-$183 904	-$178 078	-$172 436	-$166 744
Terminal Value	0,7447	0,7207	0,6974	0,6750	0,6532	0,6322	0,6118	0,5921
Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Total								
Cash Flow	$757 592	$774 464	$752 154	$865 075	$894 184	$909 644	$924 995	$902 850
Discounted Cash Flow	$573 472	$567 352	$533 251	$593 543	$593 744	$584 545	$575 254	$543 387

PERIOD	5				6			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
	2020				**2021**			
NET OPERATING INCOME	$1 122 991	$1 218 973	$1 160 289	$1 244 024	$1 277 829	$1 292 027	$1 306 225	$1 306 225
TOTAL EXPENDITURE	$276 480	$309 816	$305 141	$277 690	$278 028	$278 170	$278 312	$278 312
TOTAL QUARTERLY CASH FLOW	$846 511	$909 157	$855 149	$966 333	$999 800	$1 013 856	$1 027 913	$1 027 913
PRESENT VALUE								
Use 1	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$972 387	$1 068 369	$1 008 030	$1 091 764	$1 121 432	$1 133 892	$1 146 353	$1 146 353
Discounted Cash Flow	$566 378	$602 230	$549 906	$576 392	$572 975	$560 671	$548 565	$530 887
Use 2	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$74 843	$74 843	$75 666	$75 666	$77 722	$78 585	$79 449	$79 449
Discounted Cash Flow	$43 593	$42 188	$41 278	$39 947	$39 711	$38 858	$38 019	$36 794
Parking	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$75 761	$75 761	$76 594	$76 594	$78 675	$79 549	$80 423	$80 423
Discounted Cash Flow	$44 128	$42 706	$41 784	$40 437	$40 197	$39 334	$38 485	$37 245
Non-recoverable Costs, Other Adjustments to Value	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	-$276 480	-$309 816	-$305 141	-$277 690	-$278 028	-$278 170	-$278 312	-$278 312
Discounted Cash Flow	-$161 039	-$174 641	-$166 462	-$146 605	-$142 053	-$137 546	-$133 181	-$128 889
Terminal Value	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow	$0	$0	$0	$40 491 344	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$21 029 935	$0	$0	$0	$0
Total								
Cash Flow	$846 511	$909 157	$855 149	$41 457 677	$999 800	$1 013 856	$1 027 913	$1 027 913
Discounted Cash Flow	$493 061	$512 484	$466 505	$21 540 106	$510 829	$501 318	$491 888	$476 036

CENTURY BLD. 8

GLA	11 086,30 sq m
Vacancy at Beginning of Year 1	3 634,70 sq m
Vacancy Rate in Terms of GLA	32,79%

Moscow, 2-ya Khutorskaya 38a
Century

DISCOUNTED CASHFLOW ANALYSIS

PERIOD			1				2				3			
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017	01.01.2018	01.04.2018	01.07.2018	01.10.2018
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017	31.03.2018	30.06.2018	30.09.2018	31.12.2018
			2015/2016				**2017**				**2018**			
NET OPERATING INCOME			$477 425	$502 513	$498 683	$542 620	$560 635	$764 300	$774 625	$738 411	$706 034	$688 079	$755 589	$758 152
TOTAL EXPENDITURE			$95 472	$166 025	$90 987	$105 320	$98 156	$153 434	$93 746	$93 384	$93 060	$123 627	$93 556	$93 582
TOTAL QUARTERLY CASH FLOW			$381 953	$336 488	$407 696	$437 301	$462 479	$610 866	$680 879	$645 027	$612 974	$564 452	$662 033	$664 570
PRESENT VALUE														
Use 1	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$439 972	$463 805	$459 284	$503 221	$522 092	$724 310	$733 476	$697 262	$665 689	$646 086	$713 504	$716 019
Discounted Cash Flow			$432 824	$441 567	$423 170	$448 712	$450 536	$604 896	$592 810	$545 380	$503 905	$473 305	$505 849	$491 273
Use 2	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$23 392	$24 492	$25 183	$25 183	$24 636	$25 928	$26 933	$26 933	$26 439	$27 931	$27 868	$27 868
Discounted Cash Flow			$23 012	$23 318	$23 203	$22 455	$21 259	$21 654	$21 768	$21 067	$20 013	$20 462	$19 758	$19 121
Parking	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$14 061	$14 216	$14 216	$14 216	$13 907	$14 061	$14 216	$14 216	$13 907	$14 061	$14 216	$14 264
Discounted Cash Flow			$13 833	$13 534	$13 098	$12 676	$12 001	$11 743	$11 490	$11 119	$10 527	$10 301	$10 079	$9 787
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			-$95 472	-$166 025	-$90 987	-$105 320	-$98 156	-$153 434	-$93 746	-$93 384	-$93 060	-$123 627	-$93 556	-$93 582
Discounted Cash Flow			-$93 921	-$158 065	-$83 833	-$93 911	-$84 703	-$128 138	-$75 768	-$73 043	-$70 444	-$90 566	-$66 328	-$64 208
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695	0,7447	0,7207	0,6974	0,6750
Cash Flow			$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
Total														
Cash Flow			$381 953	$336 488	$407 696	$437 301	$462 479	$610 866	$680 879	$645 027	$612 974	$564 452	$662 033	$664 570
Discounted Cash Flow			$375 748	$320 354	$375 639	$389 931	$399 093	$510 155	$550 300	$504 524	$464 001	$413 502	$469 358	$455 973
NET PRESENT VALUE			$24 902 561											
MARKET VALUE			$24 900 000											

PERIOD			4				5				6			
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			01.01.2019	01.04.2019	01.07.2019	01.10.2019	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
			31.03.2019	30.06.2019	30.09.2019	31.12.2019	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
			2019				**2020**				**2021**			
NET OPERATING INCOME			$768 413	$778 737	$787 295	$792 474	$816 714	$640 072	$854 241	$854 241	$877 454	$887 204	$896 953	$896 953
TOTAL EXPENDITURE			$93 684	$93 787	$93 873	$93 925	$94 167	$161 616	$94 542	$94 542	$94 775	$94 872	$94 970	$94 970
TOTAL QUARTERLY CASH FLOW			$674 728	$684 950	$693 422	$698 550	$722 547	$478 455	$759 699	$759 699	$782 680	$792 332	$801 984	$801 984
PRESENT VALUE														
Use 1	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$720 621	$730 415	$738 442	$743 621	$765 976	$589 334	$802 945	$802 945	$824 764	$833 929	$843 093	$843 093
Discounted Cash Flow			$478 497	$469 371	$459 236	$447 554	$446 152	$332 202	$438 027	$423 911	$421 398	$412 349	$403 446	$390 444
Use 2	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$28 626	$28 944	$29 262	$29 262	$30 391	$30 391	$30 725	$30 725	$31 560	$31 911	$32 261	$32 261
Discounted Cash Flow			$19 008	$18 600	$18 198	$17 611	$17 702	$17 131	$16 761	$16 221	$16 125	$15 779	$15 438	$14 940
Parking	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$19 165	$19 378	$19 591	$19 591	$20 347	$20 347	$20 571	$20 571	$21 130	$21 365	$21 599	$21 599
Discounted Cash Flow			$12 726	$12 453	$12 184	$11 791	$11 851	$11 470	$11 222	$10 860	$10 796	$10 564	$10 336	$10 003
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			-$93 684	-$93 787	-$93 873	-$93 925	-$94 167	-$161 616	-$94 542	-$94 542	-$94 775	-$94 872	-$94 970	-$94 970
Discounted Cash Flow			-$62 207	-$60 269	-$58 380	-$56 529	-$54 849	-$91 102	-$51 575	-$49 913	-$48 423	-$46 911	-$45 446	-$43 981
Terminal Value	Discount Rate	14,00%	0,6532	0,6322	0,6118	0,5921	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$31 630 836	$0	$0	$0	$0
Discounted Cash Flow			$0	$0	$0	$0	$0	$0	$0	$16 428 065	$0	$0	$0	$0
Total														
Cash Flow			$674 728	$684 950	$693 422	$698 550	$722 547	$478 455	$759 699	$32 390 534	$782 680	$792 332	$801 984	$801 984
Discounted Cash Flow			$448 024	$440 154	$431 239	$420 427	$420 856	$269 701	$414 435	$16 829 144	$399 896	$391 781	$383 774	$371 406

CENTURY BLD. 17

GLA	9 817,40 sq m
Vacancy at Beginning of Year 1	1 337,90 sq m
Vacancy Rate in Terms of GLA	13,63%

Moscow,2-ya Khutorskaya 38a
Century

DISCOUNTED CASHFLOW ANALYSIS

PERIOD			1				2			
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
			2015/2016				**2017**			
NET OPERATING INCOME			$507 087	$523 935	$529 612	$476 478	$338 444	$634 555	$686 424	$620 558
TOTAL EXPENDITURE			$139 571	$139 739	$224 796	$139 265	$167 418	$253 361	$141 364	$140 706
TOTAL QUARTERLY CASH FLOW			$367 517	$384 195	$304 816	$337 213	$171 026	$381 193	$545 059	$479 852
PRESENT VALUE										
Use I	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$495 420	$512 138	$517 816	$464 681	$326 905	$622 887	$674 627	$608 762
Discounted Cash Flow			$487 371	$487 582	$477 100	$414 346	$282 100	$520 194	$545 247	$476 158
Parking	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			$11 668	$11 796	$11 796	$11 796	$11 540	$11 668	$11 796	$11 796
Discounted Cash Flow			$11 478	$11 231	$10 869	$10 518	$9 958	$9 744	$9 534	$9 227
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow			-$139 571	-$139 739	-$224 796	-$139 265	-$167 418	-$253 361	-$141 364	-$140 706
Discounted Cash Flow			-$137 304	-$133 039	-$207 121	-$124 179	-$144 472	-$211 591	-$114 253	-$110 056
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0
Total										
Cash Flow			$367 517	$384 195	$304 816	$337 213	$171 026	$381 193	$545 059	$479 852
Discounted Cash Flow			$361 546	$365 774	$280 848	$300 685	$147 586	$318 347	$440 528	$375 328
NET PRESENT VALUE			$20 655 010							
MARKET VALUE			$20 700 000							

PERIOD	3				4			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2018	01.04.2018	01.07.2018	01.10.2018	01.01.2019	01.04.2019	01.07.2019	01.10.2019
	31.03.2018	30.06.2018	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019	31.12.2019
	2018				**2019**			
NET OPERATING INCOME	$546 573	$688 300	$695 864	$699 550	$714 189	$722 124	$730 059	$730 059
TOTAL EXPENDITURE	$209 104	$141 383	$141 459	$141 496	$141 642	$141 721	$141 801	$141 801
TOTAL QUARTERLY CASH FLOW	$337 469	$546 917	$554 405	$558 055	$572 547	$580 403	$588 259	$588 259
PRESENT VALUE								
Use I	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$535 034	$676 632	$684 068	$684 068	$698 285	$706 044	$713 803	$713 803
Discounted Cash Flow	$405 003	$495 683	$484 980	$469 351	$463 666	$453 710	$443 913	$429 608
Parking	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	$11 540	$11 668	$11 796	$15 482	$15 903	$16 080	$16 257	$16 257
Discounted Cash Flow	$8 735	$8 548	$8 363	$10 623	$10 560	$10 333	$10 110	$9 784
Non-recoverable Costs, Other Adjustments to Value	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow	-$209 104	-$141 383	-$141 459	-$141 496	-$141 642	-$141 721	-$141 801	-$141 801
Discounted Cash Flow	-$158 285	-$103 573	-$100 289	-$97 083	-$94 051	-$91 071	-$88 186	-$85 344
Terminal Value	0,7447	0,7207	0,6974	0,6750	0,6532	0,6322	0,6118	0,5921
Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$0	$0	$0	$0	$0
Total								
Cash Flow	$337 469	$546 917	$554 405	$558 055	$572 547	$580 403	$588 259	$588 259
Discounted Cash Flow	$255 453	$400 657	$393 054	$382 891	$380 175	$372 971	$365 838	$354 048

PERIOD	5				6			
QUARTER	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
	2020				**2021**			
NET OPERATING INCOME	$767 590	$767 744	$776 180	$776 180	$797 272	$806 131	$814 989	$814 989
TOTAL EXPENDITURE	$142 176	$142 177	$142 262	$142 262	$142 473	$142 561	$142 650	$142 650
TOTAL QUARTERLY CASH FLOW	$625 415	$625 566	$633 919	$633 919	$654 799	$663 569	$672 339	$672 339
PRESENT VALUE								
Use I	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$750 707	$750 860	$759 111	$759 111	$779 739	$788 403	$797 066	$797 066
Discounted Cash Flow	$437 258	$423 253	$414 114	$400 769	$398 393	$389 838	$381 421	$369 129
Parking	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	$16 884	$16 884	$17 069	$17 069	$17 533	$17 728	$17 923	$17 923
Discounted Cash Flow	$9 834	$9 517	$9 312	$9 012	$8 958	$8 766	$8 577	$8 300
Non-recoverable Costs, Other Adjustments to Value	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow	-$142 176	-$142 177	-$142 262	-$142 262	-$142 473	-$142 561	-$142 650	-$142 650
Discounted Cash Flow	-$82 812	-$80 144	-$77 607	-$75 106	-$72 794	-$70 492	-$68 262	-$66 063
Terminal Value	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow	$0	$0	$0	$26 497 325	$0	$0	$0	$0
Discounted Cash Flow	$0	$0	$0	$13 761 880	$0	$0	$0	$0
Total								
Cash Flow	$625 415	$625 566	$633 919	$27 131 243	$654 799	$663 569	$672 339	$672 339
Discounted Cash Flow	$364 280	$352 626	$345 819	$14 096 554	$334 558	$328 113	$321 735	$311 367

TAMIZ

GLA	11 737,00 sq m
Vacancy at Beginning of Year 1	2 251,60 sq m
Vacancy Rate in Terms of GLA	19,18%

Moscow, 2-ya Khutorskaya 38a
Tamiz

DISCOUNTED CASHFLOW ANALYSIS

PERIOD				1				2				3		
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017	01.01.2018	01.04.2018	01.07.2018	01.10.2018
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017	31.03.2018	30.06.2018	30.09.2018	31.12.2018
			2015/2016				**2017**				**2018**			
NET OPERATING INCOME			$499 403	$512 570	$526 274	$538 614	$576 145	$584 984	$549 122	$621 528	$666 510	$704 347	$628 176	$573 860
TOTAL EXPENDITURE			$81 193	$234 626	$234 763	$79 386	$95 414	$79 850	$79 491	$117 804	$119 077	$81 043	$80 282	$151 348
TOTAL QUARTERLY CASH FLOW			$418 210	$277 945	$291 511	$459 227	$480 732	$505 134	$469 631	$503 723	$547 433	$623 303	$547 894	$422 511
PRESENT VALUE														
Use 1	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$482 316	$495 020	$508 721	$519 243	$556 292	$564 910	$528 828	$601 233	$646 027	$683 637	$607 239	$552 900
Discounted Cash Flow			$474 481	$471 285	$468 721	$462 998	$480 048	$471 775	$427 409	$470 269	$489 022	$500 814	$430 511	$379 354
Use 2	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$10 505	$10 896	$10 899	$12 716	$13 344	$13 492	$13 640	$13 640	$13 973	$14 128	$14 283	$14 283
Discounted Cash Flow			$10 334	$10 373	$10 042	$11 339	$11 515	$11 268	$11 024	$10 669	$10 577	$10 350	$10 126	$9 800
Parking	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			$6 582	$6 654	$6 654	$6 654	$6 510	$6 582	$6 654	$6 654	$6 510	$6 582	$6 654	$6 677
Discounted Cash Flow			$6 475	$6 335	$6 131	$5 933	$5 617	$5 497	$5 378	$5 205	$4 928	$4 822	$4 718	$4 581
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861
Cash Flow			-$81 193	-$234 626	-$234 763	-$79 386	-$95 414	-$79 850	-$79 491	-$117 804	-$119 077	-$81 043	-$80 282	-$151 348
Discounted Cash Flow			-$79 874	-$223 376	-$216 304	-$70 787	-$82 336	-$66 685	-$64 246	-$92 144	-$90 138	-$59 370	-$56 917	-$103 843
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695	0,7447	0,7207	0,6974	0,6750
Cash Flow			$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
Total														
Cash Flow			$418 210	$277 945	$291 511	$459 227	$480 732	$505 134	$469 631	$503 723	$547 433	$623 303	$547 894	$422 511
Discounted Cash Flow			$411 416	$264 618	$268 590	$409 483	$414 844	$421 854	$379 565	$393 999	$414 389	$456 615	$388 438	$289 892
NET PRESENT VALUE			$24 697 498											
MARKET VALUE			$24 700 000											

PERIOD				4				5				6		
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			01.01.2019	01.04.2019	01.07.2019	01.10.2019	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
			31.03.2019	30.06.2019	30.09.2019	31.12.2019	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
			2019				**2020**				**2021**			
NET OPERATING INCOME			$769 329	$777 877	$786 601	$806 213	$832 609	$832 609	$841 758	$849 208	$879 897	$889 674	$899 451	$899 451
TOTAL EXPENDITURE			$81 693	$81 779	$81 866	$82 062	$82 326	$82 326	$82 418	$82 492	$82 799	$82 897	$82 995	$82 995
TOTAL QUARTERLY CASH FLOW			$687 635	$696 098	$704 735	$724 151	$750 283	$750 283	$759 341	$766 715	$797 098	$806 777	$816 456	$816 456
PRESENT VALUE														
Use 1	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$745 724	$754 010	$762 472	$782 084	$807 588	$807 588	$816 462	$823 912	$853 952	$863 441	$872 929	$872 929
Discounted Cash Flow			$495 166	$484 533	$474 181	$470 703	$470 389	$455 230	$445 401	$434 980	$436 311	$426 942	$417 724	$404 262
Use 2	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$14 633	$14 796	$14 958	$14 958	$15 497	$15 497	$15 667	$15 667	$16 055	$16 233	$16 411	$16 411
Discounted Cash Flow			$9 716	$9 508	$9 303	$9 003	$9 026	$8 735	$8 547	$8 271	$8 203	$8 027	$7 853	$7 600
Parking	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$8 971	$9 071	$9 170	$9 170	$9 524	$9 524	$9 629	$9 629	$9 891	$10 000	$10 110	$10 110
Discounted Cash Flow			$5 957	$5 829	$5 703	$5 519	$5 548	$5 369	$5 253	$5 084	$5 053	$4 945	$4 838	$4 682
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			-$81 693	-$81 779	-$81 866	-$82 062	-$82 326	-$82 326	-$82 418	-$82 492	-$82 799	-$82 897	-$82 995	-$82 995
Discounted Cash Flow			-$54 245	-$52 552	-$50 912	-$49 390	-$47 952	-$46 406	-$44 961	-$43 551	-$42 305	-$40 990	-$39 715	-$38 436
Terminal Value	Discount Rate	14,00%	0,6532	0,6322	0,6118	0,5921	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$32 206 043	$0	$0	$0	$0
Discounted Cash Flow			$0	$0	$0	$0	$0	$0	$0	$16 726 810	$0	$0	$0	$0
Total														
Cash Flow			$687 635	$696 098	$704 735	$724 151	$750 283	$750 283	$759 341	$32 972 759	$797 098	$806 777	$816 456	$816 456
Discounted Cash Flow			$456 594	$447 318	$438 274	$435 835	$437 011	$422 928	$414 240	$17 131 593	$407 263	$398 924	$390 700	$378 109

YAROSLAVL MALL

GLA	34 106,39 sq m
Vacancy at Beginning of Year 1	3 618,34 sq m
Vacancy Rate in Terms of GLA	10,61%

Yaroslavl
Vernisazh Mall Phase 1

DISCOUNTED CASHFLOW ANALYSIS

PERIOD				1				2				3				4				5				6		
QUARTER			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017	01.01.2018	01.04.2018	01.07.2018	01.10.2018	01.01.2019	01.04.2019	01.07.2019	01.10.2019	01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
			30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017	31.03.2018	30.06.2018	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019	31.12.2019	31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
			2015/2016				**2017**				**2018**				**2019**				**2020**				**2021**			
NET OPERATING INCOME			$929 901	$952 592	$960 890	$971 660	$997 322	$1 107 449	$1 279 103	$1 371 795	$1 499 193	$1 526 998	$1 522 505	$1 539 179	$1 536 266	$1 541 364	$1 562 069	$1 566 427	$1 580 211	$1 590 378	$1 512 498	$1 530 129	$1 655 846	$1 678 758	$1 703 081	$1 718 583
INCOME FROM TURNOVER			$24 932	$25 205	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 932	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205
TOTAL QUARTERLY CASH FLOW			$906 602	$853 567	$861 434	$947 943	$973 349	$1 082 375	$1 252 312	$1 344 077	$1 470 201	$1 497 728	$1 488 247	$1 509 787	$1 506 903	$1 511 951	$1 532 448	$1 536 762	$1 550 408	$1 560 474	$1 483 373	$1 500 828	$1 625 287	$1 647 970	$1 672 050	$1 687 397
CASHFLOW FROM TURNOVER			$24 932	$25 205	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 932	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205
PRESENT VALUE																										
Use 1	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$466 404	$473 869	$477 121	$485 453	$487 879	$532 559	$581 095	$657 090	$780 911	$793 582	$806 466	$819 537	$816 482	$830 049	$843 844	$857 595	$866 126	$874 860	$889 073	$903 772	$901 926	$918 749	$934 534	$950 040
Discounted Cash Flow			$458 827	$451 148	$439 605	$432 868	$421 011	$444 758	$469 653	$513 959	$591 124	$581 357	$571 756	$562 299	$542 149	$533 396	$524 786	$516 150	$504 485	$493 151	$485 012	$477 142	$460 822	$454 290	$447 203	$439 973
Use 2	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$132 649	$136 084	$137 721	$139 233	$148 280	$166 986	$180 982	$187 090	$192 133	$197 030	$178 593	$193 019	$193 748	$198 618	$201 417	$191 586	$193 751	$194 710	$196 725	$194 538	$196 845	$199 033	$201 220	$201 220
Discounted Cash Flow			$130 494	$129 559	$126 892	$124 151	$127 958	$139 455	$146 273	$146 337	$145 439	$144 339	$126 616	$132 434	$128 650	$127 634	$125 261	$115 307	$112 853	$109 756	$107 318	$102 705	$100 575	$98 415	$96 290	$93 187
Use 3	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$48 264	$49 374	$50 112	$50 611	$50 319	$55 834	$60 848	$70 834	$70 854	$72 449	$68 667	$58 679	$58 903	$60 101	$60 929	$61 416	$55 957	$55 971	$56 762	$57 140	$58 199	$56 407	$57 175	$57 175
Discounted Cash Flow			$47 480	$47 007	$46 171	$45 128	$43 422	$46 629	$49 179	$55 404	$53 634	$53 074	$48 683	$40 261	$39 112	$38 622	$37 892	$36 964	$32 593	$31 550	$30 965	$30 167	$29 736	$27 891	$27 360	$26 478
Use 4	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$78 741	$81 725	$82 698	$82 805	$92 519	$103 307	$110 820	$109 940	$106 696	$107 503	$107 502	$106 394	$105 255	$95 425	$97 384	$98 280	$101 837	$101 918	$103 135	$103 135	$105 938	$107 115	$108 292	$108 292
Discounted Cash Flow			$77 462	$77 806	$76 196	$73 836	$79 838	$86 275	$89 567	$85 992	$80 765	$78 754	$76 215	$72 999	$69 890	$61 321	$60 563	$59 150	$59 316	$57 450	$56 263	$54 450	$54 127	$52 965	$51 821	$50 151
Use 5	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$48 790	$51 769	$52 650	$52 654	$53 381	$65 173	$67 988	$67 988	$67 643	$67 564	$69 328	$69 328	$68 867	$70 111	$71 718	$71 718	$73 033	$73 276	$66 055	$66 055	$67 850	$68 604	$69 358	$69 358
Discounted Cash Flow			$47 997	$49 287	$48 511	$46 950	$46 065	$54 428	$54 949	$53 178	$51 204	$49 495	$49 151	$47 567	$45 728	$45 054	$44 601	$43 164	$42 539	$41 305	$36 035	$34 874	$34 667	$33 922	$33 190	$32 120
Use 6	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$40 899	$43 858	$44 157	$44 643	$44 135	$57 300	$57 454	$57 454	$57 575	$61 864	$61 946	$61 732	$61 459	$55 488	$52 078	$52 078	$54 087	$54 087	$54 682	$54 682	$56 168	$56 792	$57 416	$57 416
Discounted Cash Flow			$40 235	$41 755	$40 685	$39 807	$38 086	$47 853	$46 435	$44 939	$43 583	$45 320	$43 917	$42 355	$40 809	$35 657	$32 387	$31 343	$31 504	$30 489	$29 830	$28 869	$28 698	$28 082	$27 475	$26 590
Use 7	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$48 777	$49 629	$49 944	$50 644	$53 474	$54 359	$55 346	$56 145	$57 735	$57 918	$58 972	$59 130	$61 194	$61 992	$63 127	$63 269	$65 334	$65 334	$65 095	$64 766	$66 526	$67 265	$68 005	$68 005
Discounted Cash Flow			$47 985	$47 249	$46 017	$45 158	$46 145	$45 397	$44 732	$43 915	$43 704	$42 429	$41 809	$40 570	$40 633	$39 837	$39 258	$38 079	$38 055	$36 828	$35 511	$34 193	$33 990	$33 260	$32 542	$31 494
Use 8	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$26 644	$28 120	$28 232	$28 138	$28 709	$32 758	$33 118	$34 129	$35 874	$37 758	$38 173	$38 406	$38 313	$35 795	$36 188	$35 108	$34 255	$34 255	$34 631	$34 631	$35 572	$35 968	$36 363	$36 363
Discounted Cash Flow			$26 211	$26 772	$26 012	$25 090	$24 774	$27 357	$26 766	$26 695	$27 155	$27 661	$27 064	$26 351	$25 440	$23 002	$22 505	$21 130	$19 952	$19 309	$18 892	$18 283	$18 175	$17 785	$17 401	$16 840
Use 9	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$35 512	$34 717	$34 765	$34 079	$35 274	$35 749	$36 742	$36 390	$36 974	$37 461	$37 906	$37 977	$39 039	$39 701	$40 211	$40 226	$41 686	$41 774	$42 314	$42 331	$43 381	$43 959	$44 531	$44 550
Discounted Cash Flow			$34 935	$33 052	$32 032	$30 388	$30 440	$29 855	$29 695	$28 464	$27 988	$27 443	$26 874	$26 057	$25 922	$25 512	$25 007	$24 211	$24 281	$23 548	$23 083	$22 348	$22 165	$21 736	$21 310	$20 632
Use 10	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			$3 221	$3 447	$3 489	$3 400	$3 352	$3 426	$3 510	$3 533	$3 577	$3 657	$3 748	$3 774	$3 787	$3 873	$3 972	$3 948	$3 933	$3 982	$4 026	$4 026	$4 084	$4 184	$4 180	$4 157
Discounted Cash Flow			$3 169	$3 282	$3 215	$3 032	$2 892	$2 861	$2 837	$2 764	$2 708	$2 679	$2 657	$2 590	$2 514	$2 489	$2 470	$2 376	$2 291	$2 245	$2 196	$2 126	$2 087	$2 069	$2 000	$1 925
Turnover	Discount Rate	19,00%	0,9785	0,9368	0,8970	0,8588	0,8223	0,7873	0,7538	0,7217	0,6910	0,6616	0,6334	0,6065	0,5807	0,5559	0,5323	0,5096	0,4879	0,4672	0,4473	0,4283	0,4100	0,3926	0,3759	0,3599
Cash Flow			$24 932	$25 205	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205	$24 932	$24 932	$25 205	$25 205	$24 658	$24 932	$25 205	$25 205
Discounted Cash Flow			$24 395	$23 614	$22 609	$21 647	$20 275	$19 628	$18 999	$18 190	$17 038	$16 494	$15 966	$15 286	$14 317	$13 860	$13 416	$12 845	$12 165	$11 647	$11 274	$10 795	$10 110	$9 788	$9 474	$9 071
Non-recoverable Costs, Other Adjustments to Value	Discount Rate	14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow			-$23 299	-$99 026	-$99 456	-$23 717	-$23 973	-$25 074	-$26 791	-$27 718	-$28 992	-$29 270	-$34 258	-$29 392	-$29 363	-$29 414	-$29 621	-$29 664	-$29 802	-$29 904	-$29 125	-$29 301	-$30 558	-$30 788	-$31 031	-$31 186
Discounted Cash Flow			-$22 921	-$94 278	-$91 636	-$21 148	-$20 688	-$20 941	-$21 653	-$21 680	-$21 946	-$21 442	-$24 287	-$20 166	-$19 497	-$18 901	-$18 421	-$17 854	-$17 359	-$16 856	-$15 888	-$15 469	-$15 613	-$15 223	-$14 849	-$14 442
Terminal Value	Discount Rate	14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695	0,7447	0,7207	0,6974	0,6750	0,6532	0,6322	0,6118	0,5921	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$57 990 346	$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	$30 118 369	$0	$0	$0	$0
Total																										
Cash Flow			$931 534	$878 772	$886 640	$973 149	$998 006	$1 107 306	$1 186 316	$1 278 081	$1 405 639	$1 432 449	$1 422 250	$1 443 791	$1 442 342	$1 446 672	$1 466 452	$1 470 766	$1 485 129	$1 495 195	$1 508 579	$59 511 327	$1 530 589	$1 552 220	$1 575 247	$1 590 595
Discounted Cash Flow			$916 270	$836 253	$816 309	$866 907	$860 219	$923 555	$957 431	$998 157	$1 062 396	$1 047 603	$1 006 421	$988 602	$955 669	$927 482	$909 726	$882 867	$862 675	$840 422	$820 492	$30 918 851	$779 538	$764 980	$751 218	$734 018
NET PRESENT VALUE			$48 398 309																							
MARKET VALUE			$48 400 000																							

TRIUMPH MALL SARATOV

GLA	27 421,09 sq m
Vacancy at Beginning of Year 1	59,61 sq m
Vacancy Rate in Terms of GLA	0,22%

Saratov
Triumph Mall
DISCOUNTED CASHFLOW ANALYSIS

PERIOD		1				2			
QUARTER		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		31.12.2015	31.03.2016	01.07.2016	01.10.2016	01.01.2017	01.04.2017	01.07.2017	01.10.2017
		30.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
		2015/2016				**2017**			
NET OPERATING INCOME		$1 838 445	$1 869 409	$1 885 163	$1 916 318	$1 905 153	$1 996 496	$2 029 496	$2 055 093
INCOME FROM TURNOVER		$124 658	$126 027	$126 027	$126 027	$123 288	$124 658	$126 027	$126 027
TOTAL EXPENDITURE		$176 634	$176 944	$178 197	$178 800	$223 052	$223 965	$224 295	$224 551
TOTAL QUARTERLY CASH FLOW		$1 661 811	$1 692 465	$1 706 966	$1 737 518	$1 682 101	$1 772 531	$1 805 201	$1 830 542
CASH FLOW FROM TURNOVER		$124 658	$126 027	$126 027	$126 027	$123 288	$124 658	$126 027	$126 027
PRESENT VALUE									
Use 1	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$119 217	$120 535	$120 815	$121 084	$119 968	$121 310	$122 950	$123 260
Discounted Cash Flow		$117 280	$114 756	$111 316	$107 968	$103 526	$101 310	$99 371	$96 411
Use 2	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$415 570	$420 590	$423 157	$430 876	$435 738	$440 906	$448 459	$453 392
Discounted Cash Flow		$408 819	$400 424	$389 884	$384 203	$376 017	$368 215	$362 454	$354 632
Use 3	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$141 950	$143 694	$145 096	$147 404	$152 497	$161 848	$165 107	$166 476
Discounted Cash Flow		$139 644	$136 804	$133 687	$131 437	$131 596	$135 165	$133 443	$130 213
Use 4	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$334 491	$339 726	$341 186	$344 409	$355 732	$360 644	$364 809	$369 909
Discounted Cash Flow		$329 057	$323 437	$314 359	$307 102	$306 976	$301 186	$294 846	$289 333
Use 5	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$84 366	$87 121	$87 567	$88 892	$89 375	$92 289	$93 782	$94 245
Discounted Cash Flow		$82 996	$82 944	$80 682	$79 263	$77 125	$77 073	$75 797	$73 716
Use 6	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$127 581	$129 637	$133 532	$139 257	$144 854	$146 121	$147 412	$148 314
Discounted Cash Flow		$125 509	$123 422	$123 032	$124 172	$125 000	$122 030	$119 142	$116 007
Use 7	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$250 475	$255 391	$257 765	$265 318	$265 955	$271 396	$276 915	$284 785
Discounted Cash Flow		$246 406	$243 146	$237 497	$236 578	$229 504	$226 652	$223 808	$222 752
Use 8	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$183 825	$187 357	$188 359	$191 241	$196 961	$201 433	$204 739	$207 892
Discounted Cash Flow		$180 838	$178 374	$173 548	$170 526	$169 966	$168 223	$165 474	$162 608
Use 9	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$33 509	$34 217	$34 585	$34 425	$35 182	$36 015	$36 868	$37 047
Discounted Cash Flow		$32 964	$32 576	$31 865	$30 696	$30 360	$30 078	$29 797	$28 977
Use 10	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$75 873	$78 764	$80 726	$81 822	$81 774	$84 935	$87 979	$89 298
Discounted Cash Flow		$74 640	$74 987	$74 379	$72 959	$70 566	$70 932	$71 106	$69 847
Use 11	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		$71 590	$72 376	$72 376	$71 590	$27 117	$79 600	$80 475	$80 475
Discounted Cash Flow		$70 427	$68 906	$66 685	$63 835	$23 400	$66 477	$65 041	$62 945
Turnover	Discount Rate 19,00%	0,9785	0,9368	0,8970	0,8588	0,8223	0,7873	0,7538	0,7217
Cash Flow		$124 658	$126 027	$126 027	$126 027	$123 288	$124 658	$126 027	$126 027
Discounted Cash Flow		$121 976	$118 069	$113 044	$108 233	$101 375	$98 139	$94 995	$90 952
Non-recoverable Costs, Other Adjustments to Value	Discount Rate 14,00%	0,9838	0,9521	0,9214	0,8917	0,8629	0,8351	0,8082	0,7822
Cash Flow		-$176 634	-$176 944	-$178 197	-$178 800	-$223 052	-$223 965	-$224 295	-$224 551
Discounted Cash Flow		-$173 765	-$168 460	-$164 186	-$159 432	-$192 481	-$187 041	-$181 280	-$175 638
Terminal Value	Discount Rate 14,00%	0,9678	0,9366	0,9064	0,8772	0,8489	0,8216	0,7951	0,7695
Cash Flow		$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow		$0	$0	$0	$0	$0	$0	$0	$0
Total									
Cash Flow		$1 786 468	$1 818 493	$1 832 993	$1 863 546	$1 805 389	$1 897 189	$1 931 228	$1 956 569
Discounted Cash Flow		$1 756 791	$1 729 384	$1 685 793	$1 657 541	$1 552 932	$1 578 439	$1 553 994	$1 522 755
NET PRESENT VALUE		$72 004 353							
MARKET VALUE		$72 000 000							

PERIOD		3				4			
QUARTER		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		01.01.2018	01.04.2018	01.07.2018	01.10.2018	01.01.2019	01.04.2019	01.07.2019	01.10.2019
		31.03.2018	30.06.2018	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019	31.12.2019
		2018				**2019**			
NET OPERATING INCOME		$2 113 728	$2 144 507	$2 174 049	$2 190 109	$2 252 551	$2 280 812	$2 311 225	$2 323 821
INCOME FROM TURNOVER		$123 288	$124 658	$126 027	$126 241	$149 598	$151 260	$152 922	$152 922
TOTAL EXPENDITURE		$225 137	$226 408	$225 740	$225 901	$226 526	$226 808	$227 112	$227 238
TOTAL QUARTERLY CASH FLOW		$1 888 591	$1 918 100	$1 948 308	$1 964 208	$2 026 025	$2 054 004	$2 084 113	$2 096 583
CASH FLOW FROM TURNOVER		$123 288	$124 658	$126 027	$126 241	$149 598	$151 260	$152 922	$152 922
PRESENT VALUE									
Use 1	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$123 063	$124 440	$126 287	$128 513	$127 888	$129 308	$130 729	$130 951
Discounted Cash Flow		$93 154	$91 161	$89 533	$88 175	$84 918	$83 095	$81 301	$78 814
Use 2	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$467 914	$473 113	$480 606	$486 230	$506 164	$511 788	$519 555	$521 821
Discounted Cash Flow		$354 196	$346 590	$340 733	$333 611	$336 096	$328 879	$323 111	$314 062
Use 3	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$171 217	$173 322	$176 793	$178 115	$182 416	$184 443	$190 414	$192 827
Discounted Cash Flow		$129 606	$126 971	$125 340	$122 208	$121 126	$118 525	$118 418	$116 054
Use 4	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$393 109	$398 476	$403 026	$407 805	$431 029	$436 901	$441 702	$444 381
Discounted Cash Flow		$297 571	$291 912	$285 731	$279 802	$286 206	$280 756	$274 694	$267 454
Use 5	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$95 087	$98 201	$99 800	$98 892	$98 427	$101 078	$102 753	$101 998
Discounted Cash Flow		$71 978	$71 939	$70 755	$67 852	$65 356	$64 953	$63 902	$61 388
Use 6	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$153 597	$155 524	$157 233	$158 293	$163 135	$165 180	$167 695	$168 655
Discounted Cash Flow		$116 268	$113 932	$111 472	$108 608	$108 323	$106 146	$104 289	$101 506
Use 7	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$283 174	$284 668	$290 563	$299 383	$301 369	$304 787	$306 735	$310 400
Discounted Cash Flow		$214 354	$208 540	$205 999	$205 412	$200 111	$195 859	$190 758	$186 817
Use 8	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$214 264	$218 942	$222 051	$222 896	$226 992	$229 611	$231 550	$232 141
Discounted Cash Flow		$162 191	$160 391	$157 426	$152 933	$150 724	$147 550	$144 001	$139 716
Use 9	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$38 392	$38 786	$39 242	$39 433	$40 783	$41 371	$41 826	$42 031
Discounted Cash Flow		$29 062	$28 414	$27 821	$27 055	$27 080	$26 585	$26 011	$25 296
Use 10	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$89 281	$93 466	$91 937	$84 038	$85 486	$86 497	$87 430	$87 781
Discounted Cash Flow		$67 583	$68 471	$65 180	$57 660	$56 764	$55 584	$54 373	$52 831
Use 11	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		$84 630	$85 570	$86 510	$86 510	$88 861	$89 849	$90 836	$90 836
Discounted Cash Flow		$64 062	$62 686	$61 333	$59 356	$59 004	$57 737	$56 491	$54 670
Turnover	Discount Rate 19,00%	0,6910	0,6616	0,6334	0,6065	0,5807	0,5559	0,5323	0,5096
Cash Flow		$123 288	$124 658	$126 027	$126 241	$149 598	$151 260	$152 922	$152 922
Discounted Cash Flow		$85 189	$82 470	$79 828	$76 560	$86 864	$84 092	$81 398	$77 934
Non-recoverable Costs, Other Adjustments to Value	Discount Rate 14,00%	0,7570	0,7326	0,7090	0,6861	0,6640	0,6426	0,6219	0,6019
Cash Flow		-$225 137	-$226 408	-$225 740	-$225 901	-$226 526	-$226 808	-$227 112	-$227 238
Discounted Cash Flow		-$170 422	-$165 860	-$160 042	-$154 995	-$150 414	-$145 749	-$141 241	-$136 765
Terminal Value	Discount Rate 14,00%	0,7447	0,7207	0,6974	0,6750	0,6532	0,6322	0,6118	0,5921
Cash Flow		$0	$0	$0	$0	$0	$0	$0	$0
Discounted Cash Flow		$0	$0	$0	$0	$0	$0	$0	$0
Total									
Cash Flow		$2 011 878	$2 042 757	$2 074 336	$2 090 448	$2 175 623	$2 205 265	$2 237 036	$2 249 505
Discounted Cash Flow		$1 514 790	$1 487 618	$1 461 110	$1 424 237	$1 432 158	$1 404 011	$1 377 506	$1 339 778

PERIOD		5				6			
QUARTER		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
		01.01.2020	01.04.2020	01.07.2020	01.10.2020	01.01.2021	01.04.2021	01.07.2021	01.10.2021
		31.03.2020	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
		2020				**2021**			
NET OPERATING INCOME		$2 396 587	$2 408 729	$2 440 095	$2 387 060	$2 188 717	$2 504 490	$2 665 152	$2 665 726
INCOME FROM TURNOVER		$158 823	$158 823	$160 569	$160 569	$164 932	$166 764	$168 597	$168 597
TOTAL EXPENDITURE		$227 966	$228 087	$228 401	$227 871	$225 887	$368 829	$230 652	$230 657
TOTAL QUARTERLY CASH FLOW		$2 168 621	$2 180 642	$2 211 694	$2 159 189	$1 962 830	$2 135 661	$2 434 501	$2 435 069
CASH FLOW FROM TURNOVER		$158 823	$158 823	$160 569	$160 569	$164 932	$166 764	$168 597	$168 597
PRESENT VALUE									
Use 1	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$131 604	$131 604	$133 050	$125 433	$68 311	$81 587	$165 788	$165 788
Discounted Cash Flow		$76 654	$74 184	$72 582	$66 221	$34 902	$40 342	$79 335	$76 778
Use 2	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$533 112	$533 112	$541 221	$497 985	$315 400	$596 153	$650 602	$649 776
Discounted Cash Flow		$310 518	$300 511	$295 250	$262 909	$161 148	$294 777	$311 333	$300 918
Use 3	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$200 050	$200 050	$204 038	$206 120	$219 201	$221 637	$226 009	$227 010
Discounted Cash Flow		$116 521	$112 766	$111 308	$108 820	$111 997	$109 592	$108 153	$105 131
Use 4	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$464 091	$475 682	$480 909	$481 428	$497 846	$505 067	$510 617	$510 617
Discounted Cash Flow		$270 315	$268 138	$262 348	$254 168	$254 365	$249 738	$244 346	$236 472
Use 5	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$104 029	$104 526	$106 287	$106 077	$108 010	$109 210	$110 410	$110 410
Discounted Cash Flow		$60 593	$58 920	$57 982	$56 003	$55 186	$54 001	$52 835	$51 132
Use 6	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$170 922	$170 977	$172 856	$172 622	$175 195	$177 141	$179 088	$179 488
Discounted Cash Flow		$99 556	$96 378	$94 297	$91 135	$89 512	$87 590	$85 699	$83 122
Use 7	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$318 834	$318 834	$322 582	$323 634	$329 417	$333 077	$336 737	$336 737
Discounted Cash Flow		$185 709	$179 724	$175 977	$170 861	$168 310	$164 695	$161 139	$155 946
Use 8	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$243 096	$243 096	$245 767	$240 827	$238 111	$240 757	$243 402	$243 402
Discounted Cash Flow		$141 594	$137 031	$134 072	$127 143	$121 658	$119 046	$116 476	$112 722
Use 9	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$44 591	$44 591	$45 081	$45 081	$46 306	$46 821	$47 335	$47 335
Discounted Cash Flow		$25 973	$25 136	$24 593	$23 800	$23 659	$23 151	$22 651	$21 921
Use 10	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$91 915	$91 915	$92 925	$92 475	$92 950	$93 983	$95 016	$95 016
Discounted Cash Flow		$53 537	$51 812	$50 693	$48 822	$47 491	$46 471	$45 468	$44 003
Use 11	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		$94 341	$94 341	$95 378	$95 378	$97 970	$99 058	$100 147	$100 147
Discounted Cash Flow		$54 950	$53 179	$52 031	$50 354	$50 056	$48 981	$47 923	$46 379
Turnover	Discount Rate 19,00%	0,4879	0,4672	0,4473	0,4283	0,4100	0,3926	0,3759	0,3599
Cash Flow		$158 823	$158 823	$160 569	$160 569	$164 932	$166 764	$168 597	$168 597
Discounted Cash Flow		$77 497	$74 199	$71 822	$68 765	$67 628	$65 469	$63 372	$60 675
Non-recoverable Costs, Other Adjustments to Value	Discount Rate 14,00%	0,5825	0,5637	0,5455	0,5279	0,5109	0,4945	0,4785	0,4631
Cash Flow		-$227 966	-$228 087	-$228 401	-$227 871	-$225 887	-$368 829	-$230 652	-$230 657
Discounted Cash Flow		-$132 781	-$128 571	-$124 599	-$120 303	-$115 413	-$182 374	-$110 374	-$106 820
Terminal Value	Discount Rate 14,00%	0,5730	0,5545	0,5367	0,5194	0,5026	0,4864	0,4708	0,4556
Cash Flow		$0	$0	$0	$81 626 828	$0	$0	$0	$0
Discounted Cash Flow		$0	$0	$0	$42 394 417	$0	$0	$0	$0
Total									
Cash Flow		$2 327 444	$2 339 465	$2 372 262	$83 946 586	$2 127 762	$2 302 425	$2 603 098	$2 603 666
Discounted Cash Flow		$1 340 636	$1 303 407	$1 278 357	$43 603 116	$1 070 499	$1 121 481	$1 228 356	$1 188 380

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.

3.11. 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 USD1m 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 or 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

1. 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 FRS15), 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

RICS VALUER REGISTRATION

This is to certify that

Konstantin Lebedev MRICS

is an RICS Registered Valuer

Valid from: June 2015 Until: June 2016

Membership no: 1238172

Gillian Charlesworth

DIRECTOR OF REGULATORY AND CORPORATE AFFAIRS

RICS

This certificate is held from year to year subject to RICS' bye-laws and scheme rules currently applicable and is not a certificate to practice.

THIS IS TO CERTIFY THAT

Cushman & Wakefield

IS REGISTERED AS A FIRM REGULATED BY RICS

Valid from:	**June 2015**
Until:	**June 2016**
Firm Registration no.	**047410**

Gillian Charlesworth

DIRECTOR OF REGULATORY AND CORPORATE AFFAIRS

RICS

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

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