OFFER INFORMATION STATEMENT DATED 1 NOVEMBER 2019

(Lodged with the Monetary Authority of Singapore on 1 November 2019)

THIS OFFER INFORMATION STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

The collective investment scheme offered in this Offer Information Statement is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). A copy of this Offer Information Statement, together with the application form for the new units in Ascendas Real Estate Investment Trust ("**Ascendas Reit**" or the "**Trust**") to be issued for the purpose of the Rights Issue (as defined herein) ("**Rights Units**") and Excess Rights Units (as defined herein) ("**ARE**") and the application form and acceptance form for Rights Units to be issued to purchasers of the Rights Entitlements (as defined herein) ("**ARS**") under the Rights Issue traded on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") under the book-entry (scripless) settlement system, has been lodged with the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Rights Units on the Main Board of the SGX-ST. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, units in Ascendas Reit ("**Units**"), Ascendas Funds Management (S) Limited, as manager of Ascendas Reit (the "**Manager**"), Ascendas Reit and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. No Units shall be allotted or allocated on the basis of this Offer Information Statement later than the date falling six months from the date of lodgement of this Offer Information Statement.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights Units and the "nil-paid" provisional allotment of Rights Units to Eligible Unitholders (as defined herein) under the Rights Issue (the "**Rights Entitlements**") or make an offer of the Rights Units and the Rights Entitlements and the Rights Units and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. The Rights Units and Rights Entitlements have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the United States of America ("**US**") and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. The Rights Units and Rights Entitlements may only be offered, sold, pledged, taken up, exercised, resold, transferred or delivered (as applicable), directly or indirectly in the US in transactions exempt from the registration requirements of the Securities Act, to qualified institutional buyers (as defined in Rule 144A under the Securities Act) ("**QIBs**") who have provided to the Manager (and which the Manager has accepted) a signed investor representation letter in the form attached hereto as **Appendix B** of this Offer Information Statement (the "**Investor Representation Letter**"). The Rights Units and Rights Entitlements are being offered and sold outside the US in offshore transactions as defined in and in reliance on Regulation S under the Securities Act. Please refer to the section entitled "Offering, Selling and Transfer Restrictions" of this Offer Information Statement.

ascendas Reit

A Member of CapitaLand

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

MANAGED BY

ASCENDAS FUNDS MANAGEMENT (S) LIMITED

RENOUNCEABLE RIGHTS ISSUE (THE "RIGHTS ISSUE") OF 498,040,904 RIGHTS UNITS AT AN ISSUE PRICE OF S$2.63 FOR EACH RIGHTS UNIT (THE "ISSUE PRICE"), ON THE BASIS OF 16 RIGHTS UNITS FOR EVERY 100 EXISTING UNITS (THE "RIGHTS RATIO") HELD BY ELIGIBLE UNITHOLDERS AS AT 11 NOVEMBER 2019 AT 5.00 P.M. (THE "RIGHTS ISSUE BOOKS CLOSURE DATE"), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Joint Lead Managers and Underwriters for the Rights Issue

DBS   J.P.Morgan

IMPORTANT DATES AND TIMES **(The following is qualified by, and should be read in conjunction with, the section entitled "Timetable of Key Events" of this Offer Information Statement)**		
Last date and time for trading of Rights Entitlements	:	22 November 2019 at 5.00 p.m.
Last date and time for acceptance of Rights Entitlements and payment for Rights Units	:	28 November 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks (each as defined herein))
Last date and time for application and payment for Excess Rights Units	:	28 November 2019 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

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NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of Ascendas Reit, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Reit (the "**Trustee**") or DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited, as joint lead managers and underwriters for the Rights Issue (collectively the "**Joint Lead Managers and Underwriters**"). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of Ascendas Reit or the Manager. Neither the delivery of this Offer Information Statement nor the issue of the Rights Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of Ascendas Reit or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes via SGXNET[1], and if required, lodge a supplementary or replacement document with the Authority. All holders of Units ("**Unitholders**") and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

For Eligible Depositors, acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units may be made through The Central Depository (Pte) Limited ("**CDP**") or through an automated teller machine ("**ATM**") of the Participating Banks (as defined herein) in accordance with the terms and conditions of this Offer Information Statement ("**Electronic Application**").

Central Provident Fund ("CPF") Investment Scheme ("CPFIS") investors, Supplementary Retirement Scheme ("SRS") investors and investors who hold Units through a finance company and/or Depository Agent (as defined herein) should see the section entitled "Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors Who Hold Units Through a Finance Company and/or Depository Agent" of this Offer Information Statement for important details relating to the offer procedure for them.

This Offer Information Statement, the ARE and the ARS may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction (other than Singapore) that would permit a public offering of the Rights Units or the possession, circulation or distribution of this Offer Information Statement or any other material relating to Ascendas Reit or the Rights Units in any jurisdiction (other than Singapore) where action for that purpose is required. The Rights Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material or advertisements in connection with the Rights Units may be distributed or published in or from any country or jurisdiction, except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction and the Manager and the Trustee expressly reserve the right to determine in their sole discretion whether to comply with any such applicable rules and regulations for the Rights Units to be offered and sold in such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Units and/or Units.

1 An internet-based corporate announcement submission system maintained by the SGX-ST.

The Manager, the Trustee, the Joint Lead Managers and Underwriters and each of their respective officers and employees make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Units, the Rights Entitlements, the Units, the Manager or Ascendas Reit and/or its subsidiaries, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to subscribe for the Rights Units or to purchase the Rights Entitlements. Prospective subscribers of Rights Units and purchasers of Rights Entitlements should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of Ascendas Reit, including but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of Ascendas Reit, and their own appraisal and determination of the merits of investing in Ascendas Reit. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to subscribe for or purchase the Rights Units or the Rights Entitlements.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Rights Issue and may not be relied upon for any other purposes.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US the Rights Units and the Rights Entitlements are being offered and sold in offshore transactions (as defined under Regulation S) in reliance on Regulation S under the Securities Act and within the US to a limited number of Eligible QIBs (as defined herein) in reliance on one or more exemptions from the registration requirements of the Securities Act. The distribution of this Offer Information Statement and the offer, sale and delivery of the Rights Units and Rights Entitlements in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager and the Joint Lead Managers and Underwriters to inform themselves of, and observe, any such prohibitions and restrictions. Please refer to the section entitled "Offering, Selling and Transfer Restrictions" of this Offer Information Statement.

In addition, until 40 days after the commencement of the Rights Issue, or the procurement of purchasers by the Joint Lead Managers and Underwriters of the Rights Units not initially taken up, any offer, sale or transfer of the Rights Entitlements or the Rights Units in or into the US by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

Selected financial data from the audited financial statements of Ascendas Reit for the financial year ended 31 March 2017 ("**FY2016/17**", and the audited financial statements of Ascendas Reit for FY2016/17, the "**2016/17 Audited Financial Statements**"), the audited financial statements of Ascendas Reit for the financial year ended 31 March 2018 ("**FY2017/18**", and the audited financial statements of Ascendas Reit for FY2017/18, the "**2017/18 Audited Financial Statements**"), the audited financial statements of Ascendas Reit for the financial year ended 31 March 2019 ("**FY2018/19**", and the audited financial statements of Ascendas Reit for FY2018/19, the "**2018/19 Audited Financial Statements**"), the unaudited financial statements of Ascendas Reit for the six months ended 30 September 2019 (the "**2019 Six Months Unaudited Financial Statements**") (collectively, the "**Financial Statements**"), is set out in **Appendix A** of this Offer Information Statement. Financial data relating to distribution per Unit ("**DPU**"), earnings per Unit and Net Asset Value ("**NAV**") per Unit before and after any adjustment to reflect the Proposed Acquisitions (as defined herein) and the issue of Rights Units is also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of Ascendas Reit at http://www.ascendas-reit.com.

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of Ascendas Reit does not constitute part of this Offer Information Statement.

Prospective investors are advised to obtain and read the Financial Statements (including the relevant notes, where applicable) before making any investment decision in relation to the Rights Units and the Rights Entitlements.

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. None of the Manager or any of its affiliates guarantees the performance of Ascendas Reit or the repayment of capital from Ascendas Reit, or any particular rate of return.

Unitholders 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 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.

Notice under Section 309B of the SFA: The Rights Units and Rights Entitlements are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Forward-Looking Statements

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by Ascendas Reit or the directors of the Manager ("**Directors**"), its officers or employees acting on its behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, "anticipate", "aim", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "predict", "probable", "project", "seek", "should", "will" and "would" or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the future financial position, operating results, business strategies, plans and future prospects of Ascendas Reit and its subsidiaries (collectively, the "**Ascendas Reit Group**") are forward-looking statements. The Manager, the Trustee and the Joint Lead Managers and Underwriters do not represent or warrant that the actual future performance, outcomes or results of Ascendas Reit will be as discussed in those statements. These forward-looking statements, including but not limited to statements as to the Ascendas Reit Group's revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Ascendas Reit Group's actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Representative examples of such other 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 property expenses and operating expenses, and governmental and public policy changes. Any prediction, projection or forecast on the economy or economic trends of the markets in which the Ascendas Reit Group operates is not necessarily indicative of the future or likely performance of the Ascendas Reit Group. (See the section entitled "Risk Factors" of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the Rights Units and the Rights Entitlements.)

Given the risks, uncertainties and other factors that may cause Ascendas Reit's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, 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. Investors should read the whole of this Offer Information Statement and make their own assessment of the future performance of Ascendas Reit before deciding whether to subscribe for the Rights Units and/or apply for Excess Rights Units. Investors should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

This Offer Information Statement includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

Pro Forma Financial Information

The *pro forma* financial information contained in this Offer Information Statement (including the *pro forma* DPU yields) is based on historical statements reconstituted on a *pro forma* basis based on numerous assumptions and adjustments (as set out in the section entitled "Pro Forma Financial Information" of this Offer Information Statement) and is not necessarily indicative of the total returns and cash flows or financial position of Ascendas Reit that would have been attained and had the completion of the Proposed Acquisitions and/or Rights Issue actually occurred in the relevant periods. Such *pro forma* financial information, because of its nature, may not give a true or accurate picture of Ascendas Reit's actual total returns or financial position and the Manager, the Trustee and Joint Lead Managers and Underwriters do not represent or warrant that the actual outcome of the Proposed Acquisitions or the Rights Issue at the relevant dates or periods would have been as presented.

Under no circumstances should the inclusion of such information be regarded as a representation, warranty or prediction that these results would have been achieved, will be achieved or are likely to be achieved. In particular, Unitholders should note that the *pro forma* DPU yields, which are prepared for illustrative purposes only, are calculated based on certain assumptions and assumed price per Unit (as set out in the section entitled "Pro Forma Financial Information" of this Offer Information Statement) and even if Unitholders had purchased the Units at the relevant assumed price per Unit, there is no guarantee that the actual or future yields would be as indicated.

General

Each applicant for Units in the Rights Issue will be deemed to have represented and agreed that it is relying on this Offer Information Statement and not on any other information or representation not contained in this Offer Information Statement and none of Ascendas Reit, the Manager, the Trustee, the Joint Lead Managers and Underwriters or any other person responsible for this Offer Information Statement or any part of it will have any liability for any such other information or representation.

IMPORTANT NOTICE TO (A) CPFIS INVESTORS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD UNITS THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

Unitholders who have subscribed for or purchased Units under the CPFIS, the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the relevant banks, finance company and/or Depository Agent in which they hold their CPFIS accounts and/or SRS Accounts (as defined herein) to do so on their behalf in accordance with this Offer Information Statement.

ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED UNITHOLDERS THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.

The above-mentioned Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units to their respective approved bank, finance company and/or Depository Agent.

(i) Use of CPF Funds

Unitholders participating under the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Investible Savings ("**CPF Funds**").

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

(ii) Use of SRS Funds

Unitholders who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the last day for acceptance and payment of the Rights Units ("**Closing Date**"). Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, Boardroom Corporate & Advisory Services Pte. Ltd. (the "**Unit Registrar**") and/or Ascendas Reit will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of the Rights Units directly from the market.

(iii) Holdings through Finance Company and/or Depository Agent

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

ELIGIBILITY OF UNITHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

ELIGIBLE UNITHOLDERS

"**Eligible Unitholders**" comprise Eligible Depositors and Eligible QIBs.

"**Eligible Depositors**" are Unitholders with Units standing to the credit of their securities account with CDP (but do not include securities sub-accounts) ("**Securities Account**") and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days[1] prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.

"**Eligible QIBs**" are qualified institutional buyers (as defined in Rule 144A under the US Securities Act of 1933, as amended) (a) whose identities have been agreed upon by the Manager and the Joint Lead Managers and Underwriters, (b) who have each provided to the Manager a signed Investor Representation Letter in the form attached hereto as **Appendix B** of this Offer Information Statement not later than the Closing Date (or such other date as may be agreed by the Manager with the Joint Lead Managers and Underwriters), and (c) who are Eligible Depositors.

Eligible Unitholders will receive their Rights Entitlements under the Rights Issue on the basis of their unitholdings in Ascendas Reit as at the Rights Issue Books Closure Date and are entitled to participate in the Rights Issue and to receive this Offer Information Statement (including the ARE and the ARS) at their respective Singapore addresses. Eligible Depositors who do not receive this Offer Information Statement and the ARE may obtain them from CDP for the period up to the Closing Date.

Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.

The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renouncees of the Rights Entitlements or the purchasers of Rights Entitlements (collectively, "**Excess Rights Units**") will be aggregated and used to satisfy Excess Rights Units applications (if any) or disposed of or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any) followed by allotment to the Unitholders who are neither Directors nor Substantial Unitholders (as defined herein). Directors and Substantial Unitholders who have control or influence over Ascendas Reit or the Manager in connection with the day-to-day affairs of Ascendas Reit or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors ("**Board**"), will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units.

1 "**Market Day**" refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights Entitlements and for the applications for Excess Rights Units, including the different modes of acceptance and application and payment, are contained in **Appendix C** and in **Appendix D** and in the ARE and the ARS.

INELIGIBLE UNITHOLDERS

No Rights Entitlements will be provisionally allotted to Unitholders who are not Eligible Unitholders ("**Ineligible Unitholders**") and no purported acceptance thereof or application for Excess Rights Units therefore by Ineligible Unitholders will be valid.

This Offer Information Statement and its accompanying documents (including the ARE and the ARS) will not be despatched to Ineligible Unitholders. This Offer Information Statement and its accompanying documents (including the ARE and the ARS) relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. Receipt of this Offer Information Statement and its accompanying documents or the crediting of Rights Entitlements to a securities account in CDP does not and will not constitute an offer in those jurisdictions in which it would be illegal and the Offer Information Statement and its accompanying documents should not be copied or redistributed.

The offer, sale and delivery of the Rights Units and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. The Rights Units and the Rights Entitlements will only be offered and sold (1) within the US to a limited number of Eligible QIBs pursuant to one or more exemptions from the registration requirements of the Securities Act and (2) in offshore transactions in reliance on Regulation S.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing or to transferees of the Rights Entitlements, whose registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident. Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should ensure that they comply with the applicable rules, regulations and, subject to compliance with applicable laws and regulations, make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty. Notwithstanding the foregoing paragraphs, the Manager may in its sole discretion determine whether to allow the participation in the Rights Issue by Unitholders who are located, resident or with a registered address in other jurisdictions outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdictions.

Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

If it is practicable to do so, the Manager may, in its absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account all expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold "nil-paid" on the SGX-ST, they will be sold at such price or prices as the Manager may, in its absolute discretion, decide and no Ineligible Unitholder or persons acting for the account or benefit of any such persons shall have any claim whatsoever against the Manager, the Trustee, the Joint Lead Managers and Underwriters, CDP or the Central Provident Fund Board ("**CPF Board**") or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Units represented by such provisional allotments.

The net proceeds from all such sales, after deducting all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings as at the Rights Issue Books Closure Date and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of Ascendas Reit and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Joint Lead Managers and Underwriters, the Trustee or CDP in connection herewith.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Units represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Units or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interest of Ascendas Reit and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, the Joint Lead Managers and Underwriters, CDP or CPF Board and their respective officers in connection therewith.

Unitholders should note that the special arrangement described above will apply only to Ineligible Unitholders.

OFFERING, SELLING AND TRANSFER RESTRICTIONS

GENERAL

Investors are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Rights Entitlements and the Rights Units. No action has been taken or will be taken to permit a public offering of the Rights Units or the Rights Entitlements to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating to Ascendas Reit, the Rights Units or the Rights Entitlements in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the Rights Units or the Rights Entitlements may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Rights Units or the Rights Entitlements may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction and the Manager and the Trustee expressly reserve the right to determine in their sole discretion whether to comply with any such applicable rules and regulations for the Rights Units to be offered and sold in such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Units, applying for excess Rights Units or making any offer, sale, resale, pledge or other transfer of the Rights Units or the Rights Entitlements.

This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

FOR INVESTORS IN THE UNITED STATES

The Rights Units and the Rights Entitlements have not been, and will not be, registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered (as applicable), directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. Neither receipt of this Offer Information Statement nor any of its accompanying documents constitutes an offer of the Rights Units or the Rights Entitlements to any Unitholder other than the Unitholder which has received this Offer Information Statement and its accompanying documents directly from the Manager.

The Rights Units and the Rights Entitlements have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Units or the Rights Entitlements or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary is a criminal offence in the US.

The Rights Units or the Rights Entitlements may only be acquired by persons in the US who are Eligible QIBs pursuant to an exemption from the registration requirements of the Securities Act or in a transaction not subject to the registration requirements of the Securities Act. The Rights Units and the Rights Entitlements are being offered and sold outside the US in offshore transactions as defined in and in reliance on Regulation S under the Securities Act. Further, if you are in the US, you may not exercise any Rights Entitlements and/or acquire any Rights Units offered hereby unless you are an Eligible QIB and have been invited to participate directly by the Manager. In addition, in order to exercise your Rights Entitlements and/or acquire any Rights Units offered hereby, you must have completed, duly executed and delivered to the Manager (with a copy thereof to your Depository Agent (as defined herein), financial intermediary or nominee) an Investor Representation Letter (which the Manager must have accepted), in the form attached as **Appendix B** of this Offer Information Statement not later than the Closing Date (or such other date as may be agreed by the Manager with the Joint Lead Managers and Underwriters).

Each person in the US who accepts delivery of a copy of this Offer Information Statement shall be deemed to represent, warrant and agree that it is an Eligible QIB and have made each acknowledgement, representation, warranty and agreement in the Investor Representation Letter (the form of which is attached hereto as **Appendix B** of this Offer Information Statement). Any person in the US who obtains a copy of this Offer Information Statement and who is not an Eligible QIB must disregard the contents of this Offer Information Statement.

Any envelope containing an ARE and/or an ARS which is post-marked from the United States will not be accepted unless the Manager has received and accepted a duly executed Investor Representation Letter in the form attached as **Appendix B** of this Offer Information Statement. Similarly, any ARE and/or ARS in which the exercising holder or subscribing applicant requests Rights Units to be credited to a Securities Account and gives an address in the United States will not be accepted. Any payment made in respect of any ARE and/or ARS that does not meet the foregoing criteria will be returned without interest.

Any person in the United States who obtains a copy of this Offer Information Statement or its accompanying documents and who has not been specifically invited by the Manager to participate or who is not an Eligible QIB is required to disregard it.

In addition, until 40 days after the commencement of the Rights Issue, an offer or sale of the Rights Units within the United States by any dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act if such offer or sale is made other than in accordance with an available exemption from registration.

US Transfer Restrictions

The offering and delivery of the Rights Entitlements to, and the offering and acquisition of the Rights Entitlements or the Rights Units in the United States to and by certain persons reasonably believed to be Eligible QIBs is being made pursuant to an exemption from the registration requirements of the Securities Act. None of the Rights Entitlements or the Rights Units have been, or will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, the Rights Entitlements and the Rights Units may not be offered, sold, resold, allotted, taken up, exercised, pledged, or otherwise transferred or delivered (as applicable) except in offshore transactions in accordance with Rule 904 of Regulation S and in the United States in private transactions pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act. Accordingly, the Rights Units will be "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and subject to transfer restrictions as further described in "Risk Factors – Risks Associated with the Rights Issue – Resales of the Rights Units and the Rights Entitlements in the US are subject to restrictions" in the form attached hereto as **Appendix B** of this Offer Information Statement.

Procedures for exercising and/or accepting the provisional allotments of Rights Entitlements by Eligible QIBs in the United States

If you are an Eligible QIB:

1. you may receive this Offer Information Statement and its accompanying documents from the Manager by completing and delivering to the Manager prior to 28 November 2019 a duly executed Investor Representation Letter in the form attached hereto as **Appendix B** of this Offer Information Statement;

2. you may exercise your Rights Entitlements, subscribe for Rights Units and apply for excess Rights Units instructing your Depository Agent, financial intermediary or nominee that you have been invited by the Manager to participate in this Rights Issue, and that the Depository Agent, financial intermediary or nominee should contact the Manager if such Depository Agent, financial intermediary or nominee wishes to confirm you have been invited to participate; and

3. in order to participate in the Rights Issue, you must forward to your Depository Agent, financial intermediary or nominee a copy of the properly completed and executed Investor Representation Letter you have previously delivered to the Manager prior to 28 November 2019 or at the time of such instruction to your Depository Agent, financial intermediary or nominee, as the case may be.

The Manager and its receiving agent have the discretion to refuse any application under the Rights Issue or other request to accept and/or exercise the Rights Entitlements, subscribe for Rights Units or apply for excess Rights Units that is incomplete, unexecuted or not accompanied by any required documentation or that otherwise does not comply with the terms and conditions of the Rights Issue, including the receipt and acceptance by the Manager of an executed Investor Representation Letter in the form attached hereto as **Appendix B** of this Offer Information Statement.

FOR INVESTORS OUTSIDE THE UNITED STATES

Each purchaser of the Rights Entitlements and/or the Rights Units offered and sold outside the US and in reliance on Regulation S will be deemed to have represented and agreed as follows (terms defined in Regulation S have the same meanings when used herein):

(a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Units is, outside the United States; and (ii) is acquiring the Rights Entitlements and/or the Rights Units in an offshore transaction meeting the requirements of Regulation S;

(b) the purchaser is aware that the Rights Entitlements and/or the Rights Units have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and

(c) the purchaser acknowledges that the Manager, the Joint Lead Managers and Underwriters of the Rights Issue, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

In Canada, the Rights Units and/or Rights Entitlements may only be offered or sold, directly or indirectly, to residents of Canada which are (i) accredited investors as defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions and are also (ii) permitted clients as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and On-Going Registrant Obligations and who have each provided the Manager with have each provided to the Manager a signed Investor Representation Letter in the form attached hereto as **Appendix B** of this Offer Information Statement not later than the Closing Date (or such other date as may be agreed by the Manager with the Joint Lead Managers and Underwriters).

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty. Notwithstanding the foregoing paragraphs, the Manager may in its sole discretion determine whether to allow the participation in the Rights Issue by Unitholders who are located, resident or with a registered address in other jurisdictions outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdictions.

The Manager and the Joint Lead Managers and Underwriters have not taken any action, nor will the Manager and the Joint Lead Managers and Underwriters take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Entitlements and Rights Units, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to Ascendas Reit, the Manager, the Rights Entitlements or the Rights Units in any jurisdiction other than Singapore where action for that purpose is required.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Unitholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

Distribution and Selling Restrictions

None of the Manager or the Joint Lead Managers and Underwriters have taken any action, or will take any action, in any jurisdiction other than Singapore that would permit a public offering of Units, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to the Rights Issue in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser and/or transferee of the Rights Units and/or Rights Entitlements may not offer or sell, directly or indirectly, any Rights Units and/or Rights Entitlements and may not distribute or publish this Offer Information Statement or any other offering material or advertisements in connection with the Units in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

Each purchaser and/or transferee of the Rights Units and/or Rights Entitlements is deemed to have represented and agreed that it will comply with the selling restrictions set out below for each of the following jurisdictions:

Selling Restrictions

Australia

This Offer Information Statement, including the ARE and ARS, is only made available in Australia to persons to whom a disclosure document is not required to be given under Chapter 6D or Chapter 7.9 of the Australian Corporations Act 2001 (Cth) ("**Australian Corporations Act**"). This Offer Information Statement, including the ARE and ARS, is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of the Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. If you are in Australia, this Offer Information Statement, including the ARE and ARS, is made available to you provided you are a person to whom an offer of Rights Units can be made without a disclosure document such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7.9 of the Australian Corporations Act.

This Offer Information Statement has not been and will not be lodged or registered with the Australian Securities and Investments Commission or ASX or any other regulatory body or agency in Australia. The persons referred to in this Offer Information Statement, including the ARE and ARS, may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the Rights Units. No "cooling-off" regime will apply to an acquisition of any interest in Ascendas Reit.

This Offer Information Statement does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of any interest in Ascendas Reit is appropriate in light of your own financial circumstances or seek professional advice.

If you acquire the Rights Units in Australia then you:

(a) represent and warrant that you are a professional or sophisticated investor;

(b) represent and warrant that you are a wholesale client; and

(c) agree not to sell, transfer, assign, offer, or otherwise alienate any Rights Units to any person located in, or a resident of, Australia within 12 months from the date of their allotment, or as the case may be, issue under the offer, except in circumstances where:

    (i) disclosure to investors would not be required under either Chapter 6D or Chapter 7.9 of the Australian Corporations Act; or

    (ii) such sale or offer is made pursuant to a disclosure document which complies with either Chapter 6D or Chapter 7.9 of the Australian Corporations Act.

The United Kingdom

Ascendas Reit is an unregulated collective investment scheme for the purposes of the United Kingdom Financial Services and Markets Act 2000 ("**FSMA**"), which has not been authorised or recognised by the Financial Conduct Authority of the United Kingdom ("**FCA**"). The promotion of Units in Ascendas Reit and distribution of this Offer Information Statement in the United Kingdom is accordingly restricted by law.

Where the person distributing this Offer Information Statement is a person authorised under FSMA to carry on business in the United Kingdom, this Offer Information Statement is being communicated only to, or directed only at, persons falling within one or more of the following exemptions from the promotion of unregulated collective investment schemes regime in section 238 FSMA: (a) authorised firms under FSMA and certain other persons who are investment professionals falling within Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended (the "**CIS Promotion Order**") and their directors, officers and employees acting for such entities in relation to investment; (b) high value entities falling within Article 22 of the CIS Promotion Order and their directors, officers and employees acting for such entities in relation to investment; and (c) persons to whom it may otherwise lawfully be distributed under the CIS Promotion Order or Section 4.12 of the FCA's conduct of business sourcebook (together "**the section 238 relevant persons**").

Where the person distributing this Offer Information Statement is not an authorised person under FSMA, this Offer Information Statement is being made only to, or directed only at, persons falling within one or more of the following exemptions from the financial promotion regime in section 21 FSMA: (a) authorised persons under FSMA and other investment professionals falling within article 19 of the FSMA (Financial Promotion) Order 2005 ("**FPO**") (including directors, officers and employees acting for such entities in relation to investment); (b) high value entities falling within article 49 FPO (including their directors, officers and employees acting for such entities in relation to investment); and (c) persons who receive this Offer Information Statement outside the United Kingdom (together with the section 238 relevant persons, the "**UK Relevant Persons**").

This document and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. The distribution of this Offer Information Statement to any other person in the United Kingdom is unauthorised and may contravene FSMA. Units are not available to any person in the United Kingdom that is not a UK Relevant Person, and persons in the United Kingdom who are not UK Relevant Persons should not act or rely on this document or any of its contents.

Any UK Relevant Person seeking to rely on this Offer Information Statement is warned that buying Units may expose him to a significant risk of losing all the property he invested. If a UK Relevant Person is in doubt about the Units he should consult a person authorised under FSMA who specialises in advising on such investments. UK Relevant Persons who do not have professional experience of participating in unregulated schemes and in matters relating to investments should not rely on this Offer Information Statement.

This Offer Information Statement does not constitute an offer document or a public offer of transferable securities in the United Kingdom to which section 85 of FSMA applies and should not be considered as a recommendation that any person should subscribe for or purchase any of the Units. The Units will not be offered or sold to any person in the United Kingdom except in circumstances which have not resulted and will not result in an offer to the public in contravention of section 85(1) of FSMA. This Offer Information Statement has been prepared on the basis that all offers of Units in the United Kingdom will fall within an exemption under section 86 of FSMA.

Canada

The Rights Units and the Rights Entitlements may only be offered or sold, directly or indirectly, in Canada, or to residents thereof pursuant to an exemption from the requirement to file a prospectus with the regulatory authorities in the relevant province or territory and will be made only by a dealer duly registered under the applicable securities laws or in accordance with an exemption from the applicable registered dealer requirements. Without limiting the foregoing, the Rights Units and Rights Entitlements may only be offered or sold, directly or indirectly, in Canada to persons which are both "accredited investors" (as defined in National Instrument 45-106 Prospectus Exemptions) and "permitted clients" (as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations) and who have each provided to the Manager a signed Investor Representation Letter in the form attached hereto as **Appendix B** of this Offer Information Statement.

Each and any Canadian purchaser confirms that it has been advised that (a) any resale of the Rights Units or Rights Entitlements must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws, (b) that securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the Offer Information Statement (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor, and (c), that under Canadian securities law, National

Instrument 33-105 Underwriting Conflicts (NI 33-105) provides disclosure requirements with respect to potential conflicts of interest between an issuer and underwriters; to the extent any conflict of interest between the Ascendas Reit and any of the Joint Lead Managers or Underwriters (or any other dealer acting in connection with this offering) may exist in respect of this offering, the applicable parties to this offering are relying on the exemption from these disclosure requirements provided to them by section 3A.3 of NI 33-105 (Exemption based on US disclosure). Any Canadian purchaser hereby also confirms that upon receipt of any document in connection with this offering, it has expressly requested that all documents evidencing or relating in any way to the sale of the Rights Units or Rights Entitlements (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Hong Kong

No Rights Units or Rights Entitlements have been or may be offered or sold in Hong Kong by means of this Offer Information Statement or any other document, other than to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO. No document, invitation or advertisement relating to the Rights Units or Rights Entitlements has been issued, and no person had in possession for the purposes of issue, will issue or have in possession for the purpose of issue, any document, invitation or advertisement relating to the Rights Units or Rights Entitlements, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Rights Units or Rights Entitlements which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

The contents of this Offer Information Statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Malaysia

This Offer Information Statement and any other document or material in connection with the offer or sale, invitation for subscription or purchase, of the Rights Units and Rights Entitlements has not been and will not be filed, registered or deposited with the Securities Commission of Malaysia as a prospectus, disclosure document or other offering document whatsoever under the Capital Markets and Services Act 2007 in connection with the Rights Issue. Accordingly, this document must not be distributed in Malaysia for the purpose of the Rights Issue. By reason of the foregoing, whether or not you invest in the Rights Issue, if you are in Malaysia, you may not distribute this Offer Information Statement to anyone other than your own financial and legal advisors, nor may you make copies of this or any other document you receive, except to the extent necessary to consult with your financial and legal advisors who are advising you in connection with this potential investment (and only so long as such advisors agree to hold this information confidential and not use it for purposes other than advising you in connection herewith). Any other reproduction or distribution of this Offer Information Statement in Malaysia, in whole or in part, or the disclosure of its contents in Malaysia, without the issuer's prior written consent, is prohibited.

European Economic Area

The Rights Issue does not extend to residents of the European Economic Area ("**EEA**") or persons in the EEA (save for persons in the United Kingdom who are UK Relevant Persons). This Offer Information Statement and its accompanying documents may not be forwarded or distributed to the EEA or any resident in the EEA (save for persons in the United Kingdom who are UK Relevant Persons). Failure to comply with this directive may result in a violation of the laws of the relevant EEA member state.

CERTAIN DEFINED TERMS AND CONVENTIONS

Ascendas Reit publishes its financial statements in Singapore dollars. In this Offer Information Statement, references to "S$", "Singapore dollar" or "Singapore cent" are to the lawful currency of the Republic of Singapore, references to "US$", "United States dollar" or "United States cent" are to the lawful currency of the United States of America, references to "RMB" are references to the lawful currency of the People's Republic of China, references to "A$" are references to the lawful currency of Australia, references to "HKD" are references to the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China and references to "£" are references to the lawful currency of the United Kingdom. All references to dates and times are to Singapore dates and times.

Certain monetary amounts set out in this Offer Information Statement have been subject to rounding adjustments. Accordingly, figures shown as totals in tables may not be an arithmetic aggregation of the figures that precede them.

Capitalised terms used in this Offer Information Statement shall have the meanings set out in the Glossary on pages 83 to 95 of this Offer Information Statement.

References of "Appendix" or "Appendices" are to the appendices set out in this Offer Information Statement.

CORPORATE INFORMATION

Directors of 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	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit) 21 Collyer Quay #13-02 HSBC Building Singapore 049320
Joint Lead Managers and Underwriters	:	DBS Bank Ltd. 12 Marina Boulevard 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 for the Rights Issue and to the Manager	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Joint Lead Managers and Underwriters	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321

Legal Adviser to the Trustee	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
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 123 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:** Cushman & Wakefield Western, Inc. 4747 Executive Drive, 9th Floor San Diego, CA 92121

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement. Meanings of defined terms may be found in the section entitled "Glossary" of this Offer Information Statement. Unless otherwise specified, all information in this Offer Information Statement are as at 30 September 2019.

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.

1. Overview of Ascendas Reit

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 Trust is managed by an external manager, Ascendas Funds Management (S) Limited (the "**Manager**"), an indirect wholly-owned subsidiary of CapitaLand Limited ("**CL**"), one of Asia's largest real estate companies headquartered and listed in Singapore. CL holds, directly and indirectly through its subsidiaries, an aggregate interest in 591,374,889 Units representing approximately 19% of the issued Units as at the Latest Practicable Date.

2. Overview of the Proposed Acquisitions

As announced on 1 November 2019, the Trust has entered into the Acquisition Agreements (as defined herein) in connection with the Proposed Acquisitions. The Proposed Acquisitions consist of the US Acquisition and the Singapore Acquisitions, details of which are set out below.

To partially finance the Proposed Acquisitions, the Manager is carrying out an equity fund raising by way of the Rights Issue and is issuing this Offer Information Statement in connection with the Rights Issue.

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 Portfolio**" or "**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**"). The US Portfolio is 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**"). (See the section entitled "Information Relating to the Proposed Acquisition – Details of the Proposed Acquisition" of this Offer Information Statement for further details of the US Acquisition.)

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.

(See **Appendix F** of this Offer Information Statement for further details.)

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**") 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**"). The acquisition of the Singapore Properties (the "**Singapore Acquisitions**"), shall, together with the US Acquisition, be collectively referred to as the "**Proposed Acquisitions**". (See the section entitled "Information Relating to the Proposed Acquisition – Details of the Proposed Acquisition" of this Offer Information Statement for further details of the Proposed Acquisitions.)

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.

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.

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.

(See **Appendix F** of this Offer Information Statement for further details on the independent valuations.)

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 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 the Rights Issue.

For the purposes of this Offer Information Statement, the "**Enlarged Portfolio**" or the "**Properties**" comprises the Existing Portfolio, the US Portfolio and the Singapore Properties. The Singapore Properties together with the US Portfolio shall be referred to as the "**Target Properties**".

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

(a) the estimated US Portfolio Purchase Consideration (as defined herein) 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 date of completion of the US Acquisition (the "**US Acquisition Completion Date**");

(b) the purchase consideration for Nucleos being S$289.0 million (the "**Nucleos Purchase Consideration**") and the purchase consideration for FM Global being S$91.0 million (the "**FM Global Centre Purchase Consideration**") of collectively approximately S$380.0 million (the "**SG Total Consideration**", together with the Estimated US Portfolio Purchase Consideration, the "**Total Consideration**");

(c) 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) (as defined herein); and

(d) 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.

(See the section entitled "Information Relating to the Proposed Acquisition" of this Offer Information Statement for further details of the Proposed Acquisitions and the section entitled "Use of Proceeds – Offer Proceeds and Use of Proceeds" of this Offer Information Statement for further details on the costs of the Rights Issue.)

The Total Acquisition Cost will be funded as follows:

(a) net proceeds from the Rights Issue after deducting the Rights Issue related costs of approximately S$15.0 million of approximately S$1,294.8 million;

(b) the drawdown of 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.

On the bases and assumptions set out in "Pro Forma Financial Information – Pro Forma Financial Effects of the Rights Issue and the Proposed Acquisitions – Bases and Assumptions", the *pro forma* aggregate leverage of Ascendas Reit and its subsidiaries would be 34.6% on completion of the Proposed Acquisitions and Rights Issue.

For completeness, the table below sets out the applicable "Materiality Ratios" of the Proposed Acquisitions to Ascendas Reit under Rule 1006 of Chapter 10 of the Listing Manual:

	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 (as defined herein)	1,705.7	9,867.4	17.3(2)

Notes:

(1) Based on Ascendas Reit's 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.

3. The Rights Issue

The Rights Issue comprises an offer of 498,040,904 Rights Units on a renounceable basis to Eligible Unitholders based on the Rights Ratio of 16 Rights Units for every 100 existing units in Ascendas Reit ("**Existing Units**") held as at the Rights Issue Books Closure Date (fractional entitlements to be disregarded), at the issue price of S$2.63 per Rights Unit ("**Issue Price**"), to raise gross proceeds of approximately S$1,310 million. Save for the Rights Units to be subscribed for pursuant to the Irrevocable Undertakings (as defined herein), the Rights Issue is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Management and Underwriting Agreement (as defined herein).

The Rights Issue would provide Unitholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Units at the Issue Price, which is at a discount of:

(i) approximately 17.0% to the closing price of S$3.17 per Unit on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 31 October 2019, being the last trading day of the Units prior to the announcement of the Rights Issue ("**Closing Price**"); and

(ii) approximately 15.0% to the theoretical ex-rights price ("**TERP**") of S$3.0955 per Unit which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of Ascendas Reit based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$$

Eligible Unitholders who do not wish to subscribe for the Rights Units may choose to sell their Rights Entitlements during the "nil-paid" rights trading period to realise the value of their Rights Entitlements.

The Rights Units will be issued pursuant to the general mandate (the "**General Mandate**") that was approved by Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 9 July 2019. Given that the number of Rights Units to be issued under the Rights Issue is within the 50% limit for the issue of new Units on a *pro rata* basis under the General Mandate, the prior approval of Unitholders is not required for the issuance of the Rights Units.

As a demonstration of its support for Ascendas Reit and the Rights Issue, the 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 (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 Rights Units, or procure that the Relevant Entities (as defined herein) accept, subscribe and pay in full for their total provisional allotment of the Right Units.

4. Rationale for the Proposed Acquisitions and the Rights Issue

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 of the Proposed Acquisitions and the Rights Issue to the Unitholders are:

<u>US Portfolio</u>

(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.

<u>Singapore Properties</u>

(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.

<u>Rights Issue</u>

(a) Potential increase in trading liquidity of Ascendas Reit's Units; and

(b) Rights Issue partly funds the Proposed Acquisitions and enhances Ascendas Reit's financial flexibility as aggregate leverage would be maintained below 40% post-acquisition.

Description of Key Benefits

(1) US Portfolio

(a) 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.

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

According to the Independent Market Research Consultant, 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[2].

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

(c) 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 tenth, fifth and seventh for San Diego, Raleigh and Portland respectively[2].

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.

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1 Source: Moody's Credit Opinion (14 June 2019), US sovereign credit profile rating: Aaa Stable. Moody's has not provided its consent, for purposes of Section 249 (read with Sections 302 and 305B) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Sections 302 and 305B) of the SFA. 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, the Joint Lead Managers and Underwriters 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 the Independent Market Research Consultant (See Appendix I).

3 A "**Metropolitan Innovation Cluster**" refers to an office and commercial property centre 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.

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[2].

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 centre of Adidas and the footwear design centres of Under Armour, Mizuno and other top sportswear companies. Portland holds the highest number of patents in the US in certain shoe-related products[2].

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.

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

The US Properties are situated 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).

(e) High occupancy rate, long WALE and annual rent escalations

Occupancy rate of the US Portfolio 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%.

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

The US Properties provides 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 major organisations include Nike and State of California (Social Services).

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

(2) **Singapore Properties**

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

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%).

(b) **Well-established location in one-north and Singapore Science Park 2**

Nucleos is located within the biomedical research and development ("**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.

(c) **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, longer than the existing Singapore portfolio WALE of 3.6 years as at 30 September 2019.

(d) **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 (as defined herein) 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.

5. Use of Proceeds

For each dollar of the gross proceeds of approximately S$1,310 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

(i) approximately 98.9 Singapore cents (equivalent to approximately S$1,294.8 million) will be used to part finance the Proposed Acquisitions and the costs related thereto; and

(ii) approximately 1.1 Singapore cents (equivalent to approximately S$15.0 million) for the estimated professional and other fees and expenses incurred or to be incurred by Ascendas Reit in connection with the Rights Issue.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes, including the repayment of existing indebtedness and funding capital expenditures or funding other potential acquisitions.

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

The Manager will make periodic announcements on the utilisation of the proceeds from the Rights Issue as and when such funds are materially utilised and provide a status report on the use of the proceeds from the Rights Issue in the annual report of Ascendas Reit. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

6. Underwriting of the Rights Issue

Save for the Rights Units to be subscribed for pursuant to the Irrevocable Undertakings, the Rights Issue is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of a management and underwriting agreement entered into between the Manager and the Joint Lead Managers and Underwriters on 1 November 2019 (the "**Management and Underwriting Agreement**").

Pursuant to the Underwriting Agreement, each of the Joint Lead Managers and Bookrunners has agreed, subject to the terms and conditions of that agreement to use its reasonable endeavours to procure subscribers for, and failing which to subscribe for the Underwritten Rights Units[1] not taken up (but only to the extent that the number of Underwritten Rights Units not taken up exceeds the number of Rights Units which have been validly subscribed for pursuant to excess applications for the Rights Units) at the Issue Price.

The Underwritten Rights Units are severally underwritten by DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited in the proportion of 50.0% (representing approximately 201,710,461 Rights Units) and 50.0% (representing approximately 201,710,461 Rights Units) respectively.

1 "**Underwritten Rights Units**" means the total number of Rights Units excluding the Rights Units which are the subject of the Irrevocable Undertakings.

The Joint Lead Managers and Underwriters will be entitled to an aggregate underwriting commission (excluding goods and services tax payable) of 1.25% of the Issue Price multiplied by the total number of Rights Units less the number of Rights Units subscribed for by the Sponsor and AFM pursuant to the Irrevocable Undertakings.

It should be noted that the Management and Underwriting Agreement may be terminated upon the occurrence of certain events, but the Joint Lead Managers and Underwriters are not entitled to rely on *force majeure* to terminate the Management and Underwriting Agreement on or after the date on which ex-rights trading commences (being 8 November 2019) (in compliance with Rule 818 of the Listing Manual of the SGX-ST (the "**Listing Manual**")).

7. Commitment of the Sponsor and AFM

CL, through its wholly-owned subsidiaries, the Sponsor and AFM, has interests in 591,374,889 Units representing approximately 19% of the issued Units of 3,112,755,652 as at the Latest Practicable Date. The Sponsor has direct interests in 517,001,996 Units ("**Sponsor Initial Units**") and AFM has direct interests in 74,372,893 Units ("**AFM Initial Units**").

To demonstrate its support for Ascendas Reit and the Rights Issue, the Sponsor and AFM have, on 1 November 2019, each provided an Irrevocable Undertaking to the Manager and the Joint Lead Managers and Underwriters that:

(i) as at the Rights Issue Books Closure Date, the Sponsor and AFM (as the case may be) together with their subsidiaries will have an interest (either actual or deemed) in not less than the number of the Sponsor Initial Units and AFM Initial Units (as the case may be) credited to securities accounts with The Central Depository (Pte) Limited (the "**CDP**") which are held in the name of the Sponsor or AFM or 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**") (each with registered addresses with CDP in Singapore);

(ii) the Sponsor and AFM (as the case may be) will by the Closing Date accept, subscribe and pay in full for their total provisional allotment of Rights Units or procure that the Relevant Entities, accept, subscribe and pay in full for their Relevant Entities' total provisional allotment of Rights Units; and

(iii) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, the Sponsor and AFM will not, during the period commencing from the date of the announcement of the launch of the Rights Issue up to and including the date of the listing of the Rights Units, make any public statement or announcement regarding the Rights Issue, without first obtaining the prior written consent of the Joint Lead Managers and Underwriters (such consent not to be unreasonably withheld or delayed), provided that nothing in this paragraph shall prevent CL and the Manager from making any announcements which they are required to do so from a regulatory perspective.

8. Status of the Rights Issue

Ascendas Reit's current policy is to distribute its distributable income on a semi-annual basis to Unitholders. As announced by the Manager on 24 July 2019, Ascendas Reit has changed its financial year end from 31 March to 31 December. For the current financial year ending 31 December 2019, the regular distributions to Unitholders shall be for the 6-month period ended 30 September 2019 and 3-month period ended 31 December 2019. Thereafter, the regular distributions shall be made on a semi-annual basis for every 6-month period ending 30 June and 31 December every year. The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 October 2019 to 31 December 2019 as well as all distributions thereafter. For the avoidance of doubt, the Rights Issue Books Closure Date is expected to be on 11 November 2019.

Eligible Unitholders who validly accept, in full, their provisional allotments of Rights Units in accordance with the terms of this Offer Information Statement, will receive such amount of the accrued distributions for the period from 1 October 2019 to 31 December 2019 which they would have been entitled to had the Rights Issue not occurred. Eligible Unitholders who decide not to accept in full their provisional allotments of Rights Units can, where applicable, make arrangements to trade their Rights Entitlements on the SGX-ST under the book-entry (scripless) settlement system.

For Ineligible Unitholders, the Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate him fully for the dilution of his unitholding as a result of the Rights Issue. (See the section entitled "Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders" of this Offer Information Statement.)

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following principal terms and conditions of the Rights Issue are derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and are qualified in their entirety by reference to information appearing elsewhere in this Offer Information Statement.

Issue Size	:	498,040,904 Rights Units. The Rights Issue is expected to raise gross proceeds of approximately S$1,310 million.
Basis of Provisional Allotments	:	Each Eligible Unitholder is entitled to subscribe for 16 Rights Units for every 100 existing Units standing to the credit of his Securities Account with CDP as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.
Issue Price	:	S$2.63 per Rights Unit. The Rights Units are payable in full upon acceptance and/or application.
Administrative Fee	:	An administrative fee will be incurred by applicants for each Electronic Application made through the ATMs of the Participating Banks.
Status of Rights Units	:	The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 October 2019 to 31 December 2019 as well as all distributions thereafter. Accordingly, notwithstanding that the Rights Units would be issued after 1 October 2019, it would be entitled to the distributions which may accrue for the period from 1 October 2019 to 31 December 2019. Eligible Unitholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade them on the SGX-ST under the book-entry (scripless) settlement system. The Manager may also, at its absolute discretion, make arrangements for the Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST under the book-entry (scripless) settlement system. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto.

Eligible Unitholders	:	"**Eligible Unitholders**" comprise Eligible Depositors and Eligible QIBs. "**Eligible Depositors**" are Unitholders with Units standing to the credit of their securities account with CDP (but do not include securities sub-accounts) and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days[1] prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore. "**Eligible QIBs**" are qualified institutional buyers (as defined in Rule 144A under the US Securities Act of 1933, as amended) (a) whose identities have been agreed upon by the Manager and the Joint Lead Managers and Underwriters, (b) who have each provided to the Manager a signed investor representation letter in the form attached hereto as **Appendix B** of this Offer Information Statement and (c) who are Eligible Depositors. Eligible Unitholders are at liberty to accept in part or in full, decline renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.
Eligibility to participate in the Rights Issue	:	See the section entitled "Eligibility of Unitholders to Participate in the Rights Issue" of this Offer Information Statement for further details.
Rights Entitlements of Eligible Unitholders	:	Eligible Unitholders will receive their Rights Entitlements and are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for the Excess Rights Units on 14 November 2019 from 9.00 a.m. up to the Closing Date as set out in the section entitled "Timetable of Key Events" of this Offer Information Statement. In the case of Eligible Depositors only, they are also able to trade their provisional allotments of Rights Units on the SGX-ST for the period commencing on 14 November 2019 from 9.00 a.m., being the date of commencement of the "nil-paid" rights trading, and ending on 22 November 2019 at 5.00 p.m. and each may accept a portion of his provisional allotment of Rights Units and trade the balance of his provisional allotment of Rights Units.

1 "**Market Day**" refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

		Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for the renouncee to accept his Rights Entitlements and make payment for the Rights Units. Each Eligible Unitholder may, among other things, choose to: (i) accept all or a portion of his Rights Entitlements; (ii) renounce all or a portion of Rights Entitlements in favour of a third party; and/or (iii) trade all or a portion of his Rights Entitlements. In addition, each Eligible Unitholder may also apply for Excess Rights Units. The procedures for acceptance, payment, renunciation and application for Rights Units and/or Excess Rights Units by Eligible Unitholders are set out in **Appendix C** and **Appendix D**.
Ineligible Unitholders	:	No provisional allotments of Rights Units will be made to Ineligible Unitholders and no purported acceptance thereof or application for Excess Rights Units thereof by Ineligible Unitholders will be valid. Ineligible Unitholders should refer to the section entitled "Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders" of this Offer Information Statement.
Trading of the Rights Units/Rights Entitlements	:	Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST can do so for the period commencing on 14 November 2019 from 9.00 a.m., being the date and time of commencement of the Rights Entitlements trading, and ending on 22 November 2019 at 5.00 p.m., being the last date and time of the Rights Entitlements trading.

		The Rights Units and the Rights Entitlements will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Units and Rights Entitlements will comprise 100 Units or Rights Entitlements (as the case may be). All dealings in and transactions (including transfers) of the Rights Units effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP.
Manner of Refund	:	When any acceptance of Rights Entitlements and/or excess Rights Units application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three business days after commencement of trading of the Rights Units by any one or a combination of the following: (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution; and (ii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Manager's and CDP's obligations.
Trading of Odd Lots of Units	:	Eligible Unitholders who hold odd lots of Units (that is, lots other than board lots of 100 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST's Unit Share Market[1].
Underwriting	:	Save for the Rights Units to be subscribed for pursuant to the Irrevocable Undertakings, the Rights Issue is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Management and Underwriting Agreement. (See the sections entitled "Summary – Underwriting of the Rights Issue" and "Summary – Commitment of the Sponsor and AFM" for further details.)

1 "**Unit Share Market**" refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

Listing of the Rights Units	:	Approval in-principle has been obtained from the SGX-ST on 31 October 2019 for the listing and quotation of, *inter alia*, the Rights Units on the Main Board of the SGX-ST subject to certain conditions being met. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, the Rights Entitlements, the Units, the Manager, Ascendas Reit and/or its subsidiaries.
Unitholders who are CPFIS investors, SRS investors or who hold Units through a finance company and/or Depository Agent	:	**CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled "Important Notice to (A) CPFIS investors, (B) SRS Investors and (C) Investors who Hold Units Through a Finance Company and/or Depository Agent" of this Offer Information Statement for important details.**
Governing Law	:	Laws of the Republic of Singapore.

AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE RIGHTS ENTITLEMENTS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR, TRADED ON THE SGX-ST DURING THE RIGHTS ENTITLEMENTS TRADING PERIOD.

TIMETABLE OF KEY EVENTS

The timetable for the Rights Issue is set out below.

Event		Date and Time
Last day of "cum-rights" trading for the Rights Issue	:	7 November 2019
First day of "ex-rights" trading for the Rights Issue	:	8 November 2019
Rights Issue Books Closure Date	:	11 November 2019 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the application forms) to Eligible Unitholders	:	14 November 2019
Commencement of trading of Rights Entitlements	:	14 November 2019
Last date and time of splitting and trading of Rights Entitlements	:	22 November 2019
Closing Date:		
Last date and time for acceptance of the Rights Entitlements and payment for Rights Units(1)	:	28 November 2019 at 5.00 p.m.(2) (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for Excess Rights Units(1)	:	28 November 2019 at 5.00 p.m.(2) (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for acceptance of and payment by the renouncee(1)	:	28 November 2019 at 5.00 p.m.(3)
Expected date for crediting of Rights Units	:	6 December 2019
Expected date for commencement of trading of Rights Units on the SGX-ST	:	6 December 2019

Notes:

(1) This does not apply to CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent. CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled "Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors who hold Units through a Finance Company and/or Depository Agent" of this Offer Information Statement. Any application made by these investors directly through CDP or through ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective agent bank, approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective agent bank, approved bank, finance company and/or Depository Agent.

(2) If acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units, as the case may be, are made through CDP in accordance with the ARE and the ARS.

(3) Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for the renouncee to accept his Rights Entitlements and make payment for Rights Units.

The above timetable is indicative only and subject to change. The Manager may, in consultation with the Joint Lead Managers and Underwriters and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Manager will announce the same via the SGXNET. However, as at the date of this Offer Information Statement, the Manager does not expect the above timetable to be modified.

RESULTS OF THE ALLOTMENT

The Manager will announce the results of the Rights Issue through an SGXNET announcement to be posted on the SGX-ST website at http://www.sgx.com.

CREDITING OF RIGHTS ENTITLEMENTS AND RIGHTS UNITS

The Rights Entitlements will be provisionally allotted to Eligible Unitholders on or about 14 November 2019, by crediting the Rights Entitlements to the Eligible Depositor's Securities Accounts.

In the case of Eligible Unitholders and their renouncees and purchasers of the Rights Entitlements with valid acceptances and (where applicable) successful applications of Excess Rights Units, a confirmation note representing such number of Rights Units will be sent to CDP within 10 business days after the Closing Date. Such confirmation note shall be deemed to be documentary evidence evidencing title to the Rights Units issued, and CDP will thereafter credit such number of Rights Units to relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Units credited to their Securities Accounts.

(Please refer to **Appendix E** of this Offer Information Statement for further details.)

OVERVIEW OF ASCENDAS REIT

BACKGROUND OF ASCENDAS REIT

Ascendas Real Estate Investment Trust 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 located in Singapore, Australia and the United Kingdom.

General Development of Ascendas Reit

The general development of the business of Ascendas Reit from the beginning of the period comprising the three most recent completed financial years to the Latest Practicable Date is set out below. Save as disclosed below, to the best of the Manager's knowledge and belief, there have been no material changes in the affairs of Ascendas Reit since the release of Ascendas Reit's financial results for the financial period ended 30 September 2019.

Date		Significant developments
7 April 2016	:	Issue of S$130,000,000 2.655 per cent. notes due 2021 pursuant to the S$5,000,000,000 multicurrency medium term note programme
12 April 2016	:	Tax ruling in relation to the S$300,000,000 fixed rate subordinated perpetual securities
5 May 2016	:	Adjustment to the exchange price of S$300,000,000 1.60% exchangeable collateralised securities ("**ECS**") due 2019 issued by Ruby Assets Pte. Ltd.
9 May 2016	:	Issue and listing of 6,827,603 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
13 May 2016	:	Adjustment to the exchange price of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd.
15 June 2016	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 December 2015 to 31 May 2016
17 June 2016	:	Completed divestment of A-REIT Jiashan Logistics Centre in Shanghai, China for RMB125 million
28 June 2016	:	Obtained Unitholders' approval: 1. To authorise the Manager to issue Units and to make or grant convertible instruments, at an AGM held on 28 June 2016

Date		Significant developments
28 June 2016	:	Obtained Unitholders' approval: 1. For the entry into a new strategic management agreement and new master asset management agreement, at an EGM held on 28 June 2016
11 July 2016	:	Completed proposed divestment of Ascendas Z-Link in Beijing, China for RMB760 million
1 August 2016	:	Launch of private placement of 64,000,000 new units in Ascendas Reit to raise gross proceeds of no less than S$150.0 million
1 August 2016	:	Close of private placement of 64,000,000 new units in Ascendas Reit
3 August 2016	:	Issue of HKD923,000,000 2.77 per cent. notes due 2026 pursuant to the S$5,000,000,000 multicurrency medium term note programme
5 August 2016	:	Receipt of approval in-principle for the listing and quotation of 64,000,000 new units in Ascendas Reit pursuant to the private placement
11 August 2016	:	Issue of 64,000,000 new units in Ascendas Reit pursuant to the private placement
15 August 2016	:	Issue and listing of 77,896,659 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
9 September 2016	:	Announcement on use of proceeds from private placement of 64,000,000 new units
20 October 2016	:	Issue and listing of 5,944,418 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
20 October 2016	:	Adjustment to the exchange price of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd.
27 October 2016	:	Issue and listing of 15,975,626 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
28 October 2016	:	Adjustment to the exchange price of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd.
10 November 2016	:	Issue and listing of 2,105,315 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS

Date		Significant developments
17 November 2016	:	Completed divestment of A-REIT City @ Jinqiao in Shanghai, China for RMB1,078 million
30 November 2016	:	Issue and listing of 124,106 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
13 December 2016	:	Notice of redemption and end of exchange period in relation to the S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd.
15 December 2016	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 June 2016 to 30 November 2016
29 December 2016	:	Issue and listing of 8,811,551 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
6 January 2017	:	Receipt of approval in-principle for the issuance of consideration units in relation to the proposed acquisition of 12, 14 and 16 Science Park Drive in Singapore
19 January 2017	:	Issue and listing of 23,828,427 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
24 January 2017	:	Issue and listing of 1,489,277 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
24 January 2017	:	Acceptance of late notice of exchange in respect of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd.
25 January 2017	:	Obtained Unitholders' approval for the proposed acquisition of 12, 14 and 16 Science Park Drive in Singapore and for the issuance of new units in Ascendas Reit as partial consideration for the proposed acquisition, at an EGM held on 25 January 2017
1 February 2017	:	Issue and listing of 5,584,788 new units pursuant to the exchange of S$300,000,000 1.60% ECS due 2019 issued by Ruby Assets Pte. Ltd. and cancellation of the ECS pursuant to the exchange of ECS
16 February 2017	:	Completed acquisition of 12, 14 and 16 Science Park Drive in Singapore for S$420.0 million and the issuance of S$100.0 million of consideration units

Date		Significant developments
20 March 2017	:	Payment of acquisition fee by way of issue of units in Ascendas Reit in relation to the acquisition of 12, 14 and 16 Science Park Drive in Singapore
3 April 2017	:	Completed acquisition of Stage 4, Power Park Estate, Dandenong South in Melbourne, Australia for A$24.8 million
15 June 2017	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 December 2016 to 31 May 2017
29 June 2017	:	Obtained Unitholders' approval to: 1. authorise the Manager to issue Units and to make or grant convertible instruments; 2. to approve the supplement to the Trust Deed to amend the provisions governing the repurchase of Units; and 3. to approve a unit buy-back mandate at an AGM held on 29 June 2017
12 July 2017	:	Completed divestment of 10 Woodlands Link in Singapore for S$19.28 million
10 August 2017	:	Issue of S$200,000,000 2.47 per cent. notes due 2023 pursuant to the S$5,000,000,000 multicurrency medium term note programme
24 August 2017	:	Completed divestment of No. 13 International Business Park in Singapore for S$24.8 million
25 September 2017	:	Completed acquisition of a suburban office property located at No. 100 Wickham Street, Fortitude Valley in Queensland, Australia for A$83.8 million
15 December 2017	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 June 2017 to 30 November 2017
22 December 2017	:	Completed acquisition of a suburban office property located at No. 108 Wickham Street, Fortitude Valley in Queensland, Australia for A$106.2 million
19 January 2018	:	Completed divestment of No. 84 Genting Lane in Singapore for S$16.68 million
2 March 2018	:	Issue of S$200,000,000 3.14 per cent. notes due 2025 pursuant to the S$5,000,000,000 multicurrency medium term note programme
27 March 2018	:	Disclosure that the Trustee has secured a S$200 million committed revolving credit facility maturing in 2021, pursuant to rule 704(31) of the Listing Manual

Date		Significant developments
30 April 2018	:	Completed divestment of No. 30 Old Toh Tuck Road in Singapore for S$24.0 million
16 May 2018	:	Issue of HKD729,000,000 3.66 per cent. notes due 2025 pursuant to the S$5,000,000,000 multicurrency medium term note programme
4 June 2018	:	Completed acquisition of No. 169-177 Australis Drive, Derrimut in Melbourne, Australia for A$34.0 million
18 June 2018	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 December 2017 to 31 May 2018
28 June 2018	:	Obtained Unitholders' approval: 1. To authorise the Manager to issue Units and to make or grant convertible instruments; 2. To approve the renewal of the unit buy-back mandate; and 3. To approve the amendment of the Trust Deed to include provisions regarding electronic communications of notices and documents to Unitholders and to allow a summary financial statement to be sent in lieu of the annual report, at an AGM held on 28 June 2018
29 June 2018	:	Disclosure that the Trustee has secured a A$200 million term loan facility maturing in 2022, pursuant to rule 704(31) of the Listing Manual
1 July 2018	:	Merger of the Audit Committee and the Operational Risk Management Committee of the Manager, to form the Audit and Risk Committee
17 July 2018	:	Disclosure that the Trustee has secured a S$200 million term loan facility maturing in 2022, pursuant to rule 704(31) of the Listing Manual
10 August 2018	:	Disclosure that the Trustee has secured a £120 million term loan facility maturing in 2023, pursuant to rule 704(31) of the Listing Manual
16 August 2018	:	Completed acquisition of 12 logistics properties in the United Kingdom for £205.01 million
18 August 2018	:	Disclosure that the Trustee has guaranteed a £84,634,761 facility maturing in 2023, pursuant to rule 704(31) of the Listing Manual
20 August 2018	:	Completed divestment of No. 41 Changi South Avenue 2 in Singapore for S$13.58 million
6 September 2018	:	Launch of private placement of 178,007,000 new units in Ascendas Reit to raise gross proceeds of no less than S$450.0 million

Date		Significant developments
7 September 2018	:	Close of private placement of 178,007,000 new units in Ascendas Reit
7 September 2018	:	Completed acquisition of No. 1-7 Wayne Goss Drive in Brisbane, Australia for A$30.0 million
11 September 2018	:	Receipt of approval in-principle for the listing and quotation of 178,007,000 new units in Ascendas Reit pursuant to the private placement
17 September 2018	:	Completed acquisition of Cargo Business Park in Brisbane, Australia for A$33.5 million
18 September 2018	:	Issue of 178,007,000 new units in Ascendas Reit pursuant to the private placement
4 October 2018	:	Completed acquisition of 26 logistics properties in the United Kingdom for £260.05 million
4 October 2018	:	Announcement on use of proceeds from private placement of 178,007,000 new units
5 October 2018	:	Disclosure that the Trustee has guaranteed (1) a three-year term loan facility of up to S$140,000,000 and (2) a four-year term loan facility of up to S$80,000,000, pursuant to rule 704(31) of the Listing Manual
17 December 2018	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 June 2018 to 30 November 2018
30 January 2019	:	Entered into an agreement with GrabTaxi Holdings Pte. Ltd. to design and build Grab's new headquarters in Singapore
8 February 2019	:	Acceptance of a letter of offer issued by JTC Corporation for a 30-year leasehold interest of a land at one-north, Singapore, in connection with the agreement with GrabTaxi Holdings Pte. Ltd. dated 30 January 2019
8 February 2019	:	Announcement on use of proceeds from private placement of 178,007,000 new units
11 March 2019	:	Partial payment of development management fee by way of issue of units in Ascendas Reit in relation to the agreement with GrabTaxi Holdings Pte. Ltd. dated 30 January 2019
20 March 2019	:	Issue of HKD1,450,000,000 3.57 per cent. notes due 2029 pursuant to the S$5,000,000,000 multicurrency medium term note programme
17 June 2019	:	Payment of base management fee by way of issue of units in Ascendas Reit for the period from 1 December 2018 to 31 May 2019

Date		Significant developments
30 June 2019	:	Completed acquisition of all the issued shares in the two wholly-owned intermediary subsidiaries of Ascendas-Singbridge Pte Ltd (Ascendas Pte Ltd and Singbridge Pte. Ltd.)
9 July 2019	:	Obtained Unitholders' approval: 1. To authorise the Manager to issue Units and to make or grant convertible instruments; and 2. To approve the renewal of the unit buy-back mandate, at an AGM held on 9 July 2019
24 July 2019	:	Change of Ascendas Reit's financial year from 31 March to 31 December
18 September 2019	:	Completed divestment of No. 8 Loyang Way 1 in Singapore for S$27.0 million

Latest Valuation

The valuation of Ascendas Reit's properties was S$11,143.9 million in aggregate as at 31 March 2019.

The Manager of Ascendas Reit

The manager of Ascendas Reit is Ascendas Funds Management (S) Limited and its registered office is located at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522. The names and addresses of the Directors are set out below.

Name	Position	Address
Mr Lim Hock San	Chairman and Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Mr Manohar Khiatani	Non-Executive Non-Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Mr Lim Cho Pin Andrew Geoffrey	Non-Executive Non-Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Mr William Tay Wee Leong	Executive Non-Independent Director and Chief Executive Officer	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Mr Chan Pengee, Adrian	Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Ms Chong Chiet Ping	Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522

Name	Position	Address
Mr Daniel Cuthbert Ee Hock Huat	Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Ms Lim Sau Hoong	Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522
Mr Wong Yew Meng	Independent Director	c/o 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522

Information on the Units

As at the Latest Practicable Date, there were 3,112,755,652 Units in issue and outstanding.

Substantial Unitholders*[1] *of Ascendas Reit and their Unitholdings

Based on the information available to the Manager, the Substantial Unitholders of Ascendas Reit[2] 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)		
CL	–	–	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
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

Notes:

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

1 "**Substantial Unitholders**" refer to Unitholders with interests in not less than 5% of all Units in issue.

2 The Substantial Unitholders do not have different voting rights from ordinary Unitholders.

(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 CapitaLand Singapore (BP&C) Pte. Ltd. (formerly known as "Ascendas Land (Singapore) Pte Ltd") 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.

History of Issuance of Units

The table below sets out the Units issued for cash or services within the 12 months immediately preceding the Latest Practicable Date.

Date	Number of Units Issued
18 September 2018	Issuance of 178,007,000 Units at an issue price of S$2.5400 per Unit in relation to the private placement of new Units which was launched on 6 September 2018 which raised gross proceeds of approximately S$452.1 million.
17 December 2018	Issuance of 2,105,112 Units at an issue price of S$2.5731 per Unit to the Manager as payment of 20% of the base fee component of the management fee payable to the Manager for the period from 1 June 2018 to 30 November 2018.
11 March 2019	Issuance of 298,656 Units at an issue price of S$2.8126 per Unit to the Manager as payment of 1% of the land premium which is part of the development management fee payable to the Manager for the Build-to-Suit development of Grab's new headquarters.
17 June 2019	Issuance of 1,913,829 Units at an issue price of S$2.9337 per Unit to the Manager as payment of 20% of the base fee component of the management fee payable to the Manager for the period from 1 December 2018 to 31 May 2019.

Price Range and Trading Volume of the Units on the SGX-ST

The highest and lowest closing prices and the average daily volume of Units traded on the SGX-ST for the 12 calendar months immediately preceding the Latest Practicable Date and for the period commencing on 1 October 2018 to the Latest Practicable Date are as follows:

Month/Period	Price Range (S$ per Unit)		Average Daily Volume Traded Units (million)
	Highest	Lowest	
October 2018	2.63	2.48	11.49
November 2018	2.59	2.51	10.19
December 2018	2.62	2.54	10.90
January 2019	2.76	2.55	14.40
February 2019	2.82	2.71	10.62
March 2019	2.92	2.80	9.39

Month/Period	Price Range (S$ per Unit)		Average Daily Volume Traded Units (million)
	Highest	Lowest	
April 2019	3.01	2.87	11.19
May 2019	3.06	2.90	12.91
June 2019	3.12	2.89	12.49
July 2019	3.18	3.00	12.04
August 2019	3.09	3.03	11.08
September 2019	3.21	3.07	10.24
1 October 2019 to the Latest Practicable Date	3.19	3.08	9.14

Source: Bloomberg L.P. Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Lead Managers and Underwriters or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

Indebtedness

Existing Borrowings

As at the Latest Practicable Date, Ascendas Reit has the following borrowings aggregating approximately S$4.13 billion[1]:

(A) Loan/Credit Facilities

As at the Latest Practicable Date, Ascendas Reit has drawn down:

(i) an equivalent of S$533.2 million from its secured facilities (comprising a five year S$266.6 million term loan and a seven-year $266.6 million term loan); and

(ii) an equivalent of S$1.67 billion from its unsecured facilities.

The secured facilities are secured by way of a first mortgage over 26 properties in Australia and assets of their respective holding trusts, and a guarantee from the Trust.

(B) MTN Programmes

Ascendas Reit S$5.00 billion Multicurrency Medium Term Note Programme

As at the Latest Practicable Date, S$1.92 billion in notes have been issued from this programme.

1 Excludes fair value changes and amortised costs. Borrowings denominated in foreign currencies are translated at the prevailing exchange rates except for JPY/HKD-denominated debt issues, which are translated at the cross-currency swap rates that Ascendas Reit has committed to.

(C) Perpetual Securities

In October 2015, Ascendas Reit issued $300.0 million perpetual securities. The key terms and conditions of the perpetual securities are as follows:

(i) the perpetual securities will confer a right to receive distribution payments at a rate of 4.75% per annum with the first distribution rate reset falling on 14 October 2020 and subsequent resets occurring every five years thereafter;

(ii) the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and

(iii) the perpetual securities will constitute direct, unsecured and subordinated obligations of Ascendas Reit and rank *pari passu* and without any preference among themselves and with any Parity Obligations (as defined in the circular dated 5 October 2015 in connection with the offering of such perpetual securities) of the Trustee.

The perpetual securities are classified as equity instruments and recorded as equity in the Statements of Financial Position. The S$304.4 million as at 30 September 2019 presented in the Statements of Financial Position represents the carrying value of the S$300.0 million perpetual securities issued, net of issue costs and includes the total return attributable to the perpetual securities holders from the last distribution date.

As at 30 September 2019, the average cost of debt of the Ascendas Reit Group is 3% per annum. As at the Latest Practicable Date, approximately 77.3% of the borrowings of the Ascendas Reit Group are on fixed rate basis or have been hedged with interest rate swaps. The remaining approximately 22.7% of the Ascendas Reit Group's outstanding borrowings are on a floating rate basis.

USE OF PROCEEDS

OFFER PROCEEDS AND USE OF PROCEEDS

The Rights Issue is intended to raise gross proceeds of approximately S$1,310 million, with the net proceeds of the Rights Issue, being the gross proceeds of the Rights Issue less the estimated costs and expenses in relation to the Rights Issue (being the underwriting commission as well as the other fees and expenses (including professional fees and expenses incurred in connection with the Rights Issue)), estimated to be approximately S$1,294.8 million.

Out of the net proceeds of the Rights Issue, approximately S$1,271.0 million will be applied towards part financing the Proposed Acquisitions and the balance amount of approximately S$23.8 million will be applied towards the fees and expenses (including professional fees and expenses) incurred in connection with the Proposed Acquisitions and the drawdown of the loan facilities to part finance the Proposed Acquisitions.

For each dollar of the gross proceeds of approximately S$1,310 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

(i) approximately 98.9 Singapore cents (equivalent to approximately S$1,294.8 million) will be used to part finance the Proposed Acquisitions and the costs related thereto; and

(ii) approximately 1.1 Singapore cents (equivalent to approximately S$15.0 million) will be used to pay the estimated professional and other fees and expenses expected to be incurred in connection with the Rights Issue.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes, including the repayment of existing indebtedness and funding capital expenditures or funding other potential acquisitions.

Pending deployment, the net proceeds from the Rights Issue may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or 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.

The Manager will make periodic announcements on the utilisation of the proceeds from the Rights Issue via SGXNET as and when such funds are materially utilised and provide a status report on the use of the proceeds from the Rights Issue in the annual report of Ascendas Reit. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Costs of the Rights Issue

Ascendas Reit will have to bear the following costs and expenses in relation to the Rights Issue:

(i) underwriting commission and related expenses of S$14.1 million which the Manager will pay to the Joint Lead Managers and Underwriters upon completion of the Rights Issue; and

(ii) professional and other fees and expenses of S$0.9 million in connection with the Rights Issue.

ADDITIONAL DETAILS ON THE USE OF PROCEEDS

The following sets out additional details on the use of proceeds if such proceeds are used to (i) acquire or refinance the acquisition of an asset (other than in the ordinary course of business), (ii) finance or refinance the acquisition of a business and (iii) discharge, reduce or retire the indebtedness of Ascendas Reit.

Proposed Acquisitions or Refinancing the Proposed Acquisitions of an Asset other than in the Ordinary Course of Business

None of the proceeds from the Rights Issue will be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business. The net proceeds from the Rights Issue will be used to part finance the Proposed Acquisitions, which is an acquisition in the ordinary course of business of Ascendas Reit. If Ascendas Reit does not proceed with the Proposed Acquisitions, the net proceeds from the Rights Issue will be applied towards potential future acquisitions or the repayment of Ascendas Reit's existing borrowings.

Financing or Refinancing the Proposed Acquisitions of a Business

None of the proceeds from the Rights Issue will be used to finance or refinance the acquisition of a business.

Discharge, Reduction or Retirement of the Indebtedness of Ascendas Reit

In the event any of the Proposed Acquisitions does not proceed, the proceeds from the Rights Issue may be used to discharge, reduce or retire the indebtedness of Ascendas Reit. The actual indebtedness which would be reduced by the Manager out of the proceeds of the Rights Issue and the order of repayment of the facilities set out in the table below would depend on, among other things, the outcome of the Manager's negotiations with the relevant lenders, the prevailing economic environment and exchange rates at the relevant time as well as the requirements of Ascendas Reit. Each such repayment would be announced by the Manager on SGXNET. The details of the indebtedness of Ascendas Reit which the Manager may reduce in full or in part with the net proceeds from the Rights Issue (including the details of the maturity of such indebtedness and, in relation to indebtedness which Ascendas Reit has incurred over the past 12 months, the uses to which the proceeds giving rise to such indebtedness were put) are set out in the table below.

Indebtedness which may be reduced	Usage	Amount	Maturity Date(s)
Term Loans			
Revolving credit facilities	Working capital purposes	S$446.5 million	2019
Five-year term loan	Not applicable(1)	S$100.0 million	December 2019
Secured five-year term loan	Not applicable(1)	S$265.6 million	November 2020
Committed revolving credit facilities	Working capital purposes	S$200.0 million	July 2021
Four-year term loan	Not applicable(1)	S$200.00 million	July 2022
Medium Term Notes			
Total medium term notes	Not applicable(1)	S$100.0 million	August 2020
Total Indebtedness which may be reduced: Approximately S$1,312.1 million may be used to repay any of the above indebtedness			

Note:

(1) Such indebtedness was not incurred by Ascendas Reit over the past 12 months.

WORKING CAPITAL

The Manager is of the view that, in its reasonable opinion, after taking into consideration Ascendas Reit's internal resources and its available loan facilities, the working capital available to Ascendas Reit, as at the date of lodgement of this Offer Information Statement, is sufficient to meet Ascendas Reit's present requirements.

COMMISSION

The following sets out details of the commission payable to the Joint Lead Managers and Underwriters.

Commission payable to the Joint Lead Managers and Underwriters

Pursuant to the Management and Underwriting Agreement, the Joint Lead Managers and Underwriters will be entitled to an aggregate underwriting commission (excluding goods and services tax payable) of approximately S$13.2 million.

THE PROPOSED ACQUISITIONS

Information on the US Properties

The US Portfolio is 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 programme of University of Oregon (Portland campus), which provide a strong pipeline of creative, design and management talents for the sportswear industry.

Information on 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 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 multi-national corporations, 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 H** of this Offer Information Statement for further details.)

DETAILS OF THE PROPOSED ACQUISITIONS

Structure of the Proposed Acquisitions

<u>US Portfolio</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 cash 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 (the "**Adjusted Net Asset Value**") as at the US Acquisition Completion Date. The Adjusted Net Asset Value is estimated to be US$76.5 million (S$104.9 million) taking into account the agreed property value of the US Portfolio of US$935.0 million (S$1,281.7 million)[1] (the "**US Agreed Portfolio Value**") 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 Adjusted Net Asset Value 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 (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.

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

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 the 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 (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 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 (the "**FMG Option Fee**") 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.

(See the section entitled "Information Relating to the Proposed Acquisition – Principal Terms of the Acquisition Agreements" for further details.)

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

Costs of the Proposed Acquisitions

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

(i) the Total Consideration estimated to be 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 the loan facilities to part fund 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.

Methods of Financing the Proposed Acquisitions

The Manager intends to finance the Total Acquisition Cost (estimated to be approximately S$1,705.7 million) through the net proceeds received from the Rights Issue of approximately S$1,294.8 milion after deducting the Rights Issue related costs 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.

PRINCIPAL TERMS OF THE ACQUISITION AGREEMENTS

Subject to fulfilment of the relevant conditions precedent under the respective Acquisition Agreements, completion of the Proposed Acquisitions is estimated to take place in the fourth quarter of 2019 or on such other date as may be agreed between the relevant vendor and the Trustee. 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 respective Acquisition Agreements.

In connection with the Proposed Acquisitions:

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;

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.

(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 US Portfolio Purchaser 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.

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 Conditions 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 (the "**FMG 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 license 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 Conditions Precedent as set out 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 Precedents, 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.

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.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This section should be read together with the selected financial data from the Financial Statements which are set out in **Appendix A** of this Offer Information Statement. Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of Ascendas Reit at http://www.ascendas-reit.com.*

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained in the website of Ascendas Reit does not constitute part of this Offer Information Statement.

OPERATING REVIEW

Statements of Total Return and Distribution Statements

Selected financial data from the 2016/17 Audited Financial Statements, the 2017/18 Audited Financial Statements, the 2018/19 Audited Financial Statements and the 2019 Six Months Unaudited Financial Statements is set out in **Appendix A** of this Offer Information Statement. Financial data relating to (i) DPU (ii) earnings per Unit and (iii) earnings per Unit after adjustment to reflect the issuance of the Rights Units, amongst others, are also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements where applicable.

Balance Sheets and Cash Flow Statements

Selected financial data from the 2018/19 Audited Financial Statements and the 2019 Six Months Unaudited Financial Statements, including the line items in the consolidated balance sheets and cash flow statements of Ascendas Reit, NAV per Unit, and NAV per Unit after any adjustment to reflect the issuance of the Rights Units is also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements.

Liquidity and Capital Resources

FY2018/19

Ascendas Reit's cash and cash equivalents was at S$4.9 million[1] as at 31 March 2019, compared with negative S$23.0 million[2] at the close of FY2017/18.

Net cash generated from operating activities for FY2018/19 was S$612.4 million.

Net cash used in investing activities was S$1,027.8 million during FY2018/19, which was primarily due to the acquisitions of investment properties in the United Kingdom.

1 For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and fixed deposits of S$52.3 million and bank overdrafts of S$47.4 million as at 31 March 2019.

2 For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and fixed deposits of S$25.0 million and bank overdrafts of S$48.0 million at the close of FY2017/18.

Net cash received from financing activities for FY2018/19 was S$444.4 million. This was mainly attributed to proceeds from borrowings of S$2,311.7 million and equity fund raising of S$452.1 million, but was offset by the repayment of borrowings of S$1,702.1 million, interests of S$128.7 million and distribution of S$463.1 million to Unitholders.

1H FY2019

Ascendas Reit's cash and cash equivalents was at $80.4 million[1] as at 30 September 2019, compared with S$4.9 million[2] as at 31 March 2019.

Net cash generated from operating activities for 1H FY2019 was S$335.1 million.

Net cash from investing activities for 1H FY2019 was S$7.1 million. The net cash from investing activities in 1H FY2019 was primarily due to the proceeds from the divestment of one investment property, but partially offset by the payment for investment properties under development.

Net cash used in financing activities for 1H FY2019 was S$265.6 million. This was mainly attributed to proceeds from borrowings totalling S$612.9 million, offset by repayment of borrowings of S$526.7 million, interests of S$74.6 million and distribution of S$253.4 million to Unitholders.

FINANCIAL REVIEW

The following sets out the management's discussion and analysis on significant factors, including any unusual or infrequent event or new development, which materially affected income available for distribution to Unitholders after tax, including significant components of revenue or expenditure relating to distribution to Unitholders after tax for the financial periods referred to below.

Management's Discussion and Analysis of Financial Condition and Results of Operations

FY2016/17

Gross revenue increased 9.1% to S$830.6 million, mainly attributable to the acquisitions in the second half of FY2015/16 (comprising the portfolio of Australian logistics properties and ONE@Changi City) and the new acquisitions in FY2016/17 (comprising 197-201 Coward Street in Sydney, Australia, and 12, 14 & 16 Science Park Drive, Singapore).

Net property income increased 14.5% from S$533.7 million to S$611.0 million. Total amount available for distribution grew 18% to S$446.3 million. Included in the amount available for distribution was approximately S$3.7 million (or DPU of 0.132 Singapore cents) of income support in relation to certain properties that was received and paid to Unitholders in FY2016/17.

DPU grew 2.5% to 15.743 Singapore cents (after performance fees) in FY2016/17 as compared with 15.357 Singapore cents in FY2015/16.

As at 31 March 2017, Ascendas Reit had a portfolio of 131 properties with total assets and market capitalisation of S$10.2 billion and S$7.4 billion respectively.

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1 For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and fixed deposits of S$80.4 million as at 30 September 2019.

2 For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and fixed deposits of S$52.3 million and bank overdrafts of S$47.4 million as at 31 March 2019.

FY2017/18

Gross revenue increased 3.8% to S$862.1 million, mainly attributable to contributions from the acquisitions of 12, 14 and 16 Science Park Drive in Singapore, and 197-201 Coward Street, 100 Wickham Street, 108 Wickham Street and 52 Fox Drive in Australia. The completion of redevelopment works at 50 Kallang Avenue since June 2017 also contributed to the increase.

Net property income increased 3% from S$611.0 million to S$629.4 million.

Total amount available for distribution grew 4.9% to S$468.0 million. Included in the amount available for distribution was approximately S$1.9 million (or DPU of 0.065 Singapore cents) of income support in relation to certain properties that was received and paid to Unitholders in FY2017/18.

DPU grew 1.6% to 15.988 Singapore cents in FY2017/18 as compared to 15.743 Singapore cents in FY2016/17.

As at 31 March 2018, Ascendas Reit had a portfolio of 131 properties with total assets and market capitalisation of S$10.4 billion and S$7.7 billion respectively.

FY2018/19

Gross revenue increased by 2.8% year on year ("**y-o-y**") to S$886.2 million, mainly attributable to contributions from the acquisition of the 38 logistics properties in the UK, 100 Wickham Street, 108 Wickham Street, 169-177 Australis Drive and Cargo Business Park in Australia, and the completion of the redevelopment of Schneider Electric Building and 20 Tuas Avenue 1 in Singapore.

Net property income increased by 3.2% y-o-y from S$629.4 million to S$649.6 million underpinned by the growth in gross revenue and net property tax savings.

Total amount available for distribution grew by 3.8% y-o-y to S$485.7 million in tandem with the increase in net property income and due to higher rollover adjustments in FY2018/19. Included in the amount available for distribution was approximately S$9.8 million (or DPU of 0.318 Singapore cents) of income support in relation to certain properties that was received and paid to Unitholders in FY2018/19.

Despite an enlarged number of Units in issue, DPU remained stable at 16.035 Singapore cents in FY2018/19 as compared to 15.988 Singapore cents in FY2017/18.

As at 31 March 2019, Ascendas Reit had a portfolio of 171 properties with total assets and market capitalisation of S$11.4 billion and S$9.1 billion respectively.

1H FY2019

Gross revenue for the six months ended 30 September 2019 increased by 5.7% y-o-y to S$459.3 million, mainly attributable to contributions from the acquisition of the two UK logistics portfolio acquisition in FY2018/19 consisting of 38 properties.

Net property income increased by 11.7% y-o-y to S$355.4 million, mainly due to the exclusion of land rent amounting to S$16.4 million following the adoption of the new Singapore Financial Reporting Standard 116 Leases (FRS 116) effective from 1 April 2019. Partially offset by higher property tax in 1H FY2019 due to the lower property tax expenses in 1H FY2018/19 arising from the retrospective downward revisions in the annual value of certain properties.

Excluding the effects of FRS 116, net property income would have increased by 6.6%, which is in line with the increase of gross revenue.

Total amount available for distribution grew by 7% y-o-y to S$248.5 million in tandem with the increase in net property income.

DPU increased by 1.2% to 7.983 cents in 1H FY2019 as compared to 7.889 cents in 1H FY2018/19 after taking into consideration the enlarged number of Units in issue.

As at 30 September 2019, Ascendas Reit had 170 properties with total assets and market capitalisation of S$11.1 billion and S$9.1 billion respectively.

Working Capital

Ascendas Reit's available financial resources have been sufficient for its working capital requirements for FY2016/17, FY2017/18 and FY2018/19.

BUSINESS PROSPECTS AND TREND INFORMATION

Business and Financial Prospects of Ascendas Reit and Significant Trends and Conditions of the Market

Over the past 12 months, there has been continuous business uncertainty arising from the US-China trade conflict, the extended Brexit (as defined herein) negotiations and other economic uncertainties in the global economy. The global growth outlook remains weak amid such uncertainties and recently, several central banks, including the US Federal Reserve, the European Central Bank, China and India have cut interest rates to shore up their economies.

Singapore

Occupancy and rental rates of the Singapore industrial property market have been soft over the last few years due to new supply from 2014 to 2017. Going forward, with the tapering off of the new supply, we expect the market to remain flat but stable.

Australia

Although the economy has been slowing down due to internal and external factors, Ascendas Reit's Australian properties are achieving good performance due to their good location, strong tenant base, long WALE of 4.3 years and average annual rent escalations of approximately 3% per annum.

UK

The UK portfolio's long weighted average lease to expiry of 9.0 years and the high e-commerce penetration rate in the UK are factors that help to mitigate the uncertainty surrounding Brexit negotiations.

Summary

In view of the ongoing global market uncertainties, the financial information disclosed in this Offer Information Statement may not necessarily be indicative of the future operating results or financial condition. However, given Ascendas Reit's well-diversified portfolio and customer base, our portfolio performance should remain stable despite market headwinds.

(See the section entitled "Risk Factors" of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the Rights Units, the Rights Entitlements or the Units.)

PRO FORMA FINANCIAL INFORMATION

Pro Forma Financial Effects of the Rights Issue and the Proposed Acquisitions

Bases and Assumptions

The *pro forma* financial effects analysis of the Rights Issue and the Proposed Acquisitions presented below have been prepared based on the following key bases and assumptions:

(i) Ascendas Reit had purchased, held and operated the Target Properties for the whole of FY2018/19;

(ii) S$1,294.8 million of the Total Acquisition Cost after deducting the Acquisition Fee is funded by the net proceeds received from the Rights Issue after deducting the Rights Issue related costs of approximately S$15.0 million;

(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 FY2018/19);

(v) the Acquisition Fee Units 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;

(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;

(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; and

(viii) 498,040,904 new Units will be issued at an issue price of S$2.63 per Unit pursuant to the Rights Issue, resulting in a TERP of S$3.0955 per Unit.

Pro Forma Financial Effects

On the bases and assumptions set out above, the *pro forma* aggregate leverage of Ascendas Reit and its subsidiaries[1] would be 34.6% and the *pro forma* financial effects of the Proposed Acquisitions are as follows[2]:

	Actual FY2018/19	**Pro forma FY2018/19 – After the Rights Issue and Proposed Acquisitions[3]**
Amount available for distribution (S$'000)	485,683	570,048
DPU	16.035 Singapore cents	16.136 Singapore cents
DPU Accretion	N.A.	0.6%
DPU Yield	5.06%[4]	5.21%[5]
DPU Yield Accretion	N.A.	3.0%
NAV per Unit	S$2.13[6]	S$2.20

	Actual 1H FY2019	**Pro forma 1H FY2019 – After the Rights Issue and Proposed Acquisitions[7]**
Amount available for distribution (S$'000)	248,486	290,668
DPU	7.983 Singapore cents	8.037 Singapore cents
DPU Accretion	N.A.	0.7%
DPU Yield	5.04%[4]	5.19%[5]
DPU Yield Accretion	N.A.	3.0%
NAV per Unit	S$2.13[8]	S$2.20

1 Defined to mean the ratio of total borrowings to deposited property.

2 The *pro forma* financial effects analysis of the Proposed Acquisitions is prepared for illustrative purposes only, to show what the DPU, DPU yield, DPU yield based on TERP, NAV per Unit, aggregate leverage and *pro forma* capitalisation of Ascendas Reit for the indicated periods and dates would have been if the Rights Issue and the Proposed Acquisitions had been completed as at the relevant indicated dates and may not, because of its nature, give a true picture of what Ascendas Reit's DPU, DPU yield and DPU yield based on TERP, NAV per Unit, aggregate leverage and *pro forma* capitalisation might have been for the indicated periods and dates if the Rights Issue and the Proposed Acquisitions had actually been completed as at the indicated dates.

3 Based on the *pro forma* NPI of the Target Properties for the financial year ended 31 March 2019 ("FY2018/19") of S$107.6 million (NPI yield of 6.5% based on the sum of the US Agreed Portfolio Value and the SG Total Consideration of S$1,661.7 million).

4 Based on closing price per Unit of S$3.17 on 31 October 2019.

5 Based on TERP per Unit of S$3.0955.

6 Based on Units in issue as at 31 March 2019.

7 Based on the *pro forma* NPI of the Target Properties for 1H FY2019 of S$53.8 million (annualised NPI yield of 6.5% based on the sum of the US Agreed Portfolio Value and the SG Total Consideration of S$1,661.7 million).

8 Based on Units in issue as at 30 September 2019.

	Pro forma capitalisation as at 31 March 2019		Pro forma capitalisation as at 30 September 2019	
	Actual FY2018/19	**Pro forma FY2018/19 – After the Rights Issue and Proposed Acquisitions**	**Actual 1H FY2019**	**Pro forma 1H 2019 – After the Rights Issue and Proposed Acquisitions**
Current Unsecured loans and borrowings (S$'000)	611,908	611,908	646,455	646,455
Non-Current Secured loans and borrowings (S$'000)	541,543	541,543	531,164	531,164
Unsecured loans and borrowings (S$'000)	2,944,340	3,338,589	2,932,300	3,326,549
Total loans and borrowings (S$'000)	4,097,791	4,492,040	4,109,919	4,504,168
Unitholders' funds (S$'000)	6,641,611	7,953,076	6,633,271	7,944,736
Perpetual securities holders' funds (S$'000)	304,382	304,382	304,422	304,422
Total Capitalisation (S$'000)	11,043,784	12,749,498	11,047,612	12,753,326
Aggregate Leverage	36.3%	34.6%	36.2%	34.6%

RISK FACTORS

*The risks described below should be carefully considered before making an investment decision in relation to the Rights Entitlements, the Rights Units or the Units. The risks described below are not the only ones relevant to Ascendas Reit, the Manager, the Trustee, the Rights Entitlements, the Rights Units or the Units. These risk factors are not intended to be exhaustive and, in particular, are not intended to repeat the risk factors set out in the prospectus dated 5 November 2002 in connection with the listing of Ascendas Reit on the SGX-ST (the "**Prospectus**"), the offer information statement dated 11 August 2009, the offer information statement dated 21 February 2005, and the offer information statement dated 15 June 2004 (collectively, the "**Past OIS**") certain of which may continue to be applicable to Ascendas Reit. Details of some of the risk factors relating to the Existing Portfolio which continue to be applicable to Ascendas Reit can be found in the Prospectus and the Past OIS. Additional risks not described below or not presently known to the Manager and/or the Trustee or that it/they currently deem(s) immaterial may also impair the business operations of Ascendas Reit. The business, financial condition or results of operations of Ascendas Reit could be materially and adversely affected by any of these risks.*

RISKS ASSOCIATED WITH THE PROPOSED ACQUISITIONS

The performance of the US Properties and future properties in the US is dependent upon the economic climate of the US market.

Ascendas Reit's revenue from the US Properties will be derived from properties located in three states in the US, namely California, North Carolina and Oregon. A downturn in the economies of any of these markets, or the impact that a downturn in the overall national economy may have upon these economies, could result in reduced demand for office space. As the US Portfolio is, and future properties will be, primarily office buildings (as compared to a more diversified real estate portfolio across multiple asset classes and industries), a decrease in demand for office space, or volatility in the sectors to which Ascendas Reit's tenants operate in, may in turn adversely affect Ascendas Reit's results of operations and its ability to make regular distributions to Unitholders.

Some of the US Properties may be exposed to potential liability arising from their non-compliance with the relevant local zoning regulations in the US.

It is customary for institutional buyers of commercial real estate in the US to procure a third-party company to prepare a zoning report to determine whether a property is in compliance with local zoning standards. In connection therewith, the Manager has engaged a third-party consultant that specialises in zoning due diligence to prepare zoning reports for each of the US Properties. Based on the zoning reports received for the US Properties, some of the US Properties are legally non-conforming, which means that they conformed to the relevant local zoning regulations mainly with regards to building specification matters including, among others, building and parking set-back lines, floor area ratio, lot coverage and parking requirements, at the time they were originally constructed, but do not conform to local zoning regulations that are in effect currently.

Generally, there are no sanctions for legally non-conforming properties and such status does not affect their continued use and operation so long as the non-conforming properties are not expanded or rebuilt. If such properties were expanded or rebuilt, perhaps as a result of a total casualty or the owner's decision to expand or demolish the existing building, the new improvements would need to be constructed in accordance with local zoning regulations that are in effect at the time of the expansion or rebuilding, or the owner would need to obtain a variance from the relevant zoning authority to rebuild the building as-is. If such variance is not granted, the building would need to be rebuilt in compliance with current zoning regulations. As of the date of this Offer Information Statement, the Manager believes that the legally non-conforming status of the affected US Properties would not have a significant adverse impact on Ascendas Reit.

Notwithstanding that there are generally no sanctions for such legally non-conforming properties, there is no assurance that the relevant authorities will not take a different view (or assert that the US Properties do not comply to zoning regulations now in effect) and require Ascendas Reit to remedy any non-conforming aspects of a non-conforming property in the future. In the event that Ascendas Reit is required to ensure the US Properties comply with the relevant local zoning regulations or in the event a building owned by Ascendas Reit needed to be rebuilt after a substantial casualty, additional expenses might be incurred and this may have an adverse effect on the business, financial condition, results of operations and/or prospects of Ascendas Reit and its ability to make distributions to the Unitholders.

Consistent with commercial real estate practices in the United States, Ascendas Reit has obtained a title insurance policy for each US Property in the US Portfolio which insures Ascendas Reit holds title to the US Properties and insures Ascendas Reit against certain risks related to title of the US Properties US (for example the Title Company has issued an endorsement providing coverage regarding (i) the zoning classification of the relevant property and (ii) the types of uses allowed under such classification). The coverage limit under each title insurance policy is equal to 100% of the relevant property's purchase price.

The Parent US REIT may lose its status as a US Real Estate Investment Trust ("US REIT").

The Parent US REIT is a private US REIT for purposes of Sections 856-860 of the US Internal Revenue Code of 1986 (as amended) (the "**IRC**"). Subject to meeting certain organisational requirements, income tests, asset tests and annual distribution requirements prescribed in the IRC, a US REIT is generally permitted to deduct dividends paid to its shareholders from its taxable income.

Qualification for taxation as a US REIT depends on satisfying complex statutory requirements for which there are only limited judicial and administrative interpretations. The determination of whether the Parent US REIT continues to qualify as a US REIT requires ongoing satisfaction of certain tests concerning, among other things, the nature of its assets, the sources of its income, and the amounts it distributes to the Ascendas US Holdco. These tests are referred to as asset and income tests. While the Manager intends to take reasonable measures to ensure that the Parent US REIT always qualifies as a US REIT, some matters may be outside its control.

For example, a US REIT cannot be closely held, i.e not more than 50% of its outstanding shares can be owned by five or fewer individual investors, regardless of whether such interest is held directly or indirectly. Further, to qualify as a US REIT, at least 75% of the entity's gross income must be derived from qualifying sources such as rents from real property, and at least 95% of the entity's gross income must be derived from sources qualifying under the 75% gross income test and other qualifying sources of passive income. In order to qualify as rents from real property, the amount of rent received generally must not be based on the income or profits of any person or business but may be based on a fixed percentage or percentages of receipts or sales. The Manager believes that none of the rent received by the US Property-Holding Entities should be treated as based on the income or profits of any person, including tenants' payments of pass-through charges, such as the cost of utilities, property taxes and similar items that may be calculated by reference to net expense of the US Property-Holding Entities, but the US Internal Revenue Services (the "**IRS**") or a court may disagree.

Further, amounts otherwise qualifying as such rents of the US Portfolio will not qualify if the tenant is related to Ascendas Reit. The Manager intends to take reasonable measures to ensure that any such disqualified rents (together with any other disqualified income) will not exceed 5% of the Parent US REIT's gross income for any applicable year.

Technical or inadvertent breaches may jeopardise the US REIT status of the Parent US REIT. Furthermore, the US Congress or the IRS might make changes to the tax laws and regulations, and the courts might issue new rulings that make it more difficult, or impossible, for the Parent US REIT to remain qualified for taxation as a US REIT. In the event of loss of US REIT status, the Parent US REIT will be subject to US federal and state income tax at regular corporate rates, currently 21% for federal purposes. If the Parent US REIT fails to qualify for taxation as a US REIT, it is estimated that the income tax liability would be significant, thereby reducing amounts available for investments or to pay dividends and distributions to upstream shareholders. Absent of an applicable relief provision, the Parent US REIT will generally be unable to elect US REIT for five years from the year which the Parent US REIT is disqualified as a US REIT. Finally, even if the Parent US REIT is able to utilise relief provisions and thereby avoid disqualification for taxation as a US REIT, relief provisions typically involve paying a penalty tax in proportion to the severity and duration of the non-compliance with US REIT requirements, and these penalty taxes could be significant. Thus, whether or not a relief provision is applicable, failure to satisfy the various statutory tests could have a material adverse effect on the US Portfolio's financial condition, cash flows, results of operations and consequentially may have an adverse effect on Ascendas Reit's ability to make distributions to Unitholders out of the investment returns from the US Portfolio and the value of the Units.

The US Acquisition marks Ascendas Reit's first foray into the US market and there may be country specific practices and regulations which Ascendas Reit may not be familiar with.

Prior to the US Acquisition, Ascendas Reit had a predominant focus on Singapore, Australia and United Kingdom. The US Acquisition marks Ascendas Reit's first foray into the US market and hence, there may be country-specific practices and regulations which Ascendas Reit may not be familiar with. Failing to understand such practices and/or to comply with regulations may adversely affect Ascendas Reit's results of operations and its ability to make regular distributions to Unitholders.

The representations, warranties and indemnities granted in favour of Ascendas Reit by the vendors of the US Properties and Singapore Properties are subject to limitations as to their scope, amount and timing of claims which can be made thereunder.

The representations and warranties granted in favour of Ascendas Reit, as purchaser, in the Acquisition Agreements for the Proposed Acquisitions are subject to limitations as to the scope, amount and the timing of claims which can be made thereunder. Also consistent with commercial real estate practices in the United States, Ascendas Reit will obtain a title insurance policy for each US Property which will insure Ascendas Reit against certain risks related to title to the US Properties of the agreed value attributed to each US Property.

Accordingly, Ascendas Reit, as purchaser, may not have recourse under the Acquisition Agreements or the title insurance policies for all losses or liabilities which it might suffer or incur in connection with the Target Properties and it will need to rely on its own due diligence and the title insurance provided by the title insurance companies to help mitigate against the risk of such losses and liabilities.

While the Manager believes that reasonable due diligence has been performed with respect to the Target Properties and that the due diligence conducted has not raised any material adverse findings in relation to the Target Properties, there can be no assurance that there will not be any losses or liabilities suffered by Ascendas Reit in connection with the Target Properties beyond the limits of the recourse under the Acquisition Agreements and title insurance.

In the event that Ascendas Reit suffers losses or liabilities in connection with the Proposed Acquisitions which it has no recourse or only limited recourse to under the Acquisition Agreements or the title insurance policies, its financial condition, business, results of operations and/or prospects may be materially adversely affected.

RISKS RELATING TO INVESTING IN REAL ESTATE

There are general risks attached to investments in real estate.

Investments in real estate and therefore the income generated from the Properties are subject to various risks, including but not limited to:

- adverse changes in political or economic conditions;
- adverse local market conditions (such as over-supply of properties or reduction in demand for properties in the market in which Ascendas Reit operates);
- the financial condition of tenants;
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by Ascendas Reit to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;
- changes in environmental laws and regulations, zoning laws and other governmental laws, regulations and rules and fiscal policies (including tax laws and regulations);
- environmental claims in respect of real estate;
- changes in market rents;
- changes in energy prices;
- changes in the relative popularity of property types and locations leading to an oversupply of space or a reduction in tenant demand for a particular type of property in a given market;
- competition among property owners for tenants which may lead to vacancies or an inability to rent space on favourable terms;
- inability to renew leases and colocation arrangements or re-let space as existing leases and colocation arrangements expire;
- inability to collect rents from tenants on a timely basis or at all due to bankruptcy or insolvency of the tenants or otherwise;
- insufficiency of insurance coverage or increases in insurance premiums;
- increases in the rate of inflation;
- inability of the property managers to provide or procure the provision of adequate maintenance and other services;
- defects affecting the Properties which need to be rectified, or other required repair and maintenance of the Properties, leading to unforeseen capital expenditure;
- the relative illiquidity of real estate investments;
- considerable dependence on cash flows for the maintenance of, and improvements to, the Properties;

- increased operating costs, including real estate taxes;
- any defects or illegal structures that were not uncovered by physical inspection or due diligence review;
- management style and strategy of the Manager;
- the attractiveness of the Properties to current and potential tenants;
- the cost of regulatory compliance;
- ability to rent out the Properties on favourable terms; and
- power supply failure, acts of God, wars, social and political unrest, terrorist attacks, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rental rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of Ascendas Reit's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or the economy in the jurisdictions in which the Properties are located, which may adversely affect the financial condition of Ascendas Reit.

Ascendas Reit may be adversely affected by the illiquidity of real estate investments.

Ascendas Reit's investment strategy involves a higher level of risk as compared to a portfolio which has a more diverse range of investments. Real estate investments are relatively illiquid and such illiquidity may affect Ascendas Reit's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, property market or other conditions. Ascendas Reit may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Ascendas Reit may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on Ascendas Reit's financial condition and results of operations.

The Properties may be subject to increases in direct expenses and other operating expenses.

Ascendas Reit's performance could be adversely affected if direct expenses and other operating expenses increase (save for such expenses which Ascendas Reit is not responsible for pursuant to the lease and colocation arrangements) without a corresponding increase in revenue.

Factors which could lead to an increase in expenses include, but are not limited to, the following:

- increase in agent commission expenses for procuring new tenants;
- increase in property tax or land tax assessments and other statutory charges;
- increase in land rent for the properties under lease hold arrangement with various authorities;
- change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;

- change in direct or indirect tax policies, laws or regulations;
- increase in sub-contracted service costs;
- increase in labour costs;
- increase in repair and maintenance costs;
- increase in the rate of inflation;
- defects affecting, or environmental pollution in connection with, the Properties which need to be rectified;
- increase in insurance premiums; and
- increase in cost of utilities.

Any of the above factors could have a material adverse effect on the financial condition and results of operations of Ascendas Reit.

RISKS ASSOCIATED WITH THE PROPERTIES

Ascendas Reit is subject to the risk of non-renewal, early termination and non-replacement of leases, and decreased demand for office space.

Any downturn in the businesses, bankruptcy or insolvency of a tenant of Ascendas Reit may result in such tenant deciding not to renew its lease at the end of a lease cycle or to terminate the lease before it expires. Factors that affect the ability of tenants to meet their obligations under the leases include, but are not limited to:

- their financial position;
- the local economies in which they have business operations;
- the ability of tenants to compete with their competitors;
- in the instance where tenants have sub-leased the Properties, the failure of the sub-tenants to pay rent; and
- material losses in excess of insurance proceeds.

Certain leases may also grant optional early termination rights to tenants subject to certain conditions, including but not limited to the payment of termination fee or at specified points in time, or may grant tenants the right to terminate at short notice or in the event of a material casualty to the building which is not restored within an agreed period of time following the casualty.

If a major tenant or a significant number of tenants terminate their leases or do not renew their leases at expiry, Ascendas Reit's financial condition, results of operations and capital growth may be adversely affected. The amount of rent and the terms on which lease renewals and new leases are agreed may also be less favourable than the current leases and substantial amounts may have to be spent for leasing commissions, tenant improvements or tenant inducements. Additionally, the demand for office space may be reduced by tenants seeking to reduce their leased space at renewal or during the term of the lease by reducing the amount of square footage per employee at leased properties. If replacement tenants cannot be found in a timely manner or on terms acceptable to the Manager upon a tenant's default, non-renewal, early termination or reduction in space, the revenue and financial condition of the relevant property will be adversely affected, and the ability of Ascendas Reit to make regular distributions to its Unitholders may be adversely affected.

The properties of Ascendas Reit may require significant capital expenditure periodically and Ascendas Reit may not be able to secure funding.

The properties of Ascendas Reit may require periodic capital expenditure, refurbishment, renovation for improvements and development in order to remain competitive or income-producing. Ascendas Reit may not be able to fund capital expenditure solely from cash provided from its operating activities and Ascendas Reit may not be able to obtain additional equity or debt financing on favourable terms or at all. If Ascendas Reit is not able to obtain such financing to finance such capital expenditure, the marketability of such Properties may be affected and this may adversely affect the business, financial condition and results of operations of Ascendas Reit.

Ascendas Reit's assets might be adversely affected if the Manager and the property managers of the properties do not provide adequate management and maintenance.

As the tenants of Ascendas Reit rely on the proper functioning of Ascendas Reit's properties for their business operations, should the Manager and the property managers of the assets fail to provide adequate management and maintenance, the attractiveness of the properties to such tenants might be adversely affected and this may result in a loss of tenants, which may have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Ascendas Reit may suffer material losses in excess of insurance proceeds or Ascendas Reit may not put in place or maintain adequate insurance in relation to the properties and its potential liabilities to third parties.

The properties of Ascendas Reit face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of the Properties.

In addition, certain types of risks (such as war risk, terrorism and losses caused by contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Any insurance coverage taken out by Ascendas Reit or its subsidiaries may also be subject to limits and any damage or loss suffered by Ascendas Reit may exceed such insured limits.

Should an uninsured loss or a loss in excess of insured limits occur, including loss caused by vandalism or resulting from breaches of security at one of the properties, Ascendas Reit could be required to pay compensation and/or suffer loss of capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property. Ascendas Reit may also be liable for any debt or other financial obligation related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur.

Renovation or redevelopment works or physical damage to the properties may disrupt the operations of the properties and collection of rental income or otherwise result in adverse impact on the financial condition of Ascendas Reit.

The quality and design of the properties of Ascendas Reit have a direct influence over the demand for space in, and the rental rates of, the properties. The properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen *ad hoc* maintenance or repairs in respect of faults or problems that may develop or because of new planning, safety, disability or other laws or regulations. The costs of maintaining properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. The business and operations of the properties may suffer from some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works.

In addition, physical damage to the properties may lead to a significant disruption to the business and operation of the properties and, together with the foregoing, may trigger tenant termination rights if not timely restored and may impose unbudgeted costs on Ascendas Reit and result in an adverse impact on the financial condition and results of operations of Ascendas Reit.

Ascendas Reit could incur significant costs or liability related to environmental matters.

Ascendas Reit's operations are subject to various environmental laws, including those relating to air pollution control, water pollution control, waste disposal, noise pollution control and the storage of dangerous goods. Under these laws, an owner or operator of real property may be subject to liability, including remediation expenses, a fine or imprisonment, for air pollution, noise pollution or the presence or discharge of hazardous or toxic chemicals at that property. In addition, Ascendas Reit may be required to make capital expenditures to comply with these environmental laws. The presence of contamination, air pollution, noise pollution or dangerous goods without a valid licence or the failure to remediate issues relating to contamination, air pollution, noise pollution or dangerous goods may expose Ascendas Reit to liability or materially and adversely affect its ability to sell or let out the real property or to borrow using the real property as collateral. Accordingly, if the Properties are affected by contamination or other environmental effects not previously identified and/or rectified, Ascendas Reit risks prosecution by environmental authorities and may be required to incur unbudgeted capital expenditures to remedy such issue and the financial positions of Ascendas Reit's tenants may be adversely impacted, affecting their ability to trade and to meet their leasing and colocation obligations.

The due diligence exercise on the properties, leases, buildings and equipment may not have identified all material defects, breaches of laws and regulations and other deficiencies and any losses or liabilities from latent property or equipment defects may adversely affect earnings and cash flows.

The Manager believes that reasonable due diligence investigations with respect to the Properties were, and with respect to future acquisitions will be, conducted prior to their acquisition. There is no assurance that the properties of Ascendas Reit will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the properties which may require additional capital expenditure, special repair or maintenance expenses) or be affected by breaches of laws and regulations. Such defects or deficiencies may require significant capital expenditure or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on Ascendas Reit's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of office properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

Costs or liabilities arising from such defects or deficiencies may require significant capital expenditures or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on Ascendas Reit's earnings and cash flows.

Ascendas Reit may be subject to unknown or contingent liabilities related to properties or businesses that it has acquired or may acquire, which may result in damages and investment losses.

Assets and entities that Ascendas Reit has acquired or may acquire in the future may be subject to unknown or contingent liabilities for which Ascendas Reit may have limited or no recourse against the sellers. Unknown or contingent liabilities might include liabilities for clean-up or remediation of environmental conditions, claims of tenants, vendors or other persons dealing with the acquired entities, tax liabilities and other liabilities whether incurred in the ordinary course of business or otherwise. In the future Ascendas Reit may enter into transactions with limited representations and warranties or with representations and warranties that do not survive the closing of the transactions, in which event Ascendas Reit would have no or limited recourse against the sellers of such properties. While Ascendas Reit typically requires the sellers to indemnify it with respect to breaches of representations and warranties that survive the closing of the transactions, such indemnification is often limited in duration and subject to various materiality thresholds, a significant deductible or an aggregate cap on losses. As a result, there is no guarantee that Ascendas Reit will recover any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that Ascendas Reit may incur with respect to liabilities associated with properties and entities acquired may exceed Ascendas Reit's expectations. Any of these matters could have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

The properties of Ascendas Reit may face increased competition from other properties.

The properties of Ascendas Reit are, and may be, located in areas where other competing properties are present and new properties may be developed which may compete with the properties. The income from and the market value of the properties will be dependent on the ability of the properties to compete against other properties. If competing properties are more successful in attracting and retaining tenants, the income from the properties could be reduced, which may have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

The appraisals of Ascendas Reit's properties are based on various assumptions and the price at which Ascendas Reit is able to sell a property in the future may be different from the market value of the property.

There can be no assurance that the assumptions relied on are accurate measures of the market, and the values of the properties may be evaluated inaccurately. The independent valuers appointed in respect of the properties may have included a subjective determination of certain factors relating to the properties such as their relative market positions, financial and competitive strengths, and physical condition and, accordingly, the valuation of the properties may be subjective.

The valuation of any of the properties does not guarantee a sale price at that value at present or in the future. Hence, the price at which Ascendas Reit may sell a property may be lower than its purchase price.

The properties of Ascendas Reit or a part of them may be acquired compulsorily by the respective governments in the countries in which such properties are located.

Under the laws and regulations of each country, there may be various circumstances under which the respective governments of each country are empowered to acquire some of the properties.

In the event that the compensation paid for the compulsory acquisition of a property of Ascendas Reit is less than the market value of the property, such compulsory acquisitions would have an adverse effect on the revenue of Ascendas Reit and the value of its Portfolio.

Some of Ascendas Reit's properties are held under leases which contain provisions, or where the relevant landlord may impose conditions, in each case, that may have an adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Some of Ascendas Reit's properties are held under a state lease. These state leases contain provisions which may have an adverse effect on the financial condition and results of operations of Ascendas Reit and some of these conditions may include:

- the landlord has a right to re-enter such properties and terminate the state lease (without compensation) in the event the lessee fails to observe or perform the terms and conditions of the relevant state lease;

- the Trustee may be required to surrender free of cost to the landlord portions of such Properties that may be required in the future for certain public uses, such as roads, drainage, railways, rapid transit systems and other public improvements; and

- there are restrictions against the demise, assignment, mortgage, letting, subletting or underletting or granting a licence or parting with or sharing the possession or occupation of the whole or part of such properties without first obtaining the landlord's prior written consent.

In addition, the landlords of such leases may impose additional conditions which may have an adverse effect on the business, financial condition and results of operations of Ascendas Reit and some of these may include:

- granting the landlord a right of first refusal in the case of a sale; and

- prohibition against sale during an initial period of the lease (or the levying of an additional fee if there is a sale during an initial period of the lease) or a minimum occupation period for anchor tenants.

These conditions could have an impact on Ascendas Reit's ability to acquire or dispose of properties which are subject to such leases.

Some of Ascendas Reit's properties are leased to tenants on conditions which may have an adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Some of the leases for Ascendas Reit's Properties may contain conditions including the following:

- certain tenants leasing space in one or more of the buildings located on a particular property granting the right of first offer or a right of first refusal to purchase the entire relevant property in the event such property is sold pursuant to a single-asset sale; and

- restrictions in certain leases which restrict Ascendas Reit from leasing any space in the relevant buildings where these tenants are located, to certain competitors of such tenants.

These conditions could have an adverse impact on Ascendas Reit's ability to acquire or dispose of properties which are subject to leases which contain one or more of these conditions.

Ascendas Reit holds certain properties on leasehold title.

Ascendas Reit may not be able to renew its lease of its properties held on leasehold titles when their terms expire, for example if the landlord intends or has agreed to pull down and rebuild, or to reconstruct the premises, and has planning permission for the works or if for any reason the creation of a new lease would not be consistent with good estate management or where renewal options are revoked as a result of a breach by Ascendas Reit of the relevant lease. In addition, Ascendas Reit's leasehold titles to its properties may not be able to be registered if the landlord has not registered its lease title. It may not be possible to carry out comprehensive searches to find out if there are third-party interests in the properties, burdens and/or rights arising prior to the date of Ascendas Reit's leases to the properties and which rank in priority to Ascendas Reit's interests in such leases. If there are any such third-party interests, burdens and/or rights affecting its properties and they are successfully asserted by such third-party or its successors in title, the use or occupation of its properties might be affected and this may have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Loss of tenants could reduce the future cash flows of Ascendas Reit.

The value of Ascendas Reit's properties and the distributions of Ascendas Reit could be adversely affected by the loss of tenants which may arise as a result of such tenant not renewing the lease or the tenant filing for bankruptcy or insolvency.

The future market value of the existing properties in Ascendas Reit's portfolio, the US Properties and the Singapore Properties that is acquired by Ascendas Reit pursuant to the Proposed Acquisitions (the "Enlarged Portfolio") may differ from the valuations determined by independent valuers.

Property valuations generally include a subjective evaluation of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths and their physical conditions. Accordingly, the future market value of the Enlarged Portfolio held by Ascendas Reit may differ from the valuations determined by independent valuers.

The gross revenue earned from, and the value of, the properties in Ascendas Reit's portfolio may be adversely affected by a number of factors.

The gross revenue earned from, and the value of, Ascendas Reit's properties may be adversely affected by a number of factors, including:

- vacancies following the expiry or termination of tenancies that lead to reduced occupancy rates which reduce Ascendas Reit's gross revenue and its ability to recover certain operating costs through service charges;

- the ability of the property managers of Ascendas Reit to collect rent from tenants on a timely basis or at all;

- tenants requesting rental rebates due to the impact of the current economic downturn and charges and other similar add-ons to such tenants' base rent;

- tenants successfully challenging alleged miscalculations or overcharges by the landlords of additional rent charges under their leases for such items as real estate tax escalation charges, operating expense escalation charges, overtime heating, ventilation and air-conditioning;

- tenants requesting waiver of interest on late payment of rent;

- events affecting the properties in Ascendas Reit's portfolio which could result in the inability of the relevant tenants to operate in such properties and thereby resulting in the inability of such tenants to make timely payments of rent;

- tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or the termination of the tenant's lease, which could hinder or delay the re-letting of the space in question, or the sale of the relevant property;

- the amount of rent payable by tenants and other terms on which tenancy renewals and new tenancies are secured being less favourable than those under current tenancies;

- the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, commercial and retail space, changes in market rental rates and operating expenses for Ascendas Reit's properties);

- the Manager's ability to provide adequate management and maintenance of the properties or to purchase or put in place adequate insurance;

- competition for tenants from other similar properties which may affect rental income or occupancy levels at Ascendas Reit's properties;

- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure needed to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and

- natural disasters, acts of God, wars, social and political unrest, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

RISKS ASSOCIATED WITH ASCENDAS REIT'S BUSINESS AND OPERATIONS

There may be potential conflicts of interest between Ascendas Reit, the Manager, the property manager of Ascendas Reit and CL.

As at the Latest Practicable Date, CL, through its wholly-owned subsidiaries, has an aggregate deemed interest in 591,374,889 Units, which is equivalent to approximately 19% of the total number of Units in issue.

CL, its subsidiaries, related corporations and associates are engaged in the investment in, and the development and management of, among other things, property used, or predominantly used for business spaces and industrial uses. Some of these properties compete directly with Ascendas Reit's properties for tenants. Furthermore, CL may in the future invest in or sponsor other REITs or private real estate fund which may also compete directly with Ascendas Reit.

There is no assurance that the current rating of Ascendas Reit by rating agencies would not be reviewed, downgraded, suspended or withdrawn.

Credit rating agencies rate Ascendas Reit based on factors that include its operating results, actions that the credit rating agencies take, the credit rating agencies' view of the general outlook for the Reit industry and the rating agencies' view of the general outlook for the economy. Actions taken by the rating agencies can include maintaining, upgrading or downgrading the current rating or placing Ascendas Reit on a watch list for possible future downgrading. Downgrading, suspending or withdrawing the credit rating assigned to Ascendas Reit would likely increase Ascendas Reit's cost of financing, thereby adversely affecting Ascendas Reit's cash flows and have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Difficult conditions in the global credit and capital markets and the economy, as well as changes in regulatory, fiscal and other governmental policies generally have had, and may continue to have, an adverse effect on the business, financial condition and results of operations of Ascendas Reit.

The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. There remains a concern that the uncertainty surrounding the monetary policy of the US Federal Reserve will impinge upon the health of the global financial system.

In addition, there is uncertainty arising from the referendum held by the United Kingdom on 23 June 2016 in which a majority voted for the exit of the United Kingdom from the European Union following the results of the referendum held on 23 June 2016 and the invocation of Article 50 of the Lisbon Treaty relating to withdrawal on 31 October 2019 by the Government of the United Kingdom ("**Brexit**"). Negotiations surrounding Brexit are expected to affect the future terms of the United Kingdom's relationship with the European Union, including the terms of trade between the United Kingdom and the European Union. The effects of Brexit will depend on any agreements the United Kingdom makes to retain access to European Union markets, either during a transitional period or more permanently. Brexit could adversely affect European or worldwide economic or market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the Euro.

Such events could adversely affect Ascendas Reit insofar as they result in:

- a negative impact on the ability of the tenants of Ascendas Reit to pay their rents in a timely manner or continuing their leases, thus reducing Ascendas Reit's cash flow;

- an increase in counterparty risk; and

- an increased likelihood that one or more of Ascendas Reit's banking syndicate or insurers may be unable to honour their commitments to Ascendas Reit.

There is also uncertainty as to the scale of the downturn in the US or the global economy, the decrease in consumer demand and the resultant impact on Singapore's external trade dependent economy. Ongoing involvement by the US in global trade wars may also negatively impact the US economy.

Further, Ascendas Reit and the Target Properties will be subject to US real estate laws, regulations and policies. In addition, the US real estate market may be adversely affected due to interest rate hikes by the Federal Reserve, which would cause the cost of borrowing to rise. This may in turn lead to a fall in property prices. While there are no current exchange control restrictions and limited restrictions on foreign investment in commercial office properties in the United States, there can be no assurance that regulatory, fiscal, monetary or governmental policies in the United States will not change.

The amount Ascendas Reit may borrow is limited, which may affect the operations of Ascendas Reit.

The Property Funds Appendix provides that the aggregate leverage of a REIT should not exceed 45% of its deposited property, as may be amended by MAS from time to time.

As at 30 September 2019, Ascendas Reit's outstanding borrowings (excluding interest) were approximately S$4.1 billion, including both bank loans and the outstanding notes issued under its existing MTN programme. As at 30 September 2019, Ascendas Reit's aggregate leverage was 36.2%, which is within the 45% aggregate leverage limit allowed by the Authority under the Property Funds Appendix for property trusts in Singapore. A decline in the value of the Deposited Property may also cause the borrowing limit to be exceeded, thus affecting Ascendas Reit's ability to make further borrowings.

Ascendas Reit may, from time to time, require further debt financing to implement its investment strategies. In the event that Ascendas Reit decides to incur additional borrowings in the future, Ascendas Reit may face adverse consequences as a result of this limitation on future borrowings, and these may include:

- an inability to fund capital expenditure requirements in relation to Ascendas Reit's properties;
- an inability to fund acquisitions of properties; and
- cash flow shortages which may have an adverse impact on Ascendas Reit's ability to make distributions.

Ascendas Reit may face risks associated with debt financing and the debt covenants which could limit or affect Ascendas Reit's operations.

Ascendas Reit is subject to risks associated with debt financing, including the risk that its cash flows will be insufficient to meet the required payments of principal and interest under such financing. Ascendas Reit may not be able to meet all of its obligations to repay any future borrowings through its cash on hand. Ascendas Reit may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If Ascendas Reit defaults under any debt financing facilities extended to it, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided, and/or call upon any guarantees provided.

Ascendas Reit may be subject to the risk that the terms of any refinancing undertaken (which may arise from a change of control provision) will be less favourable than the terms of the original borrowings. As at the date of this Offer Information Statement, while Ascendas Reit is not subject to covenants that may limit or otherwise adversely affect its operations, the terms of any refinancing undertaken in the future may contain such covenants and other covenants which may also restrict Ascendas Reit's ability to acquire properties or undertake other capital expenditure and may require it to set aside funds for maintenance or require Ascendas Reit to maintain certain financial ratios. The triggering of any of such covenants may have an adverse impact on Ascendas Reit's financial condition.

Ascendas Reit's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expenses relating to such refinanced indebtedness would increase, thereby adversely affecting Ascendas Reit's cash flows and have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

As a condition for tax transparency treatment, applicable Singapore law requires Ascendas Reit to distribute at least 90% of its taxable income (after deduction of applicable expenses) (failing which Ascendas Reit would be liable to pay Singapore tax on its taxable income) and may face liquidity constraints.

As a condition for tax transparency treatment, Ascendas Reit is required to distribute at least 90% of its taxable income to Unitholders, failing which Ascendas Reit would be liable to pay tax on its taxable income (after deduction of applicable expenses).

If Ascendas Reit's taxable income (after deduction of applicable expenses) is greater than its cashflow from operations, it may have to borrow funds to meet ongoing cashflow requirements in order to distribute at least 90% of its taxable income to Unitholders (after deduction of applicable expenses) since it may not have any reserves to draw on. Ascendas Reit's ability to borrow is, however, limited by the Property Funds Appendix.

Failure to make such distributions to Unitholders would put Ascendas Reit in breach of the terms for tax transparency treatment and Ascendas Reit would be liable to pay income tax. This may in turn have an adverse effect on the business, financial condition and results of operations of Ascendas Reit.

If the Manager's capital market services licence for REIT management ("CMS Licence") is cancelled or the authorisation of Ascendas Reit as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of Ascendas Reit will be adversely affected.

The CMS Licence issued to the Manager is subject to conditions unless otherwise cancelled. If the CMS Licence of the Manager is cancelled by the MAS, the operations of Ascendas Reit will be adversely affected, as the Manager would no longer be able to act as the manager of Ascendas Reit.

Ascendas Reit is authorised as a collective investment scheme and must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of Ascendas Reit is suspended, revoked or withdrawn, its operations will also be adversely affected.

The Manager may not be able to successfully implement its investment strategy for Ascendas Reit and may change its investment strategy.

There is no assurance that the Manager will be able to implement its investment strategy successfully or that it will be able to expand Ascendas Reit's Portfolio at any specified rate or to any specified size. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame.

Ascendas Reit faces active competition in acquiring suitable properties. Ascendas Reit's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected.

Even if Ascendas Reit were able to successfully acquire property or investments, there is no assurance that Ascendas Reit will achieve its intended return on such acquisitions or investments.

There may be significant competition for attractive investment opportunities from other property investors, including other REITs, property development companies and private investment funds. There is no assurance that Ascendas Reit will be able to compete effectively against such entities.

Acquisitions may not yield the returns expected, resulting in disruptions to Ascendas Reit's business and straining of management resources.

Ascendas Reit's external acquisition growth strategy and its asset selection process may not be successful and may not provide positive returns, which could have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Acquisitions may cause disruptions to Ascendas Reit's operations and divert management's attention away from day-to-day operations.

Ascendas Reit may be unable to successfully integrate and operate acquired properties, which could have a material adverse effect on Ascendas Reit.

Even if Ascendas Reit is able to make acquisitions on favourable terms, its ability to successfully integrate and operate them is subject to the following significant risks:

- it may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties, as well as require substantial management time and attention;

- it may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into its existing operations;

- acquired properties may be subject to reassessment, which may result in higher than expected property tax payments;

- its tenant retention and lease and renewal risks may be increased; and

- market conditions may result in higher than expected vacancy rates and lower than expected rental rates.

Any inability to integrate and operate acquired properties to meet Ascendas Reit's financial, operational and strategic expectations could have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Ascendas Reit depends on certain key personnel and the loss of any key personnel may adversely affect its operations.

Ascendas Reit's performance depends, in part, upon the continued service and performance of the executive officers of the Manager. These key personnel may leave the employment of the Manager. If any of the above were to occur, the Manager will need to spend time searching for a replacement and the duties which such executive officers are responsible for may be affected. The loss of any of these individuals could have a material adverse effect on the business, financial condition and the results of operations of Ascendas Reit.

Ascendas Reit relies on third parties to provide various services.

Ascendas Reit engages or will engage third-party contractors to provide various services in connection with any commercial/industrial developments it may have and with the day-to-day operation of its properties and physical asset enhancement works, including construction, building and property fitting-out work, alterations and additions, interior decoration and installation of air-conditioning units and lifts. Ascendas Reit is exposed to the risk that a contractor may require additional capital in excess of the price originally tendered to complete a project and Ascendas Reit may have to bear such additional amounts in order to provide the contractor with sufficient incentives to complete the project. Furthermore, there is a risk that major contractors may experience financial or other difficulties which may affect their ability to carry out construction works, thus delaying the completion of development projects or resulting in additional costs to Ascendas Reit. There can also be no assurance that the services rendered by such third parties will always be satisfactory or match Ascendas Reit's targeted quality levels. All of these factors could adversely affect Ascendas Reit's business, financial condition and results of operations or cash flows.

Ascendas Reit may from time to time be subject to legal proceedings and government proceedings.

Legal proceedings against Ascendas Reit and/or its subsidiaries, including those relating to property management and disputes over leases or colocation arrangements, may arise from time to time. There can be no assurance that Ascendas Reit and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the business, financial condition, results of operations or cash flows of Ascendas Reit.

Ascendas Reit and its subsidiaries are regulated by various government authorities and regulations. If any government authority believes that Ascendas Reit or any of its subsidiaries or any of their tenants are not in compliance with the relevant regulations, it could shut down the relevant non-compliant entity or delay the approval process, refuse to grant or renew the relevant approvals or licences, institute legal proceedings to seize the Properties, enjoin future action or (in the case of Ascendas Reit or its subsidiaries not being in compliance with the regulations) assess civil and/or criminal penalties against Ascendas Reit, its subsidiaries, their respective officers or employees. Any such action by the government authority would have a material adverse effect on the business, financial condition and results of operations or cash flows of Ascendas Reit.

Ascendas Reit is subject to interest rate fluctuations and may engage in interest rate hedging transactions, which can limit gains and increase costs.

Ascendas Reit may enter into interest rate hedging transactions to protect itself from the effects of interest rate volatilities on floating rate debt. Interest rate hedging activities may not have the desired beneficial impact on the operations or financial condition of Ascendas Reit.

Interest rate hedging could fail to protect Ascendas Reit or adversely affect Ascendas Reit because among others:

- the party owing money in the hedging transaction may default on its obligation to pay;

- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs Ascendas Reit's ability to sell or assign its side of the hedging transaction; and

- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Such changes although unrealised, would reduce the NAV of Ascendas Reit if it is due to downward adjustments.

Interest rate hedging activities involve risks and transaction costs, which may reduce overall returns to Ascendas Reit.

Ascendas Reit faces risks relating to foreign exchange rate fluctuations.

Ascendas Reit's reporting currency for the purposes of its financial statements is Singapore dollars. However, Ascendas Reit also generates revenues and incurs operating costs in non-Singapore dollar denominated currencies. Any revenue and expenses in non-Singapore dollars will have to be converted to Singapore dollars for financial reporting or repatriation purposes. Accordingly, Ascendas Reit may be exposed to risks associated with fluctuations in foreign exchange rates which may adversely affect its reported financial results.

Ascendas Reit may also be subject to the imposition or tightening of exchange control or repatriation restrictions and may encounter difficulties or delays in the receipt of its proceeds from divestments and dividends due to the existence of such restrictions in the jurisdictions in which it operates.

Ascendas Reit is also exposed to fluctuations in foreign exchange arising from the difference in timing between its receipt and payment of funds. To the extent that its sales, purchases, inter-company loans, external debts and operating expenses are not matched in terms of currency and timing, Ascendas Reit will face foreign exchange exposure. Any fluctuation in foreign exchange rates will also result in foreign exchange gains or losses arising from transactions carried out in foreign currencies as well as translation of foreign currency monetary assets and liabilities as at the balance sheet dates.

Possible change of investment strategies may adversely affect the business, financial condition and results of operations of Ascendas Reit.

The Manager may from time to time amend the investment strategies of Ascendas Reit if it determines that such a change is in the best interest of Ascendas Reit and its Unitholders without seeking Unitholders' approval. In the event of a change of investment strategies, the Manager may, subject to the relevant laws, regulations and rules (including the Listing Manual of the SGX-ST), alter such investment strategies, provided that it has given not less than 30 days' prior notice of the change to the Trustee and Unitholders by way of an announcement on the SGX-ST. The methods of implementing Ascendas Reit's investment strategies may vary as new investment and financing techniques are developed or otherwise used. Such changes may adversely affect the business, financial condition and results of operations of Ascendas Reit.

Occurrence of any acts of God, natural disasters, war and terrorist attacks may adversely and materially affect the business and operations of the Properties.

Acts of God, such as natural disasters, are beyond the control of Ascendas Reit or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. Ascendas Reit's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any social and political unrest, war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the properties and hence Ascendas Reit's income available for distribution.

In addition, physical damage to the properties resulting from fire, earthquakes, flooding or other acts of God may lead to a significant disruption to the business and operation of the properties. Should such physical damage to the properties occur, this may result in a material adverse effect on the business, financial condition and results of operations of Ascendas Reit and its capital growth.

The outbreak of an infectious disease or any other serious public health concerns in Singapore and countries where Ascendas Reit's properties are located and elsewhere could adversely impact Ascendas Reit's business, results of operations and financial condition.

The outbreak of an infectious disease such as the avian influenza and severe acute respiratory syndrome in Singapore and countries where Ascendas Reit's properties are located and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy, and business activities in Singapore and/or countries where Ascendas Reit's properties are located, and could thereby adversely impact the revenues and results of operations of Ascendas Reit. A future outbreak of an infectious disease or any other serious public health concern in Singapore and/or and countries where Ascendas Reit's properties are located could seriously harm Ascendas Reit's business, financial condition and results of operations.

There is no assurance that Ascendas Reit will be able to leverage on the Sponsor's experience in the operation of its properties or the Sponsor's experience in the management of REITs.

In the event that the Sponsor decides to transfer or dispose of its Units or its shares in the Manager, Ascendas Reit may no longer be able to leverage on:

- the Sponsor's experience in the ownership and operation of properties; or

- the Sponsor's financial strength, market reach and network of contacts to further its growth.

This may have a material adverse impact on Ascendas Reit's financial condition and results of operations.

Ascendas Reit's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments.

Ascendas Reit's investment strategy of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for business space and industrial purposes, as well as real estate related assets will subject Ascendas Reit to risks inherent in concentrating on real estate assets. The level of risks could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

Any economic downturn may lead to a decline in occupancy for properties or real estate related assets in the Portfolio. This will affect Ascendas Reit's rental income from the Properties, and/or a decline in the capital value of the Portfolio, which will have an adverse impact on the business, financial condition and results of operations of Ascendas Reit.

The Manager may not be able to implement its asset enhancement initiatives or successfully carry out its development activities.

The Manager may from time to time perform asset enhancement initiatives ("**AEI**") on some of its properties. There can be no assurance that the Manager will be able to implement any of its proposed AEIs successfully or successfully carry out its development activities or that the carrying out of any AEI or development activities will enhance the value of the relevant property. Furthermore, the Manager may not be able to carry out the proposed AEI or development activities within a desired timeframe, and any benefit or return which is expected from such AEI or development activities may be reduced or lost. Even if the AEI or development is successfully carried out, they may not achieve their desired results or may incur significant costs, which could have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

RISKS RELATING TO THE JURISDICTIONS WHICH ASCENDAS REIT OPERATES IN

Ascendas Reit is exposed to risks relating to the Australian taxation regime.

In Australia, a public unit trust (e.g. trusts beneficially owned by listed trusts) will be taxed as a company where the trust does not engage in "wholly eligible investment business" at any time during an income year. Furthermore, where the public unit trust also qualifies as a managed investment trust ("**MIT**"), the public unit trust will lose its MIT status if it does not engage in "wholly eligible investment business" at any time during an income year. This is an annual test. While Ascendas Reit may seek professional advice to ensure that its relevant Australian unit trusts should only engage in "wholly eligible investment business", there is no assurance that the Australian Taxation Office will not take a different view.

To qualify as an MIT and to enjoy preferential Australian withholding tax rates, there are also several conditions that must be met and among other requirements, no individual (who is not a resident of Australia) can directly or indirectly hold, control or have the right to acquire an interest of 10% or more in the relevant Australian unit trusts of Ascendas Reit at any time during the income year. While Ascendas Reit will monitor investor percentage holdings to determine whether this requirement is met in respect of each year in which the relevant Australian unit trusts of Ascendas Reit wishes to qualify as an MIT, there is also no assurance that they will qualify as MITs.

Where the relevant Australian unit trusts do not qualify for MIT treatment, their distributions may be subject to Australian tax at 30% (where the unitholder is a company) or 47% (where the unitholder is a trust). This may materially and adversely affect the business, financial condition and results of operations of Ascendas Reit which may in turn will affect the income available for distribution to Unitholders.

Ascendas Reit may be adversely affected by economic conditions in which the Properties are located.

An economic decline in the jurisdictions in which the Properties are located could adversely affect Ascendas Reit's results of operations and future growth. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. While there have been periods of stability in these markets, the environment has become more unpredictable, with the risk of a potential trade war.

Economic factors including, without limitation, changes in interest rates and inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and availability of debt and equity capital could adversely affect the business, financial condition and results of operations of Ascendas Reit.

These developments could adversely affect Ascendas Reit insofar as they result in:

- increase in the unemployment rate in the jurisdictions in which Ascendas Reit's properties are located;
- a negative impact on the ability of the tenants to pay their rents or fees in a timely manner or continuing their leases or colocation arrangements, thus reducing Ascendas Reit's cash flows;
- a decline in the demand for leased industrial and business space across the jurisdictions in which Ascendas Reit's properties are located and the rents that can be charged when leases are renewed or new leases are entered compared to rents that are currently charged;

- a decline in the market values of Ascendas Reit's properties;

- access to capital markets becoming more difficult, expensive or impossible resulting in a material adverse effect on Ascendas Reit's ability to obtain debt or equity capital to fund its operations, meet its obligations, purchase additional properties or otherwise conduct its business;

- an increase in counterparty risk (being the risk of monetary loss which Ascendas Reit may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or

- an increased likelihood that one or more of (i) Ascendas Reit's banking syndicates (if any), (ii) banks or insurers, as the case may be, providing bankers' guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with the Properties or Ascendas Reit's operations or (iii) Ascendas Reit's insurers, may be unable to honour their commitments to Ascendas Reit.

Ascendas Reit's businesses and operations are exposed to fluctuations in economic and market conditions of these countries and an economic recession in any of these countries and other countries in which the Properties are located might have a material adverse effect on the business, financial condition and results of operations of Ascendas Reit.

Ascendas Reit is subject to the laws, regulations, policies and accounting standards in the jurisdictions in which the Properties are located.

Ascendas Reit is subject to laws, regulations (including tax laws and regulations) and policies in the jurisdictions in which the Properties are located, which may increase or change. Measures and policies adopted by these governments and regulatory authorities at national, provincial or local levels, such as government control over property investments, foreign exchange regulations or limitations in foreign investment might adversely impact Ascendas Reit. For example, foreign investment in properties in Australia, including acquisitions by Ascendas Reit, may require prior notification to and receipt of no objections notifications from the relevant regulatory authorities including the Treasurer of the Commonwealth of Australia and the Foreign Investment Review Board, depending on the type of property and whether certain thresholds are met. There can be no assurance that any such changes to, or any new, laws, regulations, policies and accounting standards will not materially and adversely affect the business, financial condition and results of operations of Ascendas Reit.

Governments of the countries in which Ascendas Reit operates may also seek to promote a stable and sustainable property market by monitoring the property market and adopting measures as and when they deem necessary, including in relation to foreign investment restrictions. These governments may introduce new policies or amend or abolish existing policies at any time and these policies may have retroactive effect. These changes may have a material and adverse impact on the overall performance of the property markets in which Ascendas Reit operates and thus materially and adversely affect the business, financial condition and results of operations of Ascendas Reit.

Ascendas Reit may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs.

Ascendas Reit may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that any new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or Ascendas Reit specifically.

Ascendas Reit may suffer higher taxes if any of its subsidiaries are treated as having a taxable presence or permanent establishment outside their place of incorporation and tax residency.

If Ascendas Reit or any of its subsidiaries are considered as having a taxable presence or permanent establishment outside its place of incorporation and place of tax residency, income or gains may be subject to additional taxes which may have an adverse impact on Ascendas Reit and its subsidiaries' financial conditions.

Ascendas Reit may be exposed to risks associated with governmental reviews on foreign investment in the United States.

The Committee on Foreign Investment in the United States ("**CFIUS**") is charged with the responsibility of assessing potential national security impacts of foreign investments in US assets. With certain exceptions, acquisitions of real estate in the United States by foreign investors may be subject to CFIUS review where the real estate is either located within, or will function as part of, an air or maritime port or is within a certain close proximity of a government or military installations. CFIUS may review a transaction within its jurisdiction, even after closing, unless CFIUS has previously approved that acquisition. If CFIUS determines on review of an acquisition that a national security concern exists, CFIUS may request that the foreign investor put in place restrictions or limitations that mitigate the concern or may request that the President of the United States block or compel divestiture of the acquisition. Ascendas Reit has not submitted its acquisition of the US Portfolio, and may not submit its acquisitions of future properties, to voluntary CFIUS review but may or may be required to do so in the future. Ascendas Reit may incur additional costs and delays in connection with its acquisitions if Ascendas Reit elects or is required to submit its acquisitions to CFIUS. In addition, the potential for CFIUS review may limit the properties that Ascendas Reit considers for acquisition in the United States, may limit the types of tenants that Ascendas Reit considers acceptable at its properties or may limit the number of potential buyers of the properties in the future or may compel Ascendas Reit to dispose of properties it has already acquired.

Leasing Properties to US and state government tenants increases compliance risks.

Lease agreements with federal and state government agencies contain certain provisions required by federal and state law, respectively, which require, among other things, that the contractor (which is the lessor or the owner of the property) agree to comply with certain rules and regulations, including but not limited to, rules and regulations related to anti-kickback procedures, examination of records, audits and records, equal opportunity provisions, prohibitions against segregated facilities, certain executive orders, subcontractor costs or pricing data, and certain provisions intending to assist small businesses. In addition, these leases often contain provisions that permit the tenants to terminate the leases early if the tenants do not receive requisite government funding to permit them to pay rent. As at the Latest Practicable Date, none of the tenants of the US Properties are federal agencies. However, should any such federal or state government agencies become tenants of the US Properties, Ascendas Reit will be subject to additional risks associated with compliance with all such federal rules and regulations and to early termination risks.

The US Properties or a part of them may be acquired compulsorily by US federal, state and local governments.

In the US, federal, state and local governments and other public bodies, as well as certain quasi-public entities (such as railroads and public utility corporations), have the right to acquire real estate for public use upon payment of just compensation to the affected owner through the exercise of the power of eminent domain. A compulsory acquisition of a portion of a property, even if adequate consideration is paid, could have an adverse effect on the revenue of Ascendas Reit and the value of its asset portfolio.

If Ascendas Reit is unable to obtain required approvals and licences or renewals thereof in a timely manner, its business and operations may be adversely affected.

Ascendas Reit requires certain approvals, licences, registrations and permissions for its business and operations. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by it or at all. Further, Ascendas Reit cannot assure that the approvals, licences, registrations and permits issued to it would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Failure by Ascendas Reit to renew, maintain or obtain, or any suspension or revocation of, the required permits or approvals at the requisite time may result in the interruption of its operations and may have an adverse effect on its business, financial condition and results of operations.

Ascendas Reit faces risks associated with their tenants being designated "Prohibited Persons" by the Office of Foreign Assets Control.

Pursuant to Executive Order 13224 and other laws, the Office of Foreign Assets Control of the United States Department of the Treasury ("**OFAC**") maintains a list of persons designated as terrorists or who are otherwise blocked or banned ("**Prohibited Persons**"). OFAC regulations and other laws prohibit conducting business or engaging in transactions with Prohibited Persons (the "**OFAC Requirements**"). If a tenant or other party with whom Ascendas Reit contracts is placed on the list of Prohibited Persons, Ascendas Reit may be required by the OFAC Requirements to terminate the lease or other agreement. Any such termination could result in a loss of revenue or a damage claim by the other party that the termination was wrongful.

Ascendas Reit will rely on information technology in its operations, and any material failure, inadequacy, interruption or security failure of that technology could harm its business.

Ascendas Reit will rely on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of tenants and lease data. Ascendas Reit will rely on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant information, such as individually identifiable information relating to financial accounts. Although Ascendas Reit will take steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable information such as in the event of cyber-attacks. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of Ascendas Reit's information systems could interrupt its operations, damage its reputation, subject Ascendas Reit to liability claims or regulatory penalties and could materially and adversely affect it.

RISKS ASSOCIATED WITH THE RIGHTS ISSUE

An active trading market may not develop for the Rights Entitlements and, if a market does develop, the Rights Entitlements may be subject to greater price volatility than the Unit.

A trading period for the Rights Entitlements has been fixed for 14 November 2019 to 22 November 2019. There is no assurance that an active trading market for the Rights Entitlements on the SGX-ST will develop during the Rights Entitlements trading period or that any over-the-counter trading market in the Rights Entitlements will develop. Even if active markets develop, the trading price of the Rights Entitlements, which depends on the trading price of the Units, may be volatile. As the Manager may arrange for the sales of the Rights Entitlements of the Ineligible Unitholders, the sales may give pressure to the trading price of the Rights Entitlements. In addition, the market price of the Rights Entitlements may not reflect their actual value.

Unitholders who do not or are not able to accept their provisional allotments of Rights Units, including Ineligible Unitholders, will experience a dilution in their interest in Ascendas Reit.

If Unitholders do not or are not able to accept their provisional allotments of Rights Units, their proportionate interest in Ascendas Reit will be reduced. They may also experience a dilution in the value of their Units. Even if a Unitholder sells his Rights Entitlements, or such Rights Entitlements are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his interest in Ascendas Reit as a result of the Rights Issue.

In particular, Ineligible Unitholders will not be permitted to participate in the Rights Issue. The Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to such Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate an Ineligible Unitholder fully for the dilution of his unitholding as a result of the Rights Issue.

Resales of the Rights Units and the Rights Entitlements in the US are subject to restrictions.

The offering and delivery of the Rights Units and the Rights Entitlements in the US is being made to certain Eligible QIBs in reliance on one or more exemptions from the registration requirements of the Securities Act in Section 4(a)(2) thereof. None of the Rights Entitlements or the Rights Units has been, or will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US. Accordingly, investors acquiring the Rights Entitlements or the Rights Units in the Rights Issue should note that the Rights Units and the Rights Entitlements may only be resold or transferred in the US pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Rights Units and the Rights Entitlements cannot be freely resold in the United States.

The offering and delivery of the Rights Units and the Rights Entitlements, and the offering and acquisition of the Rights Units and the Rights Entitlements in the US to and by certain persons reasonably believed to be Eligible QIBs, is being made in reliance on an exemption from the registration requirements of the Securities Act. None of the Rights Units or the Rights Entitlements has been, or will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US Accordingly, investors who are Eligible QIBs and who are acquiring the Rights Units or the Rights Entitlements in the Rights Issue pursuant to an exemption from the registration requirements of the Securities Act, should note that the Rights Units and the Rights Entitlements may not be freely resold or transferred in the US. The Rights Units and the Rights Entitlements may only be resold, renounced, pledged, or otherwise transferred or delivered (as applicable) in an offshore transaction in accordance with Rule 904 of Regulation S, and in accordance with any applicable securities laws of the US and of any state of the US.

The Issue Price of the Rights Units is not an indication of the underlying value of the Units.

The Issue Price of the Rights Units was determined based on the last traded price of the Units on the SGX-ST on 31 October 2019, being the last trading day of the Units on the SGX-ST prior to the release of the announcement of the Rights Issue on 1 November 2019. The Issue Price was set at a discount to the Closing Price and to the TERP at that time. The Issue Price does not bear a direct relationship to the book value of Ascendas Reit's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Unitholders should not consider the Issue Price to be any indication of the Units' underlying value. The Units may trade at prices lower than the Issue Price in the future.

The Rights Issue may cause the price of the Units to decrease, and this decrease may continue.

The Issue Price of the Rights Units represents a discount of approximately (i) 17.0% to the Closing Price of S$3.17 per Unit, (ii) 19.6% to Ascendas Reit's *pro forma* NAV per Unit of S$2.20 after taking into account the latest valuation of the properties of Ascendas Reit as at 31 March 2019 and the effects of the Rights Issue and (iii) 15.0% to the TERP of S$3.0955 per Unit. This discount, along with the number of Rights Units, may result in a decrease in the trading price of the Units and this decrease may continue after the completion of the Rights Issue.

Unitholders need to act promptly and follow subscription instructions, otherwise their exercise of Rights Entitlements may be rejected and their Rights Entitlements may expire without value and without any compensation.

Unitholders who desire to accept their Rights Entitlements or apply for excess Rights Units in the Rights Issue must act promptly to ensure that all required forms, letters and payments are actually received by the relevant agents prior to the respective expiration dates and times as set forth under **Appendix C** and **Appendix D** of this Offer Information Statement. Failure to complete and sign the required acceptance forms or letters, the sending of an incorrect payment amount, or otherwise failure to follow the procedures that apply to a Unitholder's desired transaction may lead to rejection of the Unitholder's acceptance of the Rights Entitlements and any Rights Entitlements not accepted will expire without value and without any compensation.

None of the Manager, the Unit Registrar, CDP, or the Joint Lead Managers and Underwriters undertakes to contact the Unitholder concerning, or attempt to correct, an incomplete or incorrect acceptance form, letter or payment. The Manager has sole discretion to determine whether an acceptance of Rights Entitlements and acceptance of or subscription for Rights Units properly follows the appropriate procedures. Unitholders who hold Units through a securities sub-account, brokerage account or other similar custodial account with a depository agent, broker, custodian or nominee other than CDP are urged to consult their depository agent, broker, custodian or nominee without delay regarding the procedures that they need to follow for the subscription and payment for the Rights Units.

RISKS ASSOCIATED WITH AN INVESTMENT IN THE UNITS

Investors may experience future dilution in the value of their Units.

The Manager may need to raise additional funds in the future to finance the repayment of borrowings, expansion of new developments relating to Ascendas Reit's existing operations and/or to finance future investments and acquisitions. If additional funds are raised through the issuance by the Manager of new Units other than on a pro rata basis to existing Unitholders, the percentage ownership of existing Unitholders may be reduced and existing Unitholders may experience dilution in the value of their Units.

Ascendas Reit's ability to make distributions is dependent on the financial position of its underlying investment holding vehicles holding the Properties.

In order for the Trustee to make distributions from the income of the Properties, Ascendas Reit has to rely on the receipt of dividends, interests or repayments (where applicable) from its underlying investment holding vehicles holding the Properties. There can be no assurance that these vehicles will have sufficient revenue, profits and cash in any future period to pay dividends, pay interest or make repayments.

The level of revenue, distributable profits or reserves of the investment holding vehicles available to pay dividends, pay interest or make repayments may be affected by a number of factors including, among other things:

- their respective business and financial positions;
- the availability of distributable profits;
- sufficiency of cash flows received by the investment holding vehicles from the Properties;
- applicable laws and regulations which may restrict the payment of dividends by the investment holding vehicles;
- operating losses incurred by the investment holding vehicles in any financial year;
- losses arising from a revaluation of the Properties. Such losses may become realised losses which would adversely affect the level of realised profits from which the investment holding vehicles may distribute dividends;
- changes in accounting standards (including standards in respect of depreciation policies relating to real estate investment properties), taxation laws and regulations, laws and regulations in respect of foreign exchange and repatriation of funds, corporation laws and regulations in respect of statutory reserves required to be maintained) in the jurisdictions in which the investment holding vehicles are located;
- potential onshore tax and/or legal liabilities through investing in the investment holding vehicles; and
- the terms of agreements to which the investment holding vehicles are, or may become, a party to.

Ascendas Reit may not be able to make distributions to Unitholders or the level of distributions may fall.

The net operating profit earned from real estate investments depends on, among other factors, the amount of rental income received and the level of property, operating, financing and other expenses incurred.

If the Properties do not generate sufficient net property income, Ascendas Reit's income, cash flow and ability to make distributions will be adversely affected.

Ascendas Reit may be unable to comply with the conditions for various tax exemptions and/or tax rulings obtained, or the tax exemptions and/or tax rulings may no longer apply.

Ascendas Reit has obtained the Tax Transparency Ruling (as defined herein) and the Foreign Sourced Income Tax Exemption Ruling (as defined herein) (collectively, the "**Tax Rulings**") under which tax transparency and tax exemption is granted in respect of certain income derived by Ascendas Reit. The Tax Rulings are subject to Ascendas Reit satisfying the stipulated conditions. They may also be revoked either in part or in whole or the terms may be reviewed and amended by the Inland Revenue Authority of Singapore ("**IRAS**") and/or Ministry of Finance ("**MOF**") at any time. Further, the Tax Rulings are granted based on the facts represented to the IRAS and/or MOF and where such facts turn out to be different from those represented to the IRAS and/or MOF, or where there is a subsequent change in the tax laws or interpretation thereof, the Tax Rulings may not apply.

If either or both of the Tax Rulings are revoked or if Ascendas Reit and its Singapore Subsidiaries are unable to comply with the terms thereof, the tax transparency and/or tax exemption may not apply, in which case, Ascendas Reit and its Singapore Subsidiaries' tax liability may be affected which in turn could affect the amount of distributions to Unitholders.

The form of payment of the management fee will have an impact on the distribution per Unit.

The amount of distribution available to Unitholders is affected by the form of payment of the management fee. If the Manager elects to receive the payment of the management fee in the form of cash, the amount of distribution available for distribution to Unitholders will be affected. Similarly, if the Manager elects to receive the payment of the management fee in the form of Units, the distribution will be distributed to a larger number of Units.

Sale or possible sale of a substantial number of Units by the Sponsor, the Manager or any substantial unitholders in the public market could adversely affect the price of the Units.

If the Sponsor, the Manager and/or any substantial unitholders sells or is perceived as intending to sell a substantial amount of its Units, or if a secondary offering of the Units is undertaken in connection with an additional listing on another securities exchange, the market price for the Units could be adversely affected.

Market and economic conditions may affect the market price and demand for the Units.

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units.

An increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

Foreign Unitholders may not be permitted to participate in future rights issues or entitlements offerings by Ascendas Reit.

The Trust Deed provides that, the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with The Central Depository (Pte) Limited, are outside Singapore. The rights or entitlements to the Units to which such Unitholders would have been entitled will be offered for sale and sold in such manner, at such price and on such other terms and conditions as the Manager may determine, subject to such other terms and conditions as the Trustee may impose. The proceeds of any such sale will be paid to the Unitholders whose rights or entitlements have been so sold, provided that where such proceeds payable to the relevant Unitholders are less than S$10.00, the Manager is entitled to retain such proceeds as part of the Deposited Property. The holding of the relevant holder of the Units may be diluted as a result of such sale.

Property yield on real estate to be held by Ascendas Reit is not equivalent to distribution yield on the Units.

Generally, property yield depends on net property income and is calculated as the amount of revenue generated by the Properties, less the expenses incurred in maintaining, operating, managing and leasing the Properties compared against the current value of the Properties.

Distribution yield on the Units, however, depends on the distributions payable on the Units, after taking into account other expenses including (i) taxes, (ii) interest costs for the debt facilities, (iii) the manager's management fees and the trustee's fee and (iv) other operating costs including administrative fees of Ascendas Reit, as compared with the purchase price of the Units.

The Manager is not obliged to redeem Units.

Unitholders have no right to request the Manager to redeem their Units while the Units are listed on the SGX-ST. Unitholders may only deal in their listed Units through trading on the SGX-ST. Accordingly, apart from selling their Units through trading on the SGX-ST, Unitholders may not be able to realise their investments in Units.

If the Units are de-listed from the SGX-ST and are unlisted on any other recognised stock exchange, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Unitholder has no right to request for the repurchase or redemption of Units more than once a year.

There is no assurance that the Units will remain listed on the SGX-ST and even if the Units remain listed, there is no guarantee that there will be an active or liquid market for the Units.

Although it is intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. Among other factors, Ascendas Reit may not continue to satisfy the listing requirements of the SGX-ST. Accordingly, Unitholders will not be able to sell their Units through trading on the SGX-ST if the Units are no longer listed on the SGX-ST.

Furthermore, even if the Units remain listed on the SGX-ST, there is no guarantee that an active and liquid trading market for the Units will continue to exist. Prospective Unitholders must be prepared to hold their Units for an indefinite length of time.

Certain provisions of the Singapore Code on Take-overs and Mergers could have the effect of discouraging, delaying or preventing a merger or acquisition which could adversely affect the market price of the Units.

Under the Singapore Code on Take-overs and Mergers, an entity is required to make a mandatory offer for all the Units not already held by it and/or parties acting in concert with it (as defined by the Singapore Code on Take-overs and Mergers) in the event that an increase in the aggregate unitholdings of it and/or parties acting in concert with it results in the aggregate unitholdings crossing certain specified thresholds.

While the Singapore Code on Take-overs and Mergers seeks to ensure an equality of treatment among Unitholders, its provisions could substantially impede the ability of Unitholders to benefit from a change in control and, as a result, may adversely affect the market price of the Units and the ability to realise any potential change of control premium.

The trading price of the Units is dependent on many factors.

The trading price of the Units will depend on many factors, including, but not limited to:

- the perceived prospects of Ascendas Reit's business and investments and the market for properties or real estate related assets;
- differences between Ascendas Reit's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of Ascendas Reit's assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Units;
- the size and liquidity of the Singapore REIT market from time to time;
- any changes from time to time to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;
- the ability on the Manager's part to implement successfully its investment and growth strategies;
- foreign exchange rates; and
- broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

Units may trade at prices that are higher or lower than the NAV per Unit. To the extent that Ascendas Reit retains operating cash flows for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of Ascendas Reit's underlying assets, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regards to future earnings and cash distributions may adversely affect the market price for the Units.

Where new Units are issued at less than the market price of Units, the value of an investment in Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of Units may experience a dilution of their interest in Ascendas Reit.

The Units are not capital-safe products. There is no guarantee that Unitholders can regain the amount invested. If Ascendas Reit is terminated or liquidated, investors may lose a part or all of their investment in the Units.

Third parties may be unable to recover in claims brought against the Manager as the Manager is not an entity with significant assets.

Third parties, in particular, Unitholders, may in the future have claims against the Manager in connection with the carrying on of its duties as manager of Ascendas Reit.

Under the terms of the Trust Deed, the Manager shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as the Manager of Ascendas Reit to have recourse to the Deposited Property or any part thereof, unless occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager. In the event of any such fraud, gross negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim.

The *pro forma* financial information contained in this Offer Information Statement is not necessarily indicative of the future performance of Ascendas Reit and the actual performance of Ascendas Reit and the Enlarged Portfolio could differ materially from the pro forma statements in this Offer Information Statement.

This Offer Information Statement contains *pro forma* statements regarding the *pro forma* performance of Ascendas Reit after completion of the Rights Issue and the Proposed Acquisitions. The *pro forma* financial information contained in this Offer Information Statement is based on historical data and a number of assumptions and is not necessarily indicative of the future performance of Ascendas Reit. (See the Section entitled "Pro Forma Financial Information" for further details.)

Ascendas Reit's actual results and performance may differ materially from that in the *pro forma* statements.

GENERAL INFORMATION

LEGAL AND ARBITRATION PROCEEDINGS

To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months before the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of Ascendas Reit.

MATERIAL CONTRACTS

There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in Ascendas Reit's ordinary course of, for the period of two years before the date of lodgement of this Offer Information Statement, save for:

(i) the Placement Agreement dated 6 September 2018, entered into between the Manager and the Joint Lead Managers and Underwriters in relation to the underwriting of a private placement of 178,007,000 new Units;

(ii) the Management and Underwriting Agreement dated 1 November 2019, entered into between the Manager and the Joint Lead Managers and Underwriters in relation to the underwriting of the Rights Issue; and

(iii) the Irrevocable Undertakings dated 1 November 2019, provided by the Sponsor and AFM to the Manager and the Joint Lead Managers and Underwriters pursuant to which, among others, the Sponsor and AFM will accept, subscribe and pay in full for their total provisional alloment of Rights Units or procure that the Relevant Entities accept, subscribe and pay in full for, the Relevant Entities' total provisional allotment of Rights Units.

BREACH OF TERMS AND CONDITIONS OR COVENANTS OF CREDIT ARRANGEMENT OR BANK LOAN

To the best of the Manager's knowledge and belief, Ascendas Reit is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect Ascendas Reit's financial position and results or business operations, or the investments by Unitholders.

SIGNIFICANT CHANGES

Save as disclosed in this Offer Information Statement, to the best of the Manager's knowledge and belief, no event has occurred from 30 September 2019, being the last day of the period covered by the 2019 Six Months Unaudited Financial Statements, to the Latest Practicable Date, which may have a material effect on the financial position and results of Ascendas Reit.

TRADING OF UNITS

The Manager is not aware of any significant trading suspension on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

The Manager believes that Units are regularly traded on the SGX-ST.

STATEMENTS BY EXPERTS

The valuation of the US Properties and the Singapore Properties as at 1 September 2019 as set out in the Summary Valuation Reports in **Appendix F** of this Offer Information Statement and the other statements attributed to the Independent Valuers in this Offer Information Statement was prepared by the Independent Valuers for the purpose of, amongst others, inclusion in this Offer

Information Statement. Each of the Independent Valuers has given and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name as an Independent Valuers, its Summary Valuation Report and all references thereto in the form and context in which they are included in this Offer Information Statement.

The Independent Market Research Report as set out in **Appendix I** of this Offer Information Statement and the other statements attributed to the Independent Market Research Consultant in this Offer Information Statement was prepared by the Independent Market Research Consultant for the purpose of, amongst others, inclusion in this Offer Information Statement. The Independent Market Research Consultant has given and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name as an Independent Market Research Consultant, its Independent Market Research Report and all references thereto in the form and context in which they are included in this Offer Information Statement.

CONSENTS FROM THE JOINT LEAD MANAGERS AND UNDERWRITERS

Each of DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as a Joint Lead Manager and Underwriter to the Rights Issue.

AUTHORITY TO ISSUE RIGHTS UNITS

The Manager's authority to issue the Rights Units is pursuant to the General Mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 9 July 2019.

MISCELLANEOUS

Ascendas Reit is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at http://www.mas.gov.sg.

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of Ascendas Reit or investments by Unitholders.

Statements contained in this Offer Information Statement which do not state historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the section entitled "Risk Factors" of this Offer Information Statement for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

Other than the Rights Entitlements under the Rights Issue, none of the Unitholders has pre-emptive rights to subscribe for or purchase the Rights Units.

As there may be prohibitions or restrictions against the offering of Rights Units in certain jurisdictions (other than Singapore), only Eligible Unitholders are eligible to participate in the Rights Issue. Please refer to the section entitled "Eligibility of Unitholders to Participate in the Rights Issue" of this Offer Information Statement for further information.

GLOSSARY

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

"1H FY2018/19"	:	The six-month financial period ended 30 September 2018
"1H FY2019"	:	The six-month financial period ended 30 September 2019
"2016/17 Audited Financial Statements"	:	The audited financial statements of Ascendas Reit for the financial year ended 31 March 2017
"2017/18 Audited Financial Statements"	:	The audited financial statements of Ascendas Reit for the financial year ended 31 March 2018
"2018/19 Audited Financial Statements"	:	The audited financial statements of Ascendas Reit for the financial year ended 31 March 2019
"2019 Six Month Unaudited Financial Statements"	:	The unaudited financial statements of Ascendas Reit for the six-month financial period ended 30 September 2019
"Acquisition Agreements"	:	The Share Purchase Agreement and the Put and Call Option Agreements collectively
"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
"AEI"	:	Asset enhancement initiative
"Agreed Value"	:	The value attributable to the relevant Target Property for purposes of arriving at the purchase consideration of that relevant Target Property
"AFM"	:	Ascendas Funds Management (S) Limited (in its own capacity)
"AFM Initial Units"	:	The 74,372,893 Units which AFM has direct interests in as at 30 September 2019
"ARE"	:	The application and acceptance form for Rights Units and Excess Rights Units issued to Eligible Unitholders in respect of their Rights Entitlements under the Rights Issue

"ARS"	:	The application and acceptance form for Rights Units to be issued to purchasers of the Rights Entitlements under the Rights Issue traded on the SGX-ST under the book-entry (scripless) settlement system
"Ascendas Reit"	:	Ascendas Real Estate Investment Trust, a unit trust constituted in the Republic of Singapore pursuant to the Trust Deed
"Ascendas Reit Group"	:	Ascendas Reit and its subsidiaries
"Ascendas US Holdco"	:	Ascendas US Holdco Pte. Ltd.
"ATM"	:	Automated teller machine
"AVPL"	:	Ascendas Venture Pte. Ltd.
"Australian Corporations Act"	:	The Australian Corporations Act 2001 (Cth)
"Authority"	:	Monetary Authority of Singapore
"Board"	:	The board of Directors of the Manager
"Brexit"	:	The exit of the United Kingdom from the European Union following the results of the referendum held on 23 June 2016 and the invocation of Article 50 of the Lisbon Treaty relating to withdrawal on 31 October 2019 by the Government of the United Kingdom
"Broker-linked Balance"	:	When used in Appendix C of this Offer Information Statement, a sub-balance in a Securities Account that is linked to a Member Company such that the Member Company has control and rights over the securities contained in such sub-balance
"CL"	:	CapitaLand Limited
"CapitaLand Group"	:	The CapitaLand group of companies
"CBRE"	:	CBRE Pte Ltd
"CDP"	:	The Central Depository (Pte) Limited
"CFIUS"	:	The Committee on Foreign Investment in the United States
"CIS Promotion Order"	:	The Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended

"Closing Date"	:	(i) 28 November 2019 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of and payment for the Rights Units by the renouncees (if acceptance is made through CDP); or (ii) 28 November 2019 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of and payment for the Rights Units by the renouncees (if acceptance is made through an ATM of a Participating Bank)
"Closing Price"	:	The closing price of S$3.17 per Unit on the SGX-ST on 31 October 2019, being the last trading day of the Units prior to the announcement of the Rights Issue
"Colliers"	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore
"Controlling Unitholder"	:	A person who (i) holds directly or indirectly, 15% or more of the nominal amount of Units; or (ii) in fact exercises control over Ascendas Reit, as defined in the Listing Manual
"CPF"	:	Central Provident Fund
"CPF Board"	:	Central Provident Fund Board
"CPFIS"	:	CPF Investment Scheme
"CPF Funds"	:	CPF Investible Savings
"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 trusts of the Trust Deed
"Directors"	:	The directors of the Manager
"DPU"	:	Distribution per Unit
"ECS"	:	Exchangeable collateralised securities
"EEA"	:	European Economic Zone

"**Electronic Application**"	:	Acceptance of the Rights Units and (if applicable) application for Excess Rights Units under the Rights Issue made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
"**Eligible Depositors**"	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore
"**Eligible QIBs**"	:	QIBs (a) whose identities have been agreed upon by the Manager and the Joint Lead Managers and Underwriters, (b) who have each provided the Manager with a signed Investor Representation Letter (in the form attached hereto as **Appendix B** of this Offer Information Statement) and (c) who are Eligible Depositors
"**Eligible Unitholders**"	:	Eligible Depositors and Eligible QIBs
"**Enlarged Portfolio**"	:	The existing properties in Ascendas Reit's portfolio and the Target Properties pursuant to the Proposed Acquisitions
"**Estimated US Portfolio Purchase Consideration**"	:	The estimated US Portfolio Purchase Consideration of US$937.6 million (approximately S$1,285.3 million)
"**Excess Rights Units**"	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renouncees of the Rights Entitlements or the purchasers of the Rights Entitlements
"**Existing Portfolio**"	:	The portfolio of properties held by Ascendas Reit, comprising 170 properties located in Singapore, Australia and the United Kingdom, as at 30 September 2019
"**Existing Units**"	:	The existing Units as at the Rights Issue Books Closure Date
"**FCA**"	:	The Financial Conduct Authority of the United Kingdom

"Financial Statements"	:	The 2016/17 Audited Financial Statements, the 2017/18 Audited Financial Statements, the 2018/19 Audited Financial Statements and the 2019 Six Month Unaudited Financial Statements
"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 Trustee's right 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
"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 Precedent"	:	The conditions to be fulfilled before the Trustee can serve the FMG Call 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 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"	:	SSPL's right 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
"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

“Foreign Purchasers”	:	Persons whose registered addresses with CDP are outside Singapore and who purchase the Rights Entitlements through the book-entry (scripless) settlement system
“FPO”	:	The FSMA (Financial Promotion) Order 2005
“FSMA”	:	The United Kingdom Financial Services and Markets Act 2000
“FUND”	:	The Investment Funds sourcebook of the FCA Handbook
“FY2016/17”	:	The financial year ended 31 March 2017
“FY2017/18”	:	The financial year ended 31 March 2018
“FY2018/19”	:	The financial year ended 31 March 2019
“General Mandate”	:	The general mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 9 July 2019
“Independent Market Research Consultant”	:	Cushman & Wakefield Western, Inc.
“Independent Valuers”	:	JLL, Colliers, CBRE and Newmark Knight Frank
“Ineligible Unitholders”	:	Unitholders who are not Eligible Unitholders
“Investor Representation Letter”	:	The investor representation letter in the form as set out in Appendix B
“IRAS”	:	The Inland Revenue Authority of Singapore
“IRC”	:	The US Internal Revenue Code of 1986 (as amended)
“Irrevocable Undertakings”	:	The irrevocable undertakings dated 1 November 2019 provided by the Sponsor and AFM respectively to the Manager and the Joint Lead Managers and Underwriters pursuant to which the Sponsor and AFM will accept, subscribe and pay in full for their total provisional allotment of Rights Units or procure that the Relevant Entities accept, subscribe and pay in full for their total provisional allotment of Rights Units (see the section titled “Summary – Commitment of the Sponsor and AFM” for further details)
“Issue Price”	:	S$2.63, being the issue price per Rights Unit
“JLL”	:	JLL Valuation & Advisory Services, LLC
“Joint Lead Managers and Underwriters”	:	DBS Bank Ltd. and J.P. Morgan (S.E.A) Limited, as joint lead managers and underwriters for the Rights Issue

"JTC"	:	JTC Corporation
"Latest Practicable Date"	:	28 October 2019, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
"Listing Manual"	:	The Listing Manual of the SGX-ST
"Major Tenants"	:	The major tenants of the US Properties, as determined in accordance with the Share Purchase Agreement
"Management and Underwriting Agreement"	:	The management and underwriting agreement entered into between the Manager and the Joint Lead Managers and Underwriters on 1 November 2019
"Manager"	:	Ascendas Funds Management (S) Limited, as manager of Ascendas Reit
"Market Day"	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
"Member Company"	:	When used in Appendix C of this Offer Information Statement, a Trading Member of the SGX-ST
"MERS"	:	Middle East respiratory syndrome
"MIC"	:	Metropolitan Innovation Clusters
"MIT"	:	Managed Investment Trust
"MOF"	:	Ministry of Finance
"MRT"	:	Mass Rapid Transit
"MTN"	:	Medium Term Note
"NAV"	:	Net asset value
"Newmark Knight Frank"	:	Newmark Knight Frank Valuation & Advisory, LLC
"NLA"	:	Net lettable area
"NPI"	:	Net property income
"Nucleos"	:	The property known as Nucleos located at 21 Biopolis Road Singapore 138567 together with the Plant and Equipment
"Nucleos Acquisition"	:	The proposed acquisition of Nucleos by the Trustee from AVPL

"Nucleos Call Option"	:	The Trustee's right 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
"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 Conditions Precedent"	:	The conditions precedent 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 Option Agreement"	:	The conditional put and call option entered into in respect of 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 Put Option"	:	AVPL's right 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
"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
"OFAC"	:	The Office of Foreign Assets Control of the United States Department of the Treasury
"OFAC Requirements"	:	The OFAC prohibition on conducting business or engaged in transactions with Prohibited Persons
"Offer Information Statement"	:	This offer information statement to Unitholders dated 1 November 2019
"Parent US REIT"	:	Ascendas US REIT LLC

"**Participating Banks**"	:	The banks as set out in **Appendix E** of this Offer Information Statement
"**Past OIS**"	:	The offer information statement dated 11 August 2009, the offer information statement dated 21 February 2005, and the offer information statement dated 15 June 2004
"**Prohibited Persons**"	:	The persons designated as terrorists or who are otherwise blocked or banned by OFAC
"**Properties**"	:	The Existing Portfolio and the Target Properties
"**Property Companies**"	:	The companies incorporated to hold some of the Properties
"**Property Funds Appendix**"	:	Appendix 6 of the Code of Collective Investment Schemes issued by the Authority
"**Proposed Acquisitions**"	:	The Singapore Acquisitions and the US Acquisition
"**Prospectus**"	:	The prospectus dated 5 November 2002 in connection with the listing of Ascendas Reit on the SGX-ST
"**psf**"	:	Per square foot
"**Purchaser**"	:	Purchasers and/or transferees of Rights Entitlements
"**QIB**"	:	Qualified institutional buyer (as defined in Rule 144A under the Securities Act)
"**R&D**"	:	Research and development
"**Regulations**"	:	The UK Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (as amended)
"**Relevant Entities**"	:	Comprises the subsidiaries of each of the Sponsor and AFM which hold Units, or as the case may be, the nominees(s) or custodian(s) of the Sponsor and AFM and/or such subsidiaries
"**Rights Entitlements**"	:	The provisional allotments of Rights Units to Eligible Unitholders under the Rights Issue
"**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
"**Rights Issue Books Closure Date**"	:	5.00 p.m. on 11 November 2019 being the time and date on which the Transfer Books and Register of Unitholders are closed to determine the Rights Entitlements of Eligible Unitholders under the Rights Issue

"**Rights Ratio**"	:	The rights ratio of 16 Rights Units for every 100 existing Units standing to the credit of an Eligible Unitholders' Securities Account as at the Rights Issue Books Closure Date
"**Rights Units**"	:	The new Units to be issued by the Manager pursuant to the Rights Issue
"**S$**"	:	Singapore dollars
"**Sale Share**"	:	The one ordinary share of Ascendas US Holdco
"**SARS**"	:	Severe acute respiratory syndrome
"**Securities Act**"	:	US Securities Act of 1933, as amended
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP (but does not include securities sub-accounts)
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore
"**SFO**"	:	Securities and Futures Ordinance (Cap. 571) of Hong Kong
"**SG Total Consideration**"	:	The Nucleos Purchase Consideration and FM Global Centre Purchase Consideration
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Purchase Agreement**"	:	The conditional sale and purchase agreement entered into on 1 November 2019 between the US Portfolio Vendor and the Trustee in relation to the sale and purchase of the US Portfolio through the acquisition of the Sale Share
"**Singapore Acquisitions**"	:	The acquisition of the Singapore Properties
"**Singapore Properties**" and each a "**Singapore Property**"	:	FM Global Centre and Nucleos
"**Sponsor**"	:	CapitaLand Singapore (BP&C) Pte. Ltd. (formerly known as "Ascendas Land (Singapore) Pte Ltd")
"**Sponsor Initial Units**"	:	The 517,001,996 Units which the Sponsor has direct interests in as at 30 September 2019
"**sq m**"	:	Square metres
"**SRS**"	:	Supplementary Retirement Scheme
"**SRS Account**"	:	An account opened by a participant in the SRS from which money may be withdrawn for, *inter alia*, payment of the Issue Price of the Rights Units and/or, excess Rights Units

"SSPL"	:	Singapore Science Park Ltd
"Substantial Unitholders"	:	Unitholders with interests in not less than 5% of all Units in issue
"Target Properties"	:	The US Portfolio and the Singapore Properties
"Temasek"	:	Temasek Holdings (Private) Limited
"TERP"	:	The theoretical ex-rights price of S$3.0955 per Unit which is calculated as follows: $$\text{TERP} = \frac{\text{Market capitalisation of Ascendas Reit based on the Closing Price + Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$$
"Title Company"	:	First American Title Insurance Company
"the section 238 relevant persons"	:	(a) authorised firms under FSMA and certain other persons who are investment professionals falling within Article 14 of the CIS Promotion Order and their directors, officers and employees acting for such entities in relation to investment; (b) high value entities falling within Article 22 of the CIS Promotion Order and their directors, officers and employees acting for such entities in relation to investment; and (c) persons to whom it may otherwise lawfully be distributed under the CIS Promotion Order or Section 4.12 of the FCA's conduct of business sourcebook
"Total Acquisition Cost"	:	The total cost of the Proposed Acquisitions (excluding the costs of the Rights Issue)
"Total Consideration"	:	The SG Total Consideration and the Estimated US Portfolio Purchase Consideration

"**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, as trustee of Ascendas Reit
"**UK Relevant Persons**"	:	(a) authorised firms under FSMA and certain other investment professionals falling within article 19 of FPO; (b) high value entities falling within article 49 FPO and their directors, officers and employees acting for such entities in relation to investment; and (c) persons who receive this Offer Information Statement outside the United Kingdom, collectively with the section 238 relevant persons
"**Unit**"	:	A unit representing an undivided interest in Ascendas Reit
"**Unitholder**"	:	A holder of Units
"**Unit Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd.
"**US**" or "**United States**"	:	United States of America
"US Acquisition"	:	The acquisition of the US Properties
"**US Acquisition Completion Date**"	:	The date of completion of the US Acquisition
"**US Agreed Portfolio Value**"	:	The agreed property value of the US Portfolio of US$935.0 million (approximately S$1,281.7 million)
"**US Portfolio**" or "**US Properties**"	:	The 28 business park properties located in the United States to be acquired pursuant to the Share Purchase Agreement
"**US Portfolio Vendor**"	:	Perpetual (Asia) Limited (as trustee of Ascendas US REIT)

"**US Property-Holding Entities**"	:	San Diego 1 LLC, San Diego 2 LLC, Raleigh 1 LP, Portland 1 LLC and Portland 2 LLC
"**US REIT**"	:	US Real Estate Investment Trust
"**VWAP**"	:	Volume weighted average price
"**WALE**"	:	Weighted average lease expiry
"**y-o-y**"	:	Year on year
"**%**"	:	Per centum or percentage

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

The terms "**Depositor**" and "**Depository Agent**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "subsidiary" shall have the meaning ascribed to it in Section 5 of the Companies Act. Any references to the Manager shall refer to it acting in its capacity as manager of Ascendas Reit, unless the context of the statement otherwise requires.

Any reference in this Offer Information Statement, the ARE or the ARS to any enactment is a reference to that enactment for the time being amended or re-enacted. Any words defined in the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or any modification thereof and used in this Offer Information Statement, the ARE or the ARS shall, where applicable, have the same meaning ascribed to it in the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

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, where applicable, include corporations.

Any reference to dates and to a time of day in this Offer Information Statement shall be a reference to Singapore dates and time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

In relation to this Offer Information Statement

Dated 1 November 2019

Directors of Ascendas Funds Management (S) Limited

(as manager of Ascendas Real Estate Investment Trust)

MR LIM HOCK SAN
CHAIRMAN AND INDEPENDENT DIRECTOR

MR MANOHAR KHIATANI
NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

MR LIM CHO PIN ANREW 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

CERTAIN FINANCIAL INFORMATION RELATING TO ASCENDAS REIT

Selected financial data from the 2016/17 Audited Financial Statements, the 2017/18 Audited Financial Statements, 2018/19 Audited Financial Statements and the 2019 Six Month Unaudited Financial Statements, including the line items in the statements of total return and distribution statements, consolidated balance sheets and cash flow statements of Ascendas Reit, is set out in this Appendix. Financial data relating to (i) DPU, (ii) earnings per Unit, (iii) earnings per Unit after adjustment for the issuance of the Rights Units, (iv) NAV per Unit and (v) NAV per Unit after any adjustment to reflect the issuance of the Rights Units is also set out below.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of Ascendas Reit at http://www.ascendas-reit.com.

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of Ascendas Reit does not constitute part of this Offer Information Statement.

CONSOLIDATED STATEMENT OF TOTAL RETURN

	Group			
	1H FY2019	**2018/19**	**2017/18**	**2016/17**
	Unaudited	**Audited**	**Audited**	**Audited**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Gross revenue	459,323	886,171	862,111	830,592
Property operating expenses	(103,925)	(236,592)	(232,711)	(219,638)
Net property income	355,398	649,579	629,400	610,954
Management fees				
– Base management fee	(28,313)	(54,379)	(50,707)	(48,398)
– Performance fee	–	–	–	(1,902)
Trust expenses	(4,197)	(7,675)	(7,714)	(10,412)
Finance income	5,452	10,448	9,081	6,832
Finance costs	(81,101)	(126,488)	(109,842)	(117,694)
Net foreign exchange differences	(29,078)	(11,093)	7,275	22,987
Gain on disposal of investment properties	3,220	5,088	5,309	–
Net income	221,381	465,480	482,802	408,019
Net change in fair value of financial derivatives	48,686	22,197	9,805	11,659
Change in fair value of right-of-use assets	(3,093)	–	–	–
Net change in fair value of investment properties	–	29,304	3,800	18,360
Share of joint venture's results	264	493	514	475
Total return for the year before tax	267,238	517,474	496,921	408,475
Tax expense	(6,374)	(14,391)	(2,827)	19,012
Total return for the year	260,864	503,083	494,094	427,487
Attributable to:				
Unitholders of the Trust and perpetual securities holders	260,864	503,087	494,118	427,487
Non-controlling interests	–	(4)	(24)	7
Total return for the year	260,864	503,083	494,094	427,487
Earnings per Unit (Singapore cents)				
– Basic and diluted	8.153	16.156	16.396	14.827
Adjusted earnings per Unit(1) (Singapore cents)				
– Basic and diluted	7.961	15.776	16.010	14.478
Distribution per Unit (Singapore cents)	7.983	16.035	15.988	15.743

(1) Adjusted earnings per Unit is calculated based on the assumption that the Rights Issue has completed in FY2016/2017 and without taking into account any income from the assets to be acquired with the proceeds from the Rights Issue.

CONSOLIDATED DISTRIBUTION STATEMENT

	Group			
	1H FY2019 Unaudited S$'000	**2018/19 Audited S$'000**	**2017/18 Audited S$'000**	**2016/17 Audited S$'000**
Total amount available for distribution to Unitholders at beginning of the financial year	253,754	231,154	57,694	112,283
Total return for the year attributable to Unitholders and perpetual securities holders	260,864	503,087	494,118	427,480
Less: Amount reserved for distribution to perpetual securities holders	(7,145)	(14,250)	(14,250)	(14,250)
Distribution adjustments	(37,956)	(56,784)	(41,488)	7,095
	215,763	432,053[1]	438,380[1]	420,325[1]
Distribution from capital (current period)	32,723	53,630	29,665	16,089
Tax-exempt income (current period)	–	–	–	9,890
Total amount available for distribution to Unitholders for the year	248,486	485,683	468,045	446,304
Distribution to Unitholders	(253,409)	(463,083)	(294,585)	(500,893)
Total amount available for distribution to Unitholders at end of the financial year	248,831	253,754	231,154	57,694
Distribution per Unit (Singapore cents)	7.983	16.035	15.988	15.743
(1) Comprises:				
– Taxable income	215,763	432,053	438,380	420,148
– Tax-exempt income	–	–	–	177
	215,763	432,053	438,380	420,325

CONSOLIDATED STATEMENTS OF FINANCIAL POSITIONS

	Group	
	30/09/2019 Unaudited S$'000	31/3/2019 Audited S$'000
Non-current assets		
Investment properties	11,065,345	11,143,937
Investment properties under development	131,406	91,595
Right-of-use asset	619,215	–
Finance lease receivables	49,099	50,554
Investment in a joint venture	140	102
Derivative assets	74,758	31,546
	11,939,963	11,317,734
Current assets		
Finance lease receivables	2,849	2,688
Trade and other receivables	29,424	39,635
Derivative assets	232	1,425
Cash and fixed deposits	80,376	52,341
	112,881	96,089
Current liabilities		
Trade and other payables	176,749	158,255
Security deposits	58,700	46,862
Derivative liabilities	207	8
Short term borrowings	446,562	215,820
Term loans	99,941	301,094
Medium term notes	99,952	94,994
Lease liabilities	37,509	–
Provision for taxation	9,507	7,934
	929,127	824,967
Non-current liabilities		
Security deposits	70,521	82,167
Derivative liabilities	57,403	64,112
Term loans	1,664,776	1,595,947
Medium term notes	1,798,688	1,889,936
Lease liabilities	581,705	–
Deferred tax liabilities	12,931	10,701
	4,186,024	3,642,863
Net assets	6,937,693	6,945,993
Represented by:		
Unitholders' funds	6,633,271	6,641,611
Perpetual securities holders' funds	304,422	304,382
	6,937,693	6,945,993
Units in issue ('000)	3,112,756	3,110,842
Net asset value per Unit ($)	2.13	2.13
Adjusted net asset value per Unit(1) ($)	2.08	2.08

(1) Adjusted net asset per Unit is calculated based on the assumption that the Rights Issue has completed in FY2016/FY2017 and without taking into account any income from the assets to be acquired with the proceeds from the Rights Issue.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Group	
	1H 2019 Unaudited S$'000	**FY2018/19 Audited S$'000**
Cash flows from operating activities		
Total return for the year before tax	267,238	517,474
Adjustments for:		
Finance costs	81,101	126,488
Management fees paid/payable in Units	5,648	10,873
Provision of impairment loss on doubtful receivables	(1)	(10)
Write-off of receivables	–	30
Net change in fair value of financial derivatives	(48,686)	(22,197)
Finance income	(5,452)	(10,448)
Net foreign exchange differences	29,078	11,093
Gain from disposal of investment properties	(3,220)	(5,088)
Net change in fair value of investment properties	–	(29,304)
Net change in fair value of right-of-use assets	3,093	–
Share of joint venture's results	(264)	(493)
Operating income before working capital changes	328,535	598,418
Changes in working capital:		
Trade and other receivables	22,917	(3,373)
Trade and other payables	(13,892)	23,117
Cash generated from operating activities	337,560	618,162
Income tax paid	(2,467)	(5,729)
Net cash generated from operating activities	335,093	612,433
Cash flows from investing activities		
Acquisition of investment properties	–	(914,244)
Payment for capital improvement on investment properties	(12,566)	(66,162)
Payment for investment properties under development	(20,101)	(109,888)
Proceeds from disposal of investment properties	27,000	37,580
Dividend received from joint venture	227	514
Interest received	12,543	24,413
Net cash generated from/(used in) investing activities	7,103	(1,027,787)

		Group	
		1H 2019 Unaudited S$'000	FY2018/19 Audited S$'000
Cash flows from financing activities			
Proceeds from issue of Units through equity fund raising		–	452,138
Unit issue costs paid		–	(3,970)
Distributions paid to Unitholders		(253,409)	(463,083)
Distributions paid to perpetual securities holders		(7,105)	(14,250)
Finance costs paid		(74,624)	(128,650)
Transaction costs paid in respect of borrowings		(341)	(7,407)
Payment of lease liabilities		(16,392)	–
Proceeds from borrowings		612,946	2,311,699
Repayment of borrowings		(526,633)	(1,702,070)
Net cash (used in)/generated from financing activities		(265,558)	444,407
Net increase in cash and cash equivalents		76,638	29,053
Cash and cash equivalents at beginning of the financial year		4,921	(22,949)
Effect of exchange rate changes on cash balances		(1,183)	(1,183)
Cash and cash equivalents at end of the financial year	(A)	80,376	4,921

Note (A) For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise of the following at the end of each financial year:

	Group	
	1H 2019 Unaudited S$'000	FY2018/19 Audited S$'000
Cash at bank	79,001	50,946
Fixed deposits	1,375	1,395
		52,341
Bank overdrafts	–	(47,420)
Cash and cash equivalents	80,376	4,921

FORM OF QIB INVESTOR REPRESENTATION LETTER

Form of Investor Letter for the Rights Issue

Important Note to QIBs/Canadian "accredited investors" and "permitted clients":

Please return a duly signed investor representation letter to Ascendas Funds Management (S) Limited (as manager of Ascendas Real Estate Investment Trust) (the "**Manager**") by mail, fax or e-mail so as to reach the Manager on or before **5.00 p.m. (Singapore time)** on **28 November 2019**. For existing Unitholders, please also forward a copy of the signed investor representation letter to your depository agent (including nominee, custodian or other financial intermediary). You should note that if you do not return a duly signed investor representation letter in a timely manner, you may not be eligible to participate in the Rights Issue.

Copies of the signed investor representation letters will be made available to DBS Bank Ltd. and J.P. Morgan (S.E.A.) Limited, each of whom shall be entitled to rely on the letters.

Date:

Ascendas Funds Management (S) Limited
(as manager of Ascendas Real Estate Investment Trust) ("Ascendas Reit")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Telephone: +65 6774 1033
Fax: +65 6775 2813
Attention: Mr William Tay Wee Leong/Ms Yeow Kit Peng
Email: a-reit@capitaland.com

With a copy to:

DBS Bank Ltd. ("DBS")
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

J.P. Morgan (S.E.A) Limited ("JPM")
168 Robinson Road
17th Floor, Capital Tower
Singapore 068912

Ladies and Gentlemen:

This letter is delivered in connection with our participation in the renounceable underwritten rights issue (the "**Rights Issue**") by the Manager of new units (the "**Rights Units**") in Ascendas Reit, including the rights in nil-paid form to subscribe for the Rights Units (the "**Rights**", and together with the Rights Units, the "**Securities**"). We hereby acknowledge, represent, warrant and agree as follows:

1. We are the beneficial holder of (or acting on account of unitholders beneficially holding) units in Ascendas Reit ("**Units**") as at the date hereof.

2. We are a "qualified institutional buyer" ("**QIB**") as defined in Rule 144A under the U.S. Securities Act of 1933, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder (the "**Securities Act**"), with full power and authority to make the acknowledgements, representations, warranties and agreements contained herein, and, if we are acquiring the Securities as a fiduciary or agent for one or more investor accounts, each owner of such account is a QIB, we have sole investment discretion with respect to each such account, and we have full power and authority to make the acknowledgements, representations, warranties and agreements contained herein on behalf of each owner of such account.

3. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we will acquire such Rights and Rights Units for our own account, or for the account of one or more QIB(s) as to which we have full investment discretion, in each case for investment purposes, and not with a view to any distribution (within the meaning of the U.S. securities laws) of the Rights or the Rights Units.

4. Provided that we have returned and duly signed this investor representation letter in a timely manner, we understand that we will receive a copy of the offer information statement (the "**Offer Information Statement**") which the Manager is issuing in connection with the Rights Issue, a copy of which will also be lodged with the Monetary Authority of Singapore and will be publicly available, and our receipt of the Rights, any subscription we may make for the Rights Units and application we may make for excess Rights Units will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Offer Information Statement, its accompanying documents and this letter. We agree that we will hold the Offer Information Statement in confidence, it being understood that the Offer Information Statement will be received by us solely for our use and that we will not duplicate, distribute, forward, transfer or otherwise transmit the Offer Information Statement, any provisional allotment letter relating to the Rights Issue or any other materials concerning the Rights Issue (including electronic copies thereof) to any persons within the United States..

5. We are aware and understand (and each account for which we are acting has been advised and understands) that an investment in the Securities involves a considerable degree of risk and that the Securities are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.

6. We understand (and each account for which we are acting has been advised and understands) that no action has been or will be taken to permit an offering of the Securities in any jurisdiction (other than the lodgement of the Offer Information Statement with the Monetary Authority of Singapore); and we will not offer, resell, pledge or otherwise transfer any of the Securities which we may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

7. We will not engage in hedging or short-selling or place simultaneous sell and buy orders or engage in similar kinds of transactions involving Rights or Rights Units that have the purpose or effect of evading the applicable restrictions on resale.

8. Without limiting the generality of the foregoing, we are aware and understand (and each account for which we are acting has been advised and understands) that (i) the Securities have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States, (ii) any offer and sale of the Securities to us is being made solely by Ascendas Reit and the Manager in reliance on the exemption from the registration requirements of the Securities Act, and (iii) the Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act; and we agree, on

our own behalf and on behalf of any accounts for which we are acting, that we will not offer, resell, pledge or otherwise transfer any Securities which we may acquire, or any beneficial interests therein, except (a) to a person who is a QIB in a transaction exempt from registration under U.S. securities laws, or (b) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in accordance with Rule 904 of Regulation S or otherwise in an offshore transaction complying with Rule 904 of Regulation S under the Securities Act, pursuant to another exemption from registration under the Securities Act or pursuant to an effective registration statement under the Securities Act.

9. If we are located in Canada, we are entitled under applicable Canadian securities laws to purchase the Units without the benefit of a prospectus qualified under such securities laws, and without limiting the generality of the foregoing are: (i) an "accredited investor" as defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions, and (ii) are also a "permitted client" as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

10. We agree that neither we, nor any of our affiliates, or any person acting on our or their behalf, has engaged or will engage in any "directed selling efforts" as defined in Regulation S under the Securities Act, or in any general solicitation or general advertising as defined in Rule 502(c) under the Securities Act, in the United States with respect to the Securities.

11. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we acknowledge and agree that we are not acquiring or subscribing for the Securities as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act). We understand and agree that although offers and sales of the Securities are being made in the United States to QIBs, such offers and sales are not being made under Rule 144A under the Securities Act.

12. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we agree not to deposit any Securities into any unrestricted depositary facility maintained by any depositary bank unless and until such time as the Securities are no longer "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act.

13. Prior to making any investment decision to exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we (i) will have consulted with our own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent we have deemed necessary, (ii) will have been furnished with and have carefully read and reviewed a copy of the Offer Information Statement and its accompany documents, (iii) will have possessed all information relating to Ascendas Reit, the Manager, the Rights Issue and the Securities which we believe is necessary or appropriate for the purpose of making our investment decision, including, without limitation, the Offer Information Statement and the Exchange Information (as defined below), (iv) will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Manager concerning the financial condition and results of operations of Ascendas Reit, the Manager, the Rights Issue and the Securities, and any such questions have been answered to our satisfaction, (v) will have reviewed all information that we believe is necessary or appropriate in connection with an investment in the Securities and (vi) will have conducted our own due diligence on Ascendas Reit, the Manager, the Rights Issue and the Securities, will have made our own investment decisions based upon our own judgment, due diligence and advice from such advisers as we have deemed necessary, and will not have relied upon any investigation that DBS, JPM or any of their respective affiliates or any person acting on their behalf may have conducted with respect to Ascendas Reit, the Manager, the Rights Issue or the Securities, or any recommendation, promise, representation or warranty of or view expressed by or on behalf of the Manager, DBS, JPM or any of their respective affiliates (including any research reports). We understand and acknowledge that nothing in this letter or any other materials presented to us in connection with the Rights Issue and the Securities constitutes legal, tax or investment advice.

14. Without limiting the generality of the foregoing, we acknowledge that (i) the Units are listed on the SGX-ST and the Manager is therefore required to publish certain business, financial and other information concerning Ascendas Reit in accordance with the rules and practices of the SGX-ST (the "**Exchange Information**"), which includes, but is not limited to, a description of the nature of Ascendas Reit's business and Ascendas Reit's most recent balance sheet and profit and loss account, and similar statements for preceding years, and that we have reviewed such Exchange Information as we have deemed necessary or that we are able to obtain or access the Exchange Information without undue difficulty; and (ii) none of the Manager, DBS, JPM or any of their respective affiliates, employees, officers, directors or representatives has made any recommendation, promise, representation or warranty to us, express or implied, with respect to Ascendas Reit, the Rights Issue or the Securities or the accuracy, completeness or adequacy of the Exchange Information.

15. We understand that the Exchange Information and the Offer Information Statement have been prepared in accordance with the content, format and style which is either prescribed by the SGX-ST or under Singapore laws or is customary in rights offerings in Singapore, which differs from the content, format and style customary for similar offerings in the United States. In particular, with respect to the financial information to be contained in the Offer Information Statement, such financial information is not being prepared for an offering registered with the U.S. Securities and Exchange Commission. We acknowledge that Ascendas Reit is not and does not expect or intend to become subject to the periodic reporting and other information requirements of the U.S. Securities Exchange Act of 1934, as amended.

16. We understand that the Manager has not made a determination as to whether Ascendas Reit may be classified as a "passive foreign investment company" ("**PFIC**") within the meaning of section 1297 of the U.S. Internal Revenue Code of 1986, as amended, for the current or any future taxable year and will not provide information required for us to make a "qualified election fund" election, and that there may be certain adverse consequences under United States tax laws if Ascendas Reit were to be a PFIC in the current or any future taxable year in which we may hold units in Ascendas Reit, including being subject to United States tax at greater rates than would otherwise apply with respect to our investment in the Units. We understand that a separate determination must be made each year as to Ascendas Reit's PFIC status and if we are subject to United States tax filing requirements, and we are seeking our own advice and will make our own assessment on this matter and its effect on our investment. We, and any account for which we are acting, acknowledge that we have not relied and will not rely to any degree upon the Manager, DBS, JPM or any of their respective affiliates for advice as to any tax consequences related to such investment in the Securities or for the preparation and filing of any tax returns and elections required or permitted to be filed by it in connection therewith.

17. We acknowledge that (i) any information that we have received or will receive relating to or in connection with the Rights Issue and the Securities, including the Offer Information Statement and the Exchange Information (collectively, the "**Information**"), has been or will be prepared solely by the Manager and (ii) that none of DBS, JPM or any of their respective affiliates has verified or will verify such Information, and no recommendation, promise, representation or warranty (express or implied) is, has been or will be made or given by DBS, JPM or their respective affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their respective affiliates.

18. We, and any account for which we are acting, will not hold DBS, JPM or any of their respective affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by the Manager to us or otherwise in connection with the Rights Issue, the Rights and the Rights Units. We acknowledge that no written or oral information relating to the Rights Issue, the Rights and the Rights Units has been or will be provided by DBS, JPM or any of their respective affiliates to us.

19. We are a highly sophisticated institutional investor and have such knowledge and experience in financial, business and international investment matters as to be capable of evaluating the merits and risks of an investment in the Securities. We, and any account for which we are acting, are aware that the transferability of the Securities is restricted, and that the value of the Securities may decline. We, or any account for which we are acting, have the financial ability to bear the economic risk of investment in the Securities, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to any investment we (or such account for which we are acting) may make in the Securities, and are able to sustain a complete loss in connection therewith. We will not look to Ascendas Reit, the Manager, DBS, JPM or any of their respective affiliates, for all or part of any such loss or losses we may suffer. We have no reason to anticipate any change in our circumstances, financial or otherwise, which may cause or require any sale or distribution by us of all or any part of any Securities we may decide to invest in. We, and any account for which we are acting, agree that none of Ascendas Reit, the Manager, DBS, JPM and their respective affiliates shall have any obligation to purchase or acquire all or any of the Securities which we, and any account for which we are acting invested in, or to support any losses directly or indirectly sustained or incurred by us or any account for which we are acting for any reason whatsoever in connection with the investment in the Securities.

20. We understand and acknowledge that DBS and JPM are acting solely for Ascendas Reit and the Manager and no one else in connection with the Rights Issue and, in particular, are not providing any service to us, making any recommendations to us, advising us regarding the suitability of any transactions we may enter into to subscribe or purchase any Securities nor providing advice to us in relation to Ascendas Reit, the Manager, the Rights Issue or the Securities. Further, to the extent permitted by law, we waive any and all claims, actions, liabilities, damages or demands we may have against DBS and/or JPM arising from their engagement with the Manager.

21. Our investment in the Securities is lawful under all applicable securities and other laws, and we will, and (if applicable) will obtain undertakings from the owners of any account for which we are acting that they will, comply with all laws, regulations and restrictions which may be applicable in our jurisdiction and (if applicable) the jurisdiction of the owners of any account for which we are acting, and we have obtained or will obtain any consent, approval or authorization required for our agreement and (if applicable) the agreement of the owners of any account for which we are acting to invest in the Securities. We and any account for which we are acting have not offered or sold, and will not offer or sell, any of the Securities which may be acquired by us and any account for which we are acting in any jurisdiction or in any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer or sale, except in compliance with any applicable laws and/or regulations of the relevant jurisdiction(s).

22. We have full power and authority to invest in the Securities and execute and deliver this letter, which constitutes our valid and legally binding obligation and is enforceable against us in accordance with its terms.

23. We understand and acknowledge that DBS, JPM and their respective affiliates may acquire or dispose of units in Ascendas Reit for their own account and may have existing or future business relationships with Ascendas Reit and the Manager (including, but not limited to, lending, depository, risk management, advisory and banking relationships), for which they have received, and may in the future receive, customary compensation, and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect its or their interests arising therefrom without regard to the consequences for a holder of units in Ascendas Reit, and that certain of these actions may have material and adverse consequences for a holder of units in Ascendas Reit.

24. We understand that the foregoing acknowledgements, representations, warranties and agreements have been provided in connection with United States, Singapore and other securities laws. We acknowledge that DBS, JPM, the Manager, their respective affiliates and others (including but not limited to the legal counsels to the Manager, DBS and JPM) will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements (on behalf of ourselves and any account for which we are acting) and agree that, if at any time before the closing of the Rights Issue or the issuance of the Rights Units, any of the acknowledgements, representations, warranties and agreements made (on behalf of ourselves and any account for which we are acting) made in connection with our exercise of Rights and subscription for Rights Units or application for excess Rights Units is no longer accurate, we shall promptly notify the Manager, DBS and JPM in writing.

25. Except as otherwise provided in paragraph 8 above, (i) we will not transfer the Securities to any person or entity, unless such person or entity could itself truthfully make each of the foregoing acknowledgements, representations, warranties and agreements and (ii), we will notify such transferee of the transfer and other restrictions contained herein.

We understand that the Manager, DBS, JPM and their respective affiliates and advisers (including but not limited to their legal counsels in connection with the Rights Issue) are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party pursuant to, in connection with, or as may be required by, any applicable law or regulation, and in any administrative, arbitration or legal proceeding, requirements or request of any regulatory authority, potential dispute or official inquiry with respect to the matters covered hereby.

We irrevocably authorise any depositary agent, which includes any nominee, custodian or other financial intermediary through which we hold units in Ascendas Reit, to provide the Manager and each of DBS and JPM with a copy of this letter and such information regarding our identity and unitholding in Ascendas Reit (including pertinent account information and details of our identity and contact information) as may be necessary or appropriate to facilitate our receipt or exercise of Rights or purchase of Rights Units.

On and as of the date of closing of the Rights Issue and the issuance of the Rights Units, we shall be deemed to have repeated the written representations and warranties given by us herein.

This letter agreement shall be governed by and construed in accordance with Singapore law.

Notwithstanding that a person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any of its terms, we agree and acknowledge that the Manager's affiliates and its advisers (including but not limited to the joint underwriters appointed by the Manager in connection with the Rights Issue) shall have the unconditional right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce and rely on our representations, warranties, agreements, acknowledgments and other terms contained in this letter agreement. It is agreed that the Singapore courts will have the non-exclusive jurisdiction in relation to this letter agreement.

For the purposes of the above acknowledgements, representations, warranties and agreements, the words "we", "us", "our" and similar words shall refer to ourselves and each account for which we are acting as if such acknowledgements, representations, warranties and agreements were made by us and each such account as principal.

The term "affiliate" as used in this letter is understood to include (i) all employees, officers, directors and representatives of the relevant party and any other person acting on that party's behalf in the relevant context and (ii) all persons that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified (as used in this sentence, the terms "control", "controlled by" and "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise).

Very truly yours,

Institution:

Signature:

Name:

Title:

Institution's Address:

Daytime Telephone Number:

Email:

If signing on behalf of another person,
please indicate the capacity in which signed:

Please note that this Investor Representation Letter does not represent an order to subscribe for or purchase Units.

PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND EXCESS APPLICATION FOR RIGHTS UNITS BY ELIGIBLE DEPOSITORS

1. INTRODUCTION

1.1 Eligible Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. This Offer Information Statement (including the ARE) will not be despatched to Ineligible Unitholders. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Eligible Unitholder is a Depository Agent, or where a Member Company is making an application in respect of a Broker-linked Balance linked to a Member Company be taken to include an application made via the SGX-SFG Service.

1.2 The Rights Entitlements are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Trust Deed and the instructions in the ARE.

The number of Rights Entitlements allotted to each Eligible Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). If an Eligible Depositor has Broker-linked Balance(s) and there are Rights Entitlements allotted to the Eligible Depositor in the Broker-linked Balance, a separate ARE will be issued for the number of Rights Entitlements allotted to the Eligible Depositor in each such Broker-linked Balance.

The Securities Accounts of Eligible Depositors have been credited by CDP with the Rights Entitlements as indicated in the ARE. Eligible Depositors may accept their Rights Entitlements in whole or in part and are eligible to apply for Excess Rights Units under the Rights Issue, save as provided in paragraph 5.7 of this Appendix C. Full instructions for the acceptance of and payment for the Rights Entitlements and payment for Excess Rights Units are set out in the Offer Information Statement as well as the ARE.

Eligible Depositors should note that any Rights Entitlements allotted in a Broker-linked Balance which are accepted and (if applicable) any excess Rights Units credited pursuant to applications for excess Rights Units in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

1.3 If an Eligible Depositor wishes to accept his Rights Entitlements specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Units in addition to the Rights Entitlements allotted to him, he may do so by way of an Electronic Application (other than acceptances of and, if applicable, excess applications for Rights Units for an Eligible Depositor's Broker-linked Balance which may not be by way of an Electronic Application made through an ATM) or by completing and signing the relevant sections of the ARE or by way of an Electronic Application. An Eligible Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may be rejected.

For and on behalf of the Manager, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of the relevant Securities Account or Broker-linked Balance of your Securities Account (if applicable) is not credited with, or is credited with less than, the relevant number of Rights Entitlements accepted as at the last date and time for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ELIGIBLE DEPOSITOR MAY ACCEPT HIS RIGHTS ENTITLEMENTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS UNITS EITHER THROUGH CDP AND/OR (OTHER THAN FOR RIGHTS ENTITLEMENTS ALLOTTED IN AN ELIGIBLE DEPOSITOR'S BROKER-LINKED BALANCE) BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK AS DESCRIBED BELOW. WHERE AN ELIGIBLE DEPOSITOR IS A DEPOSITORY AGENT, OR WHERE A MEMBER COMPANY MAKES AN APPLICATION IN RESPECT OF A BROKER-LINKED BALANCE LINKED TO THE MEMBER COMPANY, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, and/or any other application form for the Rights Units and/or Excess Rights Units in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, and/or any other application form for the Rights Units and/or excess Rights Units in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Eligible Depositor's Securities Account is not credited with or is credited with less than the relevant number of Rights Entitlements accepted as at the last date and time for acceptance of and excess application and payment for the Rights Units, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements, and where applicable, application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Eligible Unitholder or a Member Company in respect of a Broker-linked Balance linked to the Member Company, on its own, without regard to any other application and payment that may be submitted by the same Eligible Unitholder or (if applicable) by the Member Company in respect of a Broker-linked Balance in the Eligible Unitholder's Securities Account linked to the Member Company. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units.

1.4 **Persons who have previously bought their Units under the CPF Investment Scheme – Ordinary Account (collectively, "CPFIS Members") can only use, subject to applicable CPF rules and regulations, their CPF account savings ("CPF Funds") for the payment of the Issue Price to accept their provisional allotments of Rights Entitlements and (if applicable) apply for excess Rights Units. CPFIS Members who wish to accept their provisional allotments of Rights Entitlements and (if applicable) apply for excess Rights Units using CPF Funds will need to instruct their respective**

approved banks, where such CPFIS Members hold their CPF Investment Accounts, to accept the Rights Entitlements and (if applicable) apply for the excess Rights Units on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Entitlements and (if applicable) apply for excess Rights Units. Any acceptance and (if applicable) application made directly to CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. CPF Funds cannot, however, be used for the purchase of provisional allotments of Rights Entitlements directly from the market.

SRS investors who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and/or apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.

1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Eligible Depositors or their renouncees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

1.6 An Eligible Depositor with Rights Entitlements allocated in a Broker-linked Balance should note that the Member Company linked to the Broker-linked Balance may exercise the Rights Entitlements held in the Broker-linked Balance and apply for excess Rights Units for such Broker-linked Balance. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the exercise of Rights Units held in a Broker-linked Balance and whether the Eligible Depositor has authorised the acceptance of the Rights Entitlements and (if applicable) application for excess Rights Units.

1.7 Details on the acceptance for Rights Entitlements and (if applicable) application for excess Rights Units (other than in respect of Broker-linked Balances) are set out in paragraphs 2 to 4 of this Appendix C.

Details on the acceptance for Rights Entitlements in an Eligible Depositor's Broker-linked Balance and application for excess Rights Units for a Broker-linked Balance are set out in paragraphs 5 to 7 of this Appendix C.

2. MODE OF ACCEPTANCE AND APPLICATION (OTHER THAN FOR BROKER-LINKED BALANCES)

2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Entitlements or (if applicable) to apply for Excess Rights Units will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix D** of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ELIGIBLE DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ELIGIBLE DEPOSITOR WHO HAS ACCEPTED THE RIGHTS ENTITLEMENTS BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS UNITS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE MANAGER AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE MANAGER AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Eligible Depositor wishes to accept the Rights Entitlements and (if applicable) apply for Excess Rights Units through CDP, he must:

(a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Entitlements provisionally allotted to him which he wishes to accept and the number of Excess Rights Units applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and

(b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for payment in full for the relevant number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for:

(i) by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or

(ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 28 NOVEMBER 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The payment for the relevant number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or a Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Eligible Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

FOR SRS INVESTORS AND INVESTORS WHO HOLD UNITS THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS UNITS MUST BE DONE THROUGH THE RELEVANT APPROVED BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS AND THE RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, RESPECTIVELY. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR RESPECTIVE BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS, FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY THROUGH CDP, ELECTRONIC APPLICATIONS AT ATMS OF PARTICIPATING BANKS, THE UNIT REGISTRAR AND/OR THE MANAGER WILL BE REJECTED.

WHERE AN ELIGIBLE DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE VIA THE SGX-SFG SERVICE.

2.3 Acceptance through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept Rights Entitlements and (if applicable) apply for Excess Rights Units through the SGX-SFG Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Manager to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the Rights Entitlements accepted by the Eligible Depositor and (if applicable) the Excess Rights Units applied for by the Eligible Depositor, the attention of the Eligible Depositor is drawn to paragraphs 1.3 and 5.2 of this **Appendix C** of this Offer Information Statement which set out the circumstances and manner in which the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf whether under the ARE, the ARS or any other application form for Rights Units to apply towards the payment for his acceptance of Rights Entitlements and/or application for Excess Rights Units.

2.5 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements

An Eligible Depositor may choose to accept his Rights Entitlements specified in the ARE in full or in part. If an Eligible Depositor wishes to accept part of his Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should:

(a) complete and sign the ARE for the number of Rights Entitlements which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described above to CDP; or

(b) accept and subscribe for that part of his Rights Entitlements by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his Rights Entitlements may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Depositors who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in board lots of 100 Rights Entitlements, or any other board lot size which the SGX-ST may require. Such Eligible Depositors may start trading in their Rights Entitlements as soon as dealings therein commence on the SGX-ST. Eligible Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the Rights Entitlements trading period.

2.6 Sale of Rights Entitlements

The ARE need not be forwarded to the purchasers and/or transferees of the Rights Entitlements ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Manager, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARS are accurately completed and signed, failing which their acceptances of the Rights Entitlements may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Unit Registrar, for the period up to **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Entitlements. You may obtain a copy from CDP. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH RIGHTS ENTITLEMENTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS ENTITLEMENTS REPRESENTED BY THE RIGHTS ENTITLEMENTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE RIGHTS ENTITLEMENTS ON THEIR BEHALF.

2.7 Renunciation of Rights Entitlements

Eligible Depositors who wish to renounce in full or in part their Rights Entitlements in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce. Such renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Eligible Depositors who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Manager, to the renouncee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP, and for the renouncee to accept his Rights Entitlements. The last date and time for acceptance of the Rights Entitlements and payment for the Rights Units by the renouncee is **5.00 p.m.** on **28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) (if acceptance is made through CDP) or **9.30 P.M.** on **28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) (if acceptance is made through an ATM of a Participating Bank).

2.8 Acceptance/Application using CPF Funds

Unitholders participating under the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Funds.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

2.9 Acceptance/Application using SRS Funds

Unitholders with SRS Accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies will need to instruct the relevant approved banks in which they hold their SRS Accounts ("**SRS Banks**") to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf and make sure that they have sufficient funds in their SRS Accounts to pay for the number of Rights Units (including, if applicable, the Excess Rights Units) for which they intend to subscribe. They may also partially accept their Rights Entitlements and/or instruct their respective brokers to sell their Rights Entitlements held under their SRS Accounts during the Rights Entitlements trading period on the SGX-ST.

Unitholders who have insufficient funds in their SRS Accounts to fully accept their Rights Entitlements and/or apply for Excess Rights Units and who have:

(a) **not reached their SRS contribution cap** may, subject to the SRS contribution cap, deposit cash into their SRS Accounts and (i) instruct their respective SRS Banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf, to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts after the said deposit to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

(b) **reached their SRS contribution cap** may instruct their respective SRS Banks to (i) accept their Rights Entitlements and (if applicable) apply for Excess Rights Units to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

If a Unitholder instructs the relevant SRS Bank to subscribe for Rights Units and (if applicable) apply for Excess Rights Units offered under the Rights Issue and he does not have sufficient funds in his SRS Account to pay for the number of Rights Units which he intends to subscribe, his acceptance of Rights Entitlements under the Rights Issue and, if applicable, application for Excess Rights Units will be made in part to the extent of the funds available in his SRS Account with the balance rejected.

SRS monies may not be used for the purchase of Rights Entitlements directly from the market.

Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected.

2.10 Acceptance/Application via Finance Company and/or Depository Agent

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Any acceptance and (if applicable) application made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected.

2.11 Return of Surplus Application Monies

In the case of applications for Excess Rights Units, if no Excess Rights Units are allotted to an Eligible Depositor or if the number of Excess Rights Units allotted to an Eligible Depositor is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to the Eligible Depositor without interest or any share of revenue or other benefit arising therefrom within three business days after commencement of trading of Rights Units, at the Eligible Depositor’s own risk by any one or a combination of the following: (i) by crediting the Eligible Depositor’s bank account with the relevant Participating Bank if the Eligible Depositor accepts and (if applicable) applies through an ATM of a Participating Bank, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent BY ORDINARY POST AT THE ELIGIBLE DEPOSITOR’S OWN RISK to the Eligible Depositor’s mailing address as recorded with CDP or in such other manner as the Eligible Depositor may have agreed with CDP for the payment of any cash distributions, if the Eligible Depositor accepts and (if applicable) applies through CDP.

3. COMBINATION APPLICATION

In the event that the Eligible Depositor or the Purchaser accepts the Rights Entitlements by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of Electronic Application(s), the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Depositor and the Purchaser shall be regarded as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Entitlements and/or application for Excess Rights Units (including by way of Electronic Application(s)) in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES

As an illustration, if an Eligible Depositor has 100 Units standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, the Eligible Depositor will be provisionally allotted 16 Rights Entitlements as set out in his ARE. The Eligible Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	**Procedures to be taken**
(a) Accept his entire 16 Rights Entitlements and (if applicable) apply for Excess Rights Units.	**By way of Electronic Application** (1) Accept his entire 16 Rights Entitlements and (if applicable) apply for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or **Through CDP** (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his 16 Rights Entitlements and (if applicable) the number of Excess Rights Units applied for and forward the original signed ARE together with a single remittance for S$42.08 (or, if applicable, such higher amount in respect of the total number of Rights Entitlements accepted and Excess Rights Units applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP – ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED** at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, **AT HIS OWN RISK**, in the self-addressed envelope provided to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager), and with the name and Securities Account number of the Eligible Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

Alternatives	Procedures to be taken
	NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.
(b) Accept a portion of his Rights Entitlements, for example 10 of his 16 Rights Entitlements, not apply for Excess Rights Units and trade the balance on the SGX-ST	**By way of Electronic Application** (1) Accept 10 of his 16 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or **Through CDP** (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his 10 of his 16 Rights Entitlements, and forward the original signed ARE, together with a single remittance for S$26.30 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager). The balance of the 6 Rights Entitlements which are not accepted by the Eligible Depositor may be traded on the SGX-ST during the Rights Entitlements trading period. **Eligible Depositors should note that the Rights Entitlements will be tradable in the ready market, with each board lot comprising 100 Rights Entitlements. Eligible Depositors who wish to trade in other lot sizes can do so on the SGX-ST's Unit Share Market during the Rights Entitlements trading period.**
(c) Accept a portion of his Rights Entitlements, for example 10 of his 16 Rights Entitlements, not apply for Excess Rights Units and reject the balance.	**By way of Electronic Application** (1) Accept 10 of his 16 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

Alternatives	Procedures to be taken
	Through CDP (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of 10 of his 16 Rights Entitlements, and forward the ARE, together with a single remittance for S$26.30 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager). The balance of his 6 Rights Entitlements which is not accepted by the Eligible Depositor will be deemed to have been declined and will forthwith lapse and become void, and cease to be capable of acceptance by that Eligible Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) or if an acceptance is not made through CDP by **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

5. MODE OF ACCEPTANCE AND APPLICATION (FOR BROKER-LINKED BALANCES)

5.1 Acceptance/Application through CDP

The Eligible Depositor should note that any Rights Entitlements accepted and (if applicable) any excess Rights Units credited pursuant to applications for excess Rights Units in respect of a Broker-linked Balance shall be credited to the same Broker-linked Balance.

If the Eligible Depositor wishes to accept the Rights Entitlements in a Broker-linked Balance and (if applicable) apply for excess Rights Units for his Broker-linked Balance through CDP, he must:

(a) complete and sign the ARE in respect of the Rights Entitlements allotted in the Broker-linked Balance. In particular, he must state in Part C(i) of the ARE the total number of Rights Entitlements allotted to him which he wishes to accept and the number of excess Rights Units applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and

(b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Entitlements accepted and (if applicable) excess Rights Units applied for:

(i) by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or;

(ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 28 NOVEMBER 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The payment for the relevant number of Rights Entitlements accepted and (if applicable) excess Rights Units applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name of the Eligible Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance the Cashier's Order or Banker's Draft is submitted for clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

5.2 Acceptance through the SGX-SFG Service (only for Member Companies making an application in respect of a Broker-linked Balance linked to the Member Company)

Member Companies may accept the Rights Entitlements allotted in a Broker-linked Balance linked to the Member Company and (if applicable) apply for Excess Rights Units for a Broker-linked Balance linked to the Member Company through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents and Member Companies. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

5.3 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the Rights Entitlements accepted by the Eligible Depositor and (if applicable) the excess Rights Units applied for by the Eligible Depositor; the attention of the Eligible Depositor is drawn to paragraphs 1.3 and 8.2 of this Appendix C which set out the circumstances and manner in which the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf whether under the ARE, the ARS or any other application form for Rights Units in relation to the Rights Issue.

5.4 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements

An Eligible Depositor may choose to accept his Rights Entitlements specified in the ARE in full or in part. If an Eligible Depositor wishes to accept part of Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should complete and sign the ARE for the number of Rights Entitlements which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 5.1 above to CDP.

The balance of his Rights Entitlements in a Broker-linked Balance may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Depositors who wish to trade all or part of their Rights Entitlements on the SGX-ST during the provisional allotment trading period should note that the Rights Entitlements will be tradable in board lots of 100 Rights Entitlements, or any other board lot size which the SGX-ST may require. Eligible Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

The ARE need not be forwarded to the purchasers and/or transferees of the Rights Entitlements ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers.

5.5 Trading of Rights Entitlements by Member Company

A Member Company may trade all or part of the Rights Entitlements in a Broker-linked Balance linked to the Member Company as soon as dealings therein commence on the SGX-ST. CDP shall not be responsible for ascertaining, verifying or investigating, and has no duty to ascertain, verify or investigate any particulars relating to the sale of Rights Entitlements by the Member Company and whether the Eligible Depositor has authorised sale of the Rights Entitlements by the Member Company.

5.6 Renunciation of Rights Entitlements

Eligible Depositors who wish to renounce in full or in part their Rights Entitlements in a Broker-linked Balance in favour of a third party should obtain the approval of the Member Company linked to the Broker-linked Balance for the transfer of such Rights Entitlements out of the Broker-linked Balance to the main balance of his Securities Account for such renunciation. An Eligible Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the Broker-linked Balance. The Member Company should directly communicate its approval to CDP through the established communication channels between the Member Company and CDP, or initiate the transfer of such Rights Entitlements from the Broker-linked Balance to the main balance of the Eligible Depositor's securities account.

Upon the transfer of the Rights Entitlements which the Eligible Depositor wishes to renounce from the Broker-linked Balance to the main balance of the Eligible Depositor's securities account, the Eligible Depositor should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce, and CDP shall only process the transfer forms for such renunciation only after such Rights Entitlements are credited to the main balance of the Eligible Depositor's securities account. Renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least 3 Market Days to effect such renunciation, Eligible Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Manager, to the renouncee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renouncee to accept his Rights Entitlements. The last time and date for acceptance of the Rights Entitlements and payment for the Rights Units by the renouncee is **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

5.7 Transfers of Rights Entitlements from a Broker-linked Balance of the Eligible Depositor's Securities Account

Eligible Depositors who wish to transfer their Rights Entitlements in a Broker-linked Balance to the main balance or another Broker-linked Balance of the Eligible Depositor's Securities

Account should obtain the approval of the Member Company linked to the originating Broker-linked Balance for the transfer of such Rights Entitlements out of the Broker-linked Balance. An Eligible Depositor may request for such approval either (1) through CDP Online if he has registered for CDP Internet Access Service; or (2) directly from the Member Company linked to the originating Broker-linked Balance (for transfer to the main balance of the Entitled Depositor's Securities Account only). The Member Company should through the established communication channels between the Member Company and CDP directly communicate its approval to CDP, or initiate the transfer of such Rights Entitlements from the Broker-linked Balance to the main balance of the Eligible Depositor's securities account.

Upon the transfer of the Rights Entitlements to the main balance or another Broker-linked Balance of the Securities Account, arrangements will be made by CDP for a separate ARS to be issued to the Eligible Depositor in respect of the Rights Entitlements transferred to the main balance or another Broker-linked Balance of his Securities Account. As the Member Company may take up to the next Market Day to communicate its approval and effect the transfer, an Eligible Depositor who wishes to transfer his Rights Entitlements from a Broker-linked Balance of his Securities Account is advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Manager, to the Eligible Depositor by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the Eligible Depositor to accept his Rights Entitlements. The last time and date for acceptance of the Rights Entitlements and payment for the Rights Units by the Eligible Depositor is **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager). Alternatively, the Eligible Depositor may accept and subscribe for Rights Entitlements in the main balance of his Securities Account by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above. Eligible Depositors who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP, for the period up to **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

An Eligible Depositor who wishes to transfer his Rights Entitlements allotted to a Broker-linked Balance of his Securities Account should note that he will not be entitled to apply for excess Rights Units in connection with his acceptance of such Rights Entitlements which have been transferred out of the originating Broker-linked Balance.

6. ACCEPTANCES AND APPLICATIONS BY BOTH AN ELIGIBLE DEPOSITOR AND THE MEMBER COMPANY LINKED TO THE BROKER-LINKED BALANCE

In the event that the Eligible Depositor or the Purchaser accepts his Rights Entitlements in a Broker-linked Balance by way of the ARE and/or the ARS and/or has applied for excess Rights Units by way of the ARE, and the Member Company linked to such Broker-linked Balance also accepts any Rights Entitlements in the Broker-linked Balance and/or applies for excess Rights Units in respect of the Broker-linked Balance, the Manager and/or CDP shall be authorised and entitled to accept his and his Member Company's instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Depositor or the Purchaser and the Member Company shall be regarded as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Entitlements allotted to him and/or application for excess Rights Units whether made by him or the Member Company linked to the Broker-linked Balance in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

7. ILLUSTRATIVE EXAMPLES FOR RIGHTS ENTITLEMENTS ALLOTTED TO A BROKER-LINKED BALANCE

As an illustration, if an Eligible Depositor has 100 Units standing to the credit of a Broker-linked Balance of his Securities Account as at the Books Closure Date, the Eligible Depositor will be provisionally allotted 16 Rights Entitlements in his Broker-linked Balance as set out in his ARE. The Eligible Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	Procedures to be taken
(a) Accept his entire 16 Rights Entitlements in the Broker-Linked Balance and (if applicable) apply for Excess Rights Units for the Broker-linked Balance.	**By way of Electronic Application** (1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his 16 Rights Entitlements in the Broker-linked Balance and (if applicable) the number of Excess Rights Units applied for the Broker-linked Balance and forward the original signed ARE together with a single remittance for S$42.08 (or, if applicable, such higher amount in respect of the total number of Rights Entitlements accepted and Excess Rights Units applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP – ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED** at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, **AT HIS OWN RISK**, in the self-addressed envelope provided to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager), and with the name of the Eligible Depositor and the relevant Broker-linked Balance Identification Number identifying the Broker-linked Balance, clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

Alternatives	Procedures to be taken
	NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR: (A) DIFFERENT SECURITIES ACCOUNTS; OR (B) THE MAIN BALANCE AND ANY BROKER-LINKED BALANCE OF A SECURITIES ACCOUNT; OR (C) DIFFERENT BROKER-LINKED BALANCES OF A SECURITIES ACCOUNT, WILL BE ACCEPTED. NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.
(b) Accept a portion of his Rights Entitlements in the Broker-linked Balance, for example 10 of his 16 Rights Entitlements, not apply for Excess Rights Units and trade the balance on the SGX-ST	**By way of Electronic Application** (1) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his 10 of his 16 Rights Entitlements in the Broker-linked Balance, and forward the original signed ARE, together with a single remittance for S$26.30 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager). The balance of the 6 Rights Entitlements which are not accepted by the Eligible Depositor may be traded on the SGX-ST during the Rights Entitlements trading period. **Eligible Depositors should note that the Rights Entitlements will be tradable in the ready market, with each board lot comprising 100 Rights Entitlements. Eligible Depositors who wish to trade in other lot sizes can do so on the SGX-ST's Unit Share Market during the Rights Entitlements trading period.**
(c) Accept a portion of his Rights Entitlements, for example 10 of his 16 Rights Entitlements, not apply for Excess Rights Units and reject the balance.	(1) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of 10 of his 16 Rights Entitlements in the Broker-linked Balance, and forward the ARE, together with a single remittance for S$26.30 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager). The balance of his 6 Rights Entitlements which is not accepted by the Eligible Depositor will be deemed to have been declined and will forthwith lapse and become void, and cease to be capable of acceptance by that Eligible Depositor if an acceptance is not made through CDP by **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

8. TIMING AND OTHER IMPORTANT INFORMATION

8.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCE OF RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT FOR THE RIGHTS UNITS IN RELATION TO THE RIGHTS ISSUE IS:

(A) 9.30 P.M. ON 28 NOVEMBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF AN ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) AN APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; OR

(B) 5.00 P.M. ON 28 NOVEMBER 2019 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF AN ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) AN APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT IS MADE THROUGH CDP OR SGX-SFG SERVICE.

If acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units and payment in the prescribed manner as set out in this Offer Information Statement, the ARE and the ARS (as the case may be) is not received through an ATM of the Participating Banks by **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) or through CDP by **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) from any Eligible Depositor or Purchaser or Member Company (in respect of a Broker-linked Balance), the Rights Entitlements that have been offered shall be deemed to have been declined and shall forthwith lapse and become void and cease to become capable of acceptance, and such Rights Entitlements not so accepted will be used to satisfy applications for Excess Rights Units, if any, or be otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit, in the interests of Ascendas Reit. All monies received subsequent to the dates and times specified above will be returned by CDP for and on behalf of the Manager to the Eligible Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ELIGIBLE DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF ANY ELIGIBLE DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

8.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix, an Eligible Depositor should note that:

(a) by accepting his Rights Entitlements and (if applicable) applying for Excess Rights Units, he acknowledges that, in the case where the amount of remittance payable to the Manager in respect of his acceptance of the Rights Entitlements and (if applicable) in respect of his application for Excess Rights Units as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Units in relation to the Rights Issue differs from the amount actually received by CDP, the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Entitlements; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Units. The determination and appropriation by the Manager and CDP shall be conclusive and binding;

(b) if he has attached a remittance to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Manager and CDP, in applying the amounts payable for his acceptance of the Rights Entitlements and (if applicable) his application for Excess Rights Units, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP; and

(c) in the event that the Eligible Depositor accepts the Rights Entitlements by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of an Electronic Application, the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Depositor shall be deemed as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Rights Units (including an Electronic Application) which he has authorised or deemed to have authorised to apply towards the payment for acceptance of the Rights Units and/or application for Excess Rights Units in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

8.3 Availability of Excess Rights Units

The Excess Rights Units available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Trust Deed. Applications for Excess Rights Units will, at the Directors' absolute discretion, be satisfied from such Rights Units as are not validly taken up by the Eligible Depositors, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the Rights Entitlements together with the aggregated fractional entitlements to the Rights Units, any unsold Rights Entitlements (if any) of Ineligible Unitholders and any Rights Units that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Trust Deed. In the event that applications are received by the Manager for more Excess Rights Units than are available, the Excess Rights Units available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of Ascendas Reit. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** Subject to the requirements of or otherwise waived by SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of CL, the Relevant Entities, other Substantial Unitholders who have control or influence over the Manager in connection with the day-to-day affairs of the Manager or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board and Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units. The Manager reserves the right to refuse any application for Excess Rights Units, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Units allotted to an Eligible Depositor is less than the number of Excess Rights Units applied for, the Eligible Depositor shall be deemed to have accepted the number of Excess Rights Units actually allotted to him.

If no Excess Rights Units are allotted or if the number of Excess Rights Units allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Eligible Depositors or Member Companies (in respect of applications for Rights Shares made by Member Companies for Broker-linked Balances), without interest or any share of revenue or other benefit arising therefrom, within three business days after commencement of trading of the Rights Units, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they apply by way of an Electronic Application), the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder, or by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent to them **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they apply through CDP).

8.4 Deadlines

It should be particularly noted that unless:

(a) acceptance of Rights Entitlements is made by the Eligible Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Units is effected by **9.30 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

(b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" for the Rights Entitlements and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and/or application and with the names and Securities Account numbers of the Eligible Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED, AS MANAGER OF ASCENDAS REAL ESTATE INVESTMENT TRUST, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

(c) acceptance is made by a Depository Agent or a Member Company in respect of Broker-linked Balance linked to the Member Company via the SGX-SFG Service and payment (where applicable) in Singapore currency by way of telegraphic transfer by the Depository Agent for the Rights Units is effected by **5.00 p.m. on 28 November 2019** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager),

the Rights Entitlements will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Eligible Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** or in such other manner as they may have agreed with CDP for the payment of any cash distributions (where acceptance is through CDP), or by crediting their accounts with the relevant Participating Banks (where acceptance is through Electronic Application), and at the Eligible Depositors' or the Purchasers' (as the case may be) own risk, within three business days after the commencement of trading of the Rights Units.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

8.5 Confirmation Note

A confirmation note confirming the date of issue and the number of Rights Units issued will be issued by the Manager or the agent appointed by the Manager to CDP. Upon crediting of the Rights Units and Excess Rights Units, CDP will send to Eligible Depositors and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, notification letters showing the number of Rights Units and Excess Rights Units credited to their Securities Accounts.

8.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Entitlements provisionally allotted and credited to an Eligible Depositor's Securities Account. An Eligible Depositor can verify the number of Rights Entitlements provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access. Alternatively, an Eligible Depositor may proceed personally to CDP with his identity card or passport to verify the number of Rights Entitlements provisionally allotted and credited to his Securities Account.

It is the responsibility of an Eligible Depositor and/or Purchaser to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Manager and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Manager accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. The following sets out the CDP Phone User Guide:

All communications, notices, documents and remittances to be delivered or sent to an Eligible Depositor and/or Purchaser will be sent by **ORDINARY POST** to his mailing address as maintained in the records of CDP, **AT HIS OWN RISK**.

8.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Eligible Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Unit Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, the SGX-ST, the Manager and the Joint Lead Managers and Underwriters (the "**Relevant Persons**") for the purpose of facilitating his application for the Rights Units, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

PROCEDURE TO COMPLETE THE ARE/ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Units currently held by you — XX.XXX

This is your Unitholding as at the Record Date.

Units as at 11 November 2019 (Rights Issue Books Closure Date)

This is the date to determine your Rights Entitlements.

Number of Rights Units provisionally allotted* — XX.XXX

This is your number of Rights Entitlements.

Issue Price — S$2.63 per Rights Unit

This is the price that you need to pay when you subscribe for one Rights Unit.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. ATM Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by **9.30 p.m., 28 November 2019.**

Participating Banks are as defined in the Offer Information Statement and as announced by the Manager.

2. MAIL Complete section below and submit this form to CDP by **5.00 p.m., 28 November 2019**

(i) Only a BANKER'S DRAFT/CASHIER'S ORDER drawn in Singapore currency on a bank in Singapore made payable to "**CDP-ASCENDAS REIT RIGHTS ISSUE ACCOUNT**" will be accepted

(ii) Applications using a **PERSONAL CHEQUE**, **POSTAL ORDER** or **MONEY ORDER** will be rejected

(iii) Write your name and securities account number on the back of the Banker's Draft/Cashier's Order

This is the last date and time to subscribe for the Rights Units through ATM and CDP.

You can apply your Rights Units through ATMs of these participating banks.

This is the payee name to be issued on your Cashier's Order where Ascendas Reit is the name of the issuer.

Note: Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

3. Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Rights Units Applied:
(Provisionally Allotted Rights Units + Excess Rights Units)

, , ,

ii. Cashier's Order/Banker's Draft Details:
(Input last 6 digits of CO/BD)

Signature of Eligible Unitholder(s)

Date

Fill in the total number of the Rights Units and Excess Rights Units (for ARE)/ number of Rights Units (for ARS) that you wish to subscribe within the boxes.

Fill in the 6 digits of the CO/BD number (eg. 001764) within the boxes.

Sign within the box.

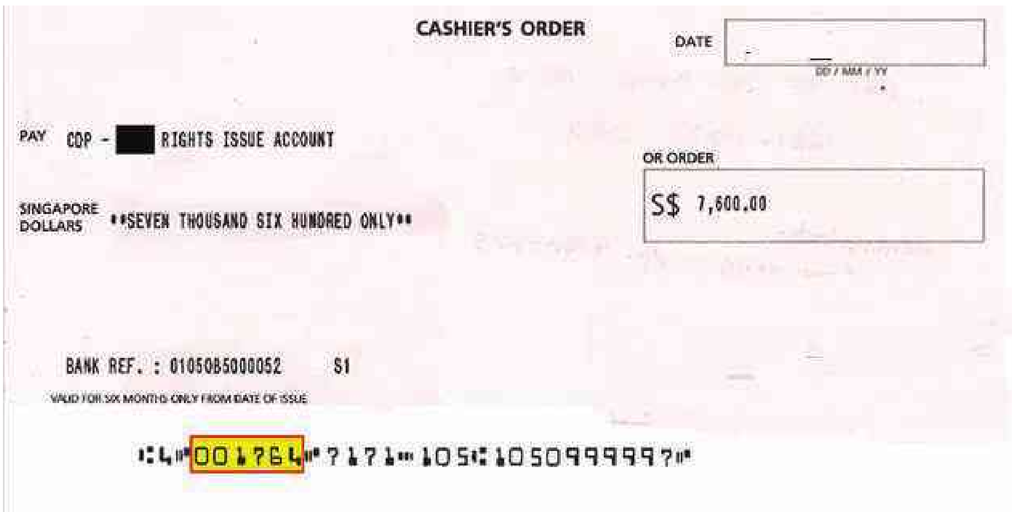
Notes:

(i) If the total number of Rights Units applied exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.

(ii) The total number of Rights Units applied will be based on cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Units will be appropriated accordingly if the applied quantity exceeds this amount.

(iii) Please note to submit one Cashier's Order per application form.

4. Sample of a Cashier's Order



ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

The procedures for Electronic Applications of Rights Units under the Rights Issue are set out on the ATM screens of the relevant Participating Banks (the "**Electronic Application Steps**"). Please read carefully the terms and conditions set out in this Offer Information Statement, the Electronic Application Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights Entitlements and (if applicable) apply for Excess Rights Units at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

All references to "Rights Issue" and "Rights Application" on the ATM screens of the Participating Banks shall mean the offer of Rights Units under the Rights Issue and the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Units, respectively. All references to "Document" on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the "Applicant" in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Eligible Depositor or the Purchaser who accepts his Rights Entitlements and (if applicable) applies for Excess Rights Units through an ATM of a Participating Bank. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction record (the "**Transaction Record**"), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units liable to be rejected.

Eligible Depositors who have subscribed for or purchased Units under the CPFIS and/or the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the respective approved banks in which they hold their CPFIS accounts and/or SRS Accounts, finance company and/or Depository Agent to do so on their behalf. ANY APPLICATION MADE BY THE ABOVEMENTIONED ELIGIBLE DEPOSITORS DIRECTLY THROUGH CDP OR THROUGH ATMS WILL BE REJECTED. Such Eligible Depositors who have insufficient funds in their CPF Investment Accounts or SRS Accounts may deposit cash into their CPF Investment Accounts or SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

Such Eligible Depositors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

The Electronic Applications shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

(1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:

(a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units under the Rights Issue prior to effecting the Electronic Application and agrees to be bound by the same; and

(b) that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP's record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Units standing to the credit of his Securities Account, the number of Rights Entitlements allotted to him, his acceptance and (if applicable) application for Excess Rights Units and any other information (the "**Relevant Particulars**") to the Manager and any other relevant parties (the "**Relevant Parties**") as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

(2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Entitlements and (if applicable) Excess Rights Units using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.

(3) The Applicant irrevocably agrees and undertakes to subscribe for and accept up to the aggregate of the number of Rights Entitlements allotted and Excess Rights Units applied for as stated on the Transaction Record or the number of Rights Units standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Manager decides to allot any lesser number of Excess Rights Units or not to allot any number of Excess Rights Units to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.

(4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for shall signify and shall be treated as his acceptance of the number of Rights Units that may be allotted to him and (if applicable) his application for Excess Rights Units.

(5) In the event that the Applicant accepts the Rights Entitlements both by way of the ARE and/or the ARS (as the case may be) through CDP and/or by way of Electronic Application through the ATM of a Participating Bank, CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute

discretion, deem fit. In determining the number of Rights Entitlements which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of Rights Entitlements which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date, and the aggregate number of Rights Entitlements which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, and the Manager and/or CDP, in determining the number of Rights Entitlements which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Entitlements, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or the ARS or by way of the acceptance through the Electronic Application through the ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.

(6) If applicable, in the event that the Applicant applies for Excess Rights Units both by way of ARE through CDP and by Electronic Application through the ATM of a Participating Bank, the Manager and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Excess Rights Units which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Units not exceeding the aggregate number of Excess Rights Units for which he has applied by way of Electronic Application through the ATM and by way of ARE through CDP. The Manager and/or CDP, in determining the number of Excess Rights Units which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of Excess Rights Units, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE or by way of Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.

(7) The Applicant irrevocably requests and authorises the Manager to:

(a) register, or procure the registration of the Rights Units allotted to the Applicant in the name of CDP for deposit into his Securities Account; and

(b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the Rights Entitlements accepted and (if applicable) Excess Rights Units applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on behalf of the Manager for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within three business days after commencement of trading of the Rights Units.

(8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE RIGHTS ENTITLEMENTS OR APPLYING FOR EXCESS RIGHTS UNITS AS A NOMINEE OF ANY OTHER PERSON.**

(9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager and if, in any such event,

CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 28 November 2019**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager for any purported acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units, or for any compensation, loss or damage in connection therewith or in relation thereto.

(10) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between **7.00 a.m. and 9.30 p.m.** This service will not be available on Sundays. Electronic Applications shall close at **9.30 p.m. on 28 November 2019** or such other time as the Manager (in consultation with the Joint Lead Managers and Underwriters) may, in its absolute discretion, deem fit in the interests of Ascendas Reit.

(11) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.

(12) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

(13) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded.

(14) By making and completing an Electronic Application, the Applicant agrees that:

(a) (i) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Monetary Authority of Singapore);

(ii) he represents and warrants that unless he is an Entitled QIB, he is not located within the United States (within the meaning of Regulation S) and is acquiring the Rights Units in an offshore transaction (within the meaning of Regulation S); and

(iii) he represents, warrants and undertakes that he can subscribe for the Rights Units in accordance with all applicable laws and regulations;

(b) his Electronic Application, and (if applicable) the application for Excess Rights Units, the acceptance thereof by the relevant Participating Bank and the Manager and the contract resulting therefrom shall be governed by, and construed in accordance with, Singapore law and for the benefit of the CDP, the Manager, the Trustee, the Joint Lead Managers and Underwriters, the other Relevant Persons, the Participating Banks and the Unit Registrar, and he irrevocably submits to the exclusive jurisdiction of the Singapore courts. Notwithstanding the foregoing, the CDP, the Manager, the Trustee and the Joint Lead Managers and Underwriters, the other Relevant Persons, the Participating Banks and the Unit Registrar shall retain the right to bring proceedings against him in any other court of competent jurisdiction or concurrently in more than one jurisdiction;

(c) none of CDP, the Manager, the Trustee, the Joint Lead Managers and Underwriters, the Unit Registrar or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage, transmission or delivery of data relating to his Electronic Application to the Manager or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;

(d) any interest, share of revenue or other benefit accruing on or arising from or in connection with any acceptance and (if applicable) application monies shall be for the benefit of the Manager and none of the CDP, Ascendas Reit, the Manager, the Trustee, the Joint Lead Managers and Underwriters, the other Relevant Persons nor any other persons involved in the Rights Issue shall be under any obligation to account for such interest, share of revenue or other benefit to him or any other person;

(e) in accepting his provisional allotment of Rights Units, reliance is placed solely on the information contained in this Offer Information Statement and that none of the CDP, Ascendas Reit, the Manager, the Trustee, the Joint Lead Managers and Underwriters or any other person involved in the Rights Issue shall have any liability for any information not so contained, except for any liability which cannot by law be excluded; he has not relied on any information, representation or warranty supplied or made by or on behalf of the Relevant Persons; he has access to all information he believes is necessary or appropriate in connection with his purchase of the Rights Units; he has not relied on any investigation that the Joint Lead Managers and Underwriters or any of the Relevant Persons may have conducted with respect to the Rights Units or Ascendas Reit, and none of such persons has made any representation to him, express or implied, with respect to the Rights Units or Ascendas Reit; except for any liability which cannot by law be excluded, he will not hold any of the Relevant Persons responsible for any misstatements in or omissions from any publicly available information concerning Ascendas Reit and none of the Relevant Persons owe nor accept any duty, liability or responsibility to him, whether in contract or in tort (including without limitation, negligence and breach of statutory duty) or otherwise and shall not be liable in respect of any loss, damage or expense whatsoever in relation to the Rights Issue;

(f) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of his provisional allotment of Rights Units and (if applicable) application for Excess Rights Units under the Rights Issue;

(g) in respect of the Rights Units and/or Excess Rights Units for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and

(h) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contract made pursuant to this Offer Information Statement and the Electronic Application (other than CDP, the Manager, the Joint Lead Managers and Underwriters, the other Relevant Persons, the Participating Banks and the Unit Registrar) has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contract. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contract. Where third parties are conferred rights under such contract, those rights are not assignable or transferable.

(15) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.

(16) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.

(17) In the event that the Applicant accepts the Rights Entitlements, by way of the ARE, the ARS, and/or by way of Electronic Application through ATMs of Participating Banks, the Rights Units and/or Excess Rights Units will be allotted in such manner as the Manager and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:

(a) by means of a crossed cheque in Singapore currency sent by ORDINARY POST at his own risk to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and

(b) by crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank a good discharge to the Manager and CDP of their obligations, if any, thereunder.

(18) The Applicant hereby acknowledges that, in determining the total number of Rights Entitlements which the Applicant can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:

(a) the total number of Rights Entitlements which the Applicant has validly accepted, whether by way of an ARE or any other form of application (including an Electronic Application) for the Rights Units; and

(b) the total number of Rights Entitlements allotted to the Applicant and standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance.

The Applicant hereby acknowledges that CDP's and the Manager's determination shall be conclusive and binding on him.

(19) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the Rights Entitlements accepted by the Applicant and (if applicable) the Excess Rights Units which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.

(20) With regard to any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, and/or any other application form for the Rights Units in relation to the Rights Issue, or which does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is credited with less than the relevant number of Rights Units subscribed for as at the Closing Date, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Units in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application and payment or otherwise process all remittances at any time after receipt in such manner as it deems fit.

(21) The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements and (if applicable) application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application on its own, without regard to any other application and payment that may be submitted by the Applicant. For the avoidance of doubt, insufficient payment for an application submitted for the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units.

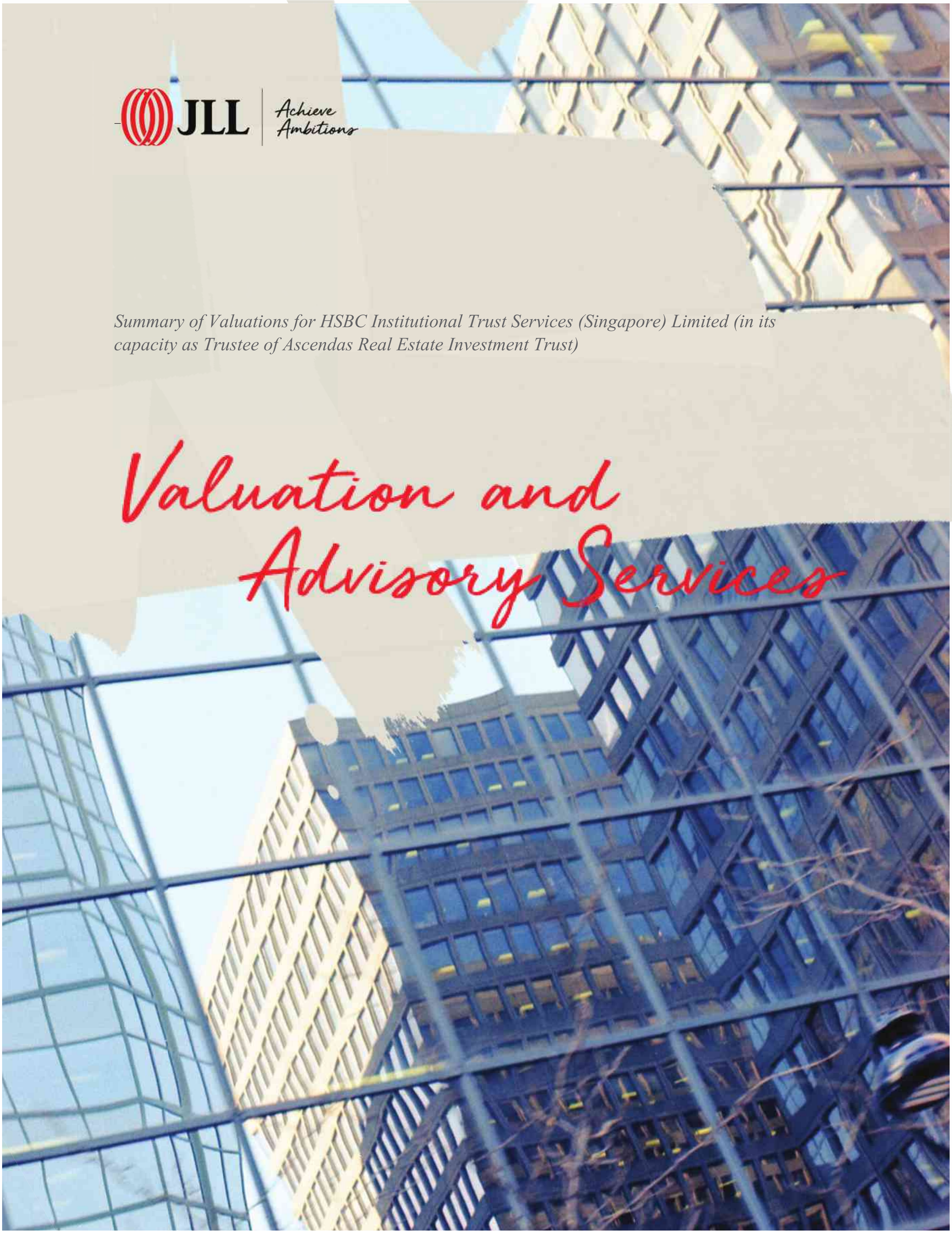
LIST OF PARTICIPATING BANKS

One or more of:

- DBS Bank Ltd. (including POSB);
- Oversea-Chinese Banking Corporation Limited; and
- United Overseas Bank Limited.

The Manager would make an announcement on the identity of the Participating Banks. This announcement of the actual list of participating banks would be despatched to Unitholders together with this Offer Information Statement.

SUMMARY VALUATION REPORTS



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
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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
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North Carolina # A5025
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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	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.

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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
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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
Appraiser's License No. AD041-2006555E
Senior Director - Valuation & Advisory Services

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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**

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Adviser - Valuation & Advisory Services

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Colliers INTERNATIONAL

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.

Colliers INTERNATIONAL

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
12 Marina View
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Colliers INTERNATIONAL

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

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.

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.

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
Executive Director
Valuation and Advisory Services I Singapore

Colliers International Consultancy & Valuation
(Singapore) Pte Ltd
12 Marina View
#19-02, Asia Square 2
Singapore 018961
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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.*

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.

AIFMD DISCLOSURES

*This **Appendix G** should be read by prospective investors domiciled, or with a registered office, in the United Kingdom. The Manager is due to offer Units that are anticipated to be marketed in the United Kingdom.*

*Ascendas Reit is an "alternative investment fund" ("**AIF**"), as defined in the UK Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (as amended) (the "**Regulations**") and the Investment Funds sourcebook of the FCA Handbook ("**FUND**"). The Manager is considered the "alternative investment fund manager" of Ascendas Reit (the "**AIFM**"), as defined in the Regulations and in FUND.*

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of Ascendas Reit does not constitute part of this Offer Information Statement.

No.	Nature of disclosure	Disclosure
FUND 3.2.2R(1)		
1.	Objectives of the AIF.	The key objectives of Ascendas Reit are to provide Unitholders with regular and stable distributions, as well as achieve long-term growth while maintaining an optimal appropriate capital structure.
2.	Investment strategy of the AIF.	The investment strategy of Ascendas Reit is principally to invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for business space and industrial purposes, as well as real estate related assets.
3.	Location of any master AIF.	This is not applicable as Ascendas Reit does not qualify as a feeder AIF within the meaning of the Regulations.
4.	Where underlying funds are established if the AIF is a fund of funds	This is not applicable as Ascendas Reit is not a fund of funds.
5.	Types of assets in which the AIF may invest.	Under its investment strategy, Ascendas Reit may invest in income-producing real estate assets which are used primarily for business space and industrial purposes, as well as real estate related assets. For general statutory investment restrictions, please refer to paragraph 7 of this **Appendix G**.
6.	Investment Techniques which the AIF may employ and all associated risks.	Please refer to the disclosure in paragraph 1 and 2 above of this **Appendix G** for a description of Ascendas Reit's principal investment strategy and the section entitled "Risk Factors" of this Information Memorandum for a description of the risks relating to the techniques which the Manager may employ. Ascendas Reit has an investment policy of investing in real estate and real estate related assets whether by way of direct ownership of real estate and real estate related assets or by way of a holding of shares, units or any other interest(s) in special purpose vehicles which are unlisted, each of whose primary purpose is to hold or own real estate and real estate related assets.
7.	Any applicable investment restrictions on the AIF.	(i) Ascendas Reit is required to comply with Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**") issued by the Monetary Authority of Singapore ("**MAS**") and the applicable provisions of the trust deed constituting Ascendas Reit (as amended) (the "**Trust Deed**").

		(ii) Pursuant to paragraph 6.1 of the Property Funds Appendix, Ascendas Reit may only invest in: (a) real estate, whether freehold or leasehold, in or outside Singapore, which may be by way of direct ownership or a shareholding in an unlisted special purpose vehicle constituted to hold or own real estate; (b) real estate-related assets, wherever the issuers/assets/securities are incorporated/located/issued/traded; (c) listed or unlisted debt securities and listed shares of, or issued, by local or foreign non-property corporations; (d) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supranational agency or a Singapore statutory board; and (e) cash and cash equivalent items. (iii) Pursuant to paragraph 7.1 of the Property Funds Appendix, Ascendas Reit is required to comply with the following restrictions and requirements: (a) at least 75% of Ascendas Reit's deposited property (as defined in the Property Funds Appendix) should be invested in income-producing real estate; (b) Ascendas Reit should not undertake property development activities whether on its own, in a joint venture with others, or by investing in unlisted property development companies, unless Ascendas Reit intends to hold the developed property upon completion. For this purpose, property development activities do not include refurbishment, retrofitting and renovations; (c) Ascendas Reit should not invest in vacant land and mortgages (except for mortgage-backed securities); (d) the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of Ascendas Reit's deposited property. The total contract value of property development activities may exceed 10% of Ascendas Reit's deposited property (subject to a maximum of 25% of Ascendas Reit's deposited property) only if: (i) the additional allowance of up to 15% of Ascendas Reit's deposited property is utilised solely for the redevelopment of an existing property that has been held by Ascendas Reit for at least three years and which Ascendas Reit will continue to hold for at least three years after the completion of the redevelopment; and

		(ii) Ascendas Reit obtains the specific approval of Unitholders' at a general meeting for the redevelopment of the property. For the purpose of this paragraph (d), the value of the investment refers to the contracted purchase price and not the value of progress payments made to date; and (e) for investments in permissible investments under sub-paragraphs (ii)(c), (ii)(d) or (ii)(e) above (except for deposits placed with eligible financial institutions and investments in high-quality money market instruments or debt securities), not more than 5% of Ascendas Reit's deposited property may be invested in any one issuer's securities or any one manager's funds.
8.	Circumstances in which the AIF may use leverage.	Pursuant to paragraph 9.1 of the Property Funds Appendix, Ascendas Reit may use borrowings for investment or redemption purposes. It may mortgage its assets to secure such borrowings.
9.	Types and sources of leverage permitted and associated risks.	Under Guidance Note 1 of paragraph 9.1 of the Property Funds Appendix, "borrowings" include guarantees, bonds, notes, syndicated loans, bilateral loans or other debt. Please refer to the section entitled "Risk Factors" of this Offer Information Statement for the risks factors relating to leverage entitled "The amount Ascendas Reit may borrow is limited, which may affect the operations of Ascendas Reit" and "Ascendas Reit may have a higher level of aggregate leverage than certain other types of unit trusts and may experience limited availability of funds and face risks associated with debt financing and refinancing".
10.	Any restrictions on the use of leverage.	Pursuant to paragraph 9.2 of the Property Funds Appendix, the total borrowings and deferred payments (collectively, the "**aggregate leverage**") of Ascendas Reit should not exceed 45% of Ascendas Reit's deposited property.
11.	Any restrictions on the use of collateral and asset reuse arrangements.	Pursuant to paragraph 9.1 of the Property Funds Appendix, Ascendas Reit may mortgage its assets to secure borrowings which are used for investment or redemption purposes. In connection with such collateral, Ascendas Reit's assets are given in security only and can be appropriated to the satisfaction of payment of outstanding borrowings by Ascendas Reit to the relevant chargees/mortgagees, and not by way of transfer of title or possession of the assets to such chargees/mortgagees (as opposed to, for example, a prime broker to whom securities are pledged and who can use them for securities lending purposes). Ascendas Reit continues to have the rights to possess and enjoy its assets, including leasing of its real properties. There is no arrangement under which such collaterals and assets may be reused by the relevant chargees/mortgagees.
12.	Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	Please refer to the disclosure in paragraph 10 of this Appendix G above.

FUND 3.2.2R(2)		
13.	Procedure by which the AIF may change its investment strategy or policies, or both.	The investment strategy of Ascendas Reit shall be determined by the Manager from time to time at its absolute discretion subject to the terms of the Trust Deed. The Manager may from time to time change its investment policies for Ascendas Reit so long as it has given not less than 30 days' prior notice of the change to HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Reit (the "**Trustee**") and the Unitholders by way of an announcement to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Manager is also required under the Code on Collective Investment Schemes to notify the MAS of any significant change of Ascendas Reit's investment strategy not later than one month before the change is to take effect.
FUND 3.2.2R(3)		
14.	Main legal implications of the contractual relationship entered into for the purposes of investment (including information on jurisdiction, applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgements in the territory where the AIF is established).	An investor who has acquired or subscribed for units in Ascendas Reit shall be a Unitholder. The rights and interests of Unitholders are provided for in the Trust Deed which is governed by the laws of Singapore. The terms and conditions of the Trust Deed shall be binding on each Unitholder as if such Unitholder has been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed. A Unitholder has no equitable or proprietary interest in the underlying assets of Ascendas Reit. A Unitholder is not entitled to the transfer to him of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate related assets (or any part thereof) of Ascendas Reit. Further, Unitholders cannot give any direction to the Trustee or the Manager (whether at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed or otherwise) if it would require the Trustee or the Manager to do or omit from doing anything which may result in: • Ascendas Reit, the Manager or the Trustee, as the case may be, ceasing to comply with applicable laws and regulations; or • the exercise of any discretion expressly conferred on the Trustee or the Manager by the Trust Deed or the determination of any matter which, under the Trust Deed, requires the agreement of (i) the Trustee, (ii) the Manager, or (iii) both the Trustee and the Manager. The Trust Deed contains provisions that are designed to limit the liability of a Unitholder to the amount paid or payable for any Unit. The provisions ensure that if the issue price of the Units held by a Unitholder has been fully paid, no such Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee or any creditor of Ascendas Reit in the event that the liabilities of Ascendas Reit exceed its assets.

		There is no single legal regime in Singapore governing the recognition and enforcement of foreign judgements in Singapore. Rather, under Singapore law, there exists common law, and statute mechanisms for the recognition and enforcement of foreign judgements in Singapore. Each of these is subject to its own procedures and qualifications and whether a judgement given in a foreign court will be enforced in Singapore must be considered in light of the relevant factors in each case, including the applicable regime, the specific jurisdiction where such judgement was given and whether the requirements for recognition and enforcement of the foreign judgement have been satisfied. The Trust Deed is available for inspection by investors and prospective investors at the registered office of the Manager for as long as Ascendas Reit is in existence.
FUND 3.2.2R(4) and FUND 3.2.3R		
15.	The identity of the AIFM.	The Manager, Ascendas Funds Management (S) Limited, is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 16 December 1995. As at the date of this Offer Information Statement, the issued share capital of the Manager is S$1.0 million. Its principal place of business is 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522, and its telephone number is +65 6774 1033. The Manager is the alternative investment fund manager (as defined in the Regulations) of Ascendas Reit and the agents appointed by the Manager will conduct the marketing of Ascendas Reit in the United Kingdom in accordance with the requirements of the Regulations.
16.	The identity of the AIF's depositary, a description of their duties and the investors' rights.	Ascendas Reit's depository and clearing organisation is The Central Depository (Pte) Limited. For the avoidance of doubt, investors are expressly notified that this entity does not constitute a depositary within the meaning of the Regulations. Ascendas Reit is not obliged by FUND or the Regulations to appoint a depositary and The Central Depository (Pte) Limited is not obliged to comply with the requirements of FUND or the Regulations. Accordingly, The Central Depository (Pte) Limited arrangements has not made any arrangements to contractually discharge itself of liability in accordance with Regulation 30 of the Regulations, as it is not subject to the Regulations. The contact details of The Central Depository (Pte) Limited are as follows: Address : 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807 Telephone No. : +65 6535 7511 Facsimile No. : +65 6535 0775 The Central Depository (Pte) Ltd holds securities for its account-holders and facilitates the clearance and settlement of securities transactions between account-holders through electronic book-entry changes in the Securities Accounts maintained by such accountholders with The Central Depository (Pte) Ltd.

		The key rights of Unitholders include rights to: • receive income and other distributions attributable to the Units held; • receive audited accounts and the annual reports of Ascendas Reit; and • participate in the termination of Ascendas Reit by receiving a share of all net cash proceeds derived from the realisation of the assets of Ascendas Reit less any liabilities, in accordance with their proportionate interests in Ascendas Reit.
17.	The identity of the AIF's auditor, a description of their duties and the investors' rights.	Ascendas Reit's auditors are Ernst & Young LLP (the "**Auditors**"). The contact details of the Auditors are as follows: Address : One Raffles Quay Level 18, North Tower Singapore 048583 Telephone No. : +65 6535 7777 Facsimile No. : +65 6532 7662 The Auditors are responsible for expressing an opinion on Ascendas Reit's financial statements based on their audit thereof in accordance with Singapore's Standards on Auditing. As stated in paragraph 16 above, Unitholders have the right to receive the audited accounts and annual reports of Ascendas Reit.
18.	The identity of any other AIF service providers, a description of their duties and the investors' rights.	Ascendas Reit is reliant on the continued service and performance of Ascendas Services Pte Ltd as a property manager (the "**Property Manager**") in respect of certain property management and maintenance services for Ascendas Reit's properties pursuant to the property management agreements signed for the respective properties. The Property Manager is responsible for overseeing day-to-day operational matters such as marketing of space, property management and maintenance, coordinating customers' fitting out requirements, supervising the performance of contractors and ensuring building and safety regulations are complied with. The Property Manager is also responsible for the implementation of customer care programmes as well as the management of operating expenses. Without prejudice to any potential right of action in tort or any potential derivative action, investors in Ascendas Reit may not have a direct right of recourse against the Property Manager appointed by Ascendas Reit as such a right of recourse will lie with the relevant contracting counterparty rather than the investors. Further, in circumstances where an affiliate or third party delegate is appointed by the Manager or the Trustee, any contractual claim, demand or action against such delegate may, in the absence of any derivative action, be brought only by the Managers and/or the Trustee. In the event that an investor in Ascendas Reit considers that it may have a claim against Ascendas Reit, the Manager, the Trustee (in its capacity as trustee of Ascendas Reit) or against any other property manager in connection with its investment in Ascendas Reit, such investor should consult its own legal advisers.

FUND 3.2.2R(5)		
19.	Description of how the AIFM complies with the requirements referred to in IPRU-INV 11.3.11(G) (Professional negligence) relating to professional liability risk.	The Manager is not subject to IPRU-INV 11.3.11(G), but is required to satisfy the base capital requirement of S$1.0 million for its regulated activity of real estate investment trust ("**REIT**") management as per Regulation 13 of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations, Chapter 289 of Singapore. As set out in the disclosure in paragraph 15 above, as at the date of this Offer Information Statement, the issued share capital of the Manager is S$1.0 million. In addition, the Manager maintains professional indemnity insurance coverage for the liability of its Directors and officers.
FUND 3.2.2R(6)		
20.	Description of any delegated management function (such as portfolio management or risk management) by the AIFM to third parties, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	Pursuant to the Trust Deed, the Manager may, with the written consent of the Trustee, delegate certain of its duties in performing its functions in relation to Ascendas Reit, provided that the Manager shall be liable for all acts and omissions of such persons as if such acts or omissions were its own acts or omissions. As disclosed in paragraph 18 above, the Manager has delegated the function of property management (which includes strategic management services and asset management services) of Ascendas Reit's properties to the Property Manager. The Property Manager is an "interested person" vis-à-vis Ascendas Reit. The Manager has also delegated the function of property management of Ascendas Reit's UK properties to AIPL (as defined herein). Potential conflicts of interests have been identified and details of these are set out in the risk factors. Please refer to the section entitled "Risk Factors". The Manager has also instituted the following procedures to deal with potential conflicts of interest issues: (i) the Manager will not manage any other REIT which invests in the same type of properties as Ascendas Reit; (ii) all executive officers will be working exclusively for the Manager and will not hold other executive positions in other entities; (iii) all resolutions in writing of the directors of the Manager in relation to matters concerning Ascendas Reit must be approved by at least a majority of the directors of the Manager, including at least one independent director; (iv) at least one-third of the board of directors of the Manager (the "**Board**") shall comprise independent directors; (v) in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. For such matters, the quorum must comprise a majority of the independent directors and must exclude nominee directors of the Sponsor and/or its subsidiaries; and

		(vi) it is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Ascendas Reit with an interested person and/or, as the case may be, an interested party ("**Related Party**") of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Ascendas Reit, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The directors of the Manager (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Ascendas Reit with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party. The Manager has established an internal control system to ensure that all future Related Party Transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of Ascendas Reit and the Unitholders.
21.	Description of any safe-keeping function delegated by the AIF's depositary, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	This is not applicable as Ascendas Reit is not obliged to appoint a depositary within the meaning of the Regulations. Please also see paragraph 16 of this Appendix G above.
FUND 3.2.2R(7)		
22.	Description of the AIF's valuation procedure.	Paragraph 8.1 of the Property Funds Appendix requires Ascendas Reit to conduct a full valuation of its real estate assets at least once per financial year, in accordance with any applicable code of practice for such valuations. Generally, where the Manager proposes to issue new Units for subscription (except in the case where new Units are being issued in payment of the Manager's management fees) or to redeem existing Units, and the property fund's real estate assets were valued more than six months ago, the Manager should exercise discretion in deciding whether to conduct a desktop valuation of the real estate assets, especially when market conditions indicate that real estate values have changed materially. A valuation of the real properties held by Ascendas Reit must be carried out in accordance with the Property Funds Appendix. The Manager or the Trustee may at any other time arrange for the valuation of any of the real properties held by Ascendas Reit if it is of the opinion that it is in the best interest of Unitholders to do so. Ascendas Reit engages independent professional valuers with the appropriate recognised professional qualifications and recent experience in the location and category of the real estate assets being valued.

<table>
<tr><td>23.</td><td>Description of the AIF’s pricing methodology for valuing assets (including the methods used in valuing hard-to-value assets) in line with FUND 3.9 (Valuation).</td><td>Ascendas Reit’s real estate assets are stated at fair value, with changes in fair values being recognised in the statement of total return. Ascendas Reit engages independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued to determine the fair value of its real estate assets.

The fair value of the Ascendas Reit’s real estate assets (including those held through its associates and joint ventures) is determined by independent real estate valuation experts using approved valuation methodologies. In determining the fair value of Ascendas Reit’s real estate assets, the valuers have used valuation methods which involve estimates and discount rates applicable to those real estate assets. FUND 3.9 does not apply to Ascendas Reit.</td></tr>
<tr><td colspan="3">FUND 3.2.2R(8)</td></tr>
<tr><td>24.</td><td>Description of the AIF’s liquidity risk management (including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors).</td><td>The Manager manages the liquidity structure of Ascendas Reit’s assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The Manager monitors and maintains a level of cash and cash equivalents of Ascendas Reit deemed adequate to finance Ascendas Reit’s operations and to mitigate the effects of fluctuations in cash flows. Steps have been taken to plan early for funding and expense requirements so as to manage the cash position at any point in time. For so long as the Units are listed and traded on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST.</td></tr>
<tr><td colspan="3">FUND 3.2.2R(9)</td></tr>
<tr><td>25.</td><td>Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors.</td><td>Information on the fees and charges payable by Ascendas Reit to the Trustee and the Manager are set out as follows.

<table>
<tr><th></th><th>Payable by Ascendas Reit</th><th>Amount Payable</th></tr>
<tr><td>(a)</td><td>Manager’s Asset Management Fee

(payable to the Manager)</td><td><u>Base Fee</u>

0.5% per annum of the value of Deposited Property (as defined herein) less such value of the Deposited Property attributable to derivative assets and investment properties under development (“Adjusted Deposited Property”).

<u>Performance Fee</u>

• 0.1% per annum of the Adjusted Deposited Property, provided that the annual growth in distribution per Unit in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 2.5%; and</td></tr>
</table>
</td></tr>
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				• an additional 0.1% per annum of the Adjusted Deposited Property, provided that the growth in distribution per Unit ("**DPU**") in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 5%. The Manager may elect to receive the Base Fee and Performance Fee in cash and/or Units.	
		(b)	Trustee's Fee (*payable to the Trustee*)	The Trustee's fee is presently charged on a scaled basis of up to 0.25% per annum of the Deposited Property or such higher percentage as may be fixed by an extraordinary resolution of a meeting of Unitholders, subject to a minimum amount of S$10,000 per month, excluding out-of-pocket expenses and goods and services tax. The actual fee payable will be determined between the Manager and the Trustee from time to time.	
		(c)	Other Fees or Charges		
			(i) Proposed Acquisitions Fee (*payable to the Manager*)	An acquisition fee of 1% of the purchase price of investment property. The acquisition fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect). Under the Appendix 6 to the Code on Collective Investment Schemes issued by the MAS (the "**Property Funds Appendix**"), in respect of any acquisition of real estate assets from interested parties, such a fee should be in the form of Units issued by Ascendas Reit at prevailing market price(s). Such Units should not be sold within one year from the date of their issuance.	

				(ii) Divestment Fee (*payable to the Manager*)	A divestment fee of 0.5% of the sale price of investment property. The divestment fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect). Under the Property Funds Appendix, in respect of any sale or divestment of real estate assets to interested parties, such a fee should be in the form of Units issued by Ascendas Reit at prevailing market price(s). Such Units should not be sold within one year from the date of their issuance.
				(iii) Development Management Fees (*payable to the Manager*)	The Manager is entitled to receive a development management fee not exceeding 3% of the total project cost incurred in development projects undertaken by Ascendas Reit. In cases where the market pricing for comparable services is materially lower, the Manager will reduce the development management fee to less than 3%. In addition, when the estimated total project cost is greater than S$100.0 million, the Trustee and the Manager's independent directors will review and approve the quantum of the development management fee.
				(iv) Lease Management Fee (*payable to the Manager*)	For lease management services, Ascendas Reit will pay the Manager or its nominees (as the Manager may direct), a fee of 1% per annum of the adjusted gross revenue of each property. In addition to the above fee, Ascendas Reit will pay the Manager or its nominees the following fees, subject to a refund of 50% of the commission paid to the Manager or its nominees if the tenancy is prematurely terminated within six months of the commencement of the tenancy. If the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses), the Manager or its nominees need not refund 50% of the commission. If the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Manager or its nominees would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50% of the commission paid.

					In relation to a tenancy which is renewed, Ascendas Reit will pay the Manager or its nominees, the following fees: • pro-rated based on 0.5 month's gross rent inclusive of service charge for securing a tenancy of six months or more but less than one year; • 0.5 month's gross rent inclusive of service charge for securing a tenancy of one year or more but less than or equivalent to three years; • pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years; • 1.0 month's gross rent inclusive of service charge for securing a tenancy of five years; and • pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of more than five years, provided that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge. In relation to any new take-up of space by an existing tenant or where the space is taken up by a new tenant introduced by an existing tenant, Ascendas Reit will pay the Manager or its nominees, the following fees: • pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of six months or more but less than three years; • 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years;	

					• pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years; • 2.0 months' gross rent inclusive of service charge for securing a tenancy of five years; and • pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than five years, provided that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge. For property tax services, the Manager or its nominees (as the Manager may direct) are entitled to the following fees if as a result of the Manager's or the nominees' objections to the tax authorities, the proposed annual value is reduced resulting in property tax savings for the property: • a fee of 7.5% of the property tax savings, where the proposed reduction in annual value is S$1.0 million or less; • a fee of 5.5% of the property tax savings, where the proposed reduction in annual value is more than S$1.0 million but does not exceed S$5.0 million; and • a fee of 5% of the property tax savings, where the proposed reduction in annual value is more than S$5.0 million. The above mentioned fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period less the expenses incurred to obtain the property tax savings and is not payable to the Manager if the Manager's objections are not successful or if the reduction in annual value results from an appeal to the valuation review board.	

				(v) Property Management Fees *(payable to the Property Manager)*	For property management services, Ascendas Reit will pay Ascendas Services Pte Ltd ("**ASPL**") (the "**Property Manager**") a fee of 2% per annum of the adjusted gross revenue of each property, managed by the Property Manager, and in the event that the Property Manager only manages such property for less than one calendar year, such amount to be pro-rated based on the number of days which the Property Manager manages such property divided by the number of days in such year.	
				(vi) Marketing Services *(payable to the Property Manager)*	For marketing services, Ascendas Reit will pay the Property Manager the following commissions, subject to a refund of 50% of the commission paid to the Property Manager if the tenancy is prematurely terminated within six months of the commencement of the tenancy. If the tenant fully compensates the Trust for the pre-termination (taking into account the loss of income and related expenses), the Property Manager need not refund 50% of the commission. If the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Property Manager would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50% of the commission paid: • pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of six months or more but less than three years; • 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years;	

					• pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years; • 2.0 months' gross rent inclusive of service charge for securing a tenancy of five years; • pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than five years with the terms of the lease subject to the prior approval of the Manager, provided that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge; • if a third party agent secures a tenancy, the Property Manager shall pay to the third party agent the same fees as stated above. Prior approval of the Manager is required for the Property Manager to pay a third party agent a commission that is less than as set out above. For the avoidance of doubt, there will not be double charging of commission payable to the third party agents and the Property Manager as the commissions payable to such third party agents shall be paid out of the Property Manager's fee; and • an administrative charge of 20% of the commission is payable to the Manager or the Property Manager in the case of a new lease take-up which involves a third party agent for the marketing support and administrative services to be rendered either by the Manager or the Property Manager.	

				(vii) Project Management Services *(payable to the Property Manager)*	For project management services, Ascendas Reit will pay the Property Manager the following fees for the (i) development or redevelopment (if not prohibited by the Property Funds Appendix or if otherwise permitted by the Monetary Authority of Singapore), refurbishment, retrofitting and renovation works to a property where submission to the relevant authorities for the approval of such works is required or (ii) routine maintenance where the expenses for the routine maintenance of the property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards: • a fee of 3.00% of the construction costs, where the construction costs are $2.0 million or less; • a fee of 2.15% of the construction costs, where the construction costs exceed $2.0 million but do not exceed $12.0 million; • a fee of 1.45% of the construction costs, where the construction costs exceed $12.0 million but do not exceed $40.0 million; • a fee of 1.40% of the construction costs, where the construction costs exceed $40.0 million but do not exceed $70.0 million; • a fee of 1.35% of the construction costs, where the construction costs exceed $70.0 million but do not exceed $100.0 million; and • a fee to be mutually agreed by the parties, where the construction costs exceed $100.0 million.	

					For purpose of calculating the fees payable to the Property Manager, construction costs means all construction costs and expenditure valued by the quantity surveyor engaged by Ascendas Reit for the project, but excluding development charges, differential premiums, statutory payments, consultants' professional fees and goods and services tax.	
				(viii) Energy Audit Services *(payable to the Property Manager)*	For energy audit services, Ascendas Reit will pay the Property Manager \$4,000 per chiller for the first two sets of chiller and \$2,000 for any subsequent set of chiller in a property (being the base energy audit fee). In addition to these fees, the Trust will pay ASPL 40% of the cost savings achieved in each property during the first three years after the completion of the works in such property, subject to a maximum of \$40,000 per property (such amount shall be inclusive of the base energy audit fee and the fees based on the savings achieved).	
				(ix) Car Park Management Services *(payable to the Property Manager)*	For car park management services, Ascendas Reit will pay ASPL the following fees: • in relation to the car parks located at certain 33 properties as set out in the property management agreement ("**Managed Car Parks**"), a management fee of \$2.16 million per annum ("**Base Car Park Fee**") and 40% of hourly parking collections for such car parks (excluding goods and services tax). For the avoidance of doubt, any hourly car park rebates given to car park users will not be included in the hourly car park collections for the computation of fees.	

					• in the event that additional car parks are added or subsequently removed from the Managed Car Parks, the Base Car Park Fee shall be adjusted as follows: – in relation to a property which has up to 100 car park lots – the Base Car Park Fee shall be increased or decreased by $35 per car park lot per month multiplied by the number of car park lots in such property. – in relation to a property which has more than 100 car park lots – the Base Car Park Fee shall be increased or decreased by $25 per car park lot per month multiplied by the number of car park lots in such property.	
				(x) Strategic Management Services *(payable to Ascendas Funds Management (Australia) Pty Ltd*	For strategic management services, Ascendas Reit will pay Ascendas Funds Management (Australia) Pty Ltd ("**AFMA**"), a wholly owned subsidiary of the Manager, a strategic management fee of 1% per annum of the adjusted gross revenue of each property. For asset management services, Ascendas Reit will pay AFMA an asset management fee (to be mutually agreed between Ascendas Reit and AFMA) under the asset management agreement. To the extent that the asset management fees payable to AFMA exceeds the fees charged to AFMA by third-party licensed real estate agents and results in a net positive balance for any financial year to AFMA (an "Excess"), the fees payable to AFMA under the strategic management agreement will be reduced by the Excess such that the total fee payable to AFMA under both the strategic management agreement and the asset management agreement, after taking into consideration the fees charged by the third-party licensed real estate agents, will not exceed the aggregate fee of 1% per annum of the adjusted gross revenue of the properties for which strategic management services and asset management services are provided.	

				(xi) Asset and Lease Management Services *(payable to Ascendas Investment Pte Ltd)*	Ascendas Reit appointed Ascendas Investment Pte Ltd ("**AIPL**") as the asset manager for a term of approximately four years till 30 September 2022 to provide certain asset management, lease management and project management services in respect of the properties located in the UK, including the properties, held (whether directly or indirectly) by Ascendas Reit from time to time. In connection with the foregoing, the Manager, the Trustee and AIPL entered into a master asset and lease management agreement (the "**Master ALMA**"). Pursuant to the Master ALMA, individual asset and lease management agreements (the "Individual ALMAs", together with the Master ALMA, the "**ALMAs**") were entered into by each underlying asset holding company with Ascendas Management (UK) Ltd ("**AMUK**"), a wholly-owned subsidiary of AIPL, to appoint AMUK as the asset manager for the UK properties for a term of approximately four years till 30 September 2022. In consideration of AMUK providing the asset management services under the ALMAs, Ascendas Reit will pay AMUK an asset management fee of 0.4% per annum of the Deposited Property. The payment of the asset management fee will reduce the base management fees payable to the Manager described under 1.2 (i) correspondingly, such that there is no double counting of the payment of the asset management fees under the asset and lease management agreements and the payment of base management fees to the Manager. For lease management services, Ascendas Reit will pay AMUK a lease management fee of 1% per annum of the adjusted gross revenue of each property in the UK.	

<table>
<tr><td colspan="3">FUND 3.2.2R(10) and (11)</td></tr>
<tr><td>26.</td><td>Description of how the AIFM ensures a fair treatment of investors and details of any preferential treatment received by investors (including where the right to obtain preferential treatment exists, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM).</td><td>No unfair or preferential treatment is afforded to any Unitholder. Under the Trust Deed, every Unit carries the same voting rights. Ascendas Reit has only issued one class of Units, and as a result will treat all Unitholders equally.

The Trust Deed provides that in relation to any rights issue, the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with The Central Depository (Pte) Limited, are outside Singapore. In such event, the rights or entitlements to the Units of such Unitholders will be offered for sale by the Manager, and the net proceeds of any such sale if successful will be paid to the relevant Unitholder.</td></tr>
<tr><td colspan="3">FUND 3.2.2R(14)</td></tr>
<tr><td>27.</td><td>The latest annual report prepared for the AIF (to include, at a minimum:

(i) a balance sheet or statement of assets and liabilities;

(ii) any income and expenditure report for the financial year;

(iii) a report on the activities of the financial year;

(iv) any material changes in FUND 3.2.2R disclosures during the financial year covered by the report;

(v) the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the AIFM to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the AIF; and

(vi) the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF).</td><td>The latest annual report of Ascendas Reit is in respect of the financial year ended 31 March 2019 (the “2018/19 Annual Report”). The 2018/19 Annual Report is published by Ascendas Reit on its website and is also available for download via the SGX-ST’s website at www.sgx.com.

(i) Please refer to pages 169-170 of the 2018/19 Annual Report. Please also see in general the audited financial statements from page 169 of the 2018/19 Annual Report.

(ii) Please refer to page 171 of the 2018/19 Annual Report. Please also see in general the audited financial statements from page 169 of the 2018/19 Annual Report.

(iii) Please refer to pages 16-17 of the 2018/19 Annual Report. Please also see in general the entirety of the 2018/19 Annual Report.

(iv) There has been no material change in the FUND 3.2.2R disclosures during the financial year covered by the 2018/19 Annual Report.

(v) The total amount of remuneration paid by the Manager to its employees for the financial year ended 31 March 2019 was as follows:

Fixed remuneration S$10.18 million

Variable remuneration S$6.09 million

As at 31 March 2019, the Manager has 77 employees. Director fees for the year ended 31 March 2019 amounted to S$0.71 million.

In addition, a general description of the remuneration policy and practice adopted by the Manager is set out on pages 139-143 of the 2018/19 Annual Report.

(vi) Please refer to page 143 of the 2018/19 Annual Report.</td></tr>
</table>

FUND 3.2.2R(12)		
28.	The procedure and conditions for the issue and sale of units or shares.	Pursuant to the Trust Deed, the Manager shall have the exclusive right to effect for the account of Ascendas Reit the issuance of Units. The issuance of any Units by the Manager must be in compliance with the Listing Manual of the SGX-ST and the Trust Deed, which set out the approvals required from Unitholders and the restrictions on the price of the Units to be issued. For so long as the Units are listed and traded on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST.
FUND 3.2.2R(13)		
29.	The latest net asset value of the AIF or the latest market price of the unit or share of the AIF, calculated in accordance with FUND 3.9.	The unit price of Ascendas Reit is publicly available from the SGX-ST website, Ascendas Reit's website and from financial information vendors. FUND 3.9 does not apply to Ascendas Reit.
FUND 3.2.2R(15)		
30.	Details of the historical performance of the AIF (where available).	Since its initial public offering, information on the accounts of Ascendas Reit may be obtained from the annual reports of Ascendas Reit. Information on the financial performance of Ascendas Reit since its initial public offering may be obtained from the quarterly financial results announcements released by Ascendas Reit via Ascendas Reit's corporate website or SGXNET.
FUND 3.2.2R(16)		
31.	The identity of the prime broker.	This is not applicable.
32.	Description of any material arrangements of the AIF with its prime brokers and the way any conflicts of interest thereto are managed.	This is not applicable.
33.	Details of the provision in the contract with the AIF's depositary on the possibility of transfer and reuse of AIF assets.	This is not applicable.
34.	Information about any transfer of liability to the prime broker that may exist.	This is not applicable.

FUND 3.2.2R(17)		
35.	Details of how and when the AIFM will provide reports on the following topics to its investors in relation to each EU AIF that it manages and each AIF that it markets within the EU: (i) the percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature; (ii) any new arrangements for managing the liquidity of the AIF; and (iii) the current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks.	The Manager will make the relevant announcement via SGXNET in the event that there is material information on these topics to be disclosed in accordance with the prevailing listing rules of the SGX-ST and such announcements are accessible via the SGX-ST's website at http://www.sgx.com. Such announcements will also be published on Ascendas Reit's corporate website and will be publicly available to all investors.
36.	Details of how and when the AIFM will (when managing EU AIFs employing leverage or marketing in the EU AIFs employing leverage) will disclose, for each AIF, on a regular basis: (i) any changes to the maximum level of leverage which the AIFM may employ on behalf of the AIF as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and (ii) the total amount of leverage employed by that AIF.	The Manager will make periodic disclosures about Ascendas Reit's aggregate leverage during its quarterly financial reporting, and such information will be made available to investors via the announcements released on SGXNET or the published annual report. Please refer to the disclosure in paragraph 10 above on the permitted maximum level of leverage as stated in the Property Funds Appendix. Any changes to the Property Funds Appendix (as far as maximum level of leverage is concerned) may be communicated by way of publication of notices on the MAS website which can be found at http://www.mas.gov.sg/.

DETAILS OF THE TARGET PROPERTIES

The US Properties

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 US, 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, 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 US, 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 US, 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 US, 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 US, 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 storeys 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 US, 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$101.2)
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 US, 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	1999/2000
Committed Occupancy	93.1%
Property Manager	Cushman & Wakefield US, 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
GFA (sq m)	29,500
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, Inc, 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
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
Number of Tenants	32

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
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
Number of Tenants	1

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

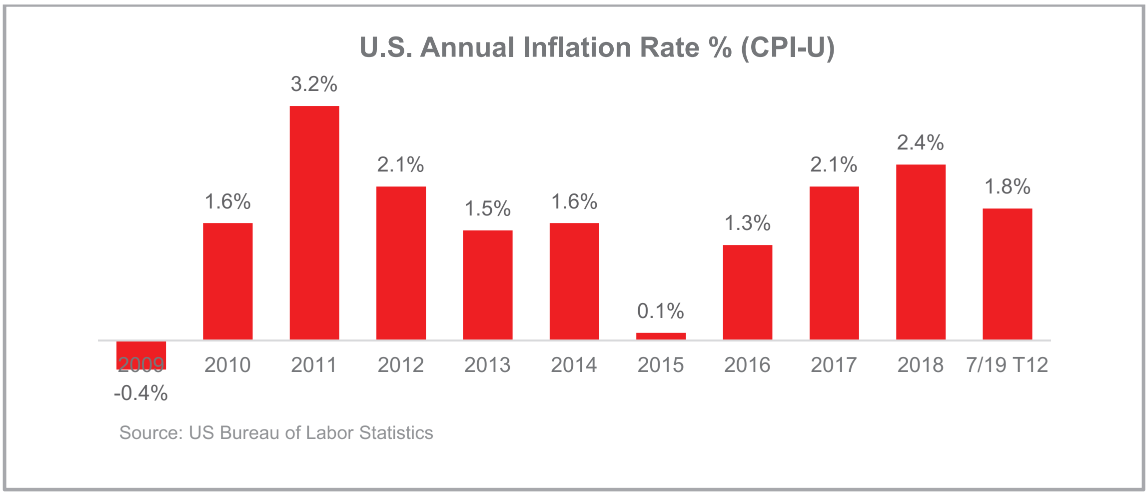
Economic growth in the U.S. remains solid if not robust. Real GDP in Q1 2019 surprised many, coming in at 3.1%; this was the same quarter that featured the longest government shutdown on record. As the tax cut stimulus effects fade, however, growth rates are expected to moderate over the course of the 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.

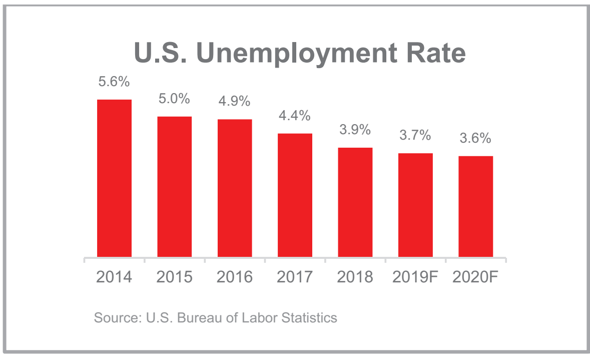
Inflation, Employment, and Consumer Confidence

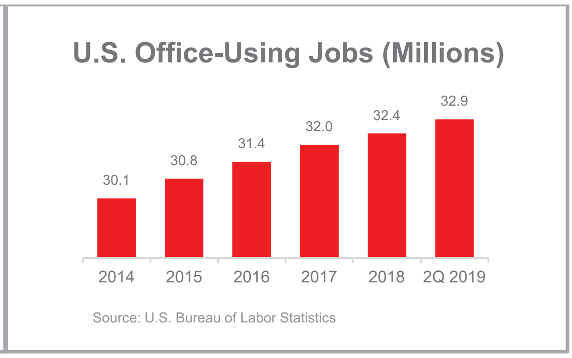
Annual inflation in the U.S. increased to 1.8% in July 2019, up from 1.6% in the preceding period. The increase was fueled by the cost of energy products, but the overall rate is still below the Federal Reserve's target inflation rate of 2.0%. The Federal Reserve cut rates by an additional 25 bps at 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:

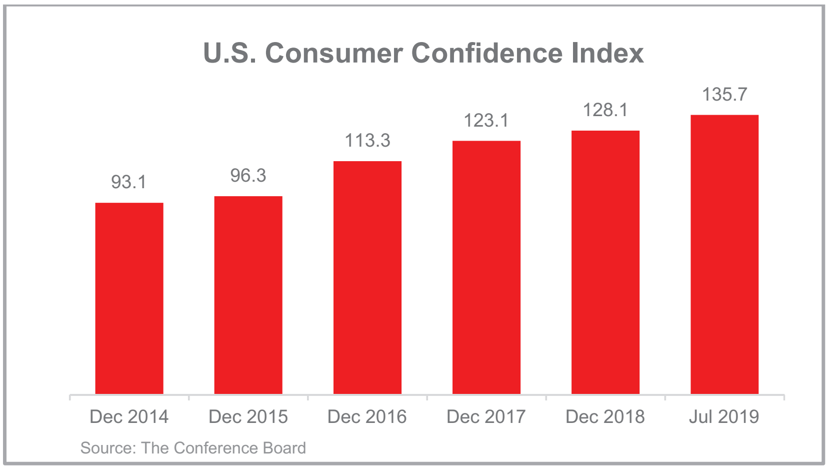


The unemployment rate remains at its lowest level since the early 2000s at 3.7% in July 2019, while office-using employment expanded 9.3% from 30.1 million in 2014 to 32.9 million in Second Quarter 2019.





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*

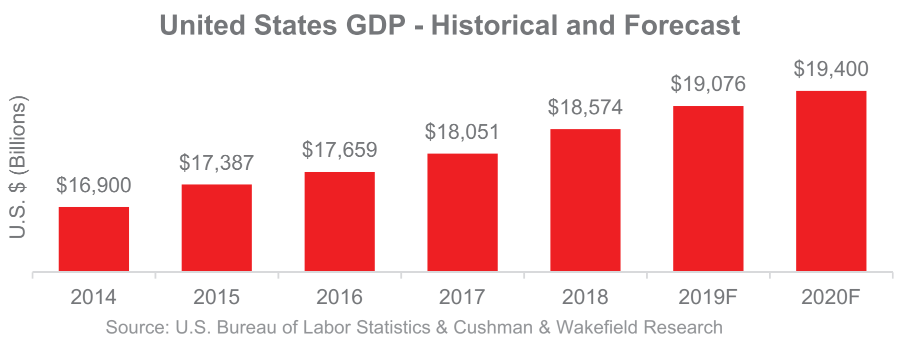
2. *Historical series based on CoStar; Shopping Centers Only (excludes stand-alone and urban retail)*

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.

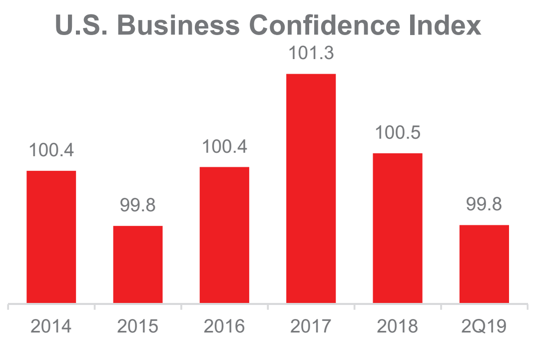
As shown in the preceding table, U.S. GDP is projected to continue to expand, although at a slower pace than in recent years. This is further illustrated by the following chart:



Source: U.S. Bureau of Labor Statistics & Cushman & Wakefield Research

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.



Source: OECD

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

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

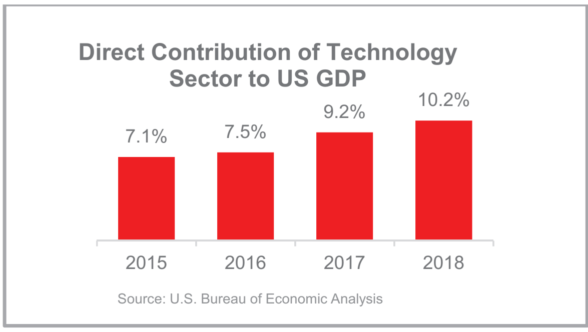
Global forces are continuing to keep downward pressure on U.S. interest rates. Global inflation still remains well below 2% in most of the advanced world and 10-year sovereign bond yields are still significantly lower around the world. As of August 2019, the 10-year bonds in Germany, Japan and Switzerland 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.

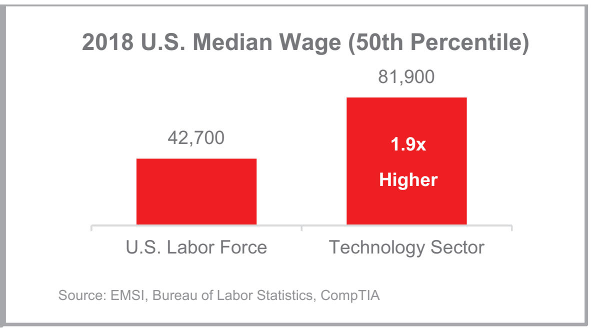
Technology and Healthcare Sectors as Key Drivers

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 (50^{th} 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.





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

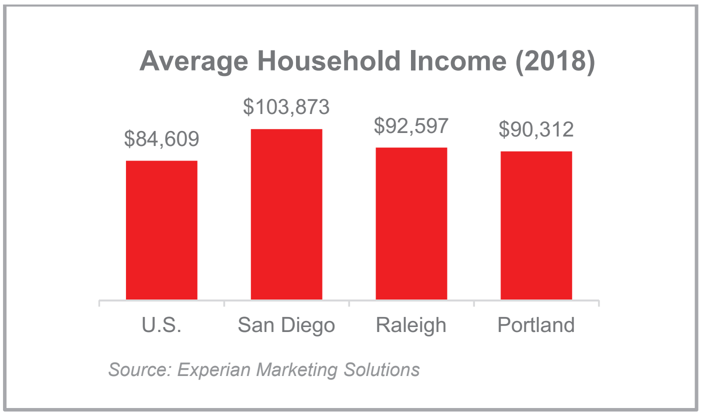
*Most Recent Data Available (2016-2018)

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.

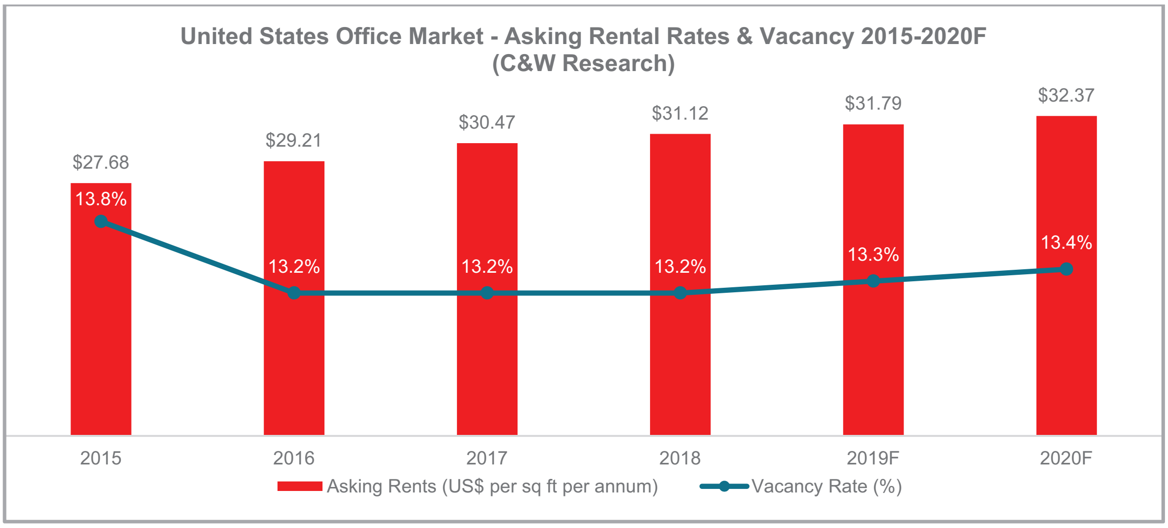
U.S. Office Real Estate Market

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

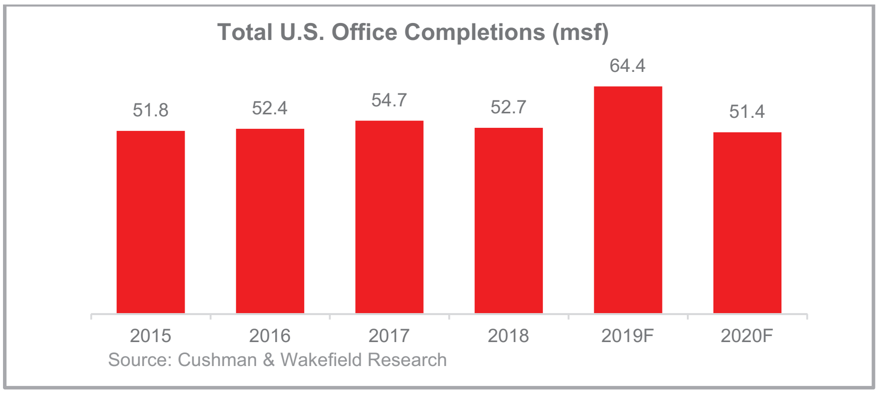
In second quarter 2019, 14.4 msf of office space delivered, an increase from 8.7 msf delivered in the first quarter but was 22% below the 18.4 msf completed in the second quarter of 2018. Construction activity has especially increased in tech cities over the last 12 months. By the end of the second quarter 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:

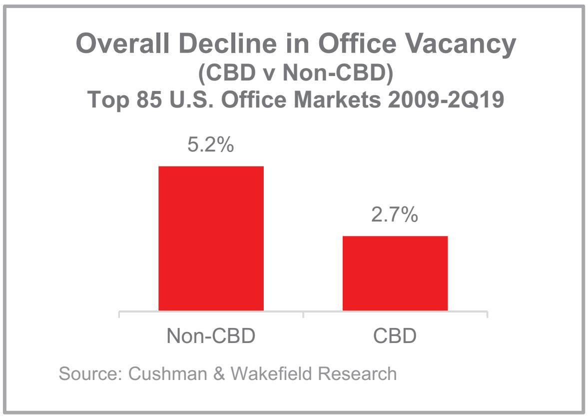


Technology Centers Dominate Demand

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.

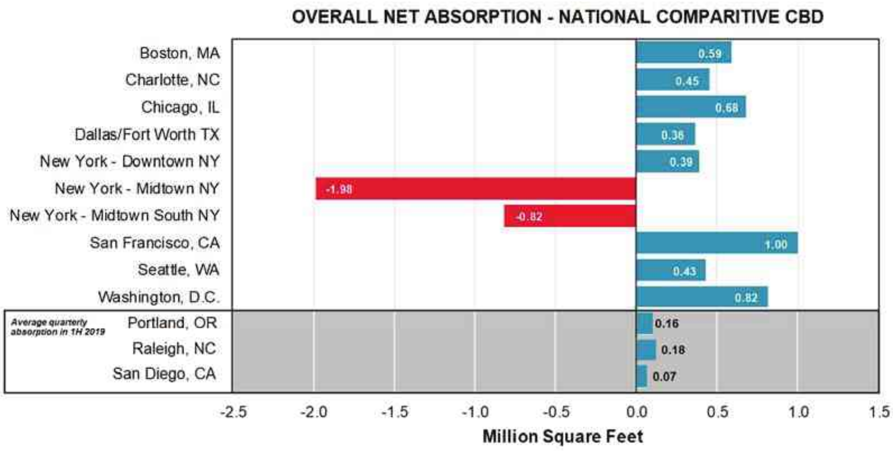
Suburban Office v. Central Business District (CBD) Outlook

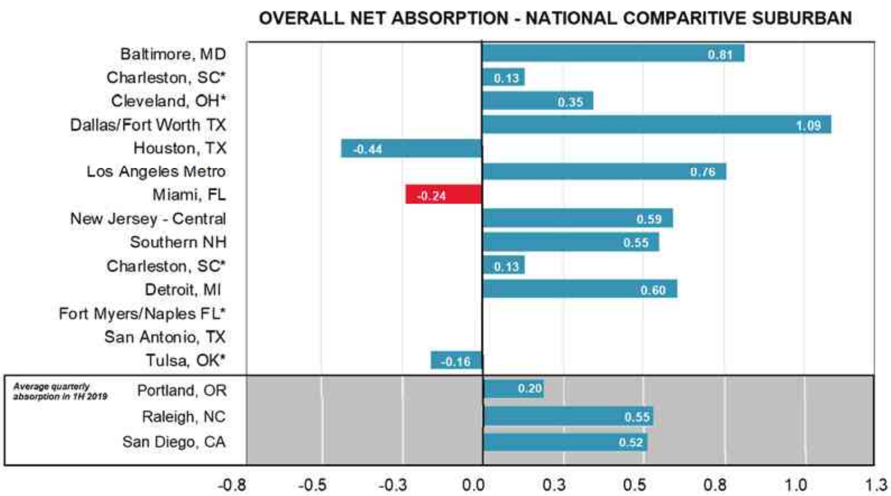
The suburban office market has experienced notable improvement in recent periods. From 2009 through the second quarter of 2019, the overall non-CBD office vacancy rate has improved by 5.2% in the suburbs across the top 85 U.S. office markets compared to a 2.7% vacancy rate improvement across the same 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.

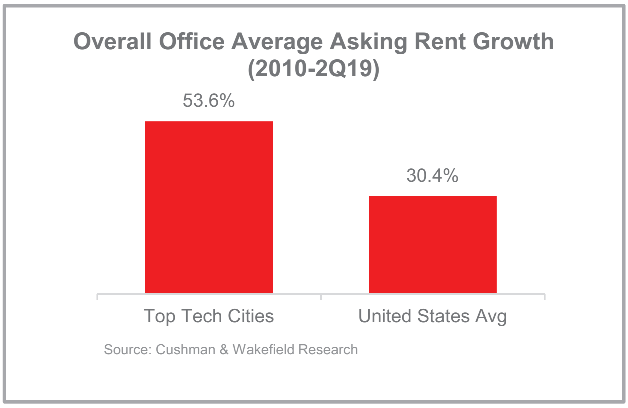
Emergence of Metropolitan Innovation Clusters

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.

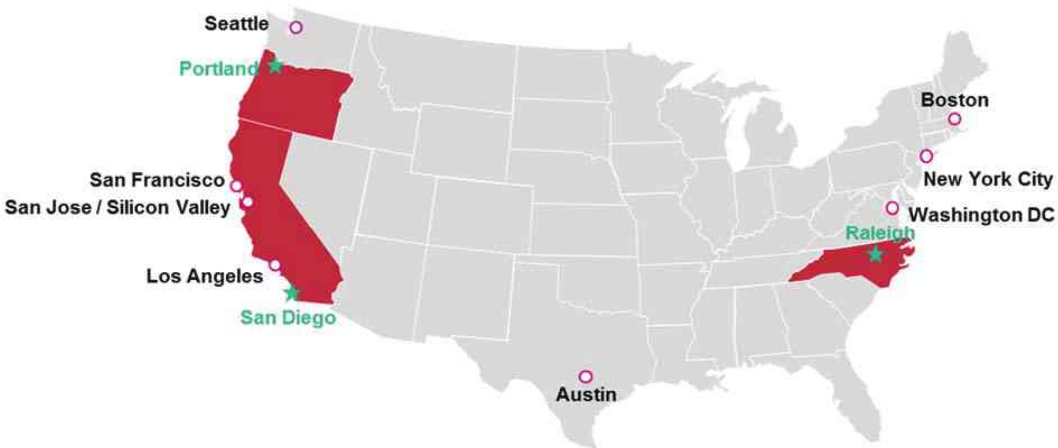
Portfolio Overview

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

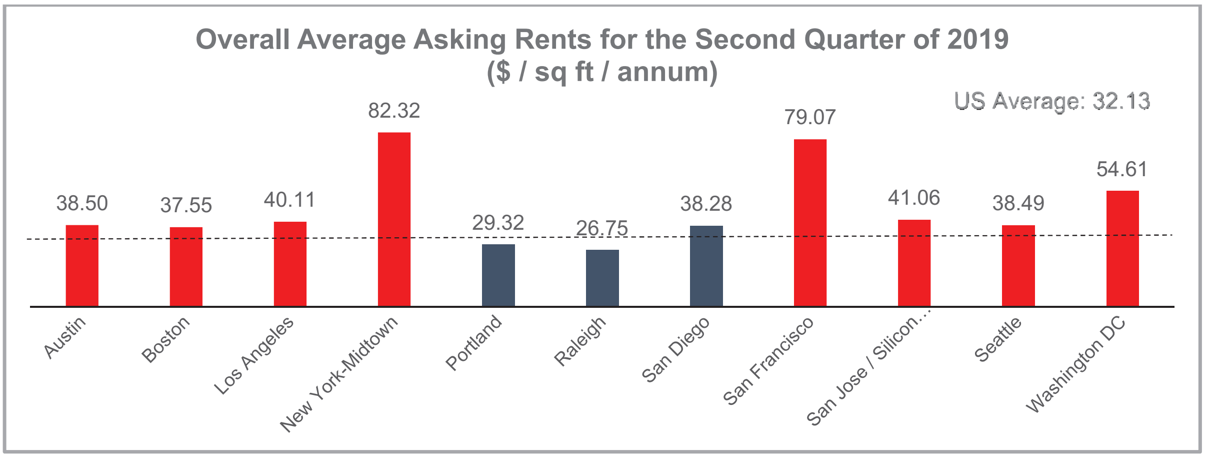
City	Submarket	Campus Name(s)	# Properties	2Q19 Avg. Asking Rent(1)
San Diego	Sorrento Valley	The Campus at Sorrento Gateway and CareFusion Campus	3	$35.82
San Diego	I-15 Corridor (Rancho Bernardo)	Innovation Corporate Center	5	$29.62
Raleigh	RTP/I-40	Perimeter Park	5	$23.60
Portland	Sunset Corridor	Cornell Oaks Corporate Center	6	$21.04
Portland	Beaverton/Sylvan (217 Corridor)	Creekside Corporate Center	9	$23.04

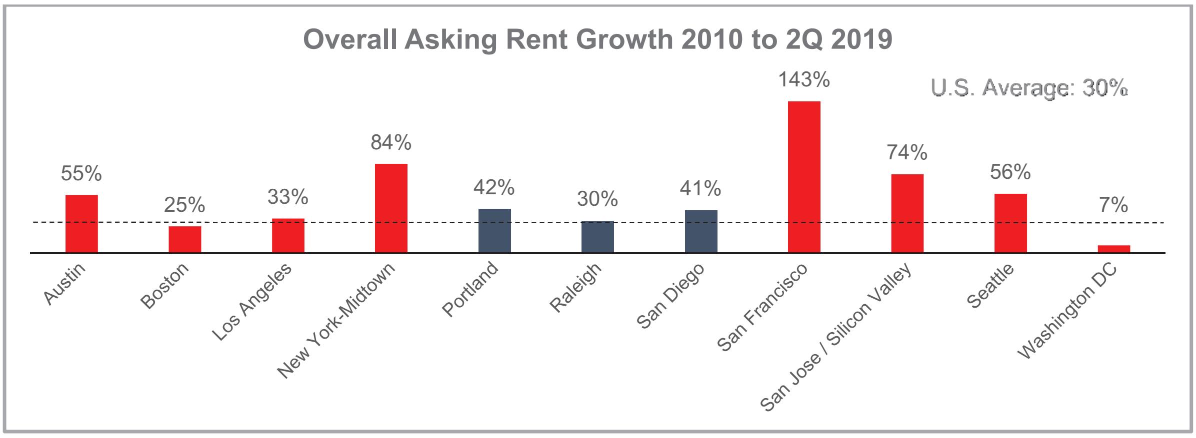
(1) Average asking rental rate per square foot per annum for all office space in the submarket as reported by Reis (2Q19)



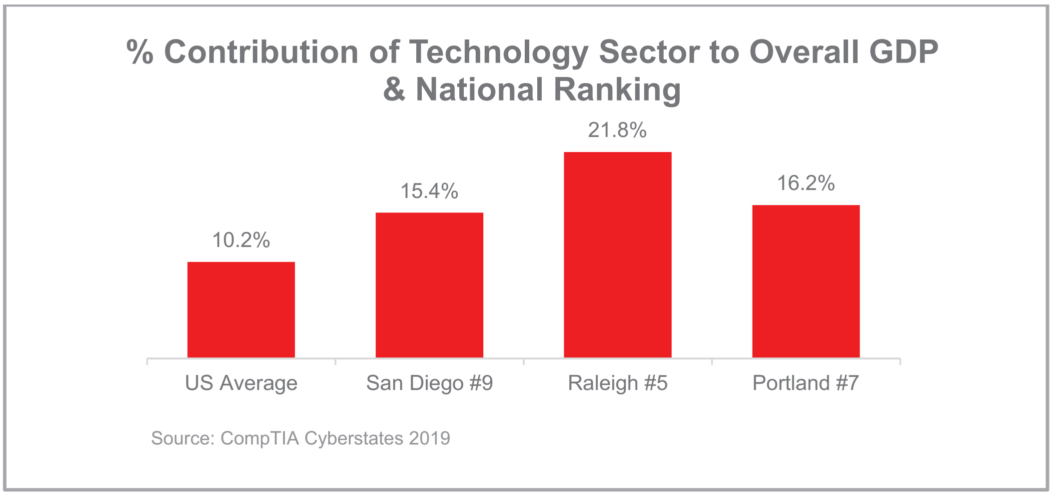
The Portfolio comprises of high growth Metropolitan Innovation Clusters in San Diego, Raleigh and Portland and provides exposure to some of the fastest growing technology markets in the U.S. The overall average office rents of each of the three cities in the Portfolio are generally lower than other top tech cities, which promoted the attractiveness for companies to locate their operations.

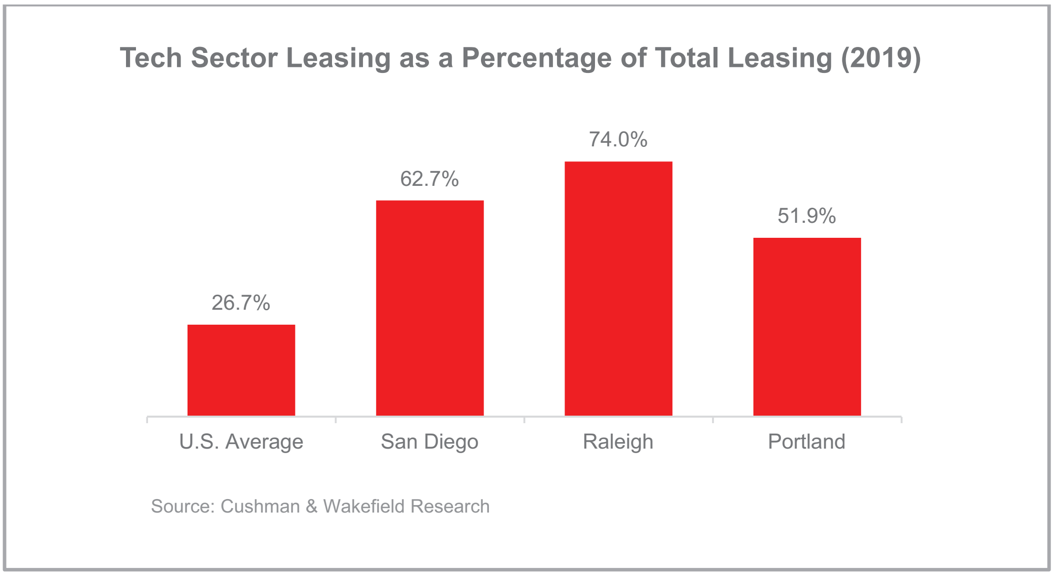
The tech cities used to compare were chosen from the Tech 25 based on their tech "Critical" (where jobs in technology companies account for more than 8% of all jobs) identification and population thresholds, thereby excluding locations in Utah and including Los Angeles and New York City. The Tech 25 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.





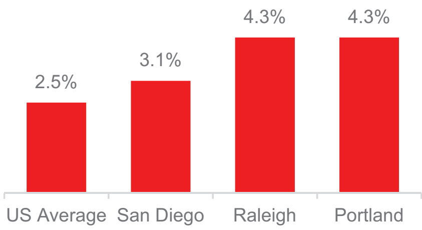
San Diego, Raleigh and Portland have benefited significantly from the growth of the technology sector. The three cities are ranked among the top ten cities in the U.S. by technology sector contribution to GDP in 2018, placing fifth, seventh and ninth for Raleigh, Portland and San Diego respectively. 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.





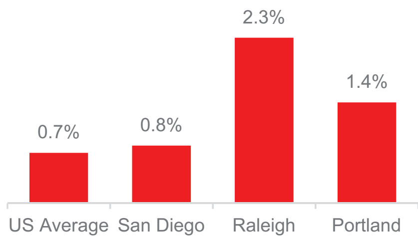
The information technology and other innovation sectors such as medical technology and devices ("MedTech"), biotechnology, pharmaceuticals, financial technology ("FinTech"), online financial services, wireless communications, and athletic apparel, have been key drivers of economic growth in the portfolio 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.

Average Annual GDP Growth (2013 – 2018)



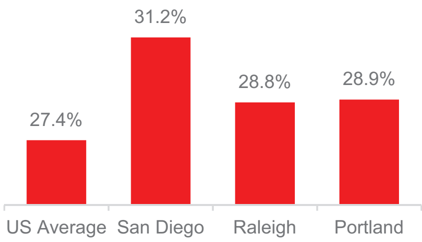
Source: Cushman & Wakefield Research

Average Annual Population CAGR (2013 – 2018)



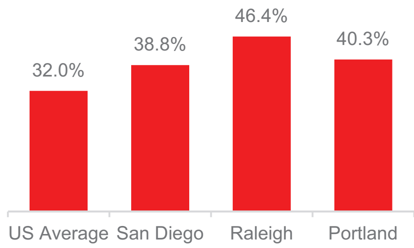
Source: Cushman & Wakefield Research

Millenials as a Percentage of Total Population (2Q19)



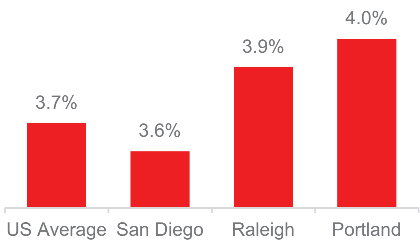
Source: Cushman & Wakefield Research

Percentage of Population with a Bachelor's Degree or Higher (2Q19)



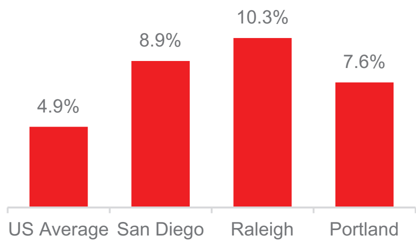
Source: Cushman & Wakefield Research

Unemployment Rate Comparison (July 2019)



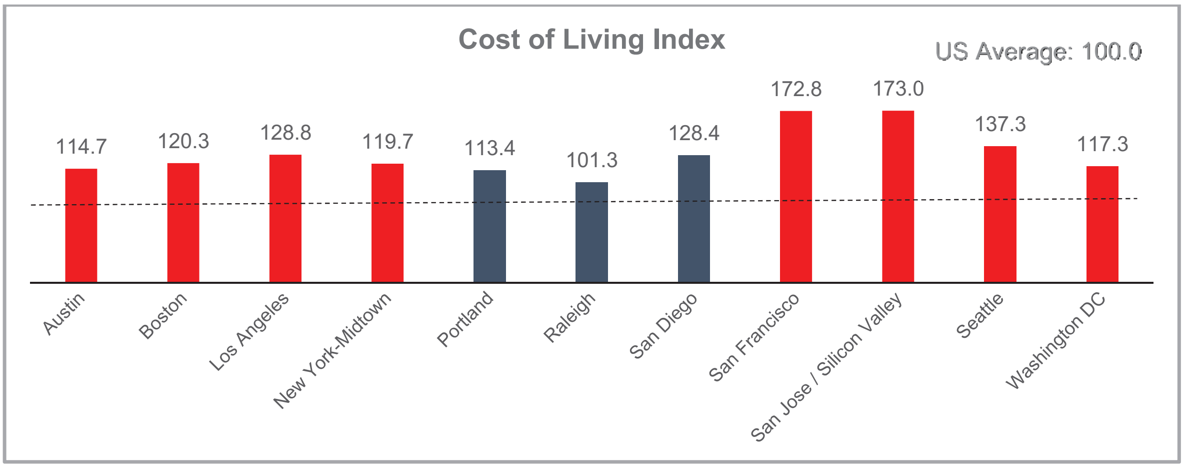
Source: Burear of Labor Statistics

Proportion of Technology Employment of Total Employment (2Q19)



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:

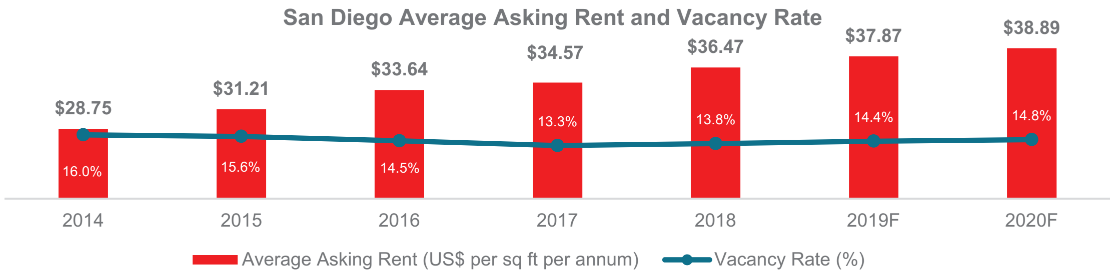
Largest Employers
San Diego-Carlsbad, CA

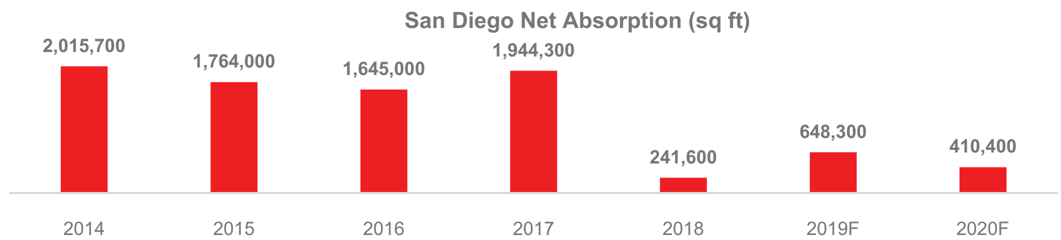
Company	No. of Employees	Business Type
Marine Corps Base Camp Pendleton	41,436	Military
University of California, San Diego	30,671	Education
Naval Base San Diego	30,144	Military
Naval Base Coronado (Including North Island NAS)	23,309	Military
Sharp Health	17,807	Healthcare
Scripps Health	14,863	Healthcare
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.

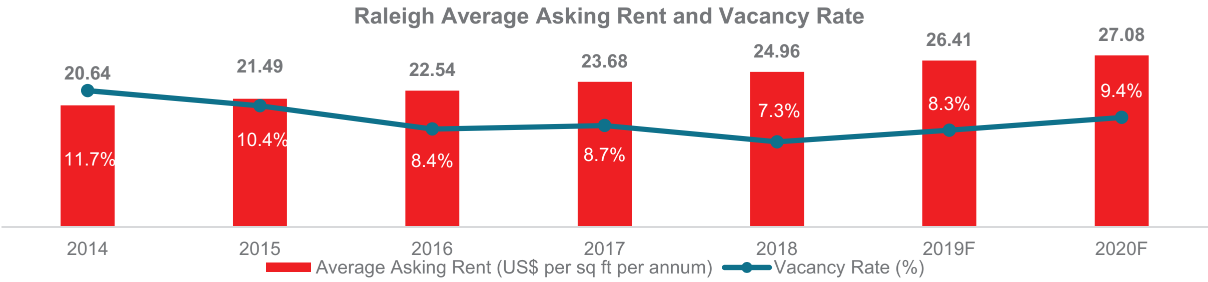
Largest Employers
Raleigh-Durham-Chapel Hill CSA, NC

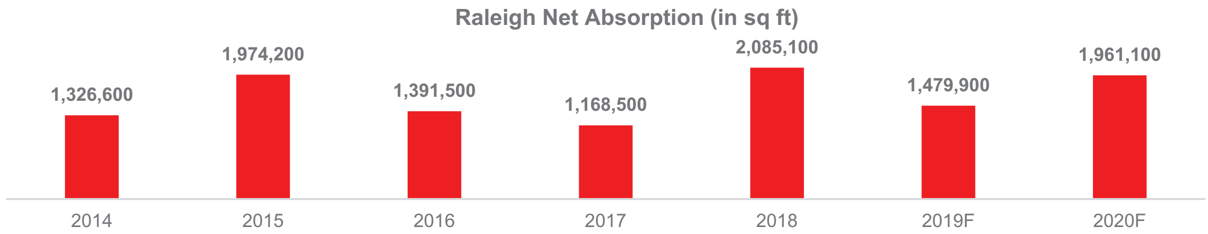
Company	No. of Employees	Business Type
Duke University and Health System	36,004	Education and Health Services
IBM Coporation	10,000	Technology
WakeMed Health & Hospitals	8,943	Healthcare
Rex Healthcare	5,700	Healthcare
SAS Institute, Inc.	5,616	Technology
GlaxoSmithKline	4,950	Pharmaceutical Development
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

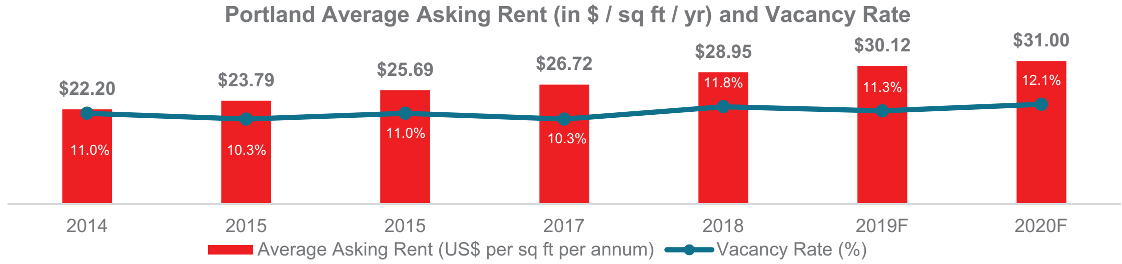
Largest Employers Portland-Vancouver-Hillsboro, OR-WA		
Company	No. of Employees	Business Type
Intel Corp.	19,300	Technology/Manufacture
Providence Health Systems	17,543	Education & Health Services
Oregon Health & Science University	16,200	Education & Health Services
Legacy Health System	12,955	Education & 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

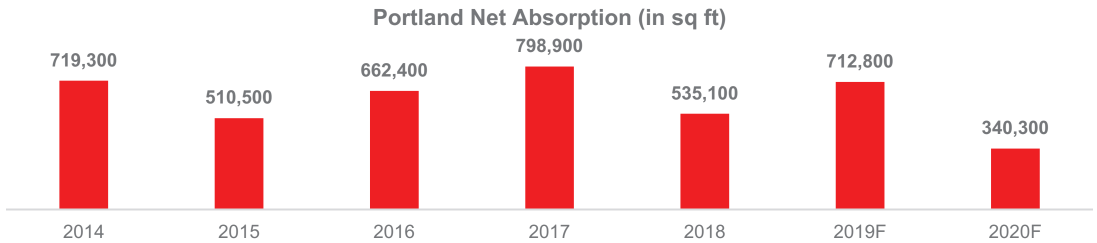
Source: Data Courtesy of Moody's Economy.com;
Cushman & Wakefield Valuation & Advisory

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.

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.

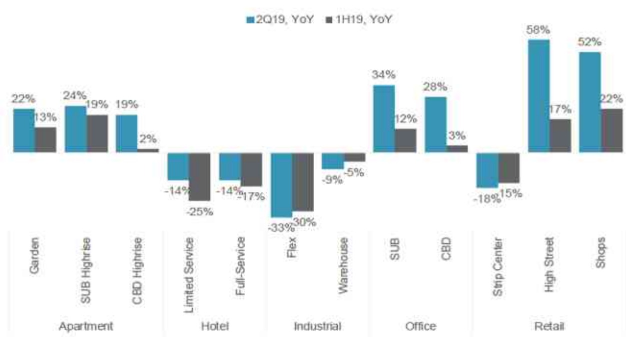
U.S. TRANSACTION ACTIVITY BY SECTOR

	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

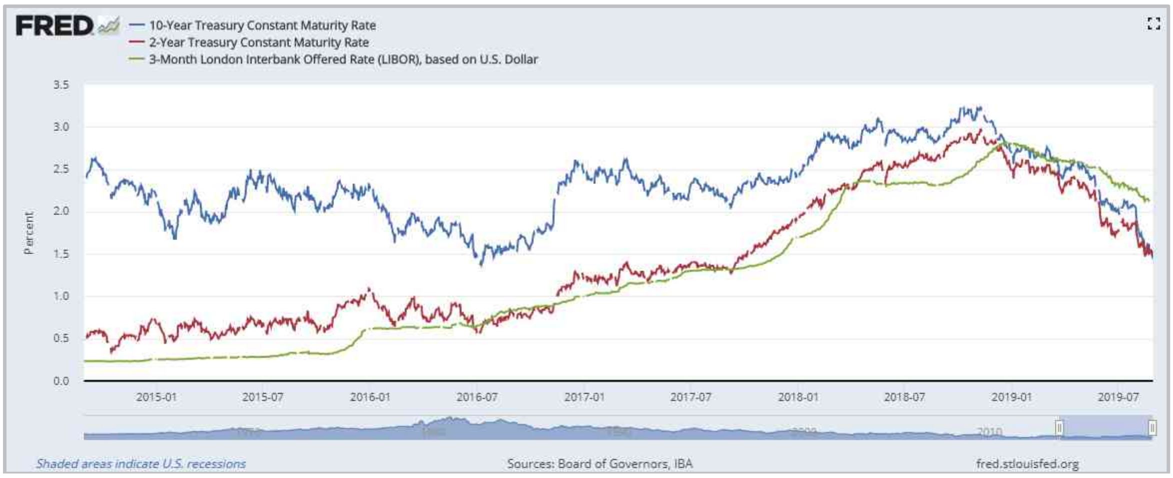
Interest Rates

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

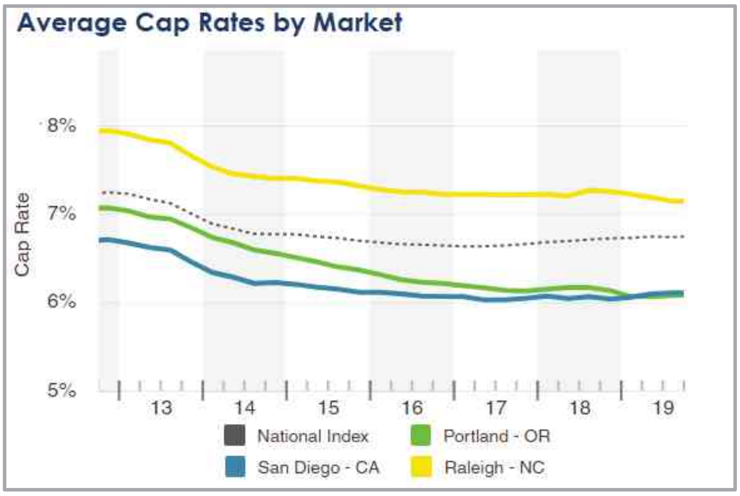
According to PricewaterhouseCoopers (PwC) Real Estate Investor Survey average cap rates for all property types decreased in 15 survey markets, increased in 10, and held steady in nine over first quarter 2019, according to the PwC Real Estate Investor Survey for second quarter 2019. Although quarterly 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.



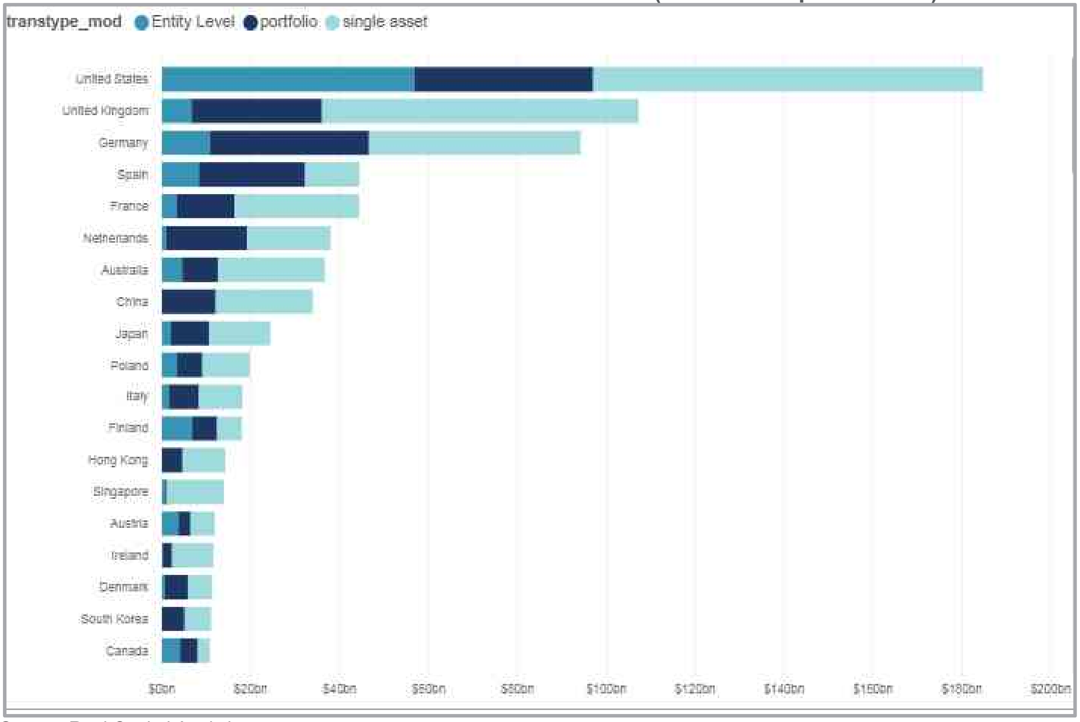
As shown, the capitalization rates have remained relatively stable since 2016 as compared to the 10-year treasury rate presented on the previous page varied by as much as 200 basis points over this time. While a statistically significant positive relationship between cap rates and 10-year Treasury Bonds 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:

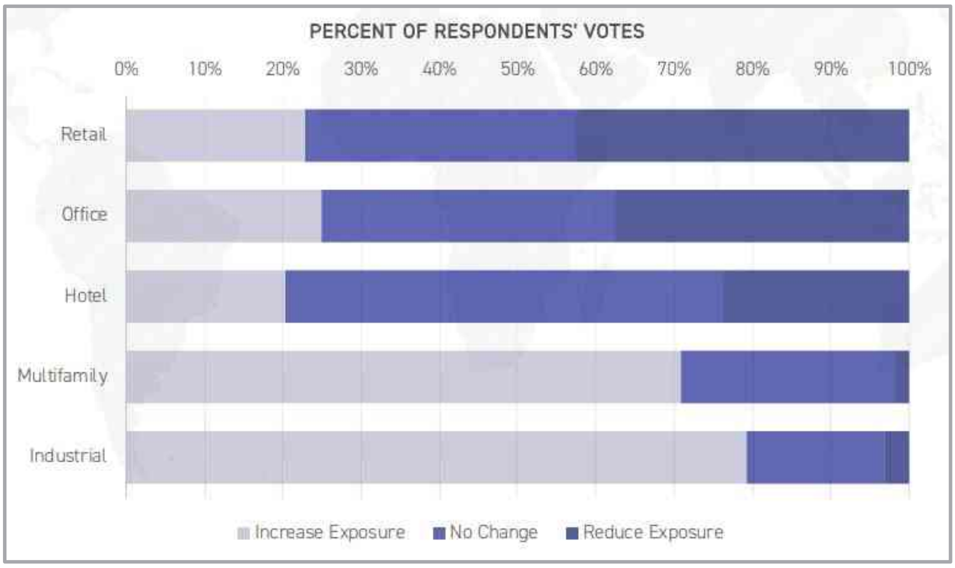
Commercial Real Estate Cross-Border Investment Volume (Excl. Development Sites) – 2016-2018



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

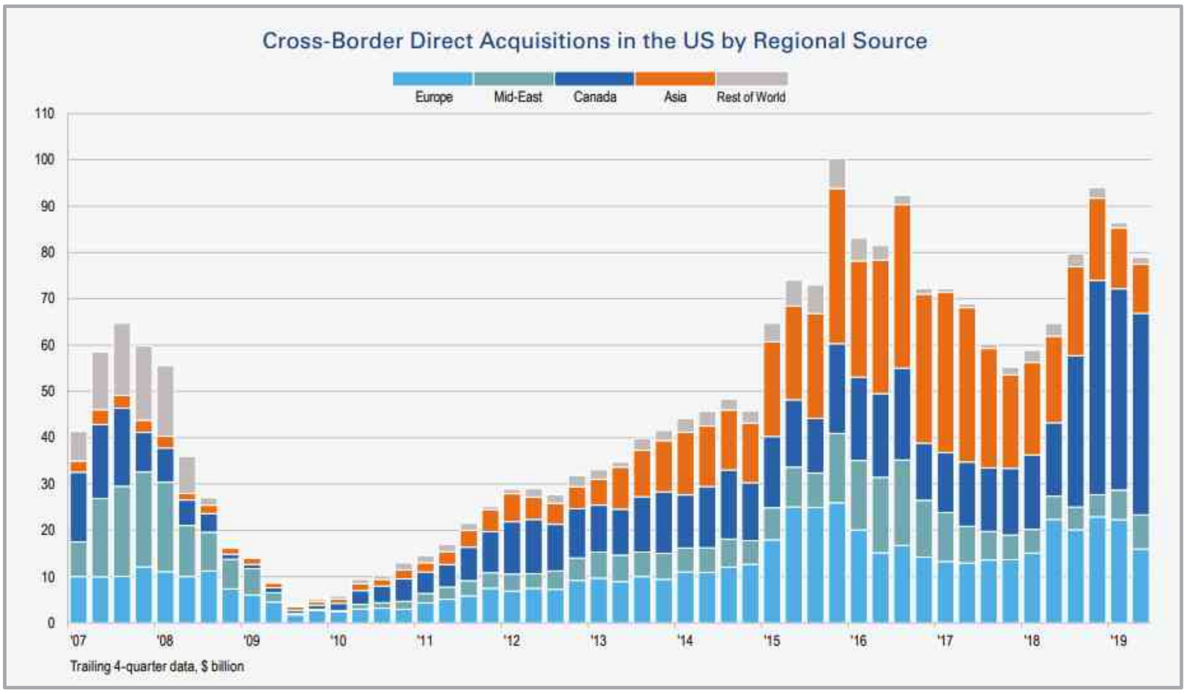
Canadian investors were by far the largest cross-border investor group in the 12-month period ending in June 2019, but European investors were the largest group during Second Quarter 2019 ($4.2 billion). The top cross-border investment regions from Second Quarter 19 and the preceding 12 months are summarized 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

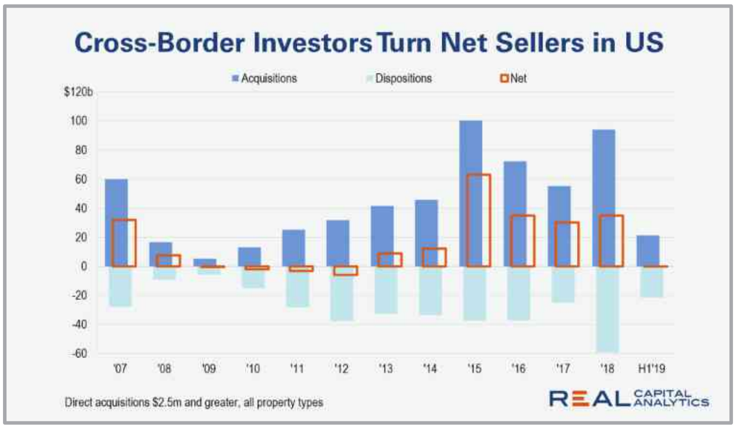
Cross-border acquisition sources are summarized by region in the following chart (as of Second Quarter 2019):



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

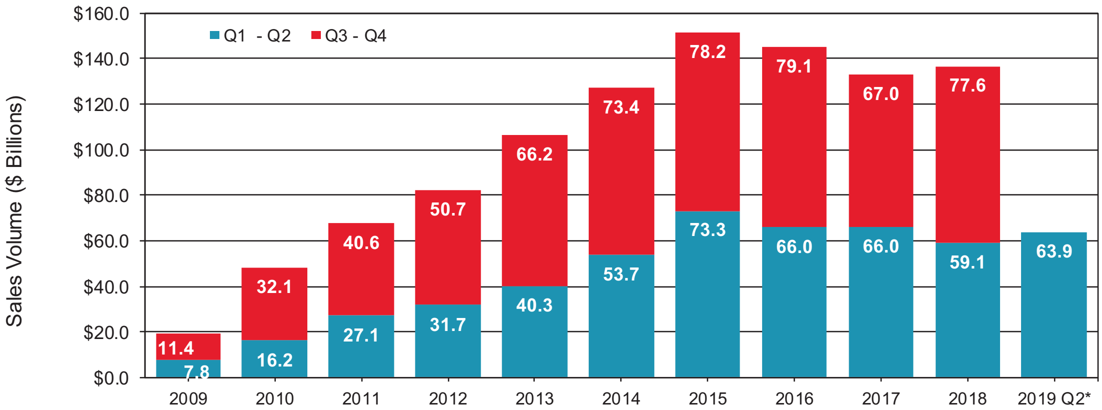
Office transactions (total dollar volume) have been at healthy levels as the economy has expanded over recent years. From 2009 through 2015, investors gained confidence in the office market and sales volume experienced consistent year-over-year growth. Sales volume for office product reached its cyclical 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.

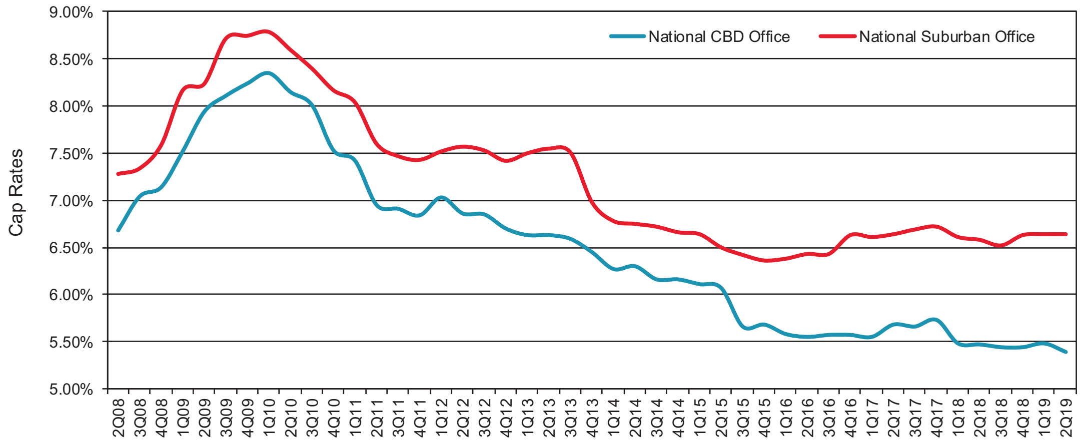
The PwC Real Estate Investor Survey and the National Council of Real Estate Investment Fiduciaries (NCREIF) methodologies offer unique perspectives on capitalization rate trends. The PwC Real Estate Investor Survey calculates its data based on a personal survey of major institutional equity real estate 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:

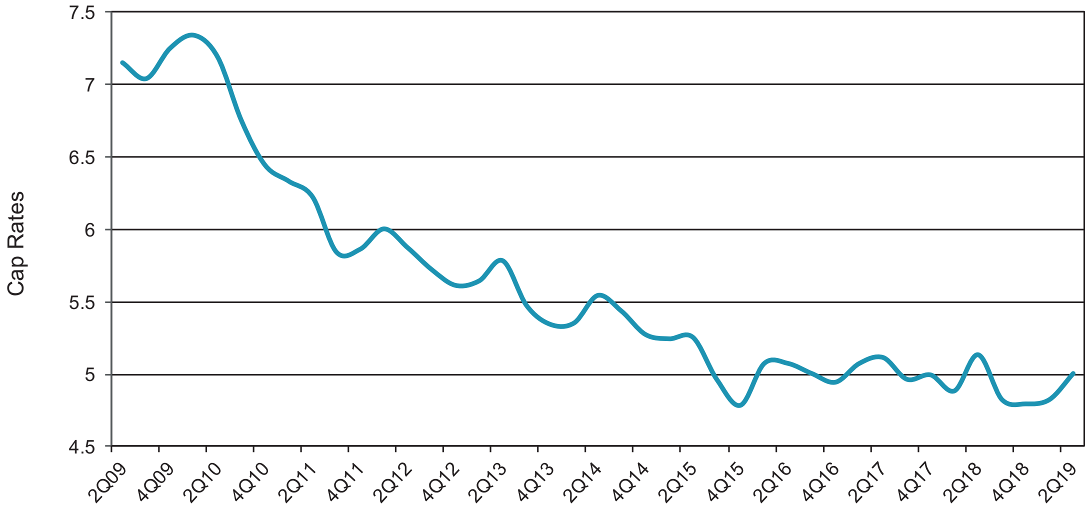
CBD & SUBURBAN OVERALL CAPITALIZATION RATES
NATIONAL OFFICE MARKET



Source: PwC Real Estate Investor Survey

The graph below reflects national historical cap rate trends as reported by NCREIF:

HISTORICAL NATIONAL OFFICE CAPITALIZATION RATES



Source: National Council of Real Estate Investment Fiduciaries

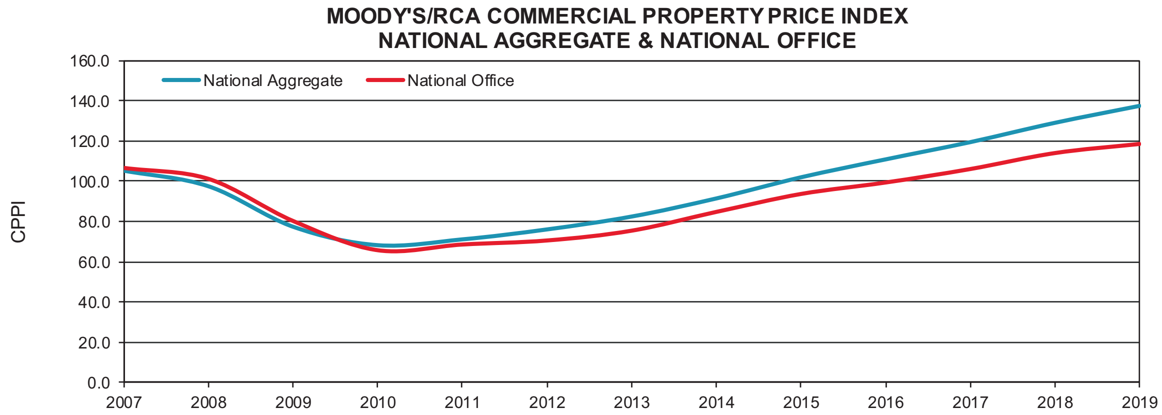
Moody's/RCA Commercial Property Price Index

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

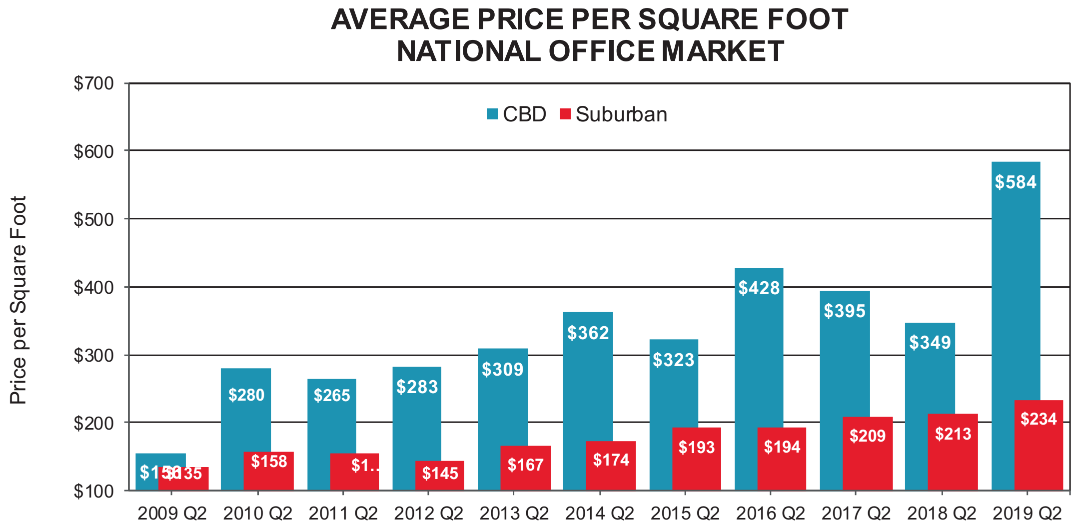
Sale Price PSF

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.

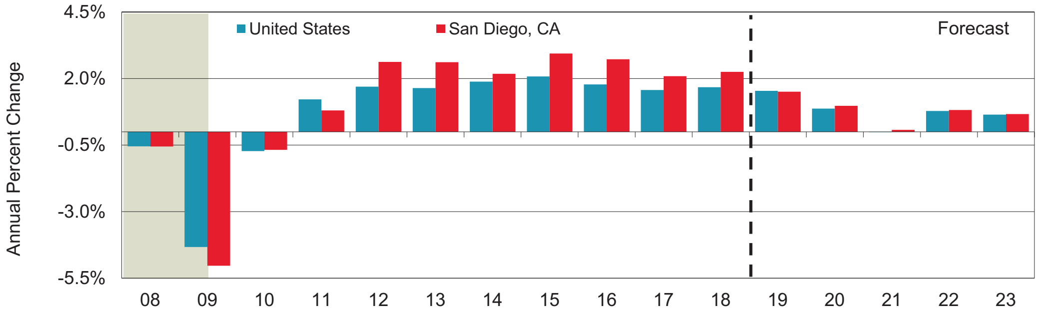
Labor Markets

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.

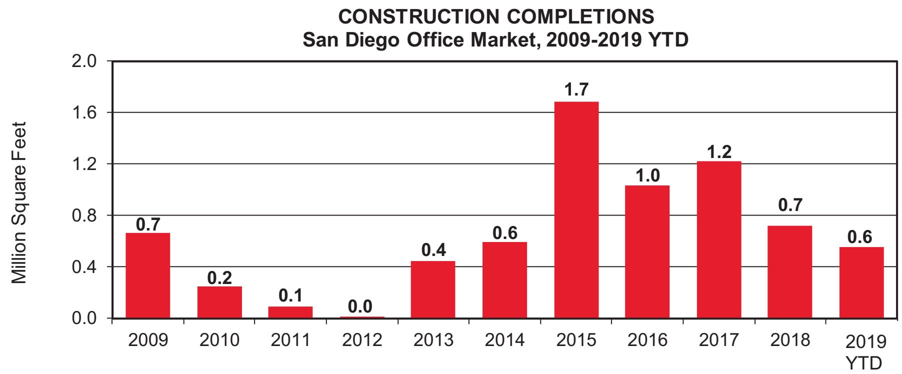
Increasing demand alongside positive absorption has driven down overall vacancy rates in the region. Looking forward, demand for office space is expected to increase as the employment sector continues to expand, albeit at a slower pace. The region is currently experiencing growth within the R&D and high-tech 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).

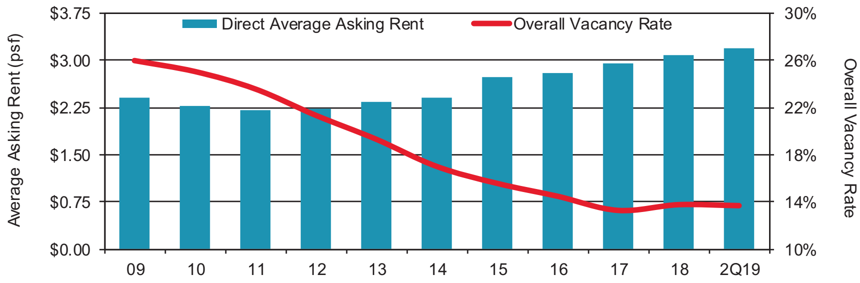
Demand Analysis

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:

OVERALL VACANCY RATE & DIRECT ASKING RENT BY YEAR
SAN DIEGO COUNTY, 2009-2Q19



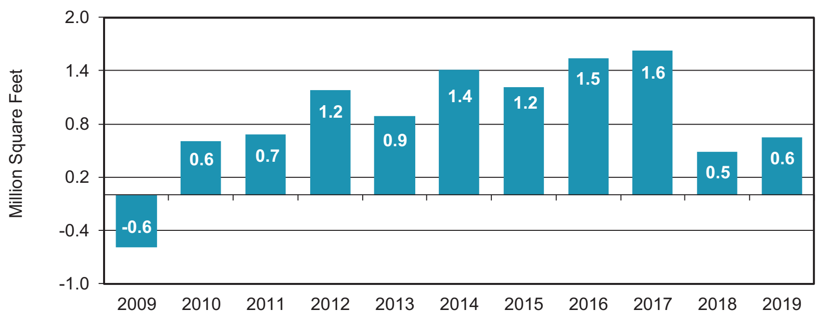
Source: Cushman & Wakefield Research; compiled by C&W V&A

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:

OVERALL NET ABSORPTION
San Diego County Office Market, 2009-2019 YTD



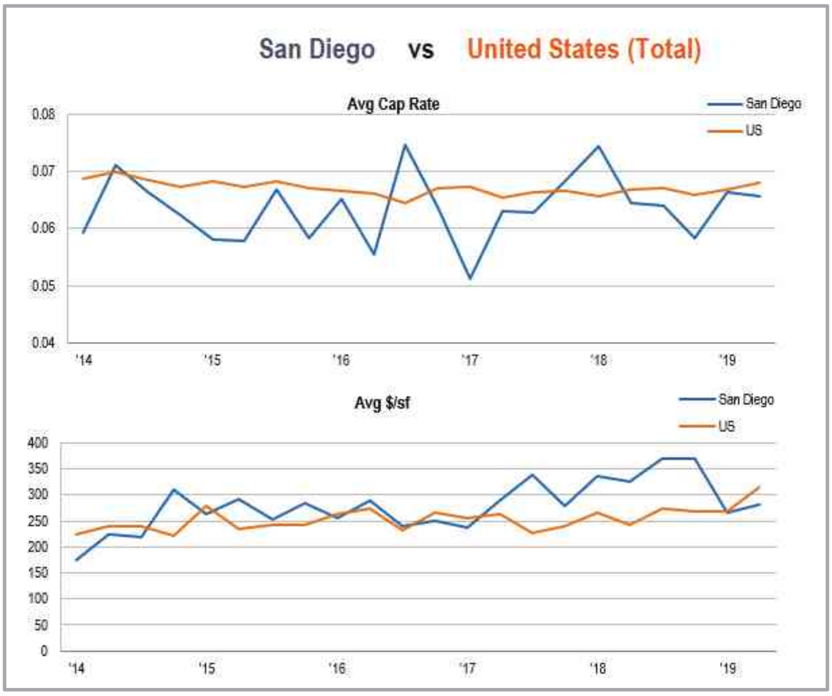
Source: Cushman & Wakefield Research; compiled by C&W V&A

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.

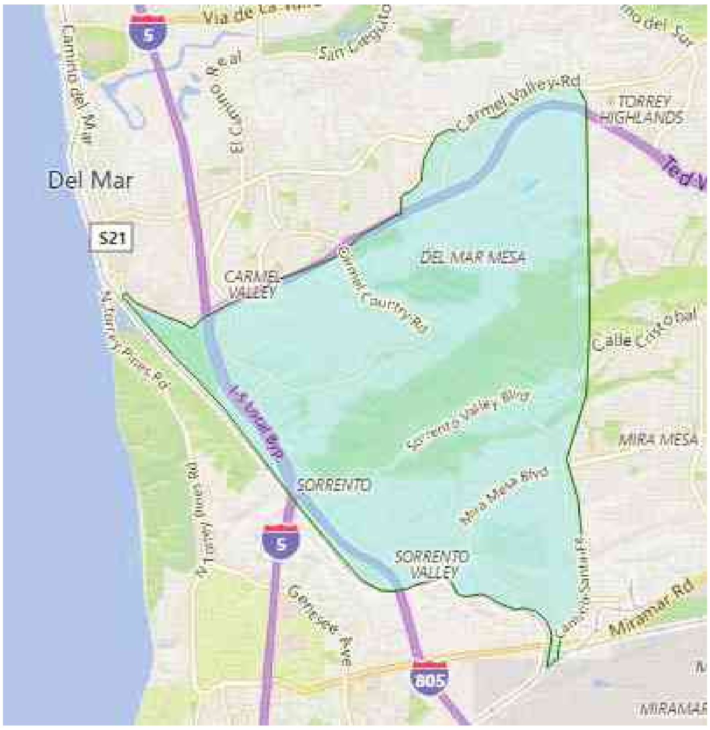
Sorrento Valley Submarket

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.

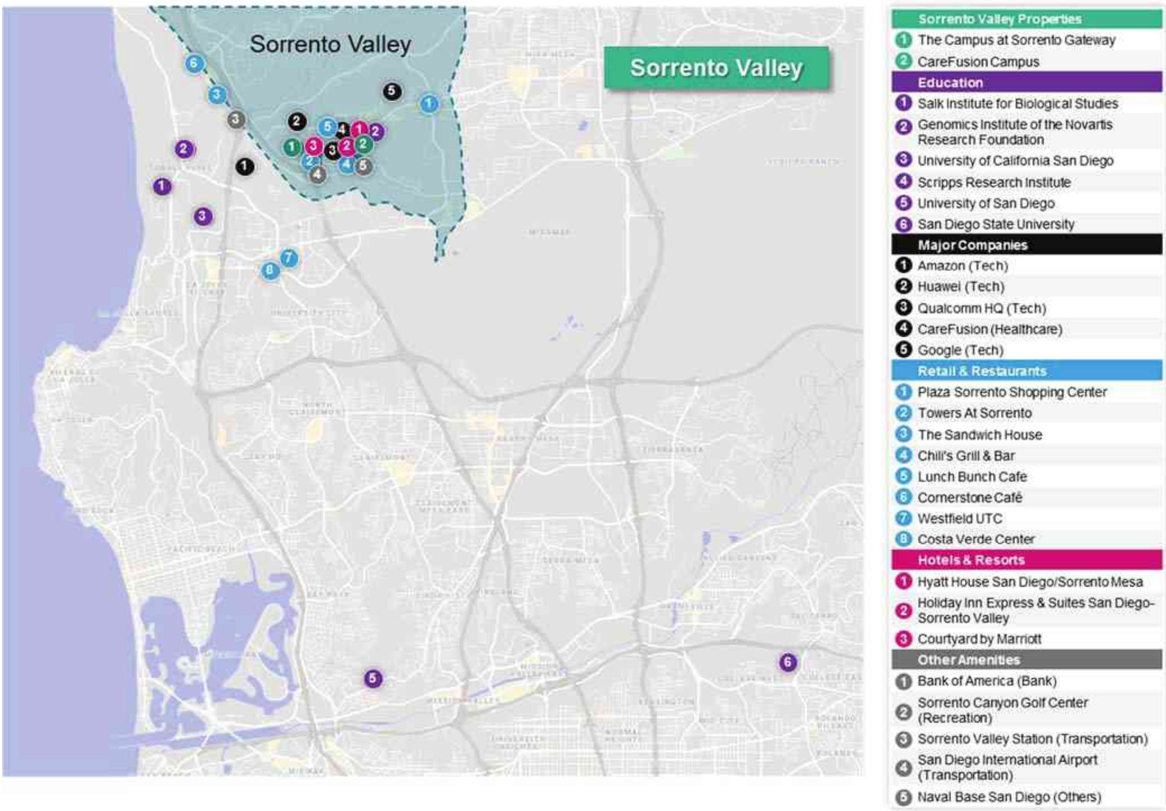
Outlook

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

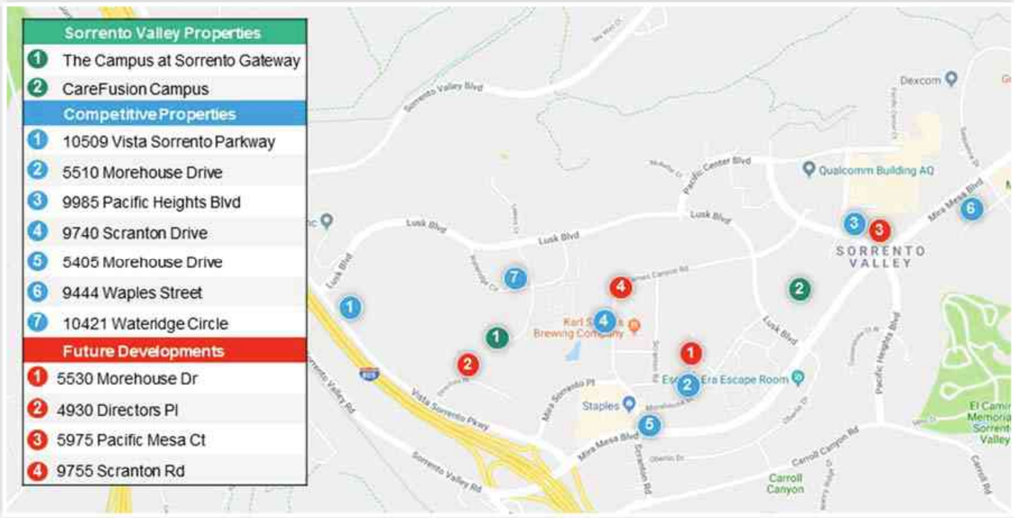
- The properties are 3 to 4 miles from Scripps Memorial Hospital, UCSD Medical Center, and VA San Diego. These are the primary hospitals in the immediate area.
- Retail development is limited in the Sorrento Valley submarket due the limited amount of residential development. However both campuses are 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

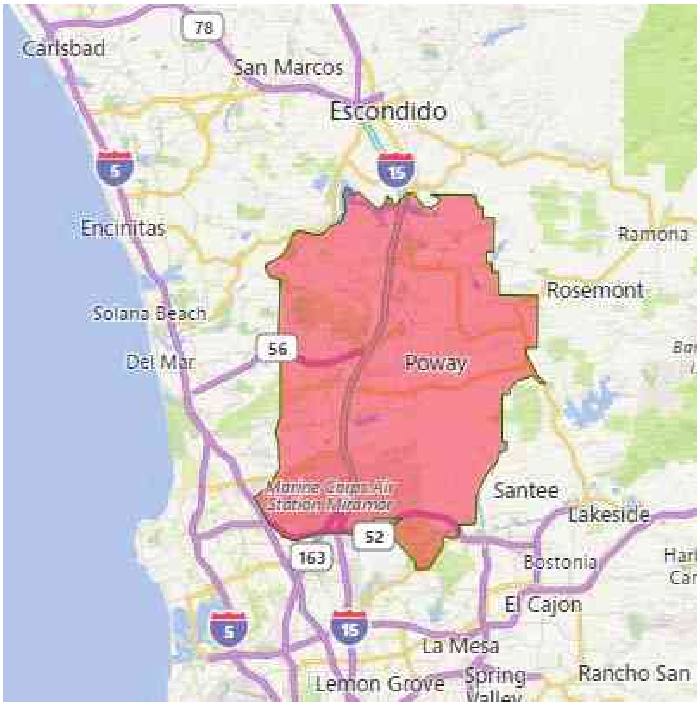
▪ If Qualcomm were to further consolidate and vacate leased buildings (or make owned buildings available for sale to investors), it would likely create instability within the local office sector and increase vacancy levels.

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



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.

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.

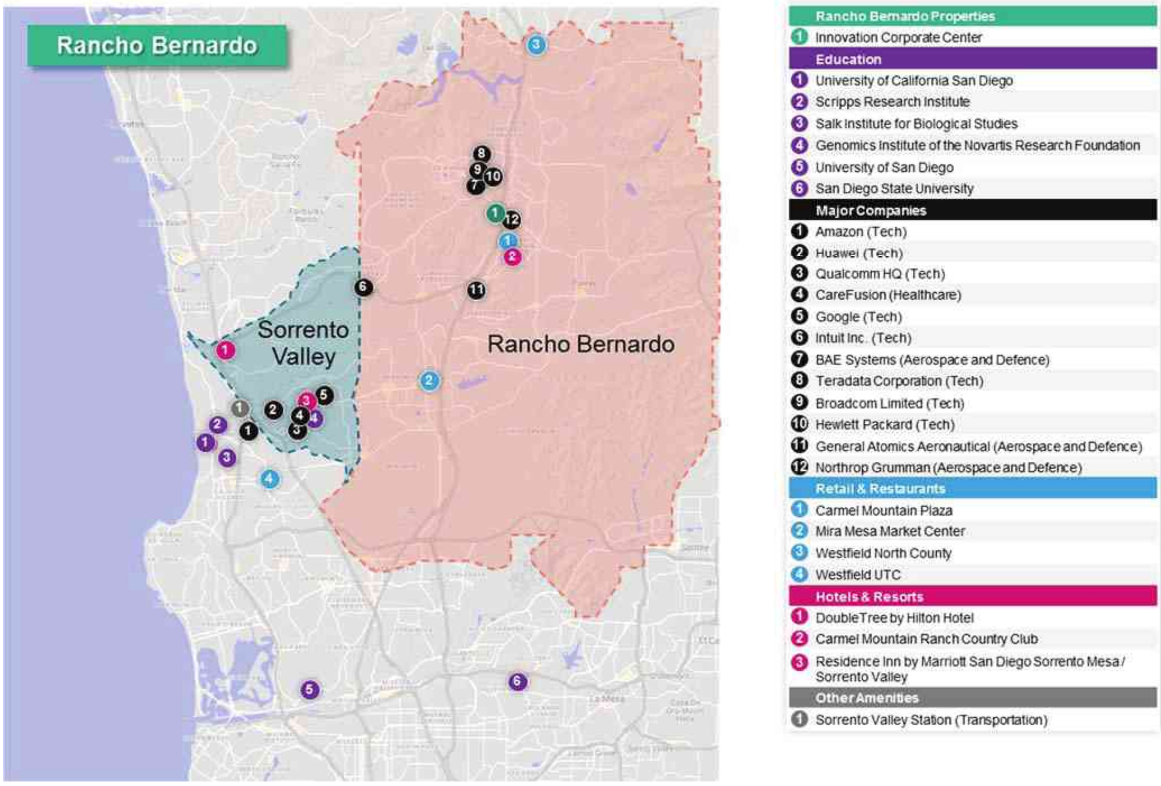
Outlook

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.



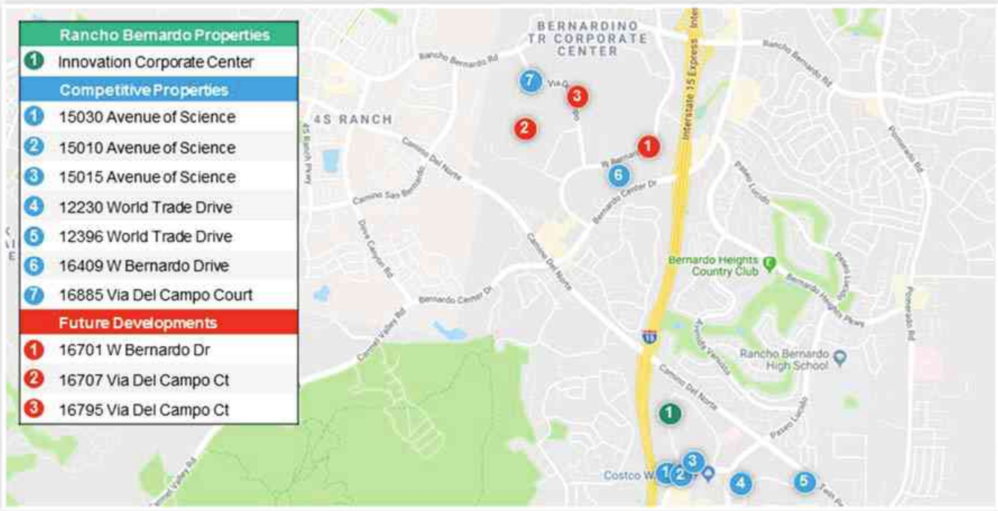
Amenities

- 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.

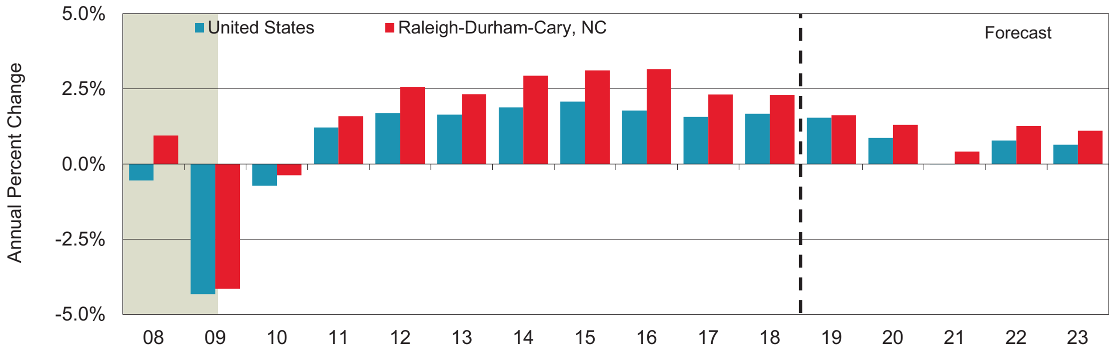
Employment Growth

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

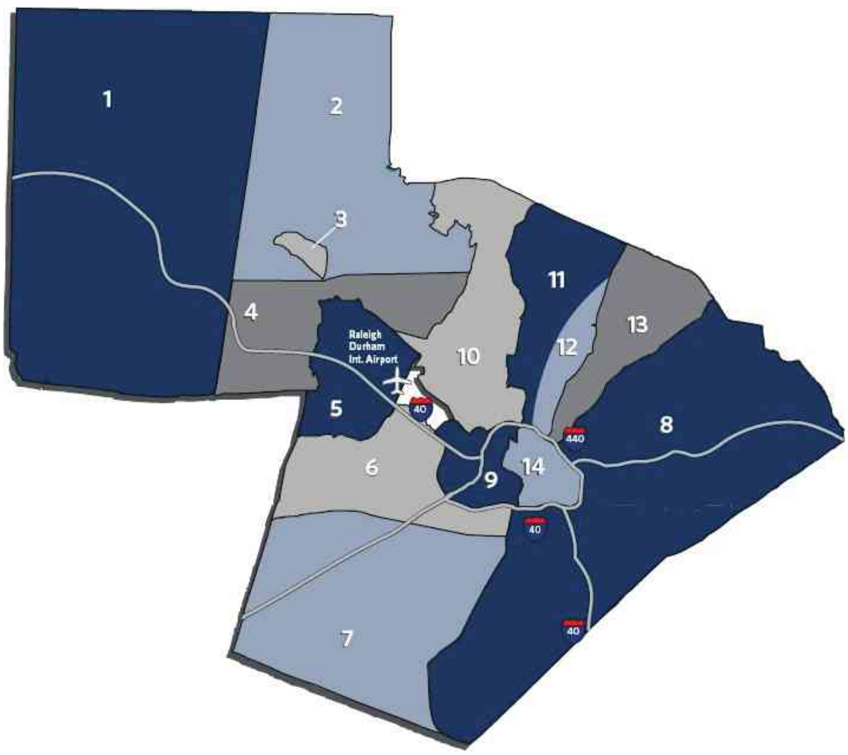
Raleigh Office Market Analysis

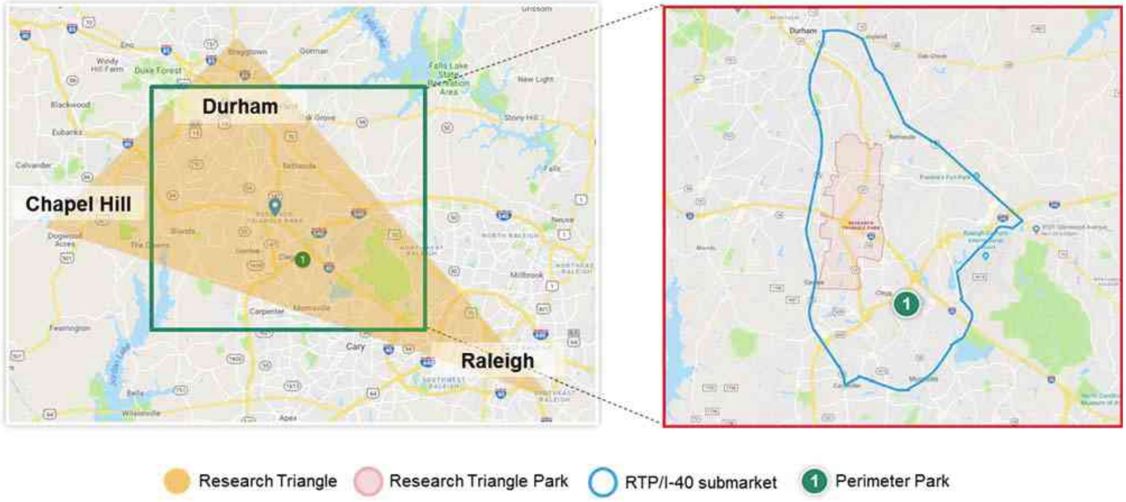
Market Characteristics

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%	**1,373,842**	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
Dow ntow n Raleigh	5,117,528	5.2%	243,705	227,500	384,978	$29.72
Dow ntow n 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/Glenw ood 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

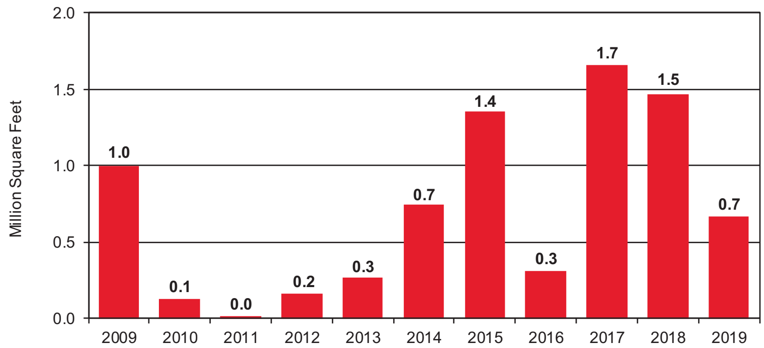
NOTE: Cushman & Wakefield Research statistics may differ somewhat from the Reis figures presented later in this section due to differences in property classifications and other factors.

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

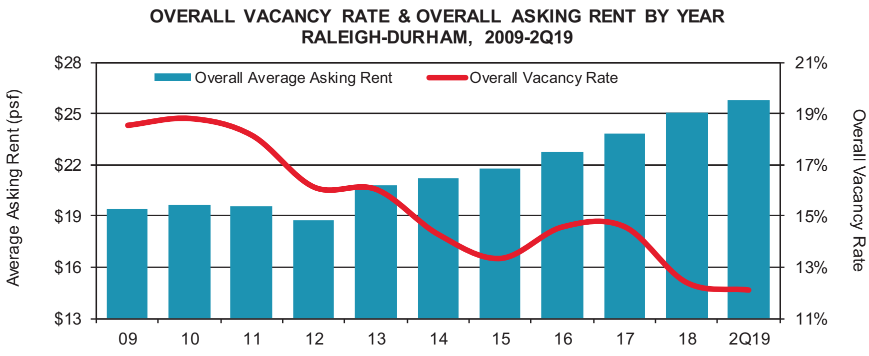
C&W forecasts new supply by year-end 2019 to be 2,211,700 square feet. The new inventory is a combination of build-to-suit (preleased) and speculative space and is projected to result in a slight increase in vacancy (8.3 percent by year-end 2019).

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:

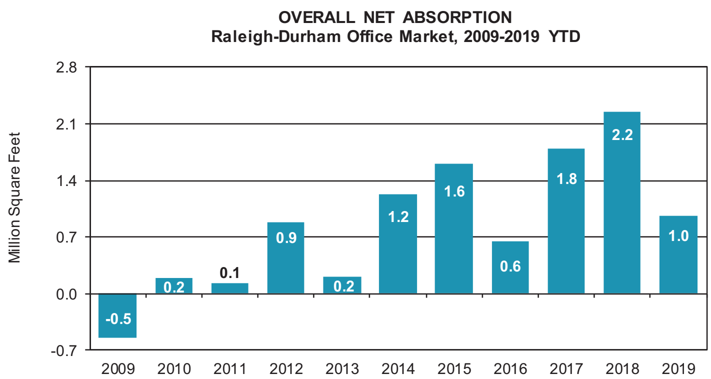


Source: Cushman & Wakefield Research; compiled by V&A

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.

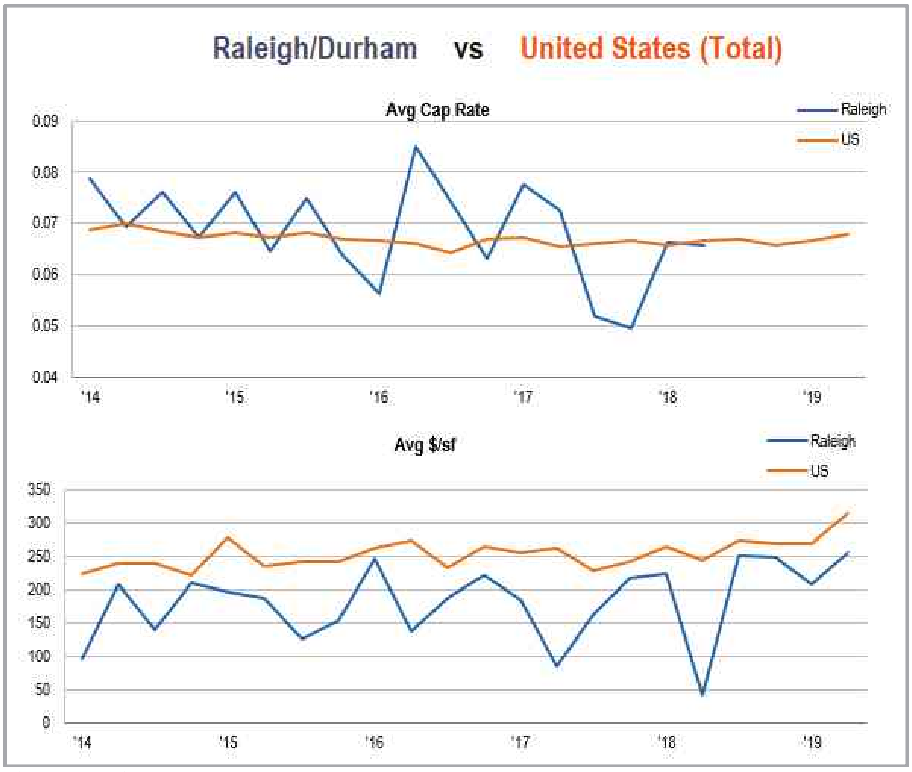
The following chart illustrates overall historical net absorption in the Raleigh-Durham office market:



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.

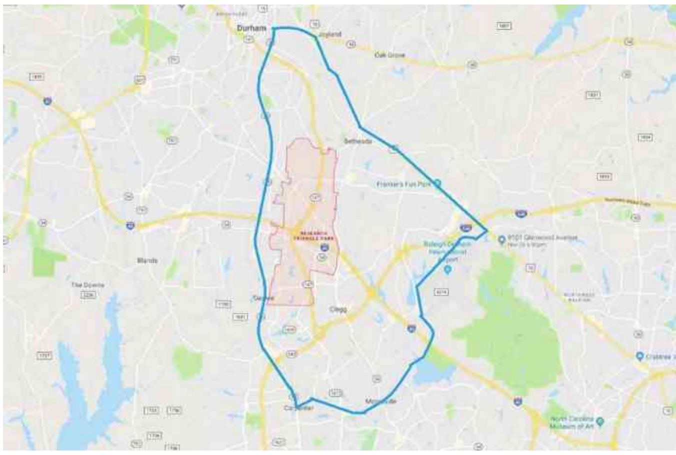
RTP/I-40 Submarket

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

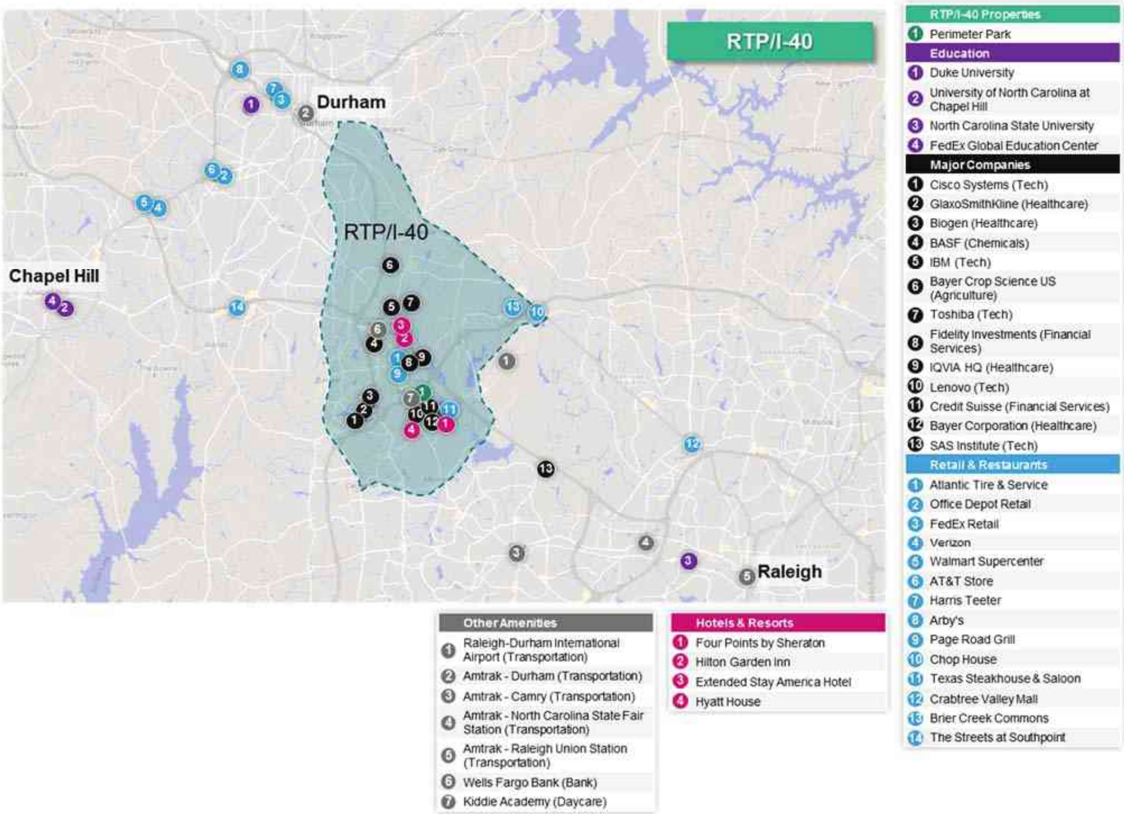
Vacancy levels for the RTP/I-40 office submarket have decreased since 2014 but expected to rise from 17.0% in 2019 to 18.1% in 2020. Over the near term, new construction activity should surpass absorption, but average asking rates are forecasted to increase from $24.04 psf per annum in 2019 to $24.65 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.



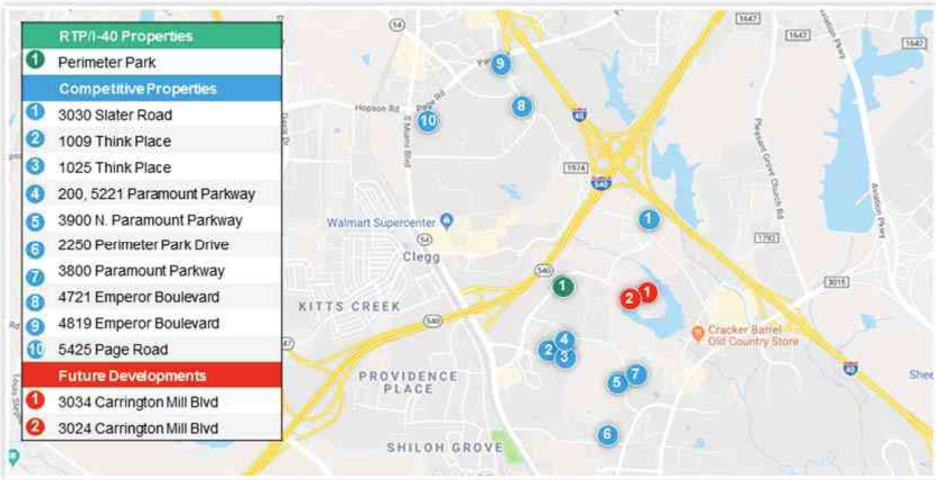
Amenities

- 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

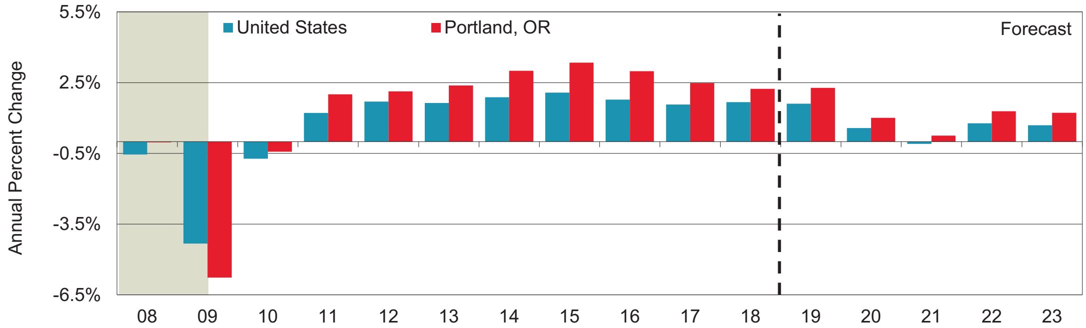
Labor Markets

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:

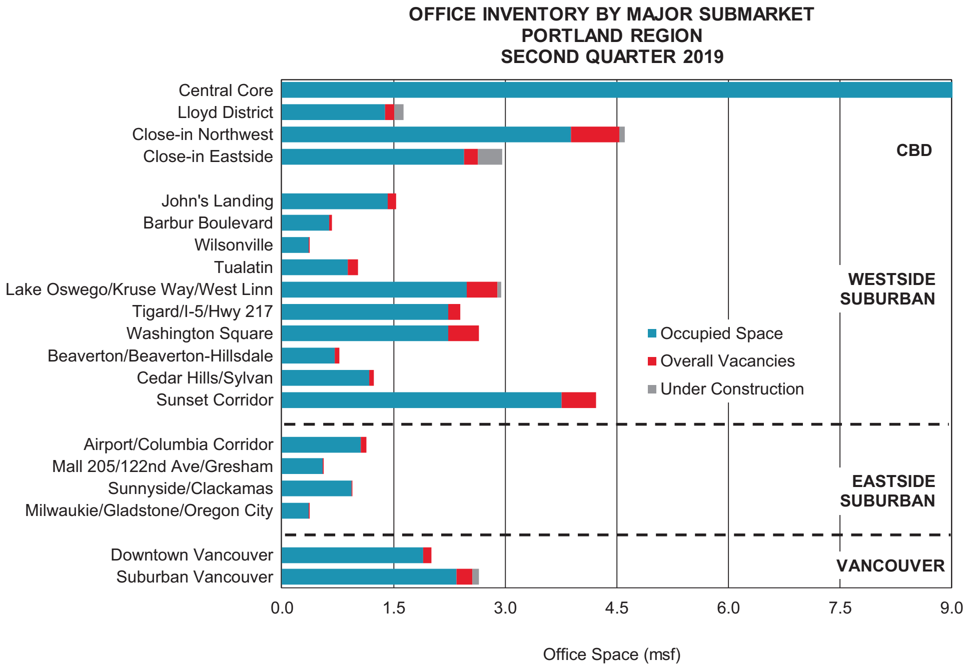
PORTLAND OFFICE SUBMARKET MAP

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	11,500,598	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

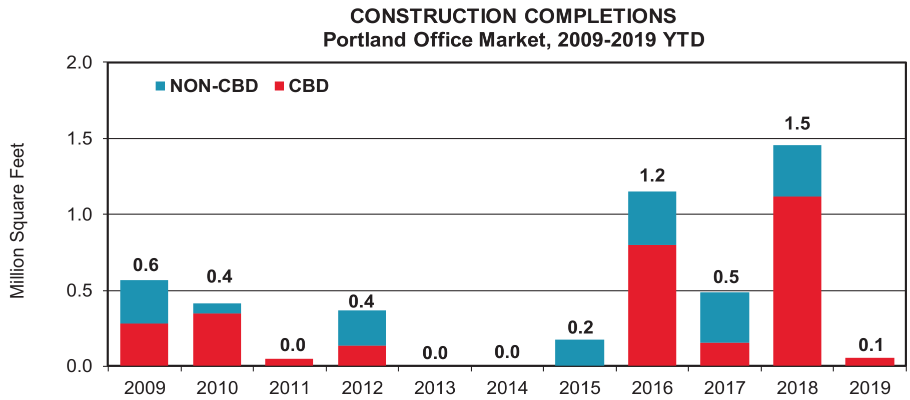
As of second quarter 2019, the Portland office market's overall vacancy rate dipped 80 basis points quarter-over-quarter to 10.3%. In the CBD, the overall vacancy rate was 11.3%, up 50 basis points year-over-year while vacancy in Non-CBD was 9.2%, down 90 basis points over the same period. Demand for 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

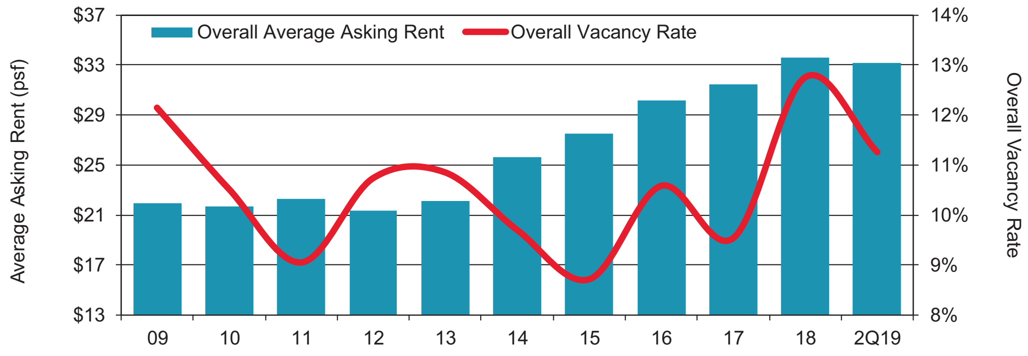
C&W forecasts new supply by year-end 2019 to be 508,900 square feet, but that vacancy will decline to 11.3 percent during that time period (from 11.8 percent in 2018) due to the anticipated supply/demand relationship.

Demand Analysis

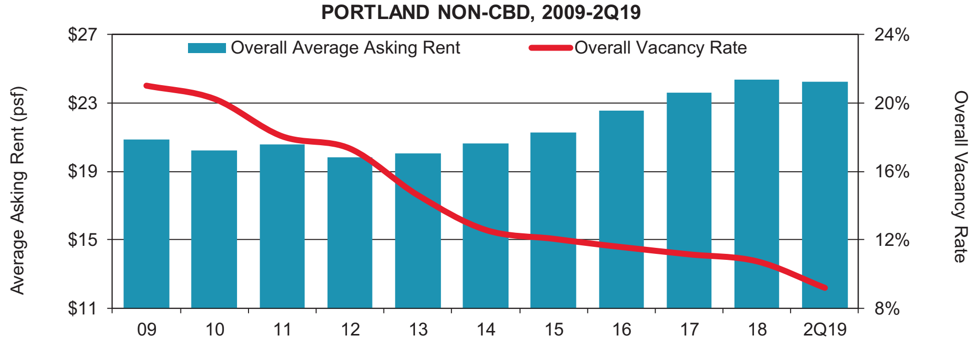
Asking Rents

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

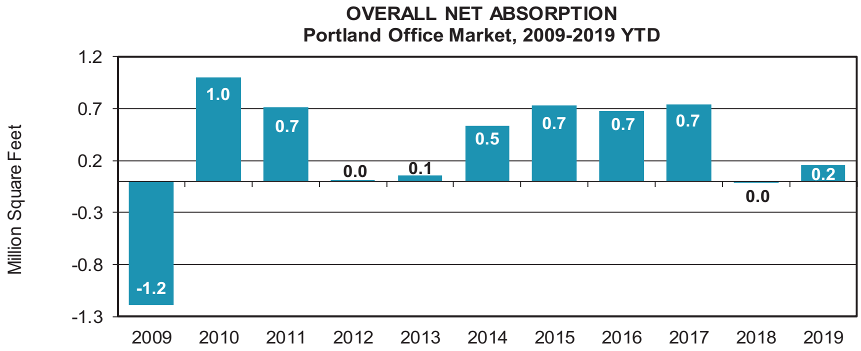


Source: Cushman & Wakefield Research; compiled by C&W V&A

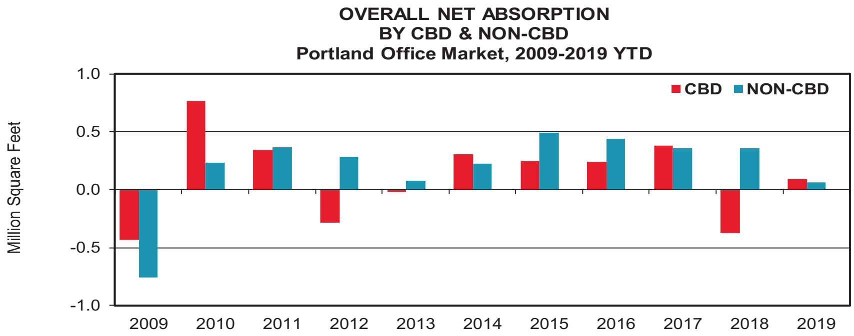
Net Absorption

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:



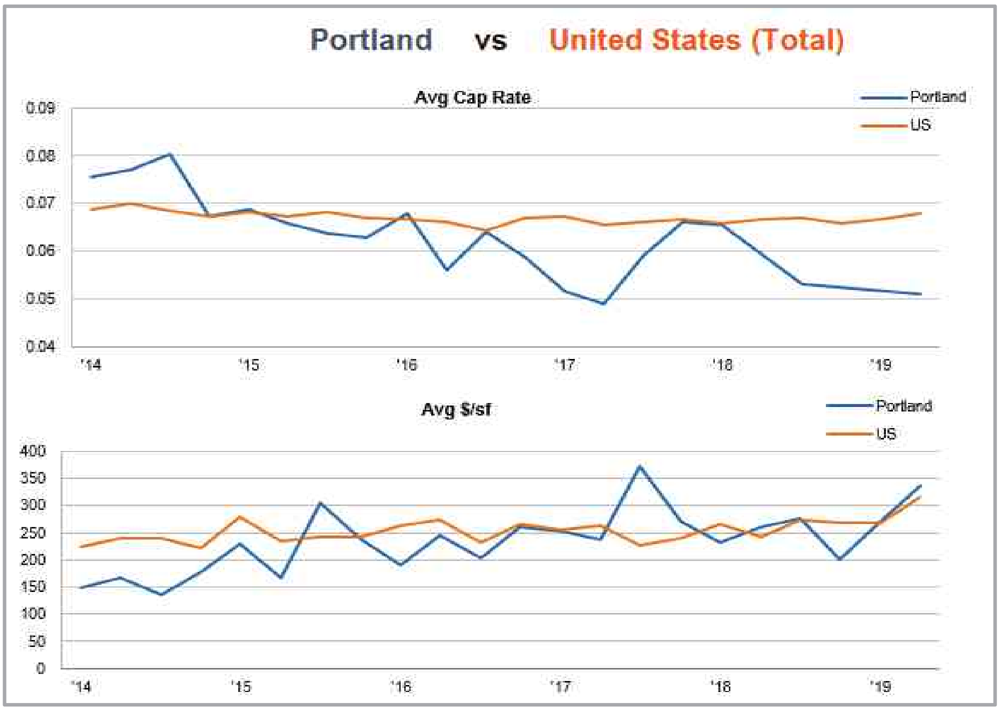
Source: Cushman & Wakefield Research; compiled by C&W V&A



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

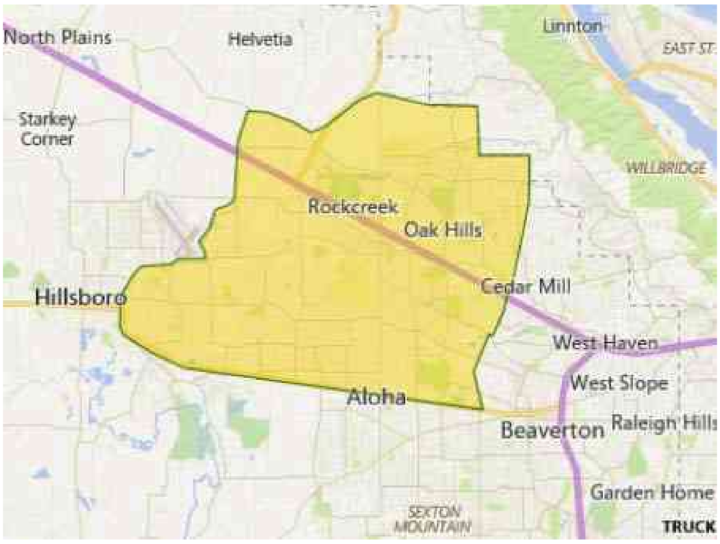
Strong market fundamentals and an influx of investment activity continue to indicate strong demand for office product in the Portland-Vancouver region. In the first half of 2019, the Portland office market experienced a boost in leasing activity, absorption, and rental rates due to strong demand for 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

SUNSET CORRIDOR SUBMARKET



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.

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.

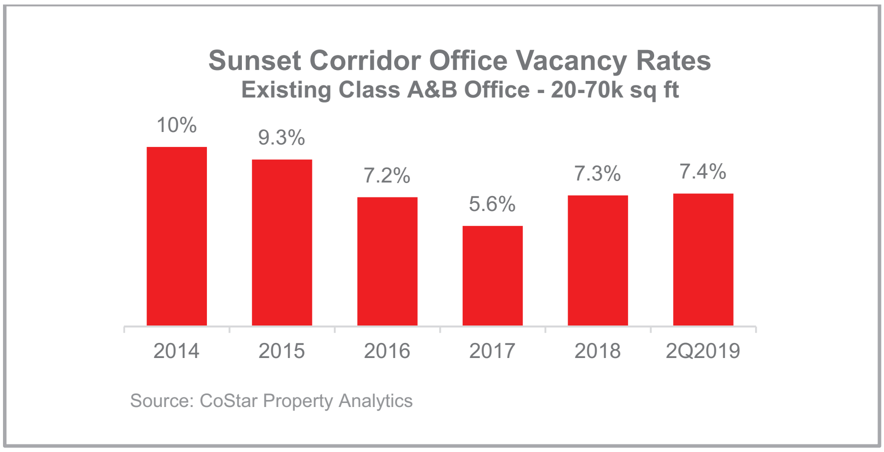
The following table presents historical and projected vacancy rates for the submarket.

HISTORICAL AND PROJECTED VACANCY RATES (%)

Year	Sunset Corridor 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

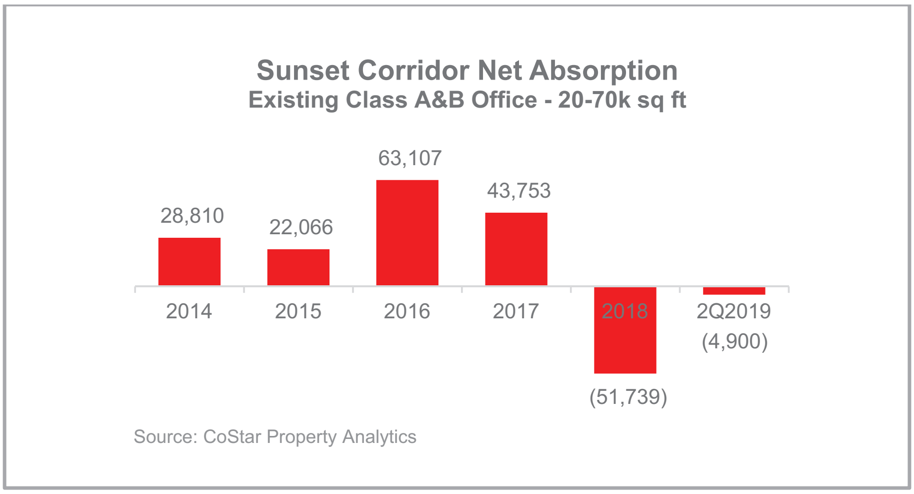
According to Reis statistics, between 2014 and 2018, no new construction was completed. In 2016, the market reclassified 412,000 sq ft from office to industrial/flex, contributing significantly to the total negative net absorption during the previous 5 years. However, this alone should not be a negative 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.



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%.

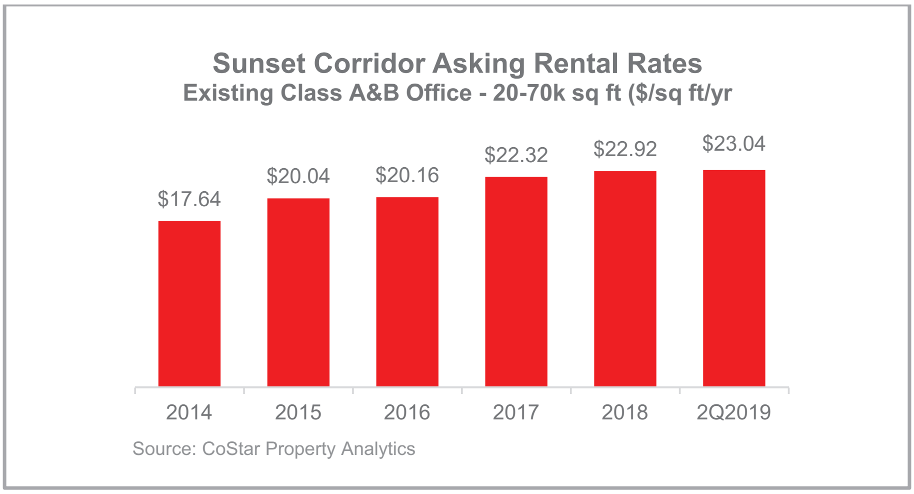
Average asking rents are expected to increase from $21.37 psf per annum in 2019 to $21.84 psf per annum in 2020. The current average asking rent stands at $21.04 psf per annum.

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.

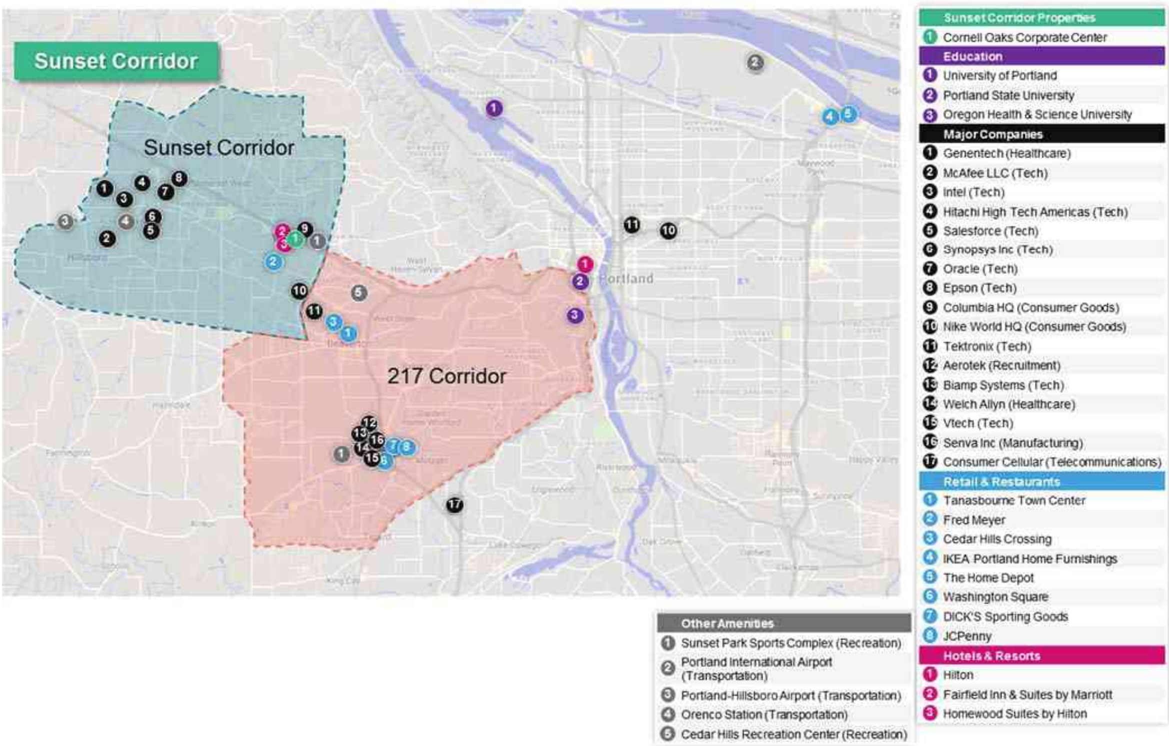
The following is based on the competitive set analyzed in CoStar, indicating similarly rising asking rental rates:



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

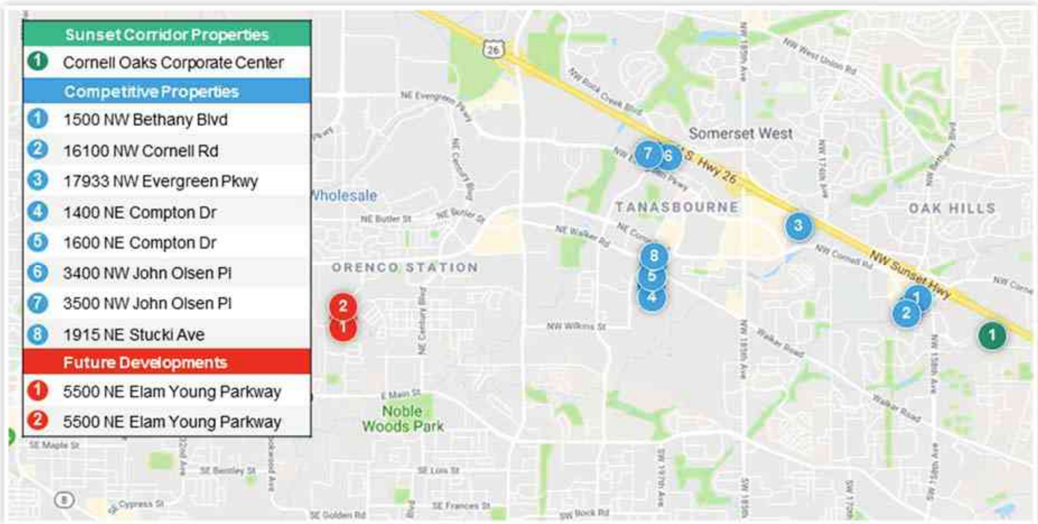
- Within walking distance of the subject properties, there is a 24-Hour Fitness, Hilton Garden Inn hotel and Sweet Tomatoes restaurant. Within a short driving distance along NW 158th Avenue, there are a number of restaurants and the Tualatin Hills Athletic Center.
- Portland State University is located 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.

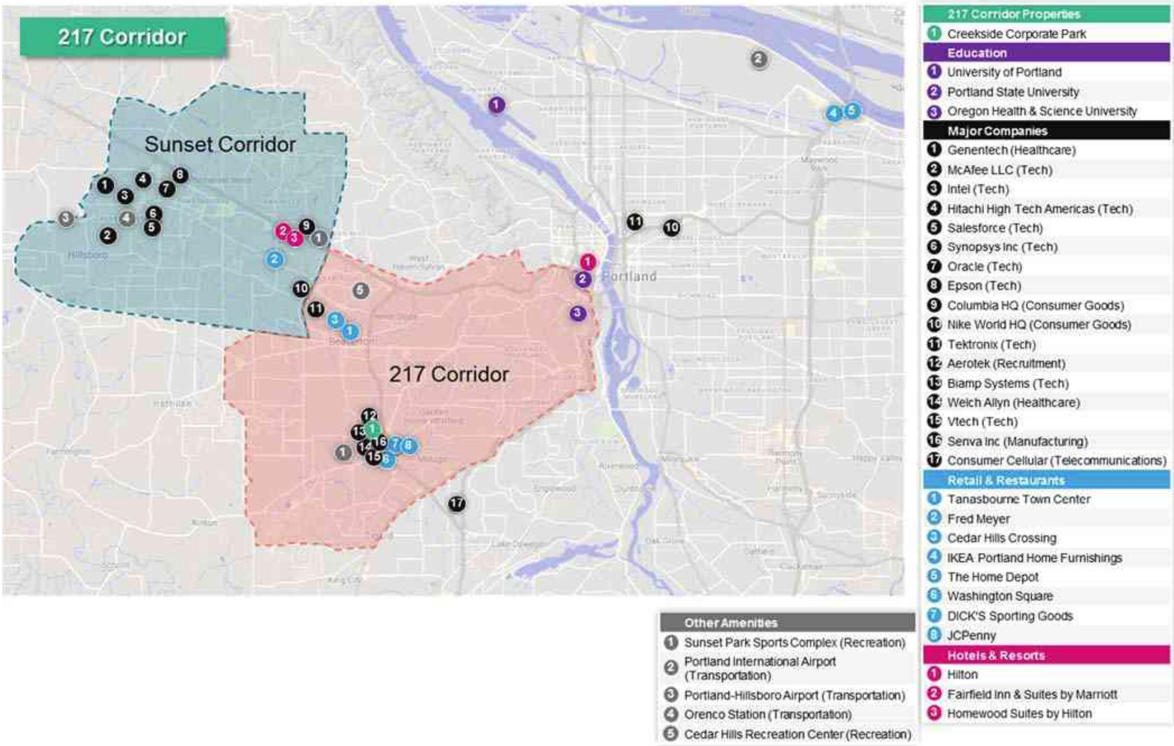
Historical and Projected Average Asking Rental Rates ($/sq ft)			
	Beaverton/Sylvan (217 Corridor)		
Year	Total	% Change	Effective Rent
2014	$20.40	1.1	$15.80
2015	$20.96	2.7	$16.19
2016	$21.49	2.5	$16.54
2017	$22.27	3.6	$17.19
2018	$22.87	2.7	$17.67
2Q19	$23.04	0.8	$17.82
2019	$23.41	2.4	$18.03
2020	$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.



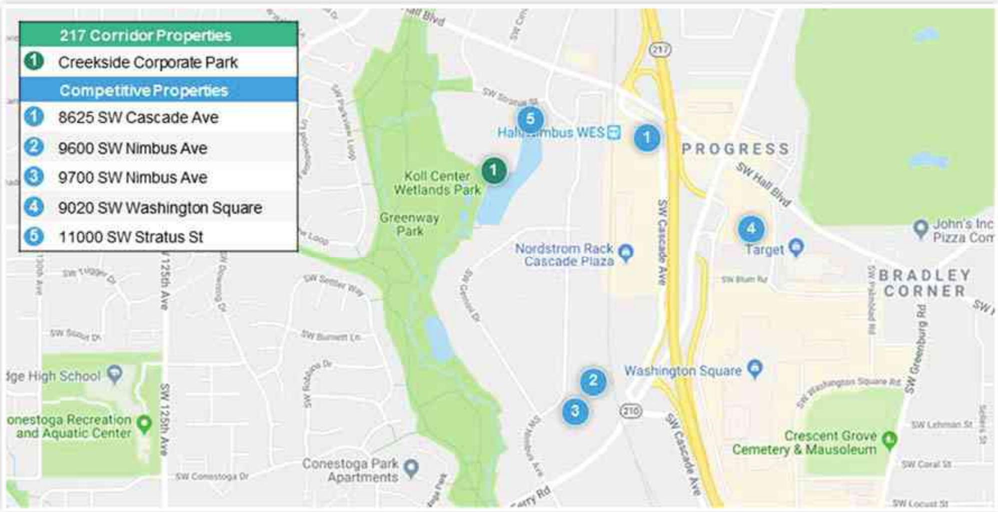
Amenities

- 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,

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Addenda Contents

Addendum A: Assumptions and Limiting Conditions
Addendum B: Terms & Definitions

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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