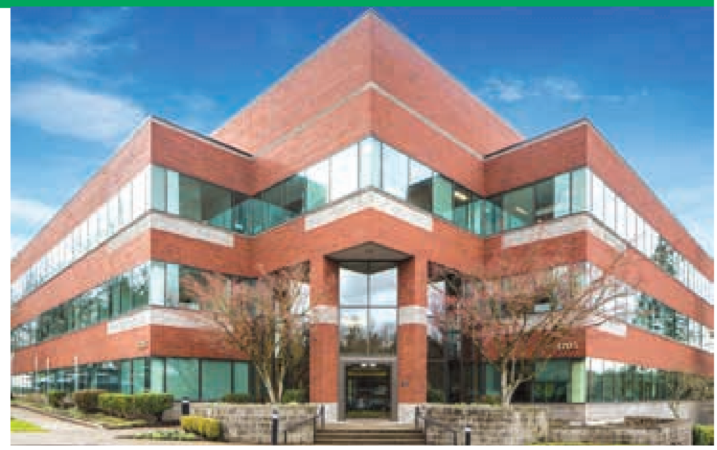
CIRCULAR DATED 01 NOVEMBER 2019
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

ascendas Reit
A Member of CapitaLand

CIRCULAR TO UNITHOLDERS IN RELATION TO:

The Proposed Acquisitions of a Portfolio of United States Properties and Two Singapore Properties as Interested Person Transactions



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IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Key Milestones	Details
Last date and time for lodgement of proxy form	**Sunday, 24 November 2019, 3pm**
Date and time of Extraordinary General Meeting (EGM)	**Wednesday, 27 November 2019, 3pm**
Venue	**The Star Gallery, Level 3, The Performing Arts Centre, 1 Vista Exchange Green, Singapore 138617**

ASCENDAS REAL ESTATE INVESTMENT TRUST
(Constituted in the Republic of Singapore pursuant to a trust deed dated 2 October 2002 (the "Trust Deed"))
MANAGED BY ASCENDAS FUNDS MANAGEMENT (S) LIMITED

OVERVIEW OF PROPOSED ACQUISITIONS

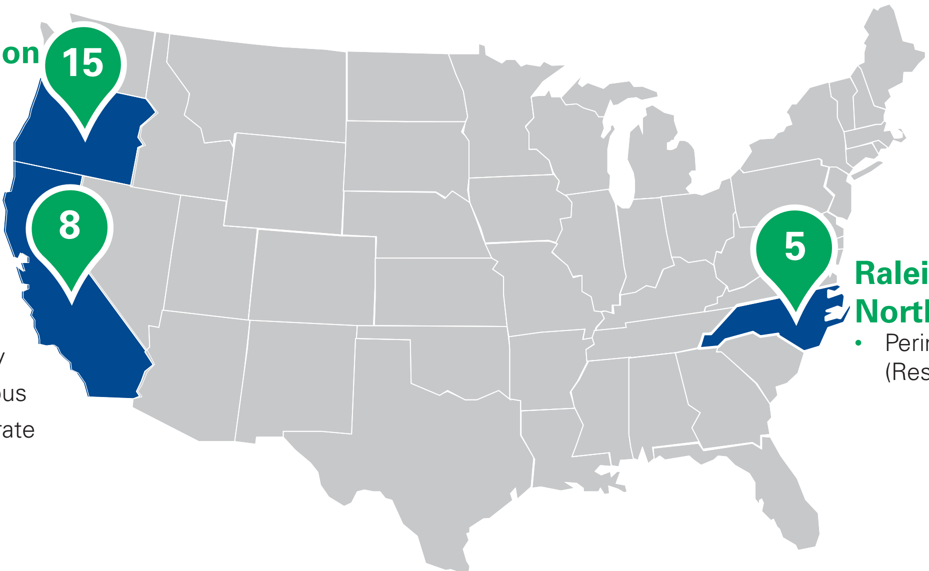
28 **Properties in the US** (San Diego, Raleigh and Portland)

Purchase Consideration of

US$937.6 m (S$1,285.3 m[1])

Portland, Oregon

- Cornell Oaks Corporate Center
- Creekside Corporate Park



San Diego, California

- The Campus at Sorrento Gateway
- CareFusion Campus
- Innovation Corporate Center

Raleigh, North Carolina

- Perimeter Park (Research Triangle)

93.7% occupancy rate

4.2 years weighted average lease by expiry (gross rental income)

Freehold tenure

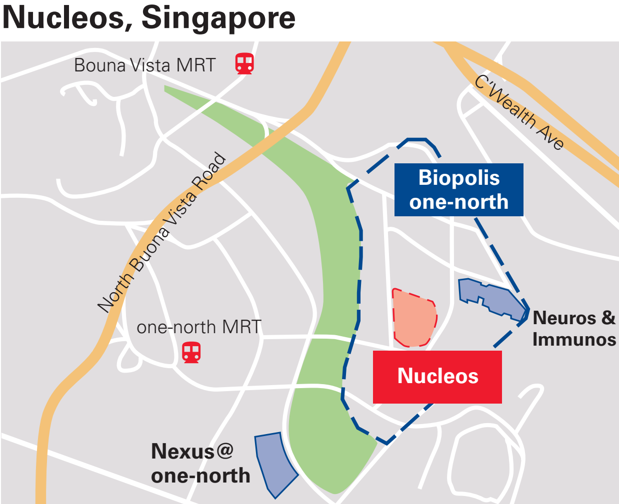
6.4% Net Property Income yield

2 **Properties in Singapore**

Purchase Consideration of

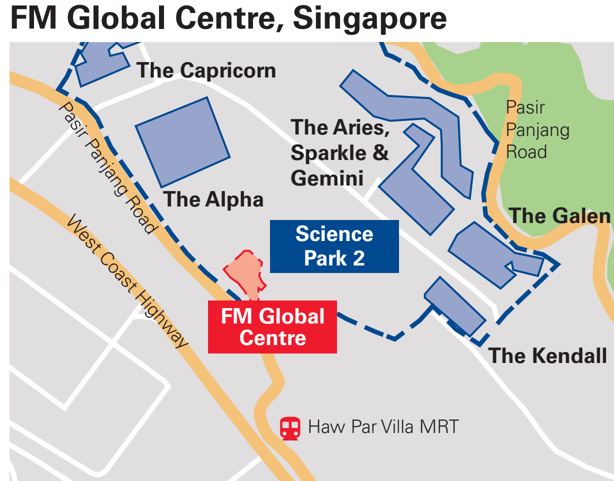
S$380.0 m

Nucleos, Singapore



Ascendas Reit | Expressway / Highway

FM Global Centre, Singapore



Ascendas Reit | Expressway / Highway

94.6% occupancy rate

6.9 years weighted average lease by expiry (gross rental income)

56.7 years weighted average land lease to expiry

6.7% Net Property Income yield

Note: Meanings of defined terms may be found in the section of this Circular entitled "Glossary".

(1) Based on an exchange rate of US$1.0000 = S$1.3708.

RATIONALE FOR THE US ACQUISITION

1 WELL-LOCATED PROPERTIES IN CAMPUSES WITH VIBRANT INNOVATION ECOSYSTEMS

- Properties are in close proximity to renowned universities and research institutes

SAN DIEGO

UC San Diego

Genomics Institute of the Novartis Research Foundation

University of San Diego

San Diego State University

RALEIGH

Duke University

The University of North Carolina at Chapel Hill

NC STATE UNIVERSITY

PORTLAND

Portland State University

University of Portland

University of Oregon

PENSOLE Footwear Design Academy

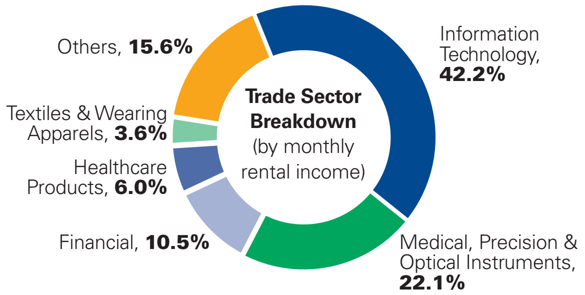
2 HIGH-QUALITY TENANT BASE ANCHORED BY TENANTS IN GROWING SECTORS

- >67% of Top 10 tenants have investment grade credit ratings[1]

CareFusion, Teleflex, ORACLE, Northrop Grumman, TD Ameritrade, EDF renewables, NIKE, channeladvisor, Alliance Behavioral Healthcare, JAGGAER

(1) Refers to tenant or its parent company rating. Based on contribution to US Portfolio Rental Income.
Source: Standard and Poor's.

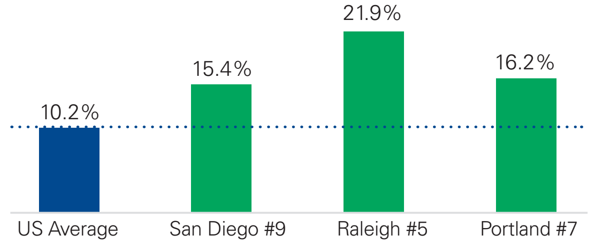
- >65% of tenants are in the growing information, medical and financial tech sectors



3 STRONG PERFORMANCE OF TECH-CITIES WILL UNDERPIN PORTFOLIO PERFORMANCE

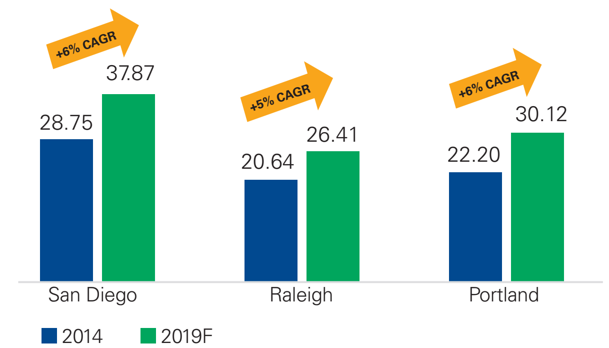
- San Diego, Raleigh and Portland have outperformed the US average GDP growth
- Technology sector contributes a high percentage to overall GDP in these cities

% Contribution of Technology Sector to Overall GDP and National Ranking



Source: CompTIA Cyberstates 2019.

Average Asking Rent (US$ / sqft / yr)



Source: Cushman & Wakefield Research.

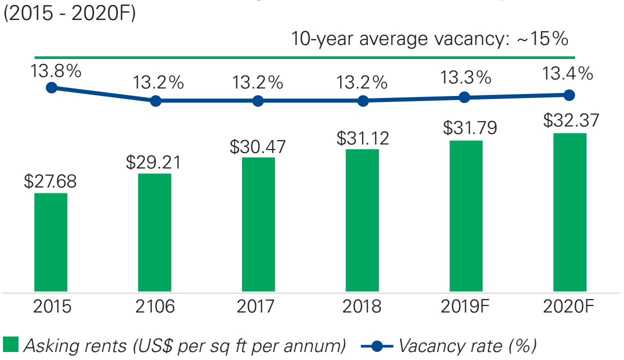
4 ATTRACTIVE MARKET OUTLOOK

- Benign supply outlook
- Asking rents are expected to rise

	Under Construction (as at October 2019)		
Cities/ Submarkets	Buildings	Area (sq m)	Pre-leased (%)
SAN DIEGO			
Sorrento Valley	-	-	-
Rancho Bernado	-	-	-
RALEIGH			
Research Triangle Park	4	~34,000	91.5%
PORTLAND			
217 Corridor/ Beaverton	-	-	-
Sunset Corridor/ Hillsboro	1	~93,000	100%

Source: Cushman & Wakefield Research, October 2019.

US Office Market – Asking Rental Rates & Vacancy
(2015 - 2020F)



Source: Cushman & Wakefield Research.

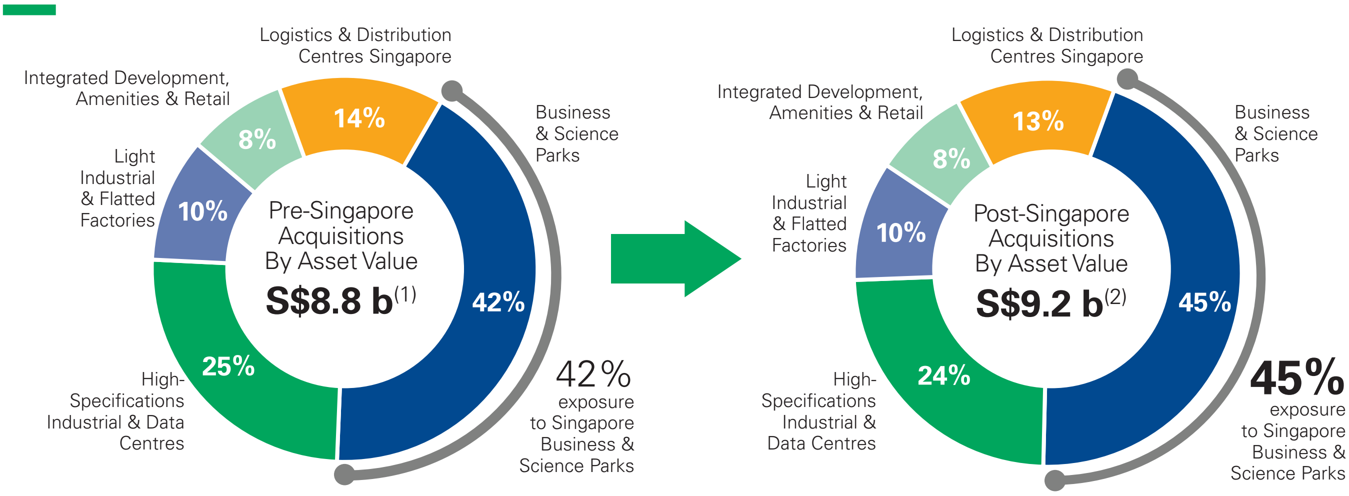
RATIONALE FOR THE SINGAPORE ACQUISITIONS

1 ENHANCES PORTFOLIO'S QUALITY AND RESILIENCE

	Nucleos	FM Global Centre	Impact on Ascendas Reit
Location	• Within the biomedical R&D hub of Biopolis at one-north, which hosts a cluster of world class research facilities • ~10-min walk to one-north MRT and Bouna Vista MRT	• Within Singapore Science Park 2, a well-established technology corridor housing many R&D companies • ~3-min walk to Haw Par Villa MRT and a 15-min drive to the CBD	More well-located business park properties
Building Age (years)	5	<1	Improves overall quality and specifications of portfolio
Weighted Average Land Lease to Expiry (years)	52	73	44.6 years(1) (from 44.1 years)

(1) As at 30 September 2019.
(2) Assuming the Singapore Properties were acquired on 30 September 2019.

2 REINFORCES ASCENDAS REIT'S MARKET LEADERSHIP IN THE SINGAPORE BUSINESS & SCIENCE PARK MARKET

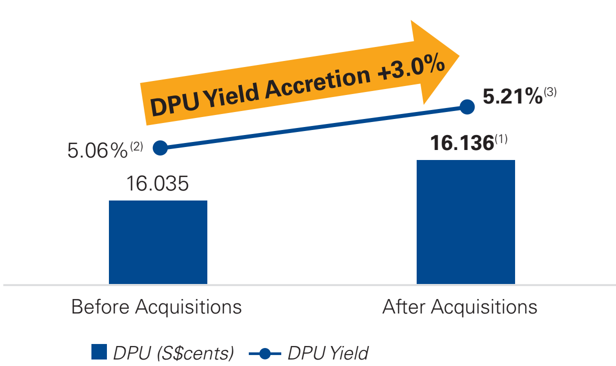


(1) As at 30 September 2019.
(2) Assuming the Singapore Properties were acquired on 30 September 2019.

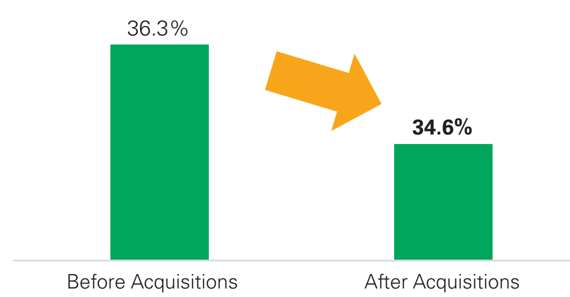
BENEFITS

1 A DPU AND DPU YIELD ACCRETIVE TRANSACTION

DPU and DPU Yield accretive...



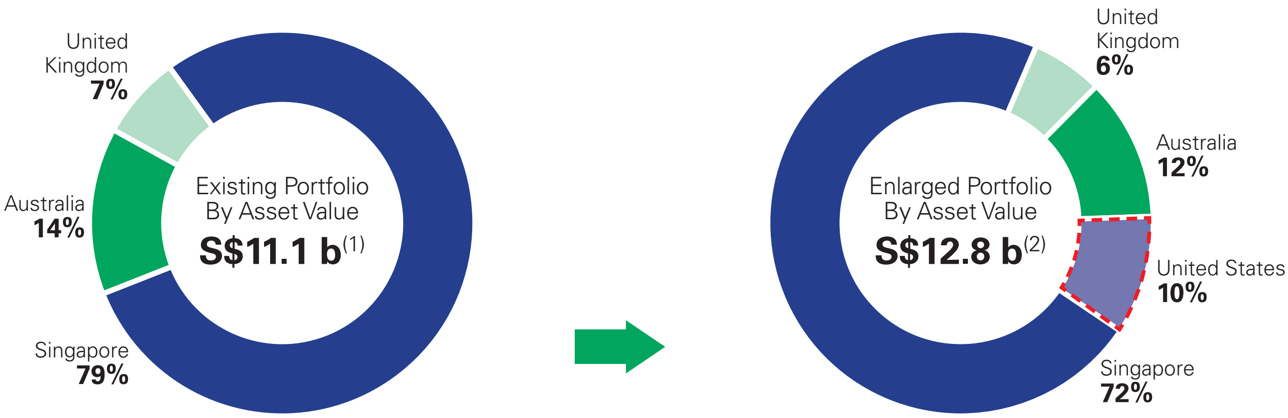
...while aggregate leverage decreases



(1) The annualised pro forma DPU (for FY18/19) is calculated based on the following assumptions: (a) the Proposed Acquisitions had been completed on 1 April 2018 and Ascendas Reit had held and operated the US Properties and Singapore Properties for the financial year ended 31 March 2019 (b) the Proposed Acquisitions are funded by proceeds from the Rights Issuance, loan facilities and issuance of Acquisition Fee Units (c) the Manager elects to receive its base fee 80% in cash and 20% in Units for the financial year ended 31 March 2019.
(2) Based on the closing price per Unit of S$3.17 on 31 October 2019.
(3) Based on the theoretical ex-right price (TERP) per Unit of S$3.0955.

2 MORE GEOGRAPHICALLY DIVERSIFIED PORTFOLIO

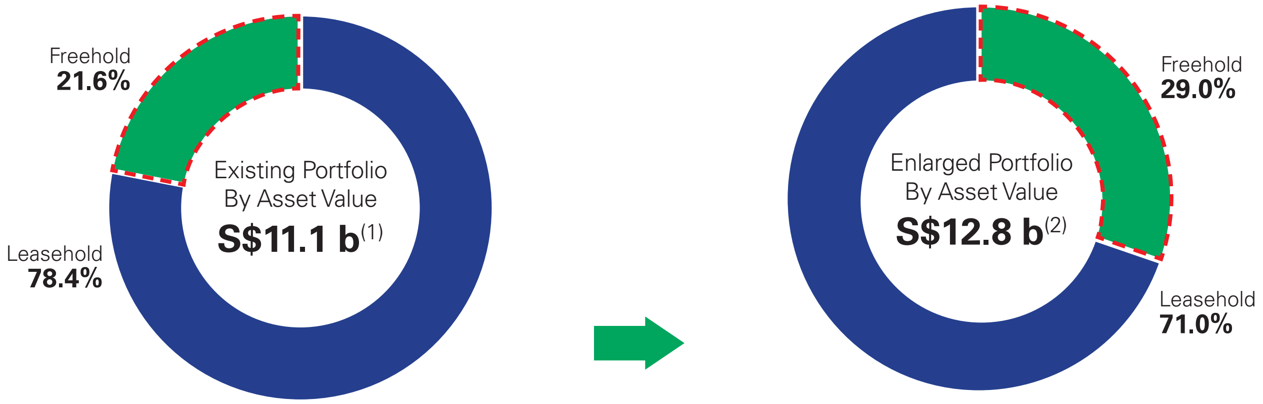
Overseas exposure will increase from 21% to 28% of total asset value



(1) Based on 170 properties as at 30 September 2019.
(2) Assuming the US Properties and Singapore Properties were acquired on 30 September 2019.

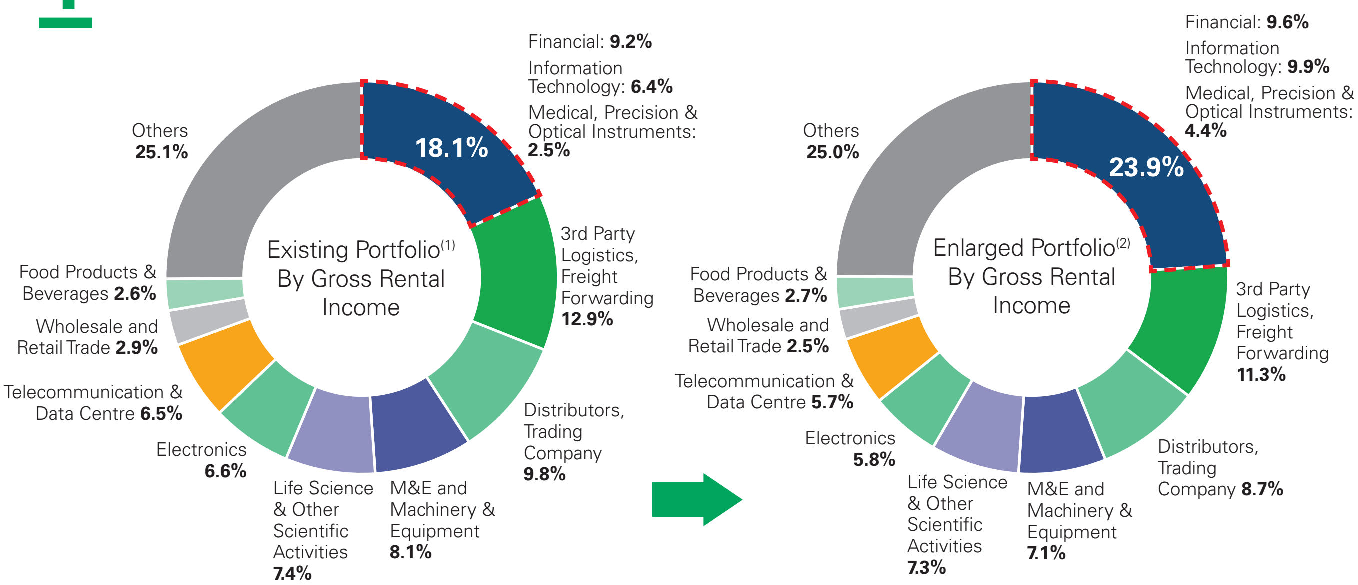
3 MORE FREEHOLD PROPERTIES

Proportion of freehold properties will increase from 21.6% to 29.0%



(1) Based on 170 properties as at 30 September 2019.
(2) Assuming the US Properties and Singapore Properties were acquired on 30 September 2019.

4 LARGER EXPOSURE TO GROWTH SECTORS



(1) Based on 170 properties as at 30 September 2019.
(2) Assuming the US Properties and Singapore Properties were acquired on 30 September 2019.

ABOUT ASCENDAS REAL ESTATE INVESTMENT TRUST (ASCENDAS REIT)

Ascendas Reit is Singapore's first and largest listed business space and industrial Real Estate Investment Trust. As at 30 September 2019, investment properties under management stands at S$11.1 billion, comprising 97 properties in Singapore, 35 properties in Australia and 38 properties in the United Kingdom. Ascendas Reit's portfolio includes business and science parks, suburban office properties, high-specifications industrial properties, light industrial properties, logistics and distribution centres, and integrated developments, amenities and retail properties. These properties house a tenant base of around 1,340 international and local companies from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room office support in service industries. Ascendas Reit has an issuer rating of 'A3' by Moody's Investors Service.


5005 & 5010 Wateridge, Sorrento Valley, San Diego, US


Perimeter Four, Perimeter Park, Raleigh, US


10020 Pacific Mesa Boulevard, CareFusion Campus, San Diego, US


Nucleos, Singapore


5200 East & West Paramount, Perimeter Park, Raleigh, US


FM Global Centre, Singapore


Creekside 5, Creekside Corporate Park, Portland, US


8300 Creekside, Creekside Corporate Park, Portland, US

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CORPORATE INFORMATION

Directors of Ascendas Funds Management (S) Limited (the manager of Ascendas Reit) (the "Manager")	:	Mr Lim Hock San (Chairman and Independent Director) Mr Manohar Khiatani (Non-Executive Non-Independent Director) Mr Lim Cho Pin Andrew Geoffrey (Non-Executive Non-Independent Director) Mr William Tay Wee Leong (Executive Non-Independent Director and Chief Executive Officer) Mr Chan Pengee, Adrian (Independent Director) Ms Chong Chiet Ping (Independent Director) Mr Daniel Cuthbert Ee Hock Huat (Independent Director) Ms Lim Sau Hoong (Independent Director) Mr Wong Yew Meng (Independent Director)
Registered Office of the Manager	:	1 Fusionopolis Place #10-10 Galaxis Singapore 138522
Trustee of Ascendas Reit (the "Trustee")	:	HSBC Institutional Trust Services (Singapore) Limited 21 Collyer Quay #13-02 HSBC Building Singapore 049320
Joint Lead Managers and Underwriters for the Rights Issue (the "Joint Lead Managers and Underwriters")	:	DBS Bank Ltd. 12 Marina Boulevard Level 46 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982 J.P. Morgan (S.E.A.) Limited 168 Robinson Road 17th Floor, Capital Tower Singapore 068912
Legal Adviser to the Manager for the Proposed Acquisitions as to Singapore law and for the Rights Issue	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Manager for the Proposed Acquisitions as to US law	:	Milbank LLP 12 Marina Boulevard #36-03 Marina Bay Financial Centre Tower 3 Singapore 018982

Legal Adviser to the Trustee for the Proposed Acquisitions as to Singapore law	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
Legal Adviser to the Joint Lead Managers and Underwriters	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. (a member of Boardroom Limited) 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Independent Financial Adviser to the Trustee and to the Independent Directors and the Audit and Risk Committee of the Manager (the "IFA")	:	SAC Capital Private Limited 1 Robinson Road #21-00 AIA Tower Singapore 048542
Independent Valuers (the "Independent Valuers")	:	**For the US Acquisition (as defined herein):** JLL Valuation & Advisory Services, LLC ("**JLL**") appointed by the Trustee 200E Randolph Chicago IL 60601 Newmark Knight Frank Valuation & Advisory, LLC ("**Newmark Knight Frank**") appointed by the Manager 125 Park Avenue New York, NY 10017 **For the Singapore Acquisitions (as defined herein):** CBRE Pte Ltd ("**CBRE**") appointed by the Trustee 2 Tanjong Katong Road #06-01 Paya Lebar Quarter Singapore 437161 Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("**Colliers**") appointed by the Manager 12 Marina View #19-02 Asia Square Tower 2 Singapore 018961
Independent Market Research Consultant	:	**For the US Acquisition (as defined herein):** Cushman & Wakefield Western, Inc. ("**Cushman & Wakefield**") 4747 Executive Drive, 9th Floor San Diego, CA 92121

OVERVIEW

The following overview is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 49 to 56 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

For illustrative purposes, certain United States dollar amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations have been made based on the exchange rate of US$1.00 = S$1.3708. Such translations should not be construed as representations that the United States dollar amounts referred to could have been, or could be, converted into United States dollars, as the case may be, at that or any other rate or at all.

OVERVIEW

Ascendas Real Estate Investment Trust ("**Ascendas Reit**") is Singapore's first and largest business space and industrial real estate investment trust established with the investment strategy of owning and operating a diversified portfolio that will provide investors with a stable and predictable income stream and long-term growth prospects.

As at 30 September 2019, Ascendas Reit has a market capitalisation of approximately S$9.7 billion and investment properties under management of approximately S$11.1 billion. As at 30 September 2019, Ascendas Reit's portfolio comprises 170 properties ("**Existing Portfolio**") located in Singapore, Australia and the United Kingdom.

The US Acquisition

On 1 November 2019, the Trustee entered into a conditional share purchase agreement (the "**Share Purchase Agreement**") with Perpetual (Asia) Limited (as trustee of Ascendas US REIT) (the "**US Portfolio Vendor**") to acquire a portfolio of 28 business park properties (the "**US Properties**") located in the United States of America ("**US**" or "**United States**"), through the acquisition of the entire issued share capital, comprising one ordinary share (the "**Sale Share**") of Ascendas US Holdco Pte. Ltd. ("**Ascendas US Holdco**") (the "**US Acquisition**") for the US Portfolio Purchase Consideration of US$937.6 million (approximately S$1,285.3 million) (see "Overview – The Proposed Acquisitions – Share Purchase Agreement and Put and Call Option Agreements" for further details of the US Portfolio Purchase Consideration). The US Properties are held by Ascendas US Holdco through its wholly-owned subsidiary in the United States, Ascendas US REIT LLC ("**Parent US REIT**"), which in turn wholly-owns each of the property-holding entities in the US, namely San Diego 1 LLC, San Diego 2 LLC, Raleigh 1 LP, Portland 1 LLC and Portland 2 LLC (the "**US Property-Holding Entities**"). The diagram annexed as **Appendix E** of this Circular sets out the structure of the US Properties following completion of the US Acquisition.

The Singapore Acquisitions

On 1 November 2019, the Trustee entered into (i) a conditional put and call option agreement (the "**Nucleos Option Agreement**") with Ascendas Venture Pte. Ltd. ("**AVPL**") in relation to the sale and purchase of the property known as Nucleos located at 21 Biopolis Road Singapore 138567 together with the Plant and Equipment[1] therein ("**Nucleos**") for the Nucleos Purchase Consideration of S$289.0 million (see "Overview – The Proposed Acquisitions – Share Purchase Agreement and Put and Call Option Agreements" for further details of the Nucleos Purchase Consideration) and (ii) a conditional put and call option agreement ("**FMG Option Agreement**", together with the Nucleos Option Agreement, the "**Put and Call Option Agreements**") with Singapore Science Park Ltd ("**SSPL**") in relation to the sale and purchase of the property known as FM Global Centre located at 288 Pasir Panjang Road Singapore 117369 together with the Plant and Equipment therein ("**FM Global Centre**", together with Nucleos, the "**Singapore Properties**", and each a "**Singapore Property**") for the FMG Purchase Consideration of S$91.0 million (see "Overview – The Proposed Acquisitions – Share Purchase Agreement and Put and Call Option Agreements" for further details of the FMG Purchase Consideration). The acquisition of the Singapore Properties (the "**Singapore Acquisitions**"), shall, together with the US Acquisition, be collectively referred to as the "**Proposed Acquisitions**".

General

The sponsor of Ascendas Reit, CapitaLand Singapore (BP&C) Pte Ltd (formerly known as "Ascendas Land (Singapore) Pte Ltd") (the "**Sponsor**"), is a wholly-owned subsidiary of CapitaLand Limited ("**CL**"). The Sponsor, AVPL and SSPL, are all members of the CL group of companies (the "**CapitaLand Group**") and Ascendas US REIT is a private trust that is also indirectly wholly-owned by CL.

To partially fund the Proposed Acquisitions, the Manager is carrying out a renounceable rights issue of new Units to the existing Unitholders on a *pro rata* basis (the "**Rights Issue**"). Pursuant to a management and underwriting agreement entered into by the Manager, DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited on 1 November 2019, DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited have been appointed as Joint Lead Managers and Underwriters and other than the Rights Units to be subscribed for pursuant to the Irrevocable Undertakings (as defined herein), the Rights Issue will be fully underwritten pursuant to the terms of the Management and Underwriting Agreement.

For the purposes of this Circular, the "**Enlarged Portfolio**" or the "**Properties**" comprises the Existing Portfolio, the US Properties and the Singapore Properties (together with the properties in the US Properties, the "**Target Properties**").

Unless otherwise stated, the property information contained in this Circular on the Existing Portfolio and the Enlarged Portfolio is as at 30 September 2019.

SUMMARY OF APPROVALS SOUGHT

The Manager is seeking approval from unitholders of Ascendas Reit (the "**Unitholders**") for the Proposed Acquisitions by way of an Ordinary Resolution.

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1 "**Plant and Equipment**" refers to the fixed plant and equipment (including, without limitation, all fixtures, lifts, air-conditioning equipment and other plant and equipment necessary for the operation of the relevant Singapore Property), if any, located in or on or which otherwise exclusively relate to the relevant Singapore Property or the operations of the relevant Singapore Property and which are owned by the relevant vendor in its capacity as owner of the relevant Singapore Property.

RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED ACQUISITIONS

The Manager believes that the Proposed Acquisitions are complementary and provide diversification to Ascendas Reit's Existing Portfolio.

Key benefits to the Unitholders are:

US Properties

(a) Fits strategically with the Manager's mandate of investing in developed markets;

(b) Attractive market dynamics with robust leasing and absorption activities putting upward pressure on asking rents;

(c) Strategic locations in the tech-driven cities of San Diego, Raleigh, and Portland;

(d) Increases proportion of freehold land held by Ascendas Reit;

(e) High occupancy rate, long weighted average lease to expiry ("**WALE**") and annual rent escalations; and

(f) High quality tenants from the growing information, medical and financial technology industries provide steady cashflow.

Singapore Properties

(a) The Singapore Properties will further strengthen Ascendas Reit's leadership and market share in the Singapore business and science park segment;

(b) Well-established locations in one-north and Singapore Science Park 2;

(c) High occupancy rates underpinned by key tenants with long WALE; and

(d) Rare opportunity to acquire Singapore properties with long remaining land lease tenures.

(See paragraph 3 of the Letter to Unitholders for further details.)

THE PROPOSED ACQUISITIONS

Description of the US Properties

The US Properties are located in six business park campuses across three cities in the US:

- **San Diego, California:**

  The San Diego portfolio consists of eight properties totalling 97,700 square metres ("**sq m**") in three business park campuses, namely the Campus at Sorrento Gateway and the CareFusion Campus, both in Sorrento Valley, and the Innovation Corporate Center in Rancho Bernardo, which provide a campus environment and a strategic hub to several corporate users spanning multiple industries.

  Sorrento Valley is a technology and telecommunications hub with a large concentration of companies engaged in telecommunications, software, financial, healthcare, electronics and professional services. Both campuses in Sorrento Valley are located near Interstate 805 highway and are within a 10-minute drive to the University City area, which is one of the region's most significant economic centres and where University of California San Diego is located.

  Rancho Bernardo is home to the regional headquarters of technology companies such as Broadcom, Hewlett-Packard and Sony. The Innovation Corporate Center is located near the Carmel Mountain Ranch Town Center. It is also located near Interstate 15, providing easy access to the University City area and Downtown San Diego.

- **Raleigh, North Carolina:**

  The Raleigh portfolio is located in a business park campus known as Perimeter Park, and consists of five properties with 107,117 sq m of office space located in a master-planned, campus like environment. It is located at the heart of the Research Triangle, a region in North Carolina anchored by the three major research universities: Duke University, University of North Carolina at Chapel Hill and North Carolina State University, and comprising the cities of Raleigh, Durham and the town of Chapel Hill.

  Nearly equidistant from Downtown Raleigh, Durham and Chapel Hill, Perimeter Park is in close proximity to the Research Triangle Park, the largest research park in the US and located within the Research Triangle, which was founded more than five decades ago and is currently also home to the regional headquarters of IBM, GlaxoSmithKline, Cisco Systems and Lenovo.

  Perimeter Park is conveniently located at the intersection of Interstate 40 and Interstate 540 highways, providing both north-south and east-west connectivity and it is within a five-minute drive to the Raleigh-Durham International Airport.

- **Portland, Oregon:**

  The Portland portfolio comprises 15 properties across two business park campuses, being Cornell Oaks Corporate Center and Creekside Corporate Park, with 105,285 sq m of quality office space in one of the fastest growing technology-centric metropolitan areas in the nation.

  The Cornell Oaks Corporate Center is located along Highway 26 and is the closest business park campus to Downtown Portland, within the Sunset Corridor. The Sunset Corridor enjoys a large concentration of high technology companies such as Intel, Tektronix, InFocus and

Pixelworks and is the location of Portland's "Silicon Forest". The business park campus is located near Nike's and Columbia Sportswear Company's global headquarters and the Tualatin Hills Parks & Recreation Center.

The Creekside Corporate Park is located around the protected wildlife habitat of Greenway Park in Beaverton, off Highway 217, which offers convenient access to Lake Oswego, Downtown Portland and Hillsboro. It is also located within a five-minute drive to the Westside Express Service Commuter Rail Station and a 10-minute drive to Washington Square, Portland's largest regional mall.

Located approximately 15 minutes from Downtown Portland, the business park campuses boast corporate campus environments and the tenants include renowned corporate users in the athletic apparel, financial technology, biotechnology and medical sectors.

Major universities located in Portland include University of Oregon (Portland campus), University of Portland and Portland State University. Portland is also home to Pensole Footwear Design Academy, the world's first sneaker design school, and the Sports Product Management Masters programme of University of Oregon (Portland campus), which provide a strong pipeline of creative, design and management talents for the sportswear industry.

Description of the Singapore Properties

The properties located in Singapore comprise Nucleos and FM Global Centre.

- **Nucleos, 21 Biopolis Road**

  Nucleos is a five-year old business park property located at Biopolis, one-north, on the south eastern junction of Biopolis Road and Biomedical Grove. one-north, a 200-hectare development located in the south western side of Singapore, is designed to host a cluster of world class research facilities and business parks to support the growth of Biomedical Sciences, Infocomm Technology (ICT), Media, Physical Sciences and Engineering Industries. The surrounding area comprises predominantly of state-of-the-art business park buildings, business serviced apartments and educational institutions. The property is 10 minutes walking distance to one-north MRT station and Buona Vista MRT station, and is a few minutes' drive to Ayer Rajah Expressway, all of which facilitates access from the property to other parts of Singapore.

  The property is a seven-storey twin-tower biomedical research facility, featuring over 32,600 sq m of research space and 5,000 sq m of ancillary office space. The property was completed in 2014 and has an occupancy rate of 92.9% as at 30 September 2019. Anchor tenants of the property include established bioscience companies such as DuPont, Takeda and Ingredion.

- **FM Global Centre, 288 Pasir Panjang Road**

  FM Global Centre is strategically located along Pasir Panjang Road, at the gateway of Singapore Science Park 2, and enjoys excellent road frontage. Singapore Science Park is situated along Singapore's technology corridor and is amongst Asia's most prestigious address for research and development ("**R&D**") and technology development. Unique for its lushly landscaped grounds and unrivalled for its high-quality facilities and services, it provides the ideal working environment for MNCs, local companies and research organisations. Prominent developments within the vicinity include National University of Singapore, the National University Hospital, Institute of Southeast Asian Studies and various public research institutions.

The business park property is within three minutes walking distance to Haw Par Villa MRT station, which serves the Circle line. Accessibility to other parts of Singapore is also facilitated by its close proximity off West Coast Highway and a few minutes' drive to Ayer Rajah Expressway.

The property was completed in November 2018 and comprises a six-storey built-to-suit business park development with a gross floor area of 11,613 sq m. The property is fully leased to FM Global, a Fortune 1000 mutual insurance company, with a remaining lease term of more than 25 years.

(See paragraph 2.1 of the Letter to Unitholders and **Appendix A** of this Circular for further details.)

Share Purchase Agreement and Put and Call Option Agreements

US Properties

Pursuant to the Share Purchase Agreement dated 1 November 2019, the Trustee, on behalf of Ascendas Reit, will acquire the US Properties through the acquisition of the entire issued share capital of Ascendas US Holdco.

The total purchase consideration payable by the Trustee in connection with the acquisition of the US Properties is US$937.6 million (approximately S$1,285.3 million) being the sum of the following (the "**US Portfolio Purchase Consideration**"):

(i) the share consideration for the issued share capital of Ascendas US Holdco being the adjusted net asset value (the "**Adjusted Net Asset Value**") of Ascendas US Holdco and its subsidiaries as at the date of completion of the US Acquisition (the "**US Acquisition Completion Date**"). The Adjusted Net Asset Value is estimated to be US$76.5 million (approximately S$104.9 million) ("**Estimated Net Assets**"), taking into account the agreed value of the US Properties of US$935.0 million (approximately S$1,281.7 million) (the "**US Agreed Portfolio Value**"). The US Agreed Portfolio Value was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for the US Properties. In determining the Adjusted Net Asset Value for the purposes of the US Portfolio Purchase Consideration, the Estimated Net Assets will be subject to post-completion adjustments provided for in the Share Purchase Agreement and the purchase consideration will also be subject to such credits as provided for in the Share Purchase Agreement; and

(ii) the loan consideration comprising the total principal amount of US$861.1 million (approximately S$1,180.4 million) which is payable by the Trustee to the US Portfolio Vendor for the discharge of the existing loans of Ascendas US Holdco and its subsidiaries (together with the US Property-Holding Entities, the "**Group Companies**") in full on the US Acquisition Completion Date.

Singapore Properties

Pursuant to the Nucleos Option Agreement dated 1 November 2019, the Trustee and AVPL are required to enter into a sale and purchase agreement for Nucleos (the "**Nucleos Purchase Agreement**") on the same day the Nucleos Call Option (as defined herein) is exercised by the Trustee, or on the same day the Nucleos Put Option (as defined herein) is exercised by AVPL (as the case may be).

The purchase consideration payable by the Trustee for the acquisition of Nucleos is S$289.0 million ("**Nucleos Purchase Consideration**") which was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for Nucleos.

The Trustee has paid an option fee of S$50,000 (the "**Nucleos Option Fee**") to AVPL upon the signing of the Nucleos Option Agreement, which shall be applied towards full payment of the deposit to be paid by the Trustee pursuant to the Nucleos Purchase Agreement upon exercise of the option. The Nucleos Option Fee is refundable to the Trustee if neither the Nucleos Call Option nor the Nucleos Put Option is exercised. The balance of S$288.95 million will be payable on completion.

Pursuant to the FMG Option Agreement dated 1 November 2019, the Trustee and SSPL are required to enter into a sale and purchase agreement for FM Global Centre (the "**FMG Purchase Agreement**") on the same day the FMG Call Option (as defined herein) is exercised by the Trustee, or on the same day the FMG Put Option (as defined herein) is exercised by SSPL (as the case may be).

The purchase consideration payable by the Trustee for the acquisition of FM Global Centre ("**FMG Purchase Consideration**") is S$91.0 million which was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for FM Global Centre.

The Trustee has paid an option fee of S$50,000 (the "**FMG Option Fee**") to SSPL upon the signing of the FMG Option Agreement, which shall be applied towards full payment of the deposit to be paid by the Trustee pursuant to the FMG Purchase Agreement upon exercise of the option. The FMG Option Fee is refundable to the Trustee if neither the FMG Call Option nor the FMG Put Option is exercised. The balance of S$90.95 million will be payable on completion.

(See paragraph 2.3 of the Letter to Unitholders of this Circular for further details.)

Summary of the Proposed Acquisitions

	US Properties	Singapore Properties	Total
Purchase Consideration (S$ million)	1,285.3	380.0	1,665.3
No. of Properties	28	2	30
GFA (sq m)	313,059	57,787	370,846
NLA (sq m)	310,102	49,762	359,864
Net Property Income (S$ million)	82.3	25.3	107.6
Net Property Income Yield (based on Agreed Portfolio Value)	6.4%(1)	6.7%(2)	6.5%
Valuations (S$ million)	JLL: 1,291.7 Newmark Knight Frank: 1,318.0	CBRE: 397.1 Colliers: 392.0	N.A
Occupancy Rate (%)	93.7	94.6	93.8
Weighted Average Lease to Expiry by Gross Rental Income (years)	4.2	6.9	4.9
Weighted Average Land Lease to Expiry (years)(3)	Freehold	56.7	N.A

Notes:

(1) Based on US Agreed Portfolio Value.

(2) Based on SG Total Consideration (as defined herein).

(3) Excluding freehold properties.

Valuation

US Properties

The Trustee has commissioned an independent property valuer, JLL, and the Manager has commissioned another independent property valuer, Newmark Knight Frank, to value the US Properties.

JLL stated that the open market value of the US Properties as at 1 September 2019 is US$942.3 million (approximately S$1,291.7 million). In arriving at the open market value, JLL relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

Newmark Knight Frank stated that the open market value of the US Properties as at 1 September 2019 is US$961.5 million (approximately S$1,318.0 million). In arriving at the open market value, Newmark Knight Frank relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

The US Agreed Portfolio Value for the US Properties of US$935.0 million (approximately S$1,281.7 million) is arrived at following negotiation on a willing-buyer and willing-seller basis taking into account the independent valuations of the US Properties.

The US Agreed Portfolio Value is lower than the two valuations by JLL and Newmark Knight Frank[1].

Singapore Properties

The Trustee has commissioned an independent property valuer, CBRE, and the Manager has commissioned another independent property valuer, Colliers, to value the Singapore Properties.

CBRE stated that the open market value of Nucleos is S$303.0 million, and FM Global Centre is S$94.1 million, as at 1 September 2019. In arriving at the open market value, CBRE relied on the capitalisation approach and discounted cash flow analysis.

Colliers stated that the open market value of Nucleos is S$300.0 million, and FM Global Centre is S$92.0 million, as at 1 September 2019. In arriving at the open market value, Colliers relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

The total purchase consideration for the Singapore Properties (which comprises the Nucleos Purchase Consideration and the FMG Purchase Consideration) of S$380.0 million (the "**SG Total Consideration**") is arrived at following negotiation on a willing-buyer and willing-seller basis taking into account the independent valuations of the Singapore Properties.

1 Paragraph 5.1(d) of the Property Funds Appendix states that assets acquired from interested parties shall be at a price not more than the higher of two values assessed by independent valuers.

The SG Total Consideration is lower than the two valuations by CBRE and Colliers[1].

(See paragraph 2.4 of the Letter to Unitholders for details of the Share Purchase Agreement and Put and Call Option Agreements.)

Total Acquisition Cost

The total cost of the Proposed Acquisitions (excluding the costs of the Rights Issue) is estimated to be approximately S$1,705.7 million, comprising:

(i) the estimated US Portfolio Purchase Consideration of US$937.6 million (approximately S$1,285.3 million) (the "**Estimated US Portfolio Purchase Consideration**"). The Estimated US Portfolio Purchase Consideration comprises the estimated share consideration of US$76.5 million (approximately S$104.9 million) for the Sale Share and the loan consideration for the total principal amount of US$861.1 million (approximately S$1,180.4 million) which is payable by the Trustee to the US Portfolio Vendor for the discharge of the existing loans of Ascendas US Holdco and its subsidiaries in full on the US Acquisition Completion Date;

(ii) the SG Total Consideration of approximately S$380.0 million (together with the Estimated US Portfolio Purchase Consideration, the "**Total Consideration**");

(iii) the acquisition fee payable in Units (the "**Acquisition Fee Units**") to the Manager for the Proposed Acquisitions (the "**Acquisition Fee**") of approximately S$16.6 million (representing an Acquisition Fee at the rate of 1% of the sum of the SG Total Consideration and the US Agreed Portfolio Value)[2]; and

(iv) the estimated stamp duty, professional and other fees and expenses of approximately S$23.8 million incurred or to be incurred by Ascendas Reit in connection with the Proposed Acquisitions and the drawdown of Loan Facilities (as defined herein) to finance the Proposed Acquisitions;

(collectively, the "**Total Acquisition Cost**").

Pursuant to the Trust Deed, the Manager is entitled to receive an acquisition fee at the rate of 1% of the sum of the SG Total Consideration and the US Agreed Portfolio Value.

Payment of Acquisition Fee in Units

The Manager shall be paid an Acquisition Fee of approximately S$16.6 million for the Proposed Acquisitions pursuant to the Trust Deed. The Acquisition Fee is 1% of the sum of the SG Total Consideration and the US Agreed Portfolio Value.

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1 Paragraph 5.1(d) of the Property Funds Appendix states that assets acquired from interested parties shall be at a price not more than the higher of two values assessed by independent valuers.

2 As the Proposed Acquisitions will constitute an "interested party transaction" under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("**MAS**", and Appendix 6, the "**Property Funds Appendix**"), the Acquisition Fee will be in the form of Units, which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

Method of Financing for the Proposed Acquisition

The Manager intends to finance the Total Acquisition Cost of S$1,705.7 million through:

(a) the net proceeds of approximately S$1,294.8 million from the Rights Issue after deducting the Rights Issue related cost of approximately S$15.0 million, details of which were announced by the Manager on 1 November 2019 ("**EFR Announcement**");

(b) the drawdown of loan facilities (the "**Loan Facilities**"); and

(c) the issuance of the Acquisition Fee Units pursuant to the general units issue mandate obtained from Unitholders at the annual general meeting of Ascendas Reit held on 9 July 2019 as the Acquisition Fee.

The final decision regarding the proportion of the debt and equity to be employed to fund the Proposed Acquisitions will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall DPU (as defined herein) and NAV (as defined herein) accretion to Unitholders while maintaining an optimum level of Aggregate Leverage (as defined herein).

Rights Issue

The equity fund raising will be by way of the Rights Issue, details of which are set out in the EFR Announcement.

As stated in the EFR Announcement, the issue price (the "**Issue Price**") for the new Units to be issued under the Rights Issue is S$2.63 per Unit, resulting in the theretical ex-rights price ("**TERP**") of S$3.0955 per Unit.

Further details pertaining to the use of proceeds of the Rights Issue (including details on the percentage allocation for each use) will be announced at the appropriate time. Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Rights Issue at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures or funding other potential acquisitions.

As a demonstration of its support for Ascendas Reit and the Rights Issue, each of Sponsor and Ascendas Funds Management (S) Limited (in its own capacity) ("**AFM**"), which collectively own an aggregate interest of approximately 19% of the total number of Units in issue through its subsidiaries as at the Latest Practicable Date, have respectively provided irrevocable undertakings to the Manager and the Joint Lead Managers and Underwriters on 1 November 2019 (the "**Irrevocable Undertakings**") that, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), they will accept, subscribe and pay for in full their total provisional allotment of the new Units, or procure that their subsidiaries or, as the case may be, the nominees(s) or custodian(s) of the Sponsor or AFM or such subsidiaries (such subsidiaries and the nominee(s) or custodian(s) are referred to as the "**Relevant Entities**") accept, subscribe and pay in full for their total provisional allotment of the new Units.

(See paragraph 4 of the Letter to Unitholders for further details.)

Use of Proceeds

The Rights Issue will raise gross proceeds of approximately S$1,310 million. The Manager intends to utilise the net proceeds of the Rights Issue of approximately S$1,294.8 million to finance part of the Total Acquisition Cost for the Target Properties.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Rights Issue at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness, and for funding capital expenditures.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Rights Issue via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in Ascendas Reit's announcements on the use of proceeds and in Ascendas Reit's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Rights Issue, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

Interested Person Transaction and Interested Party Transaction

As at 28 October 2019, being the latest practicable date prior to the printing of this Circular (the "**Latest Practicable Date**"), CL holds, through its wholly-owned subsidiaries, the Sponsor and Ascendas Investment Pte. Ltd., an aggregate interest in 591,374,889 Units, which is equivalent to approximately 19% of the total number of Units in issue.

CL is therefore regarded as a "controlling unitholder" of Ascendas Reit under both the listing manual of the SGX-ST (the "**Listing Manual**") and the Property Funds Appendix. In addition, as the Manager is an indirect wholly-owned subsidiary of CL, CL is therefore regarded as a "controlling shareholder" of the Manager under the Listing Manual and the Property Funds Appendix.

As each of the US Portfolio Vendor, AVPL and SSPL (collectively, the "**Vendors**") are indirectly wholly-owned by CL, which is regarded as a "controlling unitholder" of Ascendas Reit, and a "controlling shareholder" of the Manager for the purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix respectively, the Vendors are (for the purposes of the Listing Manual) interested persons and (for the purposes of the Property Funds Appendix) interested parties of Ascendas Reit.

Therefore, the Proposed Acquisitions will each constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of Unitholders is required.

Discloseable Transaction

Where any of the relative figures computed on the bases in Rule 1006 exceeds 5% but does not exceed 20%, the transaction is classified as a discloseable transaction. As the relative figures exceed 5% but do not exceed 20%, the Proposed Acquisitions are discloseable transactions.

(See paragraph 5.3.2 of the Letter to Unitholders for further details.)

In any case, as the Proposed Acquisitions constitute "interested person transactions" under Chapter 9 of the Listing Manual and "interested party transactions" under the Property Funds Appendix, the Proposed Acquisitions will still be subject to the specific approval of Unitholders.

(See paragraph 5.3 of the Letter to Unitholders for further details.)

INDICATIVE TIMETABLE

The timetable for the events which are scheduled to take place after the EGM is indicative only and is subject to change at the Manager's absolute discretion. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	Sunday, 24 November 2019 at 3.00 p.m.
Date and time of the EGM	:	Wednesday, 27 November 2019 at 3.00 p.m.

If approval for the Proposed Acquisitions is obtained at the EGM:		
Target date for completion[1]	:	Within the fourth quarter of 2019 (or such other date as may be agreed between the Trustee and the relevant Vendors)

1 For the avoidance of doubt, the completion of the US Acquisition and the Singapore Acquisitions are not inter-conditional and each acquisition may complete at different times, subject to the fulfilment of the respective conditions precedent under the Share Purchase Agreement and the Put and Call Option Agreements.

A Member of CapitaLand

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

Directors of the Manager	**Registered Office**
Mr Lim Hock San (Chairman and Independent Director) Mr Manohar Khiatani (Non-Executive Non-Independent Director) Mr Lim Cho Pin Andrew Geoffrey (Non-Executive Non-Independent Director) Mr William Tay Wee Leong (Executive Non-Independent Director and Chief Executive Officer) Mr Chan Pengee, Adrian (Independent Director) Ms Chong Chiet Ping (Independent Director) Mr Daniel Cuthbert Ee Hock Huat (Independent Director) Ms Lim Sau Hoong (Independent Director) Mr Wong Yew Meng (Independent Director)	1 Fusionopolis Place #10-10 Galaxis Singapore 138522

1 November 2019

To: Unitholders of Ascendas Reit

Dear Sir/Madam

1. SUMMARY OF APPROVALS SOUGHT

The Manager is convening the EGM to seek the approval from Unitholders by way of Ordinary Resolution[1] for the Proposed Acquisitions.

The Manager is relying on the general mandate obtained at its annual general meeting dated 9 July 2019 for the issue of new Units under the Rights Issue and the issue of the Acquisition Fee Units. Accordingly, it is not necessary to obtain Unitholder approval for the Rights Issue and the Acquisition Fee Units at the EGM.

1 "**Ordinary Resolution**" means a resolution proposed and passed as such by a majority being greater than 50% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed.

2. THE PROPOSED ACQUISITIONS

2.1 Description of the US Properties

The US Properties are located in six business park campuses across three cities in the US:

- **San Diego, California:**

  The San Diego portfolio consists of eight properties totalling 97,700 sq m in three business park campuses, namely the Campus at Sorrento Gateway and the CareFusion Campus, both in Sorrento Valley, and the Innovation Corporate Center in Rancho Bernardo, which provide a campus environment and a strategic hub to several corporate users spanning multiple industries.

  Sorrento Valley is a technology and telecommunications hub with a large concentration of companies engaged in telecommunications, software, financial, healthcare, electronics and professional services. Both campuses in Sorrento Valley are located near Interstate 805 highway and are within a 10-minute drive to the University City area, which is one of the region's most significant economic centres and where University of California San Diego is located.

  Rancho Bernardo is home to the regional headquarters of technology companies such as Broadcom, Hewlett-Packard and Sony. The Innovation Corporate Center is located near the Carmel Mountain Ranch Town Center. It is also located near Interstate 15, providing easy access to the University City area and Downtown San Diego.

- **Raleigh, North Carolina:**

  The Raleigh portfolio is located in a business park campus known as Perimeter Park, and consists of five properties with 107,117 sq m of office space located in a master-planned, campus like environment. It is located at the heart of the Research Triangle, a region in North Carolina anchored by the three major research universities: Duke University, University of North Carolina at Chapel Hill and North Carolina State University, and comprising the cities of Raleigh, Durham and the town of Chapel Hill.

  Nearly equidistant from Downtown Raleigh, Durham and Chapel Hill, Perimeter Park is in close proximity to the Research Triangle Park, the largest research park in the US and located within the Research Triangle, which was founded more than five decades ago and is currently also home to the regional headquarters of IBM, GlaxoSmithKline, Cisco Systems and Lenovo.

  Perimeter Park is conveniently located at the intersection of Interstate 40 and Interstate 540 highways, providing both north-south and east-west connectivity and it is within a five-minute drive to the Raleigh-Durham International Airport.

- **Portland, Oregon:**

  The Portland portfolio comprises 15 properties across two business park campuses, being Cornell Oaks Corporate Center and Creekside Corporate Park, with 105,285 sq m of quality office space in one of the fastest growing technology-centric metropolitan areas in the nation.

The Cornell Oaks Corporate Center is located along Highway 26 and is the closest business park campus to Downtown Portland, within the Sunset Corridor. The Sunset Corridor enjoys a large concentration of high technology companies such as Intel, Tektronix, InFocus and Pixelworks and is the location of Portland's "Silicon Forest". The business park campus is located near Nike's and Columbia Sportswear Company's global headquarters and the Tualatin Hills Parks & Recreation Center.

The Creekside Corporate Park is located around the protected wildlife habitat of Greenway Park in Beaverton, off Highway 217, which offers convenient access to Lake Oswego, Downtown Portland and Hillsboro. It is also located within a five-minute drive to the Westside Express Service Commuter Rail Station and a 10-minute drive to Washington Square, Portland's largest regional mall.

Located approximately 15 minutes from Downtown Portland, the business park campuses boast corporate campus environments and the tenants include renowned corporate users in the athletic apparel, financial technology, biotechnology and medical sectors.

Major universities located in Portland include University of Oregon (Portland campus), University of Portland and Portland State University. Portland is also home to Pensole Footwear Design Academy, the world's first sneaker design school, and the Sports Product Management Masters program of University of Oregon (Portland campus), which provide a strong pipeline of creative, design and management talents for the sportswear industry.

(See **Appendix A** of this Circular for further details.)

2.2 Description of the Singapore Properties

The properties located in Singapore comprise Nucleos and FM Global Centre.

- **Nucleos, 21 Biopolis Road**

  Nucleos is a five-year old business park property located at Biopolis, one-north, on the south eastern junction of Biopolis Road and Biomedical Grove. one-north, a 200-hectare development located in the south western side of Singapore, is designed to host a cluster of world class research facilities and business parks to support the growth of Biomedical Sciences, Infocomm Technology (ICT), Media, Physical Sciences and Engineering Industries. The surrounding area comprises predominantly of state-of-the-art business park buildings, business serviced apartments and educational institutions. The property is 10 minutes walking distance to one-north MRT station and Buona Vista MRT station, and is a few minutes' drive to Ayer Rajah Expressway, all of which facilitates access from the property to other parts of Singapore.

  The property is a seven-storey twin-tower biomedical research facility, featuring over 32,600 sq m of research space and 5,000 sq m of ancillary office space. The property was completed in 2014 and has an occupancy rate of 92.9% as at 30 September 2019. Anchor tenants of the property include established bioscience companies such as DuPont, Takeda and Ingredion.

- **FM Global Centre, 288 Pasir Panjang Road**

  FM Global Centre is strategically located along Pasir Panjang Road, at the gateway of Singapore Science Park 2, and enjoys excellent road frontage. Singapore Science Park is situated along Singapore's technology corridor and is amongst Asia's most prestigious address for R&D and technology development. Unique for its lushly landscaped grounds and unrivalled for its high-quality facilities and services, it provides the ideal working environment for MNCs, local companies and research organisations. Prominent developments within the vicinity include National University of Singapore, the National University Hospital, Institute of Southeast Asian Studies and various public research institutions.

  The business park property is within three minutes walking distance to Haw Par Villa MRT station, which serves the Circle line. Accessibility to other parts of Singapore is also facilitated by its close proximity off West Coast Highway and a few minutes' drive to Ayer Rajah Expressway.

  The property was completed in November 2018 and comprises a six-storey built-to-suit business park development with a gross floor area of 11,613 sq m. The property is fully leased to FM Global, a Fortune 1000 mutual insurance company, with a remaining lease term of more than 25 years.

  (See **Appendix A** of this Circular for further details.)

2.3 Structure of the Proposed Acquisitions

<u>US Properties</u>

Pursuant to the Share Purchase Agreement dated 1 November 2019, the Trustee, on behalf of Ascendas Reit, will acquire the US Properties through the acquisition of the entire issued share capital of Ascendas US Holdco.

The US Portfolio Purchase Consideration payable by the Trustee in connection with the acquisition of the US Properties is the sum of the following:

(i) the share consideration for the issued share capital of Ascendas US Holdco being the Adjusted Net Asset Value of Ascendas US Holdco and its subsidiaries as at the US Acquisition Completion Date. The Adjusted Net Asset Value is estimated to be US$76.5 million (approximately S$104.9 million) taking into account the US Agreed Portfolio Value of US$935.0 million (approximately S$1,281.7 million[1]) which was arrived at on a willing buyer and willing seller basis taking into account the two independent valuations obtained for the US Properties. In determining the Adjusted Net Asset Value for the purposes of the US Portfolio Purchase Consideration, the Estimated Net Assets will be subject to the adjustments, prorations and/or credits provided for in the Share Purchase Agreement and the purchase consideration will also be subject to such credits as provided for in the Share Purchase Agreement; and

(ii) the loan consideration comprising the total principal amount of US$861.1 million (approximately S$1,180.4 million) payable by the Trustee to the US Portfolio Vendor for the discharge of the existing loans of Ascendas US Holdco and its subsidiaries in full on the US Acquisition Completion Date.

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1 For the Agreed Value (as defined herein) attributed to each US Property, please refer to Appendix A.

The diagram annexed as **Appendix E** of this Circular sets out the structure of the US Properties following completion of the US Acquisition.

In addition, the Manager proposes to appoint, among others, a subsidiary of CL, as asset manager to provide certain asset management services and other related services in respect of the US Properties upon completion of the US Acquisition and such US properties which Ascendas REIT may acquire from time to time. The fees payable to the asset manager are intended to be paid out of Manager's base fee payable under the Trust Deed such that there will be no double-counting of fees. Further details will be announced upon the entry into the relevant asset management agreements on or prior to the US Acquisition Completion Date.

Singapore Properties

Pursuant to the Nucleos Option Agreement dated 1 November 2019 entered into between the Trustee and AVPL (the owner of Nucleos), relating to the proposed acquisition of Nucleos (the "**Nucleos Acquisition**"), the Trustee and AVPL are required to enter into the Nucleos Purchase Agreement on the same day the Nucleos Call Option is exercised by the Trustee, or on the same day the Nucleos Put Option is exercised by AVPL (as the case may be).

The purchase consideration payable by the Trustee for the Nucleos Acquisition is S$289.0 million[1] which was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for Nucleos.

The Trustee has paid the Nucleos Option Fee of S$50,000 to AVPL upon the signing of the Nucleos Option Agreement, which shall be applied towards full payment of the deposit to be paid by the Trustee pursuant to the Nucleos Purchase Agreement upon exercise of an option. The Nucleos Option Fee is refundable to the Trustee if neither the Nucleos Call Option nor the Nucleos Put Option is exercised. The balance of S$288.95 million will be payable on completion.

Pursuant to the FMG Option Agreement dated 1 November 2019 entered into between the Trustee and SSPL (the owner of FM Global Centre), relating to the proposed acquisition of FM Global Centre (the "**FMG Acquisition**"), the Trustee and SSPL are required to enter into the FMG Purchase Agreement on the same day the FMG Call Option (as defined herein) is exercised by the Trustee, or on the same day the FMG Put Option (as defined herein) is exercised by SSPL (as the case may be).

The purchase consideration payable by the Trustee for the FMG Acquisition is S$91.0 million[1] which was arrived at on a willing-buyer and willing-seller basis taking into account the two independent valuations obtained for FM Global Centre.

The Trustee has paid the FMG Option Fee of S$50,000 to SSPL upon the signing of the FMG Option Agreement, which shall be applied towards full payment of the deposit to be paid by the Trustee pursuant to the FMG Purchase Agreement upon exercise of an option. The FMG Option Fee is refundable to the Trustee if neither the FMG Call Option nor the FMG Put Option is exercised. The balance of S$90.95 million will be payable on completion.

1 For the Singapore Properties, the Agreed Value attributed to each property is the same as the purchase consideration.

2.4 Valuation

US Properties

The Trustee has commissioned an independent property valuer, JLL, and the Manager has commissioned another independent property valuer, Newmark Knight Frank, to value the US Properties.

JLL stated that the open market value of the US Properties as at 1 September 2019 is US$942.3 million (approximately S$1,291.7 million). In arriving at the open market value, JLL relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

Newmark Knight Frank stated that the open market value of the US Properties as at 1 September 2019 is US$961.5 million (approximately S$1,318.0 million). In arriving at the open market value, Newmark Knight Frank relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

The US Agreed Portfolio Value for the US Properties of US$935 million (approximately S$1,281.7 million) is arrived at following negotiation on a willing-buyer and willing-seller basis taking into account the independent valuations of the US Properties.

Singapore Properties

The Trustee has commissioned an independent property valuer, CBRE, and the Manager has commissioned another independent property valuer, Colliers, to value the Singapore Properties.

CBRE stated that the open market value of Nucleos is S$303.0 million, and FM Global Centre is S$94.1 million, as at 1 September 2019. In arriving at the open market value, CBRE relied on the capitalisation approach and discounted cash flow analysis.

Colliers stated that the open market value of Nucleos is S$300.0 million, and FM Global Centre is S$92.0 million, as at 1 September 2019. In arriving at the open market value, Colliers relied on the capitalisation approach, discounted cash flow analysis and direct comparison method.

The Singapore Total Consideration for the Singapore Properties of S$380.0 million is arrived at following negotiation on a willing-buyer and willing-seller basis taking into account the independent valuations of the Singapore Properties.

2.5 Certain Terms and Conditions of the Share Purchase Agreement

(a) Conditions Precedent

The principal terms of the Share Purchase Agreement include, among others, the following conditions precedent:

(i) tenant estoppel certificates from major tenants, as determined in accordance with the Share Purchase Agreement (the "**Major Tenants**") shall have been delivered to the Trustee and if any of the foregoing tenant estoppel certificates are not delivered, the US Portfolio Vendor shall be permitted to deliver to the Trustee prior to completion a vendor estoppel certificate in substitution thereof, in accordance with the terms of the Share Purchase Agreement;

(ii) the passing of a resolution at an extraordinary general meeting of the Unitholders to approve the US Acquisition;

(iii) First American Title Insurance Company (the "**Title Company**") shall have issued or shall be irrevocably committed, subject only to the payment of its usual and customary premiums to issue the title policies in accordance with the pro formas of the title policies attached to the Share Purchase Agreement; and

(iv) the purchase and transfer of the Sale Share upon the terms and conditions of the Share Purchase Agreement not being prohibited or restricted by any statute, order, rule, regulation, directive, guideline or request (whether or not having the force of law) promulgated by any court, government or governmental, statutory or regulatory body of Singapore and any other relevant jurisdictions.

In the event that any of the conditions precedent above are not fulfilled or waived by 31 December 2019, the Share Purchase Agreement may be terminated by either the Trustee or the US Portfolio Vendor in accordance with the Share Purchase Agreement.

(b) Termination of the Share Purchase Agreement

In addition to termination arising from non-fulfilment or waiver of the conditions precedent by 31 December 2019, the Trustee is entitled to terminate the Share Purchase Agreement upon the occurrence of certain events including the following:

(i) a material breach of the undertakings by the US Portfolio Vendor between the date of the Share Purchase Agreement and the US Acquisition Completion Date;

(ii) a breach by the US Portfolio Vendor of fundamental warranties specified in the Share Purchase Agreement;

(iii) any new material disclosure against the US Portfolio Vendor's warranties arising post-signing and the US Portfolio Vendor fails to exercise its right to cure the loss;

(iv) a material damage to one or more of the US Properties prior to the completion of the US Acquisition; and

(v) a material condemnation action or proceeding with respect to a US Property.

2.6 Certain Terms and Conditions of the Nucleos Option Agreement and the FMG Option Agreement

Nucleos Option Agreement

(a) Put and Call Options

Pursuant to the Nucleos Option Agreement:

(i) in consideration of the Trustee's payment of the Nucleos Option Fee to AVPL, AVPL granted to the Trustee a right (the "**Nucleos Call Option**") to require AVPL to enter into the Nucleos Purchase Agreement with the Trustee for the acquisition of Nucleos at the Nucleos Purchase Consideration and on the terms of the Nucleos Purchase Agreement; and

(ii) in consideration of the mutual covenants in the Nucleos Option Agreement, the Trustee granted to AVPL a right (the "**Nucleos Put Option**") to require the

Trustee to enter into the Nucleos Purchase Agreement with AVPL for the acquisition of Nucleos at the Nucleos Purchase Consideration and on the terms of the Nucleos Purchase Agreement.

(b) Conditions Precedent

The principal terms of the Nucleos Option Agreement include the following conditions precedent (the "**Nucleos Conditions Precedent**"), which must be fulfilled before the Trustee can serve the Nucleos Call Option notice on AVPL (or AVPL can serve the Nucleos Put Option notice on the Trustee, as the case may be):

(i) the Unitholders' approval being obtained for, among others, the acquisition of Nucleos by the Trustee; and

(ii) (a) the written approval of JTC Corporation ("**JTC**") and of those authorities whose approval/clearance is required by JTC as a condition to the grant of its approval, to the sale and transfer of Nucleos by AVPL to the Trustee and (b) JTC's unconditional written confirmation that JTC does not wish to purchase Nucleos pursuant to the right of first refusal granted to JTC under the head lease in respect of Nucleos.

In the event that any Nucleos Condition Precedent is not fulfilled by 31 March 2020, the Nucleos Option Agreement may be terminated by the Trustee or AVPL.

(c) Exercise of Call Option or Put Option

Upon the Trustee's or AVPL's issuance and service of the Nucleos Call Option notice or Nucleos Put Option notice upon the fulfilment of all the Nucleos Conditions Precedent, both the Trustee and AVPL shall be bound to enter into the Nucleos Purchase Agreement on the same date of such service.

(d) Application of Nucleos Option Fee

AVPL shall apply the Nucleos Option Fee towards full payment of the deposit to be paid by the Trustee pursuant to the Nucleos Purchase Agreement. AVPL shall refund the Nucleos Option Fee to the Trustee within seven business days after the date of expiry of the Nucleos Put Option Exercise Period if neither the Nucleos Call Option nor the Nucleos Put Option has been exercised by the relevant party before the expiry of the Nucleos Call Option Exercise Period or the Nucleos Put Option Exercise Period (as the case may be).

(e) Termination of the Nucleos Option Agreement

The Trustee shall be entitled to terminate the Nucleos Option Agreement if:

(i) there is any material breach of warranty under the Nucleos Option Agreement;

(ii) there is any material damage of Nucleos or any part(s) thereof by fire or other risk or contingency whatsoever;

(iii) there is any compulsory acquisition or notice of compulsory acquisition (or intended acquisition) by the government or any other competent authority which either singly or in aggregate affects the building in which Nucleos is comprised to any extent or measure or 5% or more of the land area of Lot 4830V of Mukim 3 (being the land lot on which the aforesaid building is erected); or

(iv) the replies to any of the Trustee's legal requisitions to the local authorities reveal any findings which materially adversely affect Nucleos or any part(s) thereof.

FMG Option Agreement

(a) Put and Call Options

Pursuant to the FMG Option Agreement:

(i) in consideration of the Trustee's payment of the FMG Option Fee to SSPL, SSPL granted to the Trustee a right (the "**FMG Call Option**") to require SSPL to enter into the FMG Purchase Agreement with the Trustee for the acquisition of FM Global Centre at the FMG Purchase Consideration and on the terms of the FMG Purchase Agreement; and

(ii) in consideration of the mutual covenants in the FMG Option Agreement, the Trustee granted to SSPL a right (the "**FMG Put Option**") to require the Trustee to enter into the FMG Purchase Agreement with SSPL for the acquisition of FM Global Centre at the FMG Purchase Consideration and on the terms of the FMG Purchase Agreement.

(b) Conditions Precedent

The principal terms of the FMG Option Agreement include the following conditions precedent, which must be fulfilled before the Trustee can serve the FMG Call Option notice on SSPL (or SSPL can serve the FMG Put Option notice on the Trustee, as the case may be):

(i) the Unitholders' approval being obtained for, among others, the acquisition of FM Global Centre together with the Plant and Equipment by the Trustee;

(ii) the written approval of the President of the Republic of Singapore and his successors in office (the "**FM Head Lessor**") to the sale and transfer of FM Global Centre by SSPL to the Trustee; and

(iii) the FM Head Lessor allowing SSPL's sub-lessees at FM Global Centre to licence space for the installation and placement of telecommunications equipment at FM Global Centre.

In the event that either of the FMG Conditions Precedent as set out in (i) and (ii) above is not fulfilled by 31 March 2020, the FMG Option Agreement may be terminated by the Trustee or AVPL.

In the event that the FMG Condition Precedent as set out in in (iii) above is not fulfilled (or waived by the Trustee) by 31 March 2020, the FMG Option Agreement may be terminated by the Trustee.

(c) **Exercise of Call Option or Put Option**

Upon the Trustee's or AVPL's issuance and service of the FMG Call Option notice or Nucleos Put Option notice upon the fulfilment of all the FMG Condition Precedent, both the Trustee and SSPL shall be bound to enter into the FMG Purchase Agreement on the same date of such service.

(d) **Application of FMG Option Fee**

SSPL shall apply the FMG Option Fee towards full payment of the deposit to be paid by the Trustee pursuant to the FMG Purchase Agreement. SSPL shall refund the FMG Option Fee to the Trustee within seven business days after the date of expiry of the FMG Put Option Exercise Period if neither the FMG Call Option nor the FMG Put Option has been exercised by the relevant party before the expiry of the FMG Call Option Exercise Period or the FMG Put Option Exercise Period (as the case may be).

(e) **Termination of the FMG Option Agreement**

The Trustee shall be entitled to terminate the FMG Option Agreement if:

(i) there is any material breach of warranty under the FMG Option Agreement;

(ii) there is any material damage of FM Global Centre or any part(s) thereof by fire or other risk or contingency whatsoever;

(iii) there is any compulsory acquisition or notice of compulsory acquisition (or intended acquisition) by the government or any other competent authority which either singly or in aggregate affects the building in which FM Global Centre is comprised to any extent or measure or 5% or more of the land area of Lot 5445V of Mukim 3 (being the land lot on which the aforesaid building is erected); or

(iv) the replies to any of the Trustee's legal requisitions to the local authorities reveal any findings which materially adversely affect FM Global Centre or any part(s) thereof.

2.7 Certain Terms and Conditions of the Nucleos Purchase Agreement and the FMG Purchase Agreement

The principal terms of the Nucleos Purchase Agreement and the FMG Purchase Agreement include, among others, the following:

Nucleos Purchase Agreement

(a) The Nucleos Purchase Consideration of S$289.0 million (less the Nucleos Option Fee and the Deferred Payment Sum (as defined herein)) shall be paid to AVPL by way of cashier's order(s) or bank draft(s).

(b) The Trustee shall withhold an amount of S$150,000 (the "**Deferred Payment Sum**") on completion in relation to rectification works to be carried out by AVPL in respect of certain identified defects in Nucleos at its cost and expense within three months after completion.

(c) AVPL shall deliver to the Trustee on completion vacant possession of such part(s) of Nucleos which are not occupied by (i) the tenants/licensees under existing tenancy/licence agreements and new tenancy/licence agreements entered into after the date of the Nucleos Option Agreement or (ii) the tenants/licensees holding over.

FMG Purchase Agreement

(a) The FMG Purchase Consideration of S$91.0 million (less the FMG Option Fee) shall be paid to SSPL by way of cashier's order(s) or bank draft(s).

(b) SSPL shall deliver to the Trustee on completion vacant possession of such part(s) of FM Global Centre which are not occupied by (i) the tenants/licensees under existing tenancy/licence agreements and new tenancy/licence agreements entered into after the date of the FMG Option Agreement or (ii) the tenants/licensees holding over.

2.8 Total Acquisition Cost

The Total Acquisition Cost is estimated to be approximately S$1,705.7 million, comprising:

(i) the Total Consideration of approximately S$1,665.3 million;

(ii) the Acquisition Fee payable in Units to the Manager for the Proposed Acquisitions of approximately S$16.6 million (representing an Acquisition Fee at the rate of 1% of the sum of the SG Total Consideration and US Agreed Portfolio Value)[1]; and

(iii) the estimated stamp duty, professional and other fees and expenses of approximately S$23.8 million incurred or to be incurred by Ascendas Reit in connection with the Proposed Acquisitions and the drawdown of Loan Facilities to finance the Proposed Acquisitions.

Pursuant to the Trust Deed, the Manager is entitled to receive an Acquisition Fee at the rate of 1% of the sum of the US Agreed Portfolio Value and the SG Total Consideration.

2.9 Payment of Acquisition Fee in Units

The Manager shall be paid an Acquisition Fee of approximately S$16.6 million for the Proposed Acquisitions pursuant to the Trust Deed. The Acquisition Fee is 1% of the sum of the US Agreed Portfolio Value and the SG Total Consideration.

2.10 Method of Financing for the Proposed Acquisitions

The Manager intends to finance the Total Acquisition Cost of S$1,705.7 million through the net proceeds of approximately S$1,294.8 million from the Rights Issue after deducting the Rights Issue related cost of approximately S$15.0 million, a drawdown of loan facilities, and the issuance of the Acquisition Fee Units pursuant to the general units issue mandate obtained from Unitholders at the annual general meeting of Ascendas Reit held on 9 July 2019.

The final decision regarding the proportion of the debt and equity to be employed to fund the Proposed Acquisitions will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall DPU and NAV accretion to Unitholders while maintaining an optimum level of Aggregate Leverage.

1 As the Proposed Acquisitions will each constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee will be in the form of Units, which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

3. RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED ACQUISITIONS

The Manager believes that the Proposed Acquisitions will complement and strengthen the quality of Ascendas Reit's existing business park portfolio. Ascendas Reit's investment in the business and science park segment will be boosted by 46% to S$5,407 million and will account for 42% of total asset value on an Enlarged Portfolio basis of S$12.8 billion.

The US Properties will provide further geographical diversification to Ascendas Reit's portfolio. The proportion of overseas investment (by asset value) is expected to increase from 21% to 28% on an Enlarged Portfolio basis. The US will account for about 10% of total asset value.

The key benefits to the Unitholders are:

US Properties

3.1 Fits strategically with the Manager's mandate of investing in developed markets

The US market has a high sovereign Aaa-credit rating[1] and has the largest commercial real estate investment market in the world[2]. The depth and liquidity of the market provides attractive opportunities for Ascendas Reit to scale up and strengthen its portfolio.

3.2 Attractive market dynamics with robust leasing and absorption activities putting upward pressure on asking rents[2]

According to Cushman & Wakefield, overall net absorption in suburban submarkets such as San Diego, Raleigh and Portland have outperformed central business districts and this trend is expected to continue as businesses relocate to suburban areas in search of lower rental rates, newer business space and proximity to affordable housing for its employees.

The overall average asking rents in San Diego, Raleigh and Portland, where the US Properties are located, rose by between 30% to 40% since 2010 (to 2Q 2019) but are still generally lower than other top technology cities, making them attractive for companies to locate their operations.

Generally, the supply outlook in the US Properties submarkets remains benign and asking rents are expected to continue to rise.

3.3 Strategic locations in the tech-driven cities of San Diego, Raleigh and Portland

The US Properties comprise high-quality business park properties that are well-located within three Metropolitan Innovation Clusters[3] in the cities of San Diego, Raleigh and Portland. These three cities are ranked among the top ten US cities by technology sector contribution in 2018, placing fifth, seventh and tenth for Raleigh, Portland and San Diego respectively[2].

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1 Source: Moody's Credit Opinion (14 June 2019), U.S. sovereign credit profile rating: Aaa Stable. Moody's has not provided its consent to the inclusion of the information extracted from the credit opinion and therefore is not liable for such information. While the Manager has taken reasonable actions to ensure that the information extracted from the credit opinion is reproduced in its proper form and context, and that the information is extracted accurately and fairly from the credit opinion, neither the Manager nor any other party has conducted an independent review of the information contained in the credit opinion nor verified the accuracy of the contents of the relevant information.

2 Source: Independent Market Research Report by Cushman & Wakefield (See Appendix C).

3 "**Metropolitan Innovation Clusters**" refer to an office and commercial property center of scale, located in a major US metropolitan area either within or outside a central business district, typically characterised by an interconnected cluster of innovative industries and companies, and academic, research, governmental and municipal institutions sharing knowledge, infrastructure and amenities.

All three cities, where the US Properties are located, have vibrant innovation ecosystems. They each house a critical mass of established, growth and start-up companies as well as research universities and institutions.

In San Diego, the three major research universities in proximity to the US Properties are University of California San Diego, University of San Diego and San Diego State University. San Diego commands the highest percentage of patent growth in the US, with an aggregate growth of 84.4% over the last five years[1].

Raleigh is part of the Research Triangle (Raleigh-Durham-Chapel), which houses three Tier 1 research universities, namely, Duke University, the University of North Carolina at Chapel Hill and North Carolina State University. The Research Triangle is one of the largest life sciences hub in the east coast and provides companies in the area with good access to research talent.

Portland's office market has attracted technology giants such as Amazon, Dell, and Intel. It is also known as the athletic performance shoe capital of the world and is home to the global headquarters of Nike and Columbia Sportswear Company, the North America headquarters and footwear design center of Adidas and the footwear design centers of Under Armour, Mizuno and other top sportswear companies. Portland holds the highest number of patents in the US in certain shoe-related products.

The US Properties also have good access to local and regional linkages via highways and major public transportation networks and are surrounded by a wide variety of amenities such as retail, hotel and resorts, restaurants, medical facilities etc. providing a rich "live-work-play" environment for employees.

The US Acquisition offers a strategic entry into other technology driven US business parks.

3.4 Increases proportion of freehold land held by Ascendas Reit

The US Properties are sited on freehold land. Following the completion of the Proposed Acquisitions, the proportion of freehold properties (by asset value) will increase from 21.6% to 29% (including the Singapore Acquisitions).

3.5 High occupancy rate, long WALE and annual rent escalations

Occupancy rate of the US Properties stood at 93.7% with a WALE of 4.2 years as at 30 September 2019. Majority of the leases have annual rent escalations of between 2.5% to 4%.

3.6 High-quality tenants from the growing information, medical and financial technology industries provide steady cashflow

The US Properties provide exposure to some of the fastest growing technology markets in the US as more than 65% of the tenants (by monthly rental income) are in the information, medical and financial technology related sectors. Key tenants in these sectors include CareFusion Manufacturing, LLC., Teleflex Medical Incorporated, TD Ameritrade Services Company Inc, Northrop Grumman Systems Corporation, Oracle America, Inc. and Microsoft Corporation.

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1 Source: Independent Market Research Report by Cushman & Wakefield (See Appendix C).

Other reputable and public organisations include Nike and State of California (Social Services).

These high-quality tenants are expected to provide Ascendas Reit with a steady cashflow.

<u>**Singapore Properties**</u>

3.7 The Singapore Properties will further strengthen Ascendas Reit's leadership and market share in the Singapore business and science park segment

Upon completion of the Singapore Acquisitions, the total gross floor area of Ascendas Reit's Singapore business and science park portfolio will increase from 813,053 sq m to 870,840 sq m (+7.1%). Total asset value of the segment will also increase from S$3,705 million to S$4,102 million (+10.7%).

3.8 Well-established locations in one-north and Singapore Science Park 2

Nucleos is located within the biomedical R&D hub of Biopolis at one-north (business park) and is approximately 10 minutes walk to one-north MRT Station and Buona Vista MRT Station.

FM Global Centre is located at Singapore Science Park 2, a well-established location for R&D companies. It is approximately three minutes walk to Haw Par Villa MRT Station and a 15-minute drive to the Central Business District.

3.9 High occupancy rates underpinned by key tenants with long WALE

Nucleos and FM Global Centre are 92.9% and 100% occupied respectively.

Key tenants include FM Global Group (a Fortune 1000 mutual insurance company), DuPont, Takeda and Ingredion, leading companies in their respective fields.

The WALE of the Singapore Properties is 6.9 years which is longer than the existing Singapore portfolio WALE of 3.6 years as at 30 September 2019.

3.10 Rare opportunity to acquire Singapore Properties with long remaining land lease tenures

Nucleos and FM Global Centre have long remaining land lease tenures of approximately 52 and 73 years respectively. This is a rare opportunity given JTC's current policy of releasing shorter tenure land plots of between 20 to 30 years under the Industrial Government Land Sales (IGLS) Programme. Ascendas Reit's portfolio weighted average land lease to expiry (excluding freehold properties) will improve from 44.1 years to 44.6 years as at 30 September 2019.

In addition, Nucleos and FM Global Centre are five years old and less than a year old respectively.

The Proposed Acquisitions are in line with the Manager's plan to remain Singapore-centric with the overseas assets in developed markets accounting for 30% to 40% of Ascendas Reit's portfolio over time.

4. THE RIGHTS ISSUE

4.1 Structure of the Equity Fund Raising

The equity fund raising will be by way of the Rights Issue, details of which are set out in the EFR Announcement. The Issue Price is S$2.63 per Unit resulting in the TERP of S$3.0955 per Unit and 498,040,904 new Units (approximately 16.0% of the total number of Units in issue as at the Latest Practicable Date) will be issued pursuant to the Rights Issue. As a demonstration of its support for Ascendas Reit and the Rights Issue, each of the Sponsor and AFM, which collectively own an aggregate interest of approximately 19% of the total number of Units in issue through its subsidiaries as at the Latest Practicable Date, have respectively provided the Irrevocable Undertakings to the Manager and the Joint Lead Managers and Underwriters that, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), they will accept, subscribe and pay for in full their total provisional allotment of the new Units, or procure that the Relevant Entities accept, subscribe and pay in full for their total provisional allotment of the new Units.

4.2 Use of Proceeds of the Rights Issue

The Rights Issue will raise gross proceeds of approximately S$1,310 million.

The Manager intends to utilise the net proceeds of the Rights Issue of approximately S$1,294.8 million after deducting the Rights Issues related costs of approximately S$15.0 million to finance part of the Total Acquisition Cost for the Target Properties.

Further details pertaining to the use of proceeds of the Rights Issue (including details on the percentage allocation for each use) will be announced separately.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Rights Issue at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures or funding other potential acquisitions.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Rights Issue via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in Ascendas Reit's announcements on the use of proceeds and in Ascendas Reit's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Rights Issue, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or to be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

5. DETAILS AND FINANCIAL INFORMATION OF THE PROPOSED ACQUISITIONS

5.1 Pro Forma Financial Effects of the Proposed Acquisitions based on Ascendas Reit's Evaluation Method

Ascendas Reit adopts a consistent approach for the evaluation of investment opportunities. Potential investments are evaluated on a consistent basis with a capital structure which comprises 60% equity funding and 40% debt funding ("**Evaluation Method**"). This is to ensure that returns across all investments are evaluated on a sustainable and constant capital structure. Capital structure and gearing are managed at the Ascendas Reit level and not on a transaction-basis.

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Acquisitions on the distribution per Unit ("**DPU**") and net asset value ("**NAV**") per Unit and the pro forma capitalisation of Ascendas Reit presented below are strictly for illustrative purposes and have been prepared based on the audited financial statements of Ascendas Reit (the "**Ascendas Reit Audited Financial Statements**") for the financial year ended 31 March 2019 ("**FY18/19**"), taking into account the Total Acquisition Cost, and assuming that:

(i) Ascendas Reit had purchased, held, and operated the Target Properties for the whole of FY18/19;

(ii) consistent with the Evaluation Method, S$1,030.1 million, or 60% of the Total Acquisition Cost was satisfied by way of issue of Units (including the new Units issuable as payment of the Acquisition Fee), with the remainder amount funded wholly by debt;

(iii) the new Units to fund the Proposed Acquisitions are issued at the Right Issue price of S$2.63 per Unit;

(iv) the Acquisition Fee and base management fee Units are issued at the 10 days volume weighted average price ("**VWAP**") prior to 31 October 2019 of S$3.1552 per Unit;

(v) the average cost of debt was 3% (being the average cost of debt for the whole of FY18/19); and

(vi) in respect of the Enlarged Portfolio, the Manager had elected to receive 80% of its base management fee in cash and 20% in Units.

5.1.1 Pro Forma DPU based on the Evaluation Method

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Acquisitions on Ascendas Reit's DPU for the 2018/19 Audited Financial Statements, as if the Proposed Acquisitions, issuance of new Units, issuance of the Acquisition Fee Units, and the drawdown of Loan Facilities, were completed on 1 April 2018, and Ascendas Reit had held and operated the Target Properties through to 31 March 2019 are as follows:

	Before the Proposed Acquisitions	After the proposed US Acquisition only(1)	After the proposed Singapore Acquisitions only(1)	After the proposed US and Singapore Acquisitions(2)
Net Property Income (S$'000)	649,579	731,892	674,841	757,154
Total amount available for distribution to Unitholders (S$'000)	485,683	538,766	504,622	557,705
Units in issue at the end of the year ('000)	3,110,842(3)	3,410,940(4)	3,201,902(4)	3,502,000(4)
Applicable number of Units for the year ('000)(5)	3,028,893	3,328,991	3,119,953	3,420,051
DPU (S$ cents)(5)	16.035	16.184	16.174	16.307
DPU Accretion	–	0.9%	0.9%	1.7%
DPU Yield	5.06%(6)	5.23%(7)	5.23%(7)	5.27%(7)
DPU Yield Accretion	–	3.4%	3.4%	4.2%

Notes:

(1) The effect is presented on the basis that only the relevant asset is acquired.

(2) The effect is presented on the basis that the US properties, Nucleos and FM Global Centre are all acquired.

(3) Number of Units issued as at 31 March 2019.

(4) Includes new Units issuable as payment of the Acquisition Fee and 20% base management fee payable to the Manager at an illustrative price of S$3.1552 per Unit and additional Units issued to fund 60% of the Total Acquisition Cost at an illustrative price of S$2.63 per new Unit (purely for illustrative purpose only).

(5) DPU is calculated based on the applicable number of Units for the year.

(6) Based on closing price per Unit of S$3.17 on 31 October 2019.

(7) Based on the TERP per Unit of S$3.0955.

5.1.2 Pro Forma NAV based on the Evaluation Method

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Acquisitions on the NAV per Unit as at 31 March 2019, as if the Proposed Acquisitions, issuance of new Units under the Rights Issue, issuance of Acquisition Fee Units, and drawdown of Loan Facilities, were completed on 1 April 2018, are as follows:

	Before the Proposed Acquisitions	After the proposed US Acquisition only(1)	After the proposed Singapore Acquisitions only(1)	After the proposed US and Singapore Acquisitions(2)
NAV represented by Unitholders' funds (S$'000)	6,641,611	7,431,906	6,881,391	7,671,686
Units in issue at the end of the year ('000)	3,110,842(3)	3,410,940(4)	3,201,902(4)	3,502,000(4)
NAV per Unit (S$)	2.13	2.18	2.15	2.19

Notes:

(1) The effect is presented on the basis that only the relevant asset is acquired.

(2) The effect is presented on the basis that the US properties, Nucleos and FM Global Centre are all acquired.

(3) Number of Units issued as at 31 March 2019.

(4) Includes new Units issued as payment of the Acquisition Fee and 20% base management fee payable to the Manager issued at an illustrative price of S$3.1552, and additional Units issued to fund 60% of the Total Acquisition Cost at an illustrative price of S$2.63 per new Unit (purely for illustrative purpose only).

5.1.3 Pro Forma Capitalisation and Aggregate Leverage based on the Evaluation Method

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma capitalisation and aggregate leverage of Ascendas Reit as at 31 March 2019, as if Ascendas Reit had completed the Proposed Acquisitions, the issuance of new Units under the Rights Issue, the issuance of the Acquisition Fee Units, and drawdown of Loan Facilities on 1 April 2018 are as follows:

	Before the Proposed Acquisitions	After the proposed US Acquisition only(1)	After the proposed Singapore Acquisitions only(1)	After the proposed US and Singapore Acquisitions(2)
Current Unsecured loans and borrowings (S$'000)	611,908	611,908	611,908	611,908
Non-Current Secured loans and borrowings (S$'000)	541,543	541,543	541,543	541,543
Unsecured loans and borrowings (S$'000)	2,944,340	3,462,659(3)	3,101,660(4)	3,619,979(5)
Total loans and borrowings (S$'000)	4,097,791	4,616,110	4,255,111	4,773,430

	Before the Proposed Acquisitions	After the proposed US Acquisition only(1)	After the proposed Singapore Acquisitions only(1)	After the proposed US and Singapore Acquisitions(2)
Unitholders' funds (S$'000)	6,641,611	7,431,906(6)	6,881,391(7)	7,671,686(8)
Perpetual securities holders' funds (S$'000)	304,382	304,382	304,382	304,382
Total Capitalisation (S$'000)	11,043,784	12,352,398	11,440,884	12,749,498
Aggregate leverage	36.3%(9)	36.6%	36.4%	36.7%

Notes:

(1) The effect is presented on the basis that only the relevant asset is acquired.

(2) The effect is presented on the basis that the US Properties, Nucleos and FM Global Centre are all acquired.

(3) Includes S$518.3 million of unsecured loan drawn to fund 40% of the Total Acquisition Cost (purely for illustrative purpose).

(4) Includes S$157.3 million of unsecured loan drawn to fund 40% of the Total Acquisition Cost (purely for illustrative purpose).

(5) Includes S$675.6 million of unsecured loan drawn to fund 40% of the Total Acquisition Cost (purely for illustrative purpose).

(6) Includes S$790.3 million of additional unitholders' funds (or approximately 295.6 million new Units issuable at an illustrative price of S$2.63 per new Unit issued to fund 60% of the Total Acquisition Cost and approximately 4.1 million new Units issuable at an illustrative price of S$3.1552 per new Unit to pay for the Acquisition Fees to the Manager (purely for illustrative purpose only).

(7) Includes S$239.8 million of additional unitholders' funds (or approximately 89.7 million new Units issuable at an illustrative price of S$2.63 per new Unit issued to fund 60% of the Total Acquisition Cost and approximately 1.2 million new Units issuable at an illustrative price of S$3.1552 per new Unit to pay for the Acquisition Fees to the Manager (purely for illustrative purpose only).

(8) Includes S$1,030.1 million of additional unitholders' funds (or approximately 385.3 million new Units issuable at an illustrative price of S$2.63 per new Unit issued to fund 60% of the Total Acquisition Cost and approximately 5.3 million new Units issuable at an illustrative price of S$3.1552 per new Unit to pay for the Acquisition Fees to the Manager (purely for illustrative purpose only).

(9) Aggregate leverage as at 31 March 2019.

5.2 Pro Forma Financial Effects of the Proposed Acquisitions based on the Intended Method of Financing

Given that it is intended for the Proposed Acquisitions to be funded as described in paragraph 2.10 of the Letter to Unitholders (the "**Intended Method of Financing**"), the pro forma financial effects of the Proposed Acquisitions on the DPU and NAV per Unit and the pro forma capitalisation of Ascendas Reit based on the Intended Method of Financing are also presented below. These are strictly for illustrative purposes and were prepared based on the Ascendas Reit Audited Financial Statements for FY18/19, taking into account the Total Acquisition Cost, and assuming that:

(i) Ascendas Reit had purchased, held and operated the Target Properties for the whole of FY18/19;

(ii) S$1,294.8 million of the Total Acquisition Cost after deducting the Acquisition Fee is funded by the net proceeds from Rights Issue;

(iii) the remaining S$394.3 million of the Total Acquisition Cost is funded by debt;

(iv) the average cost of debt was 3% (being the average cost of debt for the whole of FY18/19);

(v) the Acquisition Fee and base management fee Units are issued at 10 days VWAP prior to 31 October 2019 of S$3.1552 per Unit;

(vi) the issue of Acquisition Fee Units pursuant to the general unit issue mandate obtained from Unitholders at the annual general meeting of Ascendas Reit held on 9 July 2019 as the Acquisition Fee; and

(vii) in respect of the Enlarged Portfolio, the Manager had elected to receive 80% of its base management fee in cash and 20% in Units.

5.2.1 Pro Forma DPU based on the Intended Method of Financing

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisitions on Ascendas Reit's DPU for the 2018/19 Audited Financial Statements, as if the Proposed Acquisitions, issuance of new Units under the Rights Issue, issuance of Acquisition Fee Units, and drawdown of Loan Facilities, were completed on 1 April 2018, and Ascendas Reit had held and operated the Target Properties through to 31 March 2019 are as follows:

	Effects of the Proposed Acquisitions	
	Before the Proposed Acquisitions	**After the Proposed Acquisitions**
Net Property Income (S$'000)	649,579	757,154
Total amount available for distribution to Unitholders (S$'000)	485,683	570,048
Units in issue at the end of the year ('000)	3,110,842(1)	3,614,692(2)
Applicable number of Units for the year ('000)(5)	3,028,893	3,532,743
DPU (S$ cents)(5)	16.035	16.136
DPU Accretion	–	0.6%
DPU Yield	5.06%(3)	5.21%(4)
DPU Yield Accretion	–	3.0%

Notes:

(1) Number of Units issued as at 31 March 2019.

(2) Includes new Units issuable in the Rights Issue, and as payment of the Acquisition Fee and 20% base management fee payable to the Manager at an illustrative price of S$3.1552 per new Unit (purely for illustrative purpose only).

(3) Based on closing price per Unit of S$3.17 on 31 October 2019.

(4) Based on the TERP per Unit of S$3.0955.

(5) DPU is calculated based on the applicable number of Units for the year.

5.2.2 Pro Forma NAV based on the Intended Method of Financing

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisitions on the NAV per Unit as at 31 March 2019, as if the Proposed Acquisitions, issuance of new Units under the Rights Issue, issuance of Acquisition Fee Units, drawdown of Loan Facilities, were completed on 1 April 2018, are as follows:

	Effects of the Proposed Acquisitions	
	Before the Proposed Acquisitions	**After the Proposed Acquisitions**
NAV represented by Unitholders' funds (S$'000)	6,641,611	7,953,076
Units in issue at the end of the year ('000)	3,110,842[1]	3,614,692[2]
NAV per Unit (S$)	2.13	2.20

Notes:

(1) Number of Units issued as at 31 March 2019.

(2) Includes new Units issuable in the Rights Issue, and as payment of the Acquisition Fee and 20% base management fee payable to the Manager at an illustrative price of S$3.1552 per new Unit (purely for illustrative purpose only).

5.2.3 Pro Forma Capitalisation based on the Intended Method of Financing

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma capitalisation of Ascendas Reit as at 31 March 2019, as if Ascendas Reit had completed the Proposed Acquisitions, issuance of new Units under the Rights Issue, issuance of Acquisition Fee Units, drawdown of Loan Facilities on 1 April 2018, as well as the pro forma Aggregate Leverage of Ascendas Reit as at 31 March 2019, as if Ascendas Reit had completed the Proposed Acquisitions, issuance of new Units under the Rights Issue, issuance of Acquisition Fee Units, drawdown of Loan Facilities, are as follows:

	Effects of the Proposed Acquisitions	
	Before the Proposed Acquisitions	**After the Proposed Acquisitions**
Current		
Unsecured loans and borrowings (S$'000)	611,908	611,908
Non-Current		
Secured loans and borrowings (S$'000)	541,543	541,543
Unsecured loans and borrowings (S$'000)	2,944,340	3,338,589[1]
Total loans and borrowings (S$'000)	4,097,791	4,492,040

	Effects of the Proposed Acquisitions	
	Before the Proposed Acquisitions	**After the Proposed Acquisitions**
Unitholders' funds (S$'000)	6,641,611	7,953,076[(2)]
Perpetual securities holders' funds (S$'000)	304,382	304,382
Total Capitalisation (S$'000)	11,043,784	12,749,498
Aggregate Leverage	36.3%[(3)]	34.6%

Notes:

(1) Includes S$394.3 million of unsecured loan drawn to partially fund the Total Acquisition Cost (purely for illustrative purpose).

(2) Includes S$1,311.4 million of additional unitholders' funds issued in the Rights Issue to partially fund the Total Acquisitions Cost and the new Units issued (or approximately 5.3 million new Units issuable at an illustrative price of S$3.1552 per new Unit) to pay for the Acquisition Fees to the Manager (purely for illustrative purpose only).

(3) Aggregate leverage as at 31 March 2019.

5.3 Requirement of Unitholders' Approval

5.3.1 Discloseable Transaction

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by Ascendas Reit. Such transactions are classified into the following categories:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

(A transaction by Ascendas Reit may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison):

(i) the NAV of the assets to be disposed of, compared with Ascendas Reit's NAV;

(ii) the net profits attributable to the assets acquired, compared with Ascendas Reit's net profit);

(iii) the aggregate value of the consideration given, compared with Ascendas Reit's market capitalisation;

(iv) the number of Units issued by Ascendas Reit as consideration for an acquisition, compared with the number of Units previously in issue.

5.3.2 Relative Figures computed on the Bases set out in Rule 1006

The relative figures for the Proposed Acquisitions using the applicable bases of comparison described in paragraph 5.3.1(ii) and 5.3.1(iii) above are set out in the table below.

	The Proposed Acquisitions (S$ million)	Ascendas Reit (S$ million)	Relative Percentage (%)
Rule 1006(b) Net profits after tax attributable to the assets acquired compared with Ascendas Reit's net profits after tax, in each case, for the financial period from 1 April 2019 to 30 September 2019	66.1	521.7(1)	12.7(1)
Rule 1006(c) Aggregate value of consideration to be paid by Ascendas Reit compared with Ascendas Reit's market capitalisation as at 31 October 2019, the last trading day on the SGX-ST preceding the date of the Acquisition Agreements	1,705.7	9,867.4	17.3(2)

Notes:

(1) Based on Ascendas Reits' annualised unaudited financial accounts for the financial period from 1 April 2019 to 30 September 2019.

(2) Based on Ascendas Reit's volume weighted average price of S$3.1730 per Unit on 31 October 2019, being the market day immediately prior to the entry into the Share Purchase Agreement and the Put and Call Option Agreements (collectively, the "**Acquisition Agreements**").

The relative figure in Rule 1006(d) in relation to the number of Units issued by Ascendas Reit as consideration for the Proposed Acquisitions, compared with the number of Units previously in issue, is not applicable to the Proposed Acquisitions as the Total Consideration for the Proposed Acquisitions is payable entirely in cash.

Where any of the relative figures computed on the bases set out above exceeds 5% but does not exceed 20%, the transaction is classified as a discloseable transaction. As the relative figures exceed 5% but do not exceed 20%, the Proposed Acquisitions will be a discloseable transaction.

In any case, as the Proposed Acquisitions constitute an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix, the Proposed Acquisitions will still be subject to the specific approval of Unitholders.

5.3.3 Interested Person Transaction and Interested Party Transaction

Under Chapter 9 of the Listing Manual, where Ascendas Reit proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5% of Ascendas Reit's latest audited net tangible asset ("**NTA**"), Unitholders' approval is required in respect of the transaction. Based on the 2018/19 Audited Financial Statements, the NTA of Ascendas Reit was S$6,946.0 million as at 31 March 2019. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by Ascendas Reit with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$347.3 million, such a transaction would be subject to Unitholders' approval. Given the estimated Total Consideration of approximately S$1,665.3 million (which is 24% of the NTA of Ascendas Reit as at 31 March 2019), the value of the Proposed Acquisitions exceeds the said threshold.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by Ascendas Reit whose value exceeds 5% of Ascendas Reit's latest audited NAV. Based on the 2018/19 Audited Financial Statements, the NAV of Ascendas Reit was S$6,946.0 million as at 31 March 2019. Accordingly, if the value of a transaction which is proposed to be entered into by Ascendas Reit with an interested party is equal to or greater than S$347.3 million, such a transaction would be subject to Unitholders' approval. Given the estimated Total Consideration of approximately S$1,665.3 million (which is 24% of the NAV of Ascendas Reit as at 31 March 2019), the value of the Proposed Acquisitions exceeds the said threshold.

As at the Latest Practicable Date, CL holds, through its wholly-owned subsidiaries, the Sponsor and Ascendas Investment Pte. Ltd., an aggregate interest in 591,374,889 Units, which is equivalent to approximately 19% of the total number of Units in issue.

CL is therefore regarded as a "controlling unitholder" of Ascendas Reit under both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is an indirect wholly-owned subsidiary of CL, CL is therefore regarded as a "controlling shareholder" of the Manager under the Listing Manual and the Property Funds Appendix.

As the Vendors are indirectly wholly-owned by CL, which is regarded as a "controlling unitholder" of Ascendas Reit, and a "controlling shareholder" of the Manager for the purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendors are (for the purposes of the Listing Manual) "interested persons" and (for the purposes of the Property Funds Appendix) "interested parties" of Ascendas Reit.

Therefore, the Proposed Acquisitions will constitute “interested person transactions” under Chapter 9 of the Listing Manual and the Proposed Acquisitions will constitute “interested party transactions” under the Property Funds Appendix, in respect of which the approval of Unitholders is required.

In approving the Proposed Acquisitions, Unitholders will be deemed to have approved all documents required to be executed or assigned by the parties in order to give effect to the Proposed Acquisitions.

5.4 Advice of the Independent Financial Adviser

The Manager has appointed the IFA as required under Listing Rule 921(4)(a) as well as to advise the Independent Directors, the Audit and Risk Committee and the Trustee in relation to the Proposed Acquisitions. A copy of the IFA Letter, containing its advice in full, is set out in **Appendix D** of this Circular and Unitholders are advised to read the IFA Letter carefully.

Having considered the factors and subject to the terms of reference set out in the IFA Letter, the IFA is of the opinion that, on balance and from a financial point of view, the Proposed Acquisitions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders. Accordingly, the IFA has advised the Independent Directors and the Audit and Risk Committee to recommend independent Unitholders to vote in favour of the Proposed Acquisitions.

5.5 Interests of Directors and Substantial Unitholders

As at the Latest Practicable Date, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 71,000 Units. Further details of the interests in Units of the directors of the Manager (“**Directors**”) and Substantial Unitholders[1] are set out below.

Mr Lim Hock San is the Chairman and an Independent Director of the Manager. Mr Manohar Khiatani, a Non-Executive Director of the Manager, is the Senior Executive Director of the CapitaLand Group. Mr Lim Cho Pin Andrew Geoffrey, a Non-Executive Director of the Manager, is Group Chief Financial Officer of the CapitaLand Group. Mr William Tay Wee Leong is the CEO and an Executive Director of the Manager.

Each of (i) Mr Chan Pengee, Adrian; (ii) Mr Daniel Cuthbert Ee Hock Huat; (iii) Ms Chong Chiet Ping; (iv) Mr Lim Hock San; (v) Ms Lim Sau Hoong and (vi) Mr Wong Yew Meng are Independent Directors of the Manager.

1 “**Substantial Unitholder**” refers to a person with an interest in Units constituting not less than 5% of all Units in issue.

Based on the Register of Directors' Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the Units as at the Latest Practicable Date:

Name of Directors	Direct Interest		Deemed Interest		Total No. of Units Held	%(1)	Contingent Awards of Units(2) under the Manager's	
	No. of Units	%(1)	No. of Units	%(1)			Performance Unit Plan	Restricted Unit Plan
Mr Lim Hock San	–	–	–	–	–	–	–	–
Mr Manohar Khiatani	–	–	–	–	–	–	–	–
Mr Lim Cho Pin Andrew Geoffrey	11,000	0.0004	–	–	11,000	0.0004	–	–
Mr William Tay Wee Leong	40,000	0.001	–	–	40,000	0.001	0 to 118,914(3)	0 to 133,777(3)
Mr Chan Pengee, Adrian	–	–	–	–	–	–	–	–
Ms Chong Chiet Ping	–	–	–	–	–	–	–	–
Mr Daniel Cuthbert Ee Hock Huat	20,000	0.0006	–	–	20,000	0.0006	–	–
Ms Lim Sau Hoong	–	–	–	–	–	–	–	–
Mr Wong Yew Meng	–	–	–	–	–	–	–	–

Note(s):

(1) The percentage is based on 3,112,755,652 Units in issue as at the Latest Practical Date.

(2) This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager's Performance Unit Plan ("**PUP**") and Restricted Unit Plan ("**RUP**"). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.

(3) The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for PUP and RUP.

Save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the ordinary shares in CL ("**CL Shares**") as at the Latest Practicable Date:

Name of Directors	Direct Interest		Deemed Interest		Total No. of CL Shares held	%(1)	Contingent Awards of CL Shares(2) under CL's	
	No. of CL Shares	%(1)	No. of CL Shares	%(1)			Performance Share Plan	Restricted Share Plan
Mr Lim Hock San	–	–	–	–	–	–	–	–
Mr Manohar Khiatani	–	–	40,000	NM(7)	40,000	NM(7)	0 to 176,078(3)	0 to 168,075(3)
Mr Lim Cho Pin Andrew Geoffrey	133,145	NM(7)	–	–	133,145	NM(7)	0 to 797,948(3)	41,646(4),(6) 99,706(5),6) 0 to 312,139(3)
Mr William Tay Wee Leong	–	–	–	–	–	–	–	–
Mr Chan Pengee, Adrian	13,000	NM(7)	14,000	NM(7)	27,000	NM(7)	–	–
Ms Chong Chiet Ping	–	–	60,000	NM(7)	60,000	NM(7)	–	–
Mr Daniel Cuthbert Ee Hock Huat	–	–	–	–	–	–	–	–
Ms Lim Sau Hoong	–	–	–	–	–	–	–	–
Mr Wong Yew Meng	–	–	–	–	–	–	–	–

Note(s):

(1) The percentage is based on 5,037,494,396 shares (excluding treasury shares) in issue as at the Latest Practical Date.

(2) This refers to the number of Shares which are the subject of contingent awards granted but not released under CL's Performance Share Plan ("**PSP**") and Restricted Share Plan ("**RSP**"). The final number of Shares that will be released could range from 0% to a maximum of 200% of the baseline award under the PSP and from 0% to a maximum of 150% of the baseline award under the RSP.

(3) The final number of Shares to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for PSP and RSP.

(4) Being the unvested final one-third of the RSP 2017 Award

(5) Being the unvested two-thirds of the RSP 2018 Award.

(6) On the final vesting, an additional number of Shares of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RSP, will also be released.

(7) Not meaningful.

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders of Ascendas Reit and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	%(1)
	No. of Units	%(1)	No. of Units	%(1)		
CapitaLand Limited	–	–	591,374,889	18.998	591,374,889	18.998
CapitaLand Singapore (BP&C) Pte. Ltd. (formerly known as "Ascendas Land (Singapore) Pte Ltd")	517,001,996	16.609	–	–	517,001,996	16.609
Ascendas Pte Ltd ("**APL**")(2)	–	–	591,374,889	18.998	591,374,889	18.998
CLA	–	–	591,374,889	18.998	591,374,889	18.998
TJ Holdings (III) Pte. Ltd.(2)	–	–	591,374,889	18.998	591,374,889	18.998
Glenville Investments Pte. Ltd(2)	–	–	591,374,889	18.998	591,374,889	18.998
Mawson Peak Holdings Pte. Ltd.(2)	–	–	591,374,889	18.998	591,374,889	18.998
Bartley Investments Pte. Ltd.(2)	–	–	591,374,889	18.998	591,374,889	18.998
Tembusu Capital Pte. Ltd.(2)	–	–	591,374,889	18.998	591,374,889	18.998
Temasek Holdings (Private) Limited ("**Temasek**")(2)	–	–	653,753,336	21.000	653,753,336	21.000
BlackRock, Inc.(3)	–	–	247,746,863	7.960	247,746,863	7.960
The PNC Financial Services Group, Inc.(4)	–	–	247,746,863	7.960	247,746,863	7.960

Note(s):

(1) The percentage is based on 3,112,755,652 Units in issue as at the Latest Practicable Date.

(2) Temasek, Tembusu Capital Pte. Ltd., Bartley Investments Pte. Ltd., Mawson Peak Holdings Pte. Ltd., Glenville Investments Pte. Ltd., TJ Holdings (III) Pte. Ltd., CLA, APL are deemed interested in the Units held by the Sponsor and the Manager. Temasek is also deemed to have an interest in the Units in which other subsidiaries and associated companies of Temasek hold or have deemed interests.

(3) BlackRock, Inc. is deemed interested in the Units held by various funds managed by BlackRock investment advisors.

(4) The PNC Financial Services Group, Inc. is deemed interested in the Units held by BlackRock, Inc.

Save as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders have an interest, direct or indirect, in the Proposed Acquisitions.

5.6 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Acquisitions or any other transactions contemplated in relation to the Proposed Acquisitions.

6. RECOMMENDATIONS

Taking into consideration the opinion of the IFA (as set out in the IFA Letter in Appendix D of this Circular) and the rationale for and key benefits of the Proposed Acquisitions as set out in paragraph 4 above, the Independent Directors and the Audit and Risk Committee believe that the Proposed Acquisitions are based on normal commercial terms and would not be prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Accordingly, the Independent Directors and the Audit and Risk Committee recommend that Unitholders vote at the EGM in favour of the resolution to approve the Proposed Acquisitions.

7. EXTRAORDINARY GENERAL MEETING

The EGM will be held on Wednesday, 27 November 2019 at 3:00 p.m. at The Star Gallery, Level 3, The Start Performing Arts Centre, 1 Vista Exchange Green, Singapore 138617, for the purpose of considering and, if thought fit, passing with or without modification, the resolution set out in the Notice of Extraordinary General Meeting, which is set out on pages F-1 to F-3 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the resolution. Approval by way of an Ordinary Resolution is required in respect of the resolution relating to the Proposed Acquisitions.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited ("**CDP**") as at 72 hours before the time fixed for the EGM.

8. ABSTENTIONS FROM VOTING

As at the Latest Practicable Date, CapitaLand Limited has an aggregate deemed interest in 591,374,889 Units, which includes its deemed interest through its wholly-owned subsidiaries, the Sponsor and AFM, comprising approximately 19% of the total number of Units in issue.

Accordingly, CL (including the Sponsor and AFM) and their associates will abstain from voting on the resolution relating to the Proposed Acquisitions.

9. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Unit Registrar's office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than Sunday, 24 November 2019 at 3.00 p.m., being 72 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person at the EGM if he so wishes.

Persons who have an interest in the approval of the resolution must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of such resolution. If a Unitholder (being an Independent Unitholder) wishes to appoint Mr Manohar Khiatani or Mr William Tay Wee Leong as his/her proxy/proxies for the EGM, he/she should give specific instructions in his/her Proxy Form as to the manner in which his/her vote is to be cast in respect of the resolution.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisitions, Ascendas Reit and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. JOINT LEAD MANAGERS AND UNDERWRITERS' RESPONSIBILITY STATEMENT

To the best of the Joint Lead Managers and Underwriters' knowledge and belief, the information about the Rights Issue contained in the "Overview" section and paragraph 4 of the Letter to Unitholders in this Circular constitutes full and true disclosure of all material facts about the Rights Issue, and the Joint Lead Managers and Underwriters are not aware of any facts the omission of which would make any statement about the Rights Issue contained in the said paragraphs misleading.

12. CONSENTS

Each of the IFA (being SAC Capital Private Limited), the Independent Market Research Consultant (being Cushman & Wakefield Western, Inc.), and the Independent Valuers (being JLL Valuation & Advisory Services, LLC, Newmark Knight Frank Valuation & Advisory, LLC, CBRE Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd) has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and, respectively, the IFA Letter, the Independent Market Research Report, the summary valuation reports and all references thereto, in the form and context in which they are included in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager[1] at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522 from the date of this Circular up to and including the date falling three months after the date of this Circular:

(i) the Share Purchase Agreement;

(ii) the Put and Call Option Agreements;

(iii) the IFA Letter;

(iv) the summary valuation reports on each of the Singapore Properties issued by Colliers and CBRE;

(v) the summary valuation reports on each of the US Properties issued by JLL and Newmark Knight Frank;

1 Prior appointment with the Manager (telephone: +65 6508 8840, email address: a_reit@capitaland.com) will be appreciated.

(vi) the independent market research report issued by the Independent Market Research Consultant;

(vii) the 2018/19 Audited Financial Statements; and

(viii) the written consents of each of the IFA, the Independent Market Research Consultant, and the Independent Valuers.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as Ascendas Reit is in existence.

Yours faithfully

Ascendas Funds Management (S) Limited
(as manager of Ascendas Real Estate Investment Trust)
(Company Registration No. 200201987K)

Mr Lim Hock San
Chairman and Independent Director

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular does not constitute an offer of securities in the United States or any other jurisdiction. Any proposed issue of new units described in this Circular will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such new units may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of Ascendas Reit in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

"%"	:	Per centum or percentage
"2018/19 Audited Financial Statements"	:	The audited financial statements of Ascendas Reit for the financial year ended 31 March 2019
"Acquisition Fee"	:	The acquisition fee for the Proposed Acquisitions which the Manager will be entitled to receive from Ascendas Reit upon completion of the Proposed Acquisitions
"Acquisition Fee Units"	:	The Units payable to the Manager as the Acquisition Fee
"Adjusted Net Asset Value"	:	The adjusted net asset value of Ascendas US Holdco and its subsidiaries
"AFM"	:	Ascendas Funds Management (S) Limited (in its own capacity)
"Aggregate Leverage"	:	The ratio of the value of borrowings (inclusive of proportionate share of borrowings of jointly controlled entities) and deferred payments (if any) to the value of the Deposited Property
"Agreed Value"	:	The value attributable to the relevant Target Property for purpose of arriving at the purchase consideration of that relevant Target Property
"APL"	:	Ascendas Pte Ltd
"Ascendas Reit"	:	Ascendas Real Estate Investment Trust
"Ascendas Reit Audited Financial Statements"	:	The audited financial statements of Ascendas Reit for the financial year ended 31 March 2019
"Ascendas US Holdco"	:	Ascendas US Holdco Pte. Ltd.
"Ascendas US REIT Trustee"	:	Perpetual (Asia) Limited (as trustee of Ascendas US REIT)
"Audit and Risk Committee"	:	The audit and risk committee of the Manager
"AVPL"	:	Ascendas Venture Pte. Ltd.
"CAGR"	:	Compound annual growth rate
"CL"	:	CapitaLand Limited
"CapitaLand Group"	:	The CapitaLand Limited group of companies

"CBRE"	:	CBRE Pte Ltd
"CDP"	:	The Central Depository (Pte) Limited
"CEO"	:	Chief Executive Officer
"Circular"	:	This circular to Unitholders dated 1 November 2019
"CLA"	:	CLA Real Estate Holdings Pte. Ltd.
"Colliers"	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
"Deferred Payment Sum"	:	The sum of S$150,000 which may be withheld by the Trustee on completion in relation to rectification works to be carried out by AVPL in respect of certain identified defects in Nucleos at its cost and expense within three months after completion
"Deposited Property"	:	The gross assets of Ascendas Reit, including all its authorised investments held or deemed to be held upon the trust under the Trust Deed
"Directors"	:	The directors of the Manager
"DPU"	:	Distribution per Unit
"EGM"	:	The extraordinary general meeting of Unitholders to be held on Wednesday, 27 November 2019 at 3:00 p.m. at The Star Gallery, Level 3, The Star Performing Arts Centre, 1 Vista Exchange Green, Singapore 138617, to approve the matters set out in the Notice of Extraordinary General Meeting on pages F-1 to F-3 of this Circular
"EFR Announcement"	:	The announcement by the Manager on 1 November 2019 relating to the Rights Issue
"Enlarged Portfolio"	:	The enlarged portfolio of properties held by Ascendas Reit, consisting of (i) the Existing Portfolio and (ii) the Target Properties
"Estimated Net Assets"	:	The estimated amount of the Adjusted Net Asset Value, being US$76.5 million (approximately S$104.9 million)
"Estimated US Portfolio Purchase Consideration"	:	The estimated US Portfolio Purchase Consideration of US$937.6 million (approximately S$1,285.3 million)
"Evaluation Method"	:	Ascendas Reit's approach of evaluating investment opportunities with a capital structure which comprises 60% equity funding and 40% debt funding

"**Existing Portfolio**" or "**Properties**"	:	The portfolio of properties currently held by Ascendas Reit, comprising 170 properties located in Singapore, Australia and the United Kingdom, as at 30 September 2019
"**FM Global Centre**"	:	The property known as FM Global Centre located at 288 Pasir Panjang Road Singapore 117369 together with the Plant and Equipment therein
"**FMG Acquisition**"	:	The proposed acquisition of FM Global Centre by the Trustee from SSPL
"**FMG Call Option**"	:	The right granted by SSPL to the Trustee to require SSPL to enter into the FMG Purchase Agreement with the Trustee for the acquisition of FM Global Centre at the FMG Purchase Consideration and on the terms of the FMG Purchase Agreement in consideration of the Trustee's payment of the FMG Option Fee to AVPL
"**FMG Call Option Exercise Period**"	:	The period commencing on the FMG Conditions Fulfilment Date and ending at 5.00 p.m. on the date falling twenty business days after the FMG Conditions Fulfilment Date (or such other period as SSPL and the Trustee may mutually agree in writing)
"**FMG Conditions Fulfilment Date**"	:	The date on which both FMG Conditions Precedent have been fulfilled
"**FMG Conditions Precedent**"	:	The conditions to be fulfilled before the Trustee can serve the FMG Put Option notice on the SSPL (or SSPL can serve the FMG Put Option notice on the Trustee, as the case may be)
"**FMG Option Agreement**"	:	The conditional put and call option agreement entered into between the Trustee and SSPL in relation to the sale and purchase of FM Global Centre
"**FMG Option Fee**"	:	The option fee of S$50,000 paid by the Trustee to SSPL upon the signing of the FMG Option Agreement
"**FMG Purchase Agreement**"	:	The sale and purchase agreement to be entered into between the Trustee and SSPL in relation to the sale and purchase of FM Global Centre pursuant to the FMG Option Agreement
"**FMG Purchase Consideration**"	:	The purchase consideration payable by the trustee for the FMG Acquisition of S$91.0 million
"**FMG Put Option**"	:	The right granted by the Trustee to SSPL to require the Trustee to enter into the FMG Purchase Agreement with SSPL for the acquisition of FM Global Centre at the FMG Purchase Consideration and on the terms of the FMG Purchase Agreement in consideration of the mutual covenants in the FMG Option Agreement

"**FMG Put Option Exercise Period**"	:	The period commencing immediately after the expiry of the FMG Call Option Exercise Period and ending at 5.00 p.m. on the date falling two business days thereafter
"**FY18/19**"	:	The financial year ended 31 March 2019
"**FM Global Centre**"	:	288 Pasir Panjang Road FM Global Centre Singapore 117369
"**GFA**"	:	Gross floor area
"**Group Companies**"	:	Ascendas US Holdco, its subsidiaries, and the US Property-Holding Entities
"**IFA**"	:	SAC Capital Private Limited
"**IFA Letter**"	:	The letter from the IFA to the Independent Directors, the Audit and Risk Committee and the Trustee containing its advice as set out in **Appendix D** of this Circular
"**Independent Market Research Consultant**" or "**Cushman & Wakefield**"	:	Cushman & Wakefield Western, Inc.
"**Independent Directors**"	:	The independent directors of the Manager
"**Independent Valuers**"	:	CBRE, Colliers, JLL and Newmark Knight Frank
"**Intended Method of Financing**"	:	The intended method for the Proposed Acquisitions to be funded as described in paragraph 5.2 of the Letter to Unitholders
"**Irrevocable Undertakings**"	:	The irrevocable undertakings dated 1 November 2019 given by each of the Sponsor and AFM to the Manager and the Joint Lead Managers and Underwriters as disclosed in paragraph 4.1 of the Letter to Unitholders
"**Issue Price**"	:	The issue price for the new Units to be issued under the Rights Issue
"**JLL**"	:	JLL Valuation & Advisory Services, LLC
"**Joint Lead Managers and Underwriters**"	:	The joint lead managers and underwriters for the Rights Issue, being DBS Bank Ltd. and J.P. Morgan (S.E.A.) Ltd
"**Latest Practicable Date**"	:	28 October 2019, being the latest practicable date prior to the printing of this Circular
"**Listing Manual**"	:	The Listing Manual of the SGX-ST
"**Loan Facilities**"	:	The loan facilities taken up to finance part of the Total Acquisition Cost

"**Manager**"	:	Ascendas Funds Management (S) Limited, in its capacity as manager of Ascendas Reit
"**MAS**"	:	Monetary Authority of Singapore
"**NAV**"	:	Net asset value
"**Newmark Knight Frank**"	:	Newmark Knight Frank Valuation & Advisory, LLC
"**NLA**"	:	Net lettable area
"**NTA**"	:	Net tangible asset value
"**Nucleos**"	:	The property known as Nucleos located at 21 Biopolis Road Singapore 138567 together with the Plant and Equipment therein
"**Nucleos Acquisition**"	:	The proposed acquisition of Nucleos by the Trustee from AVPL
"**Nucleos Call Option**"	:	The right granted by AVPL to the Trustee to require AVPL to enter into the Nucleos Purchase Agreement with the Trustee for the sale of Nucleos at the Nucleos Purchase Consideration and on the terms of the Nucleos Purchase Agreement in consideration of the Trustee's payment of the Nucleos Option Fee to AVPL
"**Nucleos Call Option Exercise Period**"	:	The period commencing on the Nucleos Conditions Fulfilment Date and ending at 5.00 p.m. on the date falling twenty business days after the Nucleos Conditions Fulfilment Date (or such other period as AVPL and the Trustee may mutually agree in writing)
"**Nucleos Conditions Fulfilment Date**"	:	The date on which both Nucleos Conditions Precedent have been fulfilled
"**Nucleos Option Agreement**"	:	The conditional put and call option agreement entered into between the Trustee and AVPL in relation to the sale and purchase of Nucleos
"**Nucleos Option Fee**"	:	The option fee of S$50,000 paid by the Trustee to AVPL upon the signing of the Nucleos Option Agreement
"**Nucleos Purchase Agreement**"	:	The sale and purchase agreement to be entered into between the Trustee and AVPL in relation to the sale and purchase of Nucleos pursuant to the Nucleos Option Agreement
"**Nucleos Purchase Consideration**"	:	The purchase consideration payable by the trustee for the Nucleos Acquisition of S$289.0 million

"**Nucleos Put Option**"	:	The right granted by the Trustee to AVPL to require the Trustee to enter into the Nucleos Purchase Agreement with AVPL for the acquisition of Nucleos at the Nucleos Purchase Consideration and on the terms of the Nucleos Purchase Agreement in consideration of the mutual covenants in the Nucleos Option Agreement
"**Nucleos Put Option Exercise Period**"	:	The period commencing immediately after the expiry of the Nucleos Call Option Exercise Period and ending at 5.00 p.m. on the date falling two business days thereafter
"**Ordinary Resolution**"	:	A resolution proposed and passed as such by a majority being greater than 50% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
"**Parent US REIT**"	:	Ascendas US REIT LLC
"**Property Funds Appendix**"	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS
"**Proposed Acquisitions**"	:	The proposed acquisitions of the Properties
"**Proxy Form**"	:	The instrument appointing a proxy or proxies as set out in this Circular
"**Put and Call Option Agreements**"	:	The Nucleos Option Agreement and the FMG Option Agreement
"**R&D**"	:	Research and development
"**Relevant Entities**"	:	The Sponsor and its subsidiaries
"**Rights Issue**"	:	The issue of new Units on a renounceable basis to Eligible Unitholders on the basis of the Rights Ratio at the Issue Price
"**S$**" and "**cents**"	:	Singapore dollars and cents
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Sale Share**"	:	One ordinary share in the issued share capital of Ascendas US Holdco
"**Securities Act**"	:	US Securities Act of 1933, as amended
"**SG Total Consideration**"	:	The sum of the Nucleos Purchase Consideration and the FMG Purchase Consideration

"Share Purchase Agreement"	:	The conditional share purchase agreement for the acquisition of the entire share capital of Ascendas US Holdco, entered into between the Trustee and Perpetual (Asia) Limited (as trustee of Ascendas US REIT) dated 1 November 2019
"Singapore Acquisitions"	:	The proposed acquisition of the Singapore Properties
"Singapore Properties"	:	Nucleos and FM Global Centre
"Sponsor"	:	CapitaLand Singapore (BP&C) Pte. Ltd.
"sq m"	:	Square metres
"SSPL"	:	Singapore Science Park Ltd
"Substantial Unitholder"	:	A person with an interest in Units constituting not less than 5% of the total number of Units in issue
"Target Properties"	:	The Singapore Properties together with the US Properties
"Temasek"	:	Temasek Holdings (Private) Limited
"Total Acquisition Cost"	:	The total cost of the Proposed Acquisitions (excluding the costs of the Rights Issue)
"Total Consideration"	:	The sum of the estimated US Portfolio Purchase Consideration and the SG Total Consideration. As at the date of this Circular, the estimated Total Consideration is approximately S$1,665.3 million
"Trust Deed"	:	The trust deed dated 9 October 2002 constituting Ascendas Reit, as amended, restated and/or supplemented by a first supplemental deed dated 16 January 2004, a second supplemental deed dated 23 February 2004, a third supplemental deed dated 30 September 2004, a fourth supplemental deed dated 17 November 2004, a fifth supplemental deed dated 20 April 2006, a first amending and restating deed dated 11 June 2008, a seventh supplemental deed dated 22 January 2009, a eighth supplemental deed dated 17 September 2009, a ninth supplemental deed dated 31 May 2010, a tenth supplemental deed dated 22 July 2010, a eleventh supplemental deed dated 14 October 2011, a twelfth supplemental deed dated 19 October 2015, a thirteenth supplemental deed dated 26 January 2016, a second amending and restating deed dated 10 August 2017, a fifteenth supplemental deed dated 20 August 2018, a sixteenth supplemental deed dated 24 July 2019, as amended, varied, or supplemented from time to time
"Trustee"	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Ascendas Reit
"Unit"	:	A unit representing an undivided interest in Ascendas Reit

"**Unitholder**"	:	The registered holder for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units
"**US**" or "**United States**"	:	The United States of America
"**US$**" or "**US dollar**"	:	The lawful currency of the US
"**US Acquisition Completion Date**"	:	The date of completion of the US Acquisition
"**US Agreed Portfolio Value**"	:	The agreed property value of the US Properties of US$935.0 million (approximately S$1,281.7 million)
"**US Property-Holding Entities**"	:	San Diego 1 LLC, San Diego 2 LLC, Raleigh 1 LP, Portland 1 LLC and Portland 2 LLC
"**US Acquisition**"	:	The acquisition of the US Properties through the acquisition of the entire issued share capital of Ascendas US Holdco
"**US Portfolio Purchase Consideration**"	:	The purchase consideration payable for the US Properties
"**US Portfolio Vendor**"	:	Perpetual (Asia) Limited (as trustee of Ascendas US REIT)
"**US Properties**"	:	The 28 business park properties located in the United States of America
"**Vendors**"	:	AVPL, SSPL and the Ascendas US REIT Trustee
"**WALE**"	:	Weighted average lease to expiry

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

DETAILS OF THE TARGET PROPERTIES, THE EXISTING PORTFOLIO AND THE ENLARGED PORTFOLIO

1. THE TARGET PROPERTIES

1.1 Description of the Target Properties

<u>**The US Properties**</u>

5005 & 5010 Wateridge (part of The Campus at Sorrento Gateway)

5005 & 5010 Wateridge Vista Drive, San Diego, CA 92121

Property Description

5005 & 5010 Wateridge is an office property with two buildings with two stories each. It contains 16,068 sq m of NLA situated on an 86,877 sq m site. 5005 Wateridge is a two-storey office building which was completed in 1999. 5010 Wateridge is a two-storey office building which was completed in 2000. It is a multi-tenanted office property located within the compound of the Campus at Sorrento Gateway, situated in the Sorrento Valley submarket of the San Diego office market. Notable tenants in the area include Qualcomm, Maravi LifeSciences, Dexcom, Betcon and the Federal Bureau of Investigation.

The 5005 Wateridge building has large floor plates of approximately 2,880 sq m and the 5010 Wateridge building has large floor plates of approximately 5,203 sq m, which in each case appeals to large users The property also offers onsite amenities such as volleyball and basketball court, outdoor fitness equipment, outdoor courtyard with seating, indoor fitness centre with shower facilities and car charging stations. Improvements to the 5005 Wateridge building, such as remodelling of the building, were last completed in 2013 by the tenant. There is also a cafeteria that is for the exclusive use of TD Ameritrade employees within the 5010 Wateridge building. Improvements to the 5010 Wateridge building were completed in 2015. These improvements included the replacement of skylights in the building. The tenant also invested its own capital to remodel the building. The property has 982 parking spaces.

The building is 100% leased to Biovia, a pharmaceutical software developer firm. The building was also awarded with an ENERGY STAR certification in 2018 for its adherence to the environmental guidelines.

The 5010 Wateridge building is 100% leased to TD Ameritrade Services Company, an e-focused financial services firm.

The table below sets out a summary of selected information on 5005 & 5010 Wateridge as at 30 September 2019 (unless otherwise indicated):

Address	5005 & 5010 Wateridge Vista Drive, San Diego, CA 92121
Land Tenure	Freehold
Completion Date	1998/1999
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.

Land Area (sq m)	86,877
GFA (sq m)	16,009
NLA (sq m)	16,068
Valuation by JLL as at 1 September 2019 (million)	US$90.4 (S$123.9)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$86.3 (S$118.3)
Agreed Value (million)	US$86.8
Number of Tenants	2
Key Tenants	Biovia Group, TD Ameritrade Services Company

6055 Lusk Boulevard (part of CareFusion Campus)

6055 Lusk Boulevard, San Diego, CA 92121

Property Description

6055 Lusk Boulevard is a two-storey office building which was completed in 1997. The property, which consists 8,640 sq m of NLA, is located within the compound of CareFusion Campus, situated in the Sorrento Valley submarket of the San Diego office market.

The building is primarily built out as office space, with several small lab areas, a cafeteria and fitness centre on site. Employees of the tenant within the CareFusion Campus have shared access to these amenities. Improvements to the building were completed in 2018. These improvements included the remodelling of the lobby and cafeteria, which was self-invested by the tenant. In 2017, there were replacements to the parking light poles as well. The property has 425 parking spaces.

The building is 100% leased to a CareFusion Manufacturing, a MedTech firm.

The building was also awarded with an ENERGY STAR certification in 2018 for its adherence to the environmental guidelines.

The table below sets out a summary of selected information on 6055 Lusk Boulevard as at 30 September 2019 (unless otherwise indicated):

Address	6055 Lusk Boulevard, San Diego, CA 92121
Land Tenure	Freehold
Completion Date	1997
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	27,798
GFA (sq m)	8,823
NLA (sq m)	8,640
Valuation by JLL as at 1 September 2019 (million)	US$34.9 (S$47.8)

Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$35.3 (S$48.4)
Agreed Value (million)	US$34.5
Number of Tenants	1
Key Tenants	CareFusion Manufacturing

10020 Pacific Mesa Boulevard (part of CareFusion Campus)

10020 Pacific Mesa Boulevard, San Diego, CA 92121

Property Description

10020 Pacific Mesa Boulevard is a three-storey built-to-suit research and development office building that consists 29,543 sq m of NLA. Together with 6055 Lusk Boulevard, CareFusion Manufacturing occupies two properties within the CareFusion Campus.

The building is built-to-suit for the current tenant, with 65% office space on the second and third floors and partial first floor, and the remaining 35% of the building comprised of assembly/manufacturing areas for medical equipment and loading/unloading. The tenant has also invested in a cafeteria and there is an outdoor courtyard within the building. Employees of the tenant within the CareFusion Campus have shared access to these amenities. Improvements to the building were completed in 2018. These improvements included the remodelling of the lobby and cafeteria, which was self-invested by the tenant. In 2017, there were replacements to the parking light poles as well. The property has 812 parking spaces. 10020 Pacific Mesa Boulevard has a reciprocal parking agreement with 6055 Lusk Boulevard. This includes a two-storey parking structure on the building's site and open parking spaces located in 6055 Lusk Boulevard. The building is 100% leased to CareFusion Manufacturing, a MedTech firm.

The table below sets out a summary of selected information on 10020 Pacific Mesa Boulevard as at 30 September 2019 (unless otherwise indicated):

Address	10020 Pacific Mesa Boulevard, San Diego, CA 92121
Land Tenure	Freehold
Completion Date	2007
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	43,964
GFA (sq m)	29,225
NLA (sq m)	29,543
Valuation by JLL as at 1 September 2019 (million)	US$124.0 (S$170.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$127.3 (S$174.5)
Agreed Value (million)	US$123.4
Number of Tenants	1
Key Tenants	CareFusion Manufacturing

15051 Avenue of Science (part of Innovation Corporate Center)

15051 Avenue of Science, San Diego, CA 92128

Property Description

15051 Avenue of Science is a two-storey office building that contains 6,500 sq m of NLA situated on a 18,250 sq m site. It is a single-tenanted office building located within the compound of Innovation Corporate Center, the largest high quality corporate headquarters office campus in Rancho Bernardo, a submarket of the San Diego office market.

The building offers onsite amenities such as a 3,500-pound capacity elevator, an outdoor seating area and car charging stations which are for the exclusive use of the tenant. Improvements to the building were last completed in 2017 and improvements to date included cooling tower refurbishment as well as landscape upgrades. In 2015, the tenant invested into the remodelling of the interior of the building. The property has 284 parking spaces.

The building is currently 100% occupied by Daybreak Game Company, a gaming software firm.

The table below sets out a summary of selected information on 15051 Avenue of Science as at 30 September 2019 (unless otherwise indicated):

Address	15051 Avenue of Science, San Diego, CA 92128
Land Tenure	Freehold
Completion Date	2001
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	18,250
GFA (sq m)	6,426
NLA (sq m)	6,500
Valuation by JLL as at 1 September 2019 (million)	US$25.2 (S$34.5)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$27.6 (S$37.8)
Agreed Value (million)	US$25.9
Number of Tenants	1
Key Tenants	Daybreak Game Company

15073 Avenue of Science (part of Innovation Corporate Center)

15073 Avenue of Science, San Diego, CA 92128

Property Description

15073 Avenue of Science is a two-storey office building that contains 4,497 sq m of NLA situated on a 13,144 sq m site. It is a single-tenanted office building located within the compound of Innovation Corporate Center and is situated in the Rancho Bernardo submarket of the San Diego office market.

The building offers onsite amenities such as car charging stations which are for the exclusive use of the tenant. There is an outdoor courtyard within the property as well. Improvements to the building were last completed in 2018. Improvements to date included cooling tower refurbishments and electro-mechanical systems installation. The tenant also invested into the general refurbishment of the building. The property has 215 parking spaces.

The building is 100% leased to Northrop Grumman Systems, a technology firm. Northrop Grumman Systems also occupies many other properties throughout the immediate and surrounding area.

The table below sets out a summary of selected information on 15073 Avenue of Science as at 30 September 2019 (unless otherwise indicated):

Address	15073 Avenue of Science, San Diego, CA 92128
Land Tenure	Freehold
Completion Date	2001
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	13,144
GFA (sq m)	4,455
NLA (sq m)	4,497
Valuation by JLL as at 1 September 2019 (million)	US$19.0 (S$26.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$20.1 (S$27.6)
Agreed Value (million)	US$19.2
Number of Tenants	1
Key Tenants	Northrop Grumman Systems

15231, 15253 & 15333 Avenue of Science (part of Innovation Corporate Center)

15231, 15253 & 15333 Avenue of Science, San Diego, CA 92128

Property Description

15231, 15253 & 15333 Avenue of Science is an office property with three buildings with two stories each. It contains 16,553 sq m of NLA situated on a 38,138 sq m site. It is a multi-tenanted office property located within the compound of Innovation Corporate Center and is situated in the Rancho Bernardo submarket of the San Diego office market.

The 15231 Avenue of Science building offers onsite amenities such as a fully-equipped conference room, training and meeting room, a storage room as well as car charging stations which are for the exclusive use of the tenant. There is an outdoor courtyard within the property as well. Improvements to the building were last completed in 2017. The improvements to date included a replacement of the cooling tower blower assembly and water backflow replacement.

The 15253 Avenue of Science building offers onsite amenities such as conferencing facility and car charging stations which are for the exclusive use of the tenant. There is an outdoor courtyard within the property as well. Improvements to the building were completed in 2018 which included a water backflow replacement.

The 15333 Avenue of Science building offers onsite amenities such as an indoor parking garage, fitness centre and shower facilities which are for the exclusive use of the tenants of the building. There is an outdoor courtyard as well. Improvements were last completed in 2015. The improvements to date included a compressor replacement and a fire alarm system installation.

The property has 743 parking spaces.

The 15231 Avenue of Science building is 72.3% leased to Hitachi Data Systems, a technology firm. The vacancy in respect of the building is due to a tenant which moved out as it needed to expand its premises but the building was already 100% occupied. The vacancy is currently being marketed to potential tenants.

The 15253 Avenue of Science building is 100% leased to Symantec, a technology firm. The tenant also recently extended the lease and refurbished the interior of the building with a contemporary build-out.

The 15333 Avenue of Science building is fully leased to Northrop Grumman Systems, California Department of Social Services, and Symantec. The tenant pool comprises firms from the technology and government sectors. The building was also awarded with an ENERGY STAR certification in 2018 for its adherence to the environmental guidelines.

The table below sets out a summary of selected information on 15231, 15253 & 15333 Avenue of Science as at 30 September 2019 (unless otherwise indicated):

Address	15231, 15253 & 15333 Avenue of Science, San Diego, CA 92128
Land Tenure	Freehold
Completion Date	2005/2005/2006
Committed Occupancy	89.8%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	38,138
GFA (sq m)	16,127
NLA (sq m)	16,553
Valuation by JLL as at 1 September 2019 (million)	US$62.9 (S$86.2)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$73.7 (S$101.0)
Agreed Value (million)	US$67.1
Number of Tenants	5
Key Tenants	Hitachi Data Systems, Symantec, Northrop Grumman Systems, California Department of Social Services

15378 Avenue of Science (part of Innovation Corporate Center)

15378 Avenue of Science, San Diego, CA 92128

Property Description

15378 Avenue of Science is a one-storey office/flex building that contains 6,391 sq m of NLA situated on a 21,916 sq m site. It is a multi-tenanted office building located within the compound of Innovation Corporate Center and is situated in the Rancho Bernardo submarket of the San Diego office market.

The Building offers onsite amenities such as break rooms and car charging stations which are for the exclusive use of the tenants of the building. Improvements to the building were last completed in 2018. The improvements to date included but not limited to curtain wall repairs, controls upgrade, cooling tower replacement, the installation of three electro-mechanical systems and roof repairs. The tenants also invested in the refurbishment of their respective tenant suites. The property has 261 parking spaces.

The building is 100% leased to Daylight Solutions and Turner Construction Company. These firms belong to the technology and construction and engineering sectors respectively.

The table below sets out a summary of selected information on 15378 Avenue of Science as at 30 September 2019 (unless otherwise indicated):

Address	15378 Avenue of Science, San Diego, CA 92128
Land Tenure	Freehold
Completion Date	1985
Committed Occupancy	100%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	21,916
GFA (sq m)	6,409
NLA (sq m)	6,391
Valuation by JLL as at 1 September 2019 (million)	US$21.7 (S$29.7)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$30.5 (S$41.8)
Agreed Value (million)	US$25.6
Number of Tenants	2
Key Tenants	Daylight Solutions, Turner Construction Company

15435 & 15445 Innovation Drive (part of Innovation Corporate Center)

15435 & 15445 Innovation Drive, San Diego, CA 92128

Property Description

15435 & 15445 Innovation Drive is an office property with two buildings. 15435 Innovation Drive is a two-storey multi-tenanted office building that contains 4,724 sq m of NLA. 15445 Innovation Drive is a two-storey office building that contains 4,784 sq m of NLA. The property, which consists of 35,025 sq m, is located within the compound of Innovation Corporate Center and is situated in the Rancho Bernardo submarket of the San Diego office market.

The 15435 Innovation Drive building offers onsite amenities such as a sand volleyball court, basketball court and showers. The building also offers a common area kitchen which is for the exclusive use of the tenants of the building. Improvements to the building were last completed in 2018. Some of the improvements to date included refurbishment work to the common area, cooling tower replacement as well as installation of three electro-mechanical systems. The tenants also invested into remodelling works for their respective tenant spaces.

The 15455 Innovation Drive building offers onsite amenities such as a sand volleyball court, basketball court and showers. The building also offers a cafeteria which is for the exclusive use of the tenant. The improvements to the building were last completed in 2016. The improvements to date included works on the HVAC systems, cooling tower replacement and the installation of three electro-mechanical systems.

A new state-of-the-art and environmentally friendly landscape design, which includes an outdoor patio, was also developed at the property. The property has 520 parking spaces.

The 15435 Innovation Drive building is 86.1% leased to TB Penick & Sons and EDF Renewable Energy. These firms belong to the construction and engineering and alternative energy sectors respectively.

The 15455 Innovation Drive building is 100% leased to EDF Renewable Energy, an alternative energy firm. The building was also awarded with an ENERGY STAR certification in 2018 for its adherence to the environmental guidelines.

The table below sets out a summary of selected information on 15435 & 15445 Innovation Drive as at 30 September 2019 (unless otherwise indicated):

Address	15435 & 15445 Innovation Drive, San Diego, CA 92128
Land Tenure	Freehold
Completion Date	2000/1999
Committed Occupancy	93.1%
Property Manager	Cushman & Wakefield U.S., Inc.
Land Area (sq m)	35,025
GFA (sq m)	8,986
NLA (sq m)	9,508
Valuation by JLL as at 1 September 2019 (million)	US$40.2 (S$55.1)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$44.7 (S$61.3)
Agreed Value (million)	US$41.7
Number of Tenants	3
Key Tenants	EDF Renewable Energy and TB Penick & Sons

5200 East & West Paramount (part of Perimeter Park)

5200 East & West Paramount Parkway, Morrisville, NC 27560

Property Description

5200 East Paramount is a two-storey office building that contains 14,386 sq m of NLA. 5200 West Paramount is a two-storey office building that contains 14,934 sq m of NLA. The property, which consist of 97,355 sq m, are two single-tenanted offices located within the compound of Perimeter Park and are situated in the RTP/I-40 submarket of the Raleigh office market.

Perimeter Park offers walking trails that connects the Property to the communal fitness centre, conference centre and cafeteria. All these amenities are well within walking distance. Additional amenities within a 15-minute walk include dry cleaning facilities, dentist and veterinary services. The building also offers onsite amenities such as an open atrium. In addition, 5200 East Paramount has a private cafeteria that is for the exclusive use of its tenant.

Improvements to the building were last completed in 2018. The improvements to date included the replacement of fire alarm system, concrete repairs, and replacements of the HVAC systems. 5200 West Paramount also has had full common area renovations. The property has a total of 1,308 parking spaces.

5200 East Paramount is fully leased by Oracle America, a technology firm.

5200 West Paramount was originally leased to a tenant which moved out to consolidate its space into another nearby building where it was also leasing space. 5200 West Paramount was then marketed and successfully leased to Alliance Behavioral Healthcare. As of December 2018, 77.9% of NLA is leased to Alliance Behavioral Healthcare. The vacancy is currently being marketed to potential tenants.

The table below sets out a summary of selected information on 5200 Perimeter East & West as at 30 September 2019 (unless otherwise indicated):

Address	5200 East & West Paramount Parkway, Morrisville, NC 27560
Land Tenure	Freehold
Completion Date	2001
Committed Occupancy	88.7%
Property Manager	TP Triangle, LLC
Land Area (sq m)	97,317
NLA (sq m)	29,320
Valuation by JLL as at 1 September 2019 (million)	US$82.9 (S$113.6)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$74.3 (S$101.9)
Agreed Value (million)	US$77.2
Number of Tenants	2
Key Tenants	Oracle America, Alliance Behavioral Healthcare

Perimeter One (part of Perimeter Park)

3005 Carrington Mill Boulevard, Morrisville, NC 27560

Property Description

Perimeter One is a five-storey office building that contains 18,865 sq m of NLA situated on a 59,062 sq m site. It is a multi-tenanted office building located within the compound of Perimeter Park and is situated in the RTP/I-40 submarket of the Raleigh office market.

Perimeter Park offers walking trails that connects Perimeter One to the communal fitness centre, conference centre and cafeteria. All these amenities are well within walking distance. Additional amenities within a 15-minute walk include dry cleaning facilities, dentist and veterinary services. Perimeter One also offers lush landscaping with patio seating. Improvements to the building were last completed in 2017. The improvements to date included the replacement of its lobby directory, refreshing of the corridor paint and carpets and refurbishments of its lobby and first floor hall. The property has 844 parking spaces.

The building is fully leased to 13 tenants, including Horace Mann and Northrop Grumman Systems. The tenant pool comprises firms from the technology, financial services, information and communications technology, biopharmaceutical and real estate sectors.

The table below sets out a summary of selected information on Perimeter One as at 30 September 2019 (unless otherwise indicated):

Address	3005 Carrington Mill Boulevard, Morrisville, NC 27560
Land Tenure	Freehold
Completion Date	2007
Committed Occupancy	100%
Property Manager	TP Triangle, LLC
Land Area (sq m)	59,062
GFA (sq m)	19,599
NLA (sq m)	18,865
Valuation by JLL as at 1 September 2019 (million)	US$59.1 (S$81.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$55.0 (S$75.4)
Agreed Value (million)	US$56.0
Number of Tenants	13
Key Tenants	Horace Mann Service, Northrop Grumman Systems, Progress Software

Perimeter Two (part of Perimeter Park)

3020 Carrington Mill Boulevard, Morrisville, NC 27560

Property Description

Perimeter Two is a five-storey office building that contains 19,220 sq m of NLA situated on a 72,982 sq m site. It is a multi-tenanted office building located within the compound of Perimeter Park and is situated in the RTP/I-40 submarket of the Raleigh office market.

Perimeter Park offers walking trails that connects Perimeter Two to the communal fitness centre, conference centre and cafeteria. All these amenities are well within walking distance. Additional amenities within a 15-minute walk include dry cleaning facilities, dentist and veterinary services. Improvements to the building were completed in by 2017 which involved a series of modifications to its HVAC systems. The property has 1,031 parking spaces.

The building is 97.1% leased to six tenants, including JAGGAER and Valassis Digital. The tenant pool comprises firms from the technology, digital marketing, MedTech, financial services and construction and engineering sectors.

The table below sets out a summary of selected information on Perimeter Two as at 30 September 2019 (unless otherwise indicated):

Address	3020 Carrington Mill Boulevard, Morrisville, NC 27560
Land Tenure	Freehold
Completion Date	2014
Committed Occupancy	97.1%
Property Manager	TP Triangle, LLC
Land Area (sq m)	72,982
GFA (sq m)	19,484
NLA (sq m)	19,220
Valuation by JLL as at 1 September 2019 (million)	US$57.5 (S$78.8)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$55.4 (S$75.9)
Agreed Value (million)	US$55.4
Number of Tenants	6
Key Tenants	JAGGAER, Valassis Digital, Fujifilm Medical Systems

Perimeter Three (part of Perimeter Park)

3015 Carrington Mill Boulevard, Morrisville, NC 27560

Property Description

Perimeter Three is a six-storey office building that contains 22,794 sq m of NLA situated on a 76,598 sq m site. It is a multi-tenanted office building located within the compound of Perimeter Park and is situated in the RTP/I-40 submarket of the Raleigh office market.

Perimeter Park offers walking trails that connects Perimeter Three to the communal fitness centre, conference centre and cafeteria. All these amenities are well within walking distance. Additional amenities within a 15-minute walk include dry cleaning facilities, dentist and veterinary services. The building also offers onsite amenities such as a private cafeteria that is for the exclusive use of the tenants of the building. Improvements to the building were completed in 2016 and these improvements included the addition of a corridor on the 5th storey. The property has 1,028 parking spaces.

The building is 96.1% leased to eight tenants, including Teleflex Medical and Hewlett-Packard Enterprises. The tenant pool comprises firms from the technology, MedTech, legal services, real estate and professional services sectors.

The table below sets out a summary of selected information on Perimeter Three as at 30 September 2019 (unless otherwise indicated):

Address	3015 Carrington Mill Boulevard, Morrisville, NC 27560
Land Tenure	Freehold
Completion Date	2014
Committed Occupancy as of 1 September 2019	96.1%
Property Manager	TP Triangle, LLC
Land Area (sq m)	76,598
GFA (sq m)	23,179
NLA (sq m)	22,794
Valuation by JLL as at 1 September 2019 (million)	US$66.8 (S$91.6)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$56.2 (S$77.0)
Agreed Value (million)	US$60.4
Number of Tenants	8
Key Tenants	Teleflex Medical, Hewlett-Packard Enterprises, Cassidy Turley Commercial Real Estate Services

Perimeter Four (part of Perimeter Park)

3025 Carrington Mill Boulevard, Morrisville, NC 27560

Property Description

Perimeter Park Four is a five-storey office building that contains 16,918 sq m of NLA situated on a 54,796 sq m site. It is a multi-tenanted office building located within the compound of Perimeter Park and is situated in the RTP/I-40 submarket of the Raleigh office market.

The communal amenities such as the fitness centre, conference centre and cafeteria resides in Perimeter Four and these amenities were only recently built in 2016 and 2017. Perimeter Four is connected by similar walking trails and is also a 15-minute walk from the dry cleaning facilities, dentist and veterinary services. The property has 769 parking spaces.

The building is 100% occupied by three tenants, including ChannelAdvisor and Microsoft. The tenant pool comprises firms from the technology and financial services sectors.

The building was recently awarded The Office Building of the Year Award on a local level, based on the building's community involvement, tenant relations, site management and environmental policies.

The table below sets out a summary of selected information on Perimeter Four as at 30 September 2019 (unless otherwise indicated):

Address	3025 Carrington Mill Boulevard, Morrisville, NC 27560
Land Tenure	Freehold
Completion Date	2015
Committed Occupancy	100%
Property Manager	TP Triangle, LLC
Land Area (sq m)	54,796
GFA (sq m)	18,331
NLA (sq m)	16,918
Valuation by JLL as at 1 September 2019 (million)	US$52.2 (S$71.6)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$52.2 (S$71.6)
Agreed Value (million)	US$51.3
Number of Tenants	3
Key Tenants	ChannelAdvisor, Microsoft, The Penn Mutual Life Insurance

The Atrium (part of Cornell Oaks Corporate Center)

15220 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

The Atrium is a three-storey office building that contains 15,899 sq m of NLA situated on a 41,723 sq m site. It is a multi-tenanted office building located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The building offers onsite amenities such as conference facility. Picnic areas are located near the two large re-circulation ponds and waterfalls. Bicycle repair station and racks are provided at building entrances. Concrete sidewalks are located around the building with loading dock/receiving areas on the south, east and west elevations that serve the tenants. Improvements to the building were last completed in 2017 and these improvements included general refurbishments on the building's elevators, lightings, parking spaces and roofs. Some of the tenants also invested into the buildout of their respective spaces and paint work. The property has 616 parking spaces.

The building is currently 81.8% leased to ten tenants. The tenant pool comprises firms from the technology, financial services, information and communications technology, healthcare services, financial services and education sectors.

The table below sets out a summary of selected information on Atrium as at 30 September 2019 (unless otherwise indicated):

Address	15220 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1986
Committed Occupancy	81.8%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	41,723
GFA (sq m)	16,473
NLA (sq m)	15,899
Valuation by JLL as at 1 September 2019 (million)	US$28.9 (S$39.6)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$32.4 (S$44.4)
Agreed Value (million)	US$30.1
Number of Tenants	10
Key Tenants	Genesis Financial Solutions, Harmonic, Pivotal Software

The Commons (part of Cornell Oaks Corporate Center)

15455 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

The Commons is a two-storey office building that contains 6,352 sq m of NLA situated on a 23,574 sq m site. It is a multi-tenanted office building located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The building offers onsite amenities such as conference facility, onsite deli with picnic areas and a basketball court with numerous benches. Improvements to the building were last completed in 2018 and these improvements included general refurbishments on the building's hallway and lobby, HVAC systems, parking spaces and roof. Some of the tenants also invested into the buildout of its respective spaces, paint work, signage as well as general refurbishments such as carpet cleaning and repair of equipment. The property has 255 parking spaces.

The building is a multi-tenanted building and is currently 71.1% leased to 18 tenants, including Metropolitan Pediatrics and JRJ Architects. The vacancy is due to unoccupied spaces, mainly comprised of a large, contiguous floorplate which was recently consolidated and is now being marketed to potential tenants. The tenant pool comprises firms from the technology, healthcare services, professional services, information and communications technology, engineering and construction, real estate and materials sectors.

The table below sets out a summary of selected information on The Commons as at 30 September 2019 (unless otherwise indicated):

Address	15455 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1988
Committed Occupancy	71.1%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	23,574
GFA (sq m)	6,570
NLA (sq m)	6,352
Valuation by JLL as at 1 September 2019 (million)	US$11.8 (S$16.2)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$12.6 (S$17.3)
Agreed Value (million)	US$12.0
Number of Tenants	18
Key Tenants	Metropolitan Pediatrics, JRJ Architects, RTNK Inc

Greenbrier Court (part of Cornell Oaks Corporate Center)

14600-14700 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

Greenbrier Court is an office property with two connected one-storey office buildings that contain 6,938 sq m of NLA situated on a 25,252 sq m site. It is a single-tenanted office property located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The buildings offer onsite amenities such as an onsite café within the tenant's work space. There is a large re-circulation pond and waterfall in the premise. Improvements to the property were last completed in 2017 and these improvements included general refurbishments on the Property's parking spaces. The property has 343 parking spaces.

The buildings are currently 100% leased to Nike, an athletic performance sportswear firm.

The table below sets out a summary of selected information on Greenbrier Court as at 30 September 2019 (unless otherwise indicated):

Address	14600-14700 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1997
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.

Land Area (sq m)	25,252
GFA (sq m)	6,529
NLA (sq m)	6,938
Valuation by JLL as at 1 September 2019 (million)	US$14.9 (S$20.4)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$16.6 (S$22.8)
Agreed Value (million)	US$15.5
Number of Tenants	1
Key Tenants	Nike

Parkside (part of Cornell Oaks Corporate Center)

15350-15400 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

Parkside is an office property with a one-storey building and a two-storey building. It contains 14,739 sq m of NLA situated on a 47,307 sq m site. It is a multi-tenanted office property located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The buildings are equipped with onsite amenities such as loading docks or receiving areas along the east and west elevations and throughout the internal site receiving area. Nike has a putting green area and seating area provided at its lower level outdoor area. Nike also has an onsite café located within its work space. Improvements to the buildings were last completed in 2017 and these improvements included general refurbishment of the building's HVAC systems, parking spaces and roof. A tenant also invested in the buildout of its respective tenant space. The property has 663 parking spaces.

The buildings are currently 100% leased to three tenants, including Nike. The tenant pool comprises firms from the athletic performance sportswear, shipping and furnishings sectors.

The table below sets out a summary of selected information on Parkside as at 30 September 2019 (unless otherwise indicated):

Address	15350-15400 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1984
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	47,307
GFA (sq m)	15,231
NLA (sq m)	14,739
Valuation by JLL as at 1 September 2019 (million)	US$25.4 (S$34.8)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$22.5 (S$30.8)

Agreed Value (million)	US$23.5
Number of Tenants	3
Key Tenants	Nike, Alaska Tanker Company, RTC Industries

Ridgeview (part of Cornell Oaks Corporate Center)

15201 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

Ridgeview is an office property with three buildings with one storey each. It contains 8,767 sq m of NLA. It is a multi-tenanted office property located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The buildings offer onsite amenities such as loading docks or receiving areas within the shared central paved areas between the three buildings. Concrete sidewalks are located around the buildings. Improvements to the buildings were last completed in 2018 and these improvements included general refurbishment of the building's HVAC systems, parking spaces and roof. Some tenants also invested into the buildout of their tenant space as well as general refurbishment such as carpeting and paint work. The property has 321 parking spaces.

The buildings are 61.5% leased to six tenants, including Siemens. The tenant pool comprises firms from the technology, industrial, social services, healthcare services and furnishings sectors.

The table below sets out a summary of selected information on Ridgeview as at 30 September 2019 (unless otherwise indicated):

Address	15201 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1983
Committed Occupancy	61.5%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	31,727
GFA (sq m)	8,747
NLA (sq m)	8,767
Valuation by JLL as at 1 September 2019 (million)	US$14.3 (S$19.6)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$15.7 (S$21.5)
Agreed Value (million)	US$14.7
Number of Tenants	6
Key Tenants	Siemens, Gigaphoton USA, Pacific Northwest Renal

Waterside (part of Cornell Oaks Corporate Center)

14908, 14924, 15247 and 15272 NW Greenbrier Parkway, Beaverton, OR 97006

Property Description

Waterside is an office property with four buildings with one storey each. It contains 11,752 sq m of NLA. It is a multi-tenanted office property located within the compound of Cornell Oaks Corporate Center and is situated in the Sunset Corridor submarket of the Portland office market.

The buildings offer onsite landscaping features such as a large re-circulation pond and waterfall which is provided centrally on the site with bridges and overlook deck. Improvements to the buildings were completed in 2017 and these improvements included general refurbishment of the building's HVAC systems, parking spaces and roof. Several tenants invested in the buildout of their respective tenant spaces. Tenants also invested in the repair of their equipment such as HVAC systems. The property has 551 parking spaces.

The buildings are 88.1% leased to 12 tenants, including Nike. The tenant pool comprises firms from the technology, biotechnology, athletic performance sportswear, laboratory equipment, digital marketing and information and communications technology sectors.

The table below sets out a summary of selected information on Waterside as at 30 September 2019 (unless otherwise indicated):

Address	14908, 14924, 15247 and 15272 NW Greenbrier Parkway, Beaverton, OR 97006
Land Tenure	Freehold
Completion Date	1986/1994
Committed Occupancy	88.1%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	54,500
GFA (sq m)	11,261
NLA (sq m)	11,752
Valuation by JLL as at 1 September 2019 (million)	US$21.1 (S$28.9)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$22.7 (S$31.1)
Agreed Value (million)	US$21.5
Number of Tenants	12
Key tenants	Nike, Lumencor, Analog Devices, Inc.

8300 Creekside (part of Creekside Corporate Park)

8300 SW Creekside Place, Beaverton, OR 97008

Property Description

8300 Creekside is a two-storey office building that contains 5,030 sq m of NLA situated on a 14,690 sq m site. It is a multi-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as conferencing facility. Benches are located at several locations near the entrances of the building. Improvements to the building were last completed in 2018 and these improvements included general refurbishment of the building's elevator and parking spaces. Tenants also invested in general improvements to their respective tenant spaces. The building has 193 parking spaces.

The building is currently 75.3% leased to Aerotek and Oregon Health & Science University. The vacancy relates to a tenant space which is undergoing a space-planning exercise in preparation of marketing to potential tenants. The tenant pool comprises firms from the professional services and education sectors.

The table below sets out a summary of selected information on 8300 SW Creekside Place as at 30 September 2019 (unless otherwise indicated):

Address	8300 SW Creekside Place, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1984
Committed Occupancy	75.3%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	14,690
GFA (sq m)	5,011
NLA (sq m)	5,030
Valuation by JLL as at 1 September 2019 (million)	US$10.6 (S$14.5)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$10.6 (S$14.5)
Agreed Value (million)	US$10.4
Number of Tenants	2
Key tenants	Aerotek, Oregon Health & Science University

8305 Creekside (part of Creekside Corporate Park)

8305 SW Creekside Place, Beaverton, OR 97008

Property Description

8305 Creekside is a two-storey office building that contains 1,837 sq m of NLA situated on a 6,127 sq m site. It is a multi-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as benches which are located at several locations near the entrances of the building. Improvements to the building were last completed in 2018 and these improvements included general refurbishment of the property's hallway, lobby, HVAC systems and parking spaces. The property has 65 parking spaces.

The building is currently 88.6% leased to two tenants, LeanPath and Nextel West. The tenant pool comprises firms from the waste management and information and communications technology sectors.

The table below sets out a summary of selected information on 8305 Creekside as at 30 September 2019 (unless otherwise indicated):

Address	8305 SW Creekside Place, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1984
Committed Occupancy	88.6%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	6,127
GFA (sq m)	2,443
NLA (sq m)	1,837
Valuation by JLL as at 1 September 2019 (million)	US$3.9 (S$5.3)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$3.6 (S$4.9)
Agreed Value (million)	US$3.7
Number of Tenants	2
Key Tenants	LeanPath, Nextel West

8405 Nimbus (part of Creekside Corporate Park)

8405 SW Nimbus Avenue, Beaverton, OR 97008

Property Description

8405 Nimbus is a two-storey office building that contains 4,997 sq m of NLA situated on a 14,575 sq m site. It is a single-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite recreational amenities such as an outdoor picnic area with tables at the back of the building. Benches are also located at several locations near the building entrance. Improvements to the building were last completed in 2017 and these improvements included general refurbishment of the building's elevator, HVAC systems and parking spaces. The property has 206 parking spaces.

The building is currently 100% leased to DAT Solutions, a technology firm.

The table below sets out a summary of selected information on 8405 Nimbus as at 30 September 2019 (unless otherwise indicated):

Address	8405 SW Nimbus Avenue, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1984
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	14,575
GFA (sq m)	5,084
NLA (sq m)	4,997
Valuation by JLL as at 1 September 2019 (million)	US$12.0 (S$16.4)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$14.7 (S$20.2)
Agreed Value (million)	US$13.1
Number of Tenants	1
Key tenants	DAT Solutions

8500 Creekside (part of Creekside Corporate Park)

8500 SW Creekside Place, Beaverton, OR 97008

Property Description

8500 Creekside is a two-storey office building that contains 6,085 sq m of NLA situated on an 18,737 sq m site. It is a single-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as a fitness centre and a large pantry with dining area. Benches are located at several locations near the entrances of the building. Improvements to the building were completed in 2018 and these improvements included general refurbishment of the property's elevator, parking spaces and HVAC systems. The property has 221 parking spaces.

The building is currently 100% leased to FiServ, a financial services technology firm.

The table below sets out a summary of selected information on 8500 Creekside as at 30 September 2019 (unless otherwise indicated):

Address	8500 SW Creekside Place, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1984
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	18,737
GFA (sq m)	5,923
NLA (sq m)	6,085
Valuation by JLL as at 1 September 2019 (million)	US$14.5 (S$19.9)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$16.5 (S$22.6)
Agreed Value (million)	US$15.2
Number of Tenants	1
Key Tenants	FiServ Solutions

8700-8770 Nimbus (part of Creekside Corporate Park)

8700-8770 SW Nimbus Avenue, Beaverton, OR 97008

Property Description

8700-8770 Nimbus is an office property with two buildings with one storey each. It contains 3,317 sq m of NLA situated on a 11,405 sq m site. It is a multi-tenanted office property located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The buildings offer onsite amenities such as loading docks and receiving areas. Improvements to the building were last completed in 2017 and these improvements included general refurbishment of the building's elevator, HVAC systems, interiors, parking spaces and roof. The property has 114 parking spaces.

The buildings are currently 78.4% leased to four tenants. The tenant pool comprises firms from the technology, MedTech and e-focused financial services sectors.

The table below sets out a summary of selected information on 8700-8770 Nimbus as at 30 September 2019 (unless otherwise indicated):

Address	8700-8770 SW Nimbus Avenue, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1989
Committed Occupancy	78.4%
Property Manager	Jones Lang LaSalle Americas, Inc.

Land Area (sq m)	11,405
GFA (sq m)	3,430
NLA (sq m)	3,317
Valuation by JLL as at 1 September 2019 (million)	US$5.8 (S$8.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$5.8 (S$8.0)
Agreed Value (million)	US$5.7
Number of Tenants	4
Key Tenants	Keysight Technologies, TTI, Inovise Medical

Creekside 5 (part of Creekside Corporate Park)

8705 SW Nimbus Avenue, Beaverton, OR 97008

Property Description

Creekside 5 is a three-storey office building that contains 4,463 sq m of NLA situated on a 10,238 sq m site. It is a multi-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as a raised concrete patio located on the southwest corner of the building. Benches are also provided at several locations near the entrances of the building. Building conference room and underground parking garage are also available for tenants. Improvements to the building were last completed in 2018 and these improvements included general refurbishment of the property's HVAC systems, interiors, parking spaces and roof. The property has 213 parking spaces.

The building is currently 95.4% leased to ten tenants. The tenant pool comprises firms from the technology, legal services, information and communications technology, financial service and trading sectors.

The table below sets out a summary of selected information on Creekside 5 (8705 Nimbus) as at 30 September 2019 (unless otherwise indicated):

Address	8705 SW Nimbus Avenue, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1989
Committed Occupancy	95.4%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	10,239
GFA (sq m)	4,557
NLA (sq m)	4,463
Valuation by JLL as at 1 September 2019 (million)	US$9.3 (S$12.7)

Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$10.3 (S$14.1)
Agreed Value (million)	US$9.6
Number of Tenants	10
Key Tenants	ProKarma, Gress & Clark, Carla Hille

Creekside 6 (part of Creekside Corporate Park)

8905 SW Nimbus Avenue, Beaverton, OR 97008

Property Description

Creekside 6 is a four-storey office building that contains 6,927 sq m of NLA situated on a 17,927 sq m site. It is a multi-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as conferencing facility and a nearby automated teller machine ("**ATM**") machine. Benches are also located at several locations near the entrances of the building. Improvements to the building were last completed in 2018 and these improvements included general refurbishment of the property's hallway, lobby, elevator, HVAC systems, parking spaces and roof. The property has 301 parking spaces.

The building is currently 93.7% leased to six tenants. The tenant pool comprises firms from the technology, healthcare services, trading and financial services sectors.

The table below sets out a summary of selected information on Creekside 6 (8905 Nimbus) as at 30 September 2019 (unless otherwise indicated):

Address	8905 SW Nimbus Avenue, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1993
Committed Occupancy	93.7%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	17,927
GFA (sq m)	7,262
NLA (sq m)	6,927
Valuation by JLL as at 1 September 2019 (million)	US$15.3 (S$21.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$18.1 (S$24.8)
Agreed Value (million)	US$16.4
Number of Tenants	6
Key Tenants	NvoicePay, Anesthesia Business Consultants, IKE Trading Co. Limited

9205 Gemini (part of Creekside Corporate Park)

9205 SW Gemini Drive, Beaverton, OR 97008

Property Description

9205 Gemini is a two-storey office building that contains 3,800 sq m of NLA. It is a multi-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as a concrete patio area located on the general north elevation adjacent to the receiving dock area. Benches are also provided at several locations near the building entrance. Improvements to the building were last completed in 2018 and these improvements included general refurbishment of the property's hallway, lobby, elevator, HVAC systems, parking spaces and roof. The property has 162 parking spaces.

The building is currently 100% leased to three tenants. The tenant pool comprises firms from the technology, digital marketing and materials sectors.

The table below sets out a summary of selected information on 9205 Gemini as at 30 September 2019 (unless otherwise indicated):

Address	9205 SW Gemini Drive, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1986
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	14,771
GFA (sq m)	3,784
NLA (sq m)	3,800
Valuation by JLL as at 1 September 2019 (million)	US$7.5 (S$10.3)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$7.6 (S$10.4)
Agreed Value (million)	US$7.4
Number of Tenants	3
Key Tenants	Quinstreet, Black Knight InfoServ, Rexel USA

9405 Gemini (part of Creekside Corporate Park)

9405 SW Gemini Drive, Beaverton, OR 97008

Property Description

9405 Gemini is two-storey office building that contains 4,382 sq m of NLA. It is a single-tenanted office building located within the compound of Creekside Corporate Park and is situated in the 217 Corridor submarket of the Portland office market.

The building offers onsite amenities such as a concrete patio area located on the general north elevation adjacent to the receiving dock area. Benches are also provided at several locations near the building entrance. Improvements to the property were last completed in 2017 and these improvements included general refurbishment of the property's HVAC systems and parking spaces. The property has 152 parking spaces.

The building is currently 100% leased to Digimarc Corporation, a technology firm.

The table below sets out a summary of selected information on 9405 Gemini as at 30 September 2019 (unless otherwise indicated):

Address	9405 SW Gemini Drive, Beaverton, OR 97008
Land Tenure	Freehold
Completion Date	1986
Committed Occupancy	100%
Property Manager	Jones Lang LaSalle Americas, Inc.
Land Area (sq m)	15,644
GFA (sq m)	4,201
NLA (sq m)	4,382
Valuation by JLL as at 1 September 2019 (million)	US$10.2 (S$14.0)
Valuation by Newmark Knight Frank as at 1 September 2019 (million)	US$13.2 (S$18.1)
Agreed Value (million)	US$11.5
Number of Tenants	1
Key tenants	Digimarc Corporation

The Singapore Properties

Nucleos

21 Biopolis Road, Nucleos, Singapore 138567

Property Description

The business park property is located at Biopolis, one-north, on the south eastern junction of Biopolis Road and Biomedical Grove. One-north, a 200-hectare development located in the south western side of Singapore, is designed to host a cluster of world class research facilities and business parks to support the growth of Biomedical Sciences, Infocomm Technology (ICT), Media, Physical Sciences and Engineering Industries. The surrounding area comprises predominantly of state-of-the-art business park buildings, business serviced apartments and educational institutions. The property is 10 minutes walking distance to one-north MRT station and Buona Vista MRT station, and is a few minutes' drive to Ayer Rajah Expressway, all of which facilitates access from the property to other parts of Singapore.

The property is a seven-storey twin-tower biomedical research facility, featuring over 32,600 sq m of research space and 5,000 sq m of ancillary office space. The property was completed in 2014 and has an occupancy rate of 92.9% as at 1 September 2019. Anchor tenants of the property include established bioscience companies such as DuPont, Takeda and Ingredion.

The table below sets out a summary of selected information on Nucleos as at 30 September 2019 (unless otherwise indicated).

Address	21 Biopolis Road, Nucleos, Singapore 138567
Land Tenure	Leasehold estate of 60 years commencing from 1 June 2011 and expiring on 31 May 2071
Committed Occupancy	92.9%
Land Area (sq m)	9,621
GFA (sq m)	46,174
NLA (sq m)	38,149
Number of Tenants	32
Car Park Lots	213
Valuation by CBRE Pte. Ltd (S$ million) as at 1 September 2019	303.0
Valuation by Colliers International Consultancy & Valuation (Singapore) Pte Ltd (S$ million) as at 1 September 2019	300.0
Agreed Value (S$ million)	289.0

FM Global Centre

288 Pasir Panjang Road, FM Global Centre, Singapore 117369

Property Description

FM Global Centre is strategically located along Pasir Panjang Road, at the gateway of Singapore Science Park 2, and enjoys excellent road frontage. Singapore Science Park is situated along Singapore's technology corridor and is amongst Asia's most prestigious address for research and development and technology development. Unique for its lushly landscaped grounds and unrivalled for its high-quality facilities and services, it provides the ideal working environment for MNCs, local companies and research organisations. Prominent developments within the vicinity include National University of Singapore, the National University Hospital, Institute of Southeast Asian Studies and various public research institutions.

The business park property is within three minutes walking distance to Haw Par Villa MRT station, which serves the Circle line. Accessibility to other parts of Singapore is also facilitated by its close proximity off West Coast Highway and a 15-minute drive to Ayer Rajah Expressway.

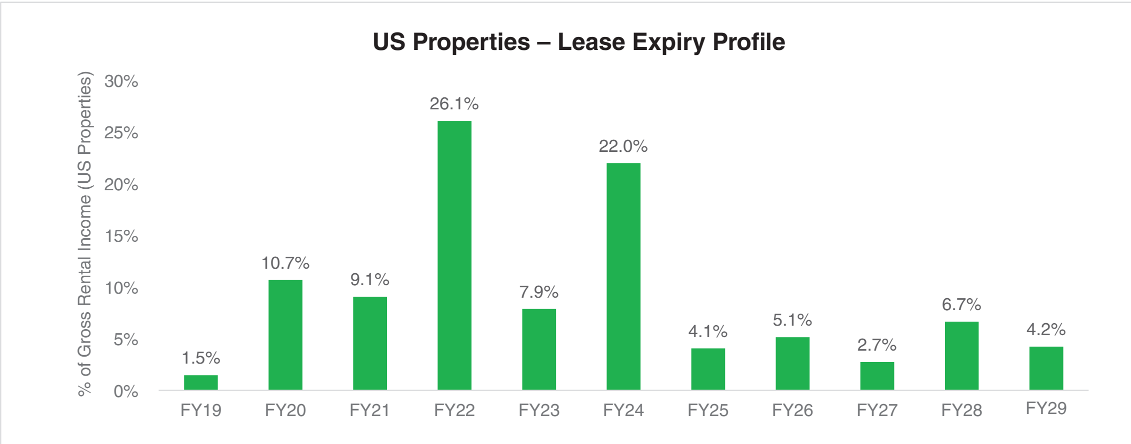
The property was completed in November 2018 and comprises a six-storey built-to-suit business park development with a gross floor area of 11,613 sq m. The property is fully leased to FM Global, a Fortune 1000 mutual insurance company, with a remaining lease term of more than 25 years.

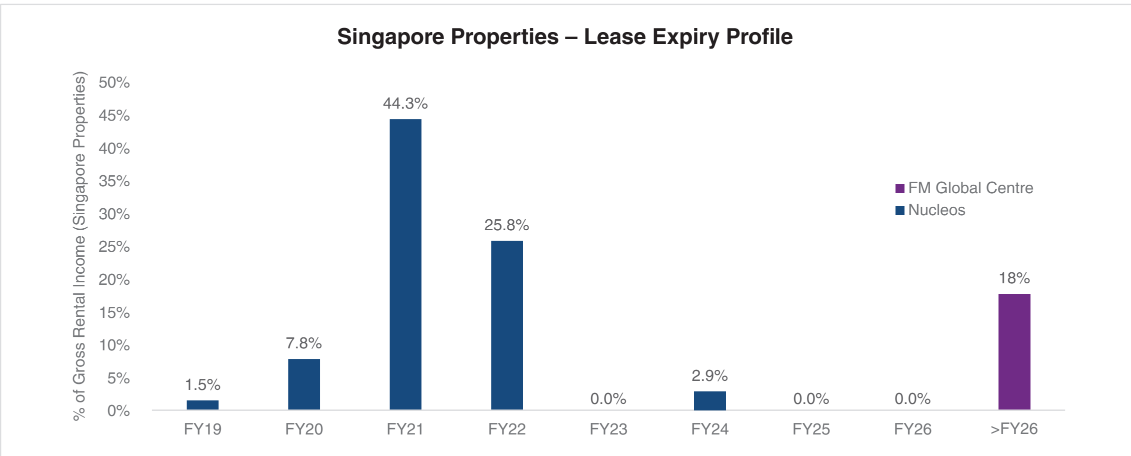
The table below sets out a summary of selected information on FM Global Centre as at 30 September 2019 (unless otherwise indicated).

Address	288 Pasir Panjang Road, FM Global Centre, Singapore 117369
Land Tenure	Leasehold estate of 99 years commencing from 24 March 1993 and expiring on 23 March 2092
Occupancy Rate	100%
Land Area (sq m)	9,678
GFA (sq m)	11,613 sq m
NLA (sq m)	11,613 sq m
Number of Tenants	1
Car Park Lots	55
Valuation by CBRE Pte. Ltd (S$ million) as at 1 September 2019	94.1
Valuation by Colliers International Consultancy & Valuation (Singapore) Pte Ltd (S$ million) as at 1 September 2019	92.0
Agreed Value (S$ million)	91.0

1.2 Lease Profile for the Target Properties (as at 30 September 2019)

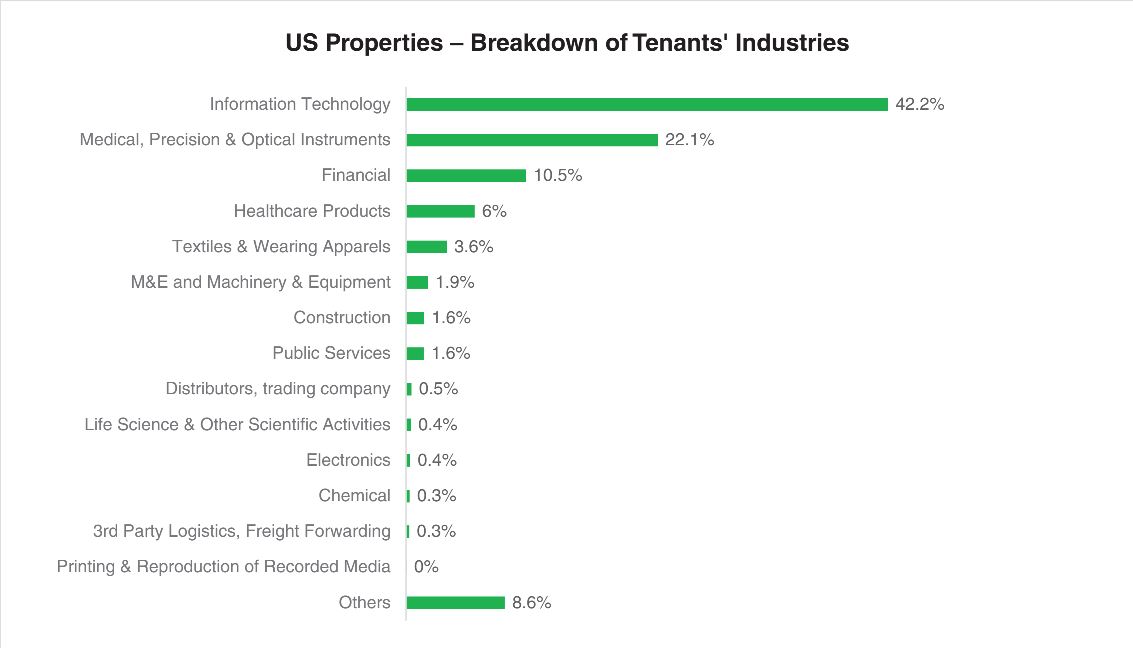
The charts below illustrate the committed lease profile of the Target Properties by Gross Rental Income as at 30 September 2019.

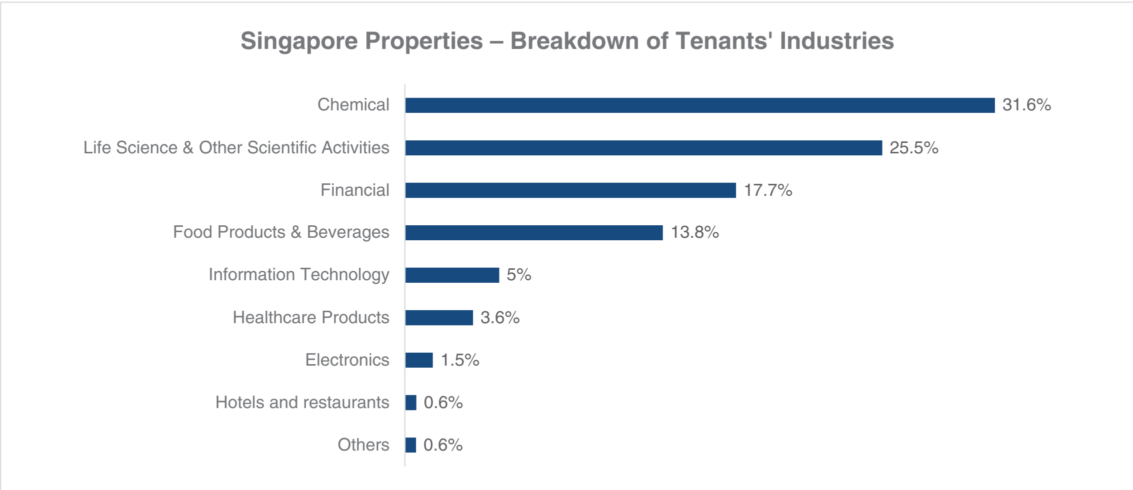




1.3 Trade Sector Analysis for the Target Properties (as at 30 September 2019)

The charts below provide a breakdown by gross rental income of the different trade sectors represented in the Target Properties.





1.4 Top Ten Tenants of the Target Properties

The tables below show the top ten tenants of the Target Properties by monthly gross rental income as at 30 September 2019.

Top Ten Tenants	% of Gross Revenue	Trade Sector
CareFusion Manufacturing	10.8%	Medical, Precision & Optical Instruments
DuPont	6.4%	Chemical
FM Global	4.3%	Financial
Teleflex Medical	4.2%	Medical, Precision & Optical Instruments
TD Ameritrade Services	3.7%	Financial
Northrop Grumman Systems	3.5%	Information Technology
ChannelAdvisor	3.3%	Information Technology
Alliance Behavioral Healthcare	3.2%	Healthcare Products
Oracle America	3.2%	Information Technology
Nike	2.7%	Textiles & Wearing Apparels
Top Ten Total	**45.3%**	

2 EXISTING PORTFOLIO AND THE ENLARGED PORTFOLIO

As at the Latest Practicable Date, Ascendas Reit's existing portfolio comprises 96 properties in Singapore, 35 Properties in Australia and 38 properties in the United Kingdom.

The table below sets out selected information on the Existing Portfolio and Enlarged Portfolio as at 30 September 2019 (unless otherwise indicated).

As at 30 September 2019	Existing Portfolio(1)	US Properties	Singapore Properties	Enlarged Portfolio
Investment Property Value (S$ million)	11,065	1,305(3)	397(3)	12,767
No. of Properties	170	28	2	200
GFA (sq m)	4,323,863	313,059	57,787	4,694,709
NLA (sq m)	3,790,351	310,102	49,762	4,150,215
Number of Tenants	1,348	126	33	1,507
Occupancy Rate (%)	91.0	93.7	94.6	91.2
Weighted Average Lease to Expiry by Gross Rental Income (years)	4.0	4.2	6.9	4.1
Weighted Average Land Lease to Expiry (years)(2)	44.1	Freehold	56.7	44.6

Notes:

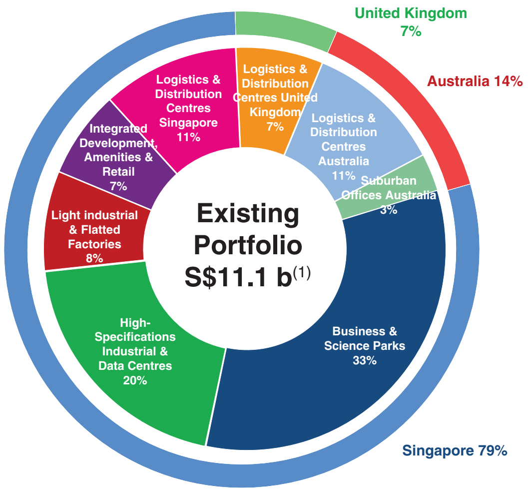
(1) Based on 170 properties as at 30 September 2019.

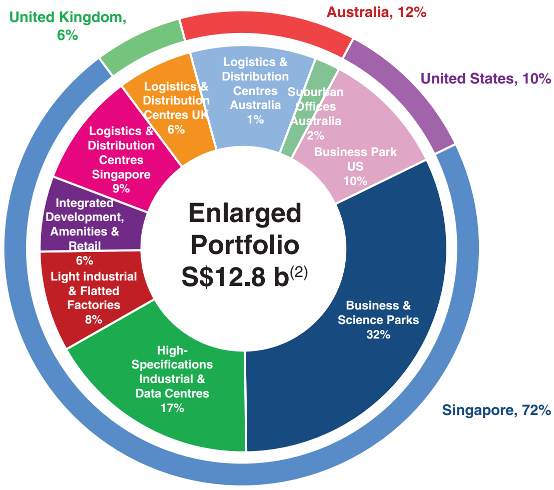
(2) Excluding freehold properties.

(3) Including acquisition fees payable to the Manager and other transaction costs.

2.1 Property and Geographical Segment Analysis for Existing Portfolio and Enlarged Portfolio as at 30 September 2019

The charts below provide a breakdown (by asset value) of the different property segments and geographical locations represented in the Existing Portfolio and the Enlarged Portfolio.





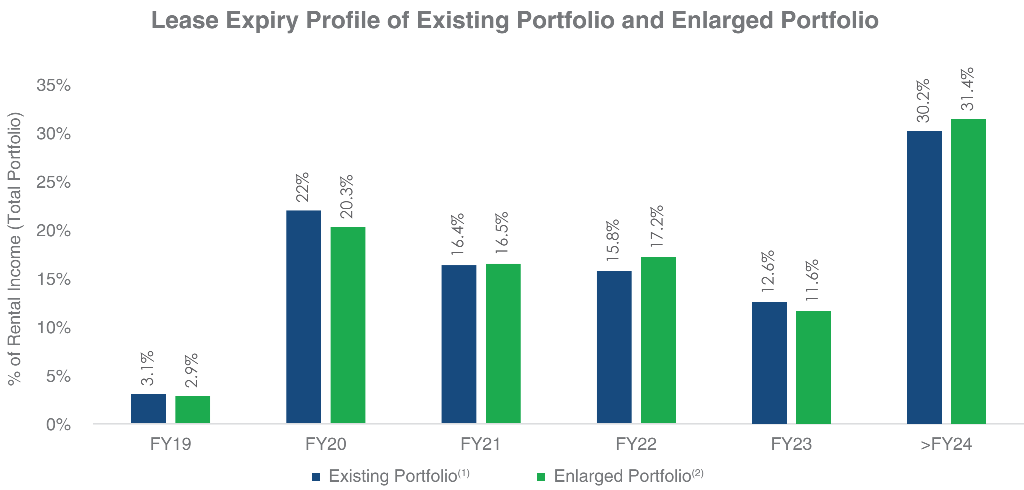
Notes:

(1) Based on 170 properties as at 30 September 2019.

(2) Assuming the Target Properties were acquired on 30 September 2019.

2.2 Lease Profile for the Existing Portfolio and Enlarged Portfolio as at 30 September 2019

The charts below illustrate the lease profile of the Existing Portfolio and Enlarged Portfolio by gross rental income as at 30 September 2019. The WALEs for the Existing Portfolio and Enlarged Portfolio are approximately 4.0 years and 4.1 years respectively.



Notes:

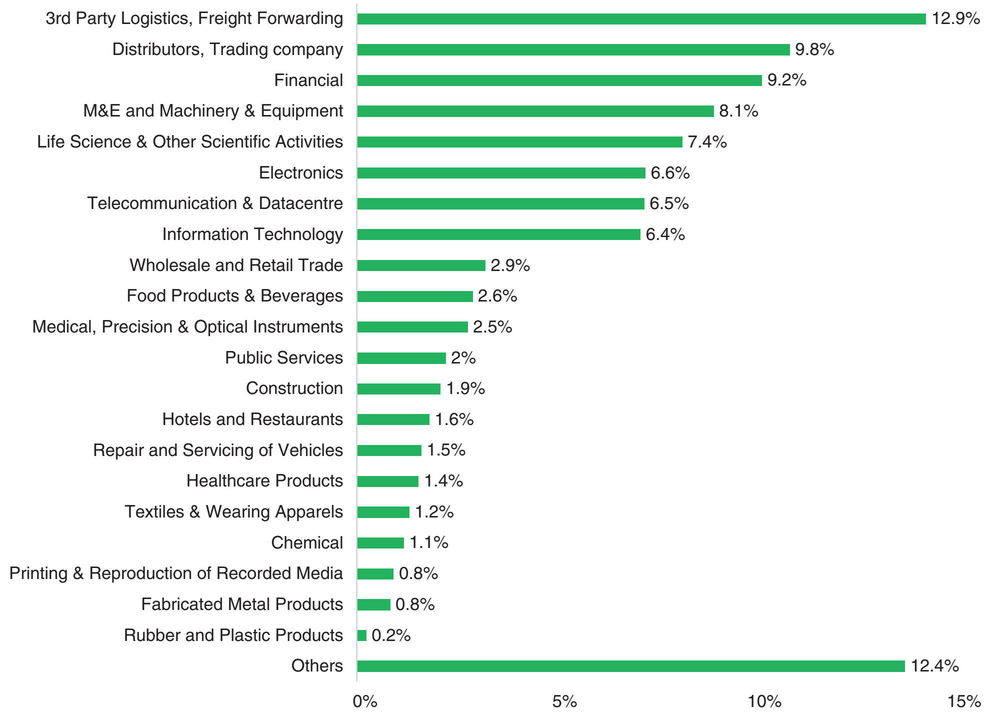
(1) Based on 170 properties as at 30 September 2019.

(2) Assuming the Target Properties were acquired on 30 September 2019.

2.3 Trade Sector Analysis for the Existing Portfolio and Enlarged Portfolio as at 30 September 2019

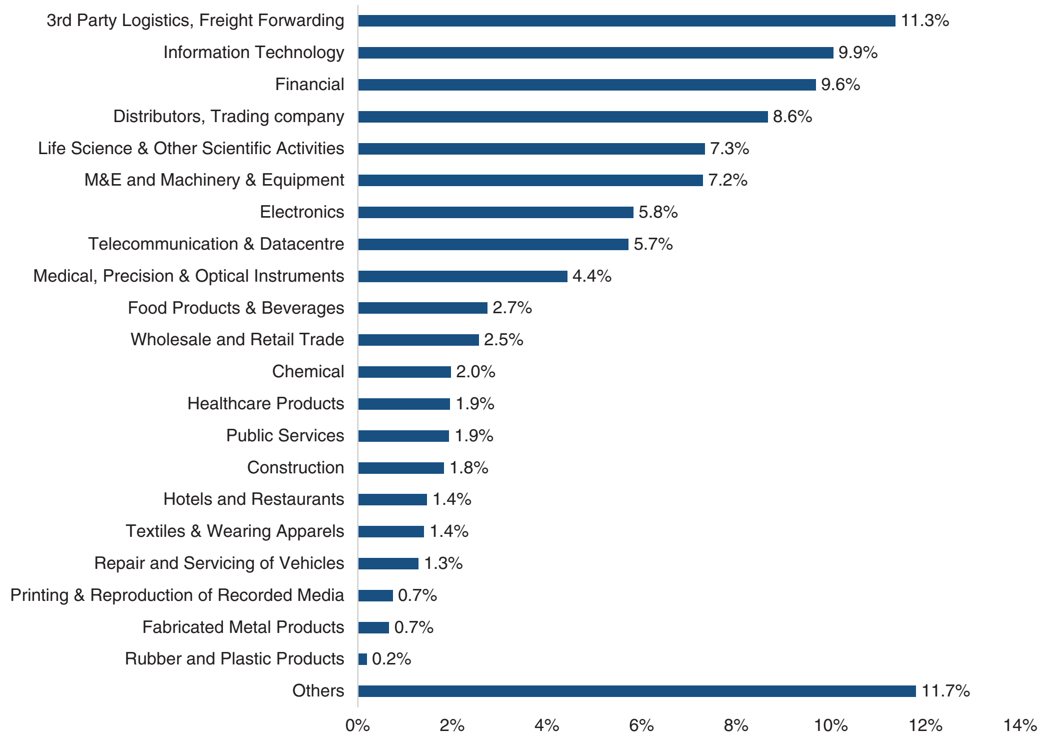
The charts below provide a breakdown by monthly gross rental income of the different trade sectors represented in the Existing Portfolio and the Enlarged Portfolio.

Existing Portfolio



Note: Based on 170 properties as at 30 September 2019.

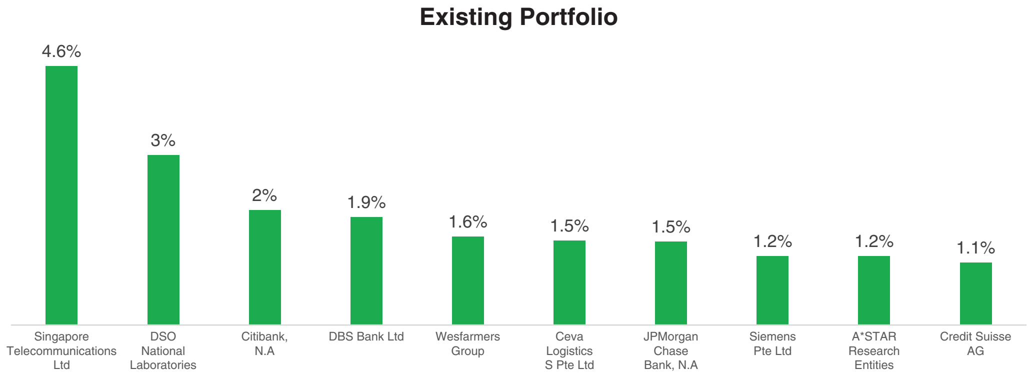
Enlarged Portfolio



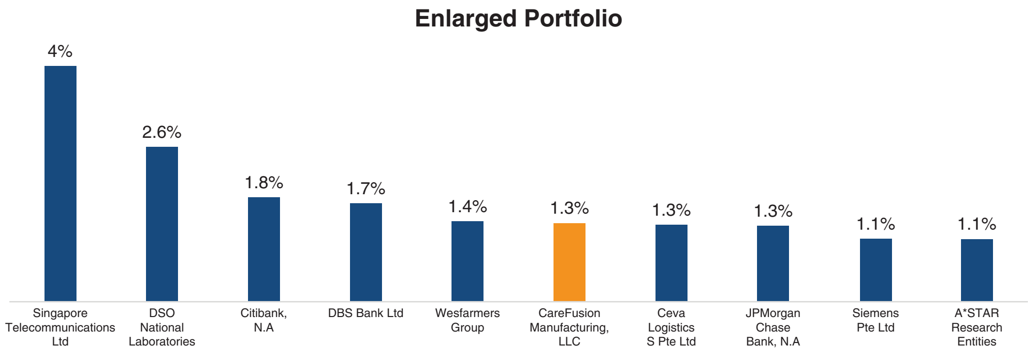
Note: Assuming the Target Properties were acquired on 30 September 2019.

2.4 Top 10 Tenants of the Existing Portfolio and Enlarged Portfolio as at 30 September 2019

The charts below set out the top 10 tenants by monthly gross revenue of the Existing Portfolio and Enlarged Portfolio (as at 30 September 2019). For the Existing Portfolio, the top 10 tenants account for about 19.6% of monthly portfolio gross revenue. With the Enlarged Portfolio, the contribution from the top 10 tenants to monthly portfolio gross revenue will fall to 17.6%.



Note: Based on 170 properties as at 30 September 2019.



Note: Assuming the Target Properties were acquired on 30 September 2019.

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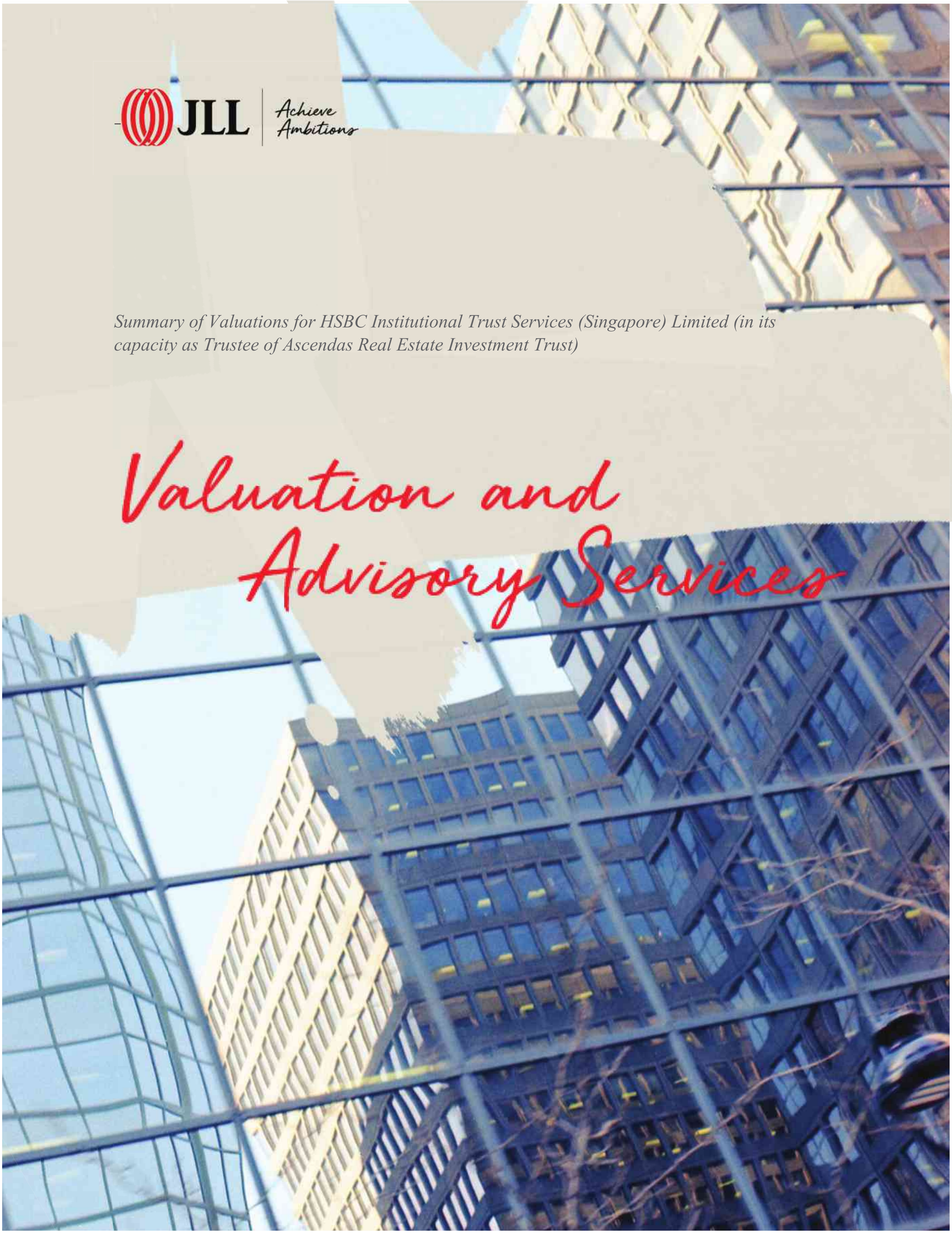
VALUATION CERTIFICATES



October 31, 2019

HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
21 Collyer Quay #13-02 HSBC Building
Singapore 049320

Re: Summary of Valuations for HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)

Instructions

In accordance with the terms of engagement dated July 25, 2019 between JLL Valuation & Advisory Services, LLC ("JLL Valuation & Advisory") and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust) (the "Agreement") we have performed the appraisals of the Subject Properties for acquisition purposes (listed below), and have provided our opinions of their Market Value, as of September 1, 2019. This Summary of Valuations Report and the attached valuation certificates is a condensed version of our more expansive portfolio valuation reports dated August 26, 2019 to October 1, 2019 ("Portfolio Reports"). We recommend that this shortened Summary of Valuations Report and the attached valuation certificates be read in conjunction with the aforementioned Portfolio Reports.

This report and limiting assumptions are subject to the terms of the Agreement, including without limitation, Exhibit C of the Agreement, which states that "The parties agree that this Agreement and all obligations of each party hereunder are subject to applicable law. In the event of a conflict between the terms hereof and applicable law, the applicable law will govern and prevail."

Subject Properties

The properties with certificates of value provided, herein referred to as ("Subject Properties") are as follows:

The Campus at Sorrento Gateway I and II	5005 and 5010 Wateridge Vista Drive, San Diego, CA 92121[1]
Carefusion Campus I	6055 Lusk Boulevard, San Diego, CA 92121
Carefusion Campus	10020 Pacific Mesa Boulevard, San Diego, CA 92121
Innovation Corporate Center	15051 Avenue of Science, San Diego 92128
Innovation Corporate Center	15073 Avenue of Science, San Diego 92128
Innovation Corporate Center	15231, 15253, 15333 Avenue of Science, San Diego 92128[2]
Innovation Corporate Center	15378 Avenue of Science, San Diego 92128
Innovation Corporate Center	15435 and 15445 Innovation Drive, San Diego 92128[3]
5200 Paramount Parkway	5200 Paramount Parkway, Morrisville, NC 27560[4]
Perimeter One	3005 Carrington Mill Boulevard, Morrisville, NC 27560
Perimeter Two	3020 Carrington Mill Boulevard, Morrisville, NC 27560
Perimeter Three	3015 Carrington Mill Boulevard, Morrisville, NC 27560
Perimeter Four	3025 Carrington Mill Boulevard, Morrisville, NC 27560
The Atrium	15220 NW Greenbrier Parkway, Beaverton, OR 97006
The Commons	15455 NW Greenbrier Parkway, Beaverton, OR 97006
Greenbrier Court	14600-14700 NW Greenbrier Parkway, Beaverton, OR 97006
Parkside	15400-15350 NW Greenbrier Parkway, Beaverton, OR 97006
Ridgeview	15201 NW Greenbrier Parkway, Beaverton, OR 97006
Waterside	14908, 14924, 15247, and 15272NE Greenbrier Parkway, Beaverton, OR 97006
Creekside 10	8300 SW Creekside Place, Beaverton, OR 97008
8305 Creekside	8305 SW Creekside Place, Beaverton, OR 97008
8405 Nimbus	8405 SW Nimbus Avenue, Beaverton, OR 97008
8500 Creekside Place	8500 SW Creekside Place, Beaverton, OR 97008
8700-8770 Nimbus	8700-8770 SW Nimbus Avenue, Beaverton, OR 97008
Creekside 5	8705 SW Nimbus Avenue, Beaverton, OR 97008
Creekside 6	8905 SW Nimbus Avenue, Beaverton, OR 97008
9205 Gemini	9205 SW Gemini Drive, Beaverton, OR 97008
9405 Gemini	9405 SW Gemini Drive, Beaverton, OR 97008

[1]The buildings located at 5005 & 5010 Wateridge Vista Drive, San Diego, CA 92121 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[2]The buildings located at 15231, 15253 & 15333 Avenue of Science, San Diego, CA 92128 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[3]The buildings located at 15435 & 15445 Innovation Drive, San Diego, CA 92128 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[4] The buildings located at 5200 Paramount Parkway, Morrisville, NC 27560 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

A summary of the individual values and the total values for each property noted above are in the following chart along with the valuation methodologies utilized in appraising each asset.

Building Name	Valuation	Valuation Method
The Campus at Sorrento Gateway I and II[1]	$90,400,000	Income Capitalization and Sales Comparison Approach
Carefusion Campus I	$34,900,000	Income Capitalization and Sales Comparison Approach
Carefusion Campus II	$124,000,000	Income Capitalization and Sales Comparison Approach
15435 and 15445 Innovation Drive[2]	$40,200,000	Income Capitalization and Sales Comparison Approach
15231, 15253, and 15333 Innovation Drive[3]	$62,900,000	Income Capitalization and Sales Comparison Approach
15051 Innovation Drive	$25,200,000	Income Capitalization and Sales Comparison Approach
15378 Innovation Drive	$21,700,000	Income Capitalization and Sales Comparison Approach
15073 Innovation Drive	$19,000,000	Income Capitalization and Sales Comparison Approach
5200 Paramount[4]	$82,900,000	Income Capitalization and Sales Comparison Approach
Perimeter One	$59,100,000	Income Capitalization and Sales Comparison Approach
Perimeter Two	$57,500,000	Income Capitalization and Sales Comparison Approach
Perimeter Three	$66,800,000	Income Capitalization and Sales Comparison Approach
Perimeter Four	$52,200,000	Income Capitalization and Sales Comparison Approach
The Atrium	$28,900,000	Income Capitalization and Sales Comparison Approach
The Commons	$11,800,000	Income Capitalization and Sales Comparison Approach
Greenbrier Court	$14,900,000	Income Capitalization and Sales Comparison Approach
Parkside	$25,400,000	Income Capitalization and Sales Comparison Approach
Ridgeview	$14,300,000	Income Capitalization and Sales Comparison Approach
Waterside	$21,100,000	Income Capitalization and Sales Comparison Approach
Creekside 10	$10,600,000	Income Capitalization and Sales Comparison Approach
8305 Creekside	$3,900,000	Income Capitalization and Sales Comparison Approach
8405 Nimbus	$12,000,000	Income Capitalization and Sales Comparison Approach
8500 Creekside Place	$14,500,000	Income Capitalization and Sales Comparison Approach
8700-8770 Nimbus	$5,800,000	Income Capitalization and Sales Comparison Approach
Creekside 5	$9,300,000	Income Capitalization and Sales Comparison Approach
Creekside 6	$15,300,000	Income Capitalization and Sales Comparison Approach
9205 Gemini	$7,500,000	Income Capitalization and Sales Comparison Approach
9405 Gemini	$10,200,000	Income Capitalization and Sales Comparison Approach
Total	**$942,300,000**	

[1]The buildings located at 5005 & 5010 Wateridge Vista Drive, San Diego, CA 92121 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[2]The buildings located at 15231, 15253 & 15333 Avenue of Science, San Diego, CA 92128 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[3]The buildings located at 15435 & 15445 Innovation Drive, San Diego, CA 92128 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

[4] The buildings located at 5200 Paramount Parkway, Morrisville, NC 27560 constitute one land parcel and hence one property. However, separate valuations have been prepared for each address.

Sales Comparison Approach

The sales comparison approach is most reliable in an active market when an adequate quantity and quality of comparable sales data are available. In addition, it is typically the most relevant method for owner-user properties because it directly considers the prices of alternative properties with similar utility for which potential buyers would be competing. The analysis and adjustment of the sales provides a reasonably narrow range of value indications. Nonetheless, it does not directly account for the income characteristics of the subject. Therefore, this approach is given secondary weight.

Income Approach

The income capitalization approach is usually given greatest weight when evaluating investment properties. The value indication from the income capitalization approach is supported by market data regarding income, expenses and required rates of return. An investor is the most likely purchaser of the appraised property, and a typical investor would place greatest reliance on the income capitalization approach. For these reasons, the income capitalization approach is given greatest weight in the conclusion of value.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value as is of the leased fee interest in the Subject Properties. The effective date of values of the Portfolio Reports is September 1, 2019. This report is valid only as of the stated effective date.

Intended Use and User

The intended use of the appraisal is in conjunction with the acquisition and Intended Users' required financial reporting and legal obligations. Intended users are permitted to include the appraisal report in Permitted Communications (as defined in Section 9.1 of Exhibit B) sent to unitholders to the extent required by applicable law and subject to the further terms hereof, and we hereby provide our consent to such disclosure. The intended user(s) of the appraisal are HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust) and Ascendas Funds Management (S) Ltd (in its capacity as manager of Ascendas Real Estate Investment Trust).

Notwithstanding any contrary provision in this letter, it is hereby agreed and acknowledged that HSBC Institutional Trust Services (Singapore) Limited ("HSBCITS") is entering into this letter only in its capacity as Trustee of Ascendas Real Estate Investment Trust and not in its personal capacity. As such, notwithstanding any provisions in this letter, HSBCITS has assumed all obligations under this letter in its capacity as Trustee of Ascendas Real Estate Investment Trust and not in its personal capacity and any liability of or indemnity given or to be given by HSBCITS and any power and right conferred on any receiver, attorney, agent, and/or delegate by

HSBCITS shall be limited to the assets of Ascendas Real Estate Investment Trust over HSBCITS, in its capacity as Trustee of Ascendas Real Estate Investment Trust, has recourse and shall not extend to any personal assets of HSBCITS or any assets held by HSBCITS in its capacity as Trustee of any other trust. This clause shall survive the termination or rescission of this letter.

JLL Valuation & Advisory Services has performed appraisals and provided Portfolio Reports to HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust) and Ascendas Funds Management (S) Limited (in its capacity as Manager of Ascendas Real Estate Investment Trust) for the above referenced properties for acquisition purposes. We have prepared this Summary of Valuations Report to be included in circular and an offering document in connection with the acquisition of the subject properties and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in a circular and offering document other than in respect of the information prepared within our Portfolio Reports, this Summary of Valuations Report or the valuation certificates attached. We do not make any warranty or representation as to the accuracy of the information in any other part of the circular and offering document other than as expressly made or given by us in our Portfolio Reports, this Summary of Valuations Report or the valuation certificates attached.

Basis of Valuation

Our valuations of the properties represent market value. Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Scope of Work

The appraisers conducted interior and exterior inspection of the respective Subject Properties on various dates in August 2019. The type and extent of our research and analysis is detailed in individual Portfolio Reports. We have valued the individual Subject Properties via the Sales Comparison and the Income Capitalization Approaches to value. The value indication from the income capitalization approach is supported by market data regarding income, expenses and required rates of return. The income capitalization approach, specifically, the discounted cash flow (DCF) analysis is given greatest weight in the conclusion of values. The Sales Comparison Approach was given secondary weight in reconciliation in support of the Income Capitalization Approach.

We confirm that the valuations have been made to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations.

We note that the opinions of value expressed in this report are based on estimates and forecasts that are prospective in nature and subject to considerable risk and uncertainty. Events may occur that could cause the performance of the property to differ materially from our estimates, such as changes in the economy, interest rates, capitalization rates, financial strength of tenants, and behavior of investors, lenders, and consumers. Additionally, our opinions and forecasts are based partly on data obtained from interviews and third party sources, which are not always completely reliable. Although we are of the opinion that our findings are reasonable based on available evidence, we are not responsible for the effects of future occurrences that cannot reasonably be foreseen at this time.

Your attention is directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions. Specific Extraordinary Assumptions and Hypothetical Conditions for each of the Subject Properties can be found in the Portfolio Reports.

Our valuation certificates are hereby enclosed for your attention.

Respectfully submitted,

Eric L. Enloe, MAI, CRE, FRICS
Managing Director
Certified General Real Estate Appraiser
CA Certificate #: 3003410
NC Certificate #: A8128
OR Certificate #: C001159

Limiting Conditions and Assumptions

1. The report represents an opinion of value, based on forecasts of net income such as are typically used in valuing income-producing properties. Actual results may vary from those forecast in the report. There is no guaranty or warranty that the opinion of value reflects the actual value of the property.
2. The conclusions stated in our report apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. JLL Valuation & Advisory is not obligated to predict future political, economic or social trends. JLL Valuation & Advisory assumes no responsibility for economic factors that may affect or alter the opinions in this report if said economic factors were not present as of the date of the letter of transmittal accompanying this report.
4. The reports reflects a valuation of the property free and clear of any or all liens or encumbrances unless otherwise stated.
5. Responsible ownership and competent property management are assumed.
6. All facts set forth in this report are true and accurate to the best of our knowledge. However, it should be noted that the appraisal process inherently requires information from a wide variety of sources. The information furnished by others is believed to be correct and complete and is up to date and can be relied upon, but no warranty is given for its accuracy. We do not accept responsibility for erroneous information provided by others. We assume that no information that has a material effect on our valuations has been withheld.
7. We do not normally read leases or documents of title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other adverse title conditions, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation we recommend that reliance should not be placed on our interpretation without verification by your lawyers. We have assumed that all information provided by the client, or its agents, is correct, up to date and can be relied upon.
8. We are not responsible for considerations requiring expertise in other fields, including but not limited to: legal descriptions and other legal matters, geologic considerations such as soils and seismic stability, engineering, or environmental and toxic contaminants.
9. All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
10. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.

11. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the report. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
12. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by JLL Valuation & Advisory. JLL Valuation & Advisory has no knowledge of the existence of such materials on or in the property. JLL Valuation & Advisory, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. Client is urged to retain an expert in this field, if desired. None of JLL Valuation & Appraisal and its affiliates, officers, owners, managers, directors, agents, subcontractors or employees (the "JLL Parties") shall be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the property.
13. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the Subject Property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the Subject Property with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
14. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a non-conformity has been identified, described and considered in the appraisal report.
15. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
16. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
17. Although we reflect our general understanding of a tenant's status in our valuations (i.e. the market's general perception of their creditworthiness), inquiries as to the financial standing of actual or

prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of leasing, it is therefore assumed, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

18. Although we conducted cursory inspection of the subject sites, we did not conduct a formal survey of the property and assume no responsibility in connection with such matters. The spatial data, including sketches and/or surveys included in this report, have been supplied by the client and are assumed to be correct.
19. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
20. Neither all nor any part of this report, or copy thereof, shall be used for any purpose by anyone but the client and intended users specified in the report without my written consent. This report was prepared for the client's use at their sole discretion within the framework of the intended use stated in this report. Its use for any other purpose or use by any party not identified as an intended user of this report is beyond the scope of work of this assignment. Possession of this report, or a copy thereof, does not carry with it the right of publication.
21. JLL Valuation & Advisory, by reason of the report, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
22. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the consultant who prepared the report, or the firm with which the consultant is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of JLL Valuation & Advisory, except as outlined in the attached engagement letter.
23. Unless expressly advised to the contrary we assume that appropriate insurance coverage is and will continue to be available on commercially acceptable terms.
24. Unless otherwise stated our valuation excludes any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier. No allowance has been made for any plant, machinery or equipment unless it forms an integral part of the building and would normally be included in a sale of the building. We do not normally carry out or commission investigations into the capacity or condition of services. Therefore we assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.
25. It is assumed that no changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.

26. In the case of property where construction work is in progress, such as refurbishment or repairs, or where developments are in progress, we have relied upon cost information supplied to us by the client or their appointed specialist experts. In the case of property where construction work is in progress, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed work, or obligations in favor of contractors, subcontractors or any members of the professional or design team. We assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
27. By use of this reach party that uses this report agrees to be bound by all the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.
28. If the Report is submitted to a lender or investor with the prior approval of JLL Valuation & Advisory, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Hypothetical Conditions and Extraordinary Assumptions and the Assumptions and Limiting Conditions incorporated in this Report.
29. In the event of a claim against JLL Valuation & Advisory or its affiliates or their respective officers or employees in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be $2.0 million.
30. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non- existent or minimal.

Valuation Certificate

Property	The Campus at Sorrento Gateway I and II, 5005 5010 Wateridge Vista Drive, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	5005 Wateridge-KR Office 2 LP 5010 Wateridge- KR Office 2 LP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Buildings
Property Description	5005 Wateridge-The subject is an existing single-tenant office building leased to Biovia / Dassault Systems, a pharmaceutical software developer. The subject is the Biovia corporate headquarters, and is part of The Campus at Sorrento Gateway business park. The current lease extends until June 2024. The two-story tilt-up building measures 61,460 square feet, and was constructed in 1999. The subject site is 4.64 acres or 202,118 square feet, with approximately 2.44 acres or 106.260 square feet considered usable area. Approximately 2.20 acres or 95,858 square feet of the western portion of the site slopes steeply downward from east to west and is considered unusable area. 5010 Wateridge- The subject is an existing single-tenant office building leased to TD Ameritrade. The current lease extends until February 2028, with 8.5 years remaining on the lease term. The property is located within The Campus at Sorrento Gateway business park. The two-story tilt-up building measures 111,318 square feet, and was constructed in 2000. The subject is comprised of two parcels with a gross site area gross site area is 16.84 acres, or 733,362 square feet, of which approximately 10.60 acres or 461,953 square feet are usable. Approximately 6.24 acres or 271,409 square feet of the western portion of the site

	slopes steeply downward from east to west and is considered unusable area.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Interstate 5 and 805 provides access to the subject from the greater San Diego metro area. The subject has average access to public transportation including bus and train. The subject is most commonly accessed via car.
Legal Interest Appraised	Leased Fee
Tenancy	5005 Wateridge-Single Tenant 5010 Wateridge-Single Tenant
Site	5005 Wateridge-4.64 acres or 202,118 square feet 5010 Wateridge-16.84 acres or 733,362 square feet
Net Rentable Area	5005 Wateridge-61,460 square feet 5010 Wateridge-111,318 square feet
Gross Building Area	5005 Wateridge-61,460 square feet 5010 Wateridge-111,318 square feet
Year of Completion	5005 Wateridge-1999 5010 Wateridge-2000
Condition	Average
Town Planning	The property is zoned IL-2-1 (Light Industrial) and is located in the North San Diego submarket
Current Occupancy	5005 Wateridge-100% 5010 Wateridge-100%
WALE	5005 Wateridge: 4 years 10 months by area and rent. 5010 Wateridge 8 years 6 months by area and rent.
Tenant Mix	5005 Wateridge-The property consists of 61,460 net rentable area square feet, with one tenant,

	Biovia (Dassault Systems), a pharmaceutical software developer. 5010 Wateridge- The property consists of 111,318 net rentable area square feet, with one tenant, TD Ameritrade
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$90,400,000
Market Value/SF (GBA/RA)	$523.21/SF of GBA and $523.21/SF of RA
Capitalization Rate	5.75% for 5005 Wateridge and 5.50% for 5010 Wateridge
Terminal Capitalization Rate	6.25% for 5005 Wateridge and 6.00% for 5010 Wateridge
Discount Rate	7.00% for 5005 Wateridge and 6.50% for 5010 Wateridge
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Joseph Miller, MAI, and Amber C. Lin, CGA

Valuation Certificate

Property	Carefusion Campus I, 6055 Lusk Boulevard, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	SAN DIEGO 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing single-tenant office building leased to Carefusion Manufacturing in the Sorrento Valley submarket of San Diego. The current lease extends until August 2020. The two-story tilt-up building measures 93,000 square feet, and was constructed in 1997. The subject site totals 300,128 square feet, or 6.89 acres.
Building Assessment	During the course of our visit, the property was found to be in average to good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterials that service the subject are Interstates 5 and 805. The subject has average access to public transportation. The area is serviced by the 921 bus line, which provides access to University City and Mira Mesa, and the 972 bus line, which traverses primarily in the Sorrento Valley neighborhood, and provides access to the closes commuter rail, COASTER, at the Sorrento Valley Station, which is located at the Interstates 5 and 805 junction. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within sixteen miles of the subject property.

Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	6.89 acres or 300,128 square feet
Net Rentable Area	93,000 square feet
Gross Building Area	93,000 square feet
Year of Completion	1997
Condition	Average to Good
Town Planning	The property is zoned IL-2-1 (Industrial-Light) and is located in the North San Diego submarket
Current Occupancy	100%
WALE	1 Year by area and rent
Tenant Mix	The property consists of 93,000 net rentable area square feet and is 100% leased to Carefusion Manufacturing (BD).
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$34,900,000
Market Value/ SF (GBA/RA)	$375.27/SF of GBA and $375.27/SF of RA
Capitalization Rate	6.75%
Terminal Capitalization Rate	7.00%
Discount Rate	7.75%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI, and Amber C. Lin, CGA

Valuation Certificate

Property	Carefusion Campus II, 10020 Pacific Mesa Boulevard, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	SAN DIEGO 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing single-tenant office building leased to Carefusion Manufacturing (BD), a medical equipment developer and supplier. The current lease extends until August 2022, with three years remaining on the lease. The three-story tilt-up building measures 318,000 square feet, was constructed in 2007, and has a 301-space parking garage on site. The subject site measures 10.86 acres, or 473,061 square feet.
Building Assessment	During the course of our visit, the property was found to be in average to good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterials that service the subject are Interstates 5 and 805. The subject has average access to public transportation. The area is serviced by the 921 bus line, which provides access to University City and Mira Mesa, and the 972 bus line, which traverses primarily in the Sorrento Valley neighborhood, and provides access to the closes commuter rail, COASTER, at the Sorrento Valley Station, which is located at the Interstates 5 and 805 junction. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within sixteen miles of the subject property.

Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	10.86 acres or 473,061 square feet
Net Rentable Area	318,000 square feet
Gross Building Area	318,000 square feet
Year of Completion	2007
Condition	Average to Good
Town Planning	The property is zoned IL-2-1 and IL-3-1 (Industrial-Light) and is located in the North San Diego submarket
Current Occupancy	100%
WALE	3 years by area and rent
Tenant Mix	The property consists of 318,000 net rentable area square feet and is 100% leased to Carefusion Manufacturing (BD).
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$124,000,000
Market Value /SF (GBA/RA)	$389.94/SF or GBA and $389.94/SF of RA
Capitalization Rate	6.25%
Terminal Capitalization Rate	6.75%
Discount Rate	7.50%
Assumptions, Disclaimers	Aecom prepared a Phase I environmental report for the subject, dated July 2018. According to this report, "the adjacent dry cleaner was listed on the Drycleaners database and as a historical cleaner between 1991 and 1997. Based on the length of time this adjacent property has been in operation and the former use of perchloroethene for cleaning, a VEC cannot be ruled out and therefore

	this facility is considered a REC to the subject property." While we recognize the REC identified in the ESA provided, we are not experts in environmental conditions and assume that this REC does not materially impact the subject property or its marketability.
Prepared By	Joseph Miller, MAI, and Amber C. Lin, CGA

Valuation Certificate

Property	Innovation Corporate Center, 15435 and 15445 Innovation Dr, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	15435-SAN DIEGO 2 LLC 15445- SAN DIEGO 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	15435- The subject is an existing office property containing 50,848 square feet of rentable area. The improvements were constructed in 2000 and are 86% leased to two tenants as of the effective appraisal date. The property is located within Innovation Corporate Center business park. The subject is situated on one parcel with two buildings on it (15435 & 15445 Innovation Dr.). For the purposes of this assignment, we have valued the two buildings in separate reports. The total site area of the parcel is 8.66 acres or 377,066 square feet. We have estimated the subject's pro rata share of site size at 4.30 acres or 187,332 square feet. 15445- The subject is an existing office property containing 51,500 square feet of rentable area. The improvements were constructed in 2000 and are 100% leased as of the effective appraisal date. EDF Renewable Energy, Inc. has a lease expiration in March 2026. The property is located within Innovation Corporate Center business park. The subject is situated on one parcel with two buildings on it (15435 & 15445 Innovation Dr.). For the purposes of this assignment, we have valued the two buildings in separate reports. The total site area of the parcel is 8.66 acres or 377,066 square feet. We have estimated the subject's pro

	rata share of site size at 4.36 acres or 189,734 square feet.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterial that primarily services the subject is Interstate 15. I-15 runs north-south through the San Diego metro area and connects the subject to the Downtown San Diego and the inland areas of North San Diego County. The subject has average access to public transportation. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within twenty miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	15435-Multi-tenant 15445-Multi-tenant
Site	15435-4.30 acres or 187,332 square feet 15445-4.36 acres or 189,734 square feet
Net Rentable Area	15435-50,848 square feet 15445-51,500 square feet
Gross Building Area	15435-50,848 square feet 15445-51,500 square feet
Year of Completion	15435-2000 15445-2000
Condition	Average
Town Planning	15435-The property is zoned IP-2-1 (Industrial Park) and IH-2-1 (Industrial Heavy) and is located in the I-15 Corridor submarket 15445-The property is zoned IP-2-1 (Industrial Park) and IH-2-1 (Industrial Heavy) and is located in the I-15 Corridor submarket

Current Occupancy	15435-86% 15445-100%
WALE	15435 Innovation Drive-4 years 1 month and 16 days by area and 4 years 3 months and 30 days by rent; 15445 Innovation Drive-1 year 7 months and 12 days by area and 1 year 8 months and 24 days by rent
Tenant Mix	15435-The property consists of 50,848 net rentable area square feet and is 86% leased. Major tenants include EDF Renewable Energy, Inc. and TB Penick & Sons, Inc 15445-The property consists of 51,500 square feet and is 100% leased.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$40,200,000
Market Value/SF (GBA/RA)	$392.78/SF of GBA and $392.78/SF of RA
Capitalization Rate	6.25% for 15435 Innovation Drive and 6.00% for 15445 Innovation Drive
Terminal Capitalization Rate	15435 Innovation Drive-6.75%; 15445 Innovation Drive-6.75%
Discount Rate	15435 Innovation Drive-7.50%; 15445 Innovation Drive-7.25%
Assumptions, Disclaimers	15435-We note the subject shares a parcel with the adjacent building. For the purposes of this assignment, it was requested we provide individual value for each building in separate reports. We make the extraordinary assumption that the subject parcel may be split between each building at a cost immaterial to value. We assume that the two properties will have all necessary reciprocal easements in place for parking, access

	and common area management and maintenance. 15455-We note the subject shares a parcel with the adjacent building. For the purposes of this assignment, it was requested we provide individual value for each building in separate reports. We make the extraordinary assumption that the subject parcel may be split between each building at a cost immaterial to value. We assume that the two properties will have all necessary reciprocal easements in place for parking, access and common area management and maintenance.
Prepared By	Joseph Miller, MAI and Amber C Lin, CGA

Valuation Certificate

Property	Innovation Corporate Center, 15231, 15253, and 15333 Avenue of Science, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	15231-SAN DIEGO 2 LLC 15253- SAN DIEGO 2 LLC 15333- SAN DIEGO 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	15231- The subject is an existing office property containing 65,638 square feet of rentable area. The improvements were constructed in 2005. As of the effective appraisal date, the property is 72% leased to Hitachi Data Systems Corporation through May 2020. The property is located within Innovation Corporate Center business park. The site area is 2.45 acres, or 106,722 square feet. 15253- The subject is an existing office property containing 37,437 square feet of rentable area. The improvements were constructed in 2005. As of the effective appraisal date, the property is 100% leased to ID Analytics (Symantic), a Fortune 500 software company through October 2023. The property is located within Innovation Corporate Center business park. The site area is 2.34 acres, or 101,495 square feet. 15333- The subject is an existing office property containing 75,099 square feet of rentable area. The improvements were constructed in 2006. As of the effective appraisal date, the property is 100% leased to ID Analytics, Northrop Grumman and the State of California, with a weighted average lease term of approximately three years. The property is located within Innovation Corporate Center business park. The site area is 4.65 acres, or 202,554 square feet.

Building Assessment	During the course of our visit, the property was found to be in average to good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterial that primarily services the subject is Interstate 15. I-15 runs north-south through the San Diego metro area and connects the subject to the Downtown San Diego and the inland areas of North San Diego County. The subject is additionally serviced by CA-56. This highway runs east west with an interchange with I-15 approximately two miles south of the subject. CA-56 travels ten miles toward the coast through North San Diego where it eventually provides linkage with Interstate 5. The subject has average access to public transportation. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within twenty miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	15231-Multi-tenant 15253-Single-tenant 15333- Multi-tenant
Site	15231-2.45 acres or 106,722 square feet 15253-2.33 acres or 101,495 square feet 15333-4.65 acres or 202,554 square feet
Net Rentable Area	15231-65,638 square feet 15253-37,437 square feet 15333-75,099 square feet
Gross Building Area	15231-65,638 square feet 15253-37,437 square feet 15333-75,099 square feet
Year of Completion	15231-2005 15253-2005 15333-2006
Condition	Average to Good

Town Planning	15231-The property is zoned IL-2-1 (Industrial-Light) and is located in the I-15 Corridor submarket 15253- The property is zoned IL-2-1 (Industrial-Light) and IP-2-1 (Industrial Park) and is located in the I-15 Corridor submarket 15333-The property is zoned IP-2-1 (Industrial Park) and is located in the I-15 Corridor submarket
Current Occupancy	15231-72% 15253-100% 15333-100%
WALE	15231 Avenue of Science 9 months by area and rent; 15253 Avenue of Science-4 years and 2 months by area and rent; 15333 Avenue of Science-3 years and 6 days by area and 2 years 11 months and 30 days by rent
Tenant Mix	15231-The property consists of 65,638 net rentable area square feet and is 72% leased. The major tenant is Hitachi Data Systems Corp. 15253-The property is 100% leased to ID Analytics 15333-The property is 100% leased to ID Analytics, Northrop Grumman and the State of California
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$62,900,000
Market Value/SF (GBA/RA)	$353.03/SF of GBA and $353.03/SF of RA
Capitalization Rate	15231 Avenue of Science-6.5%; 15253 Avenue of Science-6.00%; 15333 Avenue of Science-6.25%
Terminal Capitalization Rate	15231 Avenue of Science 7.0%; 15253 Avenue of Science-6.50%; 15333 Avenue of Science-6.75%

Discount Rate	15231 Avenue of Science 8.0%; 15253 Avenue of Science-7.0%; 15333 Avenue of Science-7.5%
Assumptions, Disclaimers	15231- We note that the subject building encroaches onto the adjacent property to the north. Currently, this parcel is under the same ownership and the parcels share access and parking. Overall, the encroachment is not considered to materially impact value, as the properties are under the same ownership. This appraisal assumes that the parcel could be re-platted at a nominal cost, and that the encroachment does not materially impact value. 15253- Based on the site survey provided, it appears that the adjacent building to the south encroaches slightly onto the subject property. Currently, the adjacent parcel is under the same ownership and the parcels share access and parking. This appraisal assumes that the subject could be re-platted at a nominal cost to rectify the encroachment, and that the encroachment does not materially impact value. However, for purposes of this analysis we have reported and analyzed the subject existing land size and FAR based on current conditions. 15333- Based on the site survey provided, it appears that the adjacent building to the south encroaches slightly onto the subject property. Currently, the adjacent parcel is under the same ownership and the parcels share access and parking. This appraisal assumes that the subject could be re-platted at a nominal cost to rectify the encroachment, and that the encroachment does not materially impact value.
Prepared By	Joseph Miller, MAI and Amber C Lin, CGA

Valuation Certificate

Property	Innovation Corporate Center, 15051 Avenue of Science, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	SAN DIEGO 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 69,967 square feet of rentable area. The improvements were constructed in 2001. As of the effective appraisal date, the property is 100% leased to Daybreak Game Company through September 2021, with just over two years remaining on the lease term. The property is located within Innovation Corporate Center business park. The site area is 4.51 acres, or 196,411 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterial that primarily services the subject is Interstate 15. I-15 runs north-south through the San Diego metro area and connects the subject to the Downtown San Diego and the inland areas of North San Diego County. The subject is additionally serviced by CA-56. This highway runs east west with an interchange with I-15 approximately two miles south of the subject. CA-56 travels ten miles toward the coast through North San Diego where it eventually provides linkage with Interstate 5. The subject has average access to public transportation. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is

	located within twenty miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	4.5 acres or 196,411 square feet
Net Rentable Area	69,967 square feet
Gross Building Area	69,967 square feet
Year of Completion	2001
Condition	Good
Town Planning	The property is zoned IL-2-1 (Industrial-Light) and IH-2-1 (Industrial-Heavy) and is located in the I-15 Corridor submarket
Current Occupancy	100%
WALE	2 years and 1 month by area and rent
Tenant Mix	The property consists of 69,967 net rentable area square feet and is 100% leased to Daybreak Game Company.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$25,200,000
Market Value/SF (GBA/RA)	$360.17/SF of GBA and $360.17/SF of RA
Capitalization Rate	6.25%
Terminal Capitalization Rate	6.75%
Discount Rate	7.50%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI and Amber C. Lin, CGA

Valuation Certificate

Property	Innovation Corporate Center, 15378 Avenue of Science, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	SAN DIEGO 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 68,791 square feet of rentable area. The improvements were constructed in 1985 with some interior build-out occurring since the time of construction in 2012 and 2014 in correspondence with commencement of the tenant leases. As of the effective appraisal date, the property is 100% leased to Turner Construction and Daylights Solutions, with a weighted average lease term of approximately three years and eight months. A portion of the Turner Construction suite has been subleased to a brewery, which occupies approximately 17% of the property; we do not consider the sublease in our income but do consider it in our selection of risk rates. The property is located within Innovation Corporate Center business park. The site area is 5.40 acres, or 235,905 square feet.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterial that primarily services the subject is Interstate 15. I-15 runs north-south through the San Diego metro area and connects the subject to the Downtown San Diego and the inland areas of North San Diego County. The subject is additionally serviced by CA-56. This

	highway runs east west with an interchange with I-15 approximately two miles south of the subject. CA-56 travels ten miles toward the coast through North San Diego where it eventually provides linkage with Interstate 5. The subject has average access to public transportation. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within twenty miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	5.40 acres or 235,905 square feet
Net Rentable Area	68,791 square feet
Gross Building Area	68,791 square feet
Year of Completion	1985
Condition	Average
Town Planning	The property is zoned IH-2-1 (Industrial-Heavy) and is located in the I-15 Corridor submarket
Current Occupancy	100%
WALE	3 years 8 months and 5 days by area and 3 years 7 months and 5 days by rent
Tenant Mix	The property consists of 68,791 net rentable area square feet and is 100% leased to Turner Construction and Daylight Solutions, Inc..
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$21,700,000
Market Value/SF (GBA/RA)	$315.45/SF of GBA and $315.45/SF or RA
Capitalization Rate	6.25%

Terminal Capitalization Rate	6.75%
Discount Rate	7.50%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI and Amber C. Lin, CGA

Valuation Certificate

Property	Innovation Corporate Center, 15073 Avenue of Science, San Diego, CA 92121
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	SAN DIEGO 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 48,406 square feet of rentable area. The improvements were constructed in 2001. As of the effective appraisal date, the property is 100% leased to Northrop Grumman through April 2023. The property is located within Innovation Corporate Center business park. The site area is 3.25 acres, or 141,551 square feet.
Building Assessment	During the course of our visit, the property was found to be in average to good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	The major arterial that primarily services the subject is Interstate 15. I-15 runs north-south through the San Diego metro area and connects the subject to the Downtown San Diego and the inland areas of North San Diego County. The subject is additionally serviced by CA-56. This highway runs east west with an interchange with I-15 approximately two miles south of the subject. CA-56 travels ten miles toward the coast through North San Diego where it eventually provides linkage with Interstate 5. The subject has average access to public transportation. The subject is most commonly accessed via car. The nearest commercial airport is San Diego Airport, which is located within twenty miles of the subject property.

Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	3.25 acres or 141,551 square feet
Net Rentable Area	48,406 square feet
Gross Building Area	48,406 square feet
Year of Completion	2001
Condition	Average to Good
Town Planning	The property is zoned IL-2-1 (Industrial-Light) and is located in the I-15 Corridor submarket
Current Occupancy	100%
WALE	3 years and 8 months by area and rent
Tenant Mix	The property consists of 48,406 net rentable area square feet and is 100% leased to Northrop Grumman.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$19,000,000
Market Value/SF (GBA/RA)	$392.51/SF of GBA and $392.51/SF of RA
Capitalization Rate	6.00%
Terminal Capitalization Rate	6.50%
Discount Rate	7.00%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI and Amber C Lin, CGA

Valuation Certificate

Property	5200 Paramount Parkway, 5200 Paramount Parkway, Morrisville, NC 27560
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	5200 East-RALEIGH 1 LP LIMITED PARTNERSHIP 5200 West- RALEIGH 1 LP LIMITED PARTNERSHIP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 13, 2019
Type of Property	Office Building
Property Description	5200 East -The subject is an existing office property containing 154,853 square feet of rentable area. The improvements were constructed in 1999 and are 100% leased to Oracle as of the effective appraisal date. Oracle has been in the subject since August, 2009 and is set to expire in July, 2024. The site area is 11.58 acres or 504,430 square feet. 5200 West- The subject is an existing office property containing 160,747 square feet of rentable area. The improvements were constructed in 2000 and are 78% leased to Alliance Healthcare. Oracle recently vacated its space in this building (due to a 7/31/18 lease expiration) and downsized in the adjacent 5200 Paramount East building. Alliance Healthcare signed a 128 month lease that began on December 1, 2018. The site area is 12.47 acres or 543,093 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Highway 540 and Highway 40 provide access to the subject from the greater Raleigh/Durham metro areas. The subject has average access to

	public transportation including bus. Additionally, the subject has a walk score of 19 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Raleigh-Durham International Airport and is located within 4 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	5200 East-Single-tenant 5200 West- Multi-tenant
Site	5200 East-11.58 acres or 504,430 square feet 5200 West- 12.47 acres or 543,093 square feet
Net Rentable Area	5200 East-154,853 square feet 5200 West-160,747 square feet
Gross Building Area	5200 East-164,448 square feet 5200 West-164,448 square feet
Year of Completion	5200 East-1999 5200 West-2000
Condition	Good
Town Planning	The property is zoned OI(Office/Institutional) and is located in the West Wake submarket
Current Occupancy	5200 East-100% 5200 WEest-78%
WALE	5200 East-4 years and 11 months by both rent and area 5200 West-9 years 11 months and 16 days by both area and rent.
Tenant Mix	5200 East-The property consists of 154,853 net rentable area square feet and is 100% leased to Oracle America, Inc. 5200 West-The property consists of 160,646 net rentable square feet and is 78% leased to Alliance Healthcare

Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$82,900,000
Market Value/SF (GBA/RA)	5200 East-$251.14/SF of GBA and $266.70/SF of RA 5200 West-$252.92/SF of GBA and $258.79/SF of RA
Capitalization Rate	5200 East-6.50% 5200 West-6.50%
Terminal Capitalization Rate	5200 East-7.25% 5200 West-7.25%
Discount Rate	5200 East-8.00% 5200 West-8.25%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI

Valuation Certificate

Property	Perimeter One, 3005 Carrington Mill Boulevard, Morrisville, NC 27560
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	RALEIGH 1 LP LIMITED PARTNERSHIP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 13, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property (Perimeter Park One) containing 203,066 square feet of rentable area. The improvements were constructed in 2007 and are 100% leased as of the effective appraisal date. The site area is 14.59 acres or 635,747 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Highway 540 and Highway 40 provide access to the subject from the greater Raleigh/Durham metro areas. The subject has average access to public transportation including bus. Additionally, the subject has a walk score of 19 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Raleigh-Durham International Airport and is located within 4 miles of the subject property.
Legal Interest Appraised	Leased Fee

Tenancy	Multi-tenant
Site	14.59 acres or 635,747 square feet
Net Rentable Area	203,066 square feet
Gross Building Area	212,248 square feet
Year of Completion	2007
Condition	Good
Town Planning	The property is zoned OI (Office/Institutional) and is located in the West Wake County submarket
Current Occupancy	100%
WALE	4 years and 1 month by area and 4 years and 6 days by rent
Tenant Mix	The property consists of 203,066 net rentable area square feet and is 100% leased. Major tenants include Horace Mann Service Corporation, Northrop Grumman Systems Corp and Apptio, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$59,100,000
Market Value/SF (GBA/RA)	$278.45/SF of GBA and $291.04/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.25%
Discount Rate	8.00%
Assumptions, Disclaimers	The values contained herein are not subject to any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI

Valuation Certificate

Property	Perimeter Two, 3020 Carrington Mill Boulevard, Morrisville, NC 2756
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	RALEIGH 1 LP LIMITED PARTNERSHIP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 13, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 206,881 square feet of rentable area. The improvements were constructed in 2013 and are 97% leased as of the effective appraisal date. The site area is 19.61 acres or 854,097 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Highway 540 and Highway 40 provide access to the subject from the greater Raleigh/Durham metro areas. The subject has average access to public transportation including bus. Additionally, the subject has a walk score of 19 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Raleigh-Durham International Airport and is located within 4 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	19.61 acres or 854,097 square feet
Net Rentable Area	206,881 square feet

Gross Building Area	215,710 square feet
Year of Completion	2013
Condition	Good
Town Planning	The property is zoned OI (Office/Institutional) and is located in the West Wake County submarket
Current Occupancy	97%
WALE	4 years and 1 day by area and 4 years 12 days by rent.
Tenant Mix	The property consists of 206,881 net rentable area square feet and is 97% leased. Major tenants include SciQuest, Inc., MaxPoint Interactive (Valassis), and Fujifilm Medical Systems U.S.A.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$57,500,000
Market Value/SF (GBA/RA)	$266.56/SF of GBA and $277.94/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.25%
Discount Rate	8.00%
Assumptions, Disclaimers	The values contained herein are not subject to any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI

Valuation Certificate

Property	Perimeter Three, 3015 Carrington Mill Boulevard, Morrisville, NC 27560
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	RALEIGH 1 LP LIMITED PARTNERSHIP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 13, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 245,352 square feet of rentable area. The improvements were constructed in 2013 and are 96% leased as of the effective appraisal date. The site area is 18.93 acres or 824,504 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Highway 540 and Highway 40 provide access to the subject from the greater Raleigh/Durham metro areas. The subject has average access to public transportation including bus. Additionally, the subject has a walk score of 19 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Raleigh-Durham International Airport and is located within 4 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	18.93 acres or 824,504 square feet
Net Rentable Area	245,352 square feet
Gross Building Area	260,040 square feet

Year of Completion	2013
Condition	Good
Town Planning	The property is zoned OI (Office/Institutional) and is located in the West Wake County submarket
Current Occupancy	96%
WALE	4 years 5 months and 21 days by area and 4 years 5 months and 4 days by rent
Tenant Mix	The property consists of 245,352 net rentable area square feet and is 96% leased. Major tenants include Teleflex Medical Inc., and Hewlett Packard.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$66,800,000
Market Value/SF (GBA/RA)	$256.88/SF of GBA and $272.26/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.25%
Discount Rate	8.00%
Assumptions, Disclaimers	The values contained herein are not subject to any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI

Valuation Certificate

Property	Perimeter Four, 3025 Carrington Mill Boulevard, Morrisville, NC 27560
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	RALEIGH 1 LP LIMITED PARTNERSHIP
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 13, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property (Perimeter Park Four) containing 193,413 square feet of rentable area. The improvements were constructed in 2015 and are 100% leased as of the effective appraisal date. The gross site area is 13.54 acres or 589,829 SF. The usable site area is 9.31 acres or 405,544 SF.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	Highway 540 and Highway 40 provide access to the subject from the greater Raleigh/Durham metro areas. The subject has average access to public transportation including bus. Additionally, the subject has a walk score of 19 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Raleigh-Durham International Airport and is located within 4 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	13.54 acres or 589,829 square feet, gross; 9.31 acres or 405,544 square feet, usable

Net Rentable Area	193,413 square feet
Gross Building Area	203,000 square feet
Year of Completion	2015
Condition	Good
Town Planning	The property is zoned OI (Office/Institutional) and is located in the West Wake County submarket
Current Occupancy	100%
WALE	5 years 8 months and 3 days by area and 4 years 9 months and 6 days by rent
Tenant Mix	The property consists of 193,413 net rentable area square feet and is 100% leased. The major tenant is Channel Advisor Corporation
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$52,200,000
Market Value/SF (GBA/RA)	$257.14/SF of GBA and $269.89/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.25%
Discount Rate	8.00%
Assumptions, Disclaimers	The values contained herein are not subject to any extraordinary assumptions or hypothetical conditions.
Prepared By	Joseph Miller, MAI

Valuation Certificate

Property	The Atrium, 15220 NW Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 171,137 square feet of rentable area. The improvements were constructed in 1986 and are 82% leased as of the effective appraisal date. The interior build-out consists of 100% office space. The site area is 10.31 acres or 449,104 square feet. The site is zoned OI, Office Industrial District.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 25 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee

Tenancy	Multi-tenant
Site	10.31 acres or 449,104 square feet
Net Rentable Area	171,137 square feet
Gross Building Area	171,137 square feet
Year of Completion	1986
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	82%
WALE	3 years and 29 days by area and 3 years 1 month and 11 days by rent
Tenant Mix	The property consists of 171,137 net rentable area square feet and is 82% leased. Major tenants include Genesis Financial Solutions, Harmonic, Inc., and Pivotal Software, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$28,900,000
Market Value/SF (GBA/RA)	$168.87/SF of GBA and $168.87/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.25%
Discount Rate	8.00%
Assumptions, Disclaimers	The value conclusions found herein are not subject to any extraordinary assumptions or hypothetical conclusions.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	The Commons, 15455 NW Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 68,373 square feet of rentable area. We note the rentable area is exclusive of the 587 square foot conference room located at the subject. The improvements were constructed in 1988 and are 71% leased as of the effective appraisal date. The interior build-out consists of 100% office space. Rise Records and PS Business Parks L.P. expire by July 2020 and September 2019, respectively. Additionally, the subject contains two medical office tenants which include increased interior build-outs. These tenants include Metropolitan Pediatrics and Perio Aesthetics & Implantology. The site area is 5.57 acres or 242,629 square feet. The site is zoned OI, Office Industrial District.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of

	25 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	5.57 acres or 242,629 square feet
Net Rentable Area	68,373 square feet
Gross Building Area	68,373 square feet
Year of Completion	1988
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	71%
WALE	4 years 1 month and 12 days by area and 3 years 6 months and 2 days by rent
Tenant Mix	The property consists of 68,373 net rentable area square feet and is 71% leased. Major tenants include Metropolitan Pediatrics, LLC.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$11,800,000
Market Value/SF (GBA/RA)	$172.58/SF of GBA and $172.58/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.50%
Assumptions, Disclaimers	The value conclusions found herein are not subject to any extraordinary assumptions or hypothetical Conclusions.

Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Greenbrier Court, 14600-14700 NW Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing flex/office style construction building which is fully built-out as office space. The development consists of one building containing 74,677 square feet of rentable area. The improvements were constructed in 1999 and are 100% leased by Nike as of the effective appraisal date. Nike is currently leasing the entire building through June 2021 with in-place rents slightly below market, which we have considered within our direct capitalization approach. The subject has benefitted from increased tenant improvements from Nike Inc., which will remain after expiration. The site area is 6.24 acres or 271,814 square feet. The site is zoned OI, Office Industrial District
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 25 indicating a below average walkability factor. The

	subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	6.24 acres or 271,814 square feet
Net Rentable Area	74,677 square feet
Gross Building Area	74,677 square feet
Year of Completion	1999
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	100%
WALE	2 years and 8 months by area and rent
Tenant Mix	The property consists of 74,677 net rentable area square feet and is 100% leased. The building's sole tenant is Nike, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$14,900,000
Market Value/SF (GBA/RA)	$199.53/SF of GBA and $199.53/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.00%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site

	from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Parkside, 15400-15350 NW Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing flex/office development consisting of two contiguous buildings containing 158,648 square feet of rentable area. We note the rentable area is exclusive of the 1,070 square foot management office located at the subject. The improvements were constructed in 1984 and are 100% leased as of the effective appraisal date. However, due to below market in-place rents and near-term tenant rollover, the subject is not considered economically stable. It is projected that the subject does not reach economic stability until Year 3 in our analysis due to fluctuating cash flows within the first two years of our analysis. The interior build-out consists of office, flex and research & development. Nike, Inc. previously relocated their Nike Golf Division employees occupying suite A100 (93,938 SF) to their corporate campus nearby but has occasionally backfilled the space with different Nike groups. Nike is currently leased through July 2020 with in-place rents significantly below market, which we have considered within our direct capitalization approach. The subject has benefitted from increased tenant improvements from Nike Inc.'s spaces, which will remain after expiration. The site area is 11.69 acres or 509,216 square feet. The site is zoned OI, Office Industrial District.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the

	improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 25 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	11.69 acres or 509,216 square feet
Net Rentable Area	158,648 square feet
Gross Building Area	158,648 square feet
Year of Completion	1984
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	100%
WALE	2 years 7 months and 16 days by area and 2 years 2 months and 1 day by rent
Tenant Mix	The property consists of 159,648 net rentable area square feet and is 100% leased. The building's major tenant is Nike, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019

Market Value	$25,400,000
Market Value/SF (GBA/RA)	$160.10/SF of GBA and $160.10/SF of RA
Capitalization Rate	6.75%
Terminal Capitalization Rate	7.25%
Discount Rate	7.75%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Ridgeview, 15201 NW Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing flex/office development consisting of three contiguous buildings containing 94,364 square feet of rentable area. The improvements were constructed in 1982 and are 61% leased as of the effective appraisal date. Due to irregular cash flows within Year 1 and Year 2 of our analysis, we have estimated the subject to reach economic stability within Year 3 of our analysis. The site area is 7.84 acres or 341,510 square feet. The site is zoned OI, Office Industrial District.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 25 indicating a below average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.

Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	7.84 acres or 341,510 square feet
Net Rentable Area	94,364 square feet
Gross Building Area	94,364 square feet
Year of Completion	1982
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	61%
WALE	2 years 6 months and 8 days by area and 2 years 6 months and 27 days by rent
Tenant Mix	The property consists of 94,364 net rentable area square feet and is 61% leased. Major tenants include Siemens Corporation and Pacific Northwest Renal.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$14,300,000
Market Value/SF (GBA/RA)	$151.54/SF of GBA and $151.54/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.25%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any

	contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Waterside, 14908, 14924, 15247, and 15272 NE Greenbrier Parkway, Beaverton, OR 97006
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 2 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing flex/office development consisting of four contiguous buildings containing 126,496 square feet of rentable area. The improvements were constructed in 1987 and are 88% leased as of the effective appraisal date. Due to irregular cash flows within Years 1 through 3 of our analysis, we have estimated the subject to reach economic stability within Year 4 of our analysis. The site area is 13.47 acres or 586,753 square feet. The site is zoned OI, Office Industrial District.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	NW Sunset Hwy and NW 158th Ave provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee

Tenancy	Multi-tenant
Site	13.47 acres or 586,753 square feet
Net Rentable Area	126,496 square feet
Gross Building Area	126,496 square feet
Year of Completion	1987
Condition	Average
Town Planning	The property is zoned OI (Office Industrial District) and is located in the Westside submarket
Current Occupancy	88%
WALE	2 years 7 months and 18 days by area and 2 years 7 months and 19 days by rent
Tenant Mix	The property consists of 126,496 net rentable area square feet and is 88% leased. Major tenants include Nike, Inc. and Lumencor, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$21,100,000
Market Value/SF (GBA/RA)	$166.80/SF of GBA and $166.80/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.25%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified

	professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Creekside 10, 8300 SW Creekside Place, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 54,144 square feet of rentable area. The improvements were constructed in 1991 and are 75% leased as of the effective appraisal date. The site area is 3.63 acres or 158,123 square feet
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	3.63 acres or 158,123 square feet

Net Rentable Area	54,114 square feet
Gross Building Area	54,114 square feet
Year of Completion	1991
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	75%
WALE	8 years 1 month and 4 days for both area and rent
Tenant Mix	The property consists of 54,114 net rentable area square feet and is 75% leased to Aerotek Inc. and Oregon Health & Science.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$10,600,000
Market Value/SF(GBA/RA)	$195.88/SF of GBA and $195.88/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.00%
Discount Rate	8.00%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated

	remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	8305 Creekside, 8305 SW Creekside Place, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 19,775 square feet of rentable area. The improvements were constructed in 1989 and are 89% leased as of the effective appraisal date. The site area is 1.51 acres or 65,945 square feet
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	1.51 acres or 65,945square feet

Net Rentable Area	19,775 square feet
Gross Building Area	19,775 square feet
Year of Completion	1989
Condition	Average
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	89%
WALE	3 years 11 months and 13 days by area and 3 years 11 months and 17 days by rent
Tenant Mix	The property consists of 19,775 net rentable area square feet and is 89% leased to LeanPath and Nextel West Corp.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$3,900,000
Market Value/SF (GBA/RA)	$197.22/SF of GBA and $197.22/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.00%
Discount Rate	7.75%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential

	environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	8405 Nimbus, 8405 SW Nimbus Avenue, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 53,793 square feet of rentable area. The improvements were constructed in 1985 and renovated in 2016 and are 100% leased to DAT Solutions through December 21, 2025. The site area is 3.6 acres or 156,886 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	3.6 acres or 156,886 square feet

Net Rentable Area	53,793 square feet
Gross Building Area	53,793 square feet
Year of Completion	1985
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	100%
WALE	7 years and 2 months by area and rent
Tenant Mix	The property consists of 53,793 net rentable area square feet and is 100% leased to DAT Solutions.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$12,000,000
Market Value/ SF (GBA/RA)	$223.08/SF of GBA and $223.08/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.00%
Discount Rate	7.75%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated

	remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	8500 Creekside Place, 8500 SW Creekside Place, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 65,496 square feet of rentable area. The improvements were constructed in 1993 and are 100% leased to FiServe Solutions through August 2028, as of the effective appraisal date. The site area is 4.63 acres or 201,690 square feet.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	4.63 acres or 201,690 square feet

Net Rentable Area	65,496 square feet
Gross Building Area	65,496 square feet
Year of Completion	1993
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	100%
WALE	9 years and 10 months by area and rent
Tenant Mix	The property consists of 65,496 net rentable area square feet and is 100% leased to FiServ Solutions.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$14,500,000
Market Value/SF (GBA/RA)	$221.39/SF of GBA and $221.39/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.00%
Discount Rate	7.75%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value

	conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	8700-8770 Nimbus, 8700-8770 Nimbus Avenue, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing flex/office property consisting of two buildings containing 35,705 square feet of rentable area. The improvements were constructed in 1989 & 1993 and are 78% leased as of the effective appraisal date. 8700 Nimbus contains approximately 2,000 square feet of warehouse space (12.2% of rentable area of the building; 5.6% of rentable area of the property). 8770 Nimbus contains some lab space as well. Each building features one dock and two drive-in doors. Tenant TTI is a wholly owned subsidiary of Berkshire Hathaway. We exclude both these tenants from vacancy in our analysis. Due to irregular cash flow within Year 1 of our analysis, we have estimated the subject to reach economic and physical stability within Year 2 of our analysis. The site area is 2.82 acres or 122,839 square feet. The site is zoned OI-WS, Office Industrial - Washington Square.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train,

	streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	2.82 acres or 122,839 square feet
Net Rentable Area	35,705 square feet
Gross Building Area	35,705 square feet
Year of Completion	1989, 1993
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	78%
WALE	1 year 11 months and 13 days by area and 1 year 11 months and 14 days by rent
Tenant Mix	The property consists of 35,705 net rentable area square feet and is 78% leased. Major tenants include Keysight Technologies, Inc, TTI, Inc, and Inovise Medical, Inc.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$5,800,000
Market Value/SF (GBA/RA)	$162.44/SF of GBA and $162.44/SF of RA
Capitalization Rate	7.00%

Terminal Capitalization Rate	7.50%
Discount Rate	8.50%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Creekside 5, 8705 SW Nimbus Ave, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 49,139 square feet of rentable area. The improvements were constructed in 1989 and are 96% leased as of the effective appraisal date. The improvement features include a 31-car underground parking garage. The site area is 2.53 acres or 110,207 square feet.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant

Site	2.53 acres or 110,207 square feet
Net Rentable Area	49,139 square feet
Gross Building Area	49,139 square feet
Year of Completion	1989
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	96%
WALE	4 years and 2 days by area and 3 years 5 months and 14 days by rent
Tenant Mix	The property consists of 49,139 net rentable area square feet and is 96% leased. Major tenants include ProKarma Inc, Aaby Family Law, PC and Gress & Clark.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$9,300,000
Market Value/SF (GBA/RA)	$189.26/SF of GBA and $189.26/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.25%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified

	professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	Creekside 6, 8905 SW Nimbus Ave, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 75,723 square feet of rentable area. The improvements were constructed in 1993 and are 92% leased as of the effective appraisal date. Approximately 4.7% of the subject's space is occupied by a credit tenant, Washington State Bank. Due to irregular cash flow within Year 1 of our analysis, we have estimated the subject to reach economic stability within Year 2 of our analysis. The site area is 4.43 acres or 192,971 square feet. The site is zoned OI-WS, Office Industrial - Washington Square.
Building Assessment	During the course of our visit, the property was found to be in good condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland

	International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant
Site	4.43 acres or 192,971 square feet
Net Rentable Area	75,723 square feet
Gross Building Area	75,723 square feet
Year of Completion	1993
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	92%
WALE	4 years and 11 months by area and 4 years 7 months and 3 days by rent
Tenant Mix	The property consists of 75,723 net rentable area square feet and is 92% leased. Major tenants include NvoicePay Inc. and Anesthesia Business Consulting.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$15,300,000
Market Value/SF (GBA/RA)	$202.05/SF of GBA and $202.05/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.25%
Assumptions, Disclaimers	This appraisal does not employ any extraordinary assumptions or hypothetical conditions.

Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	9205 Gemini, 9205 SW Gemini Drive, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 40,901 square feet of rentable area. The improvements were constructed in 1986 and are 100% leased as of the effective appraisal date. The site area is 3.65 acres or 158,994 square feet. The site is zoned OI-WS, Office Industrial - Washington Square.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Multi-tenant

Site	3.65 acres or 158,994 square feet
Net Rentable Area	40,901 square feet
Gross Building Area	40,901 square feet
Year of Completion	1986
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	100%
WALE	2 years 8 months and 19 days by area and 2 years 8 months and 24 days by rent
Tenant Mix	The property consists of 40,901 net rentable area square feet and is 100% leased. Major tenants include Quinstreet, Inc. and Blake Knight InfoServ LLC
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$7,500,000
Market Value/SF (GBA/RA)	$183.37/SF of GBA and $183.37/SF of RA
Capitalization Rate	7.00%
Terminal Capitalization Rate	7.50%
Discount Rate	8.00%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to

	purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.
Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Valuation Certificate

Property	9405 Gemini, 9405 SW Gemini Drive, Beaverton, OR 97008
Client	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Registered Owner	Portland 1 LLC
Purpose of Valuation	Estimate Market Value
Date of Site Visit	August 14, 2019
Type of Property	Office Building
Property Description	The subject is an existing office property containing 47,164 square feet of rentable area. The improvements were constructed in 1991 and are 100% leased as of the effective appraisal date by Digimarc. Digimarc began a renewal term on September 1, 2016. This term expires on March 31, 2024. Digimarc has one, five-year renewal option following the expiration of the current lease term. The base rent for that renewal option will equal the market rent at the time of the option commencement. The site area is 3.87 acres or 168,577 square feet. The site is zoned OI-WS, Office Industrial - Washington Square.
Building Assessment	During the course of our visit, the property was found to be in average condition. On balance, the condition, quality, and functional utility of the improvements are typical for their age and location.
Surrounding Infrastructure	I-217 and SW Hall Blvd provide access to the subject from the greater Portland metro area. The subject has average access to public transportation including bus, light rail train, streetcar, etc. The nearest bus station is located within a ten-minute walk from the subject. Additionally, the subject has a walk score of 54 indicating an average walkability factor. The subject is most commonly accessed via car. The nearest commercial airport is Portland

	International Airport and is located within 25 miles of the subject property.
Legal Interest Appraised	Leased Fee
Tenancy	Single-tenant
Site	3.87 acres or 168,577 square feet
Net Rentable Area	47,164 square feet
Gross Building Area	47,164 square feet
Year of Completion	1991
Condition	Good
Town Planning	The property is zoned OI-WS (Office Industrial-Washington Square) and is located in the Southwest submarket
Current Occupancy	100%
WALE	4 years and 7 months by both area and rent.
Tenant Mix	The property consists of 47,164 net rentable area square feet and is 100% leased to Digimarc Corporation.
Basis of Valuation	Market Value
Valuation Approaches	Income Capitalization and Sales Comparison Approach
Date of Valuation	September 1, 2019
Market Value	$10,200,000
Market Value/SF (GBA/RA)	$216.27/SF of GBA and $216.27/SF of RA
Capitalization Rate	6.50%
Terminal Capitalization Rate	7.00%
Discount Rate	7.50%
Assumptions, Disclaimers	The values are contingent upon no adverse conditions currently existing on the subject site including but not limited to toxic or hazardous wastes. Due to the nature of the subject, there could possibly be some adverse effects to the site from toxic or hazardous waste. Since it is the

property owner's obligation to correct any contamination caused by these factors, the appraisers recommend that an environmental site assessment audit be prepared by a qualified professional engineer prior to any decision to purchase or sell the property under analysis. This audit is recommended to identify any potential environmental liabilities and associated remediation costs. The appraisal and value conclusions are contingent upon the site and improvements being free of any hazardous substances.

Prepared By	Eric L. Enloe, MAI, CRE, FRICS

Value Certification of

28 Property Suburban Office Portfolio

San Diego, CA, Beaverton, OR and Morrisville, NC
NKF Job No.: 19-0007508

Prepared For:

Ascendas Funds Management (S) Limited
(in its capacity as manager of Ascendas
Real Estate Investment Trust)
A Member of CapitaLand
1 Fusionopolis Place, #10-10, Galaxis
Singapore 138522

HSBC Institutional Trust Services
(Singapore) Limited
(in its capacity as Trustee of Ascendas
Real Estate Investment Trust)
21 Collyer Quay #13-02, HSBC Building
Singapore 049320

Prepared By:

Newmark Knight Frank
Valuation & Advisory, LLC
700 South Flower Street, Suite 2500
Los Angeles, CA 90017

October 31, 2019

Ascendas Funds Management (S) Limited
(in its capacity as manager of Ascendas Real Estate Investment Trust)
A Member of CapitaLand
1 Fusionopolis Place, #10-10, Galaxis
Singapore 138522

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(in its capacity as Trustee of Ascendas Real Estate Investment Trust)
21 Collyer Quay #13-02, HSBC Building
Singapore 049320

RE: Portfolio Valuation Summary, prepared by Newmark Knight Frank Valuation & Advisory, LLC (herein "Firm" or "NKF")

NKF Job No.: 19-0007508

The subject of this report is a portfolio of 28 office properties located in three states. Individual Appraisal Reports have been completed for each asset and delivered to the above referenced client. This Valuation Summary includes individual Value Certificates for each property and are subject to the assumptions and limiting conditions detailed in the original individual Appraisal Reports, in conjunction with those included within the Assumptions and Limiting Conditions section of this report.

The conclusions summarized in the valuation certificates are based on the data, analyses and conclusions set forth in the individual Appraisal Reports, and it is necessary to have our individual Appraisal Reports to understand our Value Certificates. There will be 33 certificates of value as the buildings located at certain addresses constitute one land parcel and hence one property. We assume the reader of this report has access to the individual Appraisal Reports.

The appraisal was developed based on, and this report has been prepared in conformance with the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989. Please refer to the individual appraisals for information regarding each property, their markets and the specific analyses and conclusions for each.

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

See Individual Reports

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

See Individual Reports

Scope of Work

Extent to Which the Property is Identified

- Physical characteristics
- Legal characteristics
- Economic characteristics

Extent to Which the Property is Inspected

NKF inspected the subject properties as per the defined scope of work. The following appraisers made personal inspections of the properties included in this appraisal:

- Donna Bradley, MAI
- Jennifer J. Tillema, MAI
- John L. Boyle, MAI
- Stephen Wilson, MAI, SRA

Type and Extent of the Data Researched

- Exposure and marking time;
- Neighborhood and land use trends;
- Demographic trends;
- Market trends relative to the subject property type;
- Physical characteristics of the site and applicable improvements;
- Flood zone status;
- Zoning requirements and compliance;
- Real estate tax data;
- Relevant applicable comparable data; and
- Investment rates

Type and Extent of Analysis Applied

We analyzed the property and market data gathered through the use of appropriate, relevant, and accepted market-derived methods and procedures. Further, we employed the appropriate and relevant approaches to value, and correlated and reconciled the results into an estimate of market value, as demonstrated within the individual appraisal reports. The results are summarized within this report.

Methodology-Individual Reports

Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the property units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Application of Approaches to Value

Approach	Comments
Cost Approach	The Cost Approach is not applicable and is not utilized in this appraisal.
Sales Comparison Approach	The Sales Comparison Approach is applicable and is utilized in this appraisal.
Income Capitalization Approach	The Income Capitalization Approach is applicable and is utilized in this appraisal.

Compiled by NKF

The cost approach was not used because market participants considering properties like the subject do not give consideration to the cost approach. The exclusion of this approach is not considered to impact the reliability of the appraisal.

Report Option

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as a Restricted Appraisal Report in accordance with USPAP guidelines.

- The original appraisal reports may be necessary to support the conclusions made in this report.
- We have not included the original reports and assume that the user and client have access to these reports.

Intended Use and User

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark Knight Frank will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

- The intended use of the appraisal is solely in conjunction with an acquisition and Client's financial reporting obligations and no other use. Subject to the Indemnification Agreement attached hereto as Schedule "B" and subject to the Firm's prior written consent, the Client is permitted to include the appraisal report in a unitholder circular, prospectus or other offering document and to making the appraisal report available for public inspection at the office of Client. and no other use is permitted.
- The client is Ascendas Funds Management (S) Limited (as manager of Ascendas Real Estate Investment Trust) and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust).
- The appraisal may be used and relied upon only by the Client. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement. and no other user is permitted by any other party for any other purpose.

Definition of Value

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Interest Appraised

The appraisal is of the Leased Fee interest.[1]

- ***Leased Fee Interest:*** The ownership interest held by the lessor, which includes the right to receive he contract rent specified in the lease plus the reversionary right when the lease expires.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Identification of Property and Value Summary

The properties included in the subject portfolio are located in three markets in the United States and are identified as follows:

Suburban Office Portfolio Valuation Summary

Building Reference	Address	City	State	Number of Buildings	Valuation
1	8305 SW Creekside Place	Beaverton	OR	1	$3,600,000
2	8700-8770 SW Nimbus Avenue	Beaverton	OR	2	$5,800,000
3	9405 SW Gemini Drive	Beaverton	OR	1	$13,200,000
4	9205 SW Gemini Drive	Beaverton	OR	1	$7,600,000
5	8705 SW Nimbus Drive	Beaverton	OR	1	$10,300,000
6	8905 SW Nimbus Avenue	Beaverton	OR	1	$18,100,000
7	8500 SW Creekside Place	Beaverton	OR	1	$16,500,000
8	15220 NW Greenbrier Parkway	Beaverton	OR	1	$32,400,000
9	15400 &15350 NW Greenbrier Parkway	Beaverton	OR	2	$22,500,000
10	14600-14700 NW Greenbrier Parkway	Beaverton	OR	1	$16,600,000
11	14908, 14924, 15247, and 15272 NW Greenbrier Parkway	Beaverton	OR	4	$22,700,000
12	15201 NW Greenbrier Parkway	Beaverton	OR	3	$15,700,000
13	15455 NW Greenbrier Parkway	Beaverton	OR	1	$12,600,000
14	8300 SW Creekside Place	Beaverton	OR	1	$10,600,000
15	8405 SW Nimbus Drive	Beaverton	OR	1	$14,700,000
16	15051 Avenue of Science	San Diego	CA	1	$27,600,000
17	15073 Avenue of Science	San Diego	CA	1	$20,100,000
18	6055 Lusk Boulevard	San Diego	CA	1	$35,300,000
19	10020 Pacific Mesa Boulevard	San Diego	CA	1	$127,300,000
20	5005 & 5010 Wateridge Vista Drive *	San Diego	CA	2	$86,300,000
21	15435 & 15445 Innovation Drive *	San Diego	CA	2	$44,700,000
22	15231, 15253,15333 Avenue of Science *	San Diego	CA	3	$73,700,000
23	15378 Avenue of Science	San Diego	CA	1	$30,500,000
24	5200 West Paramount Parkway & 5200 East Paramount Parkway *	Morrisville	NC	2	$74,300,000
25	3005 Carrington Mill Boulevard	Morrisville	NC	1	$55,000,000
26	3015 Carrington Mill Boulevard	Morrisville	NC	1	$56,200,000
27	3020 Carrington Mill Boulevard	Morrisville	NC	1	$55,400,000
28	3025 Carrington Mill Boulevard	Morrisville	NC	1	$52,200,000
Total				40	$961,500,000

Compiled by NKF

Properties denoted with an asterisk (5005 & 5010 Wateridge Vista Drive, San Diego, CA 92121, 15231, 15253 & 15333 Avenue of Science, San Diego, CA 92128, 15435 & 15445 Innovation Drive, San Diego, CA 92128, and 5200 East Paramount Parkway & 5200 West Paramount Parkway, Morrisville NC 27560) each constitute one land parcel and hence one property. However, separate valuations have been prepared for each individual address.

Portfolio Investment Overview

The current commercial real estate climate is experiencing relatively extensive portfolio activity. In certain cases, portfolio buyers may achieve added value through operational efficiencies. In this case, we have not included a portfolio premium since the properties are located in different markets throughout the United States.

Raymond Higgins
Senior Managing Director
Certified General Real Estate Appraiser
North Carolina # A5025
Telephone: 470.481.0740
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Valuation Certificate	
Property Address	8305 SW Creekside Place, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1239911
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 19,775 square feet of rentable area. The improvements are of masonry construction and were built in 1984. The site area is 1.51 acres or 65,776 square feet – giving a land-to-building ratio of 3.07:1.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 20,776 Rentable Area (SF) - 19,775 Percent Occupied - 89% Year Built - 1984 Land to Building Ratio - 3.07
Tenancy	Based on the documents provided, major tenants include LeanPath Inc. and Nextel West Corp. These tenants occupy 89% of the total NRA
WALE & Yield	Initial Yield: 4.41% WALE by Area: 3 Years 1 Month WALE by Income: 3 Years 2 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $3,600,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 8.00%
Value per SF	GBA - $173.28/SF NRA - $182.05/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8700-8770 SW Nimbus Avenue, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1240062, R1240071
Registered Owner	Ascendas-Singbridge Group
Property Description	The “Subject Property” is an existing building containing 35,705 square feet of rentable area. The improvements are of masonry construction and were built in 1989. The site area is 2.82 acres or 122,839 square feet – giving a land-to-building ratio of 3.42:1. The property is currently 78% occupied.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 35,943 Rentable Area (SF) - 35,705 Percent Occupied - 78% Year Built - 1989 Land to Building Ratio - 3.42
Tenancy	Based on the documents provided, major tenants include Keysight, TTI Inc., and Invoise Medical. These tenants occupy 68% of the total NRA
WALE & Yield	Initial Yield: 6.68% WALE by Area: 2 Years 8 Months WALE by Income: 2 Years 9 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $5,800,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.50%
Value per SF	GBA - $161.37/SF NRA - $162.44/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate

Property Address	9405 SW Gemini Drive, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1237931
Registered Owner	Ascendas-Singbridge Group
Property Description	The “Subject Property” is an existing building containing 47,164 square feet of rentable area. The improvements are of masonry construction and were built in 1986. The site area is 3.87 acres or 168,577 square feet - giving a land-to-building ratio of 3.57:1.
Zoning Designation	OI-WS; Office Industrial - Washington Square
Improvements Description	GBA (SF) - 47,164 Rentable Area (SF) - 47,164 Percent Occupied - 100% Year Built - 1986 Land to Building Ratio - 3.57
Tenancy	Based on the documents provided, the building is 100% occupied by Digimarc. Their lease is set to expire in March 2024.
WALE & Yield	Initial Yield: 5.99% WALE by Area: 4 Years 7 Months WALE by Income: 4 Years 7 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $13,200,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.50% Discount Rate: 7.00%
Value per SF	GBA & NRA- $279.87/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	9205 SW Gemini Drive, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1237218
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 40,901 square feet of rentable area. The improvements are of masonry construction and were built in 1986. The site area is 3.65 acres or 158,994 square feet – giving a land-to-building ratio of 3.88:1.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 40,901 Rentable Area (SF) - 40,901 Percent Occupied - 100% Year Built - 1986 Land to Building Ratio - 3.88
Tenancy	Based on the documents provided, the building is 100% occupied. Tenants include Quinstreet, Inc., Rexel USA Inc., and eLynx, Ltd.
WALE & Yield	Initial Yield: 7.44% WALE by Area: 2 Years 8 Months WALE by Income: 2 Years 8 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $7,600,000
Capitalization Rates	Capitalization Rate: 7.50% Terminal Capitalization Rate: 7.00% Discount Rate: 8.00%
Value per SF	GBA & NRA- $185.81/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8705 SW Nimbus Avenue, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1240017
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 49,139 square feet of rentable area. The improvements are of masonry construction and were built in 1988. The site area is 2.53 acres or 110,207 square feet - giving a land-to-building ratio of 2.24:1.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 49,139 Rentable Area (SF) - 49,139 Percent Occupied - 95.5% Year Built - 1988 Land to Building Ratio - 2.24
Tenancy	Based on the documents provided, the building is 95.5% occupied. Major tenants include ProKarma, Inc., Gress & Clarkl LLC, and Binary Science Renewal.
WALE & Yield	Initial Yield: 7.44% WALE by Area: 3 Years 7 Months WALE by Income: 3 Years 1 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $10,300,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 7.00%
Value per SF	GBA & NRA- $209.61/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8905 SW Nimbus Avenue, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1240026
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 75,723 square feet of rentable area. The improvements are of masonry construction and were built in 1989. The site area is 4.32 acres or 188,179 square feet – giving a land-to-building ratio of 2.49:1.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 75,723 Rentable Area (SF) - 75,723 Percent Occupied - 93.8% Year Built - 1989 Land to Building Ratio - 2.49
Tenancy	Based on the documents provided, the building is 93.8% occupied. Major tenants include Anesthesia Business Consult, NvoicePay, Inc., and Ike Trading Co. Limited.
WALE & Yield	Initial Yield: 7.44% WALE by Area: 5 Years 3 Months WALE by Income: 4 Years 11 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $18,100,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 8.00%
Value per SF	GBA & NRA- $239.03/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8500 SW Creekside Place, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1239984
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 65,496 square feet of rentable area. The improvements are of masonry construction and were built in 1984. The site area is 4.62 acres or 201,247 square feet – giving a land-to-building ratio of 3.07:1. The building is fully occupied by FiServ.
Zoning Designation	OI-WS: Office Industrial - Washington Square
Improvements Description	GBA (SF) - 65,496 Rentable Area (SF) - 65,496 Percent Occupied - 100% Year Built - 1984 Land to Building Ratio - 3.07
Tenancy	Based on the documents provided, the building is 100% occupied. FiServ occupies the entire building and their lease is set to expire in August 2028.
WALE & Yield	Initial Yield: 6.01% WALE by Area: 9 Years WALE by Income: 9 Years
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $16,500,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.50% Discount Rate: 7.00%
Value per SF	GBA & NRA- $251.92/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15220 NW Greenbriar Parkway, Beaverton, OR 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046371
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 172,404 square feet of rentable area. The improvements are of masonry construction and were built in 1986. The site area is 10.31 acres or 449,104 square feet – giving a land-to-building ratio of 2.65:1.
Zoning Designation	OI; Office Industrial
Improvements Description	GBA (SF) - 172,404 Rentable Area (SF) - 172,404 Percent Occupied - 81.2% Year Built - 1986 Land to Building Ratio - 2.65
Tenancy	Based on the documents provided, the building is 81.2% occupied. Major tenants include Pivotal Software, Inc., Genesis Financial Solutions, and Harmonic, Inc.
WALE & Yield	Initial Yield: 6.45% WALE by Area: 2 Years 9 Months WALE by Income: 2 Years 9 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $32,400,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.50%
Value per SF	GBA & NRA- $187.93/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15400 & 15350 NW Greenbriar Parkway, Beaverton, OR 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046372
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 158,648 square feet of rentable area. The improvements are of masonry construction and were built in 1984. The site area is 11.69 acres or 509,216 square feet – giving a land-to-building ratio of 3.21:1.
Zoning Designation	OI; Office Industrial
Improvements Description	GBA (SF) - 158,648 Rentable Area (SF) - 158,648 Percent Occupied - 100% Year Built - 1984 Land to Building Ratio - 3.21
Tenancy	Based on the documents provided, the building is 100% occupied. Major tenants include Nike, Inc., Alaska Tanker Company LLC, and RTC Industries, Inc.
WALE & Yield	Initial Yield: 6.06% WALE by Area: 1 Year 10 Months WALE by Income: 1 Year 10 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $22,500,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.25% Discount Rate: 6.75%
Value per SF	GBA & NRA- $141.82/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	14600-14700 NW Greenbriar Parkway, Beaverton, OR 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046369
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 74,677 square feet of rentable area. The improvements are of masonry construction and were built in 1998. The site area is 6.24 acres or 271,814 square feet - giving a land-to-building ratio of 3.64:1.
Zoning Designation	OI: Office Industrial
Improvements Description	GBA (SF) - 74,677 Rentable Area (SF) - 74,677 Percent Occupied - 100% Year Built - 1998 Land to Building Ratio - 3.64
Tenancy	Based on the documents provided, the building is 100% occupied. Nike currently occupies the entire building and their lease is set to expire in July 2021.
WALE & Yield	Initial Yield: 6.01% WALE by Area: 1 Year 7 Months WALE by Income: 1 Year 8 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $16,600,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.50% Discount Rate: 7.00%
Value per SF	GBA & NRA- $222.29/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	14908, 14924, 15247, and 15272 NW Greenbrier Parkway, Beaverton, OR, 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046370
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 126,496 square feet of rentable area. The improvements are of masonry construction and were built in 1986. The site area is 13.47 acres or 586,753 square feet - giving a land-to-building ratio of 4.64:1.
Zoning Designation	OI; Office Industrial
Improvements Description	GBA (SF) - 126,496 Rentable Area (SF) - 126,496 Percent Occupied - 88.1% Year Built - 1986 Land to Building Ratio - 4.64
Tenancy	Based on the documents provided, the building is 88.1% occupied. Major tenants include Analog Devices Inc., Nike Inc., and Lumencor, Inc..
WALE & Yield	Initial Yield: 6.5% WALE by Area: 2 Years 4 Months WALE by Income: 2 Years 4 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $22,700,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 7.25%
Value per SF	GBA & NRA- $179.45/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15201 NW Greenbriar Parkway, Beaverton, OR 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046361
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 94,364 square feet of rentable area. The improvements are of masonry construction and were built in 1982. The site area is 7.84 acres or 341,510 square feet - giving a land-to-building ratio of 3.62:1.
Zoning Designation	OI: Office Industrial
Improvements Description	GBA (SF) - 94,364 Rentable Area (SF) - 94,364 Percent Occupied - 61.5% Year Built - 1982 Land to Building Ratio - 3.62
Tenancy	Based on the documents provided, the building is 61.5% occupied. Major tenants include Siemens Corporation, Pacific Northwest Renal, and Metropolitan Area Communications.
WALE & Yield	Initial Yield: 5.85% WALE by Area: 3 Years 1 Months WALE by Income: 3 Years 2 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $15,700,000 Prospective Upon Stabilization - $17,600,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.5% (As-Is); 7.00%(Upon Stabilization
Value per SF	GBA & NRA- $166.38/SF (As-Is) ; $186.51/SF (Upon Stabilization)

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15455 NW Greenbriar Parkway, Beaverton, OR 97006
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R2046358
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 68,373 square feet of rentable area. The improvements are of masonry construction and were built in 1988. The site area is 5.57 acres or 242,629 square feet – giving a land-to-building ratio of 3.55:1.
Zoning Designation	OI; Office Industrial
Improvements Description	GBA (SF) - 69,597 Rentable Area (SF) - 68,373 Percent Occupied - 71.1% Year Built - 1988 Land to Building Ratio - 3.55
Tenancy	Based on the documents provided, the building is 71.1% occupied. Major tenants include Metropolitan Pediatrics, LLC, JRJ Architects, LLC, and JKP Inc.
WALE & Yield	Initial Yield: 5.01% WALE by Area: 3 Years 11 Months WALE by Income: 3 Years 6 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $12,600,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.50%
Value per SF	GBA & NRA- $184.28/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8300 SW Creekside Place, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1239895
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 54,144 square feet of rentable area. The improvements are of masonry construction and were built in 1984. The site area is 3.63 acres or 158,123 square feet – giving a land-to-building ratio of 2.90:1.
Zoning Designation	OI-WS; Office Industrial - Washington Square
Improvements Description	GBA (SF) - 54,144 Rentable Area (SF) - 54,144 Percent Occupied - 75.3% Year Built - 1984 Land to Building Ratio - 2.90
Tenancy	Based on the documents provided, the building is 75.3% occupied. The two current tenants are Oregon Health and Science & Aerotek.
WALE & Yield	Initial Yield: 6.18% WALE by Area: 7 Years 5 Months WALE by Income: 7 Years 5 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $10,600,000 Prospective Value Upon Stabilization - $12,100,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 8.5% (As-Is); 7.50% (Upon Stabilization)
Value per SF	GBA & NRA- $195.77/SF (As-Is) $223.48/SF (Upon Stabilization)

Assumptions/Limiting Conditions	

Assumptions/Limiting Conditions

Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below:

1. The asset has a proper legal title.

2. All leases are legally valid and enforceable.

3. All land premiums and costs of settlements and public utilities services have been fully settled.

4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities.

5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers.

6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change.

For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	8405 SW Nimbues Avenue, Beaverton, OR 97008
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	R1297974
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is an existing building containing 53,793 square feet of rentable area. The improvements are of masonry construction and were built in 1984. The site area is 3.6 acres or 156,816 square feet – giving a land-to-building ratio of 2.92:1.
Zoning Designation	OI-WS; Office Industrial - Washington Square
Improvements Description	GBA (SF) - 53,793 Rentable Area (SF) - 53,793 Percent Occupied - 100% Year Built - 1984 Land to Building Ratio - 2.92
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to DAT Solutions through December 2025.
WALE & Yield	Initial Yield: 6.01% WALE by Area: 6 Years 4 Months WALE by Income: 6 Years 4 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $14,700,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.50% Discount Rate: 7.00%
Value per SF	GBA & NRA- $273.27/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15051 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-740-12-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 69,967-square-foot, two story office building. The subject was built in 2001 and is situated on a 196,456-square-foot lot giving a land-to-building ratio of 2.81:1. The building is comprised of 100% office space and has 277 parking spaces (3.96/1,000 SF). The building is fully occupied by Daybreak Game Company LLC. The tenant signed a 6 year lease that started in October of 2015 and ends September 2021.
Zoning Designation	IH-2-1 & IL-2-1; Heavy/Light Industrial Uses
Improvements Description	GBA (SF) - 69,967 Rentable Area (SF) - 69,967 Percent Occupied - 100% Year Built - 2001 Land to Building Ratio - 2.81
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Daybreak Game Company, LLC through September 2021.
WALE & Yield	Initial Yield: 6.32% WALE by Area: 2 Years 1 Month WALE by Income: 2 Years 1 Month
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $27,600,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $394.47/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15073 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-740-08-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 48,406-square-foot, two story office building. The subject was built in 2001 and is situated on a 141,570-square-foot lot giving a land-to-building ratio of 2.92:1. The building is comprised of 70% office space and 30% lab space with 215 parking spaces (4.48/1,000 SF). The building is fully occupied by Northrop Grumman Systems Corporation. The tenant signed a 13-year lease that started in January of 2018 and ends April 2023.
Zoning Designation	IL-2-1; Light Industrial Uses
Improvements Description	GBA (SF) - 48,406 Rentable Area (SF) - 48,406 Percent Occupied - 100% Year Built - 2001 Land to Building Ratio - 2.92
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Northrup Grumman System Corp. through April 2023.
WALE & Yield	Initial Yield: 6.13% WALE by Area: 3 Years 8 Month WALE by Income: 3 Years 8 Month
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $20,100,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.50% Discount Rate: 7.75%
Value per SF	GBA & NRA- $415.24/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate

Property Address	6055 Lusk Boulevard, San Diego, CA 92121
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	341-031-47-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 93,000-square-foot, two story office building. The subject was built in 1997 and is situated on a 299,257 square-foot lot giving a land-to-building ratio of 3.22:1. The building is comprised of 70% office space, 30% lab space, and has 461 parking spaces (4.96/1,000 SF). The building is fully occupied by Carefusion Manufacturing, LLC. The tenant signed a 13-year lease that started in September of 2007 and ends August 2020.
Zoning Designation	IL-2-1; Light Industrial Uses
Improvements Description	GBA (SF) - 93,000 Rentable Area (SF) - 93,000 Percent Occupied - 100% Year Built - 1997 Land to Building Ratio - 3.22
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Carefusion Manufacturing, LLC through August 2020.
WALE & Yield	Initial Yield: 6.88% WALE by Area: 1 Year WALE by Income: 1 Year
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $35,300,000
Capitalization Rates	Capitalization Rate: 6.75% Terminal Capitalization Rate: 7.00% Discount Rate: 8.00%
Value per SF	GBA & NRA- $379.57/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	10020 Pacific Mesa, San Diego, CA 92121
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	341-392-42-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 318,000-square-foot, three story office building. The subject was built in 1997 and is situated on a473,062 square-foot lot giving a land-to-building ratio of 1.48:1. The building is comprised of 70% office space, 30% lab space, and has 1480 parking spaces (4.65/1,000 SF). The building is fully occupied by Carefusion Manufacturing, LLC. The tenant signed a 15-year lease that started in July of 2007 and ends September 2022.
Zoning Designation	IL-3-1 & IL-2-1; Light Industrial Uses
Improvements Description	GBA (SF) - 318,000 Rentable Area (SF) - 318,000 Percent Occupied - 100% Year Built - 2007 Land to Building Ratio - 1.48
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Carefusion Manufacturing, LLC through September 2022.
WALE & Yield	Initial Yield: 6.04% WALE by Area: 3 Years WALE by Income: 3 Years
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $127,300,000
Capitalization Rates	Capitalization Rate: 6.25% Terminal Capitalization Rate: 6.50% Discount Rate: 8.00%
Value per SF	GBA & NRA- $400.31/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	5005 Wateridge Vista Drive, San Diego, CA 92121
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	340-090-69-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 61,460 square-foot, two story office building that is one of two office buildings in the Campus at Sorrento Gateway. The subject was built in 1999 and is situated on a 202,118 square-foot lot giving a land-to-building ratio of 3.29:1. The building is comprised of 100% office space and has 227 parking spaces (3.7/1,000 SF). The building is fully occupied by Biovia Corp. dba Dassault Systems. The tenant signed a 11-year lease that started in July of 2013 and ends June 2024.
Zoning Designation	IL-2-1; Light Industrial Uses
Improvements Description	GBA (SF) - 61,460 Rentable Area (SF) - 61,460 Percent Occupied - 100% Year Built - 1999 Land to Building Ratio - 3.29
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Dassault Sistemes Biovia Corp through June 2024.
WALE & Yield	Initial Yield: 6.60% WALE by Area: 3 Years 10 Months WALE by Income: 3 Years 10 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $29,300,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $476.73/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	5010 Wateridge Vista Drive, San Diego, CA 92121
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	340-090-56-00 & 340-090-68-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 111,318 square-foot, two story office building that is one of two office buildings in the Campus at Sorrento Gateway. The subject was built in 2000 and is situated on a 733,114 square-foot lot giving a land-to-building ratio of 6.59:1. The building is comprised of 100% office space and has 775 parking spaces (6.98/1,000 SF). The building is fully occupied by TD Ameritrade Services. The tenant signed a 186 month lease that started in September of 2013 and ends February 2028.
Zoning Designation	IL-2-1; Light Industrial Uses
Improvements Description	GBA (SF) - 111,318 Rentable Area (SF) - 111,318 Percent Occupied - 100% Year Built - 2000 Land to Building Ratio - 6.59
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to TD Ameritrade Services Company through February 2028.
WALE & Yield	Initial Yield: 6.05% WALE by Area: 8 Years 6 Months WALE by Income: 8 Years 6 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $57,000,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.25% Discount Rate: 7.75%
Value per SF	GBA & NRA- $512.05/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate

Property Address	15435 Innovation Drive, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-400-23-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 50,848 square-foot, two story office building. The subject was built in 2005 and is situated on a 366,339 square-foot lot giving a land-to-building ratio of 7.20:1. The building is comprised of 100% of office space. The building is 86% occupied by EDF Renewable Energy and T.B. Penick & Sons, Inc. Both tenants have over 4 years remaining on their leases.
Zoning Designation	IH-2-1 & IP-2-1 ; Heavy Industrial / Industrial Park
Improvements Description	GBA (SF) - 50,848 Rentable Area (SF) - 50,848 Percent Occupied - 86.1% Year Built - 2000 Land to Building Ratio - 7.20
Tenancy	Based on the documents provided, the building is 86.1% occupied. Current tenants include EDF Renewable Energy and T.B. Penick & Sons.
WALE & Yield	Initial Yield: 5.3% WALE by Area: 6 Years 3 Months 22 Days WALE by Income: 6 Years 3 Months 22 Days
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $21,600,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.50% Discount Rate: 7.75%
Value per SF	GBA & NRA- $424.80/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15445 Innovation Drive, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-400-23-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 51,500-square-foot, two story office building. The subject was built in 2000 and is situated on a 366,339-square-foot lot giving a land-to-building ratio of 7.11:1. The building is comprised of 100% office space and has 498 parking spaces (9.57/1,000 SF). The building is fully occupied by EDF Renewable Energy. The tenant signed a 15-year lease that started in June of 2010 and ends March 2026.
Zoning Designation	IH-2-1 & IP-2-1 ; Heavy Industrial / Industrial Park
Improvements Description	GBA (SF) - 51,500 Rentable Area (SF) - 51,500 Percent Occupied - 100% Year Built - 2000 Land to Building Ratio - 7.11
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to EDF Renewable Energy through March 2026.
WALE & Yield	Initial Yield: 7.20% WALE by Area: 6 Years 7 Months WALE by Income: 6 Years 7 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $23,100,000
Capitalization Rates	Capitalization Rate: 6.25% Terminal Capitalization Rate: 6.50% Discount Rate: 7.75%
Value per SF	GBA & NRA- $448.54/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15231 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-740-09-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 65,638 square-foot, two story office building built in 2005 and situated on a 106,722 square-foot lot giving a land-to-building ratio of 1.63:1. The building is comprised of 80% office space and 20% data/lab space. The building is 72.3% occupied by Hitachi Data Systems. Hitachi Data Systems occupied the space in February 2010 and their lease expires May 2020. Their lease has 2, five-year renewal options.
Zoning Designation	IL-2-1; Light Industrial
Improvements Description	GBA (SF) - 65,638 Rentable Area (SF) - 65,638 Percent Occupied - 72.3% Year Built - 2005 Land to Building Ratio - 1.63
Tenancy	Based on the documents provided, the building is 72.3% occupied. Hitachi Data Systems Corporation is the only tenant and their lease expires in May 2020.
WALE & Yield	Initial Yield: 3.11% WALE by Area: 9 Months WALE by Income: 9 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $25,900,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 8.00%
Value per SF	GBA & NRA- $394.59/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate

Property Address	15253 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-740-10-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 37,347-square-foot, two story office building. The subject was built in 2005 and is situated on a 101,495-square-foot lot giving a land-to-building ratio of 2.71:1. The building is comprised of 100% office space and has 253 parking spaces (6.8/1,000 SF). The building is fully occupied by Symantec Corporation. The tenant signed a 13-year lease that started in March of 2010 and ends October 2023.
Zoning Designation	IL-2-1; Light Industrial
Improvements Description	GBA (SF) - 37,437 Rentable Area (SF) - 37,437 Percent Occupied - 100% Year Built - 2005 Land to Building Ratio - 2.71
Tenancy	Based on the documents provided, the building is 100% occupied. The entire building is currently leased to Symantec Corporation through October 2023.
WALE & Yield	Initial Yield: 5.94% WALE by Area: 4 Years 2 Months WALE by Income: 4 Years 2 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $16,800,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.25% Discount Rate: 7.75%
Value per SF	GBA & NRA- $448.75/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15333 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-400-04-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 75,099 square-foot, two story office building. The subject was built in 2006 and is situated on a 202,554 square-foot lot giving a land-to-building ratio of 2.57:1. The building is comprised of 100% of office space. The building is 100% occupied by Northrop Grumman, the State of California, and Symantec Corporation.
Zoning Designation	IP-2-1; Industrial Park
Improvements Description	GBA (SF) - 75,099 Rentable Area (SF) - 75,099 Percent Occupied - 100% Year Built - 2006 Land to Building Ratio - 2.57
Tenancy	Based on the documents provided, the building is 100% occupied. The tenants include the State of California - Department of Social Services, Symantec Corporation, and Northrup Grumman Systems Corporation.
WALE & Yield	Initial Yield: 7.19% WALE by Area: 3 Years 6 Days WALE by Income: 3 Years 19 Days
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $31,000,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.75%
Value per SF	GBA & NRA- $412.78/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	15378 Avenue of Science, San Diego, CA 92128
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	313-400-18-00
Registered Owner	Ascendas-Singbridge Group
Property Description	The subject is a 68,791 square-foot, one story office building. The subject was built in 1985 and is situated on a 235,224 square-foot lot giving a land-to-building ratio of 3.42:1. The building is comprised of a mix of office, warehouse, and R&D space. The building is 100% occupied by two tenants.
Zoning Designation	IH-2-1; Heavy Industrial Uses
Improvements Description	GBA (SF) - 68,791 Rentable Area (SF) - 68,791 Percent Occupied - 100% Year Built - 1985 Land to Building Ratio - 3.42
Tenancy	Based on the documents provided, the building is 100% occupied. The tenants include the Turner Construction Company and Daylight Solutions.
WALE & Yield	Initial Yield: 5.85% WALE by Area: 3 Years 8 Months 5 Days WALE by Income: 3 Years 7 Months 12 Days
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $30,500,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 7.00% Discount Rate: 7.75%
Value per SF	GBA & NRA- $443.37/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	5200 West Paramount Parkway, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0283073
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is a 159,270 square foot two-story Class B office building. The building was constructed in 2000, renovated in 2019 and is located on a 11.72-acre site. The property is a multi-tenant property and is in lease up with only one tenant occupying the property currently. The current tenant is Alliance Healthcare which occupied 78.6% of the building.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 159,270 Rentable Area (SF) - 159,270 Percent Occupied - 78.6% Year Built - 2000 Land to Building Ratio - 3.21
Tenancy	Based on the documents provided, the building is 78.6% occupied. The only tenant is Alliance Healthcare and their lease expires in July 2029.
WALE & Yield	Initial Yield: 5.76% WALE by Area: 10 Years WALE by Income: 10 Years
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $37,200,000 Prospective Value Upon Stabilization - $37,900,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $233.57/SF (As-Is); $237.96/SF (Upon Stabilization)

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	5200 East Paramount Parkway, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0456518
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is a 154,853 square foot two-story Class B office building. The building was constructed in 1999, renovated in 2019 and is located on a 12.33-acre site. The property is a single-tenant property and is 100% occupied by Oracle. The tenant has over 4 years remaining on their current term and have one five year option period that will be leased at market.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 154,853 Rentable Area (SF) - 154,853 Percent Occupied - 100% Year Built - 1999 Land to Building Ratio - 3.47
Tenancy	Based on the documents provided, the building is 100% occupied. Oracle America, Inc. is leasing the entire building through July 2024.
WALE & Yield	Initial Yield: 7.74% WALE by Area: 5 Years WALE by Income: 5 Years
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $37,100,000
Capitalization Rates	Capitalization Rate: 7.75% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $239.58/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	3005 Carrington Mill Boulevard, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0418310
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is a 203,066 square foot five-story Class A office building. The building was constructed in 2007 and is located on a 14.59-acre site. Key tenants include Horace Mann Services, Northrop Grumman Systems Corp and BAMTech, LLC. The building is 100% occupied.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 208,344 Rentable Area (SF) - 203,066 Percent Occupied - 100% Year Built - 2007 Land to Building Ratio - 3.05
Tenancy	Based on the documents provided, the building is 100% occupied. Major tenants include Horace Mann Services, Northrup Grumman Systems Corp, Progress Software Corporation, and Apptio, Inc.
WALE & Yield	Initial Yield: 6.33% WALE by Area: 4 Years 1 Month WALE by Income: 4 Years 1 Month
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $55,000,000
Capitalization Rates	Capitalization Rate: 6.50% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $263.99/SF & $270.85/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	3015 Carrington Mill Boulevard, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0418310
Registered Owner	Ascendas-Singbridge Group
Property Description	The "Subject Property" is a 245,352 square foot five-story Class A office building. The building was constructed in 2013 and is located on an 18.84-acre site. Key tenants include Teleflex Medical Inc. and Simplivity Corporation. The building is 96.1% occupied.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 257,892 Rentable Area (SF) - 245,352 Percent Occupied - 96.1% Year Built - 2013 Land to Building Ratio - 3.18
Tenancy	Based on the documents provided, the building is 96.1% occupied. Major tenants include Teleflex Medical Inc., Simplivity Corporation, and Moore & Van Allen, PLLC.
WALE & Yield	Initial Yield: 6.51% WALE by Area: 4 Years 6 Months WALE by Income: 4 Years 6 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $56,200,000
Capitalization Rates	Capitalization Rate: 6.75% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $217.92/SF & $229.06/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	3020 Carrington Mill Boulevard, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0418310
Registered Owner	Ascendas-Singbridge Group
Property Description	The “Subject Property” is a 206,881 square foot five-story Class A office building. The building was constructed in 2013 and is located on an 18.04-acre site. Key tenants include SciQuest Inc., MaxPoint Interactive, Deloitte, and Fujifilm Medical Systems U.S.A. The building is 97.13% occupied.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 214,630 Rentable Area (SF) - 206,881 Percent Occupied - 97.13% Year Built - 2013 Land to Building Ratio - 3.66
Tenancy	Based on the documents provided, the building is 97.13% occupied. Major tenants include SciQuest, Inc., Fujifilm Medical Systems, Deloitte, and MaxPoint Interactive.
WALE & Yield	Initial Yield: 5.85% WALE by Area: 4 Years 1 Month WALE by Income: 3 Years 9 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $55,400,000
Capitalization Rates	Capitalization Rate: 5.75% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $258.12/SF & $267.79/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Valuation Certificate	
Property Address	3025 Carrington Mill Boulevard, Morrisville, NC 27560
Client	Ascendas Funds Management (S) Limited (in its capacity as manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	Estimate of Market Value
Interest Valued	Leased Fee Interest
Assesor's Parcel Number	0421391
Registered Owner	Ascendas-Singbridge Group
Property Description	The “Subject Property” is a 192,225 square foot five-story Class A office building. The building was constructed in 2015 and is located on a 13.54-acre site. Key tenants include Channel Advisor Corporation and Microsoft Corporation. The building is 100% occupied.
Zoning Designation	OI; Office/Institutional
Improvements Description	GBA (SF) - 192,225 Rentable Area (SF) - 192,225 Percent Occupied - 100% Year Built - 2015 Land to Building Ratio - 3.07
Tenancy	Based on the documents provided, the building is 100% occupied. Major tenants include Channel Advisor Corporation and the Microsoft Corporation.
WALE & Yield	Initial Yield: 6.00% WALE by Area: 5 Years 1 Month WALE by Income: 4 Years 3 Months
Approaches to Value	All Applicable: Sales Comparison Approach, Discounted Cash Flow Analysis, Direct Capitalization Approach
Date of Value	9/1/2019
Valuation	Market Value As Is - $52,200,000
Capitalization Rates	Capitalization Rate: 6.00% Terminal Capitalization Rate: 6.75% Discount Rate: 8.00%
Value per SF	GBA & NRA- $271.56/SF

Assumptions/Limiting Conditions	Included in our valuations are various assumptions and limiting conditions. Key assumptions and limitations are listed below: 1. The asset has a proper legal title. 2. All leases are legally valid and enforceable. 3. All land premiums and costs of settlements and public utilities services have been fully settled. 4. The design and construction of the asset is in compliance with local planning regulations and have been approved by the relevant government authorities. 5. We have been provided with extracrs of lease documents but have not inspected the original documents. We are not in a position to verify the title to the asset, which should be handled by the Manager and their legal advisors. In our valuation we have assumed that the asset can be freely disposed of to local or overseas buyers. 6. Having made reasonable inquiries, exercising our judgement on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the client and their professional advisors. All information provided to us is treated as complete and accurate and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any of the information provdided were to materially change. For all other assumptions, disclaimers, limitations, and qualifications, please refer to the full valuation report.

Assumptions and Limiting Conditions

The Appraisal contained in this Report (herein "Report") is subject to the following assumptions and limiting conditions:

1. Unless otherwise stated in this report, title to the property which is the subject of this report (herein "Property") is assumed to be good and marketable and free and clear of all liens and encumbrances and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. No responsibility is assumed for the legal description, zoning, condition of title or any matters which are legal in nature or otherwise require expertise other than that of a professional real estate appraiser. This report shall not constitute a survey of the Property.
2. Unless otherwise stated in this report, it is assumed: that the improvements on the Property are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the Property and improvements conform to all applicable local, state, and federal laws, codes, ordinances and regulations including environmental laws and regulations. No responsibility is assumed for soil or subsoil conditions or engineering or structural matters. The Property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated. The physical condition of the Property reflected in this report is solely based on a visual inspection as typically conducted by a professional appraiser not someone with engineering expertise. Responsible ownership and competent property management are assumed.
3. Unless otherwise stated in this report, this report did not take into consideration the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances or underground storage tanks, or the cost of encapsulation, removal or remediation thereof. Real estate appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials and substances may adversely affect the value of the Property. Unless otherwise stated in this report, the opinion of value is predicated on the assumption that there is no such material or substances at, on or in the Property.
4. All statements of fact contained in this report as a basis of the analyses, opinions, and conclusions herein are true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to and relies upon the accuracy of information and material furnished by the owner of the Property or owner's representatives and on information and data provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by such members. Such information and data obtained from third party sources are assumed to be reliable and have not been independently verified. No warranty is made as to the accuracy of any of such information and data. Any material error in any of the said information or data could have a substantial impact on the conclusions of this Report. The appraiser reserves the right to amend conclusions reported if made aware of any such error.

5. The opinion of value stated in this report is only as of the date of value stated in this report. An appraisal is inherently subjective and the conclusions stated apply only as of said date of value, and no representation is made as to the effect of subsequent events. This report speaks only as of the date hereof.
6. Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
7. The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.
8. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
9. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This report shall be considered only in its entirety. No part of this report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the Firm. Possession of this report, or a copy hereof, does not carry with it the right of publication.
11. Client and any other Intended User identified herein should consider this report and the opinion of value contained herein as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors. The use of this report and the appraisal contained herein by anyone other than an Intended User identified herein, or for a use other than the Intended Use identified herein,

is strictly prohibited. No party other than an Intended User identified herein may rely on this report and the appraisal contained herein.

12. Unless otherwise stated in the agreement to prepare this report, the appraiser shall not be required to participate in or prepare for or attend any judicial, arbitration, or administrative proceedings.

13. The Americans with Disabilities Act (ADA) became effective January 26, 1992. No survey or analysis of the Property has been made in connection with this report to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. No expertise in ADA issues is claimed, and the report renders no opinion regarding the Property's compliance with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

14. Acceptance and/or use of this report constitutes full acceptance of these Assumptions and Limiting Conditions and any others contained in this report, including any Extraordinary Assumptions and Hypothetical Conditions, and is subject to the terms and conditions contained in the agreement to prepare this report and full acceptance of any limitation of liability or claims contained therein.

Certification

No. Statement

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, Tim McFadden, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.
12. Newmark representitives made personal inspections of the property that is the subject of this report. Tim McFadden, MAI, AI-GRS has not personally inspected the subjects.
13. No one provided significant real property appraisal assistance to the person(s) signing this certification.
14. The Firm operates as an independent economic entity. Although employees of other service lines or affiliates of the Firm may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
15. Within this report, "Newmark Knight Frank", "NKF Valuation & Advisory", "NKF, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.
16. Tim McFadden, MAI, AI-GRS has previously performad full valuations on some of the assets for the current client that are part of this summary within the three-year period immediately preceding acceptance of this assignment.

CBRE

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Agency License No.: L3002163I

30 September 2019

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as Trustee of Ascendas Real Estate Investment Trust)
21 Collyer Quay
#03-01 HSBC Building
Singapore 049320

Dear Sirs,

RE: VALUATION OF
1. **21 BIOPOLIS ROAD NUCLEOS SINGAPORE 138567**
2. **288 PASIR PANJANG ROAD FM GLOBAL CENTRE SINGAPORE 117369 ("PROPERTIES")**

Instructions

We refer to instructions issued by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust) being the instructing party to this valuation, requesting a Valuation Summary Letter and Valuation Certificates for inclusion in a circular to be issued by Ascendas Funds Management (S) Limited (in its capacity as Manager of Ascendas Real Estate Investment Trust) (the "Manager") (the "Circular") and an offer information statement ("OIS") to be issued by the Manager in connection with a rights issue, and full Valuation Reports, in respect of the abovementioned Properties for acquisition purposes. Our opinion of Market Value has regard to the remaining leasehold interest in the Properties as at 1 September 2019, and is subject to the existing tenancies and occupational arrangements as disclosed.

We have prepared comprehensive formal Full Valuation Reports in respect of the Properties (individually a "Report" and collectively the "Reports") in accordance with the requirements of our instructions.

In accordance with the Singapore Institute of Surveyors and Valuers' Valuation Standards and Practice Guidelines and International Valuation Standards, the definition of Market Value is as follows:

"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".

This summary of valuation and report is a condensed version of our more extensive Reports dated 30 September 2019. We recommend that this Valuation Summary Letter should accordingly be read in conjunction with that aforementioned Reports. Our instructions were to value the leasehold interest in the Properties on the basis of Market Value as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee(s) dated 15 July 2019.

Reliance on This Letter

For the purposes of the Circular and the OIS, we have prepared this letter which summarises our Reports and outlines key factors which have been considered in arriving at our opinions of value. This letter alone does not contain the necessary data and support information included in our Reports. For further information to that contained herein, reference should be made to the Reports, copies of which are held by the Manager.

CBRE has provided the Manager with comprehensive Reports for the Properties. The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- The conclusions within the valuation reports as to the estimated value are based upon the factual information set forth in that Report. Whilst CBRE has endeavored to assure the accuracy of the factual information, it has not independently verified all information provided by the Manager (primarily the leases and financial information with respect to the Properties as well as reports by independent consultants engaged by the Manager, or the government of Singapore (primarily statistical information relating to market conditions). CBRE believes that every investor, before making an investment in Ascendas Real Estate Investment Trust, should review the Reports to understand the complexity of the methodology and the many variables involved.

- The primary methodologies used by CBRE in valuing the Properties – the Capitalisation Approach and Discounted Cash Flow Analysis – are based upon estimates of future results and are not predictions. These valuation methodologies are summarized in the Valuation Rationale section of this letter. Each methodology begins with a set of assumptions as to income and expenses of the Properties and future economic conditions in the local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions. The resultant value is considered the best practice estimate, but is not to be construed as a prediction or guarantee and is fully dependent upon the accuracy of the assumptions as to income, expenses and market conditions. The basic assumption utilized for the Properties is summarized in the Valuation Rationale section of this letter.

- The Reports was undertaken based upon information available as at August 2019. CBRE accepts no responsibility for subsequent changes in information as to income, expenses or market conditions.

The Reports will be relied on by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Trust) and Ascendas Funds Management (S) Limited (in its capacity as Manager of Ascendas Real Estate Investment Trust) in regard to the proposed acquisition of the Properties and such other party that should enter into a reliance letter with us.

No reliance may be placed upon the contents of this Valuation Summary Letters by any party for any purpose other than in connection with the Purpose of Valuation and as otherwise stated herein.

Valuation Rationale

In arriving at our opinion of value, we have considered relevant general and economic factors and in particular have investigated recent sales and leasing transactions of comparable properties that have occurred in the broader business park property market. We have primarily utilised the Capitalisation Approach and Discounted Cash Flow analysis in undertaking our assessment for the Properties.

Capitalisation Approach

We have utilised a capitalisation approach in which the sustainable net income on a fully leased basis has been estimated having regard to the current passing rental income and other income. From this figure, we have deducted applicable outgoings, including operating expenses, property management fees as well as property tax.

The resultant net income has been capitalised for the remaining tenure of the respective Properties to produce a core capital value. The capitalisation rate adopted reflects the nature, location and tenancy profile of the Properties together with current market investment criteria, as evidenced by the sales evidence considered. Thereafter, appropriate capital adjustments have been included relating to rental reversion adjustments and capital expenditure requirements.

Discounted Cash Flow Analysis

We have also carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the Properties are sold at the commencement of the eleventh year of the cash flow. This form of analysis allows an investor or owner to make an assessment of the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, sale price of the property at the end of the investment horizon, costs associated with the initial purchase of the property and also its disposal at the end of the investment period.

30 September 2019

Summary of Values

The table below outlines the salient valuation assumptions adopted in undertaking our assessment:

	Property	Capitalisation Rate	Discount Rate	Terminal Capitalisation Rate	Assessed Market Value (S$)	S$ psf of Lettable Area
1)	21 Biopolis Road Nucleos	5.50%	7.50%	5.75%	$303,000,000	$738
2)	288 Pasir Panjang Road FM Global Centre	5.25%	7.25%	5.50%	$94,100,000	$753
	Total				$397,100,000	

Assessment of Value

We are of the opinion that the Market Value of the Properties as at 1 September 2019 subject to the existing tenancies and occupational arrangements, is: **S$397,100,000/- (Singapore Dollars: Three Hundred Ninety-Seven Million And One Hundred Thousand only).**

Disclaimer

Ms Chia Hui Hoon, Mr Li Hiaw Ho and CBRE have prepared this Valuation Summary Letter which appears in this Circular and, to the extent permitted by law, specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Circular, other than in respect of the information provided within the aforementioned Reports and this Valuation Summary Letter. Ms Chia Hui Hoon, Mr Li Hiaw Ho and CBRE do not make any warranty or representation as to the accuracy of the information in any other part of the prospectus other than as expressly made or given by CBRE in this Valuation Summary Letter.

CBRE has relied upon property data supplied by the Manager which we assume to be true and accurate. CBRE takes no responsibility for inaccurate client supplied data and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions. CBRE, Ms Chia Hui Hoon and Mr Li Hiaw Ho have no present or prospective interest in the Properties and have no personal interest or bias with respect to the party(ies) involved.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event (such as a lending proposal or sale negotiation).

We hereby certify that the valuers undertaking these valuations are authorized to practice as valuers and have at least 15 years continuous experience in valuation.

30 September 2019

None of the information in this Valuation Summary Letter or our Reports constitutes advice as to the merits of entering into any form of transaction. Furthermore, none of the information in this Summary Valuation Letter or our Reports constitutes financial product advice.

This Summary Valuation Letter and the Reports are strictly limited to the matters contained within those documents and are not to be read as extending, by implication or otherwise, to any other matter in the Circular. To the extent permitted by law, CBRE specifically disclaims any liability in respect of the use of or reliance on this Letter to any person in the event of any omission or false or misleading statement other than to the Addressees or such other party that has entered into a reliance letter with us. CBRE does not give any warranty or representation as to the accuracy of the information in any other part of the Circular and the OIS.

Yours sincerely
CBRE PTE. LTD.

LI HIAW HO
DipUrbVal (Auck) SNZPI FSISV
Appraiser's License No. AD041-2002445I
Advisor
Valuation & Advisory Services

CHIA HUI HOON
BSc (Est. Mgt) Hons MSISV
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Co. Reg. No.: 197701161R
Agency License No.: L3002163I

Valuation Certificate

Property:	Nucleos 21 Biopolis Road Singapore 138567
Client:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as Trustee of Ascendas Real Estate Investment Trust)
Trust:	Ascendas Real Estate Investment Trust "A-REIT"
Purpose:	Acquisition
Tenure:	Leasehold for a term of 60 years commencing from 1-6-2011.
Interest Valued:	Balance term of 51.7 years.
Basis of Valuation:	Market Value subject to existing tenancies and occupational arrangements.
Registered Owner:	Ascendas Venture Pte Ltd
Land Area (sqm):	9,621.4
Town Planning:	"Business Park" with a plot ratio of 4.8
Brief Description:	The property is a 7-storey twin tower research building (North and South Tower) with modular units and hotel laboratory suites with 1 mezzanine storey and basement car park. The building accomodates laboratory space, research space and ancillary office areas. The two blocks are linked by a skybridge on the 4th storey. Loading/unloading bays, and car parking lots are provided within the development. The Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC) were issued on 20 January 2014 and 13 October 2014 respectively. The building is in good condition and is well-maintained, having regard to its age and use.
Tenancy Profile:	As currently leased, all tenancies in the property are in occupation under formal lease agreements. The property has an average weighted remaining lease term of 2.2 years.
Annual Value:	$20,046,500
NLA (sqm)	38,148.94
GFA (sqm)	46,174.01
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis
Date of Valuation:	1 September 2019
Assessed Value:	$303,000,000 (Three Hundred Three Million Dollars)

This valuation is exclusive of GST.

Analysis:	
Capitalisation Rate:	5.50%
Terminal Cap:	5.75%
IRR (10 years):	7.50%
Value psm of NLA:	$7,943
Value psm of GFA:	$6,562

Assumptions, Disclaimers, Limitations & Qualifications

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Subject to applicable laws, this valuation is for the use only of the party to whom it is addressed or to whom reliance is given and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

Prepared By: CBRE PTE. LTD

Per:

Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's License No. AD041-2002445I
Adviser - Valuation & Advisory Services

Chia Hui Hoon Bsc (Est Mgt) Hons MSISV
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Co. Reg. No.: 197701161R
Agency License No.: L3002163I

Valuation Certificate

Property:	FM Global Centre 288 Pasir Panjang Road Singapore 117369
Client:	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Ascendas Real Estate Investment Trust)
Trust:	Ascendas Real Estate Investment Trust "A-REIT"
Purpose:	Acquisition
Tenure:	Leasehold for a term of 99 years commencing from 24-3-1993.
Interest Valued:	Balance term 72.56 years.
Basis of Valuation:	Market Value subject to existing tenancy and occupational arrangements.
Registered Owner:	Singapore Science Park Ltd
Land Area:	9,677.5 square metres
Town Planning:	"Business Park" with a plot ratio of 1.2
Brief Description:	The subject property comprises a 6-storey business park building, ancillary training facilities, ancillary offices and basement carpark. It is erected on a boot-shaped plot of land and elevated above the access road level. We have reviewed and verified that Temporary Occupation Permit and Certificate of Statutory Completion were issued on 2 November 2018 and 30 August 2019 respectively.
Tenancy Profile:	The building is leased by FM Global as Lessee for a period of more than 25 years.
Lease Condition:	The Lease is subject to fixed annual rental escalations of 2.5%. The contracted rent for Year 1 is about S$5.2 million per annum. The tenant is required to pay all outgoing expenses including building maintenance, capex and property tax whilst the landlord is responsible for maintenance of landscaping, land service charge and lease management fees.
NLA (sqm):	11,613.0
GFA (sqm):	11,613.0
Valuation Approaches:	Capitalisation Approach and Discounted Cash Flow Analysis
Date of Valuation:	1 September 2019
Assessed Value:	**$94,100,000** **(Ninety Four Million One Hundred Thousand Dollars)** This valuation is exclusive of GST.
Analysis:	
Capitalisation Rate:	5.25%
Terminal Cap:	5.50%
IRR (10 years):	7.25%
Value psm of NLA:	$8,103
Value psm of GFA:	$8,103
Assumptions, Disclaimers, Limitations & Qualifications	*This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Subject to applicable laws, this valuation is for the use only of the party to whom it is addressed or to whom reliance is given and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.*

Prepared By: **CBRE Pte Ltd**

Per: Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV
Appraiser's License No. AD041-2002445I
Adviser - Valuation & Advisory Services

Per: Chia Hui Hoon BSc (Est. Mgt) Hons MSISV
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Our Ref: 2019/C2/0093/CORP

30 September 2019

Ascendas Funds Management (S) Limited
(as Manager of Ascendas Real Estate Investment Trust) (the "Manager")
1 Fusionopolis Place #10-10 GALAXIS
Singapore 138522

Dear Sirs,

VALUATION OF
1) **21 BIOPOLIS ROAD, NUCLEOS, SINGAPORE 138567**
2) **288 PASIR PANJANG ROAD, FM GLOBAL CENTRE, SINGAPORE 117369**

We refer to your instructions to carry out a valuation in respect of the abovementioned properties (the "Properties") for proposed acquisition purpose. Our instructions are to provide our opinion of the market value of the unexpired leasehold interest in the Properties as at 1 September 2019, subject to the existing tenancies.

We confirm that we have inspected the Properties and have prepared full valuation reports ("Reports") and valuation certificates in accordance with the requirements of the instructions. We understand that this letter and the valuation certificates will be included in a circular to be issued by the Manager in connection with the acquisitions and an offer information statement ("OIS") to be issued by the Manager in connection with a rights issue.

Our valuation is on the basis of market value which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion" ("Market Value").

This definition of value is consistent with the definition of Market Value as advocated by the Singapore Institute of Surveyors and Valuers' Valuation Standards and Guidelines.

Market Value is also the best price reasonably obtainable on the valuation date by the seller and the most advantageous price reasonably obtainable on the valuation date by the buyer. This estimate specially excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

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Our valuation has been made on the assumption that the Properties are sold in the open market without the benefit of a deferred term contract or any similar arrangement which could serve to affect the value of the Property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from any major or material encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have undertaken no structural or condition surveys. We advise that we have not inspected unexposed or inaccessible portions of the building and cannot therefore state that these are not free from rot, infestation or hazardous material.

We have also assumed that the building complies with all relevant statutory requirements in respect of health, building and fire safety regulations.

We have relied on the information provided by the Manager on matters relating to the Properties such as site area, lettable area, tenancy details, income and expense forecast, lease terms etc. All information provided is treated as correct and Colliers International Consultancy and Valuation (Singapore) Pte Ltd accepts no responsibility for subsequent changes in information and reserves the right to change our opinion of value if any information provided were to materially change.

For the purpose of the circular and the OIS, we have prepared this letter and the enclosed valuation certificates which summarises our Reports and outlines key factors we have considered in arriving at our opinion of value. This letter and the valuation certificate do not contain all the necessary data and information included in our Reports. For further information, reference should be made to the Reports.

The valuation and market information are not guarantees or predictions and must be read in consideration of the following:

- The estimated value is based upon the factual information provided by the client/asset manager. Property data/information provided is assumed to be correct. Whilst Colliers International has endeavoured to ensure the accuracy of the information, it has not independently verified all information provided by the client/asset manager. Colliers International also accepts no responsibility for subsequent changes in information as to areas, income, expenses or market conditions.
- The methodologies adopted in valuing the Properties are based upon estimates of future results and are not predictions. Each methodology is based on a set of assumptions as to income and expenses of the Properties and future economic conditions in the local market.

Valuation Summary

The valuation is carried out on 'As Is' basis, subject to existing tenancies made known to us. Our opinion of values and the key assumptions adopted in our valuation are summarized below:

Property	Capitalisation Rate	Discount Rate	Terminal Cap Rate	Market Value as at 1 September 2019
21 Biopolis Road, NUCLEOS, Singapore 138567	5.75%	7.50%	6.00%	S$300,000,000
288 Pasir Panjang Road, FM GLOBAL CENTRE, Singapore 117369	5.25%	7.50%	5.50%	S$92,000,000

We specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the circular and the OIS, other than in respect of the information provided within the Reports. This letter and the reports have been prepared for the use of the instructing parties for the stated purpose only and cannot be relied upon by third parties. Subject to applicable laws, no responsibility is accepted to any other party for the whole or any part of its contents.

The reported analysis, opinion and conclusion are limited only by the reported assumptions and limiting conditions and is our personal, unbiased professional analyses, opinions and conclusions. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We confirm that we do not have a pecuniary interest that would conflict with a proper valuation of the Properties and the valuers undertaking the valuation are authorised to practise as valuers and have the necessary expertise and experience in valuation of such type of property.

Yours faithfully,
For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No: AD041- 2003809B
Executive Director,
Valuation & Advisory Services

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
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VALUATION CERTIFICATE

Address of Property	:	21 Biopolis Road, NUCLEOS, Singapore 138567
Our Reference	:	2019/C2/0093/CORP
Valuation Prepared for	:	Ascendas Funds Management (S) Limited (as Manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	:	For proposed acquisition purpose
Interest Valued	:	Unexpired leasehold interest of 51.7 years in the Property
Legal Description	:	The land is designated as Lot 4830V Mukim 3.
Tenure	:	The Property is granted a 60-year leasehold estate commencing 1 June 2011 by JTC.
Registered Lessee	:	Ascendas Venture Pte. Ltd.
Brief Description	:	NUCLEOS is located at the junction of Biopolis Road and Biomedical Grove, within One-North. It is approximately 9 km from the City Centre. Accessibility to other parts of Singapore is enhanced by its proximity to the Ayer Rajah Expressway as well as the Buona Vista/ One-North MRT Stations. The Property comprises a 7-storey twin-tower research development with mezzanine level, a basement car park and 5 loading/ unloading bays (3 with hydraulic dock levelers). Within the development are research units/laboratories, showroom space, office space and 3 F&B units. The north and south towers are connected by a link bridge on the 4th storey. Vertical access is via 8 passenger lifts, 2 carpark lifts and 2 cargo/ service lifts, supplemented by reinforced concrete staircases.
Site Area	:	9,621.4 sm or thereabouts
Gross Floor Area ("GFA")	:	Approximately 46,174.01 sm (as per Written Permission dated 12 November 2015 and subject to survey)
Net Lettable Area ("NLA")	:	See table below
Year of Completion	:	The Temporary Occupation Permit was issued on 20 January 2014 whilst the Certificate of Statutory Completion was issued on 13 October 2014.

Net Lettable Area ("NLA"):

Use	Approx. Lettable Area (sm)
Business Park Space	31,479.52
Business Park – Shell Plus Lab	1,190.94
Office	5,064.57
Amenity	413.91
Total	**38,148.94**

Note: Areas are approximate and as extracted from the Tenancy Schedule and updates provided.

Condition	:	Generally good
Tenancy Brief	:	According to the Tenancy Schedule and Leasing Updates provided, the Property is about 92.9% let as at 1 September 2019, including committed leases which have not commenced. Major tenants include Performance Specialty Products (Singapore) Pte. Ltd., Takeda Pharmaceuticals International AG Pte. Ltd., Du Pont Company (Singapore) Pte. Ltd. and Ingredion Singapore Pte. Ltd.
Annual Value	:	The Property is assessed at an aggregate annual value of $20,046,500/- for 2019. Property tax is payable at 10% per annum of the Annual Value.
Land Rent	:	Nominal annual rent of S$12/- is payable.
Master Plan Zoning (2014 Edition)	:	"Business Park" with a maximum plot ratio of 4.8
Basis of Valuation	:	Market Value on "As-Is" basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Comparison Method
Key Assumptions	:	Capitalisation Rate: 5.75% Discount Rate: 7.50% Terminal Rate: 6.00%
Date of Valuation	:	1 September 2019
Market Value	:	**S$300,000,000/-** **(Singapore Three Hundred Million Only)** Reflecting S$6,497 psm on GFA S$7,864 psm on NLA
Assumptions, Disclaimers, Limitations & Qualifications	:	*This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the state purpose only and cannot be relied upon by third parties.*

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041- 2003809B
B.Sc. (Estate Management), MSISV
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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	288 Pasir Panjang Road, FM GLOBAL CENTRE Singapore 117369
Our Reference	:	2019/C2/0094/CORP
Valuation Prepared for	:	Ascendas Funds Management (S) Limited (as Manager of Ascendas Real Estate Investment Trust)
Purpose of Valuation	:	For proposed acquisition purpose
Interest Valued	:	Unexpired leasehold interest of 72.5 years in the Property
Legal Description	:	The land is designated as Lot 5445V Mukim 3.
Tenure	:	The Property is held on a 99-year leasehold estate commencing 24 March 1993.
Registered Lessee	:	Singapore Science Park Ltd.
Brief Description	:	FM GLOBAL CENTRE is located along Pasir Panjang Road, a short distance away from its junction with Science Park Road, within Science Park II. It is approximately 14 km from the City Centre. Accessibility to other parts of Singapore is facilitated by its close proximity to the Haw Par Villa MRT Station, Kent Ridge MRT Station and Ayer Rajah Expressway/ West Coast Highway. The Property comprises a built-to-suit business park facility featuring a 6-storey building with a basement. It accommodates product demonstration area, industrial training area, lab rooms and training rooms, warehouse, business park space, a 90-seat media theatre and a basement car park. Loading & unloading bays are also provided. The building is served by 3 passenger lifts and 1 service-cum-firemen's lift.
Site Area	:	9,677.5 sm or thereabouts
Gross Floor Area ("GFA")	:	Approximately 11,613 sm (as per Grant of Written Permission dated 3 September 2018 and subject to survey)
Lettable Area	:	Approximately 11,613 sm
Year of Completion	:	The Temporary Occupation Permit was issued on 2 November 2018 and the Certificate of Statutory Completion was issued on 30 August 2019.
Condition	:	Brand new and in good condition
Tenancy Brief	:	The Property is fully leased to a single tenant, namely FM Global, for more than 25 years.

Annual Value	:	Not assessed yet.
Land Rent	:	Nominal annual rent of S$12/- is payable (currently waived).
Master Plan Zoning (2014 Edition)	:	"Business Park" with a maximum plot ratio of 1.2
Basis of Valuation	:	Market Value on "As-Is" basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method, Discounted Cash Flow Analysis and Comparison Method
Key Assumptions	:	Capitalisation Rate 5.25% Discount Rate 7.50% Terminal Rate 5.50%
Date of Valuation	:	1 September 2019
Market Value	:	**S$92,000,000/-** **(Singapore Ninety-Two Million Only)** Reflecting S$7,922 psm on GFA S$7,922 psm on Lettable Area
Assumptions, Disclaimers, Limitations & Qualifications	:	*This valuation is provided subject to the caveats and assumptions, qualifications, limitations and disclaimers attached to the valuation report. The valuation report and certificate have been prepared for the use of the instructing parties for the state purpose only and cannot be relied upon by third parties.*

Key Assumptions:

Capitalisation Rate	5.25%
Discount Rate	7.50%
Terminal Rate	5.50%

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041- 2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

CAVEATS AND ASSUMPTIONS

1. **DEFINITIONS**

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

(a) Is by its nature confidential.

(b) Is designed by Us as confidential.

(c) You know or ought to know is confidential.

(d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'**Parties**' means You or Us as the context dictates.

'**Quotation**' means the written quote provided by Us in relation to the Services.

'**Services**' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'**The Property**' means the assets which are subject of our appointment as your advisor.

'**We**', '**Us**', '**Our**', '**Colliers**' means Colliers International Limited.

'**You**', '**Your**', '**Client**' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'**Professional Property Practice Standards**' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. **PERFORMANCE OF SERVICES**

2.1 We have provided the Services in accordance with:

(a) The Terms and Conditions contained herein; or

(b) As specifically instructed by You for the purpose of the Services; and

(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. **CONDITION OF THE PROPERTY**

3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.

3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.

3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.

3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.

3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.

3.6 An internal inspection has been made, unless otherwise stated.

3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.

3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.

3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. **ENVIRONMENT AND PLANNING**

4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.

4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.

4.3 `No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.

4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. FLOOR/BUILDING AREAS AND LETTABLE AREAS

5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.

5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.

5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. OTHER ASSUMPTIONS

6.1 Unless otherwise notified by You, We will assume:

(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.

(b) All licences and permits can be renewed and We have not made any enquires in this regard.

6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.

6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.

6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.

6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.

6.8 Values are reported in Singapore currency unless otherwise stated.

7. ESTIMATED SELLING PRICE

7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:

(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.

(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.

(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.

7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. CURRENCY OF VALUATION

8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.

8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:

(a) After the expiry of 3 months from the Currency Date;

(b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. YOUR OBLIGATIONS

10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.

10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.

10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;

(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or

(b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.

(c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.

10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.

10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. CONFIDENTIALITY

11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY

12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. SUBCONTRACTING

13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. LIMITATION OF COLLIERS LIABILITY

14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

14.2 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 (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.

14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.

14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.

14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.

14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.

14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.

14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.

14.10 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 re-address 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, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

15. ENTIRE AGREEMENT

15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.

15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated

16. ANTI BRIBERY AND CORRUPTION MEASURES

16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

INDEPENDENT MARKET RESEARCH REPORT

INDEPENDENT MARKET RESEARCH REPORT

San Diego, Raleigh, and Portland Office Markets and a United States Office Market Overview

Prepared on October 22, 2019

Prepared For:

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In this document, references to "U.S. dollar", "USD", "US$" or "U.S. cent" are to the lawful currency of the United States of America ("U.S." or "United States") and are represented as "$" in the report.

Executive Summary

Portfolio Overview

- The Portfolio comprises high growth Metropolitan Innovation Clusters in San Diego, Raleigh and Portland and provides exposure to some of the fastest growing technology markets in the U.S. The overall average office rents of each of the three cities in the Portfolio are generally lower than other top tech cities nationally, which promotes the attractiveness for companies to locate their operations.
- The technology sectors' contributions to both GDP and office leasing in San Diego, Raleigh, and Portland are over 50 basis points higher than the U.S. average.
- The Portfolio contains a diverse mix of high-quality tenants in information technology and other innovation sectors such as medical technology and devices ("MedTech"), biotechnology, pharmaceuticals, financial technology ("FinTech"), online financial services, wireless communications, and athletic apparel.

U.S. Macroeconomic Conditions

- The U.S. economy officially began its 11th consecutive year of growth in the second half of 2019, a new record for the longest economic expansion in history**.** Although the pace of job growth has slowed from last year, job growth overall was solid for the second quarter including the office-using sectors (financial, professional and business services and information). Office-using employment increased an averaged 51,000 jobs for the quarter, up substantially from the 28,300 jobs added in first quarter 2019, but down modestly from the 67,000 per month added in second quarter 2018.
- The unemployment rate remains at its lowest level since the early 2000s at 3.7% in July 2019. U.S. consumer confidence index has increased substantially in recent years, ranging from 93.1 in 2014 to 135.7 as of July 2019 (+45.7%).

U.S. Office Real Estate Market

- Underlying market fundamentals within the U.S. office sector remain strong. Total leasing volume was robust in the second quarter of 2019. A total of 87.1 million square feet (msf) of space was leased during the quarter, approximately 9.0% less than in the first quarter, but well within the range of 84-to-97 msf that has been the norm over the past three years. U.S. office fundamentals are expected to remain solid, but vacancy may inflect in coming periods, due to notable quantities of new inventory coming online.
- As of second quarter 2019, asking rents are at record highs and capitalization rates have remained at or near record lows with small fluctuations. The office market has experienced solid leasing, absorption and construction activity over the last 12 months, continuing the trends of recent years.
- Technology-driven markets continue to represent a large presence within the national office market and it is considered that the tech sector is more important than ever to commercial real estate. According to the Cushman & Wakefield's Tech Cities 2.0 report, the average asking rents in the top 25 tech cities have increased nearly 50% since 2010, almost twice as fast as U.S. real estate market as a whole. In addition, office values in the top 25 tech cities increased roughly 60% in price per square foot during the same period, more than double the rate of the national average.
- The suburban office market has experienced a renaissance of its own and seen strong improvement during the current economic expansion. From 2009 through the second quarter of 2019, the overall non-CBD office vacancy rate has improved by 5.2% in the suburbs across the top 85 U.S. office markets compared to a 2.7% vacancy rate improvement across the same CBDs. Office-using employment is at its record high in terms of the overall percentage of all nonfarm payroll jobs in the U.S. and is expected to increase over the next 12 to 18 months or potentially, be poised for an even bigger comeback over the next few years.

- While the yield curve inversions (seen through much of the first half of 2019) do not cause recessions, they have been good—although not infallible— predictors of recessions, with a lead time of anywhere between five and 18 months. Markets with strong underlying demographics, strong industries (such as technology) and sectors supported by robust supply/demand dynamics (such as those underpinned by life sciences and healthcare) are less sensitive to the business cycle. For instance, life sciences and healthcare are both experiencing healthy secular growth due to a combination of rapid technological change and an aging population. This bodes well for the Portfolio markets given the strong presence of technology, life science, and healthcare sectors.

U.S. Commercial Real Estate Investment Market

- The U.S. has the largest commercial real estate investment market in the world and the breadth, depth and liquidity of the U.S. office sector continues to attract investments globally.
- Office investment climbed sharply in Second Quarter 2019. Sales volume, at $37.6 billion, rose 42.7% from the previous quarter and 29.8% over volume recorded in second quarter 2018. Portfolio sales were an important driver of growth, but single asset sales were also up 19% year-over-year.
- Both CBD and suburban office sales increased in the first half of 2019 with the greatest growth in suburban product (+12% YoY). Major markets saw significant suburban office sales growth, notably in the San Francisco metro (+86% YoY / +$2.8B). Suburban office activity rose in 21 out of 34 secondary markets with the greatest increases in Austin, Portland and Salt Lake City.
- The growth of the suburban office market has continued to expand and recently, the total suburban office sales surpassed CBD office sales by volume for the first time in history.
- The U.S. remains the preeminent commercial real estate investment destination globally. According to the 2019 AFIRE survey of global investors, there is a strong overall market outlook. Investors generally remain confident in a strong U.S. economy, real estate market fundamentals, and continued capital inflow to US real estate.

Macroeconomic Overview

The following section provides a general macroeconomic overview for the U.S., including key economic indicators, demographic trends and recent government initiatives.

U.S. Economy

Recent Trends

The U.S. economy officially began its 11th consecutive year of growth in the second half of 2019, a new record for the longest economic expansion in history**.** Although the pace of job growth has slowed from last year, the economy continued to add jobs during the first six months of 2019. Net nonfarm payroll job gains totaled an estimated 1.0 million during the first half of the year, averaging 165,000 jobs per month, down from 235,000 in the first six months in 2018. Job growth was solid for the second quarter including the office-using sectors (financial, professional and business services and information). Office-using employment increased an averaged 51,000 jobs for the quarter, up substantially from the 28,300 jobs added in first quarter 2019, but down modestly from the 67,000 per month added in second quarter 2018. Employment growth in industrial-related sectors slowed as the manufacturing sector saw a reduction in growth. Employment in transportation, warehousing and manufacturing increased an average of 16,000 jobs per month, up from the 14,000 per month added in first quarter 2019, but down from nearly 40,000 in second quarter 2018. Employment in the warehouse and distribution sector accounted for more than 10,000 jobs per month in the second quarter while manufacturing only accounted for less than 6,000 jobs.

Further considerations include:

- According to the University of Michigan, consumers feel very good about their current situation. Consumer confidence has fluctuated since the beginning of the year – due in part to global economic concerns and trade disputes. After two consecutive months of increases, the Consumer Confidence Index declined from 131.3 in May to 121.5 in June and rebounded to 135.7 in July. Consumer spending will continue to post gains, supported by a healthy job market and wage growth. As real consumer spending outpaces real disposable income, however, the pace of spending will slow.
- Consumer spending grew by an annualized 4.3% in the second quarter, contributing 2.9% to the overall GDP growth. Retail sales increased 2.7% to over $2.6 trillion during the first half of the year. Going forward, as personal income grows further, consumers have dry powder and will likely lead to faster spending growth in coming quarters.
- The S&P 500's 13.1% gain for first quarter was the best start to a year since 1998. The other equity indices saw strong performances as well. Both S&P 500 and Dow jumped 2.1% while NASDAQ surged 2.7%. Not to be outdone by equities, oil saw its biggest quarterly gain since 2009—WTI crude futures gained 32% in the first three months of the year. This was mainly due to OPEC enforced supply cuts and U.S. sanctions against major exporters Iran and Venezuela.
- U.S. commercial real estate investment activity faced a challenging start to 2019 with volume falling from a year earlier in part due to a cloud of economic uncertainty early in the year. The trend for growth in deal volume seen in the second quarter paints a better picture. Office investment climbed sharply in Second Quarter 2019. Sales volume, at $37.6 billion, rose 42.7% from the previous quarter and 29.8% over volume recorded in second quarter 2018. Portfolio sales were an important driver of growth, but single asset sales were also up 19% year-over-year. However, both in the first and second quarters one type of deal was largely absent from the investment sector as a whole: entity-level transactions. These M&A-type deals represented only 3% of activity. For comparison, since 2005 these entity-level deals typically account for 8% of volume in a quarter.

- The year started off with a high level of uncertainty about the strength of the economy in the face of global headwinds including Brexit and U.S.-China trade tensions. Thus far the U.S. economy has remained healthy despite these headwinds and is expected to continue to grow through the balance of 2019.

Economic Growth

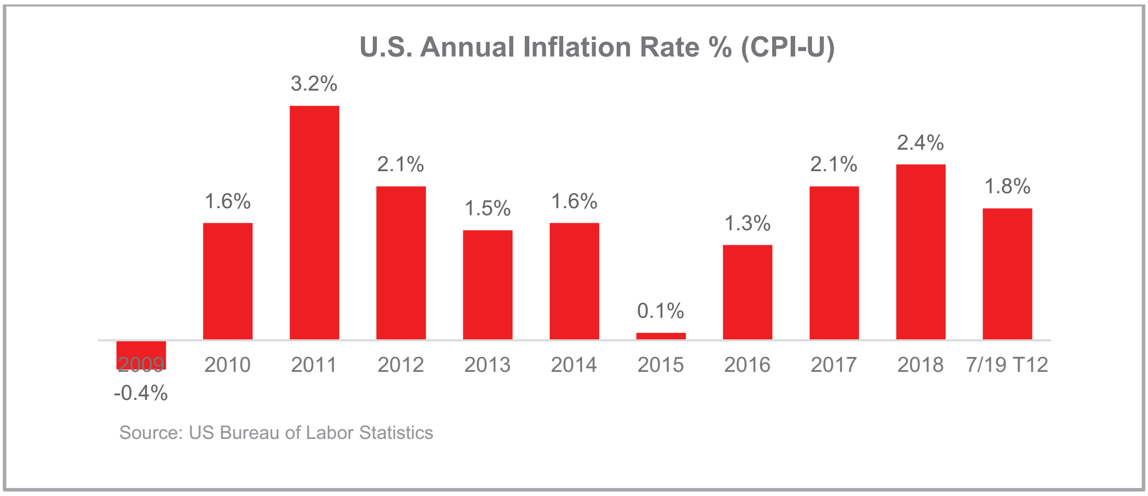
Economic growth in the U.S. remains solid if not robust. Real GDP in Q1 2019 surprised many, coming in at 3.1%; this was the same quarter that featured the longest government shutdown on record. As the tax cut stimulus effects fade, however, growth rates are expected to moderate over the course of the year. Still, most forecasters continue to peg GDP growth rates in the 2-to-2.5% range for 2019. The U.S. labor markets continue to perform well, averaging 164,000 net new jobs per month so far in 2019 (through May). While down from last year's 229,000 figure over the timeframe, this is still solid and anticipated. Job growth will moderate given the tightness of the market. Unemployment is currently at a 49-year low of 3.6% and initial unemployment insurance claims—a leading indicator—as a share of the working-age population has never been lower.

With the tax cut and government spending stimulus largely exhausted after 2019 and with U.S. elections scheduled in November 2020, growth is expected to slow to around 1.5-2% annually, between 2020 and 2023. Despite a slower economic growth, it should be sufficient to support continued job growth and consumption, particularly as wage growth firms above 3%. Demand for office space should keep pace with new construction, keeping overall U.S. office occupancy (including CBD and suburban) firm near 87% through 2020.

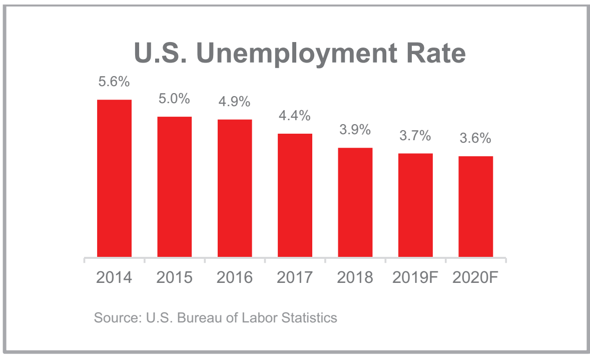
Inflation, Employment, and Consumer Confidence

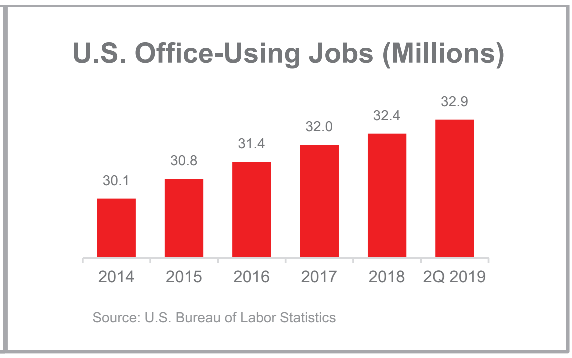
Annual inflation in the U.S. increased to 1.8% in July 2019, up from 1.6% in the preceding period. The increase was fueled by the cost of energy products, but the overall rate is still below the Federal Reserve's target inflation rate of 2.0%. The Federal Reserve cut rates by an additional 25 bps at the September 2019 meeting. For reference, the inflation rate in the U.S. averaged 3.2% from 1914 through 2018 and averaged 1.6 percent from 2009 through 2018.

The following chart shows the annual inflation rate in the U.S. since 2009:

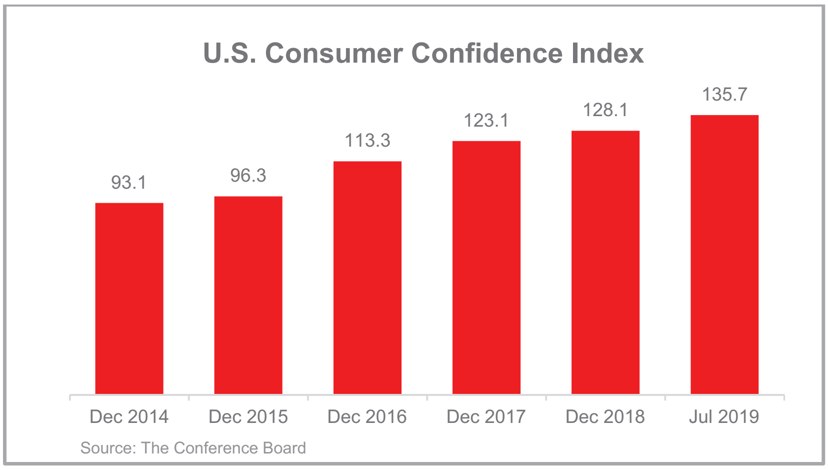


The unemployment rate remains at its lowest level since the early 2000s at 3.7% in July 2019, while office-using employment expanded 9.3% from 30.1 million in 2014 to 32.9 million in Second Quarter 2019.





In addition, the U.S. consumer confidence index has increased substantially in recent years, ranging from 93.1 in 2014 to 135.7 as of July 2019 (45.7% increase).



Macroeconomic Forecast (C&W Research)

The following table contains historical forecasted metrics pertaining to the U.S. Economy, the office sector, the retail sector, the industrial sector, and capital markets.

U.S. MACRO FORECAST TABLE

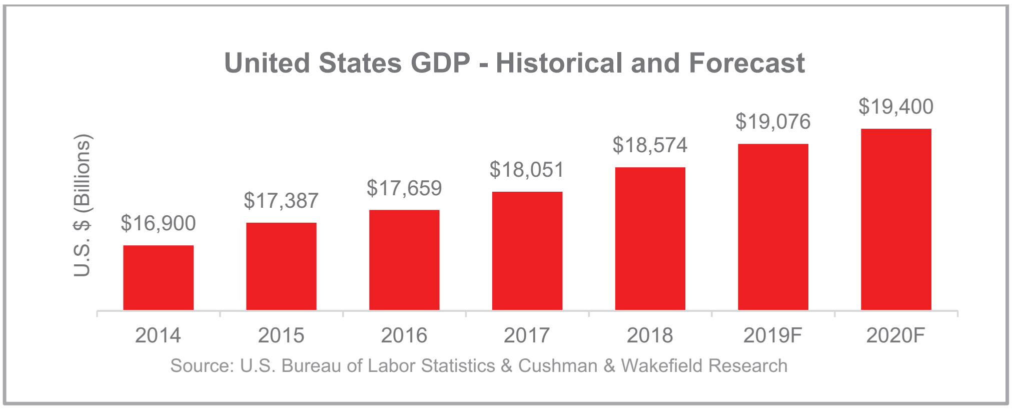
	2016	2017	2018	2019F	2020F
U.S. Economy					
Real GDP, AR%	1.6	2.2	2.9	2.7	1.7
Nonfarm Employment Change, Ths.	2,520	2,260	2,450	2,400	1,400
Office-using Employment Change, Ths.	630	580	620	590	350
Unemployment Rate, %*	4.9	4.4	3.9	3.7	3.6
CPI-U Inflation, Yr/Yr%*	1.3	2.1	2.4	2.1	2.1
Core PCE Inflation, Yr/Yr%*	1.7	1.6	1.9	1.8	2.3
ECI Total Wages & Salaries Index, Yr/Yr%*	2.3	2.5	2.9	3.2	3.4
Fed Funds Rate, % (Year-end, Q4)	0.5	1.2	2.2	2.6	2.6
10-year Treasury Rate, % (Year-end, Q4)	2.1	2.4	3.0	3.1	3.2
Retail Sales & Food Services, Yr/Yr%*	2.9	4.7	5.1	4.4	3.6
Consumer Confidence Index, 1985=100	99.8	120.5	130.1	117.1	98.9
eCommerce Sales, Yr/Yr %*	14.4	15.6	15.9	14.6	11.0
Manufacturing Industrial Production, Yr/Yr %*	-0.7	1.5	2.6	2.2	1.5
Office Sector [1]					
Deliveries, msf	52.0	54.7	52.7	64.4	51.4
Net Absorption, msf	53.5	49.9	53.7	47.6	35.5
Vacancy Rate	13.2%	13.2%	13.2%	13.3%	13.4%
Asking Rents	$29.21	$30.47	$31.12	$31.79	$32.37
Growth in Asking Rents, Yr/Yr %	5.3%	4.3%	2.1%	2.1%	1.8%
Industrial Sector [1]					
Deliveries, msf	230.8	246.1	287.4	281.5	266.1
Net Absorption, msf	281.7	246.3	284.9	265.2	228.8
Vacancy Rate	5.8%	5.2%	4.9%	4.9%	5.0%
Asking Rents	$5.54	$5.75	$6.09	$6.37	$6.60
Growth in Asking Rents, Yr/Yr %	4.2%	3.9%	5.8%	4.8%	3.6%
Retail Sector [1/2]					
Deliveries, msf	25.0	21.8	18.2	13.5	9.8
Net Absorption, msf	38.3	34.1	24.9	10.6	5.8
Vacancy Rate	7.5%	6.9%	6.4%	6.4%	6.6%
Asking Rents	$15.98	$16.45	$16.99	$17.33	$17.42
Growth in Asking Rents, Yr/Yr %	1.9%	2.9%	3.3%	2.0%	0.5%
Capital Markets [3]					
Total Investment Sales, $ Bil.	$511.60	$489.30	$562.10	$527.70	$500.30
NCREIF Unlevered Returns, AR%	8.0%	7.0%	6.7%	6.5%	6.3%
Moody's/RCA CPPI (All Property Types), % (Year-end, Q4)	9.1%	8.2%	6.5%	5.0%	3.8%

1. *Annual asking rents and vacancy rates are averages, not year-end*
2. *Historical series based on CoStar; Shopping Centers Only (excludes stand-alone and urban retail)*
3. *Total investment sales includes office, industrial, retail, multifamily, hotel, and land sales*

** Annual Average*

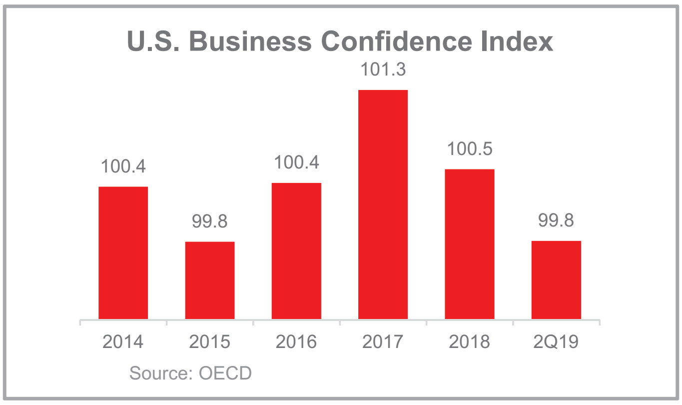
Sources: Moody's Analytics, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Federal Reserve, U.S. Census Bureau, U.S. Board of Governors of the Federal Reserve System, The Conference Board, Costar (retail only), Real Capital Analytics NCREIF, and Cushman & Wakefield Research.

As shown in the preceding table, U.S. GDP is projected to continue to expand, although at a slower pace than in recent years. This is further illustrated by the following chart:



U.S. – China Trade War

Trade tensions between the U.S. and China have intensified up in recent quarters. Towards the end of April 2019, the U.S. and China appeared to be nearing a truce on trade. Then, things suddenly took a turn for the worse. On May 10, 2019 issues over the negotiations prompted the U.S. to increase tariffs from 10% to 25% on $200 billion worth of Chinese imported goods; it also threatened to impose additional tariffs on all trade with China. China responded with threats of its own, increasing tariff rates on roughly $60 billion worth of U.S. goods as of June 1st. As of October 2019, the total US tariffs applied exclusively to Chinese goods amounts to $550 billion while China has applied $185 billion in tariffs to the U.S in response. In the latest escalation in late September 2019, China announced it would be imposing a 5% duty on U.S. crude oil for the first time since the trade war began. The U.S. then imposed a 15% tariff on an additional $125 billion of Chinese goods, including footwear, smart watches and flat-panel televisions. Later that month, China and the U.S. agreed to continue communicating on related trade issues for a 13th round of bilateral high-level economic and trade consultations. The high-level talks will take place in early October with both sides agreeing to take actions to create favorable conditions.



A variety of studies suggest the tariffs will cost U.S. households up to $1,000 a year. However, thus far the global economy has navigated the ongoing trade skirmish reasonably well. But rough waters are beginning to form. Business leaders are clearly unnerved by the trade war. Each time negotiations take a step backwards, business sentiment plunges. According to OECD, the Organisation for Economic Co-operation and Development, global business confidence fell to 99.8 in Second Quarter 2019 which represents the lowest figure since 2015. Confidence is particularly dismal in export-oriented economies: Germany, Canada, Singapore and South Korea have all seen business sentiment plunge in recent months.

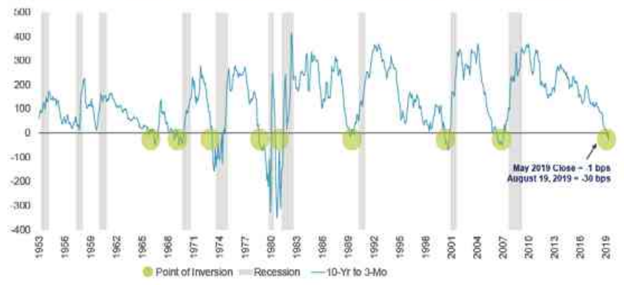
There has been no clear evidence that the property market fundamentals have been adversely impacted by the trade wars—at least not yet. Admittedly, it is difficult to measure the impact given the market may take years to reveal their true impact. U.S. industrial-logistics absorption was down in the first half of 2019 as compared to 2018.

Completions exceeded net absorption by 10.7 million sq. ft. based on available square footage and the 41.4 million sq. ft. of new supply delivered in Q2 was down 1.9% quarter-over-quarter and by 20.0% year-over-year. It is possible that the trade dispute is causing disruptions to supply chains which are causing demand for industrial space to slow. Another possibility is companies may have overstocked prior to the implementation of tariffs in 2018. Seasonality, a general slowing in the global economy and lagging supply may also have been the main culprits. There are also anecdotal reports in the U.S. that construction costs for steel, aluminum, cabinetry, flooring, etc., are being driven up as China is "taken out" as a supplier. But the hard data does not support these observations. The producer price index for steel and aluminum show that so far in 2019 prices are down from a year ago. In mainland China, office absorption declined to a 4-year low in early 2019. But remember that the first quarter also coincides with the Chinese New Year which usually depresses first-quarter activity. Although it is challenging to parse out the impact, it is not difficult to conclude that the longer the trade war drags out the more disruptive it will be.

There is optimism a U.S.-China trade agreement will be reached in the second half of 2019. Some of the thornier issues—ones related to intellectual property and technology transfers—may be kicked down the road, but at least a symbolic agreement or temporary halt is more likely than not. The benefits of a graceful resolution versus the alternative creates a strong economic incentive to get a deal done. A trade agreement would quickly restore consumer and business sentiment in both the U.S. and China and would likely lift global equity markets. These would boost economic activity—spending and investment—and most sectors, including CRE, would benefit.

Yield Curve Inversion

YIELD CURVE: 10-YEAR TO 3-MONTH SPREAD



Source: Federal Reserve, Cushman & Wakefield Research

When the yield curve (the spread between the 3-month Treasury bill and the 10-year Treasury note) inverted briefly in March and April 2019, we were relatively unconcerned, as they were not persistent inversions. The inversion since May, however, has persisted and has continued into August 2019. In addition, the spread between 2-year and 10-year Treasury notes inverted in mid-August on an intra-day basis, causing further anxiety and warranting another look at this metric which is widely tracked in the financial markets. These developments have occurred while most portions of the economy have remained sound. Some economic indicators, including the initial weekly unemployment claims and the unemployment rate, continue to point to strong growth; others—manufacturing production and capital investment—are softening. Yield curve inversions do not cause recessions. But they have been good—although not infallible— predictors of recessions, with a lead time of anywhere between five and 18 months. The economic and financial data bear watching. In the event of increased downside risks, we expect the Federal Reserve to respond swiftly with interest rate cuts, among other measures, to prevent any material deterioration in the economy. In addition, CRE fundamentals in most markets are in good shape. Markets with strong underlying demographics, strong industries (such as technology) and sectors supported by robust supply/demand dynamics (such as those underpinned by life sciences and healthcare) are less sensitive to the business cycle. For instance, life sciences and healthcare are both experiencing healthy secular growth due to a combination of rapid technological change and an aging population.

Interest Rate Expectations

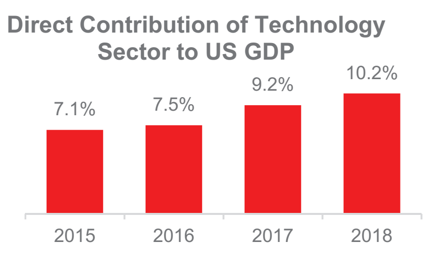
Global forces are continuing to keep downward pressure on U.S. interest rates. Global inflation still remains well below 2% in most of the advanced world and 10-year sovereign bond yields are still significantly lower around the world. As of August 2019, the 10-year bonds in Germany, Japan and Switzerland were all in negative territory. Until global inflation—and thereby foreign interest rates—move upward in a meaningful way, U.S. interest rates will remain anchored, in all probability. The global backdrop also has implications for monetary policy. In late 2018, many expected the FOMC, The Federal Open Market Committee, to raise the federal funds target rate by up to 75 bps in 2019 due to its positive view of the economy's fundamentals. However, in July 2019, the FOMC lowered the benchmark rate by 25 basis points to a target rate of 2 to 2.5% which marked the first rate cut in 11 years. However, Federal Reserve officials indicated the cut should not be viewed as an indication of a "pre-set course" for future cuts. Overall, *significant* increases in U.S. interest rates are not anticipated.

Technology and Healthcare Sectors as Key Drivers

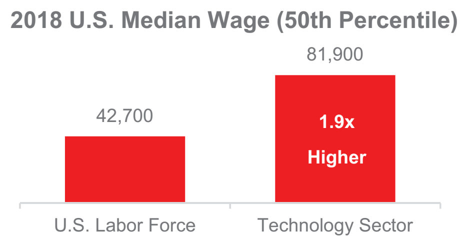
Technology Sector

The technology sector has become a major driver of economic growth in North America and consequently a key driver of the commercial real estate sector. As of Second Quarter 2019, four of the top five companies by market capitalization in the U.S. and the world are technology companies. The market capitalization of the Global Top 100 has increased by 5% since 2018, according to PwC.

Direct contribution of the technology sector to U.S. GDP has steadily increased in recent years from 7.1% in 2015 to 10.2% in 2018, while the average annual wage (50th percentile) for the technology industry was 1.9 times the average annual wage across all sectors in 2018. Technology driven growth adds a multiplier effect to the local or regional market where technology is dominant or important, such as the creation of new products and value-add in other sectors and the generation of additional employment, thereby further catalyzing the growth of the local or regional market.



Source: U.S. Bureau of Economic Analysis



Source: EMSI, Bureau of Labor Statistics, CompTIA

Healthcare Sector

The healthcare sector has helped the U.S. to recover from the financial crisis of 2007 to 2008. It is a key driver of growth in the U.S. economy, contributing 8.8% to the U.S. GDP as of First Quarter 2019. The sector added 2.8 million jobs between 2006 and 2016, which was a rate almost seven times faster than the overall economy. Healthcare positions have grown at a much faster rate than the total U.S. job market. Healthcare / social assistance employment has more than doubled since 1990 in 27 major U.S. markets (more than tripled in in five markets).

According to the latest data form the Bureau of Labor Statistics, healthcare jobs are expected to grow at a rate of 18% through 2026, again, much faster than the rate of the rest of the economy. Consequentially, the healthcare sector became the largest employer in the U.S. in 2017, surpassing manufacturing and retail. The sector employs more than 40 million people, representing ±14% of total employed persons in the U.S.. Healthcare expenditure has outpaced GDP growth in the U.S. since the 1970s and the trend is expected to continue. From 2020 to 2027, national health expenditure growth is projected to average 5.7 percent, a faster rate than the 4.8 percent in 2019, which was up from 4.4 percent in 2018 in part due to faster growth in personal health care prices.

In line with the growing dominance of the healthcare and technology sectors, the U.S. is also the largest medical device market globally with a market size of approximately $156 billion, representing approximately 40% of the global medical device market in 2017. U.S. medical device companies are regarded globally for their innovative and high technology products and are committed to high levels of research and development spending. The success of the U.S. medical device market is partly attributed to the fact that the medical device industry relies on several industries in which the U.S. holds a competitive advantage, including biotechnology, microelectronics, telecommunications, instrumentation, software development and increasingly, artificial intelligence.

Conclusion

Economic conditions in the U.S. remain among the strongest levels experienced throughout this cycle. Given the correlation between the economy and property markets, values are expected to climb in most markets/product types as the expansion continues. The industry has been powered by strong business investment and sustained improvements in the labor markets. Despite the uncertainties and potential headwinds in the U.S. market, there is an abundance of dry powder and investors are growing their allocations to real estate. Going forward, the economy is expected to continue to grow at a healthy pace throughout 2019, creating a positive environment for commercial real estate.

Below are notes regarding the outlook for the U.S. national real estate market in 2019 and beyond:

- Participants in the PwC Real Estate Investor Survey hold a balanced sentiment of current commercial real estate climate. The majority of the industry's key players – owners, lenders and buyers – view the market as fairly priced at a time when there is no "mad dash" to either sell or buy.
- Monetary policy remains highly accommodative by historic standards and supports continued growth in real estate. Expansionary policy has transitioned to a growth story and modest core-inflation. The latest global economic data on trade, spending, jobs, confidence, and factory orders is mostly solid and gathering moderate speed. With tariffs now influencing the U.S economy Christine Lagarde, the International Monetary Fund's managing director warns that the current tariffs will dip the global GDP by $455 billion. Furthermore, the probability of a near-term global recession remains as low as 5%, according to Oxford Economics.
- Consumer and business confidence have been at healthy levels, supported by tight labor markets, strong financial market returns, increasing housing values, and improved access to credit. Consumer confidence rebounded back to its high levels during second quarter and is expected to grow throughout the year, as the U.S. is on pace to add 1.5 to two million jobs in 2019, despite starting the year close to full employment.
- Overall, the U.S. economy is in its best shape for several years and is likely to remain strong throughout the near term. Barring an unexpected shock to global markets, the economy is anticipated to experience steady growth for the foreseeable future.

Government Initiatives

Tax Cuts and Jobs Act of 2017

In 2017, the U.S. government lowered corporate taxes from 35% to 21%, encouraging cash repatriation for companies that had large amounts of offshore cash. Before 2018, U.S. nonfinancial corporations tended to add about $50 billion to earnings held abroad every three months. But that number turned to a negative $197 billion in 2018, according to the Federal Reserve. This is the biggest reversal on records going back to 1946, and much more than companies brought back in 2005, the last time the government tried something similar. Some health-care investors, including Orbimed founding partner Sven Borho, say it's "prime time" for biotech and pharma deals with further tax clarity paving the way for large, transformative moves. This includes tech and biotech companies who often have global business presences. There is significant evidence that the cash being repatriated is being spent on capital expenditures.

USMCA Agreement

The U.S.-Mexico-Canada Agreement (USMCA) is a signed, but not ratified (by the U.S.) free trade agreement to replace the North American Free Trade Agreement (NAFTA), agreed to on November 30, 2018. If ratified, the agreement would bring better protection for drug companies and encourage biotech research in the U.S. An April 2019 report issued by the U.S. International Trade Commission estimated the USMCA agreement will create 176,000 jobs and U.S. real GDP will grow by 0.35 percent once fully executed.

Small Business Innovation Research Program

The Small Business Innovation Research (SBIR) program is a U.S. Government program, coordinated by the Small Business Administration, intended to help certain small businesses conduct research and development (R&D). Funding takes the form of contracts or grants. The SBIR program was created to support scientific excellence and technological innovation through the investment of federal research funds in critical American priorities to build a strong national economy. The goal of the program is to provide funding for some of the best early-stage innovation ideas - ideas that, however promising, are still too high risk for private investors, including venture capital firms. Annually, 5,000 small businesses will receive over $2.5 billion in federal government grants and contracts to help them carry out the R&D necessary to develop and bring high-tech products to market.

Metropolitan Innovation Clusters

Metropolitan innovation clusters refer to an office and commercial property center of scale, located in a major U.S. metropolitan area either within or outside a central business district, typically characterized by an interconnected cluster of innovative industries and companies, and academic, research, governmental and municipal institutions sharing knowledge, infrastructure and amenities:

- Renowned research universities and institutions benefiting from private sector, federal and corporate research funding;
- Critical mass of established industries and companies complemented by growth and start-up companies, often physically clustered by trade sector to catalyze innovation, and leading to greater specialization of trade sectors in certain key locations;
- Attractive office rents drawing companies to locate there;
- Supported by industry organizations actively promoting the cities as innovation clusters, and state and city governments offering financial incentives;
- Young and educated workforce;
- Affordable housing; and
- High quality of life

These clusters are geographic concentrations of interconnected businesses, suppliers, service providers, coordinating intermediaries, and associated institutions like universities or community colleges in a particular field (e.g., information technology in Seattle). By facilitating such dynamics as labor market pooling, supplier specialization, and knowledge spillovers, industry clusters benefit all sorts of firms and regions by enhancing the local and innovation potential, encouraging entrepreneurship, and ultimately promoting growth in productivity, wages, and jobs.

The purpose of metropolitan clusters is to replicate, to the best extent possible, the urban form as it existed before World War II, when urban densities were much higher and a far larger percentage of urban travel was on transit. Metropolitan innovation clusters are all about synergies and efficiencies. The innovation cluster supports more grounded, day-to-day interactions by which real companies in real places complete transactions, share technologies, develop innovations, start new businesses, create jobs and locate workers. Strong clusters tend to deliver positive benefits to workers, firms, and regions.

The tech sector has played a major part in the development of innovation clusters. That is more than double the share accounted for by the number two industry, financial services. Beyond that impressive figure, tech-sector companies have been purchasing or developing market shifting projects in a variety of places, including New York City and San Jose / Silicon Valley. There are many examples of how tech has been the critical growth sector across the continent in recent years.

Cushman & Wakefield has identified the top 25 tech cities in North America ("Tech 25 Cities"). Tech 25 Cities refer to technology-centric cities where the technology sector is a key driver of economic growth and employment.

NOTE: Toronto and Montreal are also included in C&W's top 25 tech markets of North America.

The tech cities used to compare were chosen from the Tech 25 based on their tech "Critical" (where jobs in technology companies account for more than 8% of all jobs) identification and population thresholds, thereby excluding locations in Utah and including Los Angeles and New York City. The Tech 25 are not necessarily ranked, but more weight was given to venture capital investment and tech occupations and less to the millennial population and education. The tech "Critical" Group, being weighted the highest, includes Austin, Boston, Raleigh, San Diego, San Francisco, Seattle, San Jose and Washington DC. Portland, OR is considered a tech "Key Driver" in the listing. New York City and Los Angeles are in the third category where tech is "Important" because of their international prowess and population densities as comparisons to the portfolio areas.

As discussed previously, the San Diego, Raleigh, and Portland primary markets are all high net migration, boasting strong demographics, outperforming national educational attainment, income levels and job creation. The following chart shows important indicators as compared to the selected Tech Cities.

Top U.S. Tech City Metrics

City	Overall Asking Rent Growth (2010-2Q19)	Cost of Living Index*	Percentage Bachelors Degrees or Higher*	Overall Office Sales $/SF Growth (2010-2Q19)	Millenial Population (ages 20-34) (2Q19)	Tech Company Employment (2Q19)	Asking Rent ($ / sq ft / annum) (2Q19)	Median Apartment Asking Rent (/Unit/Mo) (2Q19)
Austin	54.7%	114.7	44.8%	104%	33.0%	10.5%	38.50	$1,180
Boston	25.1%	120.3	47.6%	151%	29.1%	10.3%	37.55	$2,850
Los Angeles	32.6%	128.8	34.2%	117%	30.1%	5.1%	40.11	$2,250
New York-Midtown	84.0%	119.7	39.6%	122%	31.0%	5.2%	82.32	$2,980
Portland	**41.6%**	**113.4**	**40.3%**	**49%**	**28.9%**	**7.6%**	**29.32**	**$1,350**
Raleigh	**30.4%**	**101.3**	**46.4%**	**23%**	**28.8%**	**10.3%**	**26.75**	**$990**
San Diego	**40.5%**	**128.4**	**38.8%**	**49%**	**31.2%**	**8.9%**	**38.28**	**$1,710**
San Francisco	143.1%	172.8	49.3%	155%	29.3%	13.3%	79.07	$3,700
San Jose / Silicon Valley	74.4%	173.0	50.8%	163%	29.6%	29.3%	41.06	$2,430
Seattle	56.0%	137.3	41.9%	49%	30.9%	9.8%	38.49	$1,880
Washington DC	7.1%	117.3	50.8%	27%	28.7%	10.2%	54.61	$2,210
Tech City Average	53.6%	129.7	44.0%	92%	30.0%	10.9%	46.01	$2,139
United States	30.4%	100.0	32.0%	61%	27.4%	4.9%	32.13	$1,233

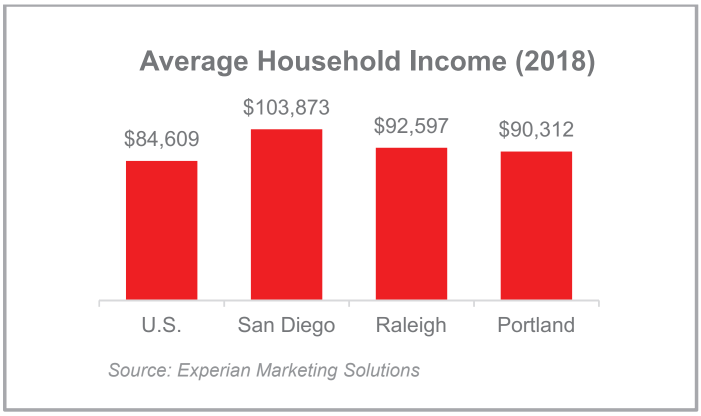
*Most Recent Data Available (2016-2018)

Source: Cushman & Wakefield Research

San Jose / Silicon Valley, San Francisco and Austin all have high percentage change in price psf, high tech leasing as a percentage of total leasing, significant levels of tech construction, and VC Funding, making them strong innovation cluster areas.

Average Income

Income levels indicate the economic level of the residents of the trade area and form an important component of this total analysis. Average household income is a major determinant of an area's retail sales potential.



Key Success Factors of Metropolitan Innovation Clusters

San Diego, Raleigh and Portland are established and vibrant innovation ecosystems in the U.S. with the following key success factors:

- Renowned research universities and institutions benefiting from private sector, federal and corporate research funding;
- Critical mass of established industries and companies complemented by growth and start-up companies, often physically clustered by trade sector to catalyze innovation, and leading to greater specialization of trade sectors in certain key locations;
- Attractive office rents drawing companies to locate there;
- Supported by industry organizations actively promoting the cities as innovation clusters, and state and city governments offering financial incentives;
- Young and educated workforce;
- Affordable housing; and
- High quality of life

The strong innovation culture in San Diego, Raleigh and Portland is boosted by a high density of researchers, scientists, engineers, entrepreneurs and designers, and a complementary mix of established leading companies and start-ups, leading to a continuous, sustained process of innovation.

The innovation ecosystems in San Diego, Raleigh and Portland connect businesses to their suppliers, customers, fellow innovators, research institutions, investors, industry organizations and government agencies, and critically a highly educated workforce. These ecosystems cut across a variety of critical regional industries and encourage inter-disciplinary innovations and disruptions, as can be seen for example in the convergence of healthcare and engineering achieved by CareFusion in San Diego to manufacture medical devices and equipment.

The innovation ecosystems in these cities produce a virtuous cycle of innovation and growth, as the presence of talent attracts more talent, and successful entrepreneurs and executives spin off companies to pursue new ideas.

Demographic Trends

According to the Federal Reserve Bank of St Louis, The U.S. has had positive net migration of near 4,500,000 people in 2017 (most recent data available).

The three primary markets in the subject portfolio are all located near major educational or military institutions. There are 26 colleges within a 50-mile radius of Portland, 31 within a 50-mile radius of San Diego and 30 within a 50-mile radius of Raleigh. These are research and education hubs that attract students, faculty, and a highly educated work force, combined with the major tech companies which have located in these areas to attract talent. The military education benefit is considered by many active and reserve service members as one of the most attractive benefits of military service.

With the anchors of major tech companies, each of the three primary markets has demonstrated a significant level of innovation. The spirit of innovation, coupled with proven incubators and accelerators, is what attracts startups—particularly in the technology and life sciences fields. Further, the desire to couple resources, growth, nearby amenities and talent attract others to these areas.

As an example, as the University of California, San Diego, became known for its sciences and technology programs over the past two decades, and the nearby Salk and Scripps Research Institutes started gaining international recognition, the biotech and tech-based industry in the La Jolla area of San Diego started to grow.

Further, in Portland, what began with conversations among Portland area public educational institutions — Oregon Health & Science University, Portland State University, Portland Community College, and the Oregon Museum of Science and Industry as an effort to better align pursuits — from workforce development through physical infrastructure — has grown to incorporate a wealth of other collaborators, including corporations, entrepreneurs, incubators, healthcare institutions, industry organizations, signature research centers, and other innovative companies at every stage and scale.

All of these are integral in supporting positive net migration and attracting talent.

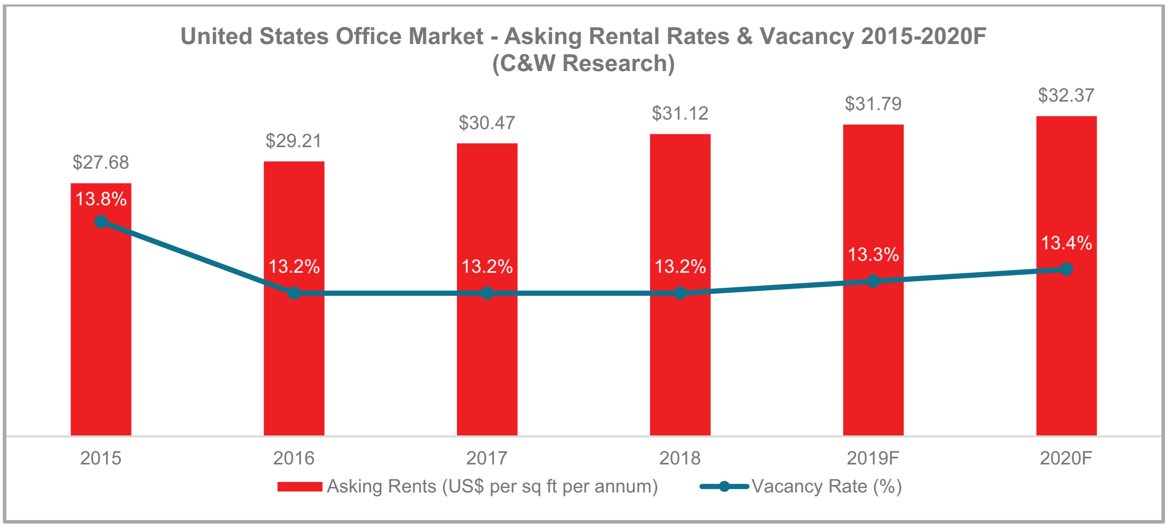
U.S. Office Real Estate Market

Vacancy, Absorption, Rental Rates

Underlying office fundamentals remained strong in the second quarter of 2019, even as demand for office space—as measured by net absorption—slowed. Net absorption in the U.S. totaled 6.5 msf, down from 10.2 msf in the first quarter – a total of 16.8 msf was absorbed in the first half of the year vs. 22.2 msf in H1 2018. Despite the dip in absorption, employment in office-using industries—the main driver of office demand—accelerated from 28,000 jobs per month in the first quarter of 2019 to 48,000 in the second quarter, indicating that absorption is likely to remain positive in the second half of the year.

Total leasing volume remained robust in the second quarter of 2019. A total of 87.1 msf of space was leased during the quarter, approximately 9.0% less than in the first quarter, but well within the range of 84-to-97 msf that has been the norm over the past three years. Overall, 182.8 msf has been leased during the first half of 2019, down -2.1% from the second half of 2018.

The average asking rent for office space has increased from $27.68 psf per annum in 2015 to $31.12 psf per annum in 2018, and is expected to further increase to $31.79 psf per annum by year-end 2019.



The average vacancy rate for all office space in the U.S. was 14.99 percent in the 10-year period preceding year-end 2018 (per C&W Research). Although the national vacancy rate has been relatively flat for more than three years, it has been low enough to put upward pressure on rents. At $32.13 psf at the close of the second quarter, the national average asking rent was at a record high—up 4.4% from a year ago and up 30.7% since reaching bottom eight years ago in the second quarter of 2011. Northern California and New York have exhibited the strongest rent growth in the current expansion. Since the second quarter of 2011, rents in San Francisco have increased more than 100% (+111.3%) followed by San Mateo County (+88.4%), Midtown South Manhattan (+84.4%), Silicon Valley (+73.2%) and Oakland/East Bay (+67.1%). The top five markets for asking rents are also in Manhattan and Northern California, led by Midtown South Manhattan ($82.32 psf), San Francisco ($79.07 psf), Midtown Manhattan ($76.56 psf), Downtown Manhattan ($63.40 psf) and San Mateo County CA ($62.97 psf). By comparison, the current asking rents of the markets of San Diego, Raleigh, and Portland are $43.68, $29.32, and $25.78 psf, correspondingly.

Construction

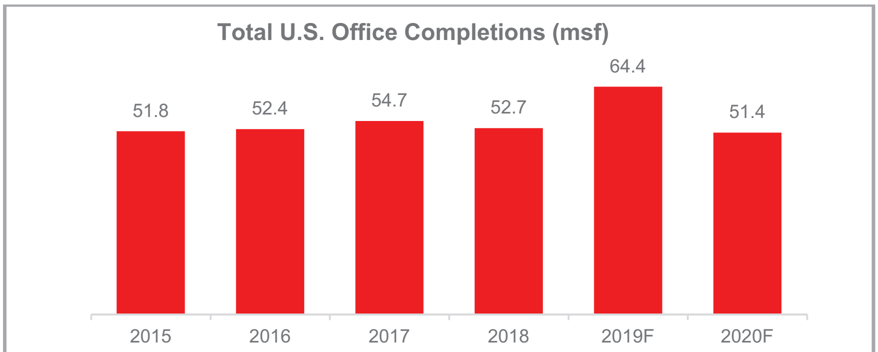
In second quarter 2019, 14.4 msf of office space delivered, an increase from 8.7 msf delivered in the first quarter but was 22% below the 18.4 msf completed in the second quarter of 2018. Construction activity has especially increased in tech cities over the last 12 months. By the end of the second quarter 120 msf was under construction, the second-highest amount in the current expansion and down from 122.5 msf in the first quarter. It is estimated that an additional 41.5 msf of office space will be delivered to the market for a total of 64.4 msf, the largest volume of new space delivered to the market since 2008.

Notable construction information is as follows:

- The Washington D.C. CBD office market experienced the largest amount of new space within the CBD markets, 1.6 msf delivered through the second quarter of 2019. Going forward, the Midtown New York CBD market had the most office space under construction, at a total of 13.7 msf.
- The Austin, TX suburban market had roughly 1.2 msf of new office space come online so far in 2019. The Santa Clara County office market had 7.2 msf under construction at the end of second quarter 2019, the largest amount among the suburban markets.

The highlighted submarkets show there is significant construction activity across the United States (east, central, and west). Notably, the top suburban submarket (Santa Clara County) is a major technology hub.

The following graph shows historical and projected office completions within the U.S. since 2015:



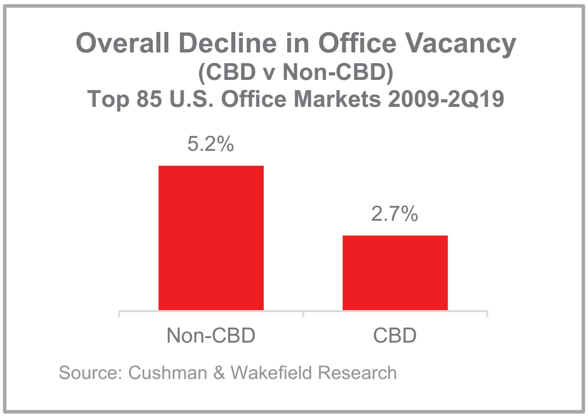
Source: Cushman & Wakefield Research

Technology Centers Dominate Demand

A key driver for the U.S. office market continues to be the tech sector. Cushman & Wakefield identified 20 metropolitan areas where the tech sector is an important factor in local economies. The technology sector was the largest lessor of office space during the second quarter, leasing approximately 71% of the quarter’s leasing volume even though they represent only 60% of total office inventory. Tight tech-driven markets are experiencing robust absorption and are seeing faster rent growth than the market average. This sector is expected to further its influence by expanding into more cities to find talent and better cost of living.

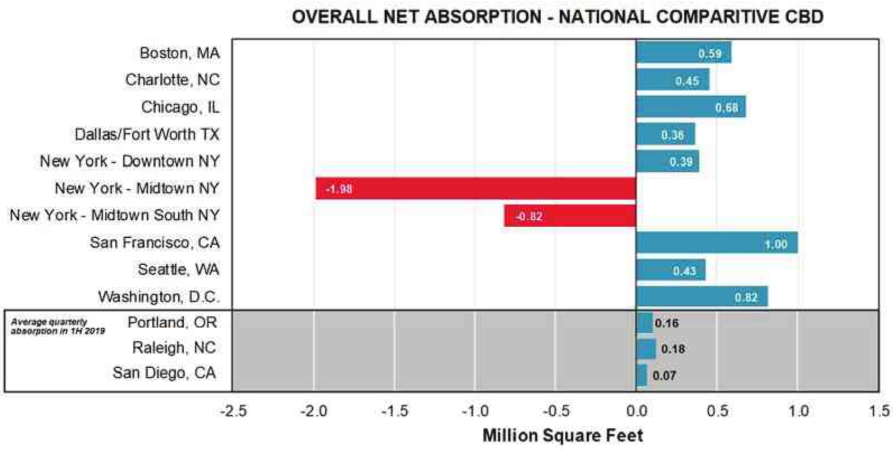
Suburban Office v. Central Business District (CBD) Outlook

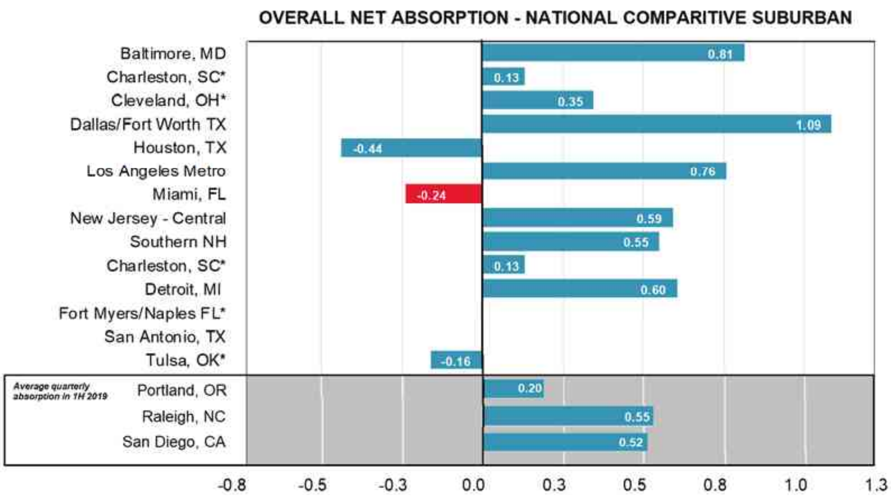
The suburban office market has experienced notable improvement in recent periods. From 2009 through the second quarter of 2019, the overall non-CBD office vacancy rate has improved by 5.2% in the suburbs across the top 85 U.S. office markets compared to a 2.7% vacancy rate improvement across the same CBDs. The suburban office market has seen strong improvement during the current economic expansion and could be poised for an even bigger comeback over the next few years.



Absorption Comparison

The charts below highlight the national office absorption trends for the major markets in the U.S. in second quarter 2019, segmented between the CBD and suburban office markets:





We have also included the average quarterly absorption for the first half of 2019 for the Portland, Raleigh, and San Diego CBD and Suburban submarkets for comparison. As shown in the preceding charts, most suburban office sectors are outperforming central business districts with respect to absorption. According to Cushman & Wakefield Research, this trend is expected to continue as businesses relocate to suburban areas in search of lower rental rates, newer product, and proximity to more affordable workforce housing for employees.

Millennials Migrating Out of the CBD

Contrary to the belief that urban markets will continue to see an influx of corporate offices, there are several indicators pointing to a revival of the suburbs as an attractive destination. Older Millennials are starting families and their location preferences may align more with qualities abundant in the suburbs. If companies perceive that their targeted workforce is relocating, they may no longer feel the need to relocate to more expensive and congested urban cores to attract and retain key talent.

Corporate Headquarters Relocating within Suburban Areas

According to Cushman & Wakefield Research, amongst all Fortune 500 corporate HQ relocations since 2014, over 40% have been suburban to suburban location moves. These inter-suburban relocations represent a greater percentage of headquarters moves than relocations from the suburbs to CBDs. Many of the Fortune 500 organizations that have relocated their headquarters within the suburbs over the past five years have undergone extensive location strategies to evaluate strengths and weaknesses of potential locations. They have continued to attract and retain the right workforce despite the perception that highly skilled young talent prefers an urban environment. As members of the Millennial generation begin to migrate to the suburbs like generations before them, these suburban headquartered companies will be there to offer employment opportunities without a hefty commute downtown.

Technology Sector

Although there is a common perception that tech talent prefers to live in urban environments, data on this topic tells a different story. Across the nation’s ten largest markets, as of 2018, on average 50% of the population employed in technology roles live outside of the core business district. In Chicago and Philadelphia, this percentage exceeds 55%. Despite the heavy concentrations of highly educated Millennials in downtown areas, a large portion of the tech talent, which will continue to be increasingly critical to companies across a range of industries, already resides in the suburbs across the nation’s largest metro areas.

Focus: Suburban Markets in San Diego, Portland, and Raleigh

Recent developments on San Diego, Portland, and Raleigh highlight the strength of suburban submarkets for corporate headquarters and/or technology users. In San Diego, Qualcomm (one of the world’s largest telecommunications / cell phone technology companies and a top employer in the region) has its corporate headquarters in the suburban Sorrento Valley submarket. Additionally, Apple recently announced that they plan to hire an additional 1,200 employees in San Diego by the end of 2021. In December 2018, Apple signed a lease to occupy Eastgate Terrace, a 97,000 square foot building, and passed on many potential urban/CBD locations in favor of the suburban University Town Center (UTC) submarket. In Portland, Nike recently announced a substantial expansion to its suburban corporate headquarters that will add 1.3 msf of office space. Lastly, technology (and biotechnology) firms such as IBM, GlaxoSmithKline, Cisco Systems, Becton Dickinson, Syngenta, BASF, and Lenovo have all chosen to remain in suburban locations within the Raleigh market over relocation to the CBD. Many of the largest employers still prefer suburban locations.

National Office Market Summary

The U.S. economic expansion started in June 2009 and is now the longest in its history as of July 1, 2019. Development trends during this cycle has contributed to further tightening in office markets across the U.S. (although we recognize the national market performance is "average" and does not apply to all markets across the board.) As of second quarter 2019, asking rents are at record highs and capitalization rates stayed near record lows despite recent variations. The office market has experienced solid leasing, absorption and construction activity over the last 12 months, continuing the trends of recent years. Throughout 2019, U.S. office fundamentals should remain solid. That said, vacancy may inflect on a national level during the year due primarily to increased construction activity relative to other years of the current expansion.

Following are notable points regarding the outlook for the U.S. national office market in 2019 and beyond:

- Sustained economic growth will likely lead to more jobs and an increase in demand for office space. Office-using employment is at its record high in terms of the overall percentage of all nonfarm payroll jobs in the U.S. and is expected to increase over the next 12 to 18 months.
- Technology-driven markets continue to represent a large presence within the national office market and it is considered that the tech sector is more important than ever to commercial real estate. According to the Cushman & Wakefield's Tech Cities 2.0 report, the average asking rents in the top 25 tech cities have increased nearly 50% since 2010, almost twice as fast as U.S. as a whole. In addition, property values in the top 25 tech cities increased roughly 60% in price psf during the same period, more than double the rate of the national average.
- Co-working and flexible office space is a growing sector within the office market. Co-working offers tenants flexibility and talent attraction/retention. More than five msf of this subtype came online in each of the past three years. Currently, co-working flexible space accounts for 1% of total office inventory. It is expected the flexible office space will triple in size and represent 5% - 10% of inventory in many markets.
- The big story of the national office market will be the continued amount of new construction over the coming year. New supply will offset positive job growth and leasing activity in many markets which will likely lead to flat or rising vacancy. Each market will be influenced by its own supply and demand dynamics, but, overall, most markets are expected to become more occupier favorable over the next 12 months.
- Average asking rents will be influenced by an influx of new supply, however rent is still expected to grow at a moderate pace as demand for newly constructed or refurbished space, which offers modern amenities and layouts, remain strong.
- The availability of capital will continue to support the expansion of the U.S. real estate market and the U.S. economy, further reaffirming the positive outlook for the national office market.

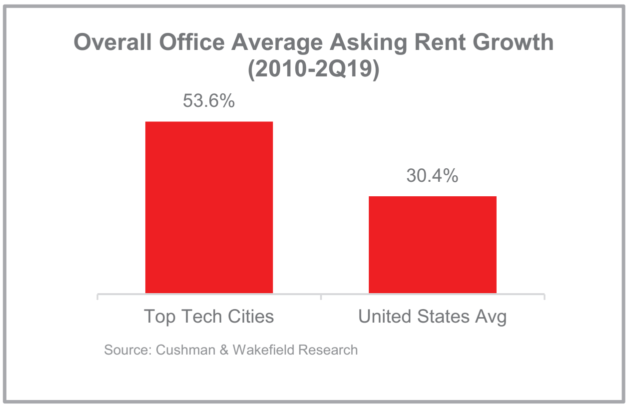
Emergence of Metropolitan Innovation Clusters

Metropolitan Innovation Cluster refers to an office and commercial property center of scale, located in a major U.S. metropolitan area either within or outside a central business district, typically characterized by an interconnected cluster of innovative industries and companies, and academic, research, governmental and municipal institutions sharing knowledge, infrastructure and amenities. The following key criteria are used when evaluating the clusters:

- Renowned research universities and institutions benefiting from private sector, federal and corporate research funding;
- Critical mass of established industries and companies complemented by growth and start-up companies, often physically clustered by trade sector to catalyze innovation, and leading to greater specialization of trade sectors in certain key locations;
- Attractive office rents drawing companies to locate there;
- Supported by industry organizations actively promoting the cities as innovation clusters, and state and city governments offering financial incentives;
- Young and educated workforce;
- Affordable housing; and high quality of life

These clusters are geographic concentrations of interconnected businesses, suppliers, service providers, coordinating intermediaries, and associated institutions like universities or community colleges in a particular field (e.g., information technology in Seattle). By facilitating such dynamics as labor market pooling, supplier specialization, and knowledge spillovers, industry clusters benefit all sorts of firms and regions by enhancing the local and innovation potential, encouraging entrepreneurship, and ultimately promoting growth in productivity, wages, and jobs.

Tech 25 Cities



The tech sector has played a major part in the development of Metropolitan Innovation Clusters. In recent years, within the top 100 leases in North America tech companies have accounted for nearly half of the total space. That is more than double the share accounted for by the number two industry, financial services. The office market has been led by high-tech demand in primary markets across the country. Since 2010, average asking rents for overall office space has +53.6% in the Tech 25 Cities' office markets compared to +30.4% national average. We have identified the top 25 tech cities in North America ("Tech 25 Cities"), which refers to technology-centric cities where the technology sector is an important driver of economic growth and employment. Notably, not all of the Tech 25 Cities are Metropolitan Innovation Clusters given several of the Tech 25 Cities do not meet the criteria for affordability, presence of research universities or various other metrics. The Tech 25 Cities have been further classified into three major categories based on job contribution by technology companies:

- "Tech Critical": Jobs in technology companies account for more than 8% of all jobs;
- "Tech Key Driver": Jobs in technology companies account for between 6% and 8% of all jobs; and
- "Tech Important": Jobs in technology companies account for less than 6% of all jobs.

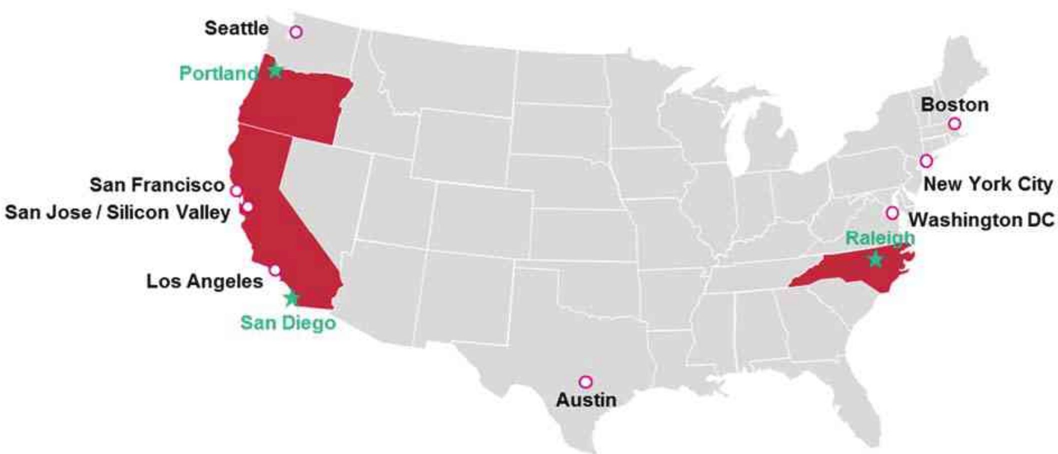
Portfolio Overview

The subject portfolio is located in three high-growth Metropolitan Innovation Clusters of San Diego (the "**San Diego Portfolio**"), Raleigh (the "**Raleigh Portfolio**") and Portland (the "**Portland Portfolio**"), together called (the "**Portfolio**").

Portfolio Overview

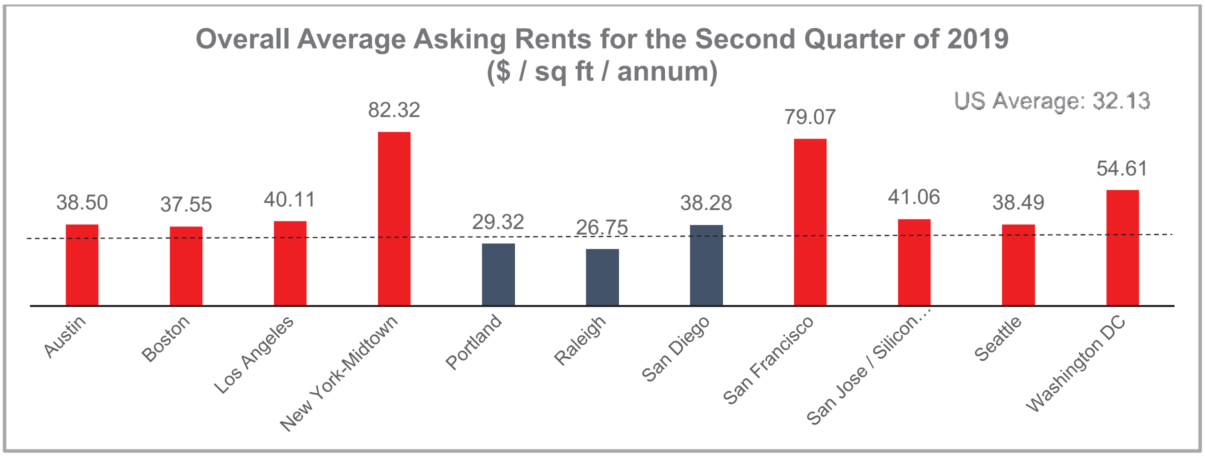
City	Submarket	Campus Name(s)	# Properties	2Q19 Avg. Asking Rent(1)
San Diego	Sorrento Valley	The Campus at Sorrento Gateway and CareFusion Campus	3	$35.82
San Diego	I-15 Corridor (Rancho Bernardo)	Innovation Corporate Center	5	$29.62
Raleigh	RTP/I-40	Perimeter Park	5	$23.60
Portland	Sunset Corridor	Cornell Oaks Corporate Center	6	$21.04
Portland	Beaverton/Sylvan (217 Corridor)	Creekside Corporate Center	9	$23.04

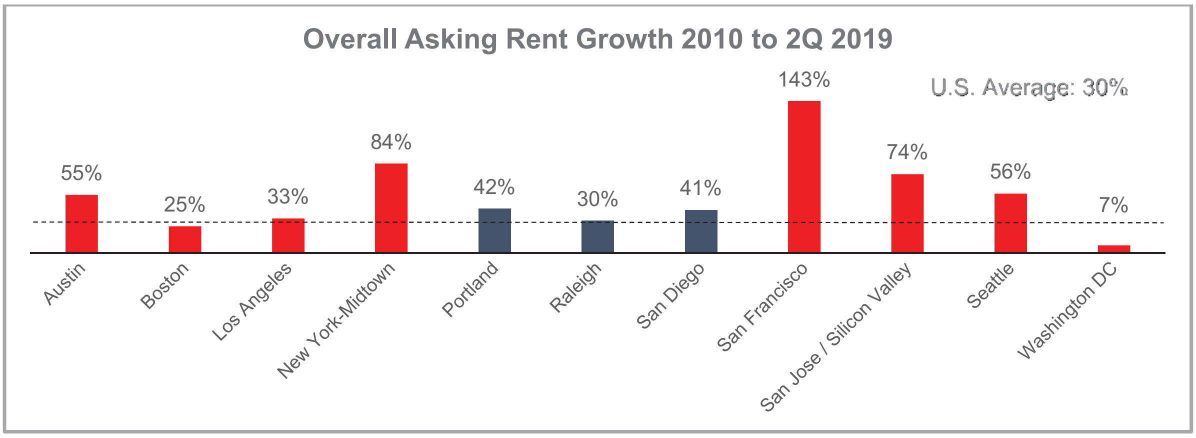
(1) Average asking rental rate per square foot per annum for all office space in the submarket as reported by Reis (2Q19)



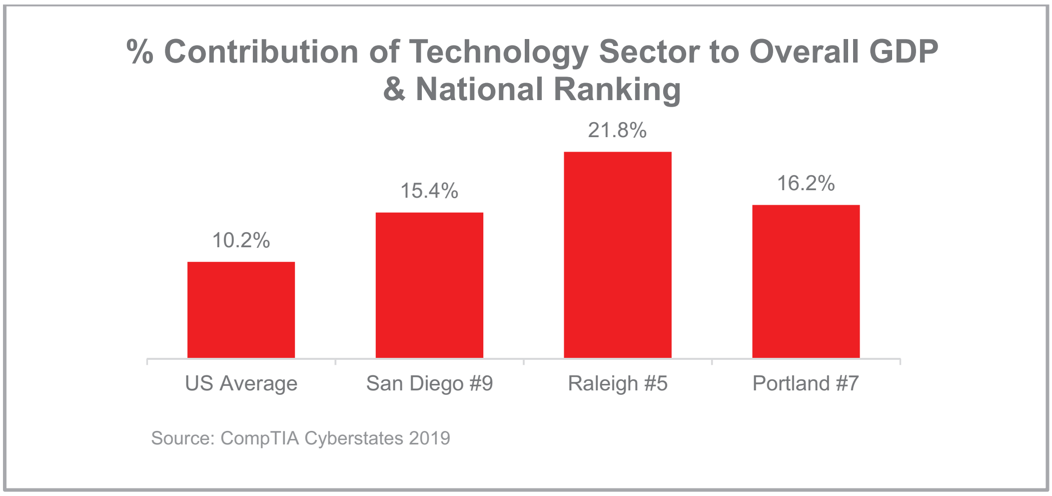
The Portfolio comprises of high growth Metropolitan Innovation Clusters in San Diego, Raleigh and Portland and provides exposure to some of the fastest growing technology markets in the U.S. The overall average office rents of each of the three cities in the Portfolio are generally lower than other top tech cities, which promoted the attractiveness for companies to locate their operations.

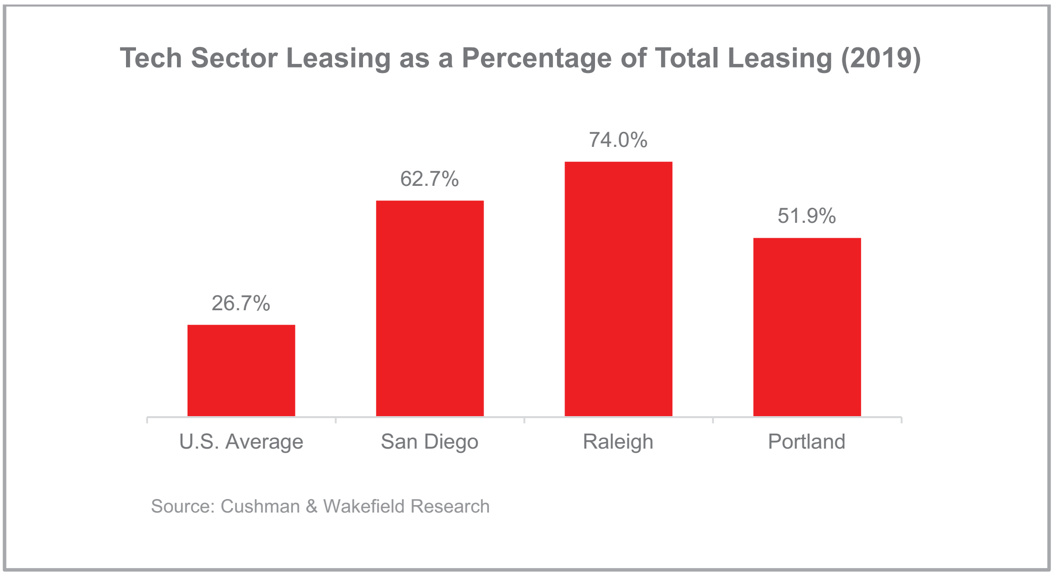
The tech cities used to compare were chosen from the Tech 25 based on their tech "Critical" (where jobs in technology companies account for more than 8% of all jobs) identification and population thresholds, thereby excluding locations in Utah and including Los Angeles and New York City. The Tech 25 are not necessarily ranked, but more weight was given to venture capital investment and tech occupations and less to the millennial population and education. The tech "Critical" Group, being weighted the highest, includes Austin, Boston, Raleigh, San Diego, San Francisco, Seattle, San Jose and Washington DC. Portland is considered a tech "Key Driver" in the listing. New York City and Los Angeles are in the third category where tech is "Important" because of their international prowess and population densities as comparisons to the portfolio areas.



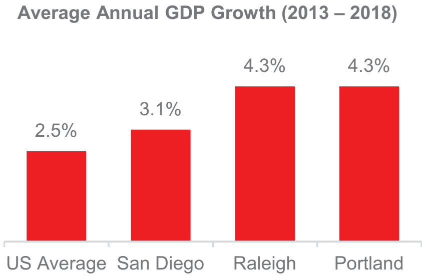


San Diego, Raleigh and Portland have benefited significantly from the growth of the technology sector. The three cities are ranked among the top ten cities in the U.S. by technology sector contribution to GDP in 2018, placing fifth, seventh and ninth for Raleigh, Portland and San Diego respectively. The technology sector's contribution to the economy and technology leasing as a percentage of all leasing for these three cities are also higher than the national average. For example, the technology sector is the largest sector in Raleigh, contributing 21.8% of the primary market's GDP in 2018.

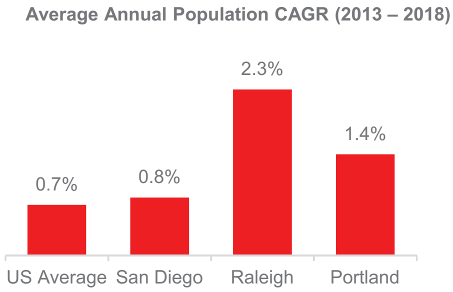




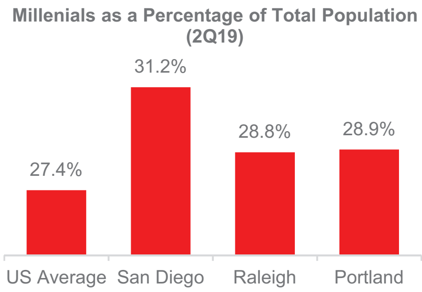
The information technology and other innovation sectors such as medical technology and devices (“MedTech”), biotechnology, pharmaceuticals, financial technology (“FinTech”), online financial services, wireless communications, and athletic apparel, have been key drivers of economic growth in the portfolio cities, resulting in outperformance of the U.S. national average in GDP growth. These cities have generally experienced higher population growth, higher proportion of millennials, higher proportion of workforce with at least a bachelor’s degree, lower unemployment rate (near or below national averages) and higher proportion of technology employment compared with the national averages, underpinning the fundamentals of the office markets in these cities.



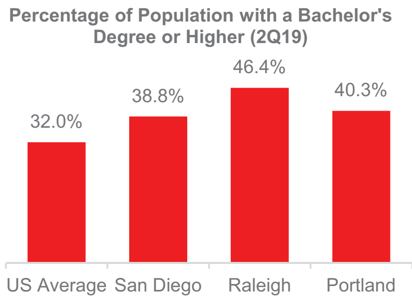
Source: Cushman & Wakefield Research



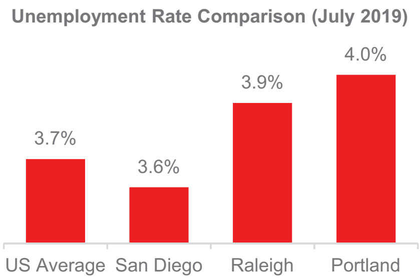
Source: Cushman & Wakefield Research



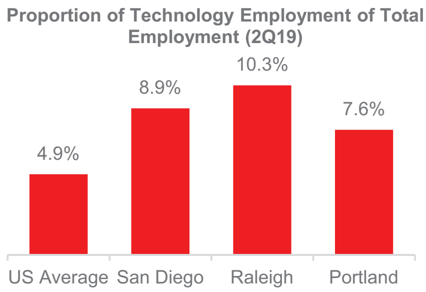
Source: Cushman & Wakefield Research



Source: Cushman & Wakefield Research

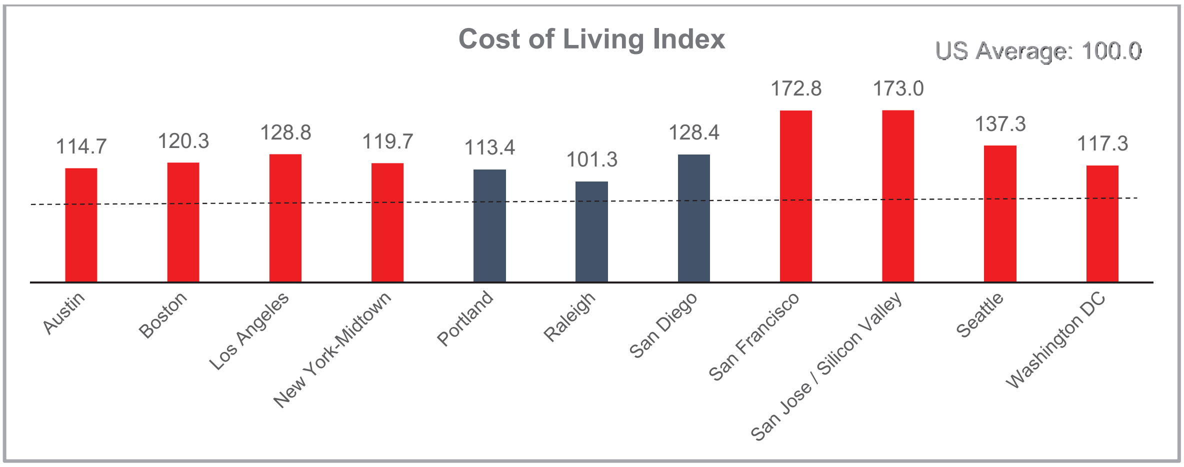


Source: Burear of Labor Statistics



Source: Cushman & Wakefield Research

The Portfolio cities also provide for a higher quality of life with their relatively lower costs of living, compared to other selected tech cities as shown in the chart below:



NOTE: The New York-Midtown figures in the preceding graph pertain to the New York MSA which includes lower cost areas (relative to Manhattan) such as the outer boroughs and Northern New Jersey.

Top 10 Tenants in Portfolio (By Size)

Name	Description

CareFusion Manufacturing, LLC	• Subsidiary of Becton, Dickinson and Company ("Becton Dickinson"), which is:
	  ○ One of the top ten medical devices companies globally
	  ○ Fortune 500 company
	  ○ Thomson Reuters Top 100 Global Innovators 2015
	• Property used as regional manufacturing base for North America

TD Ameritrade Services Company, Inc.	• Fortune 1000 company listed on the Nasdaq Stock Market ("NASDAQ"), providing investing and trading services for 11 million client accounts that total more than $1 trillion in assets and custodial services for more than 6,000 independent registered investment advisors • Recognized as the top online broker in three major categories, including Best for Long-Term Investing five years in a row • Property used as regional office
Teleflex Medical Inc.	• Manufactures and markets surgical instruments and devices in the U.S. and internationally • Subsidiary of Teleflex Incorporated, a Fortune 1000 company • Property used as regional headquarters
Nike, Inc.	• Fortune 500 American MNC engaged in the design, development, manufacturing and worldwide marketing and sales of athletic performance footwear, apparel, equipment, accessories and services • World's largest supplier of athletic shoes and apparel • Thomson Reuters Top 100 Global Innovators 2015 • Forbes World's Most Valuable Sports Brand 2017 with brand value of US$30 billion • Brand Finance World's Most Valuable Apparel Brand 2018 with brand value of US$28 billion • Property is located near Nike's global headquarters in Portland • Property used for general office and corporate purposes
Northrop Grumman Systems Corporation	• Global aerospace, defense and security company providing innovation systems in autonomous systems, cyber, C4ISR (Command, Control, Communication, Computers, Intelligence, Surveillance and Reconnaissance), space and strike • Subsidiary of Northrop Grumman Corporation, a Fortune 500 companProperty used for general office and corporate purposes
Oracle America, Inc.	• Designs and manufactures network computing infrastructure solutions • Subsidiary of Oracle Corporation, a Fortune 500 company • Property used for general office and corporate purposes
Channel Advisor Corporation	• Provides cloud-based e-commerce software solutions to over 2,800 customers worldwide, including Dell, Karen Kane, KitchenAid, Under Armour, Timex and Samsung • Supports hundreds of e-commerce channels worldwide and has been named the top leading marketplace vendor and comparison shopping provider to the Internet Retailer Top 1000 • Property used as global headquarters
EDF Renewable Energy, Inc.	• Engages in the development, operations and maintenance and asset management of wind, solar, biomass and biogas projects in the U.S., Canada and Mexico • Subsidiary of Électricité de France S.A. • Property used as North America headquarters
Daybreak Game Company, LLC	• Video game developer and worldwide leader in multiplayer online games and emergent gameplay • Property used as global headquarters
JAGGAER	• World's largest independent spend management company providing eProcurement software solutions, with over 1,850 customers connected to a network of 3.7 million suppliers in 70 countries • Property used as global headquarters

San Diego – Wireless Technology, Life Science and Defense Hub

San Diego is the second largest city in California and a key technology hub in southern California. After the defense/military industry, the technology sector is the second largest contributor to San Diego's economy contributing 15.4% to GDP in 2018.

San Diego houses the largest naval base of the U.S. Navy on the west coast of the U.S. and serves as the home base of the U.S. Pacific Fleet. The presence of the U.S. Navy has accelerated the growth of the defense industry in San Diego.

With roots tracing back to the defense industry and numerous research institutions located in the city, San Diego's technology cluster has expanded rapidly over the years. San Diego is now home to various technology and other innovative industries, including wireless technology, cybersecurity, connected devices, data analytics, MedTech, biotechnology, gaming, software, pharmaceuticals and tourism.

Due to its proximity to Los Angeles and its location in California, the largest state in the U.S. and the fifth largest economy in the world, many technology companies choose to locate in San Diego to be near markets with large populations for easy access to customers and workforce.

The success of San Diego as a vibrant innovation ecosystem can be attributed to the following factors:

- **Research universities and institutions:** San Diego's three major research universities, namely University of California San Diego ("**UCSD**"), University of San Diego and San Diego State University, play a key role in driving technology innovation and producing a strong talent pipeline for regional industries. UCSD generates more patents than any other University of California campus. San Diego is also home to leading research institutes, including Genomics Institute of the Novartis Research Foundation, Scripps Research Institute and Salk Institute for Biological Studies. With its strong research capabilities, San Diego commands the highest percentage of patent growth in the U.S., recording an aggregate growth of 84.4% over the last five years.

- **Critical mass of established, growth and start-up companies:** Multinational corporations ("**MNCs**") headquartered in San Diego include CareFusion (a subsidiary of Becton Dickinson), Qualcomm and Abacus Data Systems. In addition, Northrop Grumman has a large presence in San Diego, while Google and Amazon have also expanded into the market. Growth and start-up companies based in San Diego include AltexSoft (technology consultancy), Fuse Integration (technology services for defense sector) and Cloudbeds (software technology services for hospitality sector).

- **Proactive organizations promoting innovation:** CONNECT, a non-profit organization, has played a key role in transforming San Diego's research capabilities into an economic driver for the city. It has assisted in developing affinity groups around various specialized industry organizations which were subsequently spun out as stand-alone organizations as they became large and deep enough. These organizations include BIOCOM, CleanTECH San Diego and The Wireless Life Sciences Alliance.

- **Young and highly educated workforce:** San Diego ranks fifth in the nation in the share of science, technology, engineering and mathematics ("**STEM**") bachelor's degrees. Furthermore, of the Tech 25 Cities, San Diego has the second highest millennial population as a proportion of total population, at 31.2% in the second quarter of 2019.

- **Affordable housing:** San Diego's median apartment rent for the second quarter of 2019 was approximately 39% lower than the average rents of Los Angeles, San Jose / Silicon Valley and San Francisco, which are the other major Tech Cities on the West Coast.

- **High quality of life:** San Diego is ranked as one of the top 30 best places to live in the U.S. in 2018, offering a variety of dining, professional sports and entertainment options along with a prime coastal location and good weather all-year round.

Major Employers

The San Diego core-based statistical area is home to two Fortune 500 corporations, Qualcomm Inc. and Sempra Energy, ranked 137th and 269th respectively on the national list as of 2019. Over the previous year, Sempra Energy rose 11 spots from the previous year's list while Qualcomm has dropped down in the ranks from 119th place in the midst of significant layoffs, which is expected to continue with the company's pledge to cut its payrolls. Despite layoffs in recent years, Qualcomm remains a significant source of high-paying jobs in the region, employing approximately 12,600 professionals. The following is a summary of San Diego's largest employers as of late 2018:

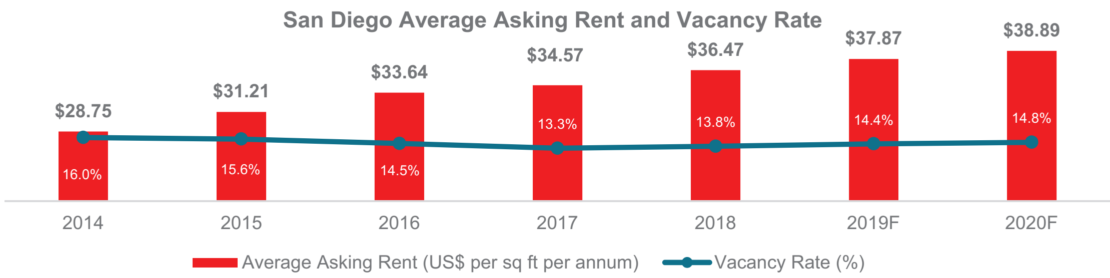
Largest Employers
San Diego-Carlsbad, CA

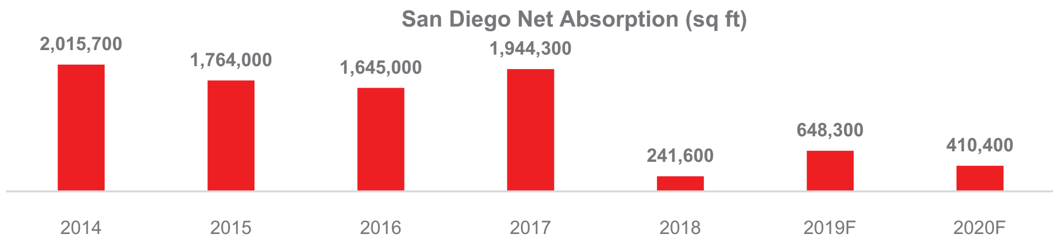
Company	No. of Employees	Business Type
Marine Corps Base Camp Pendleton	41,436	Military
University of California, San Diego	30,671	Education
Naval Base San Diego	30,144	Military
Naval Base Coronado (Including North Island NAS)	23,309	Military
Sharp Health	17,807	Healthcare
Scripps Health	14,863	Healthcare
Qualcomm Inc.	12,600	Technology
Naval Base Point Loma	9,809	Military
Marine Corps Air Station Miramar	9,577	Military
Kaiser Permanente	8,385	Healthcare

Source: San Diego Business Journal, San Diego Military Economic Impact Study and Cushman & Wakefield Valuation & Advisory

Office Performance

The office market in San Diego continues to exhibit strong demand. This has resulted in low vacancy rates in recent periods as employment continues to grow, particularly in research and development and high-technology sectors. We expect that the relatively modest levels of new construction and decreasing availability of office space in San Diego to drive future growth in asking rents.





Source: Cushman & Wakefield Research

While vacancy has increased slightly in recent periods and net absorption is below the highs seen in 2014 and 2017, significant new speculative office inventory is not expected in coming periods (aside from certain build-to-suit situations and renovation/reposition projects currently under way) which will likely promote increasing positive absorption and declining vacancy.

Raleigh – Home to the Largest Research Park in the U.S.

Raleigh, the capital city and the second largest city in North Carolina, is a key technology hub on the East Coast. Raleigh was ranked sixth in the Milken Institute's Best Performing Cities Index in 2018. Raleigh, Durham and Chapel Hill are the three hub cities of the Research Triangle, which houses three major research universities (namely, Duke University, the University of North Carolina at Chapel Hill and North Carolina State University). The Research Triangle is also one of the largest life sciences hubs in the east coast and has five times the national average in physicians-to-population ratio. Located within the Research Triangle, the Research Triangle Park is the largest research park in the U.S. with a longstanding history of more than five decades of innovation and is also one of the largest research parks in the world. It houses over 260 companies and 50,000 high-tech workers.

The technology sector is the largest sector in Raleigh, contributing 21.8% to GDP in 2018. Key technology subsectors in Raleigh include biotechnology, pharmaceuticals, life science, advanced manufacturing, information technology and clean (environmental) technology.

The success of Raleigh as a vibrant innovation ecosystem can be attributed to the following factors:

- **Research universities and institutions:** Raleigh is one of only seven cities in the U.S. to have three Tier 1 research universities, namely Duke University, the University of North Carolina at Chapel Hill and North Carolina State University. With its proximity to top universities and access to research talent, the area also attracts private-sector research and development activity. Approximately 24,000 people graduated from undergraduate and graduate programs from the three Tier 1 research universities in 2016 based on the most recent data available.
- **Critical mass of established, growth and start-up companies:** Corporations present in the Research Triangle include IBM, Cisco Systems, Fidelity Investments, Red Hat, Duke Energy, SAS Institute, GlaxoSmithKline, Biogen, Bayer CropScience, Iqvia, as well as various growth and / or start-up companies such as BlocLedger (FinTech) and BAMTech (media technology) among others. IBM is the largest non-university employer in the Research Triangle Park where IBM has its second largest operation in the world. Cisco Systems' campus in the Research Triangle Park has the second highest concentration of its employees outside its San Jose / Silicon Valley corporate headquarters, with approximately 5,000 employees.
- **Proactive organizations promoting innovation:** Research Triangle Foundation of North Carolina, which manages the Research Triangle Park, plays a key role in orchestrating industry, university and government collaborations to attract research, scientific and technology-based organizations and support the creation of quality jobs and opportunities.
- **Young and highly-educated workforce:** Millennials comprise 28.8% of the city's total population as at the second quarter of 2019, which is higher than the U.S. average of 27.4%.
- **Affordable housing:** Raleigh's median apartment rent for the second quarter of 2019 was approximately 66% lower compared to the average rent in New York City and Boston, which are established Tech Cities on the East Coast. It was also among the top 25 best affordable places to live in the U.S. in 2018.
- **High quality of life:** Raleigh is ranked as one of the top 20 best places to live in the U.S. in 2018 and offers a variety of leisure opportunities with its vast areas of green space, hiking trails and sports facilities.

Major Employers

Private sector hiring, especially in the technology sector, has been a key driver of Raleigh's expansion. The Computing Technology Industry Association ranked Raleigh 2nd in the CompTIA Tech Town Index 2018 report. IBM is the second-largest employer in Raleigh, employing roughly 10,000 people in the area. The company recently announced that North Carolina State University will become their first North American university, signaling their commitment to the market. Tech firms, including SAS Institute, Lenovo and Sensus, are also among the largest employers in Raleigh. In addition, there have been a number of tech firms which are expanding in the market. Infosys, a technology services and consulting firm, recently moved to the area and creating approximately 2,000 new jobs.

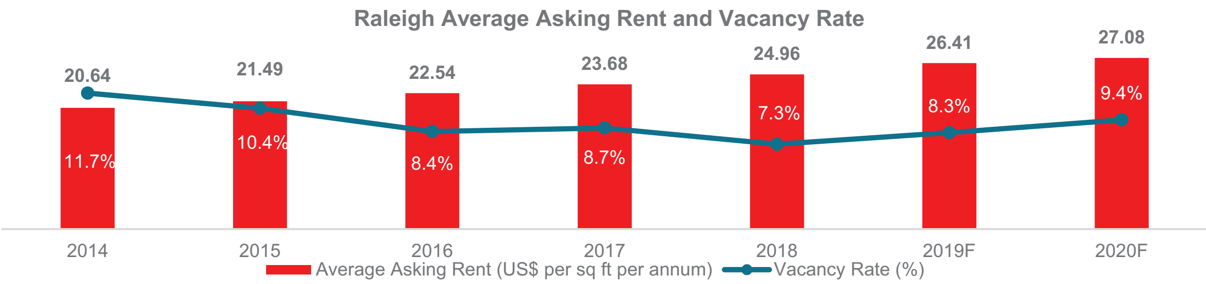
Largest Employers
Raleigh-Durham-Chapel Hill CSA, NC

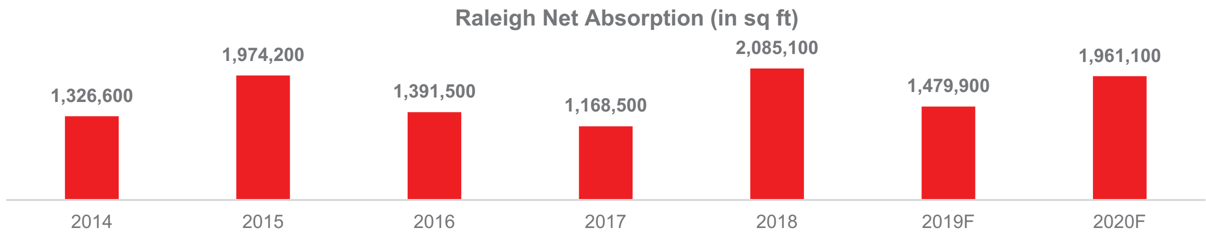
Company	No. of Employees	Business Type
Duke University and Health System	36,004	Education and Health Services
IBM Coporation	10,000	Technology
WakeMed Health & Hospitals	8,943	Healthcare
Rex Healthcare	5,700	Healthcare
SAS Institute, Inc.	5,616	Technology
GlaxoSmithKline	4,950	Pharmaceutical Development
Lenovo	4,200	Technology
Fidelity Investments	4,000	Financial Services
Sensus	3,691	Technology
Conduent Inc.	3,300	Business Process Services

Source: Wake County Economic Development (2018)
and Cushman & Wakefield Valuation & Advisory

Office Performance

Supported by growing demand for office space from companies expanding or relocating to Raleigh, asking rents have also steadily risen and are expected to continue to increase through 2021.





Source: Cushman & Wakefield Research

Portland – Silicon Forest and Athletic Performance Shoe Capital of the World

Portland is the capital city and the largest city in Oregon. It is consistently ranked as one of the most stable office markets in the U.S. and one of the best performing office markets on the West Coast. According to "LinkedIn Workforce Report San Francisco Bay Area December 2018", Portland continues to rank second in terms of worker relocations from San Francisco behind Seattle. The growth in the office sector has been bolstered by the entry of technology and innovation powerhouses such as Amazon, Salesforce, eBay, Airbnb and Google since the beginning of the current economic expansion.

The semiconductor and clean technology industries have a strong presence in Portland. The technology sector is ranked second behind the Education and Health Services sector and comprises 16.2% of Portland's economy in 2018. More than one in ten workers in Portland are in the technology sector. The software side of the technology sector has grown almost 50% in just the past 10 years, with companies like Jive Software, Puppet Labs, and Jama Software.

The success of Portland as a vibrant innovation ecosystem can be attributed to the following factors:

- **Research universities and institutions:** Major universities located in Portland include University of Oregon (Portland campus), University of Portland and Portland State University. Portland is also home to Pensole Footwear Design Academy, the world's first sneaker design school, and the Sports Product Management Masters program of University of Oregon (Portland campus), which provide a strong pipeline of creative, design and management talents for the sportswear industry. Portland holds the highest number of patents in the U.S. in certain shoe-related products.
- **Critical mass of established, growth and start-up companies:** Technology companies located in Portland include leading companies such as Amazon, Dell, Intel, Tektronix, HP and Epson, and growth and start-up companies such as Cart Logic (e-commerce consultancy), Urban Airship (mobile and digital engagement, analytics and solutions) and Cozy (online property management solutions). Intel is currently the largest private sector employer in Portland, having moved its advanced operations to Portland, where it employs more people than its San Jose / Silicon Valley headquarters. Intel's Portland campus spawned the development of a surrounding business ecosystem and the growth of the technology manufacturing industry in Portland. The cluster of high technology companies in Portland resulted in the area being called the "Silicon Forest". Portland is also known as the athletic performance shoe capital of the world. It is home to the global headquarters of Nike and Columbia Sportswear Company, the North America headquarters and footwear design center of Adidas, and the footwear design centers of Under Armour, Mizuno, Anta and other top sportswear companies. Nike, Adidas and Under Armour are the top three athletic shoe and apparel brands in the U.S.
- **Proactive organizations promoting innovation:** The Technology Association of Oregon plays an active role to connect entrepreneurs, companies and individuals, and help establish the region as a global hub for innovation. It also works with federal, state and local officials to promote public policies that ensure the continued growth and success of Oregon's tech industry, in addition to increasing opportunities for statewide economic development.
- **Young and highly-educated workforce:** Ranked fourth out of the best 50 cities for millennials in 2018. Millennials comprise 28.9% of Portland's population in the second quarter of 2019.
- **Affordable housing:** Portland's median apartment rent in the second quarter of 2019 was more than 55% lower than the average rents in San Francisco and San Jose / Silicon Valley and approximately 28% lower than that of Seattle.
- **High quality of life:** Portland is ranked as one of the top 10 best places to live in the U.S. in 2018 and offers a variety of leisure opportunities with its vast areas of nature, sporting events and cultural amenities.

Major Employers

The Portland Development Commission (Prosper Portland) has targeted five clusters of employment to help grow the local economy over the next five years: athletic and outdoor, green products and services, technology and media, metals and machinery, and healthcare. Many of these targeted industries are reflected in the list of largest employers in the area. Portland is known for its sportswear industry, with many large apparel companies headquartered in the CBSA including Nike, Adidas (North American headquarters), Columbia Sportswear and Keen Footwear. Furthermore, Portland serves as a regional hub for healthcare, fueled by the presence of Oregon Health and Science University and as shown by the presence of five large healthcare operations among the metro area's ten largest employers.

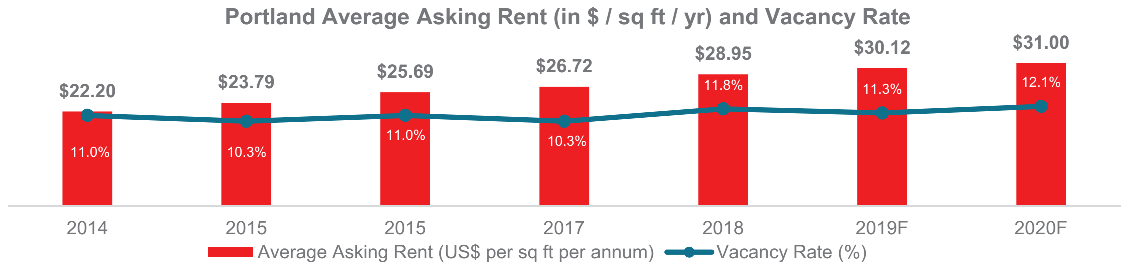
Largest Employers
Portland-Vancouver-Hillsboro, OR-WA

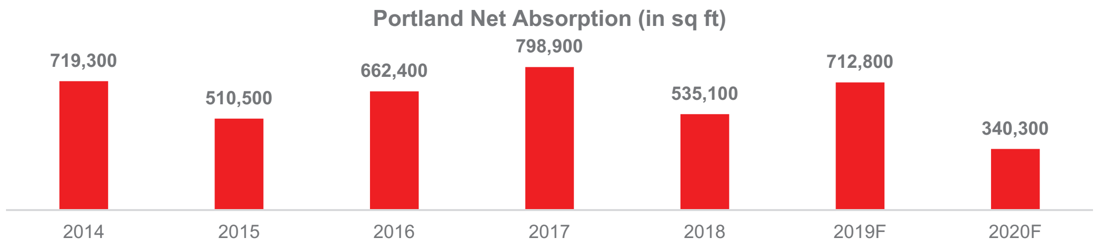
Company	No. of Employees	Business Type
Intel Corp.	19,300	Technology/Manufacture
Providence Health Systems	17,543	Education & Health Services
Oregon Health & Science University	16,200	Education & Health Services
Legacy Health System	12,955	Education & Health Services
Nike Inc.	12,000	Retail
Kaiser Foundation Health Plan of the NW	11,898	Insurance
Fred Meyer Stores	10,637	Retail
PeaceHealth	4,445	Education & Health Services
Portland State University	3,287	Education & Health Services
Diamler Trucks North America LLC	2,800	Manufacturing
Legacy Salmon Creek Medical Center	1,946	Education & Health Services
Adidas	1,700	Retail

Source: Data Courtesy of Moody's Economy.com; Cushman & Wakefield Valuation & Advisory

Office Performance

The impact of the large firms establishing the Silicon Forest is evident in the surrounding office markets that benefit by the attraction of ancillary tenants needing to be nearby the manufacturers. These are large employment sectors with highly specialized, educated and well-paid employees who want to live, work and play nearby. Driven by new firms expanding in Portland, where rents are still significantly less than other large West Coast metropolitan areas, the asking rents in the Portland office market have increased steadily over the last four years and are expected to continue to grow through 2021. Portland's strong economy and growth in office-using employment sectors are expected to drive absorption in office space.





Source: Cushman & Wakefield Research

Regarding the forecasted decline in net absorption in Portland, this is likely primarily attributable to new and planned inventory within the Portland CBD that is expected to deliver in the near term. As shown in the submarket analyses presented later in this report, limited new inventory is expected within the Portfolio submarkets in coming years.

U.S. Commercial Real Estate Investment Market Overview

The following section discusses commercial real estate market in the U.S., including capitalization rate trends, availability of foreign capital, and general real estate sector metrics and indicators.

Real Estate Investment by Sector

Transaction Activity and Volume by Product Type

The U.S. has the largest commercial real estate investment market in the world and the breadth, depth and liquidity of the U.S. office sector continue to attract investments globally. Transaction activity accelerated across most property types in the second quarter of 2019 compared to the first quarter. Apartment, office and senior housing sales increased on a year-over-year basis in the second quarter. This strength translated to rising volumes for these product types in the first half of the year; in contrast, retail, hotel and (atypically) industrial volumes declined compared to the same period a year ago. Transactions activity in the U.S. during the second quarter of 2019 and the first half of 2019 is summarized in the accompanying table.

U.S. TRANSACTION ACTIVITY BY SECTOR

	2Q19			1H19	
	Vol ($B)	QoQ	YoY	Vol ($B)	YoY
Apartment	41.9	18%	22%	77.5	13%
Office	35.7	45%	32%	60.4	9%
CBD	13.8	39%	28%	23.8	3%
SUB	21.9	49%	34%	36.6	12%
Industrial	14.6	-6%	-14%	30.3	-11%
Retail	11.9	19%	-37%	22.0	-29%
Hotel	7.8	3%	-14%	15.4	-20%
Dev Site	3.9	-2%	-12%	7.9	-8%
Seniors Housing & Care	3.5	11%	52%	6.7	15%
Total	**122.6**	**19%**	**6%**	**225.8**	**-1%**

Source: Real Capital Analytics, Cushman & Wakefield Research
Deals over $5 million

Both CBD and suburban office sales increased in the first half of 2019 with the greatest growth in suburban product (+12% YoY). Major markets saw significant suburban office sales growth, notably in the San Francisco metro (+86% YoY / +$2.8B). Suburban office activity rose in 21 out of 34 secondary markets with the greatest increases in Austin, Portland and Salt Lake City. CBD office sales rose significantly in the secondary markets; however, much of this apparent strength was attributable to Seattle (+244% YoY / +$1.3B). Among the major markets, exploding activity in San Francisco (+181% / +$2.8B) and Boston (+75% / +$1.2B) was not quite enough to offset declining volumes in New York and Chicago.

CHANGE IN VOLUME BY PRODUCT TYPE

Source: Real Capital Analytics, Cushman & Wakefield Research
Deals over $5 million

Technology-Oriented & Secondary Markets Driving Activity

Transaction activity favored secondary markets in the first half of 2019 as volume increased 3% YoY on the back of strong second-quarter sales. Major and tertiary market volumes were each down 5% compared to 2018. This is consistent with the broader trend of secondary markets attracting an ever-greater share of overall activity—45% in the first half of this year compared to the 41% quarterly average since 2010—but represents a loss of momentum for the major and tertiary markets.

As always, individual markets vary. Among the major markets, the San Francisco (+31% YoY / +$4.3B) and Boston (+64% YoY / +$3.3B) metro areas continued to see volumes rebound in the first half of 2019. San Francisco benefited from robust sales of both suburban and CBD office, while CBD office and apartment sales took off in

Boston. These two markets are hotbeds for technology and life sciences, respectively. Transaction activity declined in Chicago (-43% / -$4.2B), Washington, DC (-27% / -$3.3B) and New York (-11% / -$3.5B). In each of these, the weakness was broad-based across product types, although CBD office was particularly soft in Chicago, office and hotel in Washington, DC and CBD office in New York.

NUANCE IN INDIVIDUAL MARKETS

Top 25 Markets by 1H 2019 Volume

		Year-Over-Year Percent Change						
Metro Area	1H19 Volume ($M)	Apartment	CBD Office	SUB Office	Industrial	Retail	Hotel	Total
NYC Metro	27,122	-12%	-20%	2%	26%	-36%	74%	-11%
LA Metro	19,182	-5%	-26%	21%	27%	-62%	-30%	-4%
SF Metro	18,102	43%	181%	86%	-45%	-12%	-51%	31%
DC Metro	8,804	11%	-33%	-25%	-41%	-55%	-69%	-27%
Dallas	8,632	6%	396%	-26%	-39%	20%	-69%	-7%
Boston Metro	8,523	172%	75%	11%	-5%	124%	-53%	64%
Seattle	7,655	59%	244%	-4%	-24%	-41%	-70%	21%
Miami/So Fla	7,313	-19%	-18%	10%	-11%	2%	171%	11%
Atlanta	6,969	18%	114%	-3%	-22%	-29%	-59%	-2%
Phoenix	6,571	36%	-80%	-20%	-55%	-32%	-88%	-12%
Houston	5,886	-3%		4%	-22%	-49%	-2%	-7%
Chicago	5,507	-18%	-85%	-45%	-34%	-38%	-14%	-43%
Denver	4,792	18%	20%	-27%	-30%	-59%	-40%	-12%
Austin	4,597	57%		120%	-34%	-17%	-89%	46%
Philly Metro	4,572	72%	56%	-14%	-31%	146%	-37%	25%
San Diego	3,935	31%	145%	30%	25%	-56%	258%	12%
Charlotte	3,256	53%	12%	72%	-27%	107%	-55%	36%
Las Vegas	3,069	49%		-59%	-55%	45%	-65%	-15%
Tampa	2,903	63%		-15%	78%	-71%	47%	10%
Orlando	2,736	-11%	2%	84%	-50%	30%	-77%	-10%
Baltimore	2,554	260%	-94%	125%	-67%	-26%	-44%	38%
Minneapolis	2,541	-12%	-18%	5%	48%	31%	26%	5%
Portland	2,467	17%	-1%	170%	-36%	84%	-46%	35%
Detroit	2,358	69%	-57%	9%	87%	-9%	2844%	139%
Nashville	2,284	0%	57%	36%	-29%	-53%	45%	4%

Source: Real Capital Analytics, Cushman & Wakefield Research
Deals over $5 million

NOTE: The colored cells highlight the top (blue) and bottom (red) 5 for each property type

Volumes increased in 16 of 34 secondary markets in the first half of 2019. Seattle, Miami and Atlanta continued to attract the most activity; however, the greatest increases in volume were in Austin (+46% YoY / +$1.5B; apartment and suburban office), Detroit (+139% / +$1.4B; hotel), Seattle (+21% / +$1.3B; apartment and CBD office) and Charlotte (+36% / +$0.9B; apartment).

Capitalization Rate Trends

Interest Rates

With Treasury yields at a low of 1.75% in August 2019 and the Federal Reserve cutting rates for the first time since 2008, the cost of senior 10-year fixed-rate debt has declined from 4.89% in the fourth quarter of 2018 to 4.11% in the second quarter of 2019 and 3.82% as of July 2019 for a total decline of 107 basis points (bps). The recent decline in LIBOR has driven a 37-bps decline in the core floating rate debt cost to 4.04%, but this understates the attractiveness of floating rate financing given the changed outlook for short-term rates. The cost of mezzanine debt has declined even more significantly, both for high (-199 bps) and moderate (-112 bps) leverage assets.

The yield premia earned by equity investors have increased across the board as a result of lower Treasuries. Yield premia for retail (+95 bps) and office (+68 bps) assets are presently above their average (going back to the third quarter of 2007), while industrial (-24 bps) and multifamily (-13 bps) premia are modestly below. However, just as increasing Treasury rates did not translate to an increase in cap rates in 2017-2018, the recent declines have not led to a general reduction during the first half of 2019. Instead, factors specific to different product types and geographies have continued to drive changes in cap rates:

- Rolling 6-month volume-weighted apartment cap rates declined 7 bps in the first half of 2019 compared to the preceding six-month period.
- CBD office yields rose 9 bps in the first half of the year compared to the preceding six-month period. Major metro yields were flat overall while secondary market yields declined, largely due to fewer data observations in higher yielding markets. Suburban office yields, however, have been trending upward across market tiers and in most markets.
- Hotel yields declined modestly in the first half of 2019; however, yields in major (-55 bps) and secondary (-38 bps) markets compressed more dramatically. Historically, hotel pricing is more responsive to changes in macroeconomic conditions, including interest rates.
- Industrial yields declined 18 bps in the first half of the year compared to the preceding six-month period. Major metro yields held steady, leaving secondary markets (-52 bps) to drive the overall yield compression. Yields declined in 9 of the 12 secondary markets for which there are observations in both periods.
- Retail yields (+8 bps) were stable overall in the first half of 2019 compared to the preceding six-month period. Secondary market (+39 bps) yields increased, offsetting a decline in major markets (-12 bps). Although secondary market yields increased overall, transaction cap rates fell in 14 of 31 secondary markets for which there were observations in both periods.

The following chart shows activity in the 10-year Treasury Rate, 2-year Treasury Rate, and 3-month LIBOR over the past five years.

Capitalization Rates

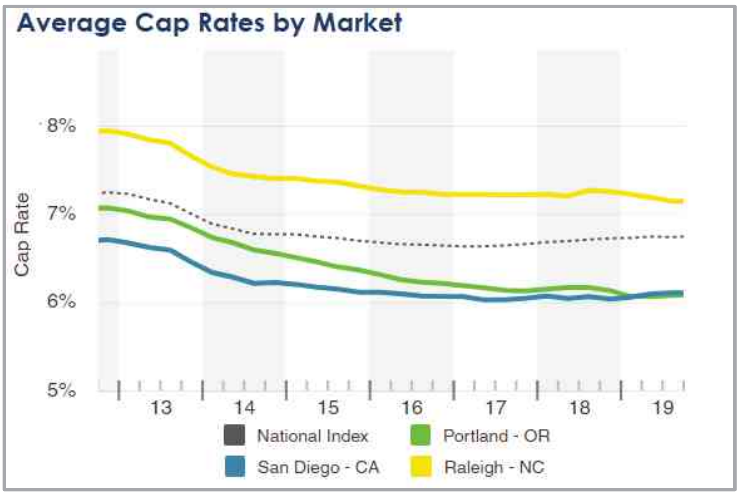
According to PricewaterhouseCoopers (PwC) Real Estate Investor Survey average cap rates for all property types decreased in 15 survey markets, increased in 10, and held steady in nine over first quarter 2019, according to the PwC Real Estate Investor Survey for second quarter 2019. Although quarterly shifts are diverse, surveyed investors expect overall cap rates to hold steady over the next six months.

Notable points for the U.S. real estate market include:

- Deal volume in second quarter 2019 for the six largest metros declined 1% on a year-over-year basis while deal volume in non-major metros markets rose 5% over the same period.

- Cap rates declined in most property markets in second quarter 2019, according to PwC Real Estate Investor Survey. The Regional Mall and Net Lease markets experienced the largest decreases during the quarter at 23 and 17 basis points, respectively. The National Strip Shopping Center market exhibited a 12-basis point increase in cap rates over the quarter, while cap rates for the Suburban Office market remained unchanged from the previous quarter. At 7.5%, the Chicago office market’s overall cap rate is the highest of any market in second quarter 2019, while the Manhattan office market, at 4.59%, has the lowest cap rate. Overall, CBD markets reported lower cap rates than their suburban counterparts.

The following table shows capitalization rates for all office types through Third Quarter 2019.



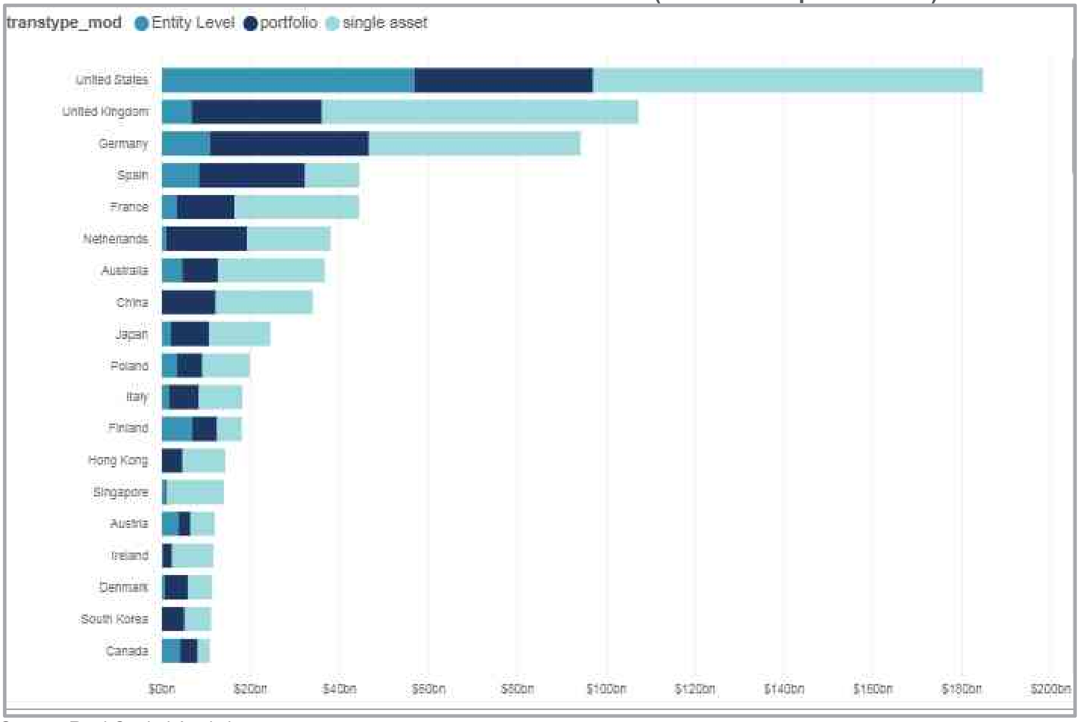
As shown, the capitalization rates have remained relatively stable since 2016 as compared to the 10-year treasury rate presented on the previous page varied by as much as 200 basis points over this time. While a statistically significant positive relationship between cap rates and 10-year Treasury Bonds exists, much of variability in cap rates over time cannot be explained by interest rates alone. From a modeling perspective, the 10-year Treasuries discussed on the prior page are said to account for approximately 30 percent of all the variability in capitalization rates. However, holding other factors constant, credit spreads, expected rates of growth of NOI, market liquidity, and other factors are always changing. The combined effect of these factors on cap rates has the potential of offsetting or completely swamping the impact of rising Treasury yields, thus confounding the relationship between cap rates and interest rates.

U.S. as a Global Commercial Real Estate Investment Destination

Investment Volumes

The U.S. remains the preeminent commercial real estate investment destination globally. As shown in the following table, the U.S. is the leader in buyer volume at the entity level, portfolio, and single-asset classes over the past three years:

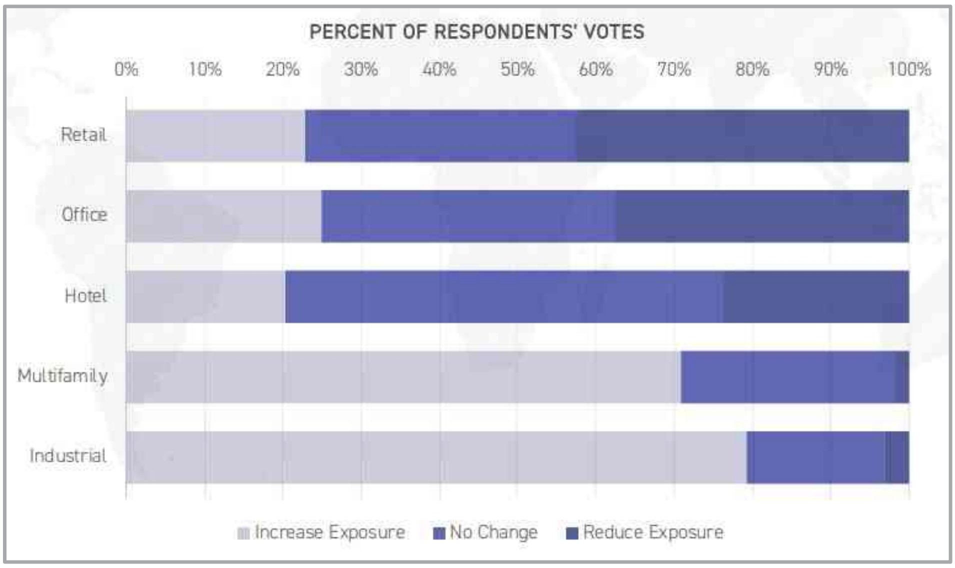
Commercial Real Estate Cross-Border Investment Volume (Excl. Development Sites) – 2016-2018



Source: Real Capital Analytics

According to the 2019 AFIRE survey of global investors, there is a strong overall market outlook. Investors generally remain confident in a strong U.S. economy, real estate market fundamentals, and continued capital inflow to U.S. real estate. Industrial and multifamily property sectors continue to be seen positively and were categories where respondents would most like to increase their exposure, with nearly 80 percent wanting to increase industrial exposure and 71 percent wanting to increase multifamily exposure. Among global cities offering the most stable and secure real estate investment opportunities, New York is favored by a wide margin at 30%, followed by Tokyo at 11% and Paris at 8%, while New York also ranked second for capital appreciation after London. Gunnar Branson, AFIRE CEO stated "…The fact that U.S. commercial real estate has attracted historically high levels of capital from institutions around the world in the last few years is a strong vote of confidence in the long-term performance of commercial property in U.S. cities." With investors overwhelmingly indicating confidence in strong economic conditions for investing in the U.S., about 14% expect 2019 to present more attractive investing opportunities in U.S. real estate than in 2018, including among emerging niche markets and property types.

The following chart from the 2019 AFIRE survey shows global investors' exposure preferences moving forward:



Source: 2019 AFIRE International Investor Survey

As shown above, the top three property types where international investors would like to increase exposure are: 1) industrial, 2) multi-family, and 3) office.

Cross-Border Investment Trends

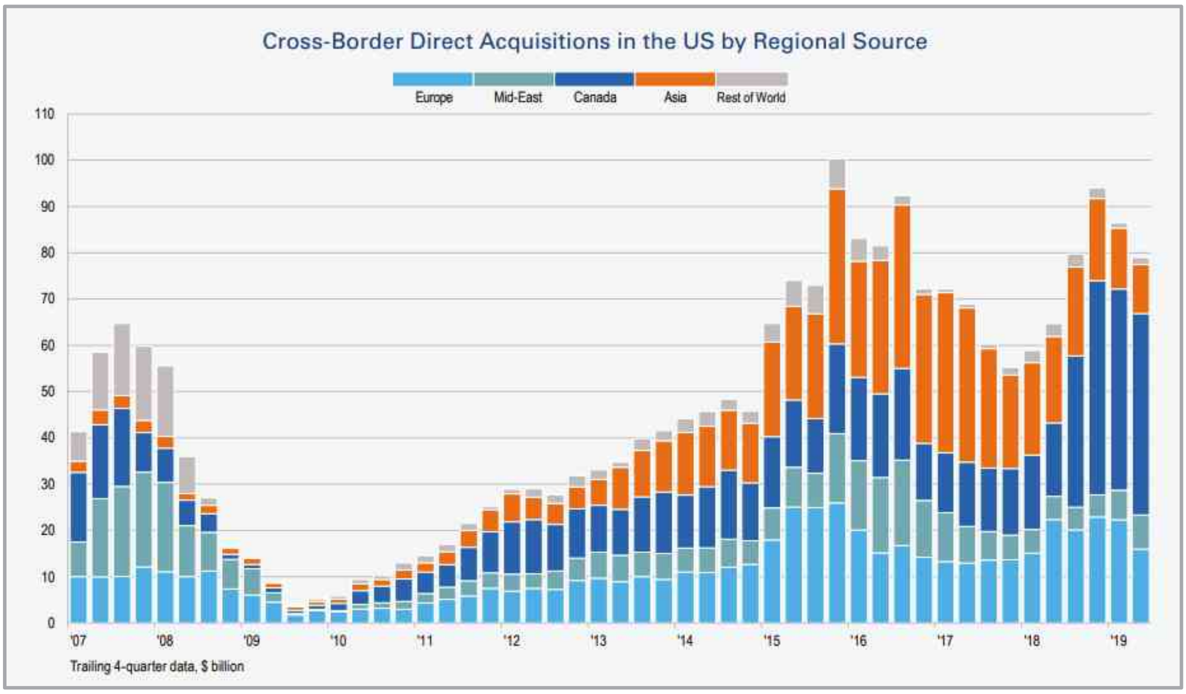
Canadian investors were by far the largest cross-border investor group in the 12-month period ending in June 2019, but European investors were the largest group during Second Quarter 2019 ($4.2 billion). The top cross-border investment regions from Second Quarter 19 and the preceding 12 months are summarized in the following table:

	Q2'19			Past 12 Months		
Region	Vol ($b)	YOY Chg	Property Count	Vol ($b)	YOY Chg	Property Count
Canada	3.7	2%	86	43.5	174%	776
Europe	4.2	-61%	39	15.9	-29%	223
Asia	1.9	-58%	25	10.6	-43%	302
Middle East	2.2	84%	38	7.4	48%	150
Rest of World	0.7	172%	15	1.5	-46%	43

In the case of JV deals and regional allocations, volume is attributed only to one region of origin using the HQ location furthest away from the property

Source: Real Capital Analytics

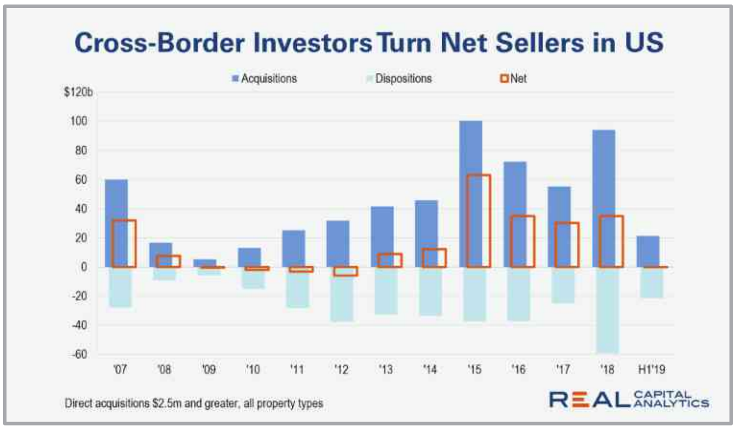
Cross-border acquisition sources are summarized by region in the following chart (as of Second Quarter 2019):



Source: Real Capital Analytics

According to Real Capital Analytics, investors made direct acquisitions totaling $21.3 billion during the first half of 2019 and sold slightly more at $21.4 billion. For second quarter 2019, cross-border direct acquisition volume dropped 37% from the same period in 2018. Real Capital Analytics noted the pullback was not a function of capital from one region halting purchases: buyers from each major region of the world were active. Most, however, simply purchased less than last year.

For the 12 months through Second Quarter 2019, the total cross-border investment level was down from recent highs but still considered healthy.



Per Real Capital Analytics, the decline in acquisitions is not a sign of diminished investment interest in the U.S. but rather, the deals with high price points that these investors pursue are becoming more challenging to execute.

Key Factors for the Office Markets

Sales Volume

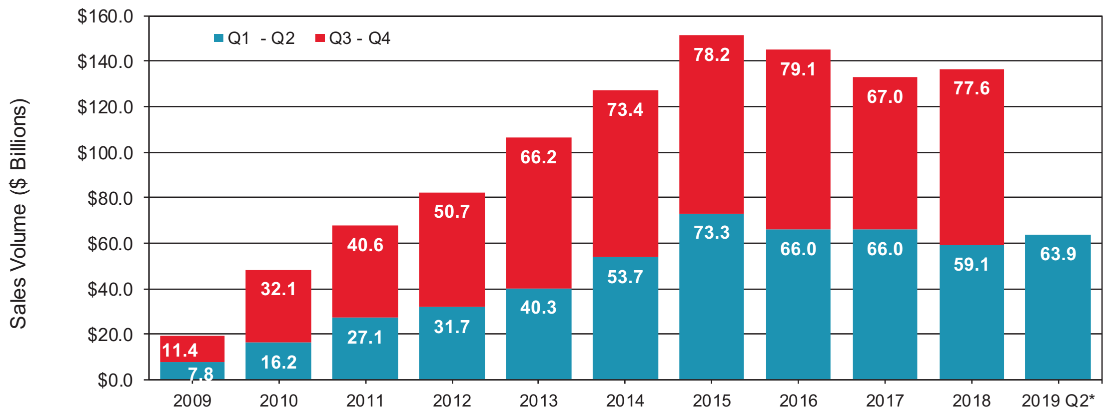
Office transactions (total dollar volume) have been at healthy levels as the economy has expanded over recent years. From 2009 through 2015, investors gained confidence in the office market and sales volume experienced consistent year-over-year growth. Sales volume for office product reached its cyclical peak in 2015 due, in part, to unusual activity in the early part of year, where falling cap rates and ease of finance from the commercial mortgage-backed securities (CMBS) market helped drive sales activity. Sales volume declined on an annual basis in both 2016 and 2017, however office investment activity has been at elevated levels and investment during these years was at a higher than average pace. In 2018, office sales volume grew 2.2% over the previous year, to reach approximately $137 billion.

Further considerations are as follows:

- Following a challenging start to 2019 (investors went into the year cautious due to turmoil in the financial markets), office investment climbed sharply in the second quarter. Sales volume in second quarter 2019, at $37.6 billion, rose 42.7% from the previous quarter and 29.8% over volume recorded in second quarter 2018. Portfolio sales were an important driver of growth, but single asset sales were also up 19% year-over-year.
- The Manhattan market was the top market in terms of deal volume in first half of 2019, at $7.4 billion. San Francisco ranked second with $5.4 billion. The Los Angeles market claimed third spot with just under $4 billion spent on office product during the year.

The following table provides an historical view of sales volume in the first and second half of the year from 2009 through second quarter 2019:

NATIONAL OFFICE TOTAL SALES VOLUME
2009 – 2019 Q2



Source: Real Capital Analytics, Inc.

Overall Capitalization Rates – Office Spotlight

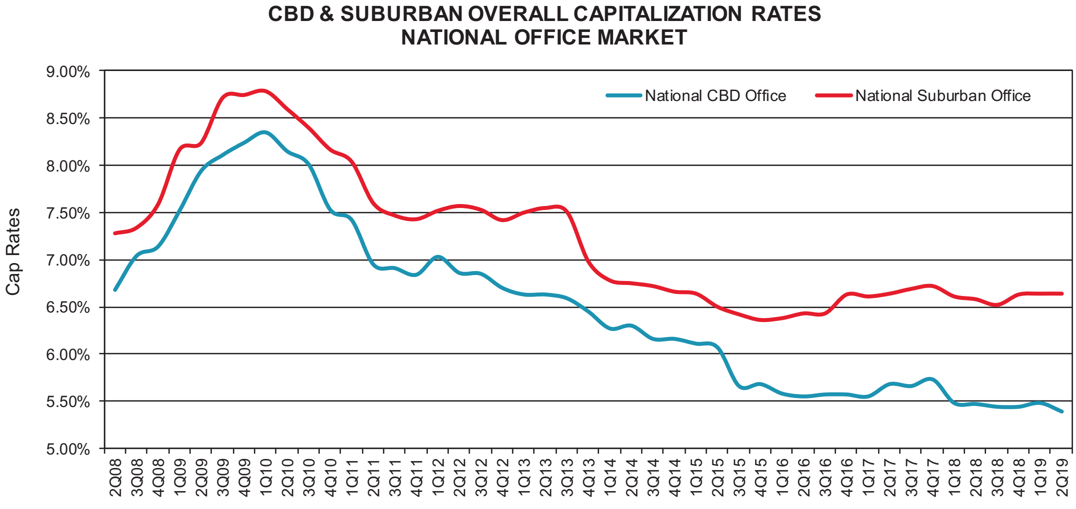
The office sector has generated and sustained investor demand over the past few years, driving down overall cap rates. Typically, CBD properties in major markets have been the primary contributor to the office sector's momentum, although suburban office markets have also exhibited a downward trend since 2009 due to increased investor interest. The performance of an individual CBD office market can be inconsistent, top-tier CBD's are outperforming the country while smaller downtown areas are struggling. Average overall cap rates remain lower for most CBD markets than for its suburban counterparts since higher barriers to entry and a lack of land for new development tend to keep supply and demand more balanced in a market's CBD. As of second quarter 2019, overall cap rates remain near record lows.

The PwC Real Estate Investor Survey and the National Council of Real Estate Investment Fiduciaries (NCREIF) methodologies offer unique perspectives on capitalization rate trends. The PwC Real Estate Investor Survey calculates its data based on a personal survey of major institutional equity real estate market participants. In contrast, NCREIF looks at data from appraisals included in their benchmark property return index. The index contains quarterly performance data for unlevered investment-grade income-producing properties that are owned by, or on behalf of, exempt institutions.

The following points detail the PwC Real Estate Investor Survey and NCREIF capitalization rate trends:

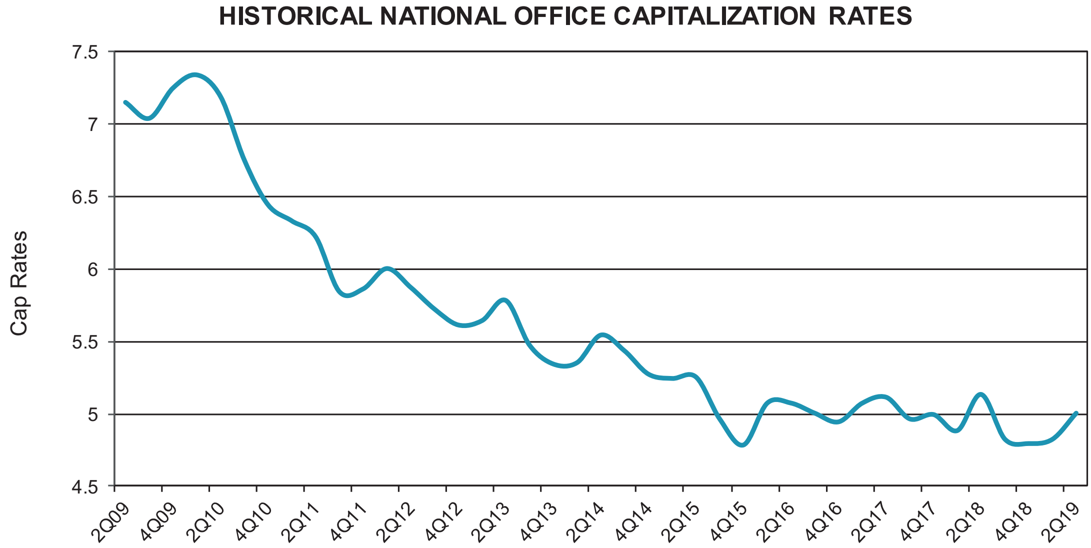
- The PwC Real Estate Investor Survey shows that as of second quarter 2019, the national CBD OAR (capitalization rate), at 5.39%, dropped nine basis points on a quarterly basis and eight basis points on an annual basis. The suburban OAR, at 6.64% in second quarter 2019, remained unchanged over previous quarter and rose six basis points from one year ago.
- The NCREIF reported that cap rates fluctuated over the last 12 months in response to rising interest rates. At 5.00% as of second quarter 2019, the national office cap rates increased 18 basis points over the previous quarter but dropped 13 basis points on a year-over-year basis.

The following graph reflects national trends for CBD and suburban overall capitalization rates as surveyed by the PwC Real Estate Investor Survey:



Source: PwC Real Estate Investor Survey

The graph below reflects national historical cap rate trends as reported by NCREIF:



Source: National Council of Real Estate Investment Fiduciaries

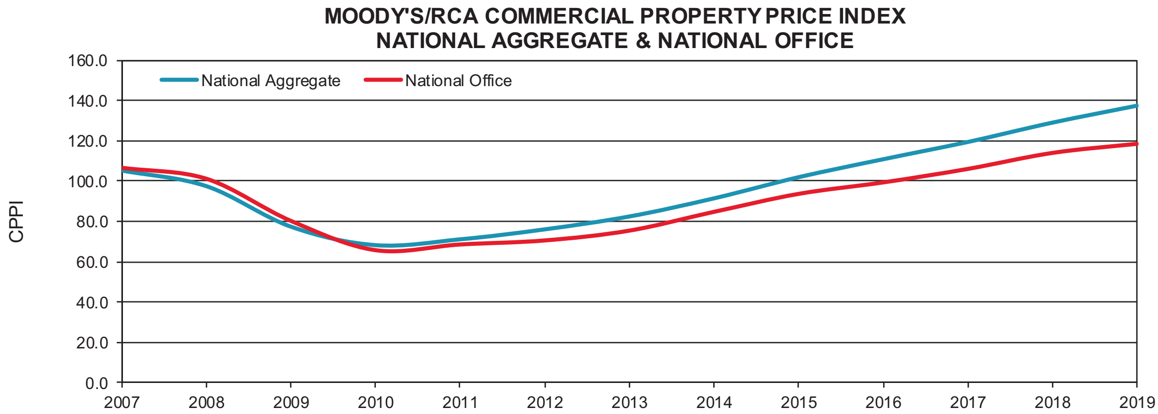
Moody's/RCA Commercial Property Price Index

The Moody's/RCA Commercial Property Price Index (CPPI) measures the change in price of commercial real estate and reflects the empirical results of direct investments over time. Developed by Massachusetts Institute of Technology's Center for Real Estate in conjunction with a consortium of firms including Moody's and RCA, the index tracks price changes based on closed transactions, and implements advanced repeat-sale regression (rsr) analytics to gauge performance in current and prior periods.

The following points are for consideration regarding the Moody's/RCA CPPI:

- As of June 2019, the national aggregate index was 137.5. The national aggregate index grew 6.5% from June 2018, and increased 2.4% on a quarterly basis.
- The national office index increased 4% from 114 in June 2018 to 118.6 in June 2019. Compared to the previous quarter (March 2019), the national office index increased 1.5%.
- Both the national office index and the national aggregate index have exhibited continued growth during the current economic expansion cycle. The national office index ended the quarter 80.5% above the low recorded in May 2010, while the national aggregate index has increased 101.5% during the same period.

The graph below displays the CPPI from June 2007 to June 2019:



Source: Moody's/RCA CPPI; National Aggregate and National Office reflects data through second quarter 2019

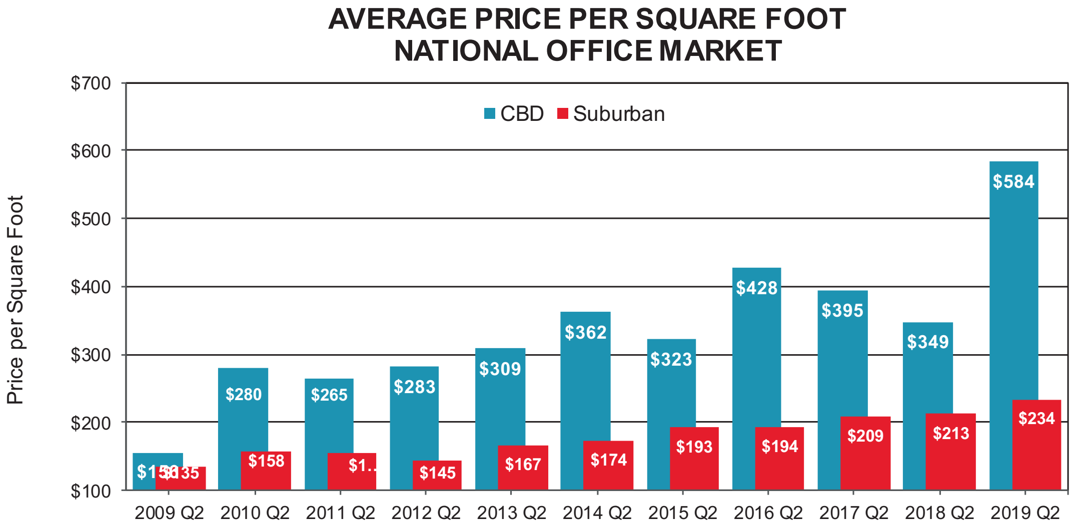
Sale Price PSF

Historically, office pricing has not experienced the same wide fluctuations as seen with sales volume trends. This was, in large part, due to sellers holding out and waiting for market fundamentals to improve. As of second quarter 2019, both the CBD and suburban markets grew in terms of price psf on an annual basis.

The following points provide details regarding sale price psf:

- The CBD average price psf, at $584 as of second quarter 2019, increased 67.6% from the same point in 2018 ($349), and is 26.1% above the price psf in first quarter 2019 ($463).
- The suburban average price psf, at $234 as of second quarter 2019, is 10.2% higher than in second quarter 2018 ($213). On a quarterly basis, the suburban price psf grew 12.2%.
- The 10-year period, from second quarter 2010 through second quarter 2019, compound annual growth rate (CAGR) for the CBD is 17.8%, ahead of the last five-year compound annual growth rate at 14%. The suburban 10-year CAGR is 5.9% while the five-year CAGR is 6.2%.

The following graph reflects the national office average price psf from second quarter 2009 to second quarter 2019 (based on Real Capital Analytics data):



Source: Real Capital Analytics

U.S. Commercial Real Estate Investment Market Conclusion

Economic conditions in the U.S. remain among the strongest levels experienced throughout this cycle. Given the correlation between the economy and property markets, values are expected to climb in most markets/product types as the expansion continues. The industry has been powered by strong business investment and sustained improvements in the labor markets. Despite the uncertainties and potential headwinds in the U.S. market, there is an abundance of dry powder and investors are growing their allocations to real estate. Going forward, the economy is expected to continue to grow at a healthy pace throughout 2019, creating a positive environment for commercial real estate.

Below are notes regarding the outlook for the U.S. national real estate market in 2019 and beyond:

- Participants in the PwC Real Estate Investor Survey hold a balanced feeling of current commercial real estate climate. The majority of the industry's key players – owners, lenders and buyers – view the market as fairly priced at a time when there is no "mad dash" to either sell or buy.
- Monetary policy remains highly accommodative by historic standards and supports continued growth in real estate. Expansionary policy has transitioned to a growth story and modest core-inflation. The latest global economic data on trade, spending, jobs, confidence, and factory orders is mostly solid and gathering moderate speed. With tariffs now influencing the U.S economy Christine Lagarde, the IMF's managing director warns that the current tariffs will dip the global GDP by $455 billion. Furthermore, the probability of a near-term global recession remains as low as 5%, according to Oxford Economics.
- Consumer and business confidence have been at healthy levels, supported by tight labor markets, strong financial market returns, increasing housing values, and improved access to credit. Consumer confidence rebounded back to its high levels during second quarter and is expected to grow throughout the year, as the U.S. is on pace to add 1.5 to two million jobs in 2019, despite starting the year close to full employment.
- Overall, the U.S. economy is in its best shape for several years and is likely to remain strong throughout the near term. Barring an unexpected shock to global markets, the economy is anticipated to experience steady growth for the foreseeable future.

San Diego

Demographic Trends

Population

The following highlights the key statistics for population growth for San Diego County:

- With a current population of 3.3 million individuals, San Diego's average annual population growth rate of 1.0% over the past decade exceeded the national population growth rate over the corresponding period by 30 basis points.
- Through 2023, San Diego's population is forecast to grow at an average rate of 0.5%, generally on par with the expected average annual rate of 0.6% population growth of the U.S.. Population growth may be hindered as the region's housing market continues to appreciate. As housing prices and the overall cost of living continue to increase, lower-income residents will likely seek opportunities in more affordable markets.

The following table compares San Diego-Carlsbad CBSA's annualized population growth to the U.S. as a whole:

Annualized Population Growth
San Diego CBSA
2008-2023

Population (000's)	2008	2018	Forecast 2019	Forecast 2023	Compound Annual Growth Rate 08-18	Compound Annual Growth Rate 19-23
United States	304,094.0	327,167.4	329,248.0	337,429.0	0.7%	0.6%
San Diego, CA	**3,022.1**	**3,343.4**	**3,362.2**	**3,435.9**	**1.0%**	**0.5%**

Source: Data Courtesy of Moody's Analytics, Cushman & Wakefield Valuation & Advisory

According to the Federal Reserve Bank of St Louis, San Diego County has a negative net migration of close to 32,145 in 2016 (most recent data available). The growing cost of housing has been a major indicator with regulation costs forcing builders to shy away from building entry-level homes that would be affordable for the low-to-middle class. This lack of new housing contributes to rising home prices and rents.

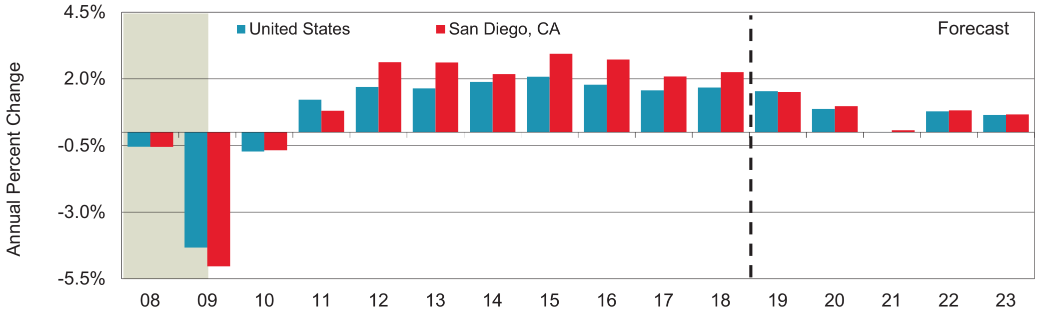
Labor Markets

San Diego County is the second largest county by population in the state of California, with approximately 3.3 million residents, according to Experian Marketing Solutions' 2018 estimates. San Diego is home to the largest concentration of military in the world. The supply chain serving major defense contractors support the cluster of segments including scientific research and innovation, healthcare, manufacturing and tourism. The military sector was responsible for approximately 340,000 of the region's total jobs in 2018 after accounting for all of the ripple effects of defense spending. This represents more than one out of every five jobs (22%) existing in the County and $50 billion in GDP for the region. The military provides the private sector with a vital pool of employees with technical and nontechnical skills. These employees include experts in cyber security, engineering, biotechnology and other sciences, sheet metal fabrication, welding, and electrical systems. The surge of innovation emanating from both the government and private sectors linked to defense spending has further potential as a major driver of economic development in the San Diego region.

San Diego County's regional economy continues to expand, driven by its diverse industry base and above-average employment opportunities. According to the California Employment Development Department, San Diego County recorded an unemployment rate of 3.6% as of July 2019, falling below the state rate of 4.2% and the national rate of 3.7% reported during the same month. With the maturing business cycle and tightening of the labor market, employment growth in the region has begun to slow, while mirroring the state average since the start of the year. While the region's economy has expanded with the help of the high-tech and biotech sectors in recent years, construction, financial services, healthcare and government services propelled the majority of growth in recent years. Displaced workers continue to be absorbed as mid-wage jobs, however at a slower rate than exhibited over the previous year. Layoffs by some of the region's major employers in recent years, most notably by Qualcomm, have hindered the growth of the professional & business services sector, a trend that has continued into 2019. However, the sector is expected to be the driving force behind the improving labor market and income growth long-term, as it becomes geared towards providing services to biotech, military information technology, data science and software engineering in the region. Despite high business and real estate costs, San Diego County is expected to exhibit positive economic trends in the near-term.

The following graph compares total employment growth between San Diego County and the U.S.:

TOTAL EMPLOYMENT GROWTH BY YEAR
San Diego CBSA vs. United States, 2008-2023



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

Major Employers

The largest employers in San Diego are shown in the following table. As shown below, military, healthcare, and technology make up the major employers.

Largest Employers
San Diego-Carlsbad, CA

Company	No. of Employees	Business Type
Marine Corps Base Camp Pendleton	41,436	Military
University of California, San Diego	30,671	Education
Naval Base San Diego	30,144	Military
Naval Base Coronado (Including North Island NAS)	23,309	Military
Sharp Health	17,807	Healthcare
Scripps Health	14,863	Healthcare
Qualcomm Inc.	12,600	Technology
Naval Base Point Loma	9,809	Military
Marine Corps Air Station Miramar	9,577	Military
Kaiser Permanente	8,385	Healthcare

Source: San Diego Business Journal, San Diego Military Economic Impact Study and Cushman & Wakefield Valuation & Advisory

San Diego Office Market Analysis

Market Characteristics

The San Diego County office market contains over 79.8 msf of office space as of second quarter 2019. The overall market is geographically segmented into three major markets: North County, Central County, and South County. Each of these major markets is further segmented, creating a total of 31 submarkets within the San Diego office market. Central County, the region's largest office market, is roughly defined by Del Mar Heights and Rancho Bernardo to the north, Torrey Pines and Miramar to the south, the Pacific Ocean to the west, and Poway and California State Route 67 to the east. North County is roughly defined by Oceanside to the northwest, Escondido to the southeast, Del Mar/Solana Beach to the southwest, and the Pacific Ocean to the west. The South County is roughly defined by East County and California Interstate 8 to the north, the Pacific Ocean to the west, the Mexican state of Baja California's border to the south, and California State 125 and 54 to the east. Downtown San Diego is in the South County market and is the largest submarket in the region with almost 10 msf. Due to the market's proximity to the Mexico-Baja California-U.S. border, San Diego County is an ideal location for international businesses.

The following map of the San Diego County illustrates the approximate location for each of the region's office markets:

SAN DIEGO OFFICE SUBMARKET MAP

Source: Cushman and Wakefield Research

Current Trends

As of second quarter 2019, the San Diego Office market continues to exhibit strong growth and demand. In May 2019, 27% of jobs added to the region were in the professional and business sector, turning into robust demand for office space. By the close of second quarter, the overall vacancy rate declined 30 basis points to 13.7%. Occupancy gains in office product picked up during second quarter with 447,905 square feet of net absorption, outpacing both last quarter's and last year's totals. Leasing activity continues be centered around San Diego's largest office market, Central County (containing both Sorrento Valley and Rancho Bernardo).

Notable trends in the San Diego office market in the second quarter of 2019:

- Overall vacancy in the San Diego office market is 13.7%, down 1.9 percent quarter-over-quarter and down 1.1 percent year-over-year. The overall vacancy rate in San Diego office market decreased slightly due to several large-scale move-ins throughout the first half of 2019. Vacancy is expected to gradually increase once more space is delivered to the market.
- As of second quarter 2019, average asking rents in the region increased to $3.19 psf monthly, a 5.6% increase year-over-year.
- Office construction in the region has experienced an upward trend in recent years relative to the years during and immediately following the most recession, with approximately 1.8 million under construction. Office inventory in the pipeline is primarily located in South County and totaled 975,826 square feet.
- Overall net absorption remained positive for nineteen consecutive quarters and slowly increased over the past year. By year-end of 2018, the market absorbed only 489,336 square feet but picked up in the first half of 2019, absorbing 646,945 square feet.
- Recently, Apple announced that they plan to hire an additional 1,200 employees in San Diego by the end of 2021, adding up to 200 jobs by year-end 2019. In December 2018, Apple signed a lease to occupy Eastgate Terrace, a 97,000 square foot building in the Central County market. Apple is anticipated to move in September 2019.

Property Owners

The following is a list of major players in San Diego's office sector and their market share as calculated by CoStar as of August 2019:

	Company Name	Market Share	RBA	SPACE AVAILABLE			NUMBER OF BUILDINGS				
				Total	Direct	Sublet	Total	Office	Ind	Flex	Retail
1	The Irvine Company	6.1%	7,684,494	750,632	594,419	156,213	50	50	0	0	0
2	Kilroy Realty Corporation	2.5%	3,162,366	288,748	266,463	22,285	28	28	0	0	0
3	Qualcomm Technologies, Inc.	2.2%	2,737,003	0	0	0	11	11	0	0	0
4	Sea Breeze Properties	1.4%	1,758,000	0	0	0	2	2	0	0	0
5	The Blackstone Group L.P.	1.2%	1,552,263	289,487	234,825	54,662	24	24	0	0	0
6	American Assets Trust, Inc.	1.2%	1,507,223	232,109	232,109	0	18	18	0	0	0
7	Lionstone Partners, LLC	1.2%	1,498,914	149,216	130,801	18,415	11	11	0	0	0
8	Emmes Realty Services of California LLC	1.2%	1,496,706	423,958	419,858	4,100	4	4	0	0	0
9	Kaiser Permanente	1.1%	1,389,549	0	0	0	24	24	0	0	0
10	Nevarra Family Trust	1.0%	1,320,508	3,145	3,145	0	4	4	0	0	0
	All Others	80.9%	101,810,782	12,937,023	11,332,223	1,604,800	4006	4006	0	0	0
	Total		125,917,808	15,074,318	13,213,843	1,860,475	4182	4182	0	0	0

Source: CoStar Property Analytics
NOTE: RBA indicates rentable building area

Supply Analysis

Vacancy

As of second quarter 2019, the overall vacancy rate was 13.7%, down 30 basis points quarter-over-quarter and 1.9 percentage points year-over-year. South County has the lowest vacancy rate at 12.3%, up 40 basis points quarter-over-quarter and up 130 basis points year-over-year. Despite this, demand grew as net absorption increased, pushing vacancy rates down. Occupancy gains fluctuated between submarkets as a result of tenant's leasing activity shifting their focus to central county. While demand is considered strong, vacancy is expected to increase in the near term as new product is delivered.

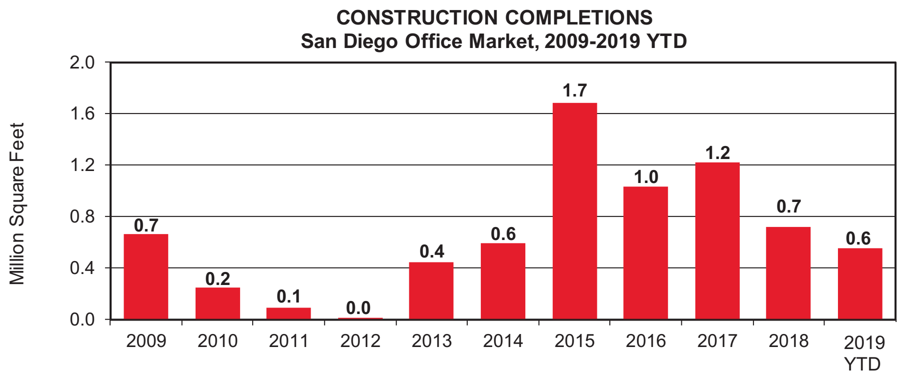
Increasing demand alongside positive absorption has driven down overall vacancy rates in the region. Looking forward, demand for office space is expected to increase as the employment sector continues to expand, albeit at a slower pace. The region is currently experiencing growth within the R&D and high-tech sectors, both of which will be near-term catalysts for the increase in office demand.

Construction

In the first half of 2019, there were approximately 1.8 msf under construction in San Diego, a 22.4% decrease year-over-year. The majority of developments in the pipeline were primarily located in Central County, which totaled 975,826 square feet. Through the first half of 2019, there were 551,470 square feet delivered to the market, primarily by high demand for coworking space for high-tech companies. As demand for shared office space grows, construction activity is expected to increase over the next few quarters.

Prior to the last economic downturn, construction activity within the San Diego office market posted a high of 3.1 msf of new office supply in 2007. Following the record setting year, construction activity tailed off, with declining activity through 2012. Demand for office space has since increased, peaking at 1.7 million sq ft of completions in 2015. Although slowing pace over the last two years, robust construction activity has continued in second quarter to meet increasing demand for the region's office market.

The following graph summarizes construction completions in the San Diego office market since 2009:



Source: Cushman & Wakefield Research; compiled by C&W V&A

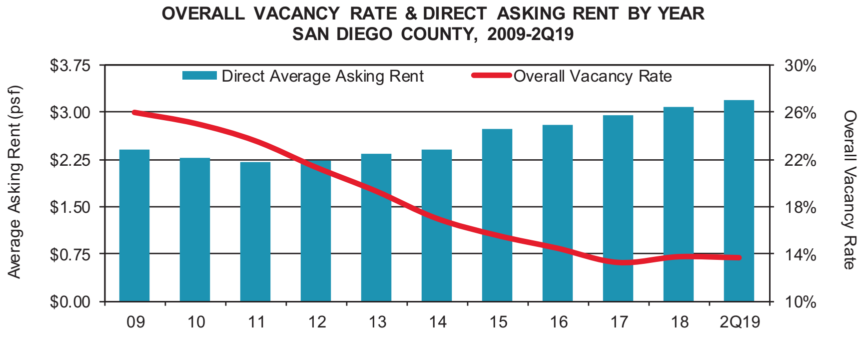
C&W forecasts new supply by year-end 2019 to be 1,336,800 square feet. The new inventory is a combination of build-to-suit (preleased) and speculative space and is projected to result in a slight increase in vacancy (14.4 percent by year-end 2019).

Demand Analysis

Asking Rents

As of second quarter 2019, direct average rents reached $3.19 psf monthly, outpacing last quarter's rental rate by $0.02 psf. Average asking rents climbed since 2012 due to due to more leasing activity primarily focused in central county. Direct average asking rents for Class A product experienced an increase of $0.02 quarter-over-quarter and $0.19 psf year-over-year to $3.64 psf monthly, with Torrey Pines submarket commanding the highest rental rate. As more space is delivered to the market, absorption is expecting to increase which will counteract the increase in vacancy associated with new product.

The following graph illustrates San Diego's overall vacancy rates and direct asking rents between 2009 and second quarter 2019:

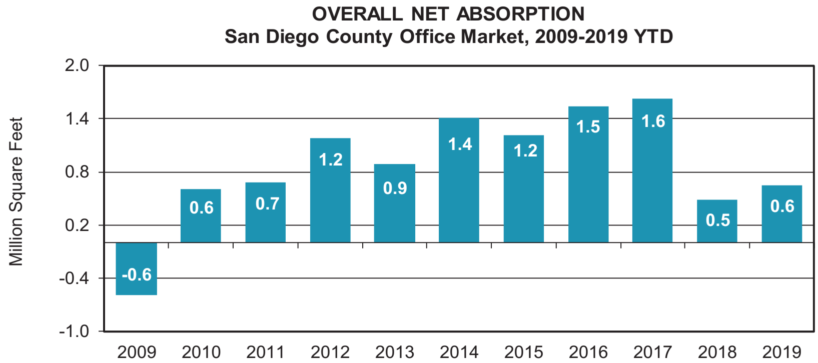


Source: Cushman & Wakefield Research; compiled by C&W V&A

Net Absorption

In 2018, the San Diego's market recorded 489,336 square feet in net absorption but increased significantly by the close of second quarter. In the first half of 2019, overall net absorption totaled 646,945 square feet, a 23.6% boost year-over-year. Net absorption in the first half of 2019 already outpaced year-end 2018 totals by 32.2% which slowed due to a lack of new supply. Due to large move-ins, the region's office market had strong occupancy gains, therefore increased net absorption more recently. As leasing activity grows, net absorption is expected to increase in the near term.

The following exhibit depicts overall net absorption levels in the San Diego office market since 2009 through the first half of 2019:



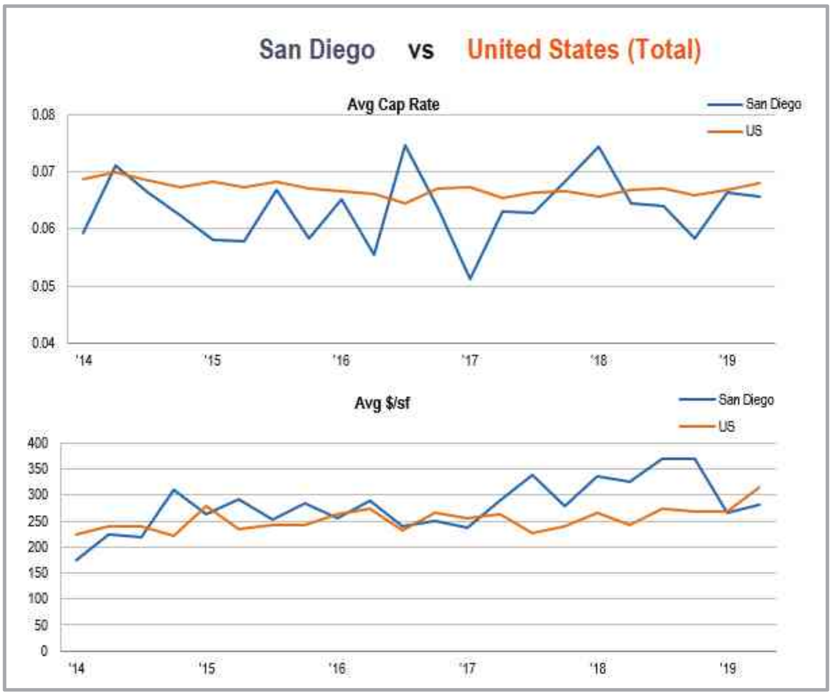
Source: Cushman & Wakefield Research; compiled by C&W V&A

Demand Drivers

Steady growth has persisted in San Diego's office market fundamentals and is expected to continue to improve alongside moderate employment growth in the region. The unemployment rate in the city of San Diego is 3.4% as of July 2019, according to the California Employment Development Department. While promising advances made in the biotechnology and healthcare industries have led to steady payroll increases, technology services and research & development will be major drivers in the near-term. The tech and healthcare industries contain many of San Diego's largest employers, including University of California, San Diego (inclusive of UCSD medical centers) at #2, Sharp at #5, Scripps Health at #6, Qualcomm at #7, and Kaiser Permanente at #10. For example, Qualcomm is headquartered in the Sorrento Valley submarket and represents the largest tech user with over 4.2 million sq ft of leased and owned space. Qualcomm is the dominant user in Sorrento Valley and their presence has historically attracted other tech and innovative companies to the area (including Google and Charter Communications).

Investment Sales Market

According to Real Capital Analytics, the San Diego Metro area had 137 office sale transactions closed in the 12 month period ending in June 2019, with a total volume of $3.2 billion, averaging a price of approximately $371 psf. The 137 buildings total 8.6 million sq ft. The following tables show historical capitalization rate and sale price psf of rentable area data since 2014.



Source: Real Capital Analytics

Capitalization rates have generally been below national averages over the past five years while average sale prices psf of net rentable area have been above the U.S. average. This is to be expected considering the primary markets of Southern California have historically outperformed national averages with respect to investment sales.

San Diego Office Market Conclusion

Despite employment growth slowing in recent years, demand for office space remains strong, as exemplified by stable to improving vacancy rates, absorption figures, and asking rent growth in San Diego. The region's office market experienced a slow recovery following the last economic downtown which was in large part due to excess inventory. However, vacancy rates in recent years have exhibited continued improvement and asking rents have reflected market momentum.

In the first half of 2019, San Diego's office market exhibited strong demand, which increased leasing activity, net absorption and rental rates. Strong demand for shared office space provided strong occupancy gains due to large move-ins throughout second quarter. The region shows a positive outlook with 1.8 msf under construction and 551,470 square feet in construction completions. Additionally, San Diego's employment base, heavily rooted in high-technology, government and military employment, is expected to remain stable. The long-term outlook for the office market remains positive, especially since Apple announced a significant expansion in San Diego last year.

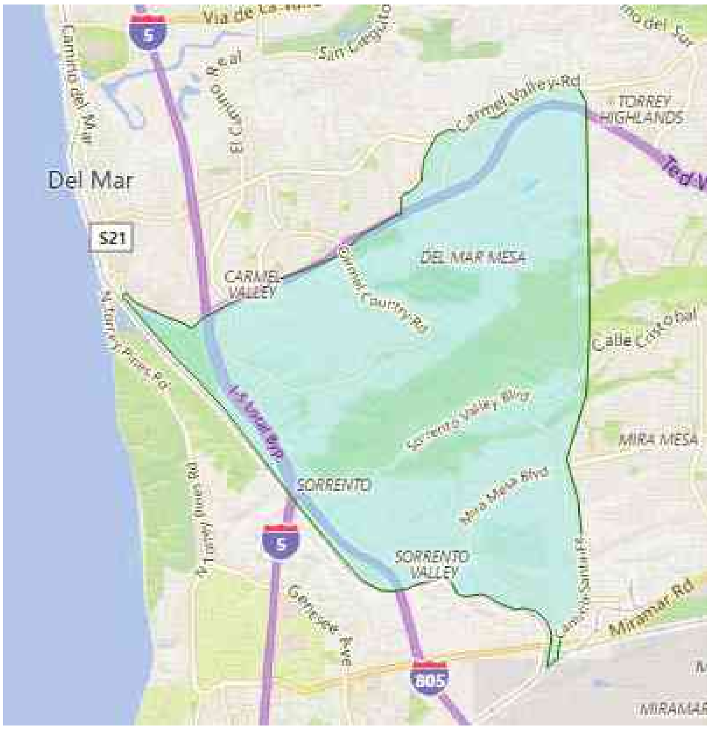
Sorrento Valley Submarket

Data for the following analysis of the Sorrento Valley submarket is provided by Reis, Inc.

Market Characteristics

As of Second Quarter 2019, Sorrento Valley is the sixth largest office submarket in San Diego by inventory. It is a major technology and telecommunications hub with a large concentration of companies engaged in telecommunications, software, financial, healthcare, electronics and professional services.

SORRENTO VALLEY SUBMARKET



The Sorrento Valley submarket contains 6,819,000 sq ft, or 10.6% of the region's inventory, and is bounded by Carmel Valley to the north, Mira Mesa to the east, La Jolla/University Towne Center (UTC) to the south, and Torrey Pines to the west. The southern and western portions are dominated by office, R&D, and flex development, with heavy concentrations surrounding Mira Mesa Boulevard, Lusk Boulevard, Sorrento Valley Road, and the west side of Sorrento Valley Boulevard.

Qualcomm, the world's largest smartphone chipmaker and the Sorrento Valley submarket's largest employer, controls over four million sq ft of office and R&D space in the market through direct lease or ownership. In July 2015, Qualcomm announced it would lay off approximately 15% of its global workforce (an estimated 1,317 employees in San Diego). This announcement prompted Qualcomm to consolidate within existing space near the company's headquarters in Sorrento Valley and vacate as much as 312,000 sq ft of its total 5 million sq ft of owned and leased office space in the Mid-City market area. While the submarket has gradually recovered from Qualcomm's contraction, there are still large vacancies in many buildings. As such, while Sorrento Valley is already considered one of the most desirable submarkets for R&D/High Tech tenants (primarily due to the presence of Qualcomm), there are many opportunities for new users. The submarket would benefit from an influx of new space requirements (relocating from within or outside of the larger market area).

Regarding future development plans, significant proposed office developments across San Diego are largely dependent on pre-leasing and/or attracting a new corporate headquarters user. Significant new speculative development is not expected during the current cycle.

Supply Analysis

Vacancy

Between 2014 and 2018, submarket vacancy rates increased from 12.6 to 18.6%. The current vacancy rate for the submarket is 19.0%. Over the near term, Reis is projecting an increase in vacancy for the Sorrento Valley submarket, with vacancy levels ranging from 19.9% by year-end 2019 to 20.2% in 2020.

The following table presents historical and projected vacancy rates for the Sorrento Valley submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)	
	Sorrento Valley
Year	Total
2014	12.6
2015	12.6
2016	16.8
2017	17.8
2018	18.6
2Q19	19.0
2019	19.9
2020	20.2

Source: Reis, Inc.

Note: Reis does not differentiate between space that is available directly from the landlord or as a sublease. Any space that is available immediately for leasing (i.e. within 30 days) is considered vacant by Reis' standards.

The elevated vacancy rate in Sorrento Valley is a combination of the lingering impact of Qualcomm's contraction in 2015-2016 combined with the addition of new inventory in the form of creative office conversions from industrial/flex product. Additionally, a large component of the existing vacancy is encapsulated within dated Class A high-rises that are undergoing current (or planned) renovation to modernize the amenity package.

Inventory and Construction Completions

Within the subject submarket, a total of 92,000 sq ft of office space was completed between 2014 and 2018. By year-end 2020, Reis projects that an additional 10,000 sq ft of new space will be completed within the Sorrento Valley submarket.

The following table presents historical inventory and projected completions for the Sorrento Valley submarket.

HISTORICAL AND PROJECTED INVENTORY & COMPLETIONS (sq ft)			
		Sorrento Valley	
Year	Inventory	Total Completions	% of Region
2014	6,727,000	0	0.0%
2015	6,727,000	0	0.0%
2016	6,727,000	0	0.0%
2017	6,819,000	92,000	24.7%
2018	6,819,000	0	0.0%
2Q19	6,819,000	0	0.0%
2019		0	0.0%
2020		10,000	2.6%
2014-2018			
Total Completions		**92,000**	
Annual Average		**18,400**	**3.8%**

Source: Reis, Inc.

NOTE: % of region indicates the submarket's completions as a percentage of the total completions within the larger region.

Forecasts are made based on Reis' efforts to understand market dynamics, supply coming online, levels of absorption, etc.

Many of the proposed projects in the Sorrento Valley submarket are dependent on significant pre-leasing or securing a build-to-suit tenant. While Reis has estimated construction timelines for proposed projects in their forecast, significant new inventory is not expected in the near term. This will likely allow for increases in asking rental rates in existing product as current vacancies are absorbed. To the best of our knowledge, none of the proposed developments in Sorrento have any notable pre-leasing. A significant portion of the proposed developments would need to be pre-leased to make construction feasible. Furthermore, given that vacancy is still elevated following Qualcomm's contraction, significant new office inventory is not anticipated in the near term.

Demand Analysis

Rental Rates Trends

As shown in the following chart, average asking rental rates in the Sorrento Valley submarket increased from an average of $33.34 psf per annum in 2014 to $35.33 psf per annum in 2018, demonstrating a CAGR of 1.46%. Through 2020, average asking rents are expected to increase from $36.17 psf per annum by year-end 2019 to $36.86 psf per annum in 2020. The current average asking rent stands at $35.82 psf per annum.

The following table presents historical and projected average asking rental rates for the submarket.

Historical and Projected Average Asking Rental Rates ($/sq ft)

	Sorrento Valley		
Year	Total	% Change	Effective Rent
2014	$33.34	6.7	$27.28
2015	$33.83	1.5	$27.73
2016	$35.16	3.9	$28.95
2017	$34.93	-0.7	$28.75
2018	$35.33	1.1	$29.05
2Q19	$35.82	0.1	$29.35
2019	$36.17	2.4	$29.54
2020	$36.86	1.9	$29.92
	2014-2018	**2019-2020**	
CAGR	**1.46%**	**1.91%**	

Source: Reis, Inc.

Notes: CAGR stands for Compound Annual Growth Rate. Asking rents cited by Reis reflect the advertised rental rates for actively marketed space. Effective rents net of any rental concessions, expressed over the life of the lease term. Reis quotes Office rents on a Gross basis.

The increase in rents while supply is outstripping demand is likely attributable to the desirability of creative office conversions and other projects with unique physical attributes (views, significant onsite amenities, etc.) outperforming the balance of the market. Mid to high-rise buildings (particularly those that had a significant Qualcomm component) that lacked notable amenities have struggled in recent years. However, some owners are planning to modernize in these projects moving forward (i.e. Sorrento Towers and The Park (formerly San Diego Tech Center)) which contributes to the forecast for rent growth.

With respect to new construction, if target/feasibility rental rates for proposed developments are included in the survey, it would likely put upward pressure on the averages. It is noted there has been significant upward pressure on feasibility rents in recent periods due to increases in construction costs (labor, materials, and costs associated with entitlements/permitting).

Absorption Trends

Between 2014 and 2018, new construction within the Sorrento Valley submarket outpaced absorption, with a total of 92,000 sq ft completed and -510,000 sq ft absorbed. Through 2020, Reis projects that new construction will surpass absorption (new construction will total 10,000 sq ft, and -104,000 sq ft is expected to be absorbed).

The following table presents historical and projected absorption levels and completions for the Sorrento Valley submarket.

HISTORIC AND PROJECTED NET ABSORPTION (sq ft)

	Sorrento Valley	
Year	**Total Absorption**	**Total Completions**
2014	-182,000	0
2015	0	0
2016	-282,000	0
2017	8,000	92,000
2018	-54,000	0
2Q19	-7,000	0
2019	-85,000	0
2020	-19,000	10,000
2014-2018 Total Absorption / Completions	**-510,000**	**92,000**
Annual Average	**-102,000**	**18,400**

Source: Reis, Inc.

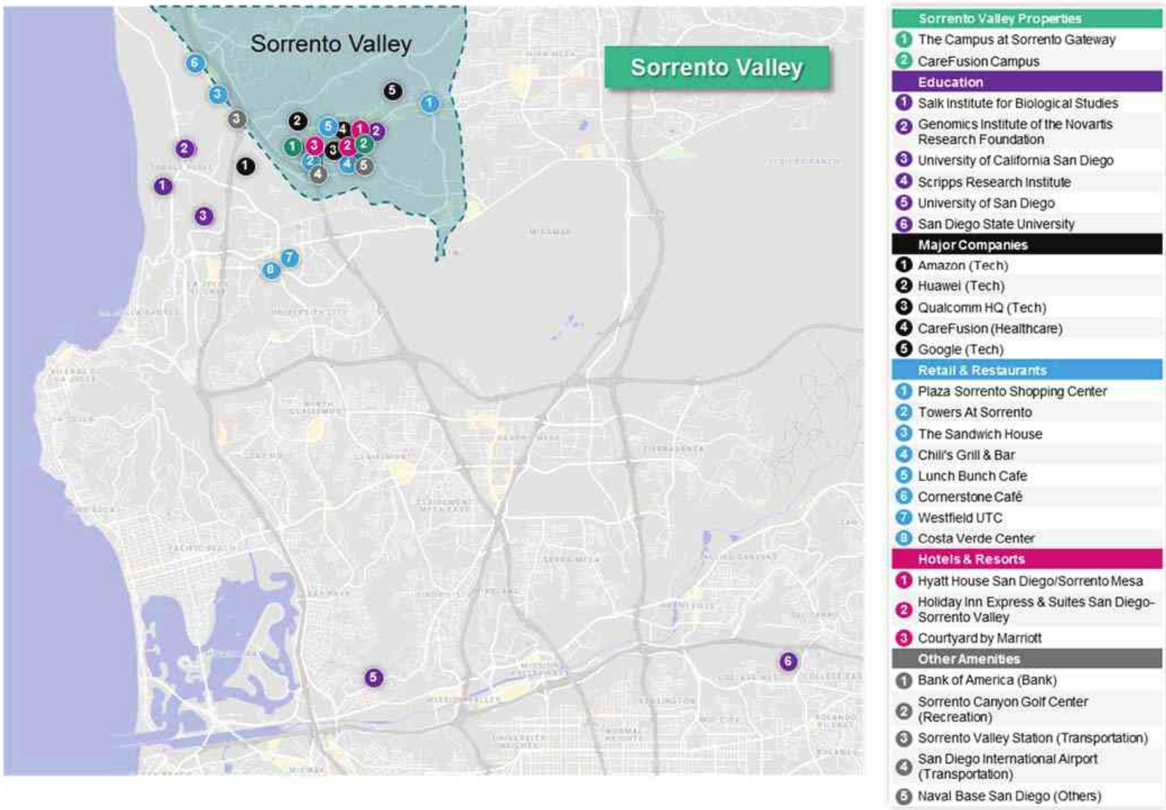
Outlook

Office vacancy for the Sorrento Valley office submarket has increased since 2014 and is expected to rise from 19.9% by year-end 2019 to 20.2% in 2020. Over the near term, new construction activity is projected to surpass absorption, and average asking rates are forecasted to range from $36.17 psf per annum by year-end 2019 to $36.86 psf per annum in 2020.

Looking forward, market conditions are expected to continue to gradually improve as the large spaces vacated by Qualcomm continue to be reabsorbed. While the recovery has been slowed by new inventory (mainly conversions of flex/R&D buildings to creative office), property owners are renovating existing inventory and adding new amenities to attract tenants. Overall, Sorrento Valley’s coastal proximity, freeway access, and reputation as a “tech hub” are expected to promote desirability over the long run.

Subject Properties in Sorrento Valley

The CareFusion Manufacturing properties have a relatively central location in Sorrento Valley with close proximity to commercial developments, residential communities, and University of California, San Diego. They are also proximate to Qualcomm's global headquarters and other technology and life sciences companies such as NuVasive, Sony, Huawei, Google, Dexcom, Hologic, and Quintiles. The major arterials that service the office campus are Interstates 5 and 805. Interstate 5 connects the office campus to the coastal neighborhoods between it and Downtown San Diego and provides access to North San Diego County and beyond. Interstate 805 connects the office campus to San Diego's inland neighborhoods such as Kearny Mesa, Serra Mesa and North Park (and many other areas east of Downtown San Diego). The properties are within a 10-minute drive to the University City area, which is one of the region's most significant economic centers and where UCSD is located. The nearest commercial airport is San Diego International Airport, which is located within approximately sixteen miles of the subject properties.



Amenities

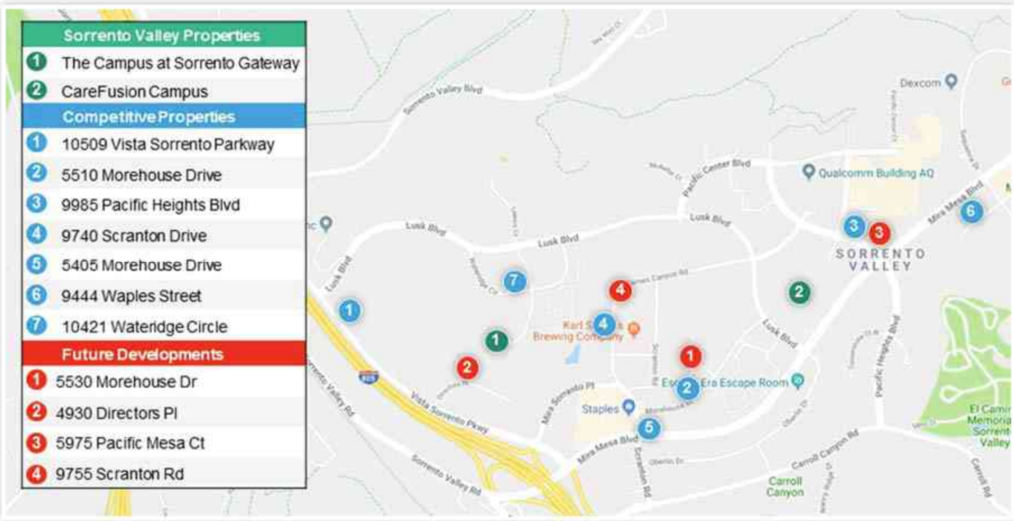
- The properties are 3 to 4 miles from Scripps Memorial Hospital, UCSD Medical Center, and VA San Diego. These are the primary hospitals in the immediate area.
- Retail development is limited in the Sorrento Valley submarket due the limited amount of residential development. However both campuses are relatively proximate to Sorrento Court, a 63,497-sq ft neighborhood center, and Plaza Sorrento, a 106,522-sq ft neighborhood center.

- Bus service is provided by San Diego Metropolitan Transit System (MTS) which serves the large majority of the market area. There is a COASTER commuter rail service station in Sorrento Valley. The COASTER is a commuter train that runs north and south between Oceanside and Downtown San Diego. Annual ridership is approximately 1.5 million people and annual weekday ridership is approximately 4,915 people.
- San Diego State University is 12 miles southeast, University of San Diego is 9 miles south, and University of California, San Diego is 1.5 miles west.

Competition

In order to gain a better understanding of the market conditions specific to the subject properties, we conducted a survey of those buildings that would be considered most competitive to the subject. We have identified office buildings with the following characteristics as being directly competitive with the subject properties.

The competitive set was selected based on their relative similarities to the subject properties with respect to location, age/quality/condition, and amenities.



The following chart includes the competitive properties to the subject properties in this cluster:

Competitive Properties - Sorrento Valley							
Map No.	Name	Street	City	St	Rent	Occ.	RBA
1	Sorrento Heights Corporate Center	10509 Vista Sorrento Parkway	San Diego	CA	$28.20	100.0%	78,000
2	Morehouse Tech Center	5510 Morehouse Drive	San Diego	CA	$32.40*	78.2%	92,405
3	Pacific Heights Plaza	9985 Pacific Heights Blvd	San Diego	CA	$30.60	88.2%	51,261
4	Centrewest	9740 Scranton Road	San Diego	CA	$33.00	78.5%	58,413
5	Class B Office Bldg	5405 Morehouse Drive	San Diego	CA	$33.00	73.0%	51,471
6	Alta Sorrento	9444 Waples Street	San Diego	CA	$30.60	88.9%	88,315
7	Wateridge Pointe	10421 Wateridge Circle	San Diego	CA	$35.40	53.2%	61,276

*Asking Rent is currently witheld/negotiable. The rate shown is an estimate from CoStar.

NOTE: Rent and occupancy data are as of September 2019.

Future Developments - Sorrento Valley					
Map No.	**Name**	**Street**	**City**	**St**	**NRA**
1	Class A Office Building (proposed build-to-suit)	5530 Morehouse Drive	San Diego	CA	300,000
2	Sorrento Gateway Lot 2 (proposed)	4930 Directors Place	San Diego	CA	151,500
3	Pacifica (proposed)	5975 Pacific Mesa Court	San Diego	CA	180,000
4	The Park expansion (Phase 1&2)	9755 Scranton Road	San Diego	CA	342,000

Sorrento Valley Summary – Strength, Weaknesses, Opportunities, and Threats (SWOT)

The following table summarizes strengths, weaknesses, opportunities, and threats associated with the Sorrento Valley submarket.

Summary of Strength, Weaknesses, Opportunities, & Threats (SWOT Analysis)

Sorrento Valley

Strengths

▪ The submarket is generally considered the premier technology/innovation "hub" of the San Diego market area.

▪ Qualcomm is headquartered in Sorrento Valley and is the largest/dominant user of office and R&D space in the submarket. Qualcomm's presence has historically attracted other tech and innovative companies to the area (including Google and Charter Communications).

▪ Sorrento Valley has become one of the region's top submarkets for lifescience/biotechnology companies and is home to many medical device manufacturers (i.e. CareFusion and Dexcom).

Weaknesses

▪ I-805 represents the primary regional access route for Sorrento Valley and is often subject to significant vehicular traffic congestion.

▪ Office vacancy rates have been elevated in recent years as the submarket continues to recover from Qualcomm's recent contraction.

Opportunities

▪ Many industrial/flex buildings have been renovated and repurposed into desirable creative office projects or life science campuses in recent years. The continuation of this trend would likely further elevate the overall desirability of the submarket and tenant mix.

Threats

▪ If Qualcomm were to further consolidate and vacate leased buildings (or make owned buildings available for sale to investors), it would likely create instability within the local office sector and increase vacancy levels.

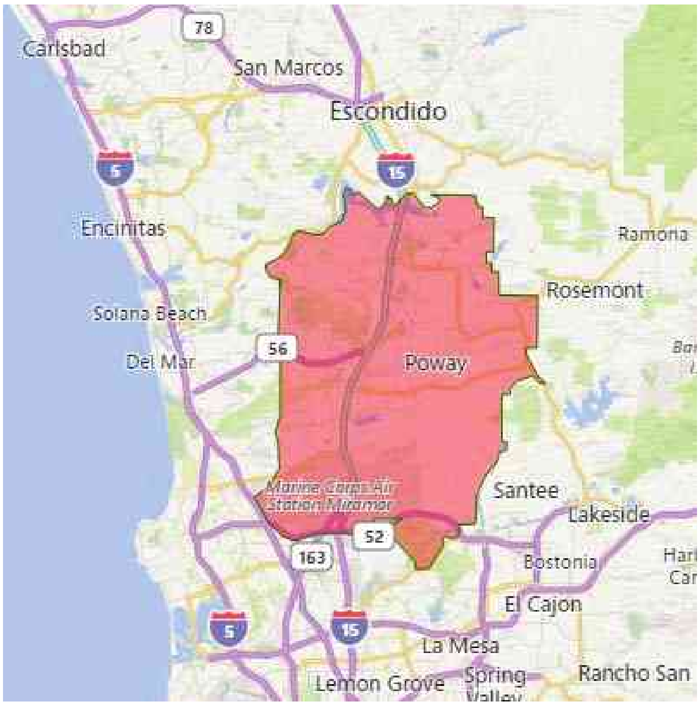
I-15 Corridor (Rancho Bernardo) Submarket

Data for the following analysis of the I-15 submarket is provided by Reis, Inc.

Market Characteristics

I-15 Corridor (Rancho Bernardo) submarket is the fifth largest submarket in San Diego as of 2019 and contains 7,323,000 sq ft, or 11.4% of the region's inventory. The submarket is bound by Escondido to the north, Ramona to the east, Kearny Mesa to the south, and both Sorrento Valley and Carmel Valley to the west. Office and R&D development is primarily located along Interstate 15.

I-15 CORRIDOR (RANCHO BERNARDO) SUBMARKET



The submarket is home to many technology and other innovative companies, including Northrop Grumman, General Atomics, Amazon, Broadcom, Cymer, Hewlett Packard, Intuit, BAE Systems and Sony (regional headquarters). Additionally, there are several finished lots proposed for office development (such as Summit at Rancho Bernardo and The Vista at Rancho Bernardo) that could potentially deliver within an 18 month timeframe (depending on pre-leasing). As a result, the submarket remains a strong contender for technology companies looking to build a corporate or regional headquarters in San Diego County. Considering the limited amount of vacant land for new development in the coastal submarkets of San Diego County, the submarket will likely benefit from the expansion or relocation of R&D/High Tech tenants to or within the San Diego primary market area.

Supply Analysis

Vacancy

Between 2014 and 2018, submarket vacancy rates incrased slightly from 16.2 to 17.3%. The current vacancy rate for the submarket is 17.6%. Over the near term, Reis is projecting a decline in vacancy for the I-15 Corridor (Rancho Bernardo) submarket, with vacancy levels ranging from 18.3% by year-end 2019 to 18.2% in 2020.

The following table presents historical and projected vacancy rates for the I-15 Corridor (Rancho Bernardo) submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)

	I-15 Corridor (Rancho Bernardo)
Year	**Total**
2014	16.2
2015	13.8
2016	15.4
2017	15.3
2018	17.3
2Q19	17.6
2019	18.3
2020	18.2

Source: Reis, Inc.

Note: Reis does not differentiate between space that is available directly from the landlord or as a sublease. Any space that is available immediately for leasing (i.e. within 30 days) is considered vacant by Reis' standards.

The slight increase in vacancy rate trend in the I-15 corridor (Rancho Bernardo) submarket is a largely a function of new inventory (largely older projects being converted/renovated). As previously noted, Rancho Bernardo is generally considered the most desirable areas in the I-15 corridor and will likely continue to achieve an above average capture rate relative to the other submarkets in the I-15 corridor.

Inventory and Construction Completions

Within the subject submarket, no new office space was completed between 2013 and 2017 and 159,000 square feet was completed in 2018. The new inventory was in a the form of a single Class A office building that was 100 percent pre-leased to MedImpact and represented an expansion of their existing campus (Scripps Ranch area). Reis projects that an addtional 10,000 sq ft of new space will be completed within the I-15 Corridor (Rancho Bernardo) submarket by year-end 2020.

The following table presents historical inventory and projected completions for the I-15 Corridor (Rancho Bernardo) submarket.

HISTORICAL AND PROJECTED INVENTORY & COMPLETIONS (sq ft)

	I-15 Corridor (Rancho Bernardo)		
Year	**Inventory**	**Total Completions**	**% of Region**
2014	7,364,000	0	0.0%
2015	7,331,000	0	0.0%
2016	7,164,000	0	0.0%
2017	7,164,000	0	0.0%
2018	7,323,000	159,000	22.7%
2Q19	7,323,000	0	0.0%
2019		0	0.0%
2020		10,000	2.6%
2014-2018			
Total Completions		**159,000**	
Annual Average		**31,800**	**6.6%**

Source: Reis, Inc.

NOTE: % of region indicates the submarket's completions as a percentage of the total completions within the larger region.

Forecasts are made based on Reis' efforts to understand market dynamics, supply coming online, levels of absorption, etc. To the best of our knowledge, none of the proposed developments in Rancho Bernardo have any notable pre-leasing. A significant portion of the proposed developments would need to be pre-leased to make construction feasible. The planned office projects in the submarket are largely dependent on pre-leasing and/or attracting a corporate campus user. As such, the specific timeline for much of the new inventory is still yet to be determined.

Demand Analysis

Rental Rates Trends

As shown in the following chart, average asking rental rates in the I-15 Corridor (Rancho Bernardo) submarket increased from an average of $27.47 psf per annum in 2014 to $29.26 psf per annum in 2018, demonstrating a CAGR of 1.59%. Average asking rents are expected to increase from $29.99 psf per annum by year-end 2019 to $30.76 psf per annum in 2020. The current average asking rent stands at $29.62 psf per annum.

The following table presents historical and projected average asking rental rates for the I-15 Corridor (Rancho Bernardo) submarket.

Historical and Projected Average Asking Rental Rates ($/sq ft)

	I-15 Corridor (Rancho Bernardo)		
Year	Total	% Change	Effective Rent
2014	$27.47	0.0	$20.81
2015	$27.85	1.4	$21.12
2016	$28.16	1.1	$21.44
2017	$28.37	0.7	$21.58
2018	$29.26	3.1	$22.32
2Q19	$29.62	0.2	$22.42
2019	$29.99	2.5	$22.68
2020	$30.76	2.6	$23.21
	2014-2018	**2019-2020**	
CAGR	**1.59%**	**2.57%**	

Source: Reis, Inc.

Notes: CAGR stands for Compound Annual Growth Rate. Asking rents cited by Reis reflect the advertised rental rates for actively marketed space. Effective rents net of any rental concessions, expressed over the life of the lease term. Reis quotes Office rents on a Gross basis.

Absorption Trends

Between 2014 and 2018, new construction within the I-15 Corridor (Rancho Bernardo) exceeded absorption, with -79,000 square feet absorbed and 159,000 square feet added to the inventory (MedImpact build-to-suit). Reis projects that new construction will trail absorption through 2020 (new construction will total 10,000 sq ft, and -58,000 sq ft is projected to be absorbed).

The following table presents historical and projected absorption levels and completions for the I-15 Corridor (Rancho Bernardo) submarket.

HISTORIC AND PROJECTED NET ABSORPTION (sq ft)		
	I-15 Corridor (Rancho Bernardo)	
Year	Total Absorption	Total Completions
2014	36,000	0
2015	148,000	0
2016	-258,000	0
2017	7,000	0
2018	-12,000	159,000
2Q19	0	0
2019	-75,000	0
2020	17,000	10,000
2014-2018 Total Absorption / Completions	**-79,000**	**159,000**
Annual Average	**-15,800**	**31,800**

Source: Reis, Inc.

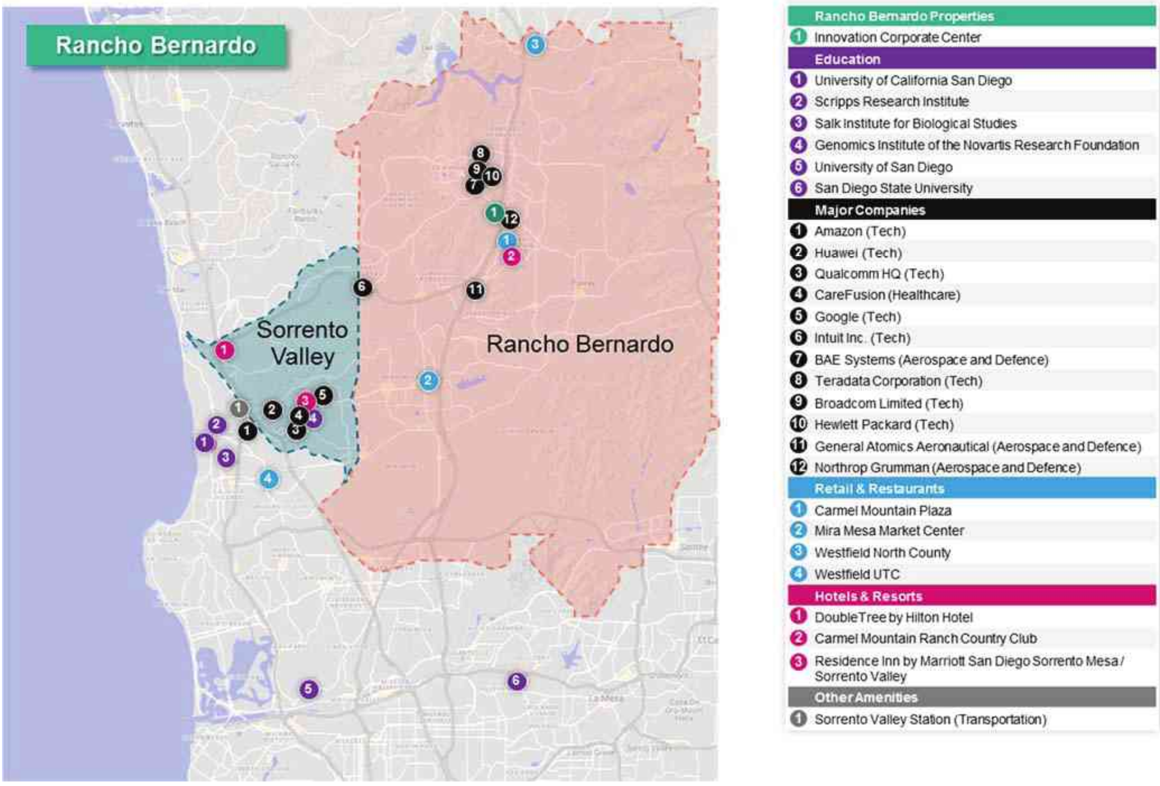
Outlook

Office vacancy in the I-15 Corridor (Rancho Bernardo) office submarket has increased slightly since 2014 but is projected to decline somewhat from 18.3% in 2019 to 18.2% in 2020. In the near term, new construction activity should exceed absorption, but average asking rates are forecasted to increase from $29.99 psf per annum by year-end 2019 to $30.76 psf per annum in 2020.

Looking forward, market participants are optimistic for continued improvement in the subject's submarket. Tenants will likely be attracted to locations near existing technology users (Northrop Grumman, General Atomics, Broadcom, Cymer, Hewlett Packard, Intuit, and Sony), as well as the area's proximity to desirable residential communities. Overall, the I-15 Corridor (Rancho Bernardo) office submarket is expected to outperform regional averages in coming periods.

Subject Properties in I-15 Corridor (Rancho Bernardo)

The subject properties are located near the Carmel Mountain Ranch Town Center. The properties are also located near Interstate 15, providing easy access to the University City area and Downtown San Diego. The major regional linkage that services the office campus is Interstate 15. Highway 78, which travels in an east-west direction, intersects Interstate 15 to the north and connects the eastern portions of this area to the North County communities of Oceanside, Vista and San Marcos. Highway 52, which travels in an east-west direction, is south of the Rancho Bernardo area and connects to Interstate 15 and provides access to the coastal communities of Pacific Beach, La Jolla and La Jolla/University Town Center.



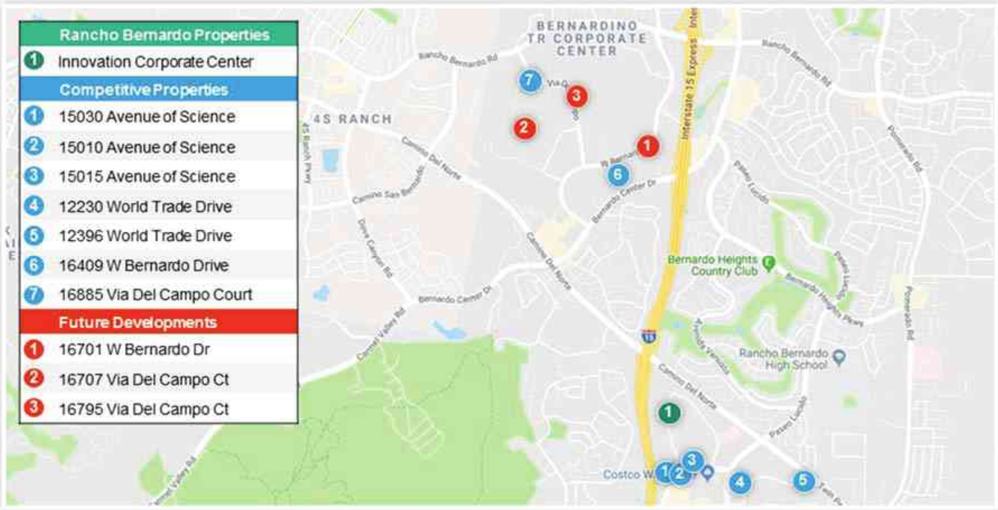
Amenities

- The properties are approximately 2.5 miles west of Palomar Medical Center which is the primary hospital serving the submarket.
- The properties are just north of a 168,087-sq ft Costco-anchored shopping center, and also proximate to Carmel Mountain Plaza which is a 567,029-sq ft power center.
- The properties are just west of the Camino Del Norte & Paseo Lucido bus stop (San Diego MTS-operated) which represents the only notable public transportation for the area. There is no trolley or subway service within the submarket. San Diego State University is 19 miles south, University of San Diego is 18 miles southwest, and University of California, San Diego is 15 miles west.

Competition

In order to gain a better understanding of the market conditions specific to the subject properties, we conducted a survey of those buildings that would be considered most competitive to the subject. We have identified office buildings with the following characteristics as being directly competitive with the subject properties.

The competitive set was selected based on their relative similarities to the subject properties with respect to location, age/quality/condition, and amenities.



The following chart includes the competitive properties to the subject properties in this cluster:

Competitive Properties - I-15 Corridor (Rancho Bernardo)							
Map No.	Name	Street	City	St	Rent	Occ.	RBA
1	Carmel Point I	15030 Avenue of Science	San Diego	CA	$34.20	60.4%	48,342
2	Carmel Point II	15010 Avenue of Science	San Diego	CA	$34.20	0.0%	29,180
3	Carmel Corporate Plaza	15015 Avenue of Science	San Diego	CA	$32.40*	81.4%	27,497
4	Class B Office Bldg	12230 World Trade Drive	San Diego	CA	$25.80	59.9%	61,227
5	Foremost Professional Plaza	12396 World Trade Drive	San Diego	CA	$31.20	89.3%	59,681
6	Rancho Vista Corporate Center	16409 W Bernardo Drive	San Diego	CA	$27.00	100.0%	160,925
7	Del Campo Court	16885 Via Del Campo Court	San Diego	CA	$26.40	92.5%	48,706

*Asking Rent is currently witheld/negotiable. The rate shown is an estimate from CoStar.

NOTE: Rent and occupancy data are as of September 2019.

Future Developments - I-15 Corridor (Rancho Bernardo)					
Map No.	Name	Street	City	St	NRA
1	Elevation (proposed)	16701-16725 W Bernardo Drive	San Diego	CA	148,747
2	Bernardo Plaza Court (proposed)	SEC Rancho Bernardo Road & I-15 off ramp	San Diego	CA	30,000
3	Via Del Campo (proposed)	16707 Via Del Campo Court	San Diego	CA	80,000
4	Summit Rancho Bernardo (proposed build-to-suit)	16795 Via Del Campo Court	San Diego	CA	1,000,000

I-15 Corridor (Rancho Bernardo) Summary – Strength, Weaknesses, Opportunities, and Threats (SWOT)

The following table summarizes strengths, weaknesses, opportunities, and threats associated with the I-15 Corridor (Rancho Bernardo) submarket.

Summary of Strength, Weaknesses, Opportunities, & Threats (SWOT Analysis)
I-15 Corridor (Rancho Bernardo)
Strengths ▪ The submarket benefits from good access to multiple regional linkages and proximity to desirable residential communities. ▪ Rancho Bernardo is home to many nationally-recognized technology and innovation companies including Northrop Grumman, General Atomics, Amazon, Broadcom, Cymer, Hewlett Packard (HP), Intuit, BAE Systems and Sony (regional headquarters). ▪ Office development is desirable for its relative affordability in comparison to coastal submarkets.
Weaknesses ▪ The submarket is generally inferior to more central locations (i.e. Kearny Mesa or Mission Valley) with respect to overall access. ▪ Achievable rental rates have historically lagged behind submarkets with superior coastal proximity (Del Mar Heights, UTC, Sorrento Valley, etc.)
Opportunities ▪ Rancho Bernardo's status as a technology/innovation hub of San Diego would likely be further elevated if the available development sites were improved with new corporate headquarters for notable technology users.
Threats ▪ While significant new speculative development is not expected in the near term, there are multiple development sites in Rancho Bernardo that could represent future competition for existing office development.

Raleigh

Demographic Trends

Population

Many of the counties in the Raleigh CBSA has experienced compound annual growth rates in recent years that have outpaced national averages. This trend is expected to continue through 2023, although at a somewhat slower pace.

The following table depicts the Raleigh CBSA's annualized population growth by county:

Annualized Population Growth by County
Raleigh-Durham-Cary CSA
2008-2023

Population (000's)	2008	2018	Forecast 2019	Forecast 2023	Compound Annual Growth Rate 08-18	Compound Annual Growth Rate 19-23
United States	304,094.0	327,167.4	329,159.4	336,963.1	0.7%	0.6%
Raleigh-Durham-Cary CSA	**1,835.0**	**2,238.3**	**2,280.4**	**2,449.4**	**2.0%**	**1.8%**
Chatham County	58.4	60.1	60.6	62.4	0.3%	0.7%
Durham County	108.8	134.2	136.8	147.3	2.1%	1.9%
Franklin County	61.8	73.1	74.3	79.5	1.7%	1.7%
Granville County	129.8	146.0	147.3	151.7	1.2%	0.7%
Harnett County	39.0	39.5	39.4	39.3	0.1%	-0.1%
Johnston County	259.4	316.7	321.7	341.1	2.0%	1.5%
Lee County	45.0	44.6	44.6	44.8	-0.1%	0.1%
Orange County	161.7	202.7	207.3	228.2	2.3%	2.4%
Person County	55.8	61.5	62.3	65.5	1.0%	1.3%
Vance County	856.5	1,092.3	1,117.4	1,216.3	2.5%	2.1%
Wake County	58.9	67.6	68.6	73.3	1.4%	1.7%

Source: Data Courtesy of Moody's Analytics, Cushman & Wakefield Valuation & Advisory

Labor Market

Raleigh's employment base is considered diversified, despite having a heavy concentration in government employment, and closely follows trends observed in the U.S. Compared to the U.S., the Raleigh CBSA has similar shares of employment in financial activities, construction, leisure and hospitality, as well as education and health services.

Further considerations are as follows:

- The Raleigh CBSA employment base is more heavily weighted in the government sector than the U.S., due to Raleigh's status as North Carolina's state capital. Additionally, the Raleigh CBSA employment base has a higher share of its workforce in the professional and business services sector when compared to the U.S. This is due in part to the large number of professional and business service firms supporting the region's technology and biotechnology businesses.
- The Raleigh CBSA region is less weighted in trade, transportation, & utilities, and financial services. While these two sectors currently lag behind the U.S., both are projected to make healthy gains in the coming years.
- Infosys, a technology services and consulting firm, recently relocated to the area which will ultimately create 2,000 new jobs.

- INC Research, a contract research organization, will invest $58.0 million and add 550 new jobs to their Wake County headquarters in coming years.
- Credit Suisse, a financial services company, recently announced their intention to invest $70.5 million and add 1,200 new jobs to its offices in Raleigh.
- MetLife is growing its campus in Cary, NC with a third office building. The move will add 500 new jobs through a $63.0 million investment.

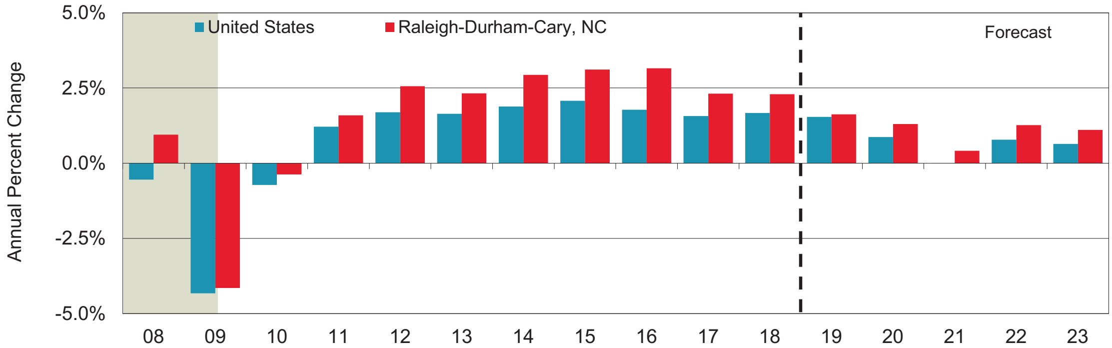
Employment Growth

Job growth in Raleigh has consistently outperformed the national job growth rate over the last decade. The rate at which the CBSA grew was approaching near prerecession levels from 2014 through 2016. However, as the employment market tightens, the rate at which the region adds jobs reverted to a more sustainable level in recent periods. Job growth in Raleigh is expected to slow over the next several years but will still outpace the national job growth rate.

Employment growth in the Raleigh CBSA has proven to be resilient to economic trends on a national scale. Through periods of both recession and strong national growth, employment growth in Raleigh has remained on par with or stronger than overall employment growth in the U.S.

The following graph illustrates total non-farm employment growth per year, for the Raleigh CBSA, and the U.S.:

TOTAL EMPLOYMENT GROWTH BY YEAR
Raleigh-Durham-Cary CSA vs. United States, 2008-2023



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

Major Employers

Private sector hiring, especially in the technology sector, has been a key driver of Raleigh's expansion. IBM is the second-largest employer in Raleigh, employing roughly 10,000 people in the area. The company recently announced that North Carolina State University will become their first North American university, signaling their commitment to the market. Tech firms SAS Institute, Lenovo and Sensus are also among the largest employers in Raleigh. In addition, there have been a number of tech firms are expanding in the market.

Largest Employers **Raleigh-Durham-Chapel Hill CSA, NC**		
Company	**No. of Employees**	**Business Type**
Duke University and Health System	36,004	Education and Health Services
IBM Coporation	10,000	Technology
WakeMed Health & Hospitals	8,943	Healthcare
Rex Healthcare	5,700	Healthcare
SAS Institute, Inc.	5,616	Technology
GlaxoSmithKline	4,950	Pharmaceutical Development
Lenovo	4,200	Technology
Fidelity Investments	4,000	Financial Services
Sensus	3,691	Technology
Conduent Inc.	3,300	Business Process Services

Source: Wake County Economic Development (2018)
and Cushman & Wakefield Valuation & Advisory

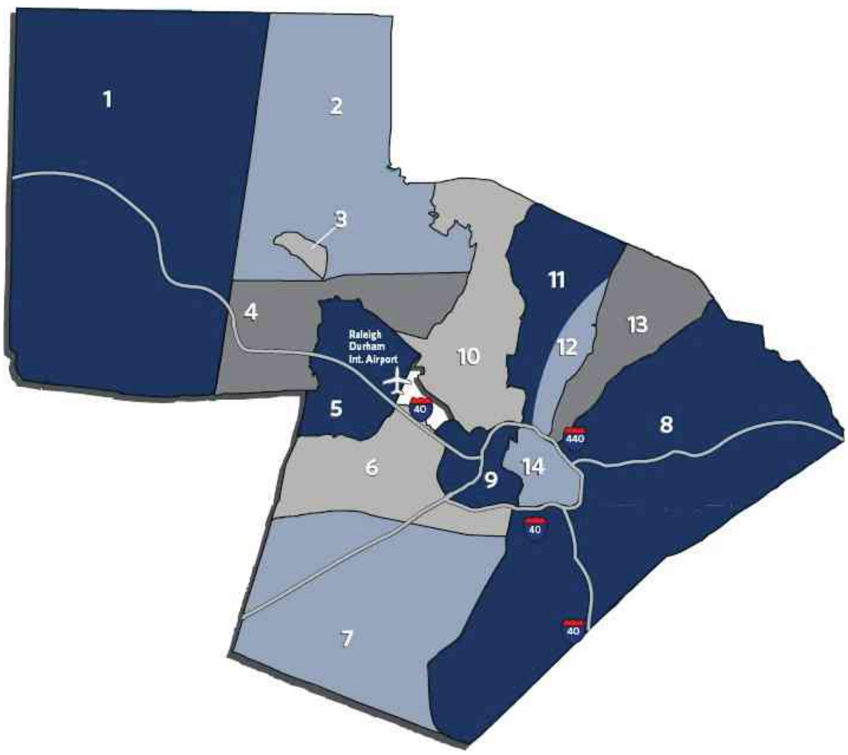
Raleigh Office Market Analysis

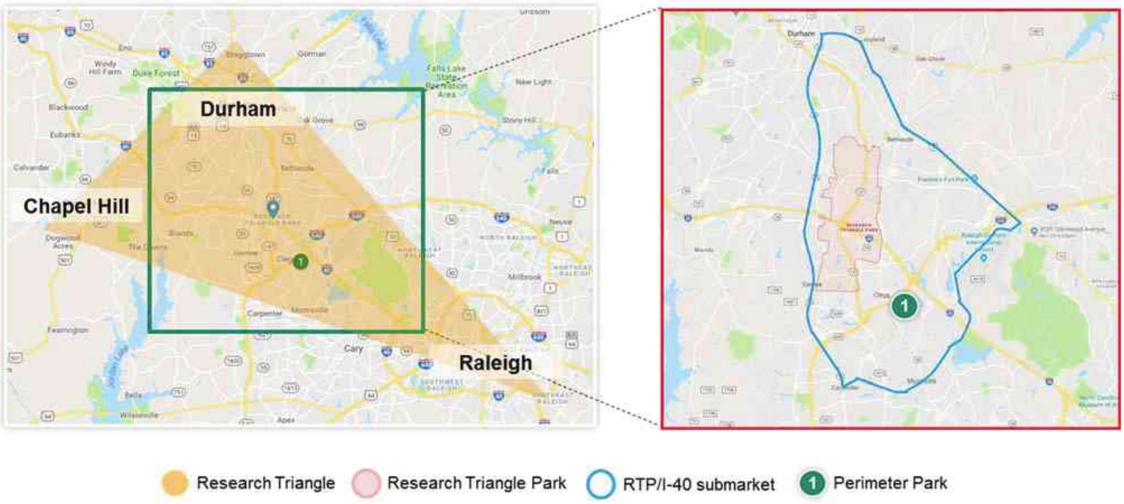
Market Characteristics

Over the past two decades, Raleigh-Durham has evolved into a major business center, gaining recognition as one of the country's hubs for technology, research and development. The market's low business and living costs have fueled its economic growth over recent years at a pace exceeding that of most large metropolitan areas in the nation. Healthy job growth has spurred population growth and demand for commercial real estate.

The following map of Raleigh-Durham provides approximate boundaries for each of the region's major office submarkets:

1. Orange County
2. North Durham
3. Downtown Durham
4. South Durham
5. RTP / I-40 Corridor
6. Cary
7. Southern Wake County
8. Eastern Wake County
9. West Raleigh
10. US 70 / Glenwood
11. Six Forks Road
12. Falls of Neuse Road
13. US 1 / Capital Blvd
14. Downtown Raleigh





Note: The above diagram for the Research Triangle has been provided strictly for illustrative purposes only.

Current Trends

The Raleigh-Durham market continues to post healthy job growth, adding 13,200 new jobs over year and fueling demand for office space. Office market fundamentals remain strong as office rents continue to climb, vacancy declines and large construction pipeline. Largely fueled by the historical wave of new supply totaling roughly two msf, landlords continue to capitalize on pent up demand for first generation space as absorption levels continue to rise. Going forward, the Triangle area will aim to keep this momentum going.

Listed below are highlights of the market as of second quarter 2019:

- The office market is comprised of 57.7 msf of inventory distributed throughout 15 submarkets.
- The overall vacancy rate ended the quarter at 12.1%, decreasing 1.4 percentage points year-over-year.
- Overall average asking rents rose to $25.78 psf, from $24.60 psf in second quarter 2018.
- Roughly 956,000 square feet was absorbed during the first two quarters of 2019; slightly behind the 969,000 square feet absorbed during the same period in 2018.

Property Owners

The following is a list of major players in Raleigh's office sector and their market share as calculated by CoStar as of August 2019:

	Company Name	Market Share	RBA	SPACE AVAILABLE			NUMBER OF BUILDINGS				
				Total	Direct	Sublet	Total	Office	Ind	Flex	Retail
1	Highwoods Properties, Inc.	5.7%	6,523,191	808,513	743,315	65,198	56	56	0	0	0
2	SAS Institute, Inc.	2.0%	2,271,855	0	0	0	15	15	0	0	0
3	State of North Carolina	1.7%	1,982,617	2,433	2,433	0	47	47	0	0	0
4	Cisco Systems, Inc.	1.7%	1,926,428	0	0	0	12	12	0	0	0
5	Calmwater Capital	1.6%	1,866,062	916,576	916,576	0	11	11	0	0	0
6	Kane Realty Corporation	1.2%	1,373,642	268,143	268,143	0	15	15	0	0	0
7	Duke University	1.1%	1,243,814	0	0	0	31	31	0	0	0
8	CapitaLand Ltd	1.0%	1,162,109	109,743	77,184	32,559	6	6	0	0	0
9	The Dilweg Companies	1.0%	1,146,870	293,629	285,195	8,434	13	13	0	0	0
10	Capitol Broadcasting Company	0.9%	1,061,992	47,631	41,810	5,821	11	11	0	0	0
	All Others	81.9%	93,033,144	8,070,229	7,116,382	953,847	4502	4502	0	0	0
	Total		113,591,724	10,516,897	9,451,038	1,065,859	4719	4719	0	0	0

Source: CoStar Property Analytics

NOTE: RBA indicates rentable building area

Supply Analysis

Vacancy

Overall vacancy measured approximately seven 7 msf at the end of the second quarter, equating to a rate of 12.1%. Year-over-year vacancy declined 1.4 percentage points, despite new deliveries coming online. With strong demand and the new supply of Class A space in Downtown Durham, healthy absorption levels over the next several quarters are expected. Class A and overall vacancy rates will remain relatively stable in the wake of new supply, as significant preleasing is underway in upcoming 2019 projects.

Office Market Statistics
Raleigh-Durham Region
Second Quarter 2019

Market/Submarket	Inventory	Overall Vacancy Rate	YTD Net Absorption	YTD Construction Completions	Under Construction	Asking Rent
Downtown Raleigh	5,117,528	5.2%	243,705	227,500	384,978	$29.72
Downtown Durham	4,638,515	8.0%	205,108	0	241,345	$29.15
Cary	7,087,401	13.3%	251,857	87,000	28,231	$25.54
Falls of the Neuse	3,167,519	9.4%	(83,703)	0	0	$21.79
North Durham	1,048,489	29.7%	26,001	0	0	$17.59
Orange County	1,740,980	13.3%	30,542	0	384,083	$27.23
RTP/I-40 Corridor	14,939,522	19.9%	310,224	348,143	237,537	$23.97
Six Forks	3,971,165	8.0%	94,502	0	328,648	$28.49
South Durham	1,915,111	15.9%	-26,935	0	0	$22.66
US 1/Capital Boulevard	2,305,181	7.4%	(1,307)	0	31,854	$21.83
US 70/Glenwood Avenue	4,041,026	9.2%	(66,880)	0	408,000	$26.07
West Raleigh	6,159,290	5.7%	(19,279)	0	209,145	$27.65
Southern Wake County	345,209	8.3%	6,038	0	97,600	$19.83
Eastern Wake County	756,699	3.0%	(4,157)	0	0	$20.13
Cameron Village	473,521	5.6%	(9,978)	0	0	$23.67
RALEIGH-DURHAM TOTALS	**57,707,156**	**12.1%**	**955,738**	**662,643**	**2,351,421**	**$25.78**

Source: Cushman & Wakefield Research; compiled by C&W V&A

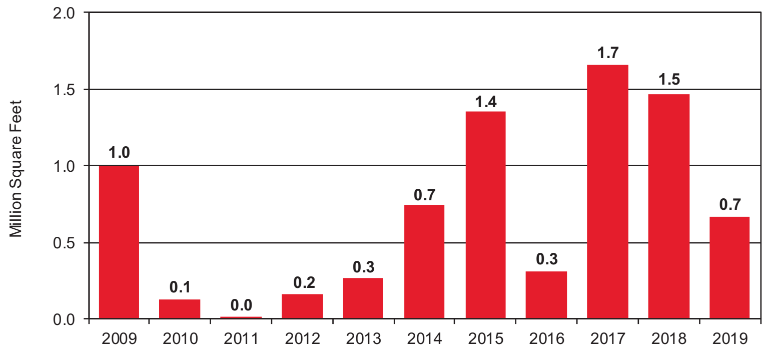
NOTE: Cushman & Wakefield Research statistics may differ somewhat from the Reis figures presented later in this section due to differences in property classifications and other factors.

Construction

As of the second quarter of 2019, over 660,000 square feet of new office product was delivered to the market. Strong demand for premium office space has resulted in significant pre-leasing for product yet to be delivered. At the end of the second quarter, nearly 2.4 msf of office space under construction. Two office buildings delivered during first quarter 2019, One Glenwood in downtown Raleigh and Perimeter Six in RTP, totaling 423,187 square feet. WeWork inked 80,000 square feet at One Glenwood and Relias Learning took up most of the Perimeter Six building. These buildings delivered at a strong prelease level of 82.5%, demonstrating healthy long-term leasing activity. Going forward, six projects are slated to deliver in 2019 which will likely increase average asking rental rates in the market area.

The following exhibit summarizes construction completions in the Raleigh-Durham office market from 2009 through second quarter 2019:

CONSTRUCTION COMPLETIONS
Raleigh-Durham Office Market, 2009-2019 YTD



Source: Cushman & Wakefield Research; compiled by V&A

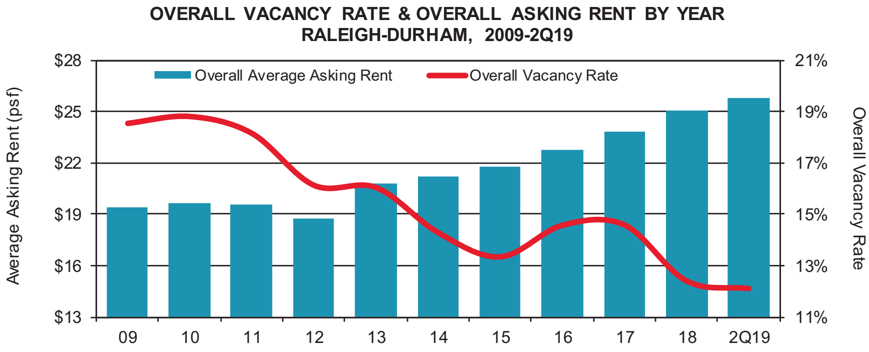
C&W forecasts new supply by year-end 2019 to be 2,211,700 square feet. The new inventory is a combination of build-to-suit (preleased) and speculative space and is projected to result in a slight increase in vacancy (8.3 percent by year-end 2019).

Demand Analysis

Asking Rents

The Raleigh office market's asking rents continued to climb, ending the second quarter at $25.78 psf Over the last 12 months the market has experienced surging rental rates as demand for office space in the market outpaced supply, especially in the Downtown submarkets. The second quarter marked the 18th consecutive quarter of rental rate growth. Adding to this trend has been the high volume of office investment sales, as well as rising construction costs. Barring an economic slowdown, asking rates for top office market spaces could reach the $40 psf threshold, especially as new Class A rental rates continue to push overall rental rates higher.

The following exhibit summarizes overall vacancy rates (which include direct lease space from the landlord and sublease space) and overall asking rents between 2009 and second quarter 2019 in the Raleigh-Durham office market:

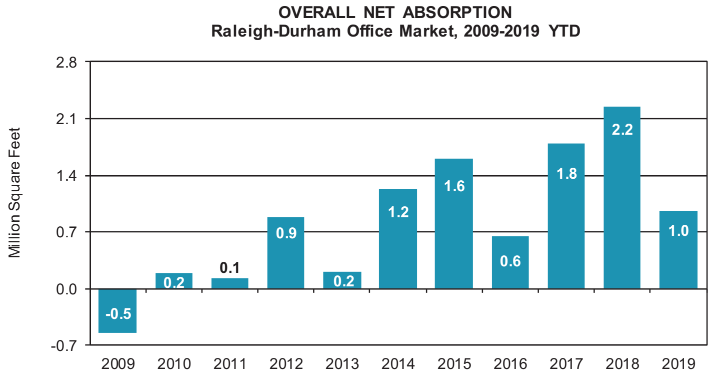


Source: Cushman & Wakefield Research; compiled by V&A

Historical Net Absorption

Benefiting from the wave of new Class A supply and strong market fundamentals, net absorption has been vigorous over recent quarters. Total absorption activity reached 956,000 square feet through the first half of 2019, following the 2.2 msf absorbed during 2018. Healthy preleasing levels helped boost absorption figures past the five-year quarterly average, notable given the strength of the Raleigh-Durham market in recent years.

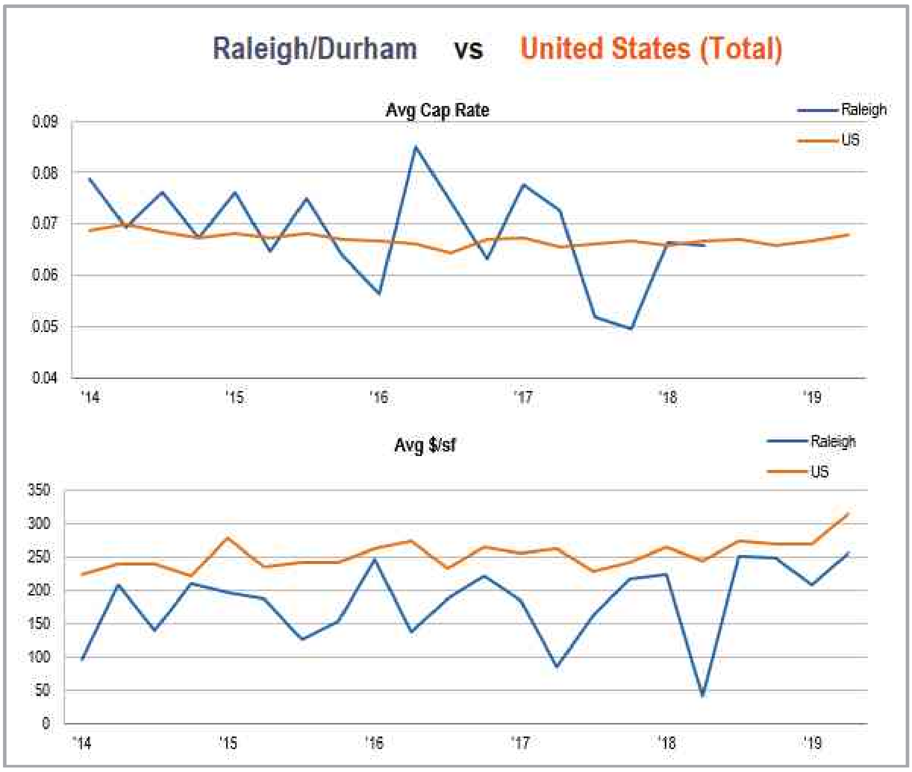
The following chart illustrates overall historical net absorption in the Raleigh-Durham office market:



Source: Cushman & Wakefield Research; compiled by V&A

Investment Sales Market

According to Real Capital Analytics, 78 office sale transactions closed in the 12 months ending June 2019, with a total volume of $1.6 billion, averaging a price of approximately $246 psf. The 78 buildings total 6.5 million sq ft. Capitalization rate data for this period was not available but most recently averaged 6.60%. The following charts summarize recent trends in average cap rates and sale prices psf of net rentable area in the Raleigh/Durham market area relative to the U.S. as a whole.



Source: RCA Analytics

As shown above, capitalization rate data was not available for the preceding four quarters but has generally approximated national averages in recent years (with some fluctuations). Average sale prices have been consistently below national averages. This is to be expected since a significant component of the desirability of the market area is the relative affordability to the nation's more densely-developed office markets.

Market Conclusion

The Raleigh-Durham market has long been considered a desirable location for industry given its competitive strengths. Low business costs, a continually-growing population base, strong transportation network, and central location midway between New York and Florida make the area attractive for businesses looking to expand or start-up. Out-of-market prospects will likely continue scouting the Raleigh-Durham office market as an option in the coming years, attracted to large blocks of Class A space deliveries in some of the area's most desirable submarkets.

The near-term outlook should be a bit more balanced, as even with this historical wave of new supply, conditions will still favor landlord's until we see these strong absorption levels slow. The office-using sectors are key components of the local economy and are projected to grow by 1.2% annually through 2023. Job growth will be key to maintaining strong demand for office space in the region and reducing excess vacant inventory.

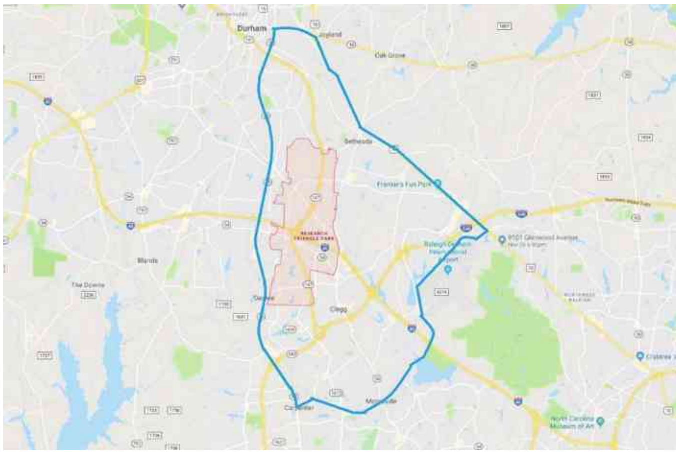
RTP/I-40 Submarket

Data for the following analysis of the RTP/I-40 submarket is provided by Reis, Inc.

Introduction

The RTP/I-40 submarket is Raleigh's largest office submarket and contains 8,734,000 sq ft, or 20.9% of the region's inventory. The RTP/I-40 submarket is generally bound by Glenwood Avenue to the east, Aviation Parkway to the south, NC Highway 55 to the west and NC Highway 98 to the north.

RTP/I-40 SUBMARKET



The Research Triangle Park is a large research-based employment center that straddles the Wake County/Durham County line. Most of the park's development has occurred in Durham County to-date. Firms located in the park include IBM, GlaxoSmithKline, Cisco Systems, Becton Dickinson, Syngenta, BASF, and Lenovo. Many of the buildings in the park were constructed in the 1970s and 1980s, and the foundation that administers the park has announced plans to redevelop an area at the intersection of Interstate 40 and Davis Drive in the heart of the park with a mix of office, retail and residential uses.

Generally, market participants have indicated there are no notable barriers to entry for foreign investors in the Raleigh primary market. The only noted barrier is rising rental rates. Since 2014, overall rental rates in the Raleigh primary market and rental rates in the Research Triangle Park have grown 11.7% and 15.8%, respectively.

While office development across Raleigh is planned over the near future, market participants indicate the majority of this new construction will be 70-80% pre-leased by the time of completion.

Supply Analysis

Vacancy

Between 2014 and 2018, vacancy rates in the subject's submarket decreased from 16.4 to 15.7%. The current vacancy rate for the submarket is 15.8%. Over the near term, Reis is projecting vacancy in the RTP/I-40 submarket to rise, with vacancy levels rising from 17.0% by year-end 2019 to 18.1% in 2020 as new supply is expected to exceed absorption. The vacancy rate is expected to increase as new, larger properties come online which will likely cause older/lower quality properties to struggle to maintain occupancy.

The following table presents historical and projected vacancy rates for the subject submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)	
	RTP/I-40
Year	**Total**
2014	16.4
2015	15.8
2016	13.8
2017	14.0
2018	15.7
2Q19	15.8
2019	17.0
2020	18.1

Source: Reis, Inc.

Note: Reis does not differentiate between space that is available directly from the landlord or as a sublease. Any space that is available immediately for leasing (i.e. within 30 days) is considered vacant by Reis' standards.

Supply in the submarket has largely outstripped demand, because it is one of the few submarkets in the Research Triangle where land is abundant. Demand has always “played catch up” to supply in RTP/I-40 submarket, but 2Q19 vacancy has outperformed the larger 2019 forecast.

Inventory and Construction Completions

Within the subject submarket, a total of 1,404,000 sq ft of space was completed between 2014 and 2018. By year-end 2020, Reis projects that an additional 215,000 sq ft of new space will be completed within the RTP/I-40 submarket.

The following table presents historical inventory and projected completions for the submarket.

HISTORICAL AND PROJECTED INVENTORY & COMPLETIONS (sq ft)			
		RTP/I-40	
Year	**Inventory**	**Total Completions**	**% of Region**
2014	8,270,000	451,000	50.6%
2015	8,384,000	192,000	15.7%
2016	8,384,000	0	0.0%
2017	8,584,000	200,000	17.2%
2018	9,145,000	561,000	41.2%
2Q19	8,945,000	0	0.0%
2019		205,000	17.6%
2020		10,000	0.9%
2014-2018			
Total Completions		**1,404,000**	
Annual Average		**280,800**	**27.5%**

Source: Reis, Inc.

NOTE: % of region indicates the submarket’s completions as a percentage of the total completions within the larger region.

Forecasts are made based on Reis’ efforts to understand market dynamics, supply coming online, levels of absorption, etc.

Demand Analysis

Rental Rates Trends

As shown in the chart below, the average asking rent in the RTP/I-40 submarket increased from an average of $19.69 psf per annum in 2014 to $22.80 psf per annum in 2018, demonstrating a CAGR of 3.73%. Average asking rents are expected to increase from $24.04 psf per annum by year-end 2019 to $24.65 psf per annum in 2020. The current average asking rent stands at $23.60 psf per annum.

The following table presents historical and projected average asking rental rates for the subject submarket.

Historical and Projected Average Asking Rental Rates ($/sq ft)

	RTP/I-40		
Year	Total	% Change	Effective Rent
2014	$19.69	2.3	$15.90
2015	$20.40	3.6	$16.49
2016	$20.92	2.5	$16.94
2017	$21.98	5.1	$17.87
2018	$22.80	3.7	$18.49
2Q19	$23.60	2.9	$19.10
2019	$24.04	5.4	$19.47
2020	$24.65	2.5	$19.95
	2014-2018	**2019-2020**	
CAGR	**3.73%**	**2.54%**	

Source: Reis, Inc.

Notes: CAGR stands for Compound Annual Growth Rate. Asking rents cited by Reis reflect the advertised rental rates for actively marketed space. Effective rents net of any rental concessions, expressed over the life of the lease term. Reis quotes Office rents on a Gross basis.

Absorption Trends

Between 2014 and 2018, new construction within the RTP/I-40 submarket exceeded absorption, with an annual average of 280,800 sq ft completed and 236,000 sq ft absorbed. Reis projects that new construction will again surpass absorption through 2020 (new construction will total 215,000 sq ft and -209,000 sq ft is expected to be absorbed).

The recent trends above are likely attributable to Raleigh’s fundamentals being particularly strong in recent years since it is uncommon for vacancy to remain unchanged and/or decline as significant new inventory is delivered. Vacancy is not expected to increase significantly going forward and developers’ plans to build more office on a speculative basis is a sign of confidence in the market.

The following table presents historical and projected absorption levels and completions for the subject submarket.

HISTORIC AND PROJECTED NET ABSORPTION (sq ft)		
	RTP/I-40	
Year	Total Absorption	Total Completions
2014	385,000	451,000
2015	145,000	192,000
2016	168,000	0
2017	155,000	200,000
2018	327,000	561,000
2Q19	-186,000	0
2019	-111,000	205,000
2020	-98,000	10,000
2014-2018 Total Absorption / Completions	**1,180,000**	**1,404,000**
Annual Average	**236,000**	**280,800**

Source: Reis, Inc.

The reason for this negative net absorption forecast is that much of the new construction expected in coming years will likely only be 60-70% pre-leased, leaving 30-40% vacancy rate then hitting the market and inflating the totals. However, this space is generally getting absorbed within a year for the new construction, and in turn creates positive absorption figures.

Outlook

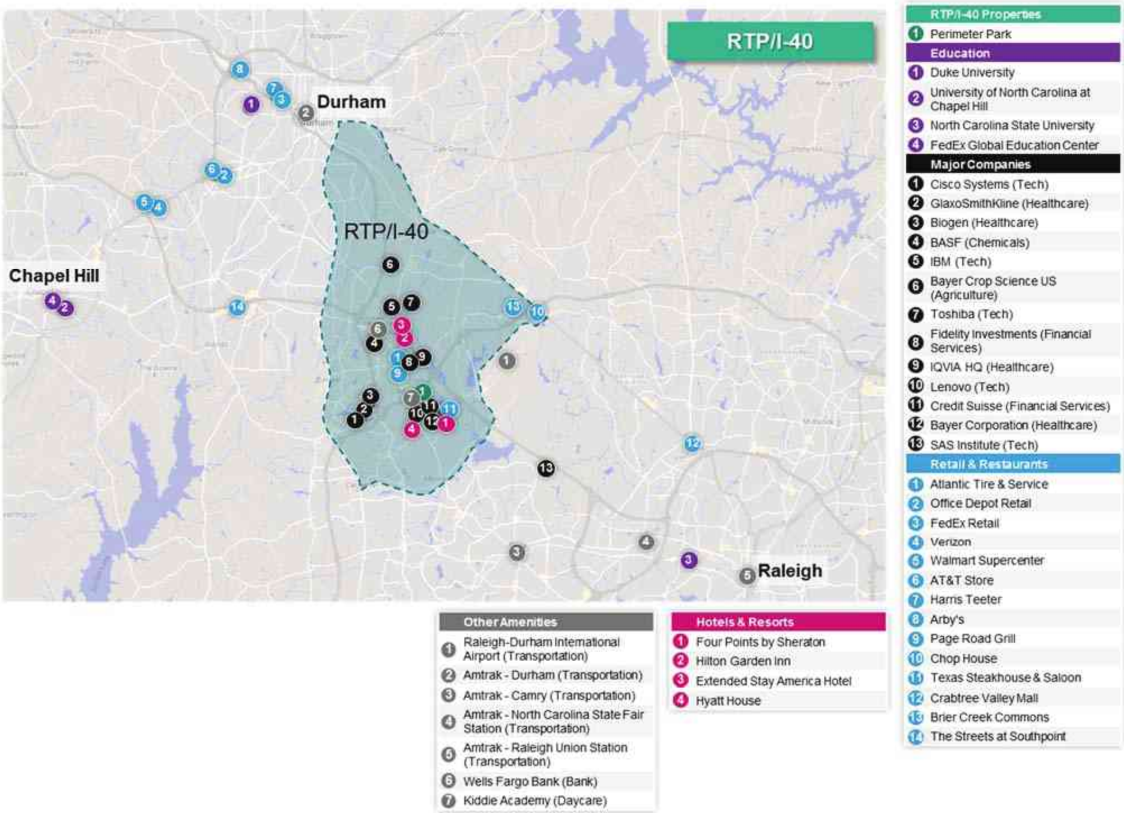
Vacancy levels for the RTP/I-40 office submarket have decreased since 2014 but expected to rise from 17.0% in 2019 to 18.1% in 2020. Over the near term, new construction activity should surpass absorption, but average asking rates are forecasted to increase from $24.04 psf per annum in 2019 to $24.65 psf per annum in 2020.

The RTP/I-40 submarket is the largest submarket in the Raleigh region with 20.9% of the inventory. The primary reason for the large inventory in the submarket is its equidistant location from Chapel Hill, Durham and Raleigh. Although the Central Durham and Raleigh downtown area submarkets have become more desirable in recent years, the RTP/I-40 submarket remains the primary employment center in the region.

Subject Properties in RTP/I-40

The RTP/I-40 submarket is centrally located between Raleigh and Durham, providing easy access to both downtown area districts as well as its close proximity to the airport interstate I-40. The area generally benefits from being located within a well-established submarket centrally located within the Raleigh primary office market. The area also benefits from being located near major thoroughfares and public transportation with good accessibility from surrounding markets.

The subject properties are conveniently located at the intersection of Interstate 40 and Interstate 540, providing both north-south and east-west connectivity and within five-minute drive to Raleigh-Durham International Airport. They are nearly equidistant from Downtown Raleigh, Durham and Chapel Hill, making it the center of business activity in the area.



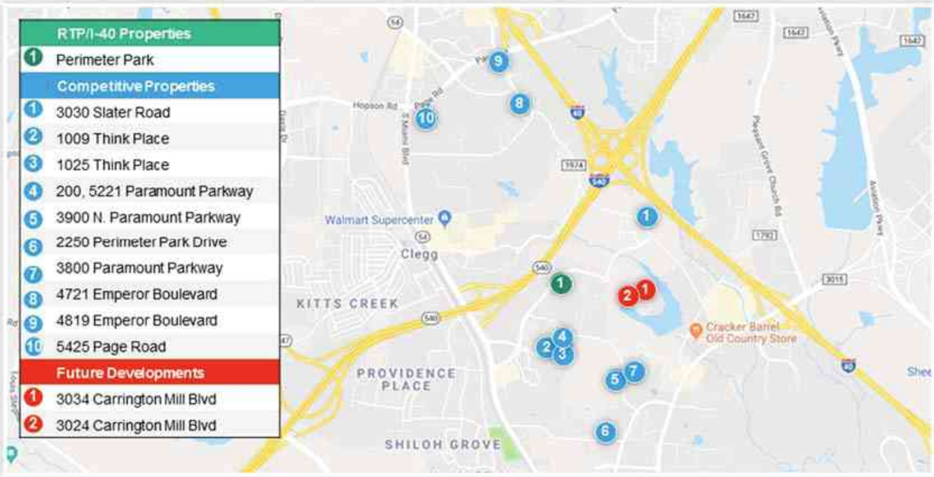
Amenities

- Within walking distance of the subject properties, there are two apartment complexes, a Hyatt House hotel and several local and chain restaurants. Within a short driving distance along Slater Road and NC Highway 54, there are a number of restaurants and hotels.
- North Carolina State University is located approximately 10 miles southeast of the subject area. Duke University is located approximately 11 mile northwest of the subject area. The University of North Carolina at Chapel Hill is located approximately 12 miles west of the subject area.
- The nearest major hospital is the UNC Rex Hospital, which is located approximately eight miles east of the subject area.
- Public transit service in the immediate area is via bus transportation. The bus service is provided by both GoTriangle. The RDU International Airport is located less than three miles to the northeast.
- The RTP/I-40 submarket boundaries are generally RDU International Airport to the East, Airport Boulevard to the south, NC Highway 55 to the west and Ellis Road to the north.

Competition

In order to gain a better understanding of the market conditions specific to the subject properties, we conducted a survey of those buildings that would be considered most competitive to the subject. We have identified office buildings with the following characteristics as being directly competitive with the subject properties.

The competitive set was selected based on their relative similarities to the subject properties with respect to location, age/quality/condition, and amenities.



The following chart includes the competitive properties to the subject in this cluster:

Competitive Properties - RTP/I-40							
Map No.	**Name**	**Street**	**City**	**St**	**Rent**	**Occ.**	**RBA**
1	Forty540	3030 Slater Road	Morrisville	NC	$27.96	100.0%	200,991
2	Lenovo BTS I	1009 Think Place	Morrisville	NC	$30.00*	100.0%	1,833,023
3	Lenovo BTS II	1025 Think Place	Morrisville	NC	$20.88	100.0%	187,040
4	5221 Paramount	5221 Paramount Parkway	Morrisville	NC	$20.89	100.0%	137,834
5	3900 N. Paramount	3900 N. Paramount Parkway	Morrisville	NC	$23.50	100.0%	219,812
6	2250 Perimeter	2250 Perimeter Park Drive	Morrisville	NC	$25.00	86.3%	107,275
7	3800 Paramount	3800 Paramount Parkway	Morrisville	NC	$25.50	98.4%	120,000
8	Carlisle Place	4721 Emperor Boulevard	Durham	NC	$28.95	76.4%	120,000
9	Bristol Place	4819 Emperor Boulevard	Durham	NC	$26.75	96.9%	105,414
10	Churchill Hall	5425 Page Road	Durham	NC	$28.95	77.2%	151,769

*Asking Rent is currently witheld/negotiable. The rate shown is an estimate from CoStar or the most recent rate available.

NOTE: Rent and occupancy data are as of September 2019.

It is noted that Churchill Hall is still in lease-up phase as it was recently delivered to the market.

Future Developments - RTP/I-40					
Map No.	**Name**	**Street**	**City**	**St**	**NRA**
1	Perimeter Five	3034 Carrington Mill Boulevard	Morrisville	NC	258,250
2	Perimeter Six	3024 Carrington Mill Boulevard	Morrisville	NC	194,308

A competitive advantage in this market is that for tenants with spatial requirements of over 50,000 sq ft, as there are not as many options as many office floorplates are smaller (in the area of 20,000 sq ft). New developments in the downtown areas are beginning to accommodate larger floor plates. In the case of RTP/I-40 submarket, this has long been the trend with office developments because of the abundant land area.

RTP/I-40 Summary – Strength, Weaknesses, Opportunities, and Threats (SWOT)

The following table summarizes strengths, weaknesses, opportunities, and threats associated with the RTP / I-40 submarket.

Summary of Strength, Weaknesses, Opportunities, & Threats (SWOT Analysis)
RTP/I-40
Strengths ▪ The Research Triangle is one of the largest life sciences hubs in the east coast and has five times the national average in physicians-to-population ratio. ▪ Research Triangle Park is one of the largest research parks in the world, with over 260 companies and 50,000 high-tech workers. ▪ The presence of nearby Duke University, the University of North Carolina at Chapel Hill and North Carolina State University is expected to promote the desirability of the submarket over the long run.
Weaknesses ▪ Achievable rental rates in the RTP/I-40 generally lag behind the primary markets of the east coast. ▪ Notable new office development is expected in coming years
Opportunities ▪ The completion of the Interstate 540 beltline will increase the ease of access to the subject throughout the region.
Threats ▪ The Durham and Raleigh CBD’s have seen increased demand over the past several years due to redevelopment activity of older high-rise buildings. This Class A office space could draw away potential tenants from the RTP/I-40 submarket.

Portland

Demographic Trends

Population

The Portland metro area population increased at nearly double the rate of the national population throughout the past ten years, which was fueled by the in-migration of young adults and relatively affordable housing costs compared to other major California and Washington metropolitan areas. Although forecasts provided by Moody's Analytics expect that the pace of population growth in the Portland CBSA will temper slightly over the next five years, the metro area population is expected to continue increasing at a higher rate than the national average moving forward.

The following table shows the Portland CBSA's population growth as compared to the U.S.:

Annualized Population Growth by County
Portland CBSA
2008-2023

Population (000's)	2008	2018	Forecast 2019	Forecast 2023	Compound Annual Growth Rate 08-18	Compound Annual Growth Rate 19-23
United States	304,094.0	327,167.4	329,159.4	336,970.8	0.7%	0.6%
Portland Region	**2,172.9**	**2,486.6**	**2,511.1**	**2,605.2**	**1.4%**	**0.9%**
Clackamas County (OR)	371.1	417.6	421.6	437.4	1.2%	0.9%
Columbia County (OR)	49.2	52.1	52.3	53.6	0.6%	0.6%
Multnomah County (OR)	713.0	817.2	824.2	848.8	1.4%	0.7%
Washington County (OR)	515.8	596.9	602.9	625.4	1.5%	0.9%
Yamhill County (OR)	97.5	106.6	107.2	110.4	0.9%	0.7%
Clark County (WA)	415.3	484.2	490.7	517.1	1.5%	1.3%
Skamania County (WA)	10.9	12.0	12.1	12.5	1.0%	0.9%

Source: Data Courtesy of Moody's Analytics, Cushman & Wakefield Valuation & Advisory

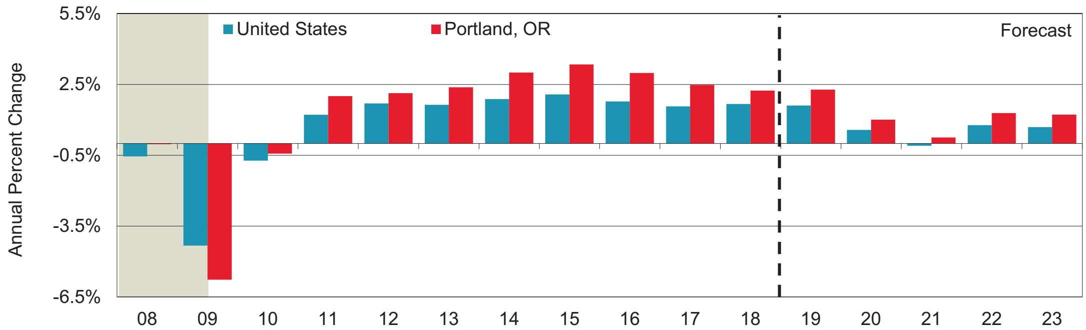
Labor Markets

The Portland CBSA benefits from its diverse employment base and serves as the major service and logistics hub for Oregon and southwest Washington. The trade, transportation & utilities and professional & business services sectors employ the highest percentages of workers in the Portland CBSA, and the government and education & health services sectors also hold sizable shares of nonfarm employment. This high concentration may pose a potential long term risk for the area, due to the heavy reliance on the industry. Healthcare will gain prominence as large population gains increase demand for services and drive investment and hiring. Portland's population growth far outpaces the West and national averages and the share of residents age 65 or older is increasing. Healthcare providers will expand as an expanding patient pool begets the need for more doctors, nurses, and other medical professionals. With demand projected to be more robust than average, the industry will need to grow faster in the CBSA than elsewhere. The tight job market suggests that providers will need to offer higher wages and other incentives to fill open positions, contributing to stronger income growth in the coming year.

The Portland CBSA's nonfarm employment has outpaced that of the nation in recent years. Forbes magazine ranked Portland as the number one city on "The Best Places in the U.S. for Business and Careers," praising the city's ability to attract and retain talented young professionals in the area. The ranking was also bolstered by large tech companies, such as Google, Hewlett Packard, eBay, and Salesforce opening offices within the city. Fueled by a dynamic startup culture and growth in existing information technology and biotech firms, high tech will remain the lifeblood of Portland's expansion. For example, top employer Intel will ramp up investment in server bound microchips, reinforcing its pivot toward the rapidly expanding market for cloud-computing. Meanwhile, ready access to financing will support new and early-stage ventures. A healthy environment for raising capital will help sprout new firms, and the CBSA's favorable location, high concentration of educated workers, and lower costs of living and doing business than the Bay Area will ensure that it attracts more tech entrepreneurs and high-tech job seekers as the expansion matures.

The following graph illustrates total nonfarm employment growth per year, for the Portland CBSA and the U.S.:

TOTAL EMPLOYMENT GROWTH BY YEAR
Portland CBSA vs. United States, 2008-2023



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

Portland Office Market Analysis

Market Characteristics

The Portland office market contains approximately 53 msf of space, divided between the CBD and Non-CBD markets. The CBD is segmented into four submarkets, while the Non-CBD market is subdivided into the Westside Suburban, Eastside Suburban, and Vancouver regions. Furthermore, the Portland Non-CBD office market has an inventory of nearly 25.4 msf and is comprised of 16 submarkets.

Current Trends

The Portland office market remains strong, closing out the first half of 2019 with a good start. The region is one of the most affordable and diverse office markets on the west coast. Year-to-date leasing activity totaled over 1.0 msf, and, as a result, vacancy rates fell. Overall net absorption outpaced last years' totals by 23.6%, and remained positive for the first half of 2019. As of second quarter, total vacancy dropped 80 basis points over the previous quarter, down 20 basis points year-over-year to 10.3%. Portland's vacancy rate will slowly increase as more new product becomes available. Recently, there has been an increasing demand for high-end office product to fit tenant needs. New construction that addresses shifting tenant preferences increased Class A rental rates to $33.89 psf, while overall rental rates dropped to $29.32 in the second quarter of 2019. Portland office market remains strong and will continue to expand to help satisfy demand, with 957,022 of office developments in the pipeline – most products are anticipated to be delivered by 2020. Looking forward, with the variety of well-established industries and a skilled labor force in the metro area, the Portland office market will likely remain one of the Pacific Northwest's most active markets over the long term.

Additional highlights of the Portland office market are as follows:

- The Portland CBD contains nearly 27.6 msf of office space across four submarkets, which accounts for 52.1% of Portland's office inventory.

- The Sunset Corridor submarket contains the largest inventory among Non-CBD submarkets with 4.2 msf while the Wilsonville submarket had the smallest of the Non-CBD submarkets with 368,770 square feet. Approximately 4.6 msf of office space is in the Vancouver market.
- As of second quarter 2019, the overall average asking rent in the Portland market dipped $0.32 psf annually to $29.32 psf. The Portland CBD average asking rent experienced a slight boost over the previous year to $33.13 psf. During the same period, the Non-CBD average asking rent increased approximately 1.3% year-over-year to $24.25 psf.
- In May 2019, Pacific Coast Capital Partners acquired Park Square for $96.5 million. The campus is a two-building 296,000 square feet office property in the south end of Portland CBD. At the time of the acquisition, one building was fully leased, while the second was 98% leased
- In June 2019, BPM Real Estate Group announced plans to build a 35-story tower named Block 216 in the Portland CBD. The mixed-use development includes 180,000 square feet of office space, a 251-room Ritz-Carlton hotel, and 138 residential condominiums. The project is expected to cost approximately $600 million. Construction is set to start by year-end 2019 and is projected to be completed in 2023.

The following map of Portland provides approximate boundaries for each of the region's major office submarkets:

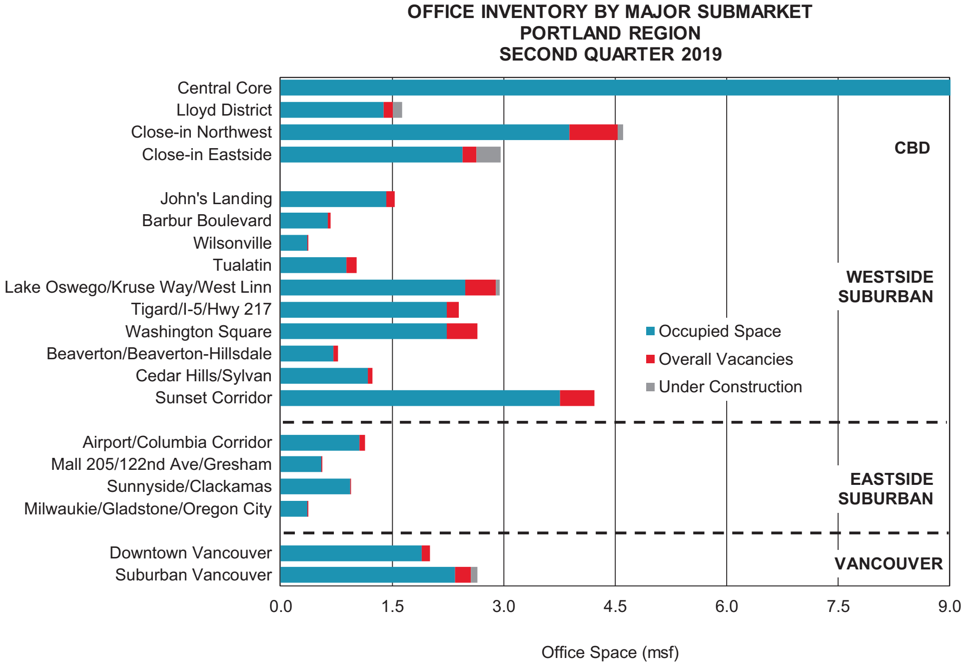
PORTLAND OFFICE SUBMARKET MAP

Source: Microsoft Virtual Earth

OFFICE SUBMARKETS

1. CBD
2. John's Landing
3. Barbur Boulevard
4. Wilsonville
5. Tualatin
6. Lake Oswego/Kruse Way/West Linn
7. Tigard/I-5/Hwy 217
8. Washington Square
9. Beaverton/Beaverton-Hillsdale
10. Cedar Hills/Sylvan
11. Sunset Corridor/Hillsboro
12. Close-In Eastside
13. Airport Columbia Corridor
14. Mall 205/122nd Ave/Gresham
15. Sunnyside/Clackamas
16. Milwaukie/Gladstone
17. Downtown Vancouver
18. Suburban Vancouver

The following graph summarizes office market statistics for the Portland region as of second quarter 2019:



Source: Cushman & Wakefield Research; compiled by C&W V&A

Property Owners

The following is a list of major players in Portland's office sector and their market share as calculated by CoStar as of August 2019:

	Company Name	Market Share	RBA	SPACE AVAILABLE			NUMBER OF BUILDINGS				
				Total	Direct	Sublet	Total	Office	Ind	Flex	Retail
1	NIKE, Inc.	3.3%	3,396,120	0	0	0	22	22	0	0	0
2	Intel Corporation	2.9%	3,042,794	0	0	0	7	7	0	0	0
3	Shorenstein Properties LLC	2.7%	2,857,243	456,885	424,232	32,653	35	35	0	0	0
4	Unico Properties	2.4%	2,542,367	485,907	435,179	50,728	10	10	0	0	0
5	American Property Management	2.3%	2,391,082	204,102	194,277	9,825	55	55	0	0	0
6	PacTrust	1.4%	1,408,763	74,309	57,625	16,684	33	33	0	0	0
7	US General Services Administration	1.1%	1,180,119	0	0	0	6	6	0	0	0
8	Intel	1.1%	1,100,000	0	0	0	1	1	0	0	0
9	ScanlanKemperBard Companies	1.0%	1,087,395	116,385	110,280	6,105	11	11	0	0	0
10	Starwood Capital Group	0.9%	980,346	403,342	399,109	4,233	3	3	0	0	0
	All Others	80.8%	84,360,425	9,759,668	8,851,397	908,271	3910	3910	0	0	0
	Total		104,346,654	11,500,508	10,472,099	1,028,499	4093	4093	0	0	0

Source: CoStar Property Analytics

NOTE: RBA indicates rentable building area

While not included in the table above, it is noted Capitaland holds approximately 1.1 million square feet of office in Portland which puts them in the top 10 largest owners. It is likely Capitaland holds these developments within various subsidiaries so none of these individual ownership entities were large enough to appear in the CoStar Property Analytics report.

Supply Analysis

Vacancy

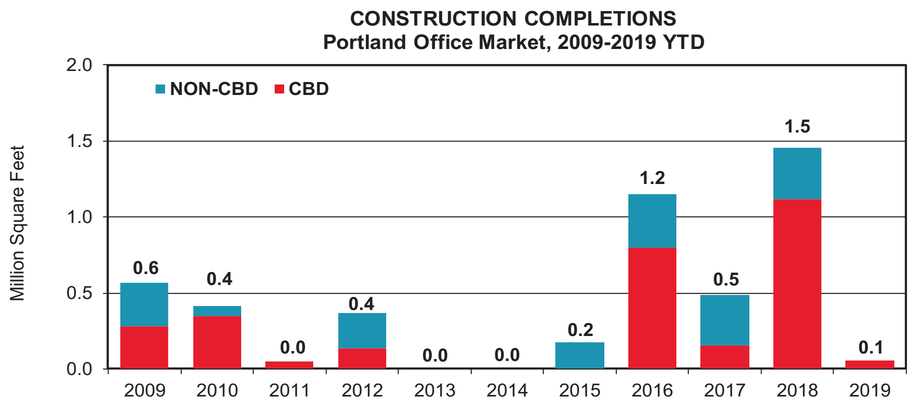
As of second quarter 2019, the Portland office market's overall vacancy rate dipped 80 basis points quarter-over-quarter to 10.3%. In the CBD, the overall vacancy rate was 11.3%, up 50 basis points year-over-year while vacancy in Non-CBD was 9.2%, down 90 basis points over the same period. Demand for Portland's office space focused on new inventory supplying high-end amenities. Since the Portland-Vancouver region added 7,704 square feet under construction with no construction completions, vacancy rates decreased quarter-over-quarter. As occupancy gains continues to grow and net absorption continues to increase, vacancy rates are expected to decrease in the near term.

Vacancy in Portland's non-downtown area office markets has historically been higher than vacancy in the Portland downtown area submarkets. However, the overall office vacancy rate outside of the Portland downtown submarkets was 9.2% as of Second Quarter 2019 which is slightly below the downtown total of 11.3% (per Cushman & Wakefield Research). Vacancy in the downtown submarkets has gradually increased in recent quarters due to significant new additions to existing inventory. Meanwhile there have been no notable additions to suburban inventory in recent periods.

Construction

In the first half of 2019, 957,022 square feet remained under construction in the Portland-Vancouver region, a 22% increase year-over-year. Most projects under construction were concentrated in the Close-in Eastside submarket, totaling 327,650 square feet. Additional projects under construction were located in the Central Core submarket, which totaled 311,851 square feet. There were no construction completions added to the office market quarter-over-quarter. Demand was driven by low business costs and change in tenant's preferences, but due to 2018 adding nearly 1.5 msf of space to the market, construction completions slowed in the first half of 2019. As demand for class A office space grows construction activity is expected to increase over the next several quarters.

The following graph details construction completions since 2009 in the Portland office market, segmented between the CBD and Non-CBD markets:



Source: Cushman & Wakefield Research; compiled by C&W V&A

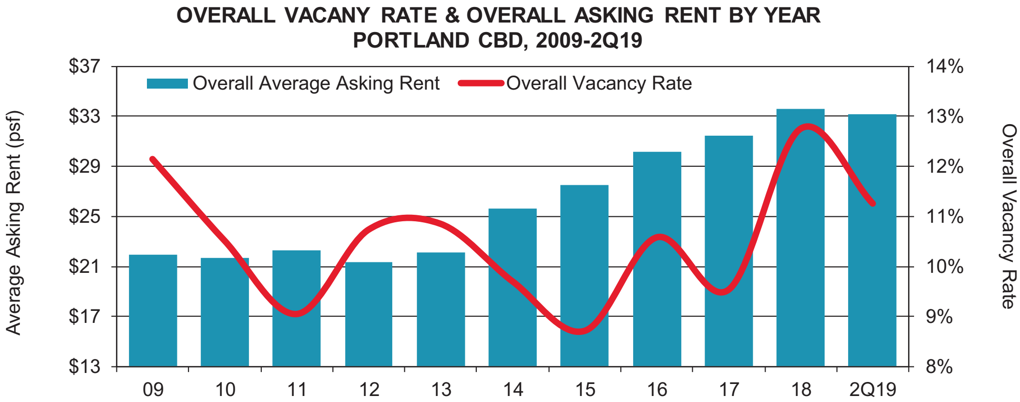
C&W forecasts new supply by year-end 2019 to be 508,900 square feet, but that vacancy will decline to 11.3 percent during that time period (from 11.8 percent in 2018) due to the anticipated supply/demand relationship.

Demand Analysis

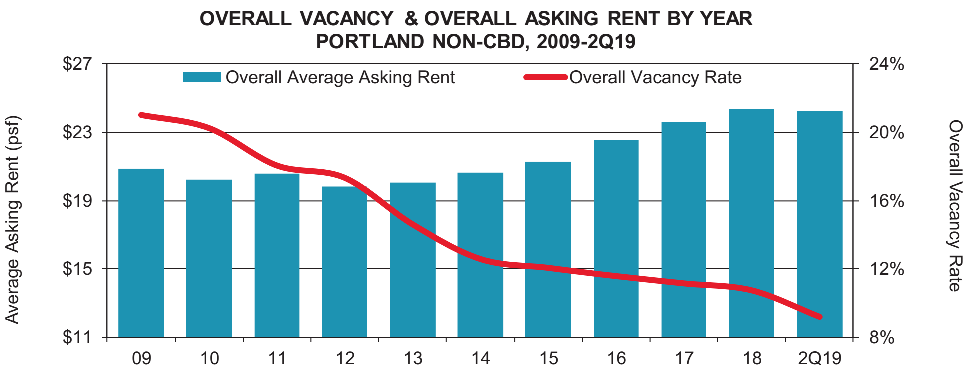
Asking Rents

As of second quarter 2019, overall average asking rents in the Portland-Vancouver region was $29.32 psf per year, nearly a 1.1% decrease quarter-over-quarter, but had a 2.6% boost year-over-year. The overall average asking rent in the Portland CBD decreased $0.07 psf quarter-over-quarter but increased $0.49 psf from the previous year. Non-CBD rental rates increased $0.01 psf boost quarter-over-quarter and increased $0.31 psf year-over-year. Asking rents increased significantly in the past three years due to new firms expanding in Portland. Asking rents are expected to increase due to strong demand for class A developments.

The following graphs illustrate the relationship between the overall average vacancy rate and overall average asking rents in the Portland office market since 2009:



Source: Cushman & Wakefield Research; compiled by C&W V&A

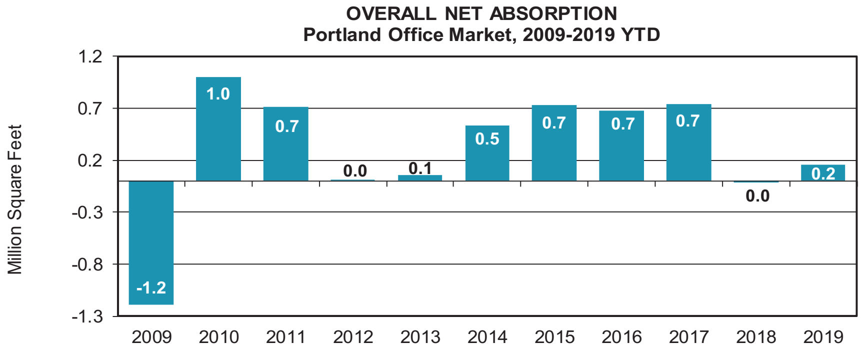


Source: Cushman & Wakefield Research; compiled by C&W V&A

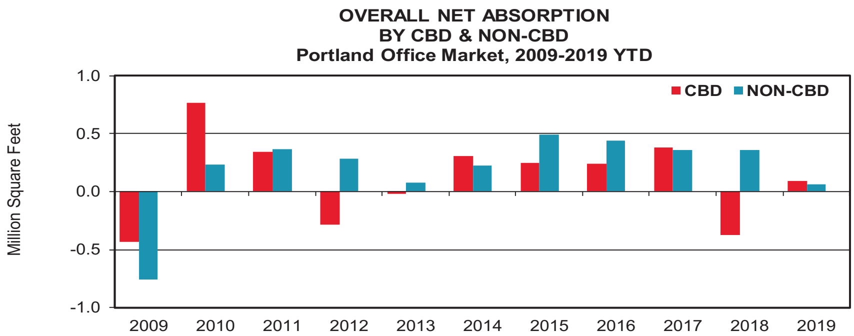
Net Absorption

In the first half of 2019, the Portland office market recorded 157,505 square feet in net absorption, nearly a 23.6% boost from the previous year. Absorption remained positive due to strong demand and a large delivery of nearly 1.5 msf by year-end 2018. As the growth in leasing activity and occupancy level outpaced new construction activity, vacancy rates decreased in the first half of 2019. Looking ahead, Portland's diverse economy will continue to be strong, and forecasts for growth in office-using employment sectors over the next several years should help drive absorption trends as growing business's demand more space.

The following graphs illustrate absorption trends in the Portland office market between 2009 and second quarter 2019:



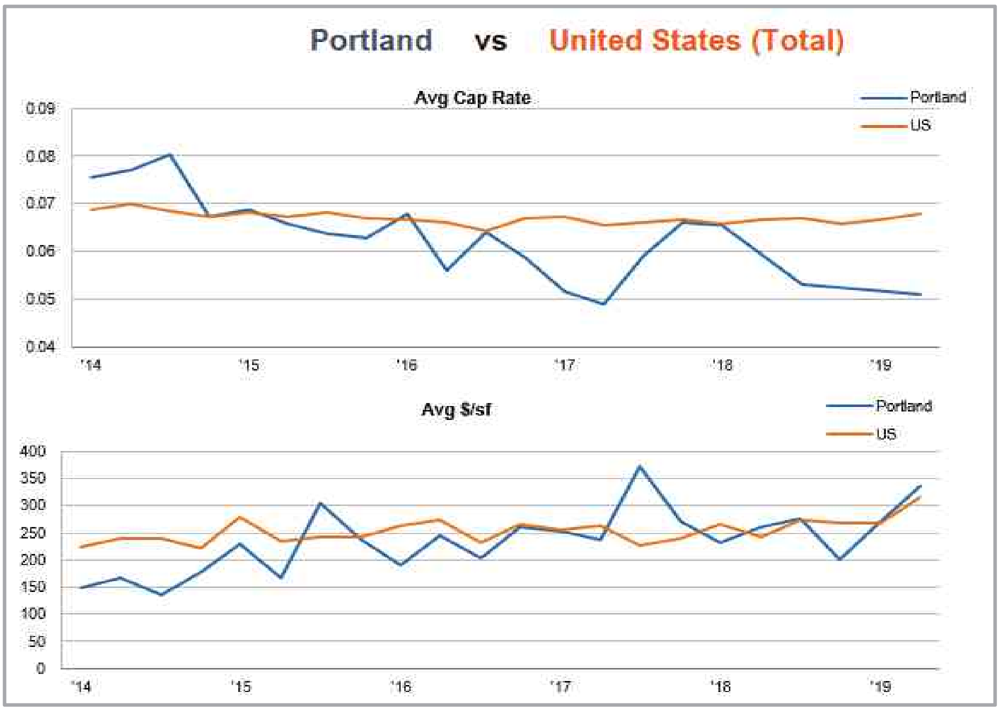
Source: Cushman & Wakefield Research; compiled by C&W V&A



Source: Cushman & Wakefield Research; compiled by C&W V&A

Investment Sales Market

According to Real Capital Analytics, 79 office sale transactions closed in Portland the 12 month period in ending June 2019, with a total volume of $1.8 billion, averaging a price of approximately $263 psf. The 79 buildings total 7.2 million sq ft. The following tables show historical capitalization rate and sale price psf of rentable area data since 2014.



Source: Real Capital Analytics

As shown in the preceding charts, Portland is currently outperforming the U.S. average with respect to average sale price psf ($336 versus $314) and capitalization rates are significantly lower (5.10% versus 6.80%) indicating Portland is generally superior to national averages with respect to office investment sales.

Market Conclusion

Strong market fundamentals and an influx of investment activity continue to indicate strong demand for office product in the Portland-Vancouver region. In the first half of 2019, the Portland office market experienced a boost in leasing activity, absorption, and rental rates due to strong demand for modern yet affordable office space. An influx of demand contributed to robust occupancy gains, and therefore, increased absorption, encouraging more construction activity to help satisfy tenant's demands. As construction activity grows alongside strong absorption figures, vacancy rates are expected to slowly decline over the next few quarters. The Portland-Vancouver area is expected to maintain long term growth due to having one of the lowest business costs in the Western region, diverse employment base, and a high quality of life. This diverse employment base brought a wide range of companies and skilled workers to the region. Looking ahead, growth should remain steady and the Portland-Vancouver region can look forward to strong market fundamentals through year-end 2019.

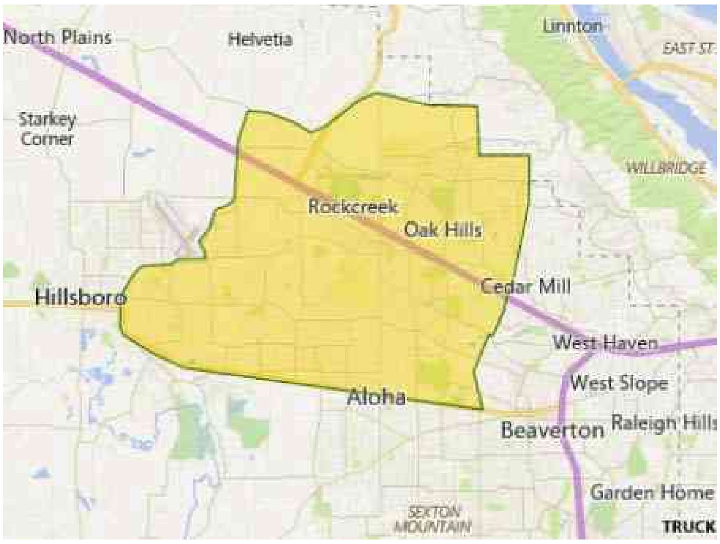
Sunset Corridor Submarket

Data for the following analysis of the Sunset Corridor submarket is provided by Reis, Inc.

Introduction

The Sunset Corridor represents the fourth largest submarket in the Portland market area and contains 4,096,000 sq ft, or 9.5% of the region's inventory. The boundaries are generally NW West Union/NW Germantown Road to the north; Tualatin Valley Highway to the south, NE Brookwood Parkway to the west and the Washington County border to the east.

SUNSET CORRIDOR SUBMARKET



The defined area is the location of Portland's "Silicon Forest," which includes a cluster of high-tech firms between Beaverton and Hillsboro. Companies such as Intel, Tektronix, InFocus, Planar and Pixelworks are located in the Silicon Forest. Many companies with connections to the aforementioned companies have locations in the area. Intel, which is the largest employer in the State of Oregon, has a number of sub-contractors in the area.

Given the amount of available existing inventory, it is unlikely significant new office inventory will be added to the submarket in coming periods. Once Nike finishes their campus expansion, the amount of available office space could increase in the Sunset Corridor and Beaverton/Sylvan (217 Corridor) submarkets.

Supply Analysis

Vacancy

Between 2014 and 2018, submarket vacancy rates increased from 18.8 to 19.6%. The current vacancy rate for the submarket is 18.6%. Reis is projecting a decline in vacancy for the Sunset Corridor submarket from 19.0% by year-end 2019 to 18.0% in 2020.

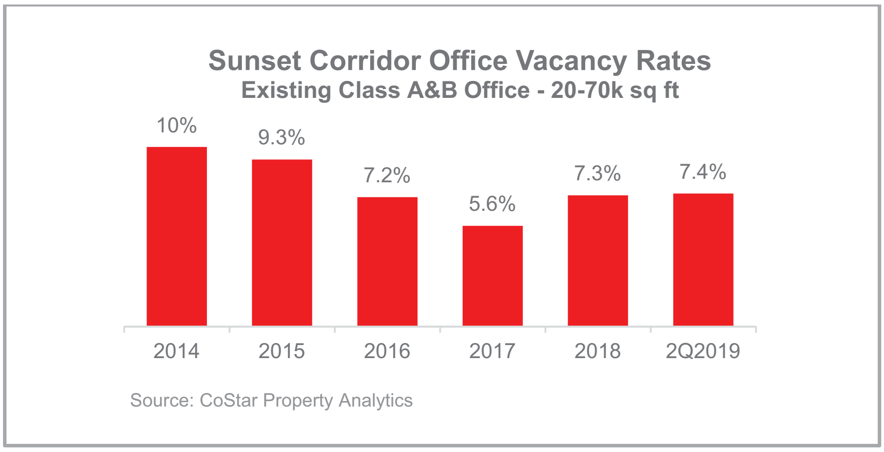
The following table presents historical and projected vacancy rates for the submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)	
	Sunset Corridor
Year	Total
2014	18.8
2015	17.3
2016	20.7
2017	20.1
2018	19.6
2Q19	18.6
2019	19.0
2020	18.0

Source: Reis, Inc.

Note: Reis does not differentiate between space that is available directly from the landlord or as a sublease. Any space that is available immediately for leasing (i.e. within 30 days) is considered vacant by Reis' standards.

The aforementioned vacancy rates are for all properties over 10,000 square feet, according to Reis. However, not all these properties are reflective of the better quality assets that the subject and its competitive set compete in. Using CoStar Analytics, we were able to choose only those similar in quality to the subject, between 20,000 and 70,000 square feet, within the Sunset Corridor submarket. As shown on the following chart, the vacancy rate for this dataset has been generally trending downward in recent years, with slight increases in recent periods. Overall, the properties considered most competitive with the subject property are generally outperforming submarket averages.



Inventory and Construction Completions

Within the Sunset Corridor, no space was completed between 2014 and 2018. Reis projects that 10,000 sq ft of new space will be completed within the submarket by year-end 2020.

The following table presents historical inventory and projected completions for the submarket.

HISTORICAL AND PROJECTED INVENTORY & COMPLETIONS (sq ft)			
	Sunset Corridor		
Year	**Inventory**	**Total Completions**	**% of Region**
2014	4,508,000	0	0.0%
2015	4,508,000	0	0.0%
2016	4,096,000	0	0.0%
2017	4,096,000	0	0.0%
2018	4,096,000	0	0.0%
2Q19	4,096,000	0	0.0%
2019		0	0.0%
2020		10,000	14.3%
2014-2018			
Total Completions		**0**	
Annual Average		**0**	**0.0%**

Source: Reis, Inc.

NOTE: % of region indicates the submarket's completions as a percentage of the total completions within the larger region.

Forecasts are made based on Reis' efforts to understand market dynamics, supply coming online, levels of absorption, etc. It is noted that in 2016, the market reclassified 412,000 sq ft from office to Industrial/flex. Given the amount of available inventory in the area, there will likely be a limited amount of new product added to the submarket in the near future. The completions for the competitive set from the CoStar data shows similar trends to Reis.

Demand

Absorption Trends

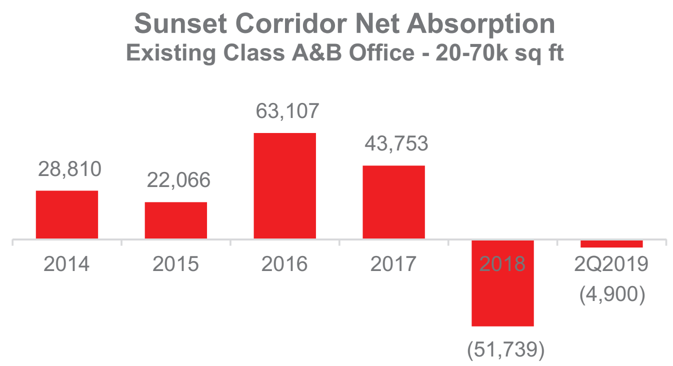
According to Reis statistics, between 2014 and 2018, no new construction was completed. In 2016, the market reclassified 412,000 sq ft from office to industrial/flex, contributing significantly to the total negative net absorption during the previous 5 years. However, this alone should not be a negative reflection on the submarket. Through 2020, Reis projects that new construction will not surpass absorption (new construction will total 10,000 sq ft, and 75,000 sq ft is expected to be absorbed). The 2015, 2017, and 2018 net absorption are more akin to the normalized forecasts, as shown on the chart below.

The following table presents historical and projected absorption levels and completions for the submarket.

HISTORIC AND PROJECTED NET ABSORPTION (sq ft)		
	Sunset Corridor	
Year	Total Absorption	Total Completions
2014	-46,000	0
2015	68,000	0
2016	-480,000	0
2017	25,000	0
2018	20,000	0
2Q19	45,000	0
2019	27,000	0
2020	48,000	10,000
2014-2018 Total Absorption / Completions	**-413,000**	**0**
Annual Average	**-82,600**	**0**

Source: Reis, Inc.

The following is from the aforementioned competitive set analyzed from CoStar data. It is noted that the CoStar data does not have the similar reclassification of some buildings in 2016 from office to industrial/flex, so the net absorption in 2016 is positive.



Source: CoStar Property Analytics

While net absorption has been negative in 2018 and through Second Quarter 2019, Reis projects positive net absorption for the Sunset Corridor as a whole moving forward which should benefit the subject and its competitive set.

Rental Rates Trends

As shown in the following chart, average asking rental rates in the Sunset Corridor submarket increased from an average of $19.34 psf per annum in 2014 to $21.01 psf per annum foot in 2018, demonstrating a CAGR of 2.09%.

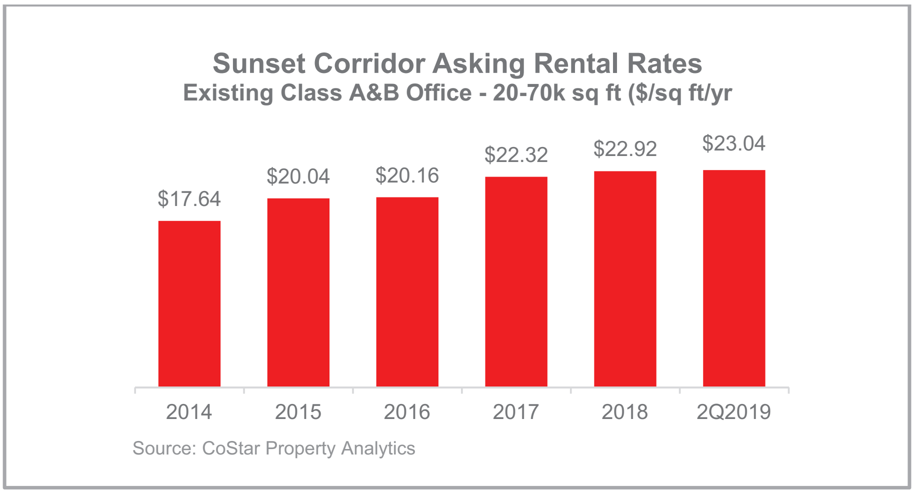
Average asking rents are expected to increase from $21.37 psf per annum in 2019 to $21.84 psf per annum in 2020. The current average asking rent stands at $21.04 psf per annum.

The following table presents historical and projected average asking rental rates for the submarket.

Historical and Projected Average Asking Rental Rates ($/sq ft)			
	Sunset Corridor		
Year	Total	% Change	Effective Rent
2014	$19.34	2.1	$15.06
2015	$19.63	1.5	$15.30
2016	$20.16	2.7	$15.69
2017	$20.52	1.8	$15.96
2018	$21.01	2.4	$16.34
2Q19	$21.04	0.0	$16.34
2019	$21.37	1.7	$16.72
2020	$21.84	2.2	$17.20
	2014-2018	**2019-2020**	
CAGR	**2.09%**	**2.20%**	

Source: Reis, Inc.
Notes: CAGR stands for Compound Annual Growth Rate. Asking rents cited by Reis reflect the advertised rental rates for actively marketed space. Effective rents net of any rental concessions, expressed over the life of the lease term. Reis quotes Office rents on a Gross basis.

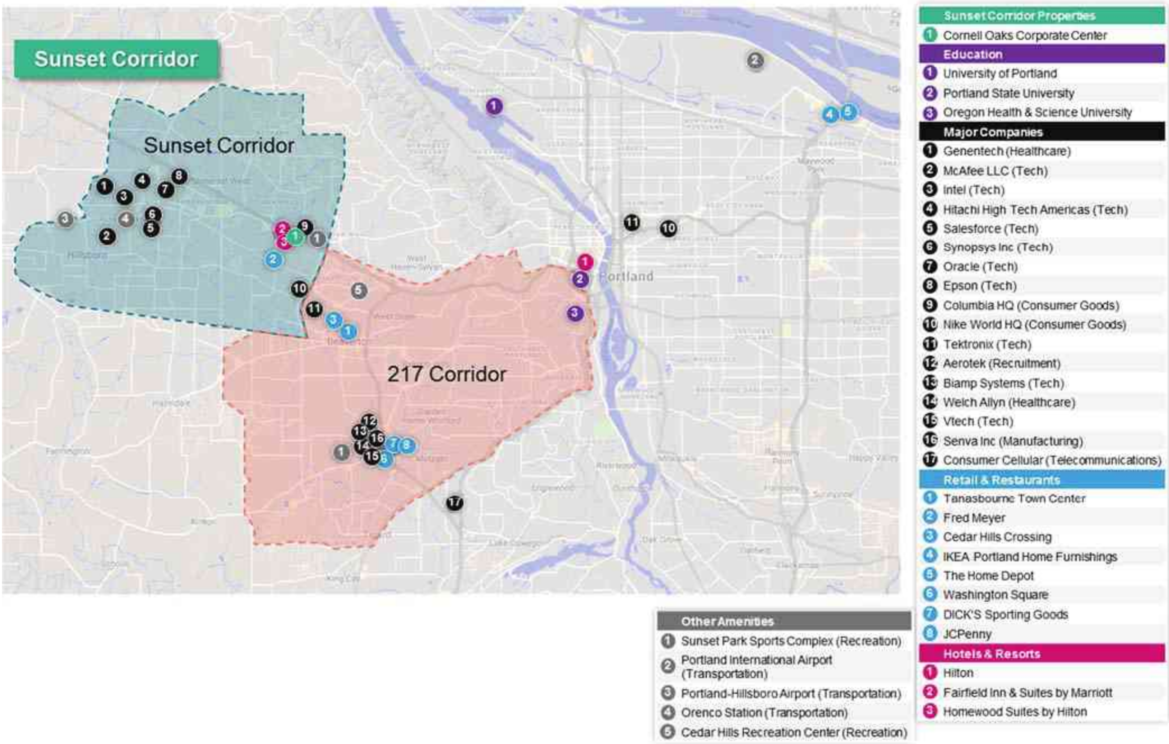
The following is based on the competitive set analyzed in CoStar, indicating similarly rising asking rental rates:



Subject Properties in Sunset Corridor

The Sunset Corridor submarket is the location of Portland's "Silicon Forest," which includes a cluster of high-tech firms between Beaverton and Hillsboro. Notable companies, including Intel, Tektronix, InFocus, Planar and Pixelworks, are located in the Silicon Forest. The area benefits from being located within a well-established submarket centrally located within Washington County. The area also benefits from being located near major thoroughfares and public transportation with good accessibility from surrounding markets.

The subject properties are prominently located along Highway 26 and is the closest office campus to Downtown Portland, within the Sunset Corridor. The Sunset Corridor has a high concentration of high technology companies and athletic performance apparel companies. The office campus is located in close proximity to Nike and Columbia Sportswear Company's global headquarters and the Tualatin Hills Parks & Recreation Center.



Amenities

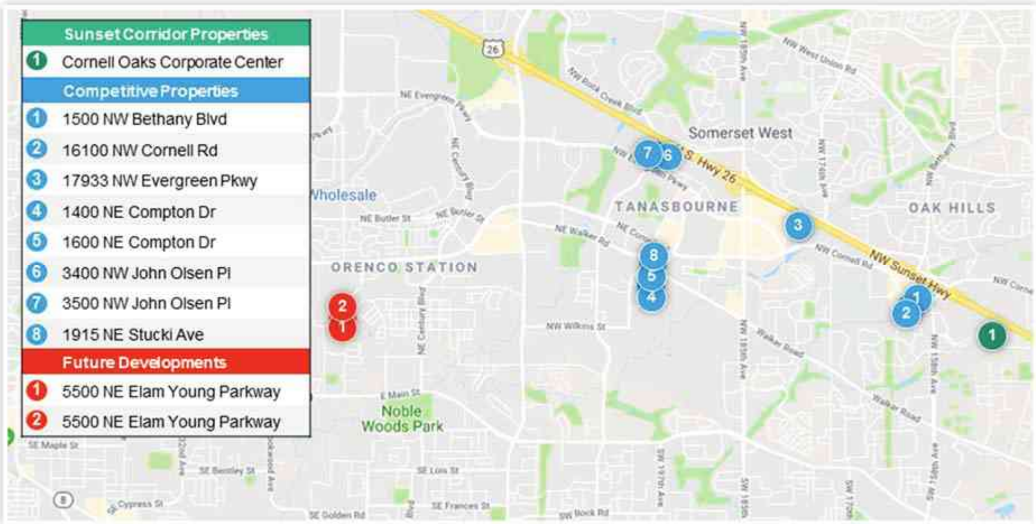
- Within walking distance of the subject properties, there is a 24-Hour Fitness, Hilton Garden Inn hotel and Sweet Tomatoes restaurant. Within a short driving distance along NW 158th Avenue, there are a number of restaurants and the Tualatin Hills Athletic Center.
- Portland State University is located approximately 10 miles east of the subject area. The University of Portland is located approximately 16 miles northeast of the subject area. The Oregon Health & Science University is located approximately 11 miles northeast of the subject area.
- The nearest major hospital is the Providence Medical Center, which is located approximately three miles east of the subject area.
- There is abundant public transit service in the immediate area via bus transportation. The area is also served by the MAX light rail system. The closest light rail station to the subject area is approximately 1.5 miles south.

- The Portland International Airport is located approximately 13 miles northeast of Cornell Oaks Corporate Center. The Portland-Hillsboro Airport, which is used primarily for small aircraft, is located approximately five miles west of the submarket.

Competition

In order to gain a better understanding of the market conditions specific to the subject properties, we conducted a survey of those buildings that would be considered most competitive to the subject. We have identified office buildings with the following characteristics as being directly competitive with the subject properties.

The competitive set was selected based on their relative similarities to the subject properties with respect to location, age/quality/condition, and amenities.



The following chart includes the competitive properties to the subject in this cluster:

Competitive Properties - Sunset Corridor							
Map No.	**Name**	**Street**	**City**	**St**	**Rent**	**Occ.**	**RBA**
1	Cornell West	1500 NW Bethany Blvd	Beaverton	OR	$26.00	94.4%	115,668
2	One Willow Creek	16100 NW Cornell Rd	Beaverton	OR	$24.00	86.3%	36,000
3	Tanasbourne Commons	17933 NW Evergreen Pky	Beaverton	OR	$18.00	88.3%	60,115
4	1400 NE Compton Dr	1400 NE Compton Dr	Hillsboro	OR	$24.50	71.8%	89,893
5	1600 NE Compton Dr	1600 NE Compton Dr	Hillsboro	OR	$24.50	100.0%	79,987
6	3400 NW John Olsen Pl	3400 NW John Olsen Pl	Hillsboro	OR	$25.00	0.0%	67,152
7	3500 NW John Olsen Pl	3500 NW John Olsen Pl	Hillsboro	OR	$25.00	0.0%	9,120
8	1915 NE Stucki Ave	1915 NE Stucki Ave	Hillsboro	OR	$15.00	90.0%	96,674

NOTE: Rent and occupancy data are as of September 2019.

It is noted that 1400 and 1600 NE Compton Drive have inferior access, contributing to their lower occupancy rates.

Future Developments - Sunset Corridor					
Map No.	**Name**	**Street**	**City**	**St**	**NRA**
1	West Park IV	5500 NE Elam Young Parkway	Hillsboro	OR	130,000
2	N/A (proposed)	5530 NE Elam Young Parkway	Hillsboro	OR	14,121

Sunset Corridor Summary – Strength, Weaknesses, Opportunities, and Threats (SWOT)

The following table summarizes strengths, weaknesses, opportunities, and threats associated with the Sunset Corridor submarket.

Summary of Strength, Weaknesses, Opportunities, & Threats (SWOT Analysis)
Sunset Corridor
Strengths ▪ Sunset Corridor is one of the most established office submarkets in the region and contains the largest inventory among non-downtown area submarkets with 4.0 million sq ft of office space. ▪ The submarket is known as Portland's "Silicon Forest," which includes a cluster of high-tech firms between Beaverton and Hillsboro. Companies such as Intel, Tektronix, InFocus, Planar and Pixelworks are located in the Silicon Forest. ▪ The area has become desirable in recent years as a lower cost alternative to the primary tech hubs of California.
Weaknesses ▪ The submarket generally lacks the peripheral draws and nodes of interest present in Portland's urban areas. ▪ While office vacancy is forecast to gradually decline in coming years, it has been elevated in recent years which puts downward pressure on achievable rental rates.
Opportunities ▪ The overall desirability of the submarket would likely be increased if additional high-profile credit tenants were to relocate to the area.
Threats ▪ The 1.3 million-square foot addition to the Nike campus will likely have a negative impact on local office vacancy rates in coming periods. While there will not be any for-lease space, Nike is expected to consolidate within the campus and potentially vacate some of their leased spaces. However, details regarding potential spaces to be vacated are not yet available.

Beaverton/Sylvan (217 Corridor) Submarket

Data for the following analysis of the Beaverton/Sylvan (217 Corridor) submarket is provided by Reis, Inc.

Introduction

Beaverton/Sylvan (217 Corridor) represents the fourth largest office submarket of Portland. The submarket contains 3,918,000 sq ft, or 9.1% of the region's inventory. The boundaries are generally U.S. Highway 26 to the north; SW Scholls Ferry Road to the south, SW 185th Avenue to the west and Interstate 5 to the east.

The defined area represents an established submarket in the southwestern Portland area. The area is located near the high-tech area of Hillsboro. The submarket is home to three of the largest business parks in the Portland Metropolitan area, which include Nimbus Corporate Center, Creekside Corporate Center and Parkside Business Center, with a number of tech firms located in these business parks.

BEAVERTON/SYLVAN (217 CORRIDOR) SUBMARKET

Given the amount of available existing inventory, it is unlikely significant new office inventory will be added to the submarket in coming periods. Once Nike finishes their campus expansion, the amount of available office space could increase in the Sunset Corridor and Beaverton/Sylvan (217 Corridor) submarkets.

Supply Analysis

Vacancy

Between 2014 and 2018, the submarket vacancy rate decreased from 17.9 to 14.5%. The current vacancy rate for the submarket is 14.3%. Over the near term, Reis is projecting a further decline in vacancy for the Beaverton/Sylvan (217 Corridor) submarket, with vacancy levels ranging from 14.6% by year-end 2019 to 13.7% in 2020.

The following table presents historical and projected vacancy rates for the submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)

	Beaverton/Sylvan (217 Corridor)
Year	Total
2014	17.9
2015	19.0
2016	17.0
2017	15.4
2018	14.5
2Q19	14.3
2019	14.6
2020	13.7

Source: Reis, Inc.
Note: Reis does not differentiate between space that is available directly from the landlord or as a sublease. Any space that is available immediately for leasing (i.e. within 30 days) is considered vacant by Reis' standards.

Inventory and Construction Completions

Within the Beaverton/Sylvan (217 Corridor) submarket, no new office space was completed between 2014 and 2018. Reis projects that an additional 10,000 sq ft of new space will be completed in 2020 within the Beaverton/Sylvan (217 Corridor) submarket.

The following table presents historical inventory and projected completions for the submarket.

HISTORICAL AND PROJECTED INVENTORY & COMPLETIONS (sq ft)			
	Beaverton/Sylvan (217 Corridor)		
Year	Inventory	Total Completions	% of Region
2014	3,964,000	0	0.0%
2015	3,940,000	0	0.0%
2016	3,918,000	0	0.0%
2017	3,918,000	0	0.0%
2018	3,918,000	0	0.0%
2Q19	3,918,000	0	0.0%
2019		0	0.0%
2020		10,000	14.3%
2014-2018			
Total Completions		**0**	
Annual Average		**0**	**0.0%**

Source: Reis, Inc.

NOTE: % of region indicates the submarket's completions as a percentage of the total completions within the larger region.

Forecasts are made based on Reis' efforts to understand market dynamics, supply coming online, levels of absorption, etc. Given the amount of available inventory in the area, there will likely be a limited amount of new product added to the submarket in the near future.

Demand Analysis

Absorption Trends

Absorption measures change in the level of occupied space in a geographic region over a specific period of time. Absorption is not a measure of leasing activity. It reflects increasing, stable or decreasing demand for space. If the level of occupied space increases from one period to the next, demand has increased. If no change has occurred, demand is stable. If the level of occupied space is lower, demand has decreased. All things being equal, positive absorption lowers vacancy rates and negative absorption increases vacancy rates. A newly constructed building that enters the marketplace vacant will adversely affect the vacancy rate but have no bearing on absorption since it has not altered the level of occupancy.

Between 2014 and 2018, new construction within the Beaverton/Sylvan (217 Corridor) submarket trailed absorption, with no space completed and 103,000 sq ft absorbed. Reis projects that new construction will not surpass absorption through 2020 (new construction will total 10,000 sq ft, and 41,000 sq ft is expected to be absorbed).

The following table presents historical and projected absorption levels and completions for the submarket.

HISTORIC AND PROJECTED NET ABSORPTION (sq ft)		
	Beaverton/Sylvan (217 Corridor)	
Year	Total Absorption	Total Completions
2014	7,000	0
2015	-63,000	0
2016	61,000	0
2017	63,000	0
2018	35,000	0
2Q19	47,000	0
2019	-2,000	0
2020	43,000	10,000
2014-2018 Total Absorption / Completions	**103,000**	**0**
Annual Average	**20,600**	**0**

Source: Reis, Inc.

Rental Rates Trends

As shown in the following chart, average asking rental rates in the Beaverton/Sylvan (217 Corridor) submarket increased from an average of $20.40 psf per annum in 2014 to $22.87 psf per annum in 2018, demonstrating a CAGR of 2.90%. Average asking rents are expected to increase from $23.41 psf per annum in 2019 to $23.96 psf per annum in 2020. The current average asking rent stands at $23.04 psf per annum.

The following table presents historical and projected average asking rental rates for the submarket.

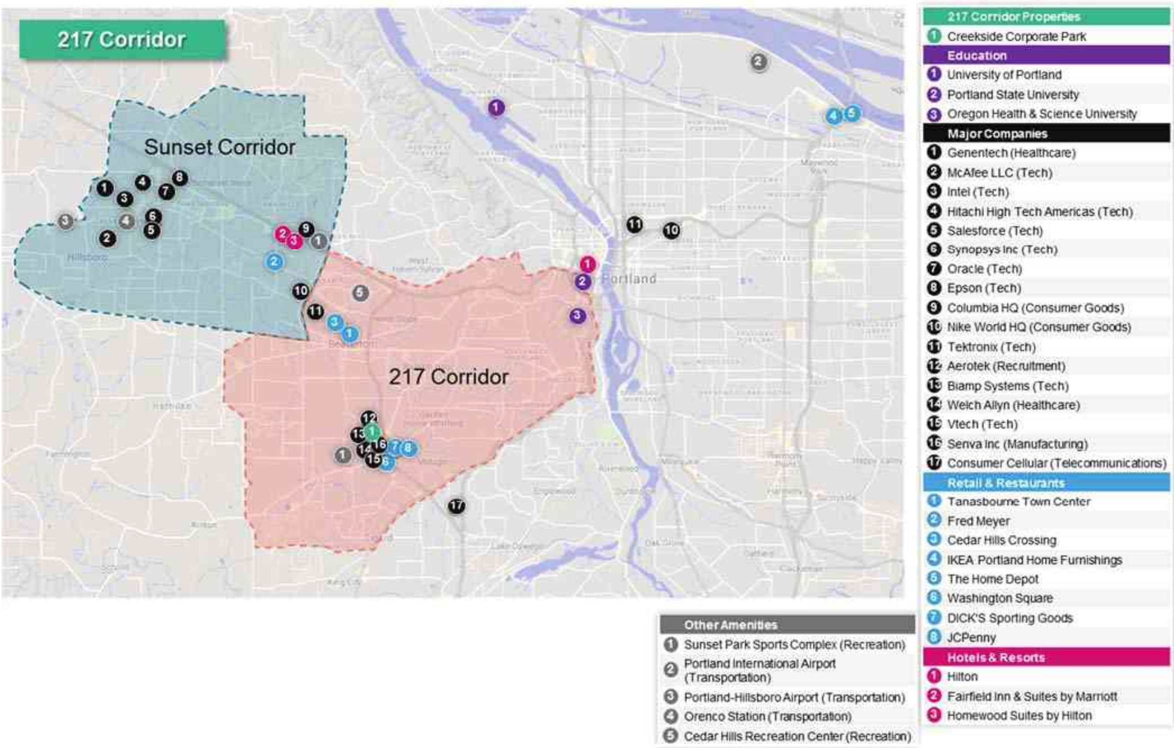
Historical and Projected Average Asking Rental Rates ($/sq ft)			
	Beaverton/Sylvan (217 Corridor)		
Year	Total	% Change	Effective Rent
2014	$20.40	1.1	$15.80
2015	$20.96	2.7	$16.19
2016	$21.49	2.5	$16.54
2017	$22.27	3.6	$17.19
2018	$22.87	2.7	$17.67
2Q19	$23.04	0.8	$17.82
2019	$23.41	2.4	$18.03
2020	$23.96	2.3	$18.43
	2014-2018	**2019-2020**	
CAGR	**2.90%**	**2.35%**	

Source: Reis, Inc.
Notes: CAGR stands for Compound Annual Growth Rate. Asking rents cited by Reis reflect the advertised rental rates for actively marketed space. Effective rents net of any rental concessions, expressed over the life of the lease term. Reis quotes Office rents on a Gross basis.

Subject Properties in 217 Corridor

The 217 Corridor submarket represents an established submarket in the southwestern Portland area. The cluster is located near the high-tech area of Hillsboro. A number of tech firms are located in business parks next to Highway 217. The area benefits from being located within a well-established submarket centrally located within Washington County. The area also benefits from being located near major thoroughfares and public transportation with good accessibility from surrounding markets.

The subject properties are located around the protected wildlife habitat of Greenway Park in Beaverton, off Highway 217, which offers convenient access to Lake Oswego, Downtown Portland and Hillsboro. It is also located within a five-minute drive to the Westside Express Service Commuter Rail Station and a ten-minute drive to Washington Square, Portland's largest regional mall.



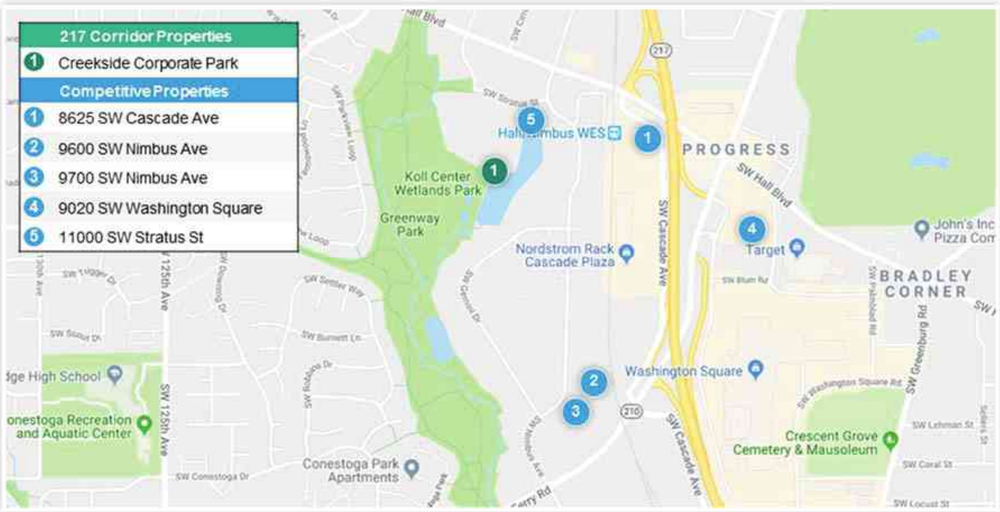
Amenities

- Within walking distance of the subject properties, there is a 24-Hour Fitness, Marriott hotel and restaurants. Within a short driving distance along SW Hall Boulevard are other restaurants. Also, one of the region's malls (Washington Square Mall) is located just east of the subject properties.
- Portland State University is located approximately 10 miles northeast of the subject area. The University of Portland is located approximately 16 miles north of the subject area. The Oregon Health & Science University is located approximately 12 miles northeast of the subject area.
- The nearest major hospital is the Providence Medical Center, which is located approximately three miles north of the subject area.
- There is abundant public transit service in the immediate area via bus transportation. The area is also served by the WES Commuter Rail system. A WES rail station is located at the northeastern portion of the subject's area along SW Hall Boulevard.
- The Portland International Airport is located approximately 18 miles northeast of the 217 Corridor submarket. The Portland-Hillsboro Airport, which is used primarily for small aircraft, is located approximately ten miles northwest.

Competition

In order to gain a better understanding of the market conditions specific to the subject properties, we conducted a survey of those buildings that would be considered most competitive to the subject. We have identified office buildings with the following characteristics as being directly competitive with the subject properties.

The competitive set was selected based on their relative similarities to the subject properties with respect to location, age/quality/condition, and amenities.



The following chart includes the competitive properties to the subject in this cluster:

Competitive Properties - Beaverton/Sylvan (217 Corridor)							
Map No.	**Name**	**Street**	**City**	**St**	**Rent**	**Occ.**	**RBA**
1	Cascade Square	8625 SW Cascade Ave	Beaverton	OR	$24.00	92.2%	93,410
2	9600 SW Nimbus Ave	9600 SW Nimbus Ave	Beaverton	OR	$18.00	100.0%	48,768
3	9700 SW Nimbus Ave	9700 SW Nimbus Ave	Beaverton	OR	$18.00	75.4%	44,074
4	Embassy Center	9020 SW Washington Square	Tigard	OR	$25.50	82.4%	86,706
5	Creekside Four	11000 SW Stratus St	Beaverton	OR	$28.00	0.0%	61,346

NOTE: Rent and occupancy data are as of September 2019.

It is noted that Creekside Four has been vacant for remodeling purposes, affecting the current occupancy. To the best of our knowledge there are no notable future office developments currently planned in the Beaverton/Sylvan (217 Corridor submarket).

Beaverton/Sylvan (217 Corridor) Summary – Strength, Weaknesses, Opportunities, and Threats (SWOT)

The following table summarizes strengths, weaknesses, opportunities, and threats associated with the Beaverton/Sylvan (217 Corridor) submarket.

Summary of Strength, Weaknesses, Opportunities, & Threats (SWOT Analysis)
Beaverton/Sylvan (217 Corridor)
Strengths ▪ The area is located near the high-tech area of Hillsboro. The submarket is home to three of the largest business parks in the Portland Metropolitan area, which include Nimbus Corporate Center, Creekside Corporate Center and Parkside Business Center, with a number of tech firms located in these business parks. ▪ The area's proximity to the protected wildlife habitat of Greenway Park in Beaverton, off Highway 217, offers convenient access to Lake Oswego, Downtown Portland and Hillsboro. ▪ The area has become desirable in recent years as a lower cost alternative to the primary tech hubs of California.
Weaknesses ▪ The submarket generally lacks the peripheral draws and nodes of interest present in Portland's urban areas.
Opportunities ▪ The overall desirability of the submarket would likely be increased if additional high-profile credit tenants were to relocate to the area.
Threats ▪ The 1.3 million-square foot addition to the Nike campus will likely have a negative impact on local office vacancy rates in coming periods. While there will not be any for-lease space, Nike is expected to consolidate within the campus and potentially vacate some of their leased spaces. However, details regarding potential spaces to be vacated are not yet available.

Portfolio Outlook

San Diego, Raleigh, and Portland represent three of the most desirable technology-centric markets in the U.S.. As costs increase for both employers and employees in the U.S.'s largest markets (including New York-Midtown, San Francisco, Boston, and San Jose / Silicon Valley), the Portfolio markets are expected to continue to grow desirably as lower cost alternatives that still provide both a high-quality of life and many peripheral draws. The competition for highly-skilled workers is expected to intensify in coming years, which will likely further promote relocation to the Portfolio submarkets (proximate to UCSD in San Diego, Duke/UNC/NC State in Raleigh, and University of Oregon (Portland campus)/University of Portland/Portland State University in Portland). These factors, combined with constraints on new development in San Diego and Portland due to land availability, will likely fuel strong performance over the long run.

The Portfolio already contains a significant credit component and a diverse tenant mix in information technology and other innovation sectors such as medical technology and devices ("MedTech"), biotechnology, pharmaceuticals, financial technology ("FinTech"), online financial services, wireless communications, and athletic apparel. High-profile tenants in the Portfolio such as CareFusion Manufacturing, TD Ameritrade, Teleflex Medical, Nike, and Northrup Grumman contribute to the overall desirability of the submarkets and will likely help attract new users.

Looking forward, vacancy rates within the Portfolio markets and submarkets are generally expected to remain stable or decrease while asking rental rates are projected to increase in coming years. Vacancy fluctuations typically occur when new inventory is delivered, but the locations and peripheral draws of the Portfolio properties will likely continue to promote desirability. There will be opportunities to upgrade the overall investment appeal of the Portfolio when leases expire, if new tenants with superior credit-worthiness can be secured to replace lower-quality ones. While significant new inventory is not expected in the near term in most of the Portfolio submarkets, eventual new office development will likely promote increased desirability within the submarkets and in turn mitigate any impact on the Portfolio's capture rate.

Respectfully submitted,

CUSHMAN & WAKEFIELD WESTERN, INC.

Alexander K. Nunn, MAI
Senior Director
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Addenda Contents

Addendum A:
Assumptions and Limiting Conditions

Assumptions and Limiting Conditions

"Report" means the consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"Cushman & Wakefield" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of Cushman & Wakefield who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Cushman & Wakefield shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of Cushman & Wakefield any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of Cushman & Wakefield is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without Cushman & Wakefield's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by Cushman & Wakefield in writing to use or rely thereon, hereby agrees to indemnify and hold Cushman & Wakefield, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Report.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. Cushman & Wakefield assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. Cushman & Wakefield recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.

- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and Cushman & Wakefield make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.
- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. Cushman & Wakefield recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of Cushman & Wakefield, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- Subject to applicable laws and regulations (including the Singapore Securities and Futures Act, Chapter 289 of Singapore) its sole and exclusive remedy for any and all losses or damages relating to this agreement or the report shall be limited to two million dollars ($2.0 million). In the event that the Client, or any other party entitled to do so, makes a claim against Cushman & Wakefield or any of its affiliates or any of their respective officers or employees in connection with or in any way relating to this engagement or the report, the maximum damages recoverable from Cushman & Wakefield or any of its affiliates or their respective officers or employees shall be subject to applicable laws and regulations (including the Singapore Securities and Futures Act, Chapter 289 of Singapore) limited to two million dollars ($2.0 million) and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and Cushman & Wakefield, its employees and the Appraiser have no liability to such recipients. Cushman & Wakefield disclaims any and all liability to any party other than the party that retained Cushman & Wakefield to prepare the Report.
- Unless otherwise noted, we were not given a soil report to review. However, we assume that the soil’s load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
- Unless otherwise noted, we were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site’s use. However, we recommend a title search to determine whether any adverse conditions exist.
- Unless otherwise noted, we were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.
- Unless otherwise noted, we observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.
- Unless otherwise noted, we did not inspect the roof nor did we make a detailed inspection of the mechanical systems. The appraisers are not qualified to render an opinion regarding the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

Addendum B:
Terms & Definitions

Terms and Definitions

Asking rental rate (annual or monthly, gross or triple net, depending upon space use type) – The annual or monthly cost psf offered by the landlord or sub-landlord for leasing space, weighted by the amount of available space. Reported quarterly, gross, for all classes or subtypes.

Availability rate* - percent available on market regardless whether vacant or AIF (Available in the Future) - indicate timeframe available, i.e. 6 months.

Available space- Space that is considered “on the market” whether vacant or not. See “Availability Rate”.

Build to Suit: a method of leasing property whereby the landlord builds to suit the tenant (according to tenant’s specifications). The cost of construction is figured in to the rental amount of the lease, which is usually for a long term.

CAGR- Compound Annual Growth Rate – annualized growth over multiple time periods.

Cap Rate- A rate used to convert income to value. The percentage used to determine the value of income property through capitalization. The rate reflects the relationship between one years’ income or an annual average of several years’ income and the corresponding capital value over the same timeframe.

The calculation for calculating direct capitalization rates is:

$$\frac{\text{Income}}{\text{Rate}} = \text{Value} \quad \text{or} \quad \frac{\text{Income}}{\text{Value}} = \text{Rate}$$

A low direct capitalization rate usually denotes a lower risk property, and the higher the direct capitalization rate usually denotes a higher risk property, which usually brings a higher rate of return, if managed properly. Higher capitalization rates can also lead to lower rates of return in certain circumstances. Typically, a lower quality building has a higher capitalization rate than a Class A building.

CBD- Central Business District – typically a geographical area which includes the downtown office core of a metropolitan area or division.

CBSA – A core-based statistical area is a U.S. geographic area that consists of one or more counties anchored by an urban center of at least 10,000 people plus adjacent counties that are socioeconomically tied to the urban center by commuting.

Construction completions- Commercial properties that have received certificates of occupancy for the first time in the building’s history. Tenancy may not have taken place.

Digital GDP - BEA's initial estimates include only goods and services that are "primarily digital." These include Support services, Telecommunications, Software, E-Commerce & Digital Media and Hardware.

Direct absorption- The net change in direct occupied space over a given period of time (excludes sublease space by definition) and is counted upon date of lease signing. However, for leases over a certain relevant size threshold for the market, direct absorption may be counted upon occupancy date and is calculated on a calendar year for each quarter and is not revised after the current year if it was determined to be correct at the time.

Direct asking rent- rents quoted through the building landlord

Direct vacancy rate- The calculation used to determine the percent of direct space that is vacant:

Direct Vacancy (%) = Direct vacant space divided by Inventory

Direct vacant space- Space that is offered directly through the landlord that is free and clear of any current lease obligations. In order for inclusion in statistics, this space must be vacant or will be vacant by the end of the current reporting quarter. If the space does not meet that criteria, the space may be available, but should be out of statistics. Examples of such space include the leasing office, conference areas, or retail space that is available within the building such as sundry shops or dry cleaners.

Effective Rent - The rental rate net of financial concessions such as periods of no rent during the lease term and above- or below-market tenant improvements (TIs).

Existing Office inventory- In general, includes existing competitive buildings but does not include 85% or greater owner-occupied, government, retail, industrial, medical or, educational buildings. Inventory base square footage includes all competitive buildings that are classified as office. In the case of medical, note that medical tenants in an office building do not preclude the building's inclusion in statistics. The rule is that a medical building is built for the purpose of housing solely medical occupants and is often in an area dominated by medical uses such as hospitals or clinics. On average, the national minimum standard for inclusion in statistics is 20,000 sq ft and while this may vary slightly by market, each market is required to incorporate a minimum threshold.

Full-service gross lease - a form of lease agreement whereby the tenant pays base rent and all increases in real estate taxes, building insurance and property expenses above a base year (the first year's base rent typically includes these costs).

GDP- A monetary measure of the market value of all the final goods and services produced in a period of time, often annually.

Leasing activity- The sum of all square footage underlying any leases over a period of time. This includes pre- leasing activity as well as expansions. It does not include renewals. Like absorption, leasing activity is calculated on a calendar year for each quarter and is not revised after the current year if it was determined to be correct at the time.

Lease renewal- Occurs when a lease on space expires and the tenant decides to stay in that space and extend the term either by using a new lease document or addendum to the tenant's prior lease agreement. It is C&W's policy to exclude renewals from leasing activity and from net absorption. If a tenant remains in the building but moves to another space within the building, this is leasing activity. If the tenant chooses to remain in the space, but takes additional space (expands), the expansion portion is considered leasing activity and should be counted separately from the total renewal (which should include the original space plus the expansion).

Metropolitan Innovation Cluster- An office and commercial property center of scale, located in a major U.S. metropolitan area either within or outside a central business district, typically characterized by an interconnected cluster of innovative industries and companies, and academic, research, governmental and municipal institutions sharing knowledge, infrastructure and amenities.

Non-CBD/Suburbs- Everything in a market that is outside the CBD. Should always be referred to as suburban or suburbs.

Overall absorption- The net change in direct + sublease (overall) occupied space over a given period of time and is counted upon date of lease signing.However, for leases over a certain relevant size threshold for the market, direct absorption may be counted upon occupancy date and is calculated on a calendar year for each quarter and is not revised after the current year if it was determined to be correct at the time.

Overall vacant space- The sum of direct available space and space available for sublease and new space.

Overall vacancy rate- The calculation used to determine the percent of overall space (direct + sublease + new) that is vacant:

Vacancy (%) = Overall vacant space divided by Inventory

Pre-Leasing activity- The sum of all square footage underlying leases over a period of time for buildings that are under construction, under renovation or that have been proposed.

Proposed construction- Industrial and office square footage that is planned for development at a future date and will not begin construction by the last day of the current reporting quarter. In order for a building to qualify as being proposed, a site plan must be in place and the building must be actively marketed by the landlord or landlord's agent.

Renovation completions- Commercial properties that have received their certificates of occupancy after undergoing renovation, rehabilitation or conversion.

Speculative- a building constructed for lease or sale but without having a tenant or buyer before construction begins

STEM- a term used to group together the academic disciplines of Science, Technology, Engineering and Math.

Sublease vacant space- The same statistical rules apply to sublease space as to direct space. The difference is that sublease space is encumbered by a lease obligation. Sublease space may be offered through the tenant with the lease obligation, through the tenant's broker, or even through the landlord. It should be noted that even though space may be offered as a sublease, the space may actually be re-leased as direct space because the landlord decides to forgive the current lease obligation and draw up a new lease instead. For this reason, when sublease space is marked as "leased," one should find out if the space was actually leased as a sublease.

Sublet asking rent- rents quoted through the master tenant

Sublet vacancy rate- The calculation used to determine the percent of sublease space that is vacant:

Sublease Vacancy (%) = Sublease vacant space divided by Inventory

Tech 25 Cities – Cushman & Wakefield has identified the top 25 tech-centric cities in North America based on employment, occupations, venture capital investment and demographics. The "Tech 25" fall into three major categories:

- Those cities where Tech is a critical component of the local economy and CRE market; a total of 10 cities are in this category.
- Cities where Tech is a key driver of the local economy and CRE market; eight cities are in this cluster.
- Cities where Tech is important to the local economy and CRE market, other important sectors are as well; seven cities are in this category.

Triple-net lease – a form of lease agreement on a property where the tenant or lessee agrees to pay, in addition to its base rent and utility expenses, its pro-rata share (based on square footage) of all operating expenses, real estate taxes and common area maintenance relating to the property.

Sales activity- Includes both user and investment sales of existing buildings. In other words, user office buildings that are not in our statistics in the first place, are not tracked. However, leased buildings that become sold to a single occupant remain in statistics until after the end of the year and are taken out at the beginning of the next year. Investment sales are sales to entities that will lease or sell the building to others and are income-producing assets. Contrary to office building user sales, industrial building user sales are considered part of the inventory.

Sublet absorption- The net change in sublease occupied space over a given period of time and is counted upon date of lease signing. However, for leases over a certain relevant size threshold for the market, direct absorption may be counted upon occupancy date and is calculated on a calendar year for each quarter and is not revised after the current year if it was determined to be correct at the time.

Under construction- Industrial and office square footage that are being built and have not received certificates of occupancy (C of O). Projects which are beyond site preparation (concrete slab poured and construction is actively progressing). For C&W statistical purposes, these buildings will not be completed by the last day of the reporting quarter.

Under renovation- Office and industrial buildings that are undergoing renovation, rehabilitation or conversion and require a certificate of occupancy to be habitable.

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INDEPENDENT FINANCIAL ADVISER'S LETTER

SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

1 November 2019

The Independent Directors and Audit and Risk Committee of
Ascendas Funds Management (S) Limited
(in its capacity as the manager of Ascendas Real Estate Investment Trust)
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as the trustee of Ascendas Real Estate Investment Trust)
21 Collyer Quay
#13-02 HSBC Building
Singapore 049320

Dear Sirs/Madams,

THE PROPOSED ACQUISITIONS OF A PORTFOLIO OF UNITED STATES PROPERTIES AND TWO SINGAPORE PROPERTIES AS INTERESTED PERSON TRANSACTIONS

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular to Unitholders of Ascendas Real Estate Investment Trust ("**Ascendas Reit**") dated 1 November 2019 (the "**Circular**") shall have the same meanings herein.*

1. INTRODUCTION

Ascendas Reit is Singapore's first and largest business space and industrial real estate investment trust listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Ascendas Reit has a diversified portfolio of 170 properties located in Singapore, Australia and the United Kingdom as at 30 September 2019. These properties host a customer base from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room support office in service industries. Ascendas Reit is managed by Ascendas Funds Management (S) Limited (the "**Manager**"), an indirect wholly-owned subsidiary of CapitaLand Limited ("**CapitaLand**").

1.1 The Proposed Acquisitions

On 1 November 2019, HSBC Institutional Trust Services (Singapore) Limited (the "**Trustee**") entered into a conditional share purchase agreement with Perpetual (Asia) Limited (as trustee of Ascendas US REIT LLC ("**Parent US REIT**")) to acquire a portfolio of 28 business park properties located in the United States of America ("**US**" or "**United States**") (the "**US Properties**"), through the acquisition of the entire issued share capital, comprising one ordinary share, of Ascendas US Holdco Pte. Ltd. ("**Ascendas US Holdco**") (the "**US Acquisition**"). The US Properties are held by Ascendas US Holdco through its wholly-owned subsidiary in the United States, Parent US REIT, which in turn wholly-owns each of the property-holding entities in the US, namely, San Diego 1 LLC, San Diego 2 LLC, Raleigh 1 LP, Portland 1 LLC and Portland 2 LLC.

On 1 November 2019, the Trustee also entered into (i) a conditional put and call option agreement with Ascendas Venture Pte. Ltd. ("**AVPL**") in relation to the sale and purchase of the property known as Nucleos located at 21 Biopolis Road Singapore 138567 together with the plant and equipment therein ("**Nucleos**"); and (ii) a conditional put and call option agreement with Singapore Science Park Ltd in relation to the sale and purchase of the property known as FM Global Centre located at 288 Pasir Panjang Road Singapore 117369 together with the plant and equipment therein ("**FM Global Centre**", together with Nucleos, the "**Singapore Properties**"). The acquisition of the Singapore Properties (the "**Singapore Acquisitions**"), shall together with the US Acquisition, be collectively referred to as the "**Proposed Acquisitions**".

The sponsor of Ascendas Reit, CapitaLand Singapore (BP&C) Pte Ltd (formerly known as "Ascendas Land (Singapore) Pte Ltd") (the "**Sponsor**"), is a wholly-owned subsidiary of CapitaLand. The Sponsor, AVPL and Singapore Science Park Ltd, are all members of the CapitaLand group of companies and Parent US REIT is a private trust that is also indirectly wholly-owned by CapitaLand.

1.2 Interested Person Transaction and Interested Party Transaction

As at the Latest Practicable Date, CapitaLand holds through its wholly-owned subsidiaries, the Sponsor and Ascendas Investment Pte. Ltd., an aggregate interest in 591,374,889 Units, which is equivalent to approximately 19% of the total number of Units in issue. CapitaLand is therefore regarded as a "controlling unitholder" of Ascendas Reit under both the listing manual of the SGX-ST (the "**Listing Manual**") and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**"). In addition, as the Manager is an indirectly wholly-owned subsidiary of CapitaLand, CapitaLand is regarded as a "controlling shareholder" of the Manager under the Listing Manual and the Property Funds Appendix.

Perpetual (Asia) Limited, AVPL and Singapore Science Park Ltd (collectively, the "**Vendors**") are indirectly wholly-owned by CapitaLand, which is regarded as a "controlling unitholder" of Ascendas Reit, and a "controlling shareholder" of the Manager for purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix respectively. Accordingly, the Vendors are (for the purposes of the Listing Manual) interested persons and (for the purposes of the Property Funds Appendix) interested parties of Ascendas Reit.

Pursuant to Chapter 9 of the Listing Manual, where Ascendas Reit proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of Ascendas Reit's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction. Based on Ascendas Reit's FY2018/19 Audited Financial Statements, the audited NTA of Ascendas Reit was S$6,946.0 million as at 31 March 2019. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by Ascendas Reit with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$347.3 million, such a transaction would be subject to Unitholders' approval. Given that the Total Consideration of S$1,665.3 million is approximately 24.0% of the audited NTA of Ascendas Reit as at 31 March 2019, the value of the Proposed Acquisitions exceeds the said threshold and hence the Proposed Acquisitions is subject to the approval of the Unitholders pursuant to Rule 906(1)(a) of the Listing Manual.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by Ascendas Reit whose value (either in itself or when aggregated with the value of other transactions with the same interested party during the current financial year) is equal to or exceeds 5.0% of Ascendas Reit's latest audited net asset value ("**NAV**"). Based on Ascendas Reit's FY2018/19 Audited Financial Statements, the audited NAV of Ascendas Reit was S$6,946.0 million as at 31 March 2019. Accordingly, if the value of a transaction which is proposed to be entered into by Ascendas Reit with an interested party is, either in itself or in aggregation with all other earlier transactions entered into with the same interested party during the current financial year, equal to or greater than S$347.3 million, such a transaction would be subject to Unitholders' approval. Given that the Total Consideration of S$1,665.3 million is approximately 24.0% of the audited NAV of Ascendas Reit as at 31 March 2019, the value of the Proposed Acquisitions exceeds the said threshold.

Therefore, the Proposed Acquisitions will constitute "interested person transactions" under Chapter 9 of the Listing Manual as well as "interested party transactions" under the Property Funds Appendix, in respect of which the approval of Unitholders is required. We understand that the Manager is convening an extraordinary general meeting of Ascendas Reit to seek approval from the Unitholders for the Proposed Acquisitions.

This letter, which sets out our evaluation has been prepared for the use of the Independent Directors, the Audit and Risk Committee (the "**ARC**") and the Trustee in connection with their consideration of the Proposed Acquisitions and the Independent Directors and the ARC's recommendation to the Unitholders arising therefrom.

2. TERMS OF REFERENCE

We, SAC Capital Private Limited ("**SAC Capital**"), have been appointed as the independent financial adviser ("**IFA**"), as required under Listing Rule 921(4)(a) to provide an opinion as to whether the Proposed Acquisitions are on normal commercial terms and not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Our opinion is prepared pursuant to Listing Rule 921(4)(a) as well as for the use and benefit of the Independent Directors, the ARC and the Trustee in their deliberations on the Proposed Acquisitions, before arriving at a decision on the merits and demerits thereof, and where relevant, in making any recommendations to the independent Unitholders. We are not and were not involved in any aspect of the negotiations entered into by the Manager as well as the Trustee in connection with the Proposed Acquisitions or in the deliberations leading up to the decision of the Directors to undertake the Proposed Acquisitions. Accordingly, we do not, by this letter, warrant the merits of the Proposed Acquisitions, other than to express an opinion on whether, from a financial point of view, the Proposed Acquisitions are on normal commercial terms and are not prejudicial to Ascendas Reit and its minority Unitholders.

We have not conducted a comprehensive review of the business, operations or financial conditions of Ascendas Reit and Ascendas US HoldCo and its subsidiaries. Our evaluation is confined to the financial terms of the Proposed Acquisitions and we have not evaluated the strategic, legal or commercial merits or risks of the Proposed Acquisitions or the future growth prospects or earnings potential of Ascendas Reit after the completion of the Proposed Acquisitions. Accordingly, we do not express any view as to the prices at which the Units may trade upon completion of the Proposed Acquisitions or on the future growth prospects, financial position and earnings potential of the Ascendas Reit.

In the course of our evaluation, we have held discussions with the Directors and the management of the Manager (the "**Management**") and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management. The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed, after making all reasonable enquiries that, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts in relation to the Proposed Acquisitions and Ascendas Reit, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

We have not made any independent evaluation or appraisal of the assets and liabilities (including, without limitation, the real properties) of Ascendas Reit or the Proposed Acquisitions. However, we have been furnished with: (a) the valuation reports for the Singapore Properties (the "**Singapore Valuation Reports**") prepared by the Singapore independent property valuers, namely, CBRE Pte Ltd ("**CBRE**") and Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("**Colliers**", and together with CBRE, the "**Singapore Independent Valuers**"); and (b) the valuation reports for the US Properties (the "**US Valuation Reports**") prepared by the US independent property valuers, namely, JLL Valuation & Advisory Services, LLC ("**JLL**") and Newmark Knight Frank Valuation & Advisory, LLC ("**NKF**", and together with JLL, the "**US Independent Valuers**"). We are not experts and do not regard ourselves to be experts in the valuation of properties. Accordingly, we have taken into consideration the Singapore Valuation Reports and the US Valuation Reports, and have not made any independent verification of the contents thereof. The respective summary valuation certificates prepared by the Singapore Independent Valuers and the US Independent Valuers are set out in Appendix B of the Circular.

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position and earnings potential of Ascendas Reit. We have not been provided with, nor do we have access to, any business plan or financial projections of the future performance of Ascendas Reit and we did not conduct any discussions with the Directors and the Management on any such business plan or financial projections of Ascendas Reit.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry, monetary and other applicable conditions prevailing on, and the information made available to us as of the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In arriving at our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any individual Unitholder or any specific group of Unitholders. As each Unitholder would have different investment objectives and profiles, we would advise the Independent Directors and the ARC to recommend that any individual Unitholder or group of Unitholders who may require specific advice in relation to his or their Units should consult his or their stockbroker, bank manager, solicitor, accountant or other professional advisers.

Our opinion and advice in relation to the Proposed Acquisitions should be considered in the context of the entirety of this letter and the Circular.

The Manager as well as the Trustee has been separately advised by its own advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

3. DETAILS OF THE PROPOSED ACQUISITIONS

3.1 Description of the Properties

3.1.1 Description of the US Properties

The US Properties are located in six business park campuses across three cities in the US:

- San Diego, California:

  The San Diego portfolio consists of eight properties totalling 97,700 sq m in three business park campuses, namely the Campus at Sorrento Gateway and the CareFusion Campus, both in Sorrento Valley, and the Innovation Corporate Center in Rancho Bernardo, which provide a campus environment and a strategic hub to several corporate users spanning multiple industries.

  Sorrento Valley is a technology and telecommunications hub with a large concentration of companies engaged in telecommunications, software, financial, healthcare, electronics and professional services. Both campuses in Sorrento Valley are located near Interstate 805 highway and are within a 10-minute drive to the University City area, which is one of the region's most significant economic centres and where University of California San Diego is located.

  Rancho Bernardo is home to the regional headquarters of technology companies such as Broadcom, Hewlett-Packard and Sony. The Innovation Corporate Center is located near the Carmel Mountain Ranch Town Center. It is also located near Interstate 15, providing easy access to the University City area and Downtown San Diego.

- Raleigh, North Carolina:

  The Raleigh portfolio is located in a business park campus known as Perimeter Park, and consists of five properties with 107,117 sq m of office space located in a master-planned, campus like environment. It is located at the heart of the Research Triangle, a region in North Carolina anchored by the three major research universities: Duke University, University of North Carolina at Chapel Hill and North Carolina State University, and comprising the cities of Raleigh and Durham and the town of Chapel Hill.

  Nearly equidistant from Downtown Raleigh, Durham and Chapel Hill, Perimeter Park is in close proximity to the Research Triangle Park, the largest research park in the US and located within the Research Triangle, which was founded more than five decades ago and is currently also home to the regional headquarters of IBM, GlaxoSmithKline, Cisco Systems and Lenovo.

Perimeter Park is conveniently located at the intersection of Interstate 40 and Interstate 540 highways, providing both north-south and east-west connectivity and it is within a five-minute drive to the Raleigh-Durham International Airport.

- Portland, Oregon:

  The Portland portfolio comprises 15 properties across two business park campuses, being Cornell Oaks Corporate Center and Creekside Corporate Park, with 105,285 sq m of quality office space in one of the fastest growing technology-centric metropolitan areas in the nation.

  The Cornell Oaks Corporate Center is located along Highway 26 and is the closest business park campus to Downtown Portland, within the Sunset Corridor. The Sunset Corridor enjoys a large concentration of high technology companies such as Intel, Tektronix, InFocus and Pixelworks and is the location of Portland's "Silicon Forest". The business park campus is located near Nike's and Columbia Sportswear Company's global headquarters and the Tualatin Hills Parks & Recreation Center.

  The Creekside Corporate Park is located around the protected wildlife habitat of Greenway Park in Beaverton, off Highway 217, which offers convenient access to Lake Oswego, Downtown Portland and Hillsboro. It is also located within a five-minute drive to the Westside Express Service Commuter Rail Station and a 10-minute drive to Washington Square, Portland's largest regional mall.

  Located approximately 15 minutes from Downtown Portland, the business park campuses boast corporate campus environments and the tenants include renowned corporate users in the athletic apparel, financial technology, biotechnology and medical sectors.

  Major universities located in Portland include University of Oregon (Portland campus), University of Portland and Portland State University. Portland is also home to Pensole Footwear Design Academy, the world's first sneaker design school, and the Sports Product Management Masters programme of University of Oregon (Portland campus), which provide a strong pipeline of creative, design and management talents for the sportswear industry.

Please refer to Appendix A of the Circular for further details on the US Properties.

3.1.2 Description of the Singapore Properties

The properties located in Singapore comprise Nucleos and FM Global Centre.

- Nucleos, 21 Biopolis Road

  Nucleos is a five-year old business park property located at Biopolis, one-north, on the south eastern junction of Biopolis Road and Biomedical Grove. one-north, a 200-hectare development located in the south western side of Singapore, is designed to host a cluster of world class research facilities and business parks to support the growth of Biomedical Sciences, Infocomm Technology (ICT), Media, Physical Sciences and Engineering Industries. The surrounding area comprises predominantly of state-of-the-art business park buildings, business serviced apartments and educational institutions. The property is 10 minutes walking distance to one-north MRT station and Buona Vista MRT station, and is a few minutes' drive to Ayer Rajah Expressway, all of which facilitates access from the property to other parts of Singapore.

The property is a seven-storey twin-tower biomedical research facility, featuring over 32,600 sq m of research space and 5,000 sq m of ancillary office space. The property was completed in 2014 and has an occupancy rate of 92.9% as at 30 September 2019. Anchor tenants of the property include established bioscience companies such as DuPont, Takeda and Ingredion.

- FM Global Centre, 288 Pasir Panjang Road

  FM Global Centre is strategically located along Pasir Panjang Road, at the gateway of Singapore Science Park 2, and enjoys excellent road frontage. Singapore Science Park is situated along Singapore's technology corridor and is amongst Asia's most prestigious address for research and development ("**R&D**") and technology development. Unique for its lushly landscaped grounds and unrivalled for its high-quality facilities and services, it provides the ideal working environment for MNCs, local companies and research organisations. Prominent developments within the vicinity include National University of Singapore, the National University Hospital, Institute of Southeast Asian Studies and various public research institutions.

  The business park property is within three minutes walking distance to Haw Par Villa MRT station, which serves the Circle line. Accessibility to other parts of Singapore is also facilitated by its close proximity off West Coast Highway and a few minutes' drive to Ayer Rajah Expressway.

  The property was completed in November 2018 and comprises a six-storey built-to-suit business park development with a gross floor area of 11,613 sq m. The property is fully leased to FM Global, a Fortune 1000 mutual insurance company, with a remaining lease term of more than 25 years.

Please refer to Appendix A of the Circular for further details on the Singapore Properties.

3.2 Structure of the Proposed Acquisitions

Further details of the structure of the Proposed Acquisitions are set out in section 2.3 of the Circular. We recommend that the Independent Directors advise the Unitholders to read this information carefully.

3.3 Total Cost of the Proposed Acquisitions

The total cost of the Proposed Acquisitions (excluding the costs of the Rights Issue) to Ascendas Reit (the "**Total Acquisition Cost**") is estimated to be approximately S$1,705.7 million, comprising:

(i) the Total Consideration of approximately S$1,665.3 million;

(ii) the Acquisition Fee payable in Units to the Manager for the Proposed Acquisitions of approximately S$16.6 million (representing an Acquisition Fee at the rate of 1% of the sum of the SG Total Consideration and the US Agreed Portfolio Value)[1]; and

(iii) the estimated stamp duty, professional and other fees and expenses of approximately S$23.8 million incurred or to be incurred by Ascendas Reit in connection with the Proposed Acquisitions and the drawdown of Loan Facilities to finance the Proposed Acquisitions.

1 As the Proposed Acquisitions will each constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee will be in the form of Units, which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

3.4 Method of Financing the Proposed Acquisitions

The Manager intends to finance the Total Acquisition Cost of S$1,705.7 million through:

(i) the net proceeds of approximately S$1,294.8 million from the Rights Issue after deducting the Rights Issue related cost of approximately S$15.0 million;

(ii) the drawdown of Loan Facilities; and

(iii) the issuance of Acquisition Fee Units.

The equity fund raising will be by way of the Rights Issue, details of which are set out in the EFR Announcement.

To demonstrate its support for Ascendas Reit and the Rights Issue, each of the Sponsor and the Manager (in its own capacity), which collectively owns an aggregate interest of approximately 19% of the total number of Units in issue through its subsidiaries as at the Latest Practicable Date, have respectively provided irrevocable undertakings to the Manager and the Joint Lead Managers and Underwriters on 1 November 2019 (the "**Irrevocable Undertakings**") that, among other things, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), they will accept, subscribe and pay for in full their total provisional allotment of new Units, or procure that their subsidiaries or, as the case may be, the nominee(s) or custodian(s) of the Sponsor or Manager or such subsidiaries (such subsidiaries and the nominee(s) or custodian(s) are referred to as the "**Relevant Entities**") accept, subscribe and pay in full for their total provisional allotment of the new Units.

The final decision regarding the proportion of the debt and equity to be employed to fund the Proposed Acquisitions will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall Distribution per Unit ("**DPU**") and NAV accretion to Unitholders while maintaining an optimum level of Aggregate Leverage.

4. EVALUATION OF THE PROPOSED ACQUISITIONS

In the course of our evaluation of the Proposed Acquisitions, we have given due consideration to, *inter alia*, the following factors:

(i) the rationale for and key benefits of the Proposed Acquisitions;

(ii) assessment of the Singapore Properties;

- (a) valuations of the Singapore Properties prepared by the Singapore Independent Valuers;
- (b) comparison of the Singapore Properties with similar properties held by Real Estate Investment Trusts ("**REITs**") listed on the SGX-ST;
- (c) comparison of the Singapore Properties with comparable business park transactions;
- (d) comparison of capitalisation rates, discount rates and terminal yields against Ascendas Reit's current portfolio of business parks and science parks; and
- (e) comparison with certain published valuation amounts of the Singapore Properties;

(iii) assessment of the US Properties;

(a) valuations of the US Properties prepared by the US Independent Valuers;

(b) comparison of the US Properties with comparable US property transactions; and

(c) comparison with certain published valuation amounts of the US Properties;

(iv) the pro forma financial effects of the Proposed Acquisitions; and

(v) other relevant factors such as;

(a) the improvements in portfolio WALE and occupancy rate;

(b) the diversification of tenant base; and

(c) the financing of the Proposed Acquisitions.

The factors above are discussed in more details in the following sections.

4.1 Rationale for and key benefits of the Proposed Acquisitions

The Manager's rationale for and key benefits of the Proposed Acquisitions are set out in section 3 of the Circular and reproduced in italics below. We recommend that the Independent Directors advise the Unitholders to read this information carefully.

"*The Manager believes that the Proposed Acquisitions will complement and strengthen the quality of Ascendas Reit's existing business park portfolio. Ascendas Reit's investment in the business and science park segment will be boosted by 46% to S$5,407 million and will account for 42% of total asset value on an Enlarged Portfolio basis of S$12.8 billion.*

The US Properties will provide further geographical diversification to Ascendas Reit's portfolio. The proportion of overseas investment (by asset value) is expected to increase from 21% to 28% on an Enlarged Portfolio basis. The US will account for about 10% of total asset value.

The key benefits to the Unitholders are:

US Properties

3.1 Fits strategically with the Manager's mandate of investing in developed markets

The US market has a high sovereign Aaa-credit rating[1] *and has the largest commercial real estate investment market in the world*[2]*. The depth and liquidity of the market provides attractive opportunities for Ascendas Reit to scale up and strengthen its portfolio.*

1 Source: Moody's Credit Opinion (14 June 2019), U.S. sovereign credit profile rating: Aaa Stable. Moody's has not provided its consent to the inclusion of the information extracted from the credit opinion and therefore is not liable for such information. While the Manager has taken reasonable actions to ensure that the information extracted from the credit opinion is reproduced in its proper form and context, and that the information is extracted accurately and fairly from the credit opinion, neither the Manager nor any other party has conducted an independent review of the information contained in the credit opinion nor verified the accuracy of the contents of the relevant information.

2 Source: Independent Market Research Report by Cushman & Wakefield (See Appendix C).

3.2 Attractive market dynamics with robust leasing and absorption activities putting upward pressure on asking rents[1]

According to Cushman & Wakefield, overall net absorption in suburban submarkets such as San Diego, Raleigh and Portland have outperformed central business districts and this trend is expected to continue as businesses relocate to suburban areas in search of lower rental rates, newer business space and proximity to affordable housing for its employees.

The overall average asking rents in San Diego, Raleigh and Portland, where the US Properties are located, rose by between 30% to 42% since 2010 (to 2Q 2019) but are still generally lower than other top technology cities, making them attractive for companies to locate their operations.

Generally, the supply outlook in the US Properties submarkets remains benign and asking rents are expected to continue to rise.

3.3 Strategic locations in the tech-driven cities of San Diego, Raleigh and Portland

The US Properties comprise high-quality business parks properties that are well-located within three Metropolitan Innovation Clusters[2] *in the cities of San Diego, Raleigh and Portland. These three cities are ranked among the top ten US cities by technology sector contribution in 2018, placing fifth, seventh and tenth for Raleigh, Portland and San Diego respectively*[1]*.*

All three cities, where the US Properties are located, have vibrant innovation ecosystems. They each house a critical mass of established, growth and start-up companies as well as research universities and institutions.

In San Diego, the three major research universities in proximity to the US Properties are University of California San Diego, University of San Diego and San Diego State University. San Diego commands the highest percentage of patent growth in the US, with an aggregate growth of 84.4% over the last five years[1]*.*

Raleigh is part of the Research Triangle (Raleigh-Durham-Chapel), which houses three Tier 1 research universities, namely, Duke University, the University of North Carolina at Chapel Hill and North Carolina State University. The Research Triangle is one of the largest life sciences hub in the east coast and provides companies in the area with good access to research talent.

Portland's office market has attracted technology giants such as Amazon, Dell, and Intel. It is also known as the athletic performance shoe capital of the world and is home to the global headquarters of Nike and Columbia Sportswear Company, the North America headquarters and footwear design center of Adidas and the footwear design centers of Under Armour, Mizuno and other top sportswear companies. Portland holds the highest number of patents in the US in certain shoe-related products.

The US Properties also have good access to local and regional linkages via highways and major public transportation networks and are surrounded by a wide

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1 Source: Independent Market Research Report by Cushman & Wakefield (See Appendix C).

2 "**Metropolitan Innovation Clusters**" refer to an office and commercial property center of scale, located in a major US metropolitan area either within or outside a central business district, typically characterised by an interconnected cluster of innovative industries and companies, and academic, research, governmental and municipal institutions sharing knowledge, infrastructure and amenities.

variety of amenities such as retail, hotel and resorts, restaurants, medical facilities etc. providing a rich "live-work-play" environment for employees.

The US Acquisition offers a strategic entry into other technology driven US business parks.

3.4 Increases proportion of freehold land held by Ascendas Reit

The US Properties are sited on freehold land. Following the completion of the Proposed Acquisitions, the proportion of freehold properties (by asset value) will increase from 21.6% to 29% (including the Singapore Acquisitions).

3.5 High occupancy rate, long WALE and annual rent escalations

Occupancy rate of the US Properties stood at 93.7% with a WALE of 4.2 years as at 30 September 2019. Majority of the leases have annual rent escalations of between 2.5% to 4%.

3.6 High-quality tenants from the growing information, medical and financial technology industries provide steady cashflow

The US Properties provide exposure to some of the fastest growing technology markets in the US as more than 65% of the tenants (by monthly rental income) are in the information, medical and financial technology related sectors. Key tenants in these sectors include CareFusion Manufacturing, LLC., Teleflex Medical Incorporated, TD Ameritrade Services Company Inc, Northrop Grumman Systems Corporation, Oracle America, Inc. and Microsoft Corporation.

Other reputable and public organisations include Nike and State of California (Social Services).

These high-quality tenants are expected to provide Ascendas Reit with a steady cashflow.

Singapore Properties

3.7 The Singapore Properties will further strengthen Ascendas Reit's leadership and market share in the Singapore business and science park segment

Upon completion of the Singapore Acquisitions, the total gross floor area of Ascendas Reit's Singapore business and science park portfolio will increase from 813,053 sq m to 870,840 sq m (+7.1%). Total asset value of the segment will also increase from S$3,705 million to S$4,102 million (+10.7%).

3.8 Well-established locations in one-north and Singapore Science Park 2

Nucleos is located within the biomedical R&D hub of Biopolis at one-north (business park) and is approximately 10 minutes walk to one-north MRT Station and Buona Vista MRT Station.

FM Global Centre is located at Singapore Science Park 2, a well-established location for R&D companies. It is approximately three minutes walk to Haw Par Villa MRT Station and a 15-minutes drive to the Central Business District.

3.9 High occupancy rates underpinned by key tenants with long WALE

Nucleos and FM Global Centre are 92.9% and 100% occupied respectively.

Key tenants include FM Global Group (a Fortune 1000 mutual insurance company), DuPont, Takeda and Ingredion, leading companies in their respective fields.

The WALE of the Singapore Properties is 6.9 years, which is longer than the existing Singapore portfolio WALE of 3.6 years as at 30 September 2019.

3.10 Rare opportunity to acquire Singapore Properties with long remaining land lease tenures

Nucleos and FM Global Centre have long remaining land lease tenures of approximately 52 and 73 years respectively. This is a rare opportunity given JTC's current policy of releasing shorter tenure land plots of between 20 to 30 years under the Industrial Government Land Sales (IGLS) Programme. Ascendas Reit's portfolio weighted average land lease to expiry (excluding freehold properties) will improve from 44.1 years to 44.6 years as at 30 September 2019.

In addition, Nucleos and FM Global Centre are five years old and less than a year old respectively.

The Proposed Acquisitions are in line with the Manager's plan to remain Singapore-centric with the overseas assets in developed markets accounting for 30% to 40% of Ascendas Reit's portfolio over time."

4.2 Assessment of the Singapore Properties

4.2.1 Valuations of the Singapore Properties prepared by the Singapore Independent Valuers

The Manager has commissioned Colliers and the Trustee has commissioned CBRE to assess the market value of the Singapore Properties. The appraised market values of the Singapore Properties are as follows:

Singapore Properties	NLA (sq ft)	Appraised Market Value (S$ million)		Purchase Consideration (S$ million)
		Colliers	CBRE	
FM Global Centre	125,001	92.0	94.1	91.0
Nucleos	410,631	300.0	303.0	289.0
Total	**535,632**	**392.0**	**397.1**	**380.0**

Sources: Singapore Valuation Reports and the Circular.

We have reviewed the Singapore Valuation Reports for the Singapore Properties and our key observations to be highlighted in respect of the independent valuations are as follows:

(i) the aggregate purchase consideration for the Singapore Properties of S$380.0 million represents a discount of approximately 3.1% and 4.3% to the aggregate appraised market values of S$392.0 million and S$397.1 million by Colliers and CBRE respectively;

(ii) the basis of valuation in the Singapore Valuation Reports for the Singapore Properties is market value, which is defined as "*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*", the definitions of which are broadly consistent between Colliers and CBRE;

(iii) Colliers and CBRE have both used 1 September 2019 as the relevant date of valuation for the Singapore Properties;

(iv) both Colliers and CBRE used the capitalisation approach and discounted cash flow analysis methods in arriving at the market value of the Singapore Properties. Colliers has applied the sales comparison approach only as a check on their valuations as there have been very few recent sales of business park properties; and

(v) the methods used by Colliers and CBRE for the Singapore Properties are widely accepted methods for the purpose of valuing income-producing properties.

The valuation certificates issued by the Singapore Independent Valuers are set out in Appendix B of the Circular.

4.2.2 Comparison of the Singapore Properties with similar properties held by REITs listed on the SGX-ST

We note that the Singapore Properties are classified as business park properties and have extracted information from selected business park and science park properties held by REITs listed on the SGX-ST, which are considered to be broadly comparable to the Singapore Properties (the "**Selected Comparable Properties**"). We have included science park properties in our analysis as they are classified as "Business Parks" under Urban Redevelopment Authority's Master Plan Zoning.

Property name	Location cluster	Valuation date	Valuation (S$ million)	NLA (sq ft)	Valuation per NLA (S$ psf)	Remaining lease term as at valuation date (years)	Gross yield[1] (%)
Ascendas Reit							
Neuros & Immunos	one-north	31 Mar 2019	139.0	280,238	496	45.9	14.3
Nexus @ one-north	one-north	31 Mar 2019	192.0	222,479	863	52.2	8.2
TÜV SÜD PSB Building	Science Park 1	31 Mar 2019	90.0	229,734	392	61.3	4.7
The Rutherford & Oasis	Science Park 1	31 Mar 2019	100.0	202,523	494	49.0	6.4
Cintech I	Science Park 1	31 Mar 2019	57.5	113,333	507	49.0	8.2
Cintech II	Science Park 1	31 Mar 2019	47.0	85,196	552	49.0	8.3
Cintech III & IV	Science Park 1	31 Mar 2019	133.0	198,691	669	49.0	8.5
12, 14 & 16 Science Park Drive	Science Park 1	31 Mar 2019	450.0	848,960	530	62.2	6.8
The Alpha	Science Park 2	31 Mar 2019	102.0	230,057	443	43.7	7.1
The Aries, Sparkle & Gemini	Science Park 2	31 Mar 2019	204.5	391,860	522	43.7	7.5
The Capricorn	Science Park 2	31 Mar 2019	116.0	221,123	525	43.7	7.5
The Galen	Science Park 2	31 Mar 2019	143.2	234,965	609	60.0	5.7
The Kendall	Science Park 2	31 Mar 2019	136.0	181,587	749	60.0	8.8
Honeywell Building	Changi Business Park	31 Mar 2019	70.8	154,989	457	39.7	8.8
1 Changi Business Park Avenue 1	Changi Business Park	31 Mar 2019	54.6	98,490	554	41.9	10.1
Hansapoint @ CBP	Changi Business Park	31 Mar 2019	119.5	176,711	676	47.6	8.4
AkzoNobel House	Changi Business Park	31 Mar 2019	69.1	162,223	426	41.9	11.0
1, 3 & 5 Changi Business Park Crescent	Changi Business Park	31 Mar 2019	323.7	677,566	478	48.5	8.8
DBS Asia Hub	Changi Business Park	31 Mar 2019	166.9	410,880	406	48.5	7.9
ONE @ Changi City	Changi Business Park	31 Mar 2019	500.1	661,409	756	50.1	6.8
Techquest	International Business Park	31 Mar 2019	23.0	72,366	318	36.2	7.4
iQuest @ IBP	International Business Park	31 Mar 2019	26.6	98,533	270	36.7	4.9
Acer Building	International Business Park	31 Mar 2019	95.3	242,069	394	37.1	7.6

Property name	Location cluster	Valuation date	Valuation (S$ million)	NLA (sq ft)	Valuation per NLA (S$ psf)	Remaining lease term as at valuation date (years)	Gross yield[1] (%)
31 International Business Park	International Business Park	31 Mar 2019	214.9	527,442	407	35.7	6.9
Nordic European Centre	International Business Park	31 Mar 2019	116.5	235,159	495	38.0	7.6
AIMS APAC REIT							
1A International Business Park	International Business Park	31 Mar 2019	84.0	179,725	467	40.2	10.4
ESR-REIT[2]							
16 International Business Park	International Business Park	31 Dec 2018	31.3	69,258	452	37.6	6.4
2/4, 6/8 Changi Business Park Avenue 1 (UE BizHub East)[3]	Changi Business Park	31 Dec 2018	531.0	654,353	811	49.1	N.A.[4]
Mapletree Industrial Trust							
The Signature	Changi Business Park	31 Mar 2019	151.0	343,434	440	49.3	9.4
The Strategy	International Business Park	31 Mar 2019	298.0	565,578	527	49.3	7.0
The Synergy	International Business Park	31 Mar 2019	132.0	282,612	467	49.3	8.7
Mapletree Commercial Trust							
Mapletree Business City I[5]	Pasir Panjang Road	31 Mar 2019	2,018.0	1,707,202	1,182	77.6	6.3
Soilbuild Business Space REIT							
Eightrium @ Changi Business Park	Changi Business Park	31 Dec 2018	89.7	177,285	506	47.2	8.0
Solaris	one-north	31 Dec 2018	382.0	441,533	865	49.5	6.1

Entire Data Set			
High	1,182	77.6	14.3
Mean	550	47.6	7.9[6]
Median	501	48.5	7.6[6]
Low	270	35.7	4.7

one-north Cluster							
High					865	52.2	14.3
Mean					741	49.2	9.5
Median					863	49.5	8.2
Low					496	45.9	6.1
Science Park 1 and 2 Clusters							
High					749	62.2	8.8
Mean					545	51.9	7.2
Median					525	49.0	7.5
Low					392	43.7	4.7
Singapore Properties							
FM Global Centre	**Science Park 2**	**1 Sep 2019**	**91.0**(7)	**125,001**	**728**	**72.6**	**5.9**(8)
Nucleos	**one-north**	**1 Sep 2019**	**289.0**(7)	**410,631**	**704**	**51.8**	**9.5**(8)

Sources: Circular, Singapore Valuation Reports, the Manager's input, and the annual reports of Ascendas Reit, AIMS APAC REIT, ESR-REIT, Mapletree Industrial Trust, Mapletree Commercial Trust and Soilbuild Business Space REIT.

Notes:

(1) The gross yields are computed based on the gross revenue for each property divided by the valuation of the respective property as extracted from the annual reports of Ascendas Reit, AIMS APAC REIT, ESR-REIT, Mapletree Industrial Trust, Mapletree Commercial Trust and Soilbuild Business Space REIT.

(2) Viva Business Park has been excluded from the selection of the Selected Comparable Properties as we understand from the Manager that it may not be comparable to the Singapore Properties due to the short remaining lease term of 12 years as at the relevant valuation date performed by ESR-REIT.

(3) 2/4, 6/8 Changi Business Park Avenue 1 (UE BizHub East) is a mixed-use integrated business park development comprising of a business park component and a hotel component.

(4) ESR-REIT completed its merger with Viva Industrial Trust on 15 October 2018. 2/4, 6/8 Changi Business Park Avenue 1 (UE BizHub East) was added to the portfolio of ESR-REIT with effect from 15 October 2018. Its gross yield covers the post-acquisition period from 15 October 2018 to 31 December 2018 and has been excluded since the relevant period did not cover a full year of financial contribution.

(5) Mapletree Business City I is an integrated office and business park development comprising one 18-storey office tower (MBC 10) and three business park blocks (MBC 20E, MBC 20W and MBC 30).

(6) The acquisition of 2/4, 6/8 Changi Business Park Avenue 1 (UE BizHub East) by ESR-REIT was completed on 15 October 2018. We have excluded the gross yield of this property from the mean and median calculation as the relevant period did not cover a full year of financial contribution.

(7) Based on the purchase consideration.

(8) The gross yields of the Singapore Properties are computed based on the expected gross revenue of the Singapore Properties divided by the purchase consideration.

Based on the above analysis, we note the following:

(i) the valuation per NLA of S$728 psf and S$704 psf for FM Global Centre and Nucleos respectively, are within the range of the Selected Comparable Properties of between S$270 psf and S$1,182 psf, but above the mean and median valuation per NLA of S$550 psf and S$501 psf respectively of the Selected Comparable Properties, classified under "Entire Data Set"; and

(ii) the gross yields of 5.9% and 9.5% for FM Global Centre and Nucleos respectively, are within the range of between 4.7% and 14.3% of the Selected Comparable Properties classified under "Entire Data Set". FM Global Centre's gross yield is below while Nucleos' gross yield is above the mean and median gross yields of 7.9% and 7.6% respectively of the selected Comparable Properties classified under "Entire Data Set".

Nucleos

We understand that Nucleos may be more closely comparable to the Selected Comparable Properties classified under "one-north Cluster" (the "**one-north Cluster**"). Against a comparison with the one-north Cluster, we note the following:

(i) the valuation per NLA of S$704 psf for Nucleos is within the range of between S$496 psf and S$865 psf, and below the mean and median valuation per NLA of the one-north Cluster of S$741 psf and S$863 psf respectively; and

(ii) the gross yield of 9.5% for Nucleos is within the range of between 6.1% and 14.3%, and equal to the mean gross yield of 9.5%, but above the median gross yield of 8.2% of the one-north Cluster.

FM Global Centre

We understand that FM Global Centre may be more closely comparable to the Selected Comparable Properties classified under the "Science Park 1 and 2 Clusters" (the "**Science Park 1 and 2 Clusters**"). Against a comparison with the Science Park 1 and 2 Clusters, we note the following:

(i) the valuation per NLA of S$728 psf for FM Global Centre is within the range of between S$392 psf and S$749 psf, but above the mean and median valuation per NLA of the Science Park 1 and 2 Clusters of S$545 psf and S$525 psf respectively; and

(ii) the gross yield of 5.9% for FM Global Centre is within the range of between 4.7% and 8.8%, but below the mean and median gross yields of the Science Park 1 and 2 Clusters of 7.2% and 7.5% respectively.

Based on our discussions with Colliers, CBRE and the Manager, we understand that this could be potentially attributable to, *inter alia*, the following factors:

(i) FM Global Centre has a longer leasehold term of 99-years compared to traditional business parks with 60-years leasehold terms. The remaining lease term of the Selected Comparable Properties in the Science Park 1 and 2 Clusters range from 43.7 years to 62.2 years with a mean of 51.9 years. We note that FM Global Centre has a remaining lease term of 72.6 years and is above the range;

(ii) FM Global Centre is a recently completed development unlike most of the properties in the Science Park 1 and 2 Clusters. It received its Temporary Occupation Permit and Certificate of Statutory Completion on 2 November 2018 and 30 August 2019 respectively; and

(iii) FM Global Centre is fully leased to FM Global, with a remaining lease term of more than 25 years. We note that FM Global is a Fortune 1000 mutual insurance company. Comparatively, Ascendas Reit's Existing Portfolio has a WALE of 4.0 years as at 30 September 2019.

The Singapore Properties may differ from the Selected Comparable Properties in respect of title, building specifications, NLA, location, accessibility, profile and composition of tenants, occupancy rate, outstanding lease tenure, and other relevant factors. In addition, we note that the valuations of the Selected Comparable Properties were undertaken at different points in time under different market and economic conditions, and the list of Selected Comparable Properties is by no means exhaustive and have been compiled from relevant public sources where available. Accordingly, the Independent Directors, the ARC and the Trustee should note that the above comparison is merely for illustrative purposes and serves as a general guide only.

4.2.3 Comparison of the Singapore Properties with comparable business park transactions

We have considered transactions of other similar business park properties in Singapore from 1 January 2016 up to the Latest Practicable Date in order to compare the price per NLA and net property income ("**NPI**") yield implied by the Singapore Properties with those of the selected business park transactions (the "**Comparable Business Park Transactions**").

Property name	Transaction date	Buyer	Purchase price (S$ million)	NLA (sq ft)	Price per NLA (S$ psf)	Remaining lease term as at transaction date (years)	Transaction NPI yield (%)
ONE @ Changi City	1 Mar 2016	Ascendas Reit	420.0	679,268	618	53.2	6.0
Mapletree Business City I(1)	25 Aug 2016	Mapletree Commercial Trust	1,208.1	1,287,674	938	80.2	6.1
12, 14 & 16 Science Park Drive	16 Feb 2017	Ascendas Reit	420.0	848,960	495	64.3	6.3
13 International Business Park	24 Aug 2017	Pension Real Estate Singapore Pte Ltd	24.8	75,197	330	46.9	–(5)
2/4, 6/8 Changi Business Park Avenue 1 (UE BizHub East)(2)	15 Oct 2018	ESR-REIT(3)	510.0(4)	654,353	779	49.3	–(5)
Mapletree Business City (Phase 2)	15 Oct 2019(6)	Mapletree Commercial Trust	1,550.0(7)	1,184,704(7)	1,308(7)	77.0	5.0
High					1,308	80.2	6.3
Mean					745	61.8	5.9
Median					699	58.8	6.1
Low					330	46.9	5.0
Singapore Properties							
FM Global Centre			91.0(8)	125,001	728	72.6	5.7
Nucleos			289.0(8)	410,631	704	51.8	7.0

Sources: Singapore Valuation Reports, annual reports, websites and/or announcements of Ascendas Reit, ESR-REIT and Mapletree Commercial Trust and the Manager's input.

Notes:

(1) Based on the business park component of Mapletree Business City I.

(2) ESR-REIT completed its merger with Viva Industrial Trust on 15 October 2018 and 2/4,6/8 Changi Business Park Avenue 1 (UE BizHub East) were added to the portfolio of ESR-REIT with effect from 15 October 2018. UE BizHub East is a mixed-use integrated business park development comprising of a business park component and a hotel component.

(3) Viva Business Park has been excluded from the selection of Comparable Business Park Transactions as we understand from the Manager that it may not be comparable to the Singapore Properties due to the short remaining lease term of 12 years as at the relevant transaction date.

(4) Based on the valuation performed on both the business and hotel components of UE BizHub East in ESR-REIT's circular to unitholders dated 7 August 2018 for its merger with Viva Industrial Trust.

(5) Information is not publicly available.

(6) The proposed acquisition was announced by Mapletree Commercial Trust on 27 September 2019 and the unitholders' approval for the proposed acquisition was obtained on 15 October 2019.

(7) The purchase price and NLA of Mapletree Business City (Phase 2) include a retail component of 17,598 sq ft, which is approximately 1.5% of the aggregate NLA of Mapletree Business City (Phase 2) of 1,184,704 sq ft.

(8) Based on the purchase consideration.

Based on the above analysis, we note the following:

(i) the prices per NLA of S$728 psf and S$704 psf for FM Global Centre and Nucleos respectively, are within the range of between S$330 psf and S$1,308 psf of the prices per NLA of the Comparable Business Park Transactions;

(ii) the prices per NLA of S$728 psf and S$704 psf for FM Global Centre and Nucleos respectively, are below the mean of S$745 psf, but above the median of S$699 psf of the prices per NLA of the Comparable Business Park Transactions;

(iii) the NPI yield of 5.7% for FM Global is within the range of between 5.0% and 6.3%, but is below the mean and median NPI yields of the Comparable Business Park Transactions of 5.9% and 6.1% respectively; and

(iv) the NPI Yield of 7.0% for Nucleos is above the range of between 5.0% and 6.3% of the NPI yields of the Comparable Business Park Transactions.

As discussed under paragraph 4.2.2 of this letter, Nucleos may be more closely comparable to the properties classified under the "one-north Cluster", whereas there are specific characteristics of FM Global Centre leading to it having a higher price per NLA and lower NPI yield.

The target properties relating to the Comparable Business Park Transactions may differ from the Singapore Properties in terms of title, building specifications, NLA, location, accessibility, profile and composition of tenants, occupancy rate, outstanding lease tenure, market risks, track record, future prospects and other relevant criteria. In addition, the list of Comparable Business Park Transactions is by no means exhaustive, and we note that certain circumstances and terms relating to the Comparable Business Park Transactions are distinct and might not be identical to the acquisition of the Singapore Properties and are largely dependent on the market sentiments prevailing at the time of such Comparable Business Park Transactions. Accordingly, the Independent Directors, the ARC and the Trustee should note that the above comparison is merely for illustrative purposes and serves as a general guide only.

4.2.4 **Comparison of capitalisation rates, discount rates and terminal yields against Ascendas Reit's current portfolio of business parks and science parks**

We have compared the capitalisation rates, discount rates and terminal yields used by the Singapore Independent Valuers with those used in the latest independent valuation of the business park and science park properties owned by Ascendas Reit (the "**Ascendas Business Park and Science Park Properties**") as set out below:

			Capitalisation Approach	Discounted Cash Flow Approach	
Singapore Properties	**Valuer**	**Valuation (S$ million)**	**Capitalisation Rate (%)**	**Discount Rate (%)**	**Terminal Yield (%)**
FM Global Centre(1)	CBRE	94.1	5.25	7.25	5.50
	Colliers	92.0	5.25	7.50	5.50
Nucleos(1)	CBRE	303.0	5.50	7.50	5.75
	Colliers	300.0	5.75	7.50	6.00
Ascendas Business Park and Science Park Properties(2)	–	–	5.75 – 6.40	7.25 – 7.75	6.00 – 6.65

Sources: Singapore Valuation Reports and the Manager.

Notes:

(1) Rates used by Colliers and CBRE are disclosed in their respective independent valuation reports as at 1 September 2019.

(2) Only the business parks and science park properties within the Ascendas Reit's portfolio are selected. As such, the capitalisation rates, discount rates and terminal yields are not representative of the entire portfolio of properties for Ascendas Reit. The date of valuation of the properties is 31 March 2019. Please refer to paragraph 4.2.2 of this letter for a list of the business park and science park properties held by Ascendas Reit.

Based on the table above, we note the following:

(i) the capitalisation rates used by Colliers and CBRE in their valuation of FM Global Centre are consistent with one another. However, they are below the range of capitalisation rates used in the latest independent valuation for the Ascendas Business Park and Science Park Properties. Based on our discussions with Colliers, CBRE, and the Manager, this could potentially be attributable to the factors discussed under paragraph 4.2.2 of this letter;

(ii) the capitalisation rates used by Colliers and CBRE in their valuation of Nucleos are approximately consistent with one another. The capitalisation rate used by CBRE is below the range of capitalisation rates used in the latest independent valuation for the Ascendas Business Park and Science Park Properties. We note however, that Neuros & Immunos and Nexus @ one-north, which fall under the one-north Cluster as discussed under paragraph 4.2.2 of this letter, were both valued assuming a capitalisation rate of 5.75%, which is consistent with the capitalisation rate used by Colliers;

(iii) the discount rates used by Colliers and CBRE in their valuation of the Singapore Properties are approximately consistent with one another and are within the range of discount rates used in the latest independent valuation for the Ascendas Business Park and Science Park Properties;

(iv) the terminal yields used by Colliers and CBRE in their valuation of FM Global Centre are consistent with one another. However, they are below the range of terminal yields used in the latest independent valuation for the Ascendas Business Park and Science Park Properties. Based on our discussions with Colliers, CBRE and the Manager, this could potentially be attributable to the factors discussed under paragraph 4.2.2 of this letter; and

(v) the terminal yields used by Colliers and CBRE in their valuation of Nucleos are approximately consistent with one another. The terminal yield used by CBRE is below the range of terminal yields used in the latest independent valuation for the Ascendas Business Park and Science Park Properties. We note however, that Neuros & Immunos and Nexus @ one-north, which fall under the one-north Cluster as discussed under paragraph 4.2.2 of this letter, were both valued assuming a terminal yield of 6.00%, which is consistent with the capitalisation rate used by Colliers.

The above analysis serves as one of the factors considered by us in our evaluation and may not on its own be meaningful to a satisfactory extent as the Singapore Properties may differ from the Ascendas Business Park and Science Park Properties in many aspects (such as building specifications, NLA, location, accessibility, profile and composition of tenants, occupancy rate, outstanding lease tenure and other relevant factors). Accordingly, the Independent Directors, the ARC and the Trustee should note that the above comparison is merely for illustrative purposes and serves as a general guide only.

4.2.5 Comparison with certain published valuation amounts of the Singapore Properties

Based on publicly available information, we note that there were historical valuations performed for the Singapore Properties.

In the shareholders' circular dated 22 March 2019 issued by CapitaLand in respect of the acquisition of Ascendas Pte Ltd and Singbridge Pte. Ltd. by CapitaLand (the "**CapitaLand Circular**") and updates on CapitaLand's property portfolio as announced by CapitaLand on 7 August 2019 (the "**CapitaLand Portfolio Announcement**"), historical valuations were performed for FM Global Centre and Nucleos, and the respective historical valuation amounts were as follows:

	Valuation Date	FM Global Centre (S$ million)	Nucleos (S$ million)
CapitaLand Circular	31 January 2019	87	221
CapitaLand Portfolio Announcement	30 June 2019	90	217
Appraised valuation by Colliers	1 September 2019	92	300
Appraised valuation by CBRE	1 September 2019	94	303

Sources: Singapore Valuation Reports, CapitaLand Circular and CapitaLand Portfolio Announcement.

We observed that:

(i) the appraised valuations for FM Global Centre by Colliers and CBRE of S$92 million and S$94 million respectively, are higher than the historical valuations disclosed in the CapitaLand Circular and the CapitaLand Portfolio Announcement; and

(ii) the appraised valuations for Nucleos by Colliers and CBRE of S$300 million and S$303 million respectively, are higher than the historical valuations disclosed in the CapitaLand Circular and the CapitaLand Property Portfolio Announcement.

We have not seen and are not privy to the valuation reports which the valuation amounts disclosed in the CapitaLand Circular and the CapitaLand Portfolio Announcement were based upon. Accordingly, we are not aware of, *inter alia*, the bases and assumptions on which they were performed. In addition, the valuations were carried out for different purposes and are at different valuation dates. Hence, any comparisons here is likely to be limited and only serves as an illustrative guide. We further note that there are two independent valuers, namely, Colliers and CBRE, engaged for the purpose of the Singapore Acquisitions, and they have provided fairly similar appraised market valuations for the Singapore Properties.

4.3 Assessment of the US Properties

4.3.1 Valuations of the US Properties prepared by the Independent Valuers

The Manager has commissioned NFK and the Trustee has commissioned JLL to assess the market value of the US Properties. The appraised market values of the US Properties are as follows:

No	US Properties	NLA (sq ft)	Appraised market value (US$ million)		Purchase consideration (US$ million)
			NKF	JLL	
San Diego, California					
1	10020 Pacific Mesa Boulevard	318,000	127.3	124.0	123.4
2	15051 Avenue of Science	69,967	27.6	25.2	25.9
3	15073 Avenue of Science	48,406	20.1	19.0	19.2
4	15231, 15253, 15333 Avenue of Science	178,174	73.7	62.9	67.1
5	15378 Avenue of Science	68,791	30.5	21.7	25.6
6	15435 & 15445 Innovation Drive	102,348	44.7	40.2	41.7
7	5005 & 5010 Wateridge Vista Drive	172,956	86.3	90.4	86.8
8	6055 Lusk Boulevard	93,000	35.3	34.9	34.5
Raleigh, North Carolina					
9	3005 Carrington Mill Boulevard	203,066	55.0	59.1	56.0
10	3015 Carrington Mill Boulevard	245,352	56.2	66.8	60.4
11	3020 Carrington Mill Boulevard	206,881	55.4	57.5	55.4
12	3025 Carrington Mill Boulevard	182,105	52.2	52.2	51.3
13	5200 East and West Paramount Parkway	315,600	74.3	82.9	77.2

No	US Properties	NLA (sq ft)	Appraised market value (US$ million)		Purchase consideration (US$ million)
			NKF	JLL	
Portland, Oregon					
14	14600-14700 NW Greenbrier Parkway	74,677	16.6	14.9	15.5
15	14908, 14924, 15247 and 15272 NW Greenbrier Parkway	126,496	22.7	21.1	21.5
16	15201 NW Greenbrier Parkway	94,364	15.7	14.3	14.7
17	15220 NW Greenbrier Parkway	171,137	32.4	28.9	30.1
18	15350-15400 Greenbrier Parkway	158,648	22.5	25.4	23.5
19	15455 NW Greenbrier Parkway	68,373	12.6	11.8	12.0
20	8300 SW Creekside Place	54,144	10.6	10.6	10.4
21	8305 SW Creekside Place	19,775	3.6	3.9	3.7
22	8405 SW Nimbus Avenue	53,793	14.7	12.0	13.1
23	8500 SW Creekside Place	65,496	16.5	14.5	15.2
24	8700-8770 SW Nimbus Avenue	35,705	5.8	5.8	5.7
25	8705 SW Nimbus Avenue	48,040	10.3	9.3	9.6
26	8905 SW Nimbus Avenue	74,562	18.1	15.3	16.4
27	9205 SW Gemini Avenue	40,901	7.6	7.5	7.4
28	9405 SW Gemini Avenue	47,164	13.2	10.2	11.5
Total		**3,337,921**	**961.5**	**942.3**	**935.0**[(1)]

Sources: US Valuation Reports and the Manager's input.

Note:

(1) Figures may not add up due to rounding.

We have reviewed the US Valuation Reports for the US Properties and our key observations to be highlighted in respect of the independent valuations are as follows:

(i) the aggregate purchase consideration for the US Properties of US$935.0 million represents a discount of approximately 2.8% and 0.8% to the aggregate appraised market values of US$961.5 million and US$942.3 million by NKF and JLL respectively;

(ii) the US Valuation Reports for the US Properties have been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;

(iii) the basis of valuation in the US Valuation Reports for the US Properties is market value, which is defined as:

"the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated;*

- *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

The definition above is broadly consistent between the US Independent Valuers;

(iv) the US Independent Valuers have both used 1 September 2019 as the relevant date of valuation for the US Properties;

(v) the US Independent Valuers have both used the sales comparison approach, capitalisation approach and discounted cash flow analysis methods in arriving at the market value of the US Properties; and

(vi) the methods used by the US Independent Valuers for the US Properties are widely accepted methods for the purpose of valuing income-producing properties.

The valuation certificates issued by the US Independent Valuers are set out in Appendix B of the Circular.

4.3.2 Comparison of the US Properties with comparable US property transactions

We note that the US Properties are located in three different cities, namely San Diego, Raleigh and Portland. Hence, for the purposes of our evaluation, we have extracted information from publicly available research reports issued by some of the largest real estate services firms (the "**RESF Reports**") and recent office investment sales and lease data collected by the Independent Market Research Consultant and provided to the Manager for the purposes of the Proposed Acquisitions (the "**Independent Market Research Data**") to select transactions that are broadly comparable to the subject US Properties in the respective cities (the "**Comparable US Property Transactions**"). For the purpose of our analysis, we have only included transactions that were completed between 1 January 2018 to 30 September 2019.

1) San Diego Portfolio

Property name/location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
10421 & 10431 Wateridge Circle	Q3 2019	41.5	123,675	336
Morehouse Tech Center	Q3 2019	37.2	171,256	217
Sunroad Financial Plaza	Q3 2019	19.9	71,735	277
Sorrento Gateway	Q3 2019	16.1	57,215	281
Sorrento Ridge Corporate Center	Q3 2019	13.9	103,325	135
16885 West Bernardo Drive	Q2 2019	12.7	50,458	252

Property name/location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
5465 Morehouse Drive	Q2 2019	12.3	44,307	276
Mission Federal Credit Union Building – 5785 Oberlin Drive	Q2 2019	10.4	61,406	169
6020 Cornerstone Court West	Q2 2019	9.5	43,210	220
Health Fusion Office Building – 4075 Sorrento Valley Boulevard	Q2 2019	16.0	40,000	400
Creative Office Campus – 3911 and 3931 Sorrento Valley Boulevard	Q1 2019	23.3	53,220	437
Cornerstone Plaza	Q1 2019	18.9	97,316	194
Mesa View Plaza – 9350 Waxie Way	Q1 2019	39.1	111,268	351
10222 Barnes Canyon Road	Q4 2018	43.2	81,976	527
The Oberlin	Q4 2018	20.4	62,424	327
Monarch Corporate Center – 9909 & 9915 Mira Mesa Boulevard	Q4 2018	33.6	112,269	299
The Yard	Q4 2018	24.8	60,518	410
The Bluffs – 16870 W Bernardo Drive	Q4 2018	21.4	68,708	311
The Pinnacle – 10920 Via Frontera	Q2 2018	31.2	110,110	283
12230 World Trade Drive	Q2 2018	17.90	61,227	292
Alere/Quidel Campus	Q1 2018	148.7	316,531	470
			High	527
			Mean	308
			Median	292
			Low	135
San Diego Portfolio		**424.2**	**1,051,642**	**403**

Sources: Research reports by CBRE, Inc, Cushman & Wakefield, Colliers International, Newmark Knight Frank, and the Independent Market Research Data.

Based on the above analysis, we note that the price per NLA of US$403 psf for the San Diego Portfolio is:

(i) within the range of the prices per NLA of the Comparable US Property Transactions of between US$135 psf and US$527 psf; and

(ii) above the mean and median prices per NLA of the Comparable US Property Transactions of US$308 psf and US$292 psf respectively.

Based on our review of the US Valuation Reports for the US Properties and our discussions with the US Independent Valuers, this could be potentially attributable to the following factors:

(i) the comparable transactions selected from the RESF Reports were solely from the immediate submarkets where the US Properties were located in vis-a-vis comparable transactions selected by the US Independent Valuers and the Independent Market Research Consultant were from the immediate and surrounding submarkets where the US Properties were located. Accordingly, we recognise that the list of Comparable US Property Transactions is by no means exhaustive and any comparison made is necessarily limited; and

(ii) consistent with the industry practice and pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), the US Independent Valuers have in their sales comparison approach, made certain adjustments to the price per NLA of their selected comparable transactions. Such adjustments include transactional factors such as conditions of sale and market trends, and property characteristic factors such as location, size, age, property condition and other economic characteristics.

(2) Raleigh Portfolio

Property name/Location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
Bain Capital NC RTP Portfolio	Q3 2019	405.0	1,388,495	303
Research Common Greenfield NC	Q3 2019	81.4	422,000	193
3030 Slater Road	Q2 2019	58.1	205,000	283
3900 N & S Paramount Parkway	Q1 2019	52.4	220,157	238
Legacy at Brier Creek – 7751 Brier Creek Parkway	Q1 2019	34.1	117,138	291
Weston One – 1001 Winstead Drive	Q4 2018	75.5	290,183	260
Stratford Hall & Carlisle Place – 1009 Slater Road	Q4 2018	45.2	197,264	229
Perimeter Five – 3034 Carrington Mill Boulevard	Q4 2018	74.2	258,250	287
Crescent Lakeside – 1225 Crescent Green Drive	Q4 2018	68.3	254,796	268
Palisades I & II – 5400 & 5410 Trinity Road	Q3 2018	32.3	161,480	200
Imperial Center – Chelsea & Oxford Place	Q2 2018	17.3	121,511	142

Property name/Location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
Imperial Center – Cambridge & Canterbury Hall	Q2 2018	14.1	89,797	157
Lenovo Enterprise	Q1 2018	135.3	485,000	279
Stratford Hall	Q1 2018	14.3	81,000	177
Meridian Corporate	Q1 2018	12.4	73,446	169
Palladian Center – 220 Leigh Farm Road	Q1 2018	55.0	201,008	274
			High	303
			Mean	234
			Median	249
			Low	142
Raleigh Portfolio		**300.4**	**1,153,004**	**261**

Sources: Research reports by CBRE, Inc, Cushman & Wakefield, Colliers International, and the Independent Market Research Data.

Based on the above analysis, we note that the price per NLA of the Raleigh Portfolio of US$261 psf is:

(i) within the range of prices per NLA of the Comparable US Property Transactions of between US$142 psf and US$303 psf; and

(ii) above the mean and median prices per NLA of the Comparable US Property Transactions of U$234 psf and US$249 psf respectively;

Based on our review of the US Valuation Reports for the US Properties and our discussions with the US Independent Valuers, this could potentially be attributable to the factors discussed above for the San Diego Portfolio.

(3) Portland Portfolio

Property name/Location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
13900 NW Science Park Drive	Q3 2019	17.8	103,558	172
Creekside Four	Q3 2019	6.9	60,955	113
Cornell West – 1500 NW Bethany Boulevard	Q1 2019	22.0	116,350	189
Sunset Corporate Park – 22823-22867 NW Bennett Street	Q1 2019	29.0	133,691	217
55 West, Building 3	Q4 2018	15.5	98,820	157
Tigard Corporate Center – 12123, 12259 & 12447 SW 69th Avenue	Q4 2018	41.5	123,210	337

Property name/Location	Transaction period	Purchase cost (US$ million)	NLA (sq ft)	Price per NLA (US$ psf)
Wells Fargo – 23175 NW Bennett Street	Q3 2018	32.3	103,279	313
Five Centerpointe – 5 Centerpointe Drive	Q2 2018	27.9	114,116	244
Airport Business Center – 6315 NE 80th Avenue	Q2 2018	7.8	48,756	160

High	337
Mean	211
Median	189
Low	113

Portland Portfolio	**210.4**	**1,133,275**	**186**

Sources: Research reports by Colliers International, Cushman & Wakefield, Newmark Knight Frank, and the Independent Market Research Data.

Based on the above analysis, we note that the price per NLA of the Portland Portfolio of US$186 psf is:

(i) within the range of prices per NLA of the Comparable US Property Transactions of between US$113 psf and US$337 psf; and

(ii) below the mean and median prices per NLA of the Comparable US Property Transactions of U$211 psf and US$189 psf respectively;

The target properties relating to the Comparable US Property Transactions may differ from the US Properties in terms of title, building specifications, NLA, location, accessibility, profile and composition of tenants, occupancy rate, outstanding lease tenure, market risks, track record, future prospects and other relevant criteria. In addition, the list of the Comparable US Property Transactions is by no means exhaustive, and we note that certain circumstances and terms relating to the Comparable US Property Transactions are distinct and might not be identical to the acquisition of the US Properties and are largely dependent on the market sentiments prevailing at the time of such Comparable US Property Transactions. Accordingly, the Independent Directors, the ARC and the Trustee should note that the above comparison is merely for illustrative purposes and serves as a general guide only. While we have performed the analysis, we are not and do not regard ourselves as experts in the valuation of properties.

4.3.3 Comparison with certain published valuation amounts of the US Properties

Based on publicly available information, we note that there were historical valuations performed for the US Properties.

In the CapitaLand Circular and the CapitaLand Portfolio Announcement, historical valuations were performed for the US Properties, and the historical valuation amounts were as follows:

	Valuation Date	US Properties (US$ million)
CapitaLand Circular	31 January 2019	887
CapitaLand Portfolio Announcement	30 June 2019	895
Appraised valuation by NKF	1 September 2019	962
Appraised valuation by JLL	1 September 2019	942

Sources: US Valuation Reports, CapitaLand Circular and CapitaLand Portfolio Announcement.

We observed that the appraised valuations for the US Properties by NFK and JLL are higher than the historical valuations disclosed in the CapitaLand Circular and the CapitaLand Portfolio Announcement.

We have not seen and are not privy to the valuation reports which the valuation amounts disclosed in the CapitaLand Circular and the CapitaLand Portfolio Announcement were based upon. Accordingly, we are not aware of, *inter alia*, the bases and assumptions on which they were performed. In addition, the valuations were carried out for different purposes and are at different valuation dates. Hence, any comparisons here is likely to be limited and only serves as an illustrative guide.

4.4 Pro forma financial effects of the Proposed Acquisitions

The pro forma financial effects (and the relevant assumptions thereof) of the Proposed Acquisitions are provided in section 5 of the Circular. We recommend that the Independent Directors advise the Unitholders to read this information carefully.

We set out below the following pro forma financial analysis of the Proposed Acquisitions for illustrative purposes:

For the financial year ended 31 March 2019	Before the Proposed Acquisitions(1)	After the Proposed Acquisitions	% Change
Pro Forma Financial Effects of the Proposed Acquisitions based on the Evaluation Method			
DPU (S$ Cents)(2)	16.035	16.307	1.70%
DPU Yield	5.06%	5.27%	4.15%
NAV per Unit (S$)(3)	2.13	2.19	2.82%
Aggregate leverage	36.3%	36.7%	1.10%

For the financial year ended 31 March 2019	Before the Proposed Acquisitions[(1)]	After the Proposed Acquisitions	% Change
Pro Forma Financial Effects of the Proposed Acquisitions based on the Intended Method of Financing			
DPU (S$ Cents)[(2)]	16.035	16.136	0.63%
DPU Yield	5.06%	5.21%	2.96%
NAV per Unit (S$)[(3)]	2.13	2.20	3.29%
Aggregate leverage	36.3%	34.6%	-4.68%

Source: Section 5 of the Circular.

Notes:

(1) Based on the audited financial statements for the financial year ended 31 March 2019.

(2) Based on distributable income divided by the applicable number of units in issue for the year.

(3) Based on Ascendas Reit's NAV as at 31 March 2019.

We note that:

(i) the pro forma financial effects of the Proposed Acquisitions are DPU Yield and NAV accretive. The DPU Yield is expected to increase from 5.06% to 5.27%. Whereas, the aggregate leverage is expected to increase from 36.3% to 36.7%, which is still within the aggregate leverage limit of 45% as stipulated in the Property Funds Appendix;

(ii) the pro forma financial effects of the Proposed Acquisitions based on the Intended Method of Financing are DPU Yield and NAV accretive. The DPU Yield is expected to increase from 5.06% to 5.21%. The aggregate leverage is expected to decrease from 36.3% to 34.6%.

4.5 Other Relevant Considerations

We have also considered the following in our evaluation on the Proposed Acquisitions:

4.5.1 Improvements in portfolio WALE and occupancy rate

We note that as at 30 September 2019, the US Properties has a WALE of 4.2 years and an occupancy rate of 93.7%, while the Singapore Properties have a WALE of 6.9 years with an occupancy rate of 94.6%. Following the completion of the Proposed Acquisitions, the WALE of Ascendas Reit's Enlarged Portfolio will improve from 4.0 years to 4.1 years, while the occupancy rate will improve from 91.0% to 91.2% as at 30 September 2019.

4.5.2 Diversification of tenant base

We note that the Proposed Acquisitions will further reduce Ascendas Reit's concentration risk to any single tenant. Following the completion of the Proposed Acquisitions, the Manager expects that no single tenant will account for more than 4.0% of monthly gross revenue of the Enlarged Portfolio. The top 10 tenants of the Enlarged Portfolio will account for about 17.6% of the monthly portfolio gross revenue, compared to about 19.6% of the monthly portfolio gross revenue before the Proposed Acquisitions.

4.5.3 Financing the Proposed Acquisitions

The Total Acquisition Cost of S$1,705.7 million will be funded by:

(a) net proceeds of approximately S$1,294.8 million from the Rights Issue after deducting Rights Issue related cost of approximately S$15.0 million (on an underwritten and renounceable basis) based on the Rights Ratio of 16 Rights Units for every 100 existing Units at the Issue Price of S$2.63;

(b) the drawdown of Loan Facilities; and

(c) the issuance of the Acquisition Fee Units.

We note that CapitaLand, which holds through its wholly-owned subsidiaries, an aggregate interest in 19% of the total number of Units in issue, has provided the Irrevocable Undertaking to the Manager and the Joint Lead Managers and Underwriters to subscribe for the Relevant Entities' total provisional allotment of new Units. This demonstrates the Sponsor's support for Ascendas Reit's long term growth and the Rights Issue, and serves to align the interests of the Sponsor with that of Ascendas Reit and its Unitholders.

5. OUR OPINION

In arriving at our opinion in respect of the Proposed Acquisitions as interested person transactions, we have considered, *inter* alia, the following factors summarised below which we considered to be pertinent in our assessment:

(i) the rationale for the Proposed Acquisitions, as set out in paragraph 4.1 of this letter;

(ii) our assessment of the Singapore Properties, as set out in paragraph 4.2 of this letter;

(iii) our assessment of the US Properties, as set out in paragraph 4.3 of this letter;

(iv) the pro forma financial effects of the Proposed Acquisitions, as set out in paragraph 4.4 of this letter; and

(v) other relevant considerations as follows:

a. the improvements in portfolio WALE and occupancy rate as set out in paragraph 4.5.1 of this letter;

b. the diversification of tenant base as set out in paragraph 4.5.2 of this letter; and

c. the financing of the Proposed Acquisitions as set out in paragraph 4.5.3 of this letter.

Having considered the above and subject to our terms of reference set out in paragraph 2 of this letter, we are of the opinion that, on balance and from a financial point of view, the Proposed Acquisitions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders. Accordingly, we advise the Independent Directors and the ARC to recommend independent Unitholders to vote in favour of the Proposed Acquisitions.

Our opinion as disclosed in this letter is based on the market, economic, industry, monetary and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date.

This letter has been prepared pursuant to Rule 921(4)(a) of the Listing Manual for inclusion in the Circular as well as for the use of the Independent Directors, the ARC and the Trustee, in connection with and for the purposes of their consideration of the Proposed Acquisitions. The recommendation to be made by the Independent Directors or the ARC to the independent Unitholders shall remain their responsibility.

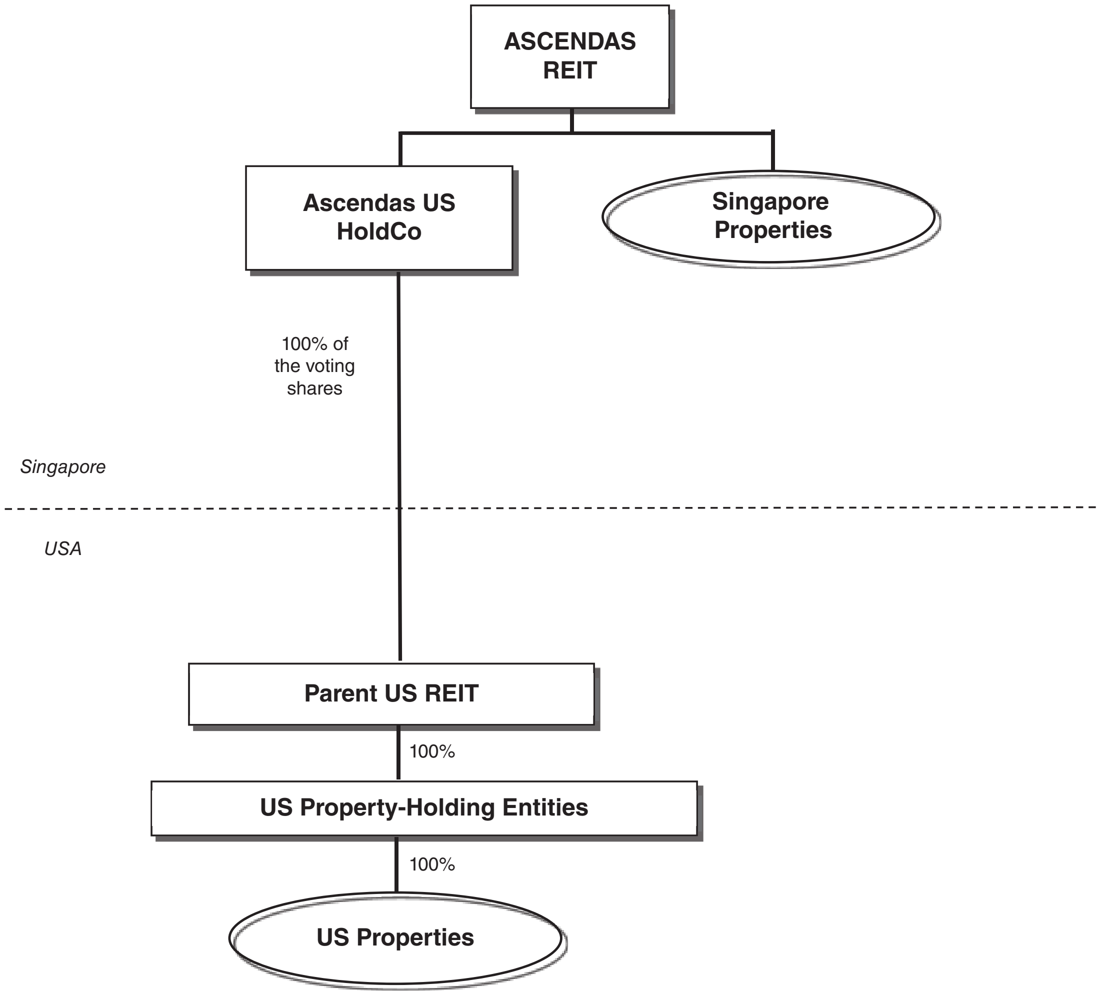
Whilst a copy of this letter may be reproduced in the Circular, neither the Manager, the Trustee nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purposes at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the forthcoming EGM and for the purposes of the Proposed Acquisitions.

Our opinion is governed by, and construed in accordance with, the laws of Singapore. Our opinion is strictly limited to the matters stated herein and do not apply by implication to any other matter.

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Bernard Lim Aik Kwang	Foo Siang Sheng
Executive Director	Senior Manager

STRUCTURE CHART



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A Member of CapitaLand

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** ("**EGM**") of Ascendas Real Estate Investment Trust ("**Ascendas Reit**") will be held on **Wednesday, 27 November 2019** at **3.00 p.m.** at The Star Gallery, Level 3, The Star Performing Arts Centre, 1 Vista Exchange Green, Singapore 138617, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions (capitalised terms not otherwise defined herein shall bear the meanings ascribed to them in the circular dated 1 November 2019 to Unitholders (the "**Circular**")):

THE PROPOSED ACQUISITIONS OF A PORTFOLIO OF UNITED STATES PROPERTIES AND TWO SINGAPORE PROPERTIES AS INTERESTED PERSON TRANSACTIONS

That:

(i) approval be and is hereby given for the acquisition of a portfolio of business park properties located in the United States of America, through the acquisition of the entire issued share capital of Ascendas US Holdco Pte. Ltd. ("**Ascendas US Holdco**", and the acquisition of the entire issued share capital in Ascendas US Holdco, the "**US Acquisition**"), on the terms and conditions set out in the conditional share purchase agreement (the "**Share Purchase Agreement**") dated 1 November 2019 made between HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Reit (the "**Trustee**") and Perpetual (Asia) Limited (as trustee of Ascendas US REIT)), and that the entry into the Share Purchase Agreement be and is hereby approved and ratified;

(ii) approval be and is hereby given for the acquisition of the property known as Nucleos located at 21 Biopolis Road, Singapore 138567 and the property known as FM Global Centre located at 288 Pasir Panjang Road, Singapore 117369 (together with the US Acquisition, the "**Proposed Acquisitions**"), on the terms and conditions set out in the conditional put and call option agreements (the "**Put and Call Option Agreements**") dated 1 November 2019 made between the Trustee, Ascendas Venture Pte Ltd and Singapore Science Park Ltd and that the entry into the Put and Call Option Agreements be and is hereby approved and ratified;

(iii) approval be and is hereby given for the payment of all fees and expenses relating to the Proposed Acquisitions; and

(iv) Ascendas Funds Management (S) Limited, as the manager of Ascendas Reit, (the "**Manager**"), any director of the Manager, and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interests of Ascendas Reit to give effect to the Proposed Acquisitions and all transactions contemplated under the Share Purchase Agreement and the Put and Call Option Agreements.

Details of the Proposed Acquisitions are set out in the Circular.

BY ORDER OF THE BOARD
Ascendas Funds Management (S) Limited
(Company Registration Number: 200201987K)
as manager of Ascendas Real Estate Investment Trust

Mary Judith de Souza
Company Secretary
Singapore
1 November 2019

Notes:

(1) A unitholder of Ascendas Reit ("**Unitholder**") who is not a relevant intermediary (as defined herein) entitled to attend and vote at the EGM of Ascendas Reit is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

(2) A Unitholder who is a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

"**relevant intermediary**" means:

(a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(3) The proxy form must be deposited at the Unit Registrar's office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 no later than Sunday, 24 November 2019 at 3.00 p.m., being 72 hours before the time fixed for the EGM of Ascendas Reit.

(4) A Unitholder may download the digital version of the Circular through this website link: https://ir.ascendas-reit.com/agm. html. A Unitholder may request for a printed copy of the Circular, at no cost. To receive the printed copy of the Circular before the EGM which will be held on Wednesday, 27 November 2019, please return the completed Request Form to Ascendas Funds Management (S) Limited by 11 November 2019.

Personal Data Privacy:

By either (1) attending the EGM or (2) submitting an instrument to appoint a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of the Unitholder's attendance at the EGM or the Unitholder's proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

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ascendas Reit

A Member of CapitaLand

ASCENDAS REAL ESTATE INVESTMENT TRUST
(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

PROXY FORM
Extraordinary General Meeting

IMPORTANT
1. A relevant intermediary may appoint more than two proxies to attend the EGM and vote (please see Note 2 for the definition of "relevant intermediary").
2. This Proxy Form is not valid for use by CPF Investors/SRS Operators and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy
By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 1 November 2019.

I/We ________________________________ (Name(s) ______________ (NRIC/Passport/Company Registration Number) of ____ (Address)
being a unitholder/unitholders of Ascendas Real Estate Investment Trust ("**Ascendas Reit**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Notes 1 & 2)	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Notes 1 & 2)	
			No. of Units	%

or, both of whom failing, the Chairman of the Extraordinary General Meeting of Ascendas Reit ("**EGM**") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held at The Star Gallery, Level 3, The Star Performing Arts Centre, 1 Vista Exchange Green, Singapore 138617, on **Wednesday, 27 November 2019 at 3.00 p.m.**. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.

No.	Resolution	Number of Votes For *	Number of Votes Against *
1.	To approve the Proposed Acquisitions		

* *If you wish to exercise all your votes "For" or "Against", please mark with an "√" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.*

Total Number of Units held

Dated this __________ day of ________________ 2019

____
Signature(s) of Unitholder(s)/Common Seal of Corporate Unitholder

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE

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Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08450

Ascendas Funds Management (S) Limited
(as Manager of Ascendas Real Estate Investment Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

NOTES TO PROXY FORM:

1. A unitholder of Ascendas Real Estate Investment Trust ("**Unitholder**", and Ascendas Real Estate Investment Trust, "**Ascendas Reit**") who is not a relevant intermediary (as defined herein) entitled to attend and vote at the Extraordinary General Meeting ("EGM") of Ascendas Reit is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

   "**relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act Chapter 289 of Singapore and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of Ascendas Reit, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders of Ascendas Reit, he/she should insert the aggregate number of Units. If no number is inserted, the proxy form will be deemed to relate to all the Units held by the Unitholder.
4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, no later than Sunday, 24 November 2019 at 3.00 p.m., being 72 hours before the time fixed for the EGM.
5. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
7. The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register not less than 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.
8. All Unitholders will be bound by the outcome of the EGM regardless of whether they have attended or voted at the EGM.
9. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the EGM and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

Personal data privacy: By either (1) attending the EGM or (2) submitting an instrument to appoint a proxy(ies) and/or representative(s) to attend, speak and vote at the EG.M and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of the Unitholder's attendance at the EGM or the Unitholder's proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

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ascendas Reit

A Member of CapitaLand

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(As Manager of Ascendas Real Estate Investment Trust)
Company Registration No.: 200201987K
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Phone: (65) 6774 1033
Fax: (65) 6775 2813
Email: a-reit@capitaland.com
www.ascendas-reit.com