

INOVALIS

REAL ESTATE INVESTMENT TRUST

**NOTICE OF
SPECIAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR
TO BE HELD ON SEPTEMBER 4, 2024**

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NOTICE OF SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of holders (the “**Unitholders**”) of units and special voting units (collectively, the “**Voting Units**”) of Inovalis Real Estate Investment Trust (the “**REIT**”) will be held at the offices of Goodmans LLP, Bay Adelaide Centre, Suite 3400, 333 Bay Street, Toronto, Ontario, M5H 2S7 on September 4, 2024 at 10:00 a.m. (Toronto time) for the following purposes:

1. to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution (the “**Sablire Sale Resolution**”) approving the Sale (as such term is defined in the accompanying management information circular (the “**Circular**”) in the form attached hereto as Appendix “A” to the Circular, as more fully described in the accompanying management information circular; and
2. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The REIT's Board of Trustees has fixed July 22, 2024 as the date (the “**Record Date**”) for determination of Unitholders entitled to notice of, and to vote at, the Meeting and at any adjournment or postponement thereof. Each registered Unitholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Circular dated August 1, 2024 prepared by management in connection with the Meeting.

To be approved, the Sablire Sale Resolution must receive the affirmative vote of not less than a majority of the votes cast thereon by Unitholders (other than Excluded Unitholders pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, as such term is defined in the Circular).

Websites Where Meeting Materials are Posted

Meeting Materials can be viewed online on the REIT's website, www.inovalisreit.com, or under the REIT's SEDAR+ profile at www.sedarplus.ca.

Voting

If you are a Unitholder and you are not able to attend the Meeting, please carefully follow the instructions on the voting instruction form. Beneficial Unitholders that hold their Voting Units with a financial intermediary will receive a voting instruction form in order to instruct their intermediary how to vote on their behalf. These Unitholders may also vote at the Meeting as detailed under the heading “How to Vote” of the Circular. Only Unitholders of record as at the close of business on the Record Date, except the Excluded Unitholders, will be entitled to vote at the Meeting or any adjournment thereof. You may exercise your right to vote by signing and returning the enclosed voting instruction form using the enclosed return envelope or following the instructions contained in the Circular to vote online or by telephone.

Unitholders are encouraged to vote online, by telephone or by completing, dating, signing and delivering the enclosed voting instruction form in accordance with the instructions contained in the Circular and on the voting instruction form, which must be received by TSX Trust Company no later than 5:00 p.m. (Toronto time) on August 30, 2024, or at least 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjourned or postponed meeting.

We are looking forward to meeting our Unitholders at the Meeting.

DATED at Toronto, Ontario, this 1st day of August, 2024.

BY ORDER OF THE BOARD OF TRUSTEES

“*Stephane Amine*”

President and Chief Executive Officer

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Inovalis Real Estate Investment Trust (the “**REIT**”) for use at the special meeting of holders (the “**Unitholders**”) of units of interest in the REIT (the “**Units**”) and special voting units (the “**Special Voting Units**”), together, the “**Voting Units**” of the REIT to be held at the time and in the manner and for the purposes set forth in the Notice of Meeting.

The information contained in this Circular is given as of August 1, 2024 except where otherwise indicated. No person is authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the REIT.

July 22, 2024 is the record date for the Notice of the Meeting and for determining holders of outstanding units entitled to vote (the “**Record Date**”).

Quorum

A quorum for any meeting of the Unitholders or any class of Unitholders, as the case may be, shall be individuals represented at the Meeting by proxy, not being less than two in number and such persons holding or representing by proxy in aggregate not less than 5% of the total number of Voting Units. If a Unitholder submits a properly executed form of proxy or votes by telephone or the internet, that Unitholder will be considered part of the quorum.

Questions and Answers on the Voting Process

Q: What items of business am I voting on?

A: You will be voting to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution (the “**Sablire Sale Resolution**”) approving the Sale (as defined herein) in the form attached hereto as Appendix “A”, as more fully described in this Circular.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a holder of Voting Units (a “**Voting Unitholder**”) as at the close of business on July 22, 2024, which is the Record Date of the Meeting, and you are not an Excluded Unitholder.

Q: What is a non-registered (or beneficial) Voting Unitholder?

A: Most Voting Unitholders are beneficial Voting Unitholders. You are a Voting Unitholder if your Units are held in an account in the name of an intermediary, such as a bank, broker or trust company. As a beneficial Voting Unitholder, you do not have a unit certificate registered in your name, but your ownership interest in Units is recorded in an electronic system. As such, you are not identified on the unit register maintained by TSX Trust Company as being a Voting Unitholder. Instead, the REIT’s unit register shows the holder of your Units as being the intermediary or depository through which you own your Units.

The REIT distributes copies of the proxy-related materials in connection with the Meeting to intermediaries so that they may distribute the materials to the beneficial Voting Unitholders. Beneficial Unitholders will receive a voting instruction form for voting purposes. Intermediaries often forward the materials to beneficial Voting Unitholders through a service company such as Broadridge Financial Solutions Inc. Beneficial Voting Unitholders who have not objected to their intermediary disclosing certain information about them to the REIT are referred to as “**NOBOs**”, whereas beneficial Voting Unitholders who have objected to their intermediary

disclosing ownership information about them to the Trust are referred to as “OBOs”. The REIT pays for an intermediary to deliver the proxy-related materials to NOBOs and OBOs.

Q. How will my Voting Units be voted?

A: On the voting instruction form, you can indicate how you want your proxyholder to vote your Voting Units or you can let your proxyholder decide for you. If you have specified on the form of proxy or voting instruction form how you want your Voting Units to be voted on a particular issue (by marking FOR or WITHHOLD), then your proxyholder must vote your Voting Units accordingly. If you have not specified on the form of proxy or voting instruction form how you want your Voting Units to be voted on a particular issue, then your proxyholder can vote your Voting Units as he or she sees fit.




Unless contrary instructions are provided, Voting Units represented by proxies appointing the REIT’s representative provided as the proxyholder will be voted FOR the resolution, with or without variation, to approve the Sale in the form attached hereto as Appendix “A”, as more fully described in this Circular.

Q: What if there are amendments or if other matters are brought before the Meeting?

A: Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or the date that any adjourned Meeting has been reconvened. As of the date of this Circular, management of the REIT is not aware of any such amendments or other matters to be presented at the Meeting; however, if any such matter is presented, your Voting Units will be voted in accordance with the best judgment of the proxyholder named in the form. If you have not specifically appointed a person as proxyholder, a REIT representative named in the enclosed proxy form will be your proxyholder, and your Voting Units will be voted in accordance with the best judgment of the Trust representative.

Voting Procedures and Attending the Meeting

VOTE BY VOTING INSTRUCTION FORM BEFORE THE MEETING

Voting For Beneficial Unitholders
<p>Prior to the voting deadline of August 30, 2024 at 5:00 p.m. (Toronto time), you may vote by using your 16 digit control number listed on the voting instruction form that was mailed with the Notice of Meeting:</p> <ul style="list-style-type: none">  visiting www.proxyvote.com  telephoning 1-800-474-7493 (English) or 1-800-474-7501 (French)  completing your voting instruction form and returning it by mail in the envelope provided.
Changed your mind?
<p>If you have already submitted your voting instructions online at www.proxyvote.com and you change your mind, you can log in using the original voting instructions and vote again to override your original instructions.</p> <p>If you originally voted by telephone, contact your intermediary immediately.</p> <p>Changes to voting must be complete prior to the proxy voting deadline of August 30, 2024 at 5:00 p.m. (Toronto time).</p>

VOTING AT THE MEETING**Beneficial (Non-registered) Unitholders**

- Prior to the voting cutoff at August 30, 2024 at 5:00 p.m. (Toronto time), write your own name in the space provided on your voting instruction form to instruct your intermediary to appoint you as proxyholder.
- Sign and return the voting instruction form according to the delivery instructions provided.
- Do not complete the voting instructions section of the voting instruction form as you will be attending and voting online at the Meeting.
- Register yourself as your proxyholder, as described below under “Appointing a proxyholder to attend and vote your Units online at the Meeting”.

Beneficial (Non-registered) Unitholders who have not duly appointed themselves as proxyholder will not be able to vote at the meeting.

Appointing a proxyholder to vote your Units at the meeting – All Voting Unitholders

The form of proxy or voting instruction form appoints Jean-Daniel Cohen, Trustee or Michael Bonneveld, Trustee, as your proxyholder, which gives them the authority to vote your Units at the meeting or any adjournment.

You can appoint yourself or, another person or company, including a person who is not a Unitholder as your proxyholder to vote your Units during the meeting.

To do this, you must use the instructions above at “Voting by Voting Instruction Form Before the Meeting” to appoint yourself or another person as proxyholder.

Failure by a Beneficial Unitholder to appoint a proxyholder other than Jean-Daniel Cohen, Trustee or Michael Bonneveld, Trustee, will mean the proxyholder will be unable to vote at the Meeting.

Location of the Meeting

The meeting is being held in-person at the offices of Goodmans LLP, Bay Adelaide Centre, Suite 3400, 333 Bay Street, Toronto, Ontario, M5H 2S7.

GENERAL INFORMATION

Q: Who counts the vote?

A: For any matter for which a vote is taken at the Meeting, the votes, including those cast by way of proxies, will be counted by TSX Trust who will be appointed as scrutineers at the Meeting.

Q: Who is soliciting my proxy?

A: Management of the REIT is soliciting your proxy. Proxies will be solicited primarily by mail, but employees and agents of the REIT may also use electronic means. Intermediaries will be reimbursed for their reasonable charges and expenses in forwarding the proxy materials to beneficial Voting Unitholders. The REIT will bear the cost of all proxy solicitations on behalf of management of the REIT.

Q: Can I access the Meeting disclosure documents electronically?

A: The Circular is available for review on the REIT’s website at www.inovalisreit.com or under the REIT’s SEDAR+ profile at www.sedarplus.ca.

Q: Who do I contact if I have questions?

A: If you have any questions, you may email Mr. Michael Bonneveld, Trustee and Chairman of the Investment Committee at mbonneveld@inovalis.com for further information.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The REIT is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units, of which 32,594,711 Units were issued and outstanding and 938,036 Special Voting Units were issued and outstanding, each as of the Record Date.

As at July 22, 2024	Units, Deferred Units and Special Voting Units	% of Issued and Outstanding Units ⁽¹⁾
Trustees	Units 186,512	0.9%
	Deferred Units 105,193	
Inovalis S.A. ⁽²⁾ and officers thereof	Units 2,760,856	11.3%
	Special Voting Units 938,036	
Total securities that Trustees and officers beneficially own, directly or indirectly, or exercise control or direction over.		12.2%

(1) Based on total number of Units and Special Voting Units outstanding.

(2) Mr. Stéphane Amine, President and CEO of the REIT holds 37,900 Units and indirectly exercises control or direction over 1,530,074 Units and 938,036 Special Voting Units held by Inovalis S.A., the external manager of the REIT. Mr. David Giraud, an employee of Inovalis S.A, holds 1,151,782 Units of the REIT. Ms. Anne Smolen, also an employee of Inovalis S.A., holds 41,100 Units of the REIT. As Mr. Amine, Mr. Giraud, Ms. Smolen and Inovalis S.A. are related parties to the transaction in the Sabliere Sale Resolution, these Units and Special Voting Units may not be voted at the Meeting.

To the knowledge of management of the REIT, except as set out above, no other person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the outstanding Units or Special Voting Units.

BUSINESS TO BE TRANSACTED AT THE MEETING

1. Overview

The Meeting will be constituted as a special meeting of the REIT. The REIT is an unincorporated open-ended real estate investment trust constituted in accordance with the laws of the Province of Ontario pursuant to the Declaration of Trust of the REIT dated February 8, 2013 as amended and restated on April 20, 2013, January 20, 2016 and April 9, 2020 (the “**Declaration of Trust**”). The REIT was founded and sponsored by Inovalis S.A., an asset manager, a company that was incorporated in Paris, France. The REIT’s head and registered office is located at 151 Yonge Street, 11th floor, Toronto, Ontario, M5C 2W7.

At the Meeting, the Unitholders will be asked to consider and, if thought fit, pass an ordinary resolution approving the Sale, the full text of which is set forth in Appendix “A”.

If you do not specify how you want your Voting Units voted, the persons named as proxy holders will cast the votes represented by the proxy at the Meeting FOR the Sabliere Sale Resolution.

To be approved, the Sabliere Sale Resolution must receive the affirmative vote of not less than a majority of the votes cast thereon by Unitholders (other than Excluded Unitholders, as defined herein) pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

2. Excluded Unitholders

As of the date of the Circular, the following Unitholders will be excluded from voting their Voting Units at the Meeting for the purposes of determining whether approval for the Sabliere Sale Resolution has been obtained:

- Inovalis S.A. and its officers which collectively hold 2,760,856 Units and 938,036 Special Voting Units, representing 11.3% of the outstanding Units and Special Voting Units; and
- the officers and trustees of the REIT, who collectively own 186,512 Units, representing 0.6% of the outstanding Units and Special Voting Units.

Such Unitholders, together with (i) any other party that is an “interested party” in respect of the Sale, (ii) any other party that is a “related party” of an “interested party”, and (iii) any other party that is a “joint actor” with any of the foregoing with respect to the Sale, as determined pursuant to MI 61-101 and subject to the exceptions noted therein, are referred to in the Circular as the “**Excluded Unitholders**”.

Collectively, to the knowledge of the REIT after reasonable inquiry, the Excluded Unitholders exercise control or direction over 2,947,368 Units, representing 9.0% of the issued and outstanding Units, and 938,036 Special Voting Units, representing 100% of the issued and outstanding Special Voting Units.

All of the outstanding Special Voting Units are owned by Excluding Unitholders and, as such, the holders thereof are not entitled to vote at the Meeting.

For the Meeting, a quorum is present if there are two or more individuals present in person or represented by proxy, holding or representing by proxy in aggregate at least 5% of the total number of outstanding Voting Units.

THE REIT

The REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario. The REIT was founded and sponsored by Inovalis S.A., an asset manager, a

company that was incorporated in Paris, France. The REIT focuses on office properties outside of Canada with an occupancy level above 80% (unless AFFO accretive), secured rental cash flows, a property value between €20 million and €60 million (unless AFFO accretive) and a potential future upside with respect to matters including rent and area development. The REIT's head and registered office is located at 151 Yonge Street, 11th floor, Toronto, Ontario, M5C 2W7.

For more information on the REIT, including a description of its structure, business, investment guidelines, and operating policies, see "Corporate Structure", "Organizational Structure", "Description of the Business", and "Investment Guidelines and Operating Policies" in the REIT's annual information form for the period ended December 31, 2023 (the "**FY 2023 AIF**"), a copy of which may be obtained on request without charge by contacting Goodmans LLP, Bay Adelaide Centre, 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7. In addition, copies of the documents incorporated by reference herein may be obtained from SEDAR+ at www.sedarplus.ca.

THE SALE

Overview

On May 31, 2024, the REIT entered into a non-binding letter of intent (as may be amended from time to time, the "**Letter of Intent**") with Inovalis S.A. (the "**Purchaser**") in respect of the sale of the property located at 24-26, Rue Bénard – 25, Rue Hyppolite Maindron – 27-29, Rue de la Sablière, Paris, District 14, France (the "**Sabliere Property**") by the REIT to the Purchaser or an affiliated entity controlled by the Purchaser for a net sale price based on an asset sale of €17,500,000.00 (exclusive of value-added tax), which shall be payable in cash on the date of signature of the deed of sale (the "**Sale**").

The Letter of Intent outlines a timeline for the due diligence period to enable: (i) the Purchaser to obtain bank financing in the form of conventional mortgage or real estate leasing and (ii) the REIT to satisfy Canadian securities law requirements, including in respect of obtaining minority approval at the Meeting. With regards to due diligence conducted by the Purchaser, the REIT agreed to provide the Purchaser and its professional advisers with access to relevant documents concerning the Sabliere Property populated in a data-room. During this due diligence period, the REIT expects to negotiate the terms of the Sabliere Sale Agreement and PSA (each as defined below) with the Purchaser.

The REIT was founded and sponsored by the Purchaser, an asset manager and company that was incorporated in Paris, France. The Purchaser was founded in 1998 and is an established, real estate investment manager with offices in Europe, America, and the Middle East. The Purchaser is comprised of 350 professionals, providing advisory, fund, asset and property management services in the real estate sector, as well as wealth management services. The Purchaser and its subsidiaries invest in and manage (i) real estate investment trusts (such as and including the REIT), (ii) open-ended funds with stable real estate focus, (iii) private thematic funds to invest in defined real estate strategies, and (iv) direct co-investment on specific assets.

The closing of the Sale will be conditional upon the satisfaction of certain conditions, including minority approval at the Meeting. If approval of the Sale is obtained at the Meeting, it is anticipated that the closing of the Sale will occur in the fourth quarter of 2024 (the "**Sale Closing**").

The Sale could be considered a "related party transaction" pursuant to MI 61-101 by virtue of the relationship between the REIT and the Purchaser. The Purchaser owns more than a 10% interest in the REIT. Accordingly, the Trustees have reviewed and evaluated the Sale. See "*Background and Recommendations*" in this Circular below.

The Sabliere Sale Agreement

The Letter of Intent provides the framework pursuant to which the REIT and the Purchaser will negotiate the definitive sale agreement (the “**Sabliere Sale Agreement**”). For clarity, the Sabliere Sale Agreement has not yet been entered into and will only be entered into upon the REIT receiving minority approval at the Meeting.

Based on the Letter of Intent, it is anticipated that the Sabliere Sale Agreement will contain the following terms and conditions:

- **Price:** The net sale price based on an asset sale for the Sabliere Property will be €17,500,000.00 (exclusive of value-added tax), which shall be payable in cash on the date of signature of the deed of sale (the “**Sale Price**”).
- **Buyer:** The Sabliere Property will be sold to the Purchaser or an affiliated entity controlled by the Purchaser.
- **Promise to Sale:** Subject to receipt of minority approval at the Meeting, the preliminary contract governing the Sale of the Sabliere Property will take the form of a unilateral promise to sale agreement (the “**PSA**”).
- **Financing:** The Letter of Intent was made subject to the Purchaser obtaining bank financing, either through the form of a conventional mortgage loan or real estate leasing. The receipt of bank financing will be a condition precedent of the final Sabliere Sale Agreement and the PSA. There is no guarantee that the Purchaser will be able to secure such financing.
- **Material Terms and Conditions:**
 - The Sabliere Sale Agreement will be conditional upon the removal of pre-emptive rights currently held by the City of Paris in connection with the Sabliere Property. Upon consent by the Purchaser, the REIT shall file a declaration of intent (the “**Declaration**”) with the City of Paris confirming the REIT’s intention to sell the Sabliere Property. The REIT has been in communication with the City of Paris regarding the pre-emptive right of purchase and the Declaration is the first step by the REIT of formally removing the City of Paris’ pre-emptive rights. As of the date hereof, to the REIT’s knowledge, the City of Paris does not intend on exercising its pre-emptive rights in respect of the Sabliere Property. However, should the City of Paris respond to the Declaration by requesting to visit the Sabliere Property, requesting further information, or indicating they are exercising their rights to pre-empt the Sale, the due diligence period in respect of the Sale may be extended upon mutual agreement by the Purchaser and the REIT. If the City of Paris notifies the REIT of its intention to exercise its pre-emptive rights at the Sale Price, the sale of the Sabliere Property will be pursued with the City of Paris, not the Purchaser. If the City of Paris notifies the REIT of its intention to exercise its pre-emptive rights in respect of the Sabliere Property at a lower price than the Sale Price, the REIT will be able to: (i) renounce the Sale to the Purchaser and keep the Sabliere Property; (ii) accept the proposed price from the City of Paris; or (iii) maintain the Sale Price, in which case an appraisal will be initiated with the City of Paris. In the event that the REIT sells the Sabliere Property to the City of Paris pursuant to the City of Paris’ pre-emptive rights, minority unitholder approval at the Meeting will not be required as the City of Paris is not a related party to the REIT.
 - The Sabliere Sale Agreement will be conditional upon the absence of any liens and/or mortgages on the Sabliere Property. Any encumbrances of mortgages on the Sabliere Property must be removed at the time of Sale.

- The Sabliere Sale Agreement will be conditional upon the absence of any urban planning, legal, conventional, or public utility easements rendering the Sabliere Property unfit for its intended purpose. These matters will be the subject of due diligence to be carried out by the Purchaser.
- The Purchaser will undertake to provide, for the benefit of the REIT, an indemnity of 10% of the Sale Price without cash payment from the date of signing the Sabliere Sale Agreement. The indemnity, which is set at 10% of the Sale Price, is consistent with market practice in Paris. The indemnity will compensate the REIT in the event that the beneficiary of the PSA does not complete the deed of sale, even though all of the conditions precedent of the PSA have been fulfilled.
- **Costs:** Each of the Purchaser and the REIT will be entirely responsible for their own costs associated with the Sale.
- **Representations and Warranties:** The Sabliere Sale Agreement will contain customary representations, warranties, and covenants relating to the REIT and Purchaser. However, the Sabliere Property will be sold on an “as is” condition, without any warranties from the REIT as to the condition of the Sabliere Property, other than the sole warranty against eviction as provided by the French Civil Code.

As detailed above, the Sabliere Sale Agreement is conditional upon the satisfaction of certain conditions. There is no certainty, nor can the REIT provide any assurance, that these conditions will be satisfied and, as such, there is no assurance that the Sale will be completed, or if completed, will be on the terms that are exactly the same as discussed in this Circular. In connection with the Purchaser completing the purchase of the Sabliere Property, the REIT will execute and deliver all closing documents contemplated in the Sabliere Sale Agreement relating to the Sale, together with other general closing documents and will be bound by the provisions contained in the Sabliere Sale Agreement applicable to the Sabliere Property and the REIT.

The Sabliere Property

The Sabliere Property was constructed in 1985, and is comprised of a 3,813 square meter building and 35 parking spaces. The Sabliere Property is a five story building with two underground levels and is situated on the region of Ile de France, in the 14th district of Paris, which engulfs the majority of the Montparnasse region, along with the Tour Montparnasse and the metro station Montparnasse Bienvenue, which is an important hub for travelers and tourists. The Sabliere Property is leased to a total of eight tenants, and currently has an approximately 54% occupancy rate. The REIT purchased the property in October 2014. The REIT owns 100% of the Sabliere Property.

As previously disclosed by the REIT, the Sabliere Property is a component of the “Asset Recycling Plan”, being the REIT’s strategy to redevelop or sell non-core properties and reinvest the proceeds of such dispositions to purchase core properties.

BACKGROUND AND RECOMMENDATIONS

Recommendation of the Trustees

Following receipt of the valuation from Cushman & Wakefield Valuation France SA (the “**Valuator**”) in respect of the Sale in accordance with the requirements of MI 61-101 (the “**Formal Valuation**”), the trustees of the REIT (the “**Trustees**”) unanimously resolved that the Sale is in the best interests of the REIT and unanimously resolved to approve the Sale.

In arriving at its conclusions and recommendations, the Trustees reviewed and considered all aspects of the Sale, including, among other factors, the Formal Valuation, the financial, legal and tax implications of the Sale, the location, occupancy rate, tenant profile, and other attributes of the Sabliere Property, the REIT’s business strategy and plan, the REIT’s “Asset Recycling Plan”, the

potential risks associated with the Sale, the terms and conditions of the Letter of Intent, the terms of conditions of the Sabliere Sale Agreement to be entered into, the Alternative Offers (as defined below), the financial condition of the REIT, the alternatives to conducting the Sale, and the interests of the Unitholders.

In addition to the foregoing, the conclusions and recommendations of the Investment Committee are based upon the fact that the Sale would result in a number of benefits for the REIT, including:

- realizing on the REIT's "Asset Recycling Plan";
- improving the cash flow and balance sheet of the REIT on a timely basis; and
- providing the REIT with additional capital, which the REIT can use to further its capital allocation goals.

Approval and Recommendation of the Trustees

The Trustees have unanimously determined that the Sale is fair to the REIT and is in the best interests of the REIT and recommends that Unitholders vote in favour of the Sabliere Sale Resolution.

In approving the Sale and making this recommendation, the Trustees considered a number of factors. In view of the variety of factors considered in connection with its evaluation of the Sale, the Trustees did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination as to the fairness of the Sale. The factors considered included the factors that were considered by the Trustees listed herein in "*Background and Recommendations – Recommendation of the Trustees*" above, as well as the factors listed below among others:

- the anticipated benefits of the Sale described herein;
- the risk factors described herein;
- the fact that the Sabliere Sale Resolution, a copy of which is attached as Appendix "A" of this Circular, must be passed by an affirmative vote of not less than a majority of the votes cast thereon by holders of the Voting Units (other than the Excluded Unitholders pursuant to MI 61-101); and
- the Formal Valuation, a copy of which is attached as "Appendix "C" of the Circular.

The foregoing discussion of the information and factors considered and given weight by the Trustees is not intended to be exhaustive. There are risks associated with the Sale, including that some of the potential benefits set forth in the Circular may not be realized or that there may be significant costs associated with realizing such benefits.

Background to the Sale

As previously disclosed by the REIT, the Sabliere Property is a component of the "Asset Recycling Plan", being the REIT's strategy to redevelop or sell non-core properties and reinvest the proceeds of such dispositions to purchase core properties (the "**Asset Recycling Plan**").

The REIT began to market the Sabliere Property in the fourth quarter of 2022. At this time, marketing was targeted to developers who were seeking to convert the Sabliere Property from offices to a residential use. However, in the first half of 2023, none of the potential bidders resulting from the marketing decided to proceed due to increasing interest rates and inventory of properties. Subsequent to these efforts, beginning in September 2023, the REIT began targeting the marketing of the Sabliere Property to buyers who may be seeking to reposition the building's current use as offices into schools.

On March 29, 2024, the investment committee of the Board of Trustees (the “**Investment Committee**”) met to review certain offers received in respect of the Sabliere Property from alternative buyers (not the Purchaser) (collectively, the “**Alternative Offers**”). The Investment Committee also discussed the possibility of the Purchaser pursuing the Sale and the potential timing and processes relating thereto. At that meeting on March 29, 2024, the Investment Committee asked that the Purchaser formally submit a formal letter of intent to the Trustees for the acquisition of the Sabliere Property, including the bid value, timelines, conditions, fees and other key terms, which the Investment Committee could then compare against the alternative offers it had received in respect of the Sabliere Property.

As the Sale could be considered a “related party transaction” pursuant to MI 61-101, the Investment Committee, composed of entirely independent trustees, was designated to negotiate the sale with the Purchaser. The mandate of the Investment Committee in this regard included, among other things, considering the Sale, supervising the process to be carried out by the REIT and its professional advisors in connection with the Sale, determining whether the Sale is in the best interests of the REIT and, as the Investment Committee may determine to be necessary or advisable, report and make recommendations to the Trustees with respect to the Sale.

On April 8, 2024, the Investment Committee held a meeting to review and discuss six offers for the sale of the Sabliere Property, including the Alternative Offers, and compared the key terms of each of the six offers, including variances in price, fees, taxes, risks of default, closing requirements, and other material terms. The best interests of the Unitholders were considered in these discussions. At this meeting, the offer from the Purchaser was also assessed and there was thorough discussion about the price, requirements for due diligence, pre-emptive rights by the City of Paris, the December 2023 Valuation (as defined below), and the opportunity for an expedited closing. In respect of the offer by the Purchaser, the Investment Committee specifically considered MI 61-101 and that the Meeting would be required to obtain approval of the minority holders. It was agreed that the Chair of the Investment Committee would circulate a draft response to the Purchaser’s initial letter of intent to further negotiate the price, timing, and other key terms.

On April 11, 2024, Mr. Bonneveld, Chair of the Investment Committee, had a discussion with the Purchaser to discuss the process for the Sale of the Sabliere Property, including the Letter of Intent, due diligence, and the form of a final purchase contract. Subsequently, on April 17, 2024, the Investment Committee had correspondence regarding the Sale of the Sabliere to the Purchaser and discussed various updates of discussions between the Investment Committee and the Purchaser, including (i) discussions with the City of Paris regarding their pre-emptive right in respect of the Sabliere Property; (ii) timing for the Sale; and (iii) next steps of working towards finalizing the Letter of Intent. On April 30, 2024, the Investment Committee provided an update to the Trustees on the Asset Recycling Plan, including the Sabliere Property, and provided updates regarding discussions with the City of Paris, the Letter of Intent, and the Investment Committee’s discussions with the Purchaser.

On May 2, 2024, Jean-Daniel Cohen, in his capacity as an independent trustee, had a telephone conference call with the global commercial real estate brokerage firm (the “**Broker**”) that was hired to market the Sabliere Property to potential purchasers. The intent of the call was to gather more details regarding the Broker’s marketing efforts and to obtain an updated view of the market to understand if there is any potential to achieve a higher price for the Sabliere Property. Mr. Cohen discussed with the Broker the overall market conditions and trends in Paris and the Broker confirmed their view that the prices for office assets remained at lower levels with reduced purchaser appetite for office properties outside of the central business district of Paris. The Broker expressed the view that financing for commercial assets in Paris remains costly and difficult to obtain for many potential purchasers. Mr. Cohen discussed the marketing and sale process and alternative offers received for the Sabliere Property with the Broker. Many of the alternative offers from parties other than the Purchaser contained certain conditions, including those relating to permits and specific remediation

efforts, which were undesirable to the REIT. Mr. Cohen inquired about the potential to continue the marketing efforts for the sale of the Sabliere Property and the Broker confirmed that, given the current market environment, if the REIT were to repeat a similar marketing process, it would likely yield a similar result.

Subsequent to the above discussions, on May 3, 2024, the Investment Committee sent a counter offer to the Purchaser's initial letter of intent in respect of the Sale. The counter offer from the Investment Committee included revisions to the pre-emptive rights in favour of the City of Paris, clarification regarding minority approval requirements, and a revised price. The Investment Committee proposed a call with the Purchaser to discuss various sale matters. Further to the counter offer by the Investment Committee, the Purchaser responded on May 9, 2024 with a further revised Letter of Intent. At this date, the Purchaser indicated that the previous Letter of Intent represented their best and final offer.

After discussion between the Investment Committee, which is composed entirely of independent trustees, and the Trustees generally, the Investment Committee recommended that the Board of Trustees resolve to approve the entering into of the Letter of Intent. The Investment Committee and entire Board of Trustees thoughtfully and thoroughly considered the Alternative Offers. However, due to various conditions included in the Alternative Offers (including relating to permits and remediation efforts, as highlighted above) and the Investment Committee's view that a sale pursuant to one of the Alternative Offers would result in a longer and more expensive sale processes, it was determined that the Letter of Intent with the Purchaser was the more desirable option as compared to the Alternative Offers.

Subsequent to various Investment Committee and Board of Trustee conversations, on May 14, 2024, the Board of Trustees formally resolved to approve the entering into of the Letter of Intent that provided for the Sale of the Sabliere Property to the Purchaser. Mr. Bonneveld, in his capacity as Chair of the Investment Committee, executed the Letter of Intent and sent it to the Purchaser for countersignature. The Investment Committee requested that the Purchaser provide further information on their timeline, milestone process, and other applicable matters. The Investment Committee also considered the requirement to obtain a formal valuation of the Sabliere Property. On May 24, 2024, the full Board of Trustees held a meeting at which the disposition of the Sabliere Property was again discussed and considered. Subsequent to the above, the Purchaser countersigned the Letter of Intent on May 31, 2024 and the Letter of Intent was dated as of this date. As indicated above, the Letter of Intent is non-binding and provides the framework pursuant to which the REIT and the Purchaser will negotiate the Sabliere Sale Agreement. For clarity, the Sabliere Sale Agreement has not yet been entered into and will only be entered into upon the REIT receiving minority approval at the Meeting.

As part of its ongoing operations, the REIT had obtained a valuation on the Sabliere Property dated as of December 31, 2023 (the "**December 2023 Valuation**") from Savills plc. In accordance with the requirements of MI 61-101 to prepare the Formal Valuation in respect of the Sabliere Property, the Investment Committee subsequently engaged the independent Valuator to prepare an updated valuation of the Sabliere Property as part of the Sale process. The Valuator was chosen after Mr. Bonneveld, in his capacity as Chair of the Investment Committee, had preliminary conversations with several independent valuation firms. On June 24, 2024, the Board of Trustees held another meeting at which the Sabliere Sale, independent valuation, and various other aspects relating to the Sabliere Sale were discussed and, after careful consideration of the credentials of the Valuator and negotiation of the engagement letter, the Investment Committee formally engaged the Valuator pursuant to an engagement letter dated June 24, 2024.

Subsequent to the engagement of the Valuator, the Investment Committee arranged for the necessary information to be provided to the Valuator to enable the Valuator to carry out its engagement, including additional details with respect to the Sale, as well as its assessment of the

anticipated benefits and associated risks of the Sale by the REIT to the Purchaser. The Investment Committee and the Valuator had correspondence throughout the term of the engagement and the Valuator conducted a physical inspection of the Sabliere Property on July 3, 2024.

On July 10, 2024, the Valuator provided its preliminary view to Mr. Bonneveld, in his capacity as independent trustee and Chair of the Investment Committee, that the net market value of the Sabliere Property is €17,800,000 (exclusive of a purchaser's costs). On July 23, 2024, the Valuator provided Mr. Bonneveld with a draft of the Formal Valuation, which was subsequently distributed to the entire Investment Committee, which draft Formal Valuation re-confirmed the Valuator's previous opinion that the net market value of the Sabliere Property is €17,800,000 (exclusive of a purchaser's costs).

While the Valuator's figure as to the market value of the Sabliere Property is marginally more than the Sale Price, the Board of Trustees felt that based on current market conditions, the Alternative Offers, various onerous conditions included in the Alternative Offers, the strength of all the prospective purchasers, the discussion with the Broker (to whom a commission was not paid and is not payable) outlined above, and the benefits to the REIT of proceeding with the Sale to the Purchaser (to whom a fee was also not paid and is not payable in connection with the Sale), including concluding the Sale quickly and with limited conditions, the Sale Price is the highest price that the REIT could obtain for the Sabliere Property. Based on these discussions, the Board of Trustees concluded that the consideration proposed to be paid by the Purchaser to the REIT is fair, from a financial point of view. The Investment Committee determined that, based on the information from the REIT's management and the confirmation from the Valuator as to its view of the value of the Sabliere Property, the Sale is in the best interests of the REIT and unanimously resolved to recommend to the Trustees that it approve the Sale.

On July 29, 2024, the Valuator delivered the final version of the Formal Valuation to the Investment Committee. The Investment Committee reviewed the Formal Valuation and after careful deliberation, the Investment Committee confirmed its prior determination that the Sale is in the best interests of the REIT and unanimously recommended to approve the Circular, and recommend to the Unitholders that they vote in favour of the Sabliere Sale Resolution at the Meeting.

After full discussion and careful deliberation, and after receiving the recommendation of the Investment Committee, on July 31, 2024 the Trustees unanimously approved the Sale and the Circular, and unanimously resolved to recommend to Unitholders that they vote in favour of the Sabliere Sale Resolution at the Meeting.

Formal Valuation

Selection of the Valuator

The REIT regularly obtains appraisals and valuations on its properties, including the Sabliere Property. As disclosed above, Savills plc. had previously prepared the December 2023 Valuation of the Sabliere Property. Subsequently, in accordance with the requirements of MI 61-101, pursuant to an engagement letter dated June 24, 2024, the Investment Committee retained the Valuator to prepare and deliver the Formal Valuation with a currency date of June 30, 2024 as part of the Sale. The Investment Committee determined, based in part on certain confirmations provided to them by the Valuator, that the Valuator was independent and qualified to prepare the Formal Valuation.

In furtherance of the terms of the engagement letter between the Valuator and the Investment Committee, a fixed fee in the aggregate amount of €20,000 excluding value added tax (VAT) will be payable by the REIT to the Valuator in consideration for the Valuator undertaking the Formal Valuation. The compensation of the Valuator under the engagement letter was not contingent upon the conclusions reached by the Valuator, or upon the completion of the Sale. The fees and expenses of the Valuator are payable whether or not the Sale proceeds. In addition, the Valuator was to be reimbursed for its reasonable out-of-pocket expenses incurred in the performance of conducting the Formal Valuation. The engagement letter with the Valuator contains standards terms and conditions

for the delivery of a valuation, including in respect of valuation approach, scope of services, basis of appointment, fees, and liability.

Credentials of Valuator

Cushman & Wakefield Inc. is among the world's largest commercial real estate services firms. Cushman & Wakefield Inc. operates from approximately 400 offices worldwide, has over 50,000 employees and manages several hundred square million meters of commercial space. They offer a range of specialist services from financial and investment advice to valuation, planning and property management. The Formal Valuation expressed herein represents the opinion of the Valuator and the form and content herein has been approved for release by the Valuator, who is experienced in divestitures and valuation matters.

Relationship with Interested Parties

Neither the Valuator nor any of its associated entities or affiliated entities is (i) an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of the REIT, the Purchaser, or any of their respective associates or affiliates (collectively, the "**Interested Parties**"), (ii) an advisor to any of the Interested Parties in connection to the Sale, or (iii) a member of a soliciting dealer group formed in respect of the Sale. The Valuator has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Interested Parties within the past two years, other than the services provided under the engagement letter and as described herein. There are no understandings, agreements or commitments between the Valuator and the Interested Parties with respect to any future business dealings. The Valuator may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Interested Parties, however, the Valuator has agreed that during the term of its engagement with the Investment Committee, it will not, without the prior written consent of the Investment Committee, enter into any agreements or arrangements that would result in the Valuator not being independent of the REIT for the purposes of the Sale.

The Valuator confirmed that it has no previous recent or current involvement with the Sabliere Property and the Valuator does not anticipate any future fee earning relationship with the Sabliere Property or any Interested Party. The Valuator has confirmed that it does not consider that any conflict will arise in the course of preparing the Formal Valuation. Further, the Valuator confirmed that (i) it does not and none of its affiliates have any material financial interest in the completion of the Sale and (ii) during the 24 months prior to the date of the engagement letter, it has not had a relationship with any of the Interested Parties.

The REIT has been informed by the Valuator that the Valuator is of the view that it is independent of all Interested Parties in the Sale (as such terms are defined for the purposes of MI 61-101).

Formal Valuation

In connection with the preparation of the Formal Valuation, the Valuator reviewed both public and non-public information relating to the Sabliere Property, including the Sabliere Property's location, condition, occupational leases and associated amendments, and net rent; an analysis of the local market and comparable properties; the Sabliere Property's position within the occupational market; investment comparables; a local market study; a rent roll dated July 1, 2024; a summary of work carried out on the Sabliere Property over the last 10 years; plans and summary tables of the Sabliere Property; an energy performance diagnosis of the Sabliere Property dated December 23, 2022; certain documents provided by management of the REIT to the Valuator; information provided by the local authority with regard to town planning matters; and certain other factors which the Valuator considered relevant, all as more fully described and outlined in the Formal Valuation. The Formal Valuation considered the strengths, weaknesses, opportunities, and threats of the Sabliere Property. The Valuator also undertook various procedures, met and spoke with the REIT's management and

representatives of the Investment Committee, performed a site inspection of the Sabliere Property, and conducted investigative exercises as more specifically detailed in the Formal Valuation.

The Investment Committee and the Valuator relied upon the accuracy and completeness of all data and other information obtained by the Valuator from public sources or provided to it by the REIT. The Formal Valuation is conditional upon such accuracy and completeness. Subject to the exercise of its professional judgment, and except as expressly described in the Formal Valuation, the Valuator did not independently verify the accuracy or completeness of any of such information.

The effective date of the Formal Valuation is June 30, 2024. A copy of the Formal Valuation is available for inspection from the REIT at Goodmans LLP, Bay Adelaide Centre, Suite 3400, 333 Bay Street, Toronto, Ontario, M5H 2S7. A copy of the Formal Valuation will be sent to any Unitholder upon request and for a nominal charge sufficient to cover printing and postage.

Definition of Market Value

The Formal Valuation states that, for the purpose of the opinions given therein, market value is defined to mean “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”.

Approach to Value

The Formal Valuation is based upon the methodologies and assumptions the Valuator considered appropriate in the circumstances for the purposes of arriving at an opinion as to the market value of the Sabliere Property as of the valuation date.

Valuation Methodologies

For the purposes of arriving at its conclusion as to the value of the Sabliere Property, the Valuator conducted its procedures using the income approach to valuation, namely a (i) discounted cash flow approach and (ii) revenue capitalization rate approach. While the discounted cash flow approach as the favored method of valuation to take into account the departure of all the tenants, the improvement work on the Sabliere Property, and the re-leasing of all the premises, the discounted cash flow method was still cross-checked against the traditional capitalization method of valuation.

The capitalization methodology involves capitalizing the potential net income or the current net income at an appropriate yield. The Valuator capitalized the market rent at a yield of 5.6% for let office areas and a yield of 6.0% for vacant areas and for leased areas on the ground floor.

The discounted cash flow methodology considered that the Sabliere Property would be re-leased at the market rent on the basis of the assumptions set forth in the Formal Valuation. The Valuator adopted a discounted cash flow of six years to cover the re-leasing assumption periods. The Valuator used discount rate of 7.0% on the cash-flows to reflect the risks of the income flows and deducted agent fees of 1.5% at the time of resale.

Conclusions of Formal Valuation

On July 29, 2024, the Valuator provided the Board of Trustees with the Formal Valuation which indicates that, as of June 30, 2024 and based on and subject to the assumptions, factors considered and limitations described therein, the market value of the Sabliere Property is €17,800,000 (exclusive of a purchaser’s costs).

The Formal Valuation is subject to many assumptions and limitations as set out in the Formal Valuation. Reference should be made to the full text of the Formal Valuation. Of note, the Valuator took the following key assumptions into account in the Formal Valuation for both the capitalization method and the discounted cash flow method in order to conclude on the market value of the Sabliere Property:

- Valuation Date: June 30, 2024
- Tenancy: The Sabliere Property is roughly leased at 54% at the valuation date.
- Purchaser's Costs: The Valuator accounted for purchaser's costs of 7.5%.
- Weighted Average Lease Term: One year
- Tenancy: The Formal Valuation is based on the assumption that each of the current tenants will leave at the end of their lease, in order to be able to reflect the Sabliere Property with a standard currency situation.

The full text of the Formal Valuation describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by the Valuator. The full text of the Formal Valuation is attached as Appendix "C" and is incorporated by reference into the Circular in its entirety. See Appendix "C" – "Formal Valuation". Unitholders are encouraged to read the Formal Valuation carefully in its entirety. The Formal Valuation is directed only to the value of the Sabliere Property and does not address any other aspect of the Sale or any related transaction. The Formal Valuation does not address the relative merits of the Sale or any related transaction as compared to other business strategies or transactions that might be available to the REIT or the underlying business decision of the REIT to effect the Sale or any related transaction. The Formal Valuation does not constitute a recommendation to any Unitholder as to how such Unitholder should vote or act with respect to any matters relating to the Sale.

Caution should be exercised in the evaluation and use of the results of a formal valuation such as those contained in the Formal Valuation. A formal valuation is an estimate of market value as at a particular date. It is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The Formal Valuation is based on various assumptions of future expectations and some of the assumptions may not materialize or may differ materially from actual experience in the future.

The Formal Valuation was only one of many factors considered by the Investment Committee and by the Trustees in their evaluation of the Sale and should not be viewed as determinative of the views of the Investment Committee, the Trustees or the REIT's management with respect to the Sale or the consideration provided for in the Sale.

Prior Valuations

The REIT obtained the December 2023 Valuation in respect of the Sabliere Property. The December 2023 Valuation considered relevant factors such as the Sabliere Property's location, condition, occupational leases, and net rent; an analysis of the local market and comparable properties; the Sabliere Property's position within the occupational market; investment comparables; and a local market study. The December 2023 Valuation considered the strengths, weaknesses, opportunities, and threats of the Sabliere Property. Subject to the assumptions, limitations, and conditions outlined in the December 2023 Valuation, the net market value of the Sabliere Property was found to be €18,800,000. The market value obtained from the Formal Valuation does not differ materially from the market value obtained from the December 2023 Valuation and the differences in value can be explained by (i) overall market conditions and trends in commercial real estate sales Paris, (ii) the fact that the prices for office assets remain at lower levels with reduced purchaser appetite for office properties outside of the central business district of Paris, and (iii) that financing for commercial assets in Paris remains costly and difficult to obtain for many potential purchasers.

The REIT also obtained valuations in respect of the Sabliere Property on December 31, 2022 (€20,300,000) (the "**December 2022 Valuation**") and June 30, 2023 (€20,200,000) (the "**June 2023 Valuation**").

Copies of the December 2023 Valuation, December 2022 Valuation and June 2023 Valuation are available under the REIT's profile on SEDAR+ at www.sedarplus.ca.

Other than as disclosed herein, there are no Prior Valuations (as such term is defined in MI 61-101) in respect of the Sabliere Property that have been made within 24 months before the date of the announcement of the Sale, that are known, after reasonable inquiry, to the REIT or to any trustee or senior officer of the REIT.

Approvals Required for the Sale

At the Meeting, Unitholders will be asked to consider, and if thought advisable, pass the Sabliere Sale Resolution in the form attached hereto as Appendix "A", with or without variation. To be approved, the Sabliere Sale Resolution must receive the affirmative vote of not less than a majority of the votes cast thereon by Unitholders (other than Excluded Unitholders pursuant to MI 61-101).

RISK FACTORS

Unitholders should carefully consider the risks related to the Sale described below, the other information elsewhere in the Circular and the documents incorporated by reference herein, before determining whether to vote in favour of the Sabliere Sale Resolution. If any of such or other risks occur, the REIT's business, prospectus, financial condition, results of operations and cash flows could be materially adversely impacted. In that case, the trading price of the REIT's securities could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the below described or other unforeseen risks.

The following risk factors are not an exhaustive list of all the risk factors associated with the Sale or the Sabliere Sale Agreement. Additional risks and uncertainties, including those currently known or considered immaterial by the REIT, may also adversely affect the REIT and the business of the REIT. All of the risk factors described in this Circular should be considered by Unitholders in conjunction with the other information included in this Circular.

Risks Related to the Sale

Possible Failure to Complete the Sale

Completion of the Sale is subject to the satisfaction of certain closing conditions, including, but not limited to, approval of the Sabliere Sale Resolution by the Unitholders. There is no certainty, nor can the REIT provide any assurance, that these conditions will be satisfied and, as such, there is no assurance that the Sale will be completed, or if completed, will be on terms that are exactly the same as discussed in the Circular. The Sale is subject to commercial risk that the Sale may not be completed on the terms negotiated or at all. If the Sale Closing does not take place as contemplated, the REIT will not benefit from the Sale, will have incurred significant management time and expenses and could suffer adverse consequences, including the loss of investor confidence. If the Sale is not completed and the Trustees decide to seek another sale, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Sale Price to be paid by the Purchaser.

Possible Failure to Realize Expected Returns on the Sale

Sales involve risks that could materially and adversely affect the REIT's business plan, including the failure of the Sale to realize the results the REIT expects. While management of the REIT, based on information deemed appropriate and sufficient for such purposes, believes the Sale will be beneficial for the REIT, such determination should not be regarded as a guarantee of future performance or results and includes certain estimates and assumptions, the actual result of which may be different.

If the Sale fails to realize the results that the REIT expects, the Sale could have a material adverse effect on the REIT and its financial results.

Valuations

The REIT retained the Valuator to provide the Formal Valuation with respect to the Sabliere Property. Caution should be exercised in the evaluation and use of appraisal results, which are estimates of market value at a specific point in time. In general, appraisals such as the Formal Valuation represent only the analysis and opinion of qualified experts as of the effective date of such appraisals and are not a guarantee of present or future value. There is no assurance that the assumptions employed in determining the appraised value of the Sabliere Property is correct as of the date of this Circular. As prices in the real estate market fluctuate over time in response to numerous factors, the market value of the Sabliere Property shown on the Formal Valuation may be an unreliable indication of its current market value.

Delay of Failure to Complete the Sale Could Negatively Impact the Market Price of the Voting Units and/or the REIT's Business and Operating Results

If the Sale is not completed or completion is materially delayed for any reason, the market price of the Voting Units may be materially adversely affected and the REIT's business and its results of operations could also be subject to various material adverse consequences.

The Sabliere Sale Agreement Will Include Termination Provisions and it May be Terminated by the Purchaser in Certain Circumstances

It is expected that the Sabliere Sale Agreement will contain customary termination provisions, which will give the Purchaser the right to terminate the Sabliere Sale Agreement in certain circumstances. Even if the Sabliere Sale Resolution is passed and the Sabliere Sale Agreement is entered into, there is no certainty, nor can the REIT provide any assurance, that the Sabliere Sale Agreement will not be terminated by the Purchaser before completion of the Sale. If the Sabliere Sale Agreement is terminated, there is no assurance that the REIT will be able to find an alternative transaction, or that the terms of any alternative transaction would be more or less favorable than the terms the REIT anticipates being included in the Sabliere Sale Agreement.

There can be no Assurance that Unitholder Approval will be Obtained

If the Sabliere Sale Resolution is not approved at the Meeting, the Sale will not be completed. There can be no certainty, nor can the REIT provide any assurance, that the requisite Unitholder approval of the Sabliere Sale Resolution will be obtained.

The Sabliere Sale Agreement has Yet to be Entered Into and the Sale is Subject to Uncertainty

The Sale is subject to first negotiating and executing the Sabliere Sale Agreement with the Purchaser, and then it is expected to be subject to the satisfaction of certain conditions, and thus the Sale's completion is subject to uncertainty. There can be no assurance that the Sale will result in a successfully negotiation of the Sabliere Sale Agreement and, even if the Sale results in a negotiated Sabliere Sale Agreement, there can be no assurance of the completion of the Sale. In addition, the Sabliere Sale Agreement may contain terms and conditions that are different to those terms and conditions described in this Circular.

The Announcement and Pending Status of the Sale, whether or not Consummated, may Adversely Impact the REIT's Operations

The announcement and pending status of the Sale, whether or not consummated, may adversely affect the market price of the REIT's Units, and the REIT's current and future operations or relationships with its employees and stakeholders.

The Trustees May Not Decide to Proceed with the Sale

Notwithstanding the Unitholders approving the Sabliere Sale Resolution and subject to the terms of any Sabliere Sale Agreement to be entered into by the REIT, the Trustees will retain the discretion not to proceed with any of the transactions contemplated by the Sabliere Sale Resolution, if it determines that such Sale is no longer in the best interests of the REIT and its Unitholders.

The Sale May Divert Attention of Management

The pendency of the Sale could cause the attention of the REIT's management to be diverted from day-to-day operations. These disruptions could be exacerbated by a delay in the completion of the Sale and could have an adverse effect on the business, operating resolutions or prospects of the REIT, regardless of whether the Sale is ultimately completed.

Additional Risks

Additional risks and uncertainties, including those currently unknown or considered immaterial by the REIT may also adversely affect the business of the REIT during and after completion of the Sale. Please refer to the risk factors found in the REIT's FY 2023 AIF, a copy of which is available under the REIT's profile on SEDAR+ at www.sedarplus.ca.

INTERESTS OF EXPERTS

The Valuator has provided the Formal Valuation. As of the date hereof, the designated professionals of the Valuator beneficially owned, directly or indirectly, less than 1% of the outstanding securities of the REIT.

MATERIAL CONTRACTS

The following are the only material contracts, other than contracts entered into the ordinary course of the business, entered into by the REIT or the REIT's subsidiaries within the REIT's most recently completed financial year:

- Deferred Unit Plan (as defined in the FY 2023 AIF)
- Unitholder Rights Plan (as defined in the FY 2023 AIF); and
- Fifth Amended and Restated Management Agreement (as defined in the FY 2023 AIF).

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS AND MATTERS TO BE ACTED UPON

Other than as described in this Circular, the FY 2023 AIF and in the notes to the 2023 audited consolidated financial statements of the REIT, no informed person (as such term is defined in the *Securities Act* (Ontario)) or proposed nominee for election as a Trustee, nor any associate or affiliate of the foregoing, has any interest, direct or indirect, in any material transactions in

which the REIT has participated since the formation of the REIT or in any proposed transaction which has materially affected or will materially affect the REIT.

To the knowledge of the Trustees, except as otherwise set out in this Circular, no Trustee or executive officer of the REIT, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or securities or otherwise, in any matter to be acted upon at the Meeting.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The external auditor of the REIT is Ernst & Young (France). Ernst & Young (France) is independent of the REIT within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*. Ernst & Young (France) is located at 1-2, Place des Saisons, 92037 Paris, France.

The transfer agent and register for the Voting Units is TSX Trust Company at its principal office located in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to the REIT may be found by visiting the REIT's website at: www.inovalisreit.com. Additional information relating to the REIT is available on SEDAR+ at www.sedarplus.ca. In addition, more information, including additional financial information which is provided in the REIT's audited consolidated financial statements and management's discussion and analysis for the REIT's most recently completed financial year, and any documents, or sections of documents, as applicable, incorporated by reference into the Circular, can be found on SEDAR+ by visiting www.sedarplus.ca. Unitholders may contact the REIT to request a copy of the REIT's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year and any documents incorporated by reference into the Circular. Such requests can be made free of charge by contacting Goodmans LLP, Bay Adelaide Centre, 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7.

APPROVAL OF THE BOARD OF TRUSTEES

The contents of this Circular, including the Notice of Meeting, and the sending of it to each Trustee of the REIT, to the auditor of the REIT, to those Unitholders who have requested it and to the applicable regulatory authorities, have been approved by the Trustees of the REIT.

DATED at Toronto, Ontario, this 1st day of August, 2024.

"Stéphane Amine"

Stéphane Amine

President and Chief Executive Officer

APPENDIX A – RESOLUTIONS CONCERNING APPROVAL OF THE SALE

FOR CONSIDERATION AT THE SPECIAL MEETING OF UNITHOLDERS OF INOVALIS REAL ESTATE INVESTMENT TRUST

BE IT RESOLVED THAT:

1. The sale (the “**Sale**”) by Inovalis Real Estate Investment Trust (the “**REIT**”) of the property located at 24-26, Rue Bénard – 25, Rue Hyppolite Maindron – 27-29, Rue de la Sablière, Paris, District 14, France (the “**Sablere Property**”) to Inovalis S.A. (the “**Purchaser**”), pursuant to an agreement to be entered into between the REIT and the Purchaser is hereby approved and authorized.
2. All other matters related to the Sale as described in the Circular are hereby authorized and approved.
3. Notwithstanding that this resolution has been duly passed by the unitholders of the REIT, the trustees of the REIT are hereby authorized and empowered, without further notice to, or approval of, the unitholders of the REIT, not to proceed with the Sale.
4. Any trustee or officer of the REIT is hereby authorized, for and on behalf of the REIT, to execute and, if appropriate, deliver any and all other agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the completion of the Sale and related transactions, including, without limitation, (i) all actions required to be taken by or on behalf of the REIT, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, and (ii) the signing of the certificates, consents and other documents or declarations required to effect the Sale or otherwise to be entered into by the REIT, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action.

APPENDIX B – CONSENT OF VALUATORS

To: The Board of Trustees and the Investment Committee of the REIT

We refer to the Formal Valuation, dated July 29, 2024, which we prepared for the Investment Committee in connection with the sale of the Sabliere Property.

We consent to the filing of the Formal Valuation with applicable securities regulatory authorities; the inclusion of a summary of the Formal Valuation in the Circular; the inclusion of the Formal Valuation as an appendix in the Circular; and to being named in the Circular.

“Cushman & Wakefield Valuation France SA” (signed)

Paris, France

August 1, 2024

APPENDIX C – FORMAL VALUATION

Please see attached.



Report and Valuation of:
27-29 Rue de la Sablière
75014 Paris

Prepared for

Inovalis Real Estate Investment
Trust

Valuation Date:

30/06/2024



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EXECUTIVE SUMMARY



**27-29 RUE DE LA SABLIERE
75014 PARIS**

This summary is strictly confidential to you as the Addressee. It must not be copied, distributed or considered in isolation from the full report.

Property Summary

Location	The Property is located in Paris (75), in the 14 th district.
Description	The Property is an office building at the corner of Rue de la Sablière, Rue Bénard and Rue Hippolyte Maindron.
Floor area	The building has two basement levels and is 3 storeys high on one side and 5 storeys high on the other one.
Year of construction	1987
Condition	Poor condition - some work required
Deleterious materials	None assumed - Subject to technical audit
Environmental issues	No issues assumed - Subject to technical audit
Tenure	We have assumed that the property is fully owned as a freehold equivalent.

Income Summary

Tenancies	<p>The property is currently 54% let to 8 different tenants. Most of the leases are derogatory leases or leases made available free of charge. The only commercial leases present in the property are not recently signed and date from between 2012 and 2019.</p> <p>This is a non-standard situation due to a pending building renovation project.</p>
Income profile	WALB of 1 year
Stabilized Income (current income without rent-free)	€ 673,954 excl. per year
Net headline initial yield	3.52%
Letting prospects (Valuation assumption)	<ul style="list-style-type: none">- Vacancy cost: 120€/sqm/year- Reletting /renovation works: 400 €/sqm. We have considered limited renovation capex to only consider a refresh of the building.- 12 months of void/ 6 months of rent free/ 3-year lease.- 100% probability of departure- We have considered works of €400/sqm for all vacant areas at the valuation date.
Market Rent (pa)	€ 1,326,986 excl. per year

Market Value

Valuation Date 30th June 2024

Net Market Value € 17,800,000 exclusive of purchaser's costs (7.50%)

Key Investment

Strengths / Opportunities

- The building is located in Paris, 15-minute walk from Montparnasse train station.
- Divisible building with the possibility of letting to several tenants.
- The chillers units on levels 1/3/5 were replaced in 2016.
- Most leases are coming to an end soon (1-year WALB), with the possibility of renting at higher levels following renovation work.
- Significant number of car parking spaces for a Parisian location.
- Other type of use could be considered.

Weaknesses / Risks

- The office building is located in a residential area.
- The nearest metro station is a 6-minute walk away.
- Major works could be considered to refurbish the property in order to have a fully renovated building conforming to the current standards.
- The building does not meet the latest ESG standards.
- The current investment market is limited due to an increase in interest rates and the gap between purchaser's and vendor's expectations. This situation is worse in non-prime locations and the peripheral locations of Paris.

VALUATION RECORD

To:	Inovalis Real Estate Investment Trust ("you" or the "Addressee")
Attention:	Mr Mike Bonneveld, Chairman of the Investment Committee of the Board of Trustees
Property:	The address, tenure and property type of the property or each of the properties (the "Property") is included in the Property Record section.
Report date:	29/07/2024
Valuation date:	30/06/2024 ("Valuation Date")
Our reference:	CW3 24/204

Instructions

Appointment

We are pleased to submit our report and valuation (the "**Valuation Report**"), which has been prepared in accordance with the engagement letter entered into between us dated 24th June 2024 (the "Engagement Letter"). This Engagement Letter and the terms set out therein, together with our Terms of Business, which were sent to you with our Engagement Letter dated 24th June 2024, constitute the "**Engagement**", which forms an integral part of this Valuation Report.

Included in the Engagement Letter is the Valuation Services Schedule. It is essential to understand that the contents of this Valuation Report are subject to the various matters we have assumed, which are referred to and confirmed as Assumptions in the Valuation Services Schedule (which forms part of the Engagement). Where Assumptions detailed in the Valuation Services Schedule are also referred to within this Valuation Report they are referred to as an "assumption" or "assumptions". Unless otherwise defined, all capitalised terms herein shall be as defined in the Engagement.

We have valued the property interest detailed in the Property Record.

The Trustees initially contacted us regarding the potential assignment on 12th June 2024. We were formally engaged by the Trustees pursuant to an agreement between the REIT and us (the "Engagement Letter") dated 24th June 2024. The Engagement Letter provides for the payment of a fixed fee equal to € 24,000 VAT included (French VAT at 20%) for delivery of the valuation, which is not contingent upon conclusions in the valuation or upon the completion of the sale of the property. In addition, we are entitled to be reimbursed for our reasonable out-of-pocket expenses and have been indemnified by the REIT in respect of certain matters relating to its engagement.

Cushman & Wakefield Valuation France

185-189, avenue Charles de Gaulle | 92200 Neuilly-sur-Seine | France
Téléphone : +33 (0)1 53 76 92 92 | www.cushmanwakefield.com

Société anonyme au capital de 6 616 304 € – SIRET n°332 111 574 00056 – R.C.S. Nanterre – TVA : FR 10 332 111 574

Compliance with RICS Valuation – Global Standards

We confirm that the valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards, which incorporate the International Valuation Standards (“IVS”) and the RICS Valuation Standards (the “RICS Red Book”), edition current at the Valuation Date. It follows that the valuations are compliant with IVS.

Status of Valuer and Conflicts of Interest

We confirm that all valuers who have contributed to the valuation have complied with the requirements of the RICS Red Book. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to undertake the valuation competently. We confirm that the signatory has overall responsibility for the valuation and is in a position to provide an objective and unbiased valuation and is competent to undertake the valuation. Finally, we confirm that we have undertaken the valuation acting as an External Valuer as defined in the RICS Red Book.

We further confirm that we have no current, anticipated or previous recent involvement with the Property and / or parties to the transaction and therefore do not consider that any conflict arises in preparing the advice requested.

Purpose of Valuation

We understand that the prospective purchaser of the Property, Inovalis S.A., is the external manager of the REIT and is therefore a “related party” of the REIT and that the value of the proposed sale represents more than 25% of the REIT’s current market capitalization, and is therefore subject to the requirements of Multilateral Instrument 61-101-Protection of Minority Security Holders in Special Transactions (the “Related Party Rules”), including the requirement to obtain a written formal valuation of the Property prepared in accordance with the requirements of the Related Party Rules as well as the approval of not less than a majority of the votes cast by the REIT’s unitholders not related to Inovalis S.A. (the “Independent Unitholders”) at a special meeting of the REIT’s unitholders (“Unitholders”).

The Board of Trustees of the REIT (the “Committee”) has retained us to prepare and deliver a written formal valuation of the Property prepared in accordance with the requirements of the Related Party Rules (the “Valuation”).

Bases of Valuation

In accordance with your instructions, we have undertaken our valuation on the following bases in accordance with the RICS standards and the Charte de l’Expertise Immobilière for local practice:

1. Market Value
2. Market Rent

Special Assumptions

The valuation has not been undertaken under special assumptions.

We have set out the definitions of the above bases of valuation in the Appendix of this report.

Definitions

Market Value

The term "Market Value" as referred to in the RICS Red Book and applying the conceptual framework which is set out as follows: "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."

Market Rent

The term "Market Rent" as referred to in the RICS Red Book is defined as: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Reservations

The valuation is not subject to any reservation.

Inspection

Details of our inspection of the Property are included in the Property Record Section.

Measurement

Details of measurement of the Property are included in the Property Record section.

Floor Areas

We have been provided with a measurement survey by a qualified "Géomètre Expert" (Land Surveyor). In France and Monaco, property valuers rely on areas communicated by an independent "Géomètre Expert". We have used the floor areas provided to us by you for the purpose of our valuation. We assume that these areas have been measured and calculated in accordance with current local measuring practice.

Valuation methodology

Our valuation will be undertaken using the Revenue Capitalisation and the Discounted Cash Flow methodologies. The Gross Market Value will be deducted by averaging the results of the two methodologies by equal weight.

Our approach is discussed in full detail in Section 8 of this report.

Information provided

Documents sent by Inovalis, which include:

- Recoverable and no recoverable service charges and taxes
- Leases and amendments
- A rent roll dated 1st July 2024
- Summary of work carried out over the last 10 years
- Plans and summary tables of areas drawn up by Daniel LeGrand "Géomètre expert".
- Energy performance diagnosis (DPE) dated 23 December 2022.

More details about these documents can be found in the report in their relevant sections.

We have not received the following documents:

- Certificate of ownership
- Asbestos audit diagnosis
- Precise surface area statement for rented areas corresponding to the total vacant surface area in the Rent Roll.

Sustainability and ESG

Sustainability is an increasingly important factor in real estate market. Many countries have committed to net zero carbon by 2050, with legislation already in place to reduce CO2 emissions from buildings. We consider it likely that further legislation and regulations will be introduced in coming years. Alongside this, occupiers and investors in some sectors are becoming more particular in the sustainability aspects of the buildings they choose to occupy or purchase.

The existence of a green premium for the more sustainable buildings is a matter of ongoing market monitoring, investigation and debate. Appropriate levels of market evidence have yet to be established to demonstrate fully whether additional value can be ascribed to such buildings.

However, it should be noted that the market is evolving due to the focus from both occupiers and investors on a property's sustainability credentials. We expect that awareness of sustainability matters will increase throughout all sectors of the property market.

Sources of Information

In addition to information established by us, we have relied on the limited information obtained from you, the Borrower and others listed in this Valuation Report.

We have made the assumption that the information provided by you, the Borrower and your respective professional advisers in respect of the Property we have valued is both full and correct. We have made the further assumption that details of all matters relevant to value within your and their collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us, and that such information is up to date.

General Comment

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or Special Assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of value would exactly coincide with the price achieved were there an actual sale at the Valuation Date.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation were to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you or the Borrower contemplate a sale, we strongly recommend that the Property is given proper exposure to the market.

A copy of this Valuation Report should be provided to your solicitors and they should be asked to inform us if they are aware of any aspect which is different, or in addition, to that we have set out; in which case we will be pleased to reconsider our opinion of value in the light of their advice or opinions.

Currency

The Property has been valued in French local currency, EURO (€).

Market conditions explanatory note

Significant inflationary pressures have impacted the EU economy over the last two years and led the ECB to raise interest rates since July 2022, although rates have been stable since September 2023. Indications are that inflation has peaked but is slow to go down to the ECB expected normalized level. The market is suggesting that interest rates have probably reach their peak but still needs confirmation in the coming months.

The war in Ukraine shows no sign of ending and remains a risk to supply chains, energy supplies and prices throughout Europe and the UK. The ongoing conflict in Israel / Gaza has the potential to create additional uncertainty, especially in oil prices.

In recognition of the potential for market conditions to move rapidly in response to wider political and economic changes, we highlight the importance of the Valuation Date as it is important to understand the market context under which the valuation opinion was prepared. At this point we anticipate longer marketing periods being required to elicit bids.

Confidentiality

This Valuation Report is confidential to you, for your sole use only and for the Purpose of Valuation as stated. Other than as detailed below, we will not accept responsibility to any third party in respect of any part of its contents.

Disclosure

This Valuation Report or any part of it may not be modified, altered (including altering the context in which the Valuation Report is displayed) or reproduced without our prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such breach.

We consent to the inclusion of this letter in its entirety and summaries thereof (provided such summaries are in a form acceptable to us) in the management information circular (the "Circular") to be prepared in connection with the special meeting of Unitholders to be held to approve the SOT Transaction (the "Meeting") and related material change reports and press releases and to the filing thereof, as necessary, by the REIT with the securities commissions or similar regulatory authorities in each province and territory of Canada.

We hereby exclude all liability arising from use of and/or reliance on this Valuation Report by any person or persons except as otherwise set out in the terms of the Engagement.

Valuation conclusion

Market Value

Our opinion of the Gross Market Value of the freehold interest in the Property as at the Valuation Date subject to, and with the benefit of the leases is:

€ 19,135,000 incl. (Nineteen Million One Hundred and Thirty-five Thousand Euros, including purchaser's costs)

We have deducted 7.50% of the Gross Value in order to obtain the Net Market Value excluding transfer costs and taxes (rounded):

€ 17,800,000 Excl. (Seventeen Million Eight Hundred Thousand Euros, excluding purchaser's costs)

This represents a net value per sq m of **€4,411** excl. transfer costs.

Market Rent

Our opinion of the Market Rent of the Property as at the Valuation Date is:

€1,326,986 p.a. (One Million, Three Hundred Twenty-Six Thousand Nine Hundred Eighty-Six Euros per annum, excluding charges and taxes)

The basis on which the Market Rent has been calculated is set out in the section 12.

Reliance

This Valuation Report may be relied upon only in connection with the Purpose of Valuation stated and only by:

- (i) The addressee(s);
- (ii) other parties who have signed a Reliance Letter.

No reliance may be placed upon this Valuation Report by any other party, or for any other purpose except in accordance with the terms of the Engagement letter (appendix E)

C&W's total aggregate liability to the Client or to any other party entitled to rely on the Valuation Report, arising out of, under or in connection with this Engagement shall be limited to an aggregate sum not exceeding the lesser of €5 million (Five Million Euros) or 10% of the Market Value of the Engagement Property.

For the avoidance of doubt, the total aggregate limit of liability specified in the terms of the Engagement (the "Aggregate Cap") shall apply in aggregate to (i) you (the Addressee(s)), and (ii) such other parties who have signed a Reliance Letter. Apportionment of the Aggregate Cap shall be a matter for you and such other third parties alone.

"Marc Guillaume"

Marc Guillaume MRICS

International Partner

RICS Registered Valuer

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Signed for and on behalf of Cushman & Wakefield Valuation France SAS

PROPERTY RECORD

Sablière | 27 Rue de la Sablière 75014 Paris

1. Inspection

The Property was subject to an external and internal inspection by Francois Devron (MRICS, Associate) and Lina Dghoughi (Cushman & Wakefield) accompanied by Delphine Bootz (Inovalis) on the 03/07/2024.

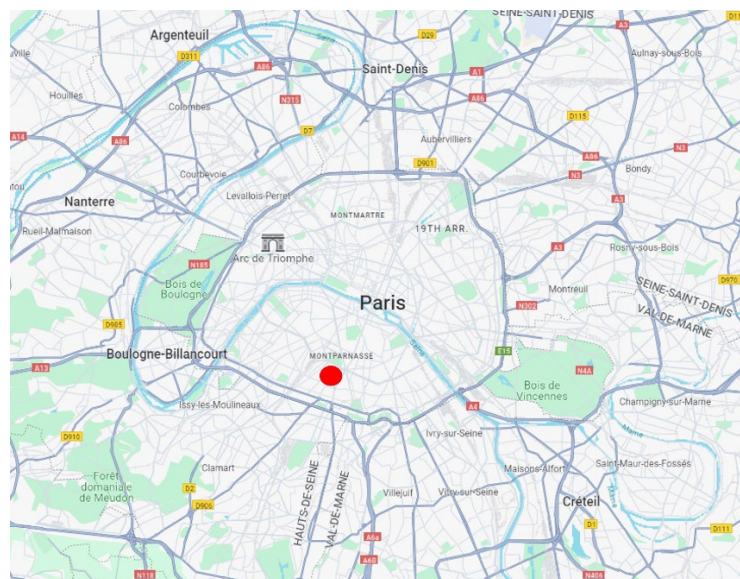
A valuation without full due diligence is dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. If such information or assumptions prove to be incorrect or inadequate, this could have an adverse impact on our opinion of value.

2. Location and Description

2.1. Location

General

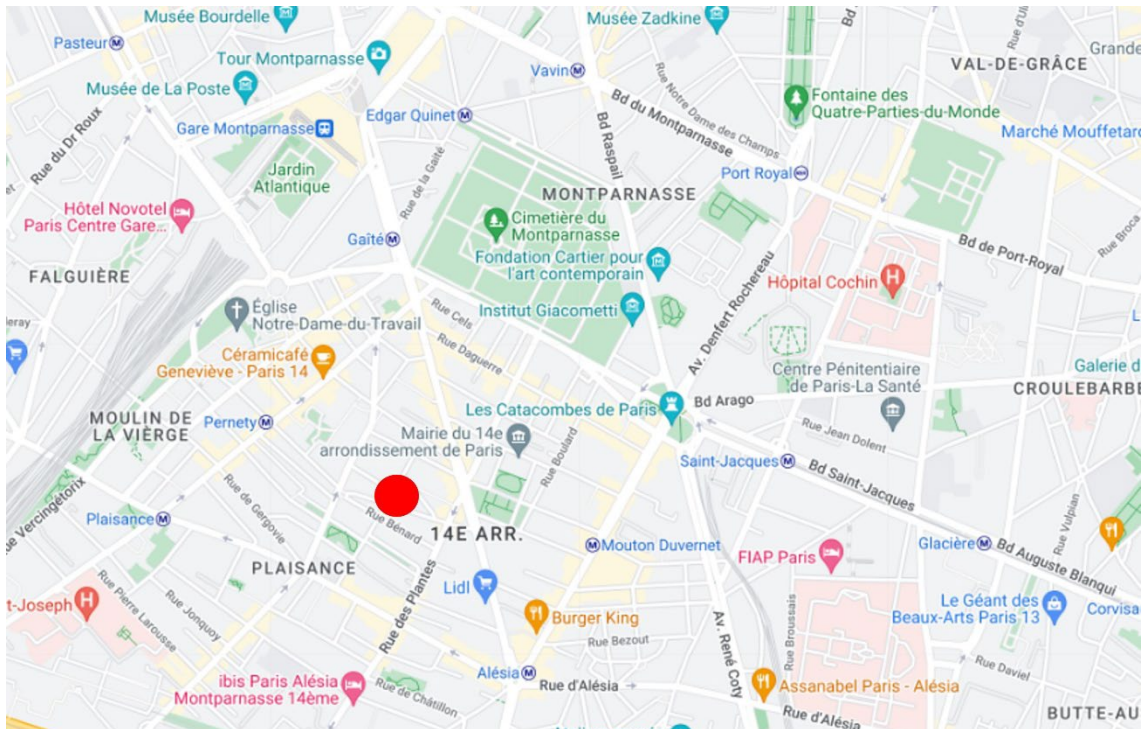
- The property is located in the 14th arrondissement of Paris which is one of the twenty arrondissements of the French capital. It is located on the left bank of the Seine, in the south of the city.
- Paris has a population of 2,133,111 people of which 136,368 live within the 14th arrondissement (INSEE 2021).
- This location borders the 5th and 6th arrondissements to the north, the 13th arrondissement to the east and the 15th arrondissement to the west. To the south of the Parisian ring-road there are the towns of Gentilly, Montrouge and Malakoff.
- The landmark of the arrondissement is Gare Montparnasse, a major rail hub connecting Paris to many destinations in France and beyond. The Tour Montparnasse, adjacent to the station, offers panoramic views over the city.



Further maps and plans are attached in Appendix A.

Local environnement

- Rue de la Sablière is located in the Petit-Montrouge district, in the heart of the 14th arrondissement of Paris.
- Rue de la Sablière is a public road that begins at the junction with 186, avenue du Maine and ends at the junction with 35, rue Didot and 46, rue Bénard.
- The area is predominantly residential, and its surroundings are home to a variety of local shops, including bakeries, grocery shops, cafés and restaurants.



Communications

- Road access:
 - Rue de la Sablière is close to a number of major Paris arteries, such as Avenue du Maine and Rue d'Alésia, making the location well connected via road access.
 - Access to the Boulevard Périphérique, the ring-road surrounding Paris, can be done at Porte d'Orléans which is around 10 minutes from the property by car, providing a fast connection to the A6 and A10 motorways.
- Access by public transportation:
 - Metro line 13 station “Pernety” is approximately a 6-minute walk away. Line 13 crosses Paris from north to south-west.
 - Metro line 4 station “Mouton Duvernet” and station “Alésia” are approximately a 9-minute walk away. Line 4 crosses Paris from north to south, making it easy to get to many districts.
 - Denfert-Rochereau station, served by the RER B, is around a 10–15-minute walk away. The RER B provides a fast connection to Roissy-Charles de Gaulle and Orly airports.
 - Several bus lines are nearby (bus line 58, 92, N21, N66 and N122)

2.2. Description



Further photographs are attached in Appendix B.

Summary

- The Property is an office building at the corner of Rue de la Sablière, Rue Bénard and Rue Hippolyte Maindron, totalling 4,036 sqm (area retained in the valuation).
- According to the tenancy schedule, the total area is 3,813 sqm and according to the designation delimitation plans & area calculations carried out by Daniel LEGRAND Géomètre experts fonciers the total area is 4,056 sqm. We have retained for the let offices the areas stated in the leases whilst for the vacant offices we retained the Géomètre expert measurements.
- The building is equipped with two elevators, which were replaced in 2019.
- The building includes 35 indoor parking spaces that can be found spread across the two basement floors.

Construction

- The building was built in 1987 (source: energy performance diagnosis dated 2022).
- The subject property has been built with a concrete structure, large windows and red metal cladding. From the exterior there are visible concrete columns and reflective glass windows. The main entrance to the building is lowered in comparison to the street level and to the left-hand side of the entrance the property has a visible lowered ground floor.
- The exterior of the property has not been well maintained and would benefit from landscaping and cleaning. There are several architectural and design features rendering the property unique, such as its colour and irregular shaped facades.
- From our inspection, the building appears to be in an average to bad condition. The fifth floor, which was renovated in 2018, is in good condition. Renovation work need to be considered for the remaining floors.

Layout and Specification

The building has the following specifications:

- The property has two basement floors used as archival space and meeting rooms. On these basement floors there is also a total of 35 parking spaces.
- The building is 3 storeys high on the northern section and 5 storeys high on the western and southern sections.
- The entrance features a reception area, two elevators and ground-floor offices.
- The offices on the upper floors are divided between a left wing and a right wing from the central elevator shaft.
- There is a balcony on the fifth floor with wooden floors and seating areas. There also a larger terrace area on the roof of the third floor with artificial grass.
- The building benefits from heating in the common areas. There is also air-conditioning throughout the property which is provided by a central unit which was replaced in 2016.
- The building is not connected to the CPCU (“Compagnie parisienne de chauffage urbain”): Paris district heating company.
- Suspended ceiling made from mineral tiles with embedded lights and ventilation units are present in the office areas.

3. Accommodation

Floor Areas prepared by the D LEGRAND (Géomètre Expert)

We have received the delimitation plan of the designations and calculations of the useful areas and appendices drawn up by Daniel LEGRAND Géomètre Experts Fonciers dated 04 February 2021.

		SUPERFICIES UTILES									
Niveaux	Compartiments	Bureaux, Archives, Salles de réunion...	Locaux vacants	Caféterias, Cuisines	Locaux divers (Débarras, Réserves, Salle de jeux, local ménage...)	Sanitaires, Vestiaires	Placards et locaux techniques utilisateurs	Dégagements, Halls, Circulations	Paliers d'ascenseurs	Paliers d'escaliers	Total
R-2	-	96,8	8,4	-	20,0	-	-	41,4	-	4,9	171,5
R-2	Total	96,8	8,4	-	20,0	-	-	41,4	-	4,9	171,5
R-1	-	47,9	163,1	-	-	16,0	-	85,2	-	5,8	318,0
R-1	Total	47,9	163,1	-	-	16,0	-	85,2	-	5,8	318,0
RDC	Parties communes	-	-	-	-	-	-	63,3	-	5,9	69,2
RDC	-	-	431,6	-	5,6	29,4	0,9	158,5	-	-	626,0
RDC	Total	-	431,6	-	5,6	29,4	0,9	221,8	-	5,9	695,2
R+1	Parties communes	-	-	-	-	-	-	25,7	-	9,2	34,9
R+1	Droite	290,6	-	5,9	-	21,7	15,2	16,3	-	-	349,7
R+1	Gauche	137,7	-	-	4,7	9,3	4,1	22,9	-	-	178,7
R+1	Total	428,3	-	5,9	4,7	31,0	19,3	64,9	-	9,2	563,3
R+2	Parties communes	-	-	-	-	-	-	25,5	-	9,2	34,7
R+2	Droite	293,9	-	20,2	-	27,6	-	22,9	-	-	364,6
R+2	Gauche	221,7	-	-	-	15,8	-	4,2	-	-	241,7
R+2	Total	515,6	-	20,2	-	43,4	-	52,6	-	9,2	641,0
R+3	Parties communes	-	-	-	-	-	-	25,5	-	9,1	34,6
R+3	Droite	290,7	-	9,7	-	27,8	7,7	84,7	-	-	420,6
R+3	Gauche	160,3	-	9,3	-	6,3	-	67,0	-	-	242,9
R+3	Total	451,0	-	19,0	-	34,1	7,7	177,2	-	9,1	698,1
R+4	Parties communes	-	-	-	-	-	-	-	5,3	6,1	11,4
R+4	-	366,4	-	20,3	22,0	28,9	4,2	79,7	-	-	521,5
R+4	Total	366,4	-	20,3	22,0	28,9	4,2	79,7	5,3	6,1	532,9
R+5	Parties communes	-	-	-	-	-	-	-	-	5,9	5,9
R+5	-	295,4	-	33,9	14,7	27,5	4,6	54,2	-	-	430,3
R+5	Total	295,4	-	33,9	14,7	27,5	4,6	54,2	-	5,9	436,2
Toiture	-	-	-	-	-	-	-	-	-	-	-
Toiture	Total	-	-	-	-	-	-	-	-	-	-
TOTAL GENERAL		2201,4	603,1	99,3	67,0	210,3	36,7	777,0	5,3	56,1	4056,2

C&W have made an Assumption that the areas have been measured and calculated in accordance with the RICS Professional Statement RICS Property Measurement current edition or with local market practice or regulation. Nevertheless, should any new elements relating to the

Gross area occur, following a new measurement published by a surveyor (“géomètre expert”), then our valuation should be reviewed and potentially modified.

Floor Areas retained in our valuation

The areas detailed above are not aligned with the areas stated in the Tenancy Schedule provided by the client. We have a difference of 244 sqm that we are unable to identify with the documents provided.

Then, in our valuation, we have retained the areas from the leases for the rented units and we have used the areas shown in the area table done by Daniel LEGRAND (a chartered surveyor carried out in 2021) for the vacant units.

Tenants	Floor	Main Use	AREA SCHEDULE						
			Offices	Meeting rooms	Common areas	Archives	TOTAL	Parking Int./Auto	Parking Ext./Moto
			sq m	sq m	sq m	sq m	sq m	units	units
Les enfants du Canal	GF	Offices	270	0	0	0	270	0	0
La Carriole Solidaire	GF	Offices	120	0	0	0	120	0	0
Pascal HOTTE	1st floor	Offices	190	0	0	0	190	2	0
LASA	1st floor	Offices	374	0	0	0	374	6	0
ZARA France	3rd floor	Offices	431	0	0	0	431	0	0
COEFFICIENT	3rd floor	Offices	239	0	0	0	239	0	0
CGR Cinemas	5th floor & 1st basem	Offices	443	120	0	0	563	3	0
J.E.Y Conseil	2nd basement	Offices	0	0	0	10	10	0	0
Vacant - Ground floor	GF	Offices	42	0	264	0	305	0	0
Vacant - second floor	2nd floor	Offices	641	0	0	0	641	0	0
Vacant - fourth floor	4th floor	Offices	533	0	0	0	533	0	0
Vacant first basement	1st basement	Offices	0	0	85	113	198	0	0
Vacant - second basement	2nd basement	Offices	0	0	41	120	162	0	0
Vacant - Parking spaces	Parking	Parkings	0	0	0	0	0	24	0
TOTAL			3 283	120	390	243	4 036	35	0
Total Rented			2 067	120	0	10	2 197	11	0
TOTAL Vacant			1 216	0	390	233	1 839	24	0

Parking Provision

35 indoor car parking spaces

4. Structural Condition and Repair

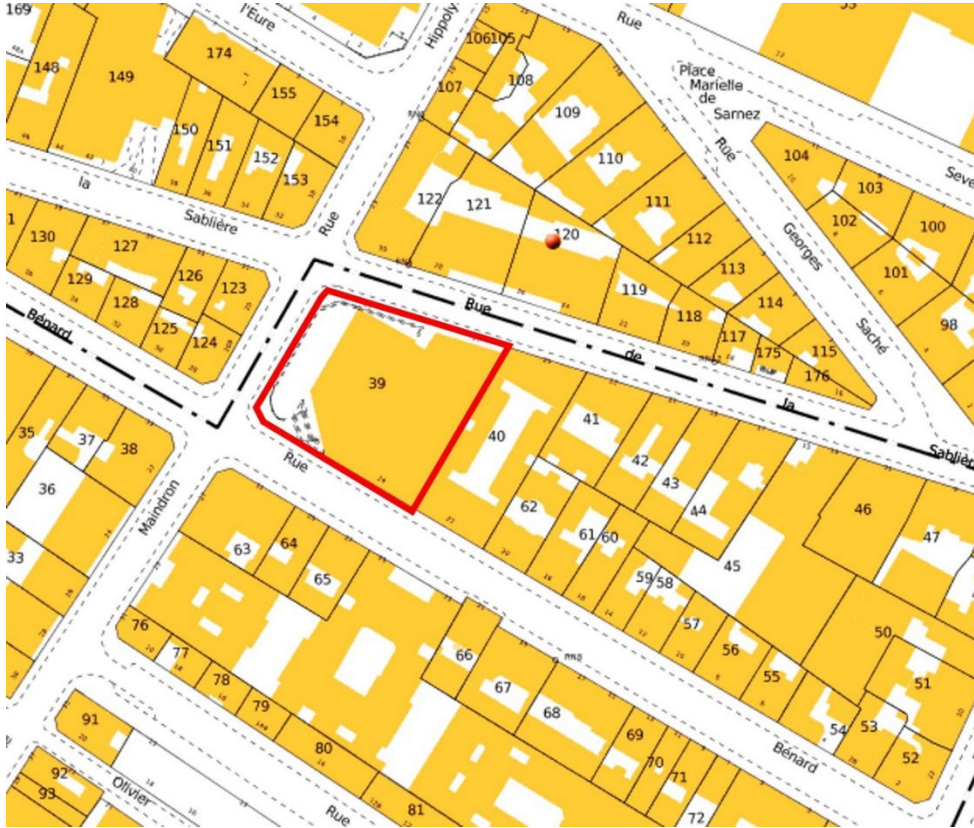
We have not carried out a building or condition survey.

We have not been provided with a building or condition survey. During the course of our inspection of the Property we noted that it appears to have been poorly maintained, and in its current condition the building requires renovation work to render itself lettable.

5. Site

Boundary

- Land register of the building:



Area

- Based on the French cadastral website, the building is identified by the following references:
CR 39
- The total surface area is:

1,282 sq. m

Topography

- The building occupies a flat site with no significant gradient.
- The plot is bordered to the north by Rue La Sablière, to the west by rue Hippolyte Maindron and to the south by Rue Bernard.

Ground Conditions

- We have not been provided with any information that indicates there are adverse ground conditions affecting the Property.

Archaeology

- We have made an assumption that the site has no archaeological significance.

6. Environmental Considerations and Environmental Performance

6.1. Environmental considerations

- According to our research on the Georisques website, we understand:
 - The subject property is located in an area of very low seismicity (zone 1).
 - The subject property is located in a commune subject to flooding.
 - The subject property is located in an area subject to ground movements.
 - The subject property is located in an area subject to clay shrinkage and swelling.
 - The subject property is located in an area with low radon risk
- Our enquiries have provided no evidence that there is a significant risk of contamination or other adverse environmental issues in respect of the Property. Accordingly, as agreed, we have made an assumption that no contamination or other adverse environmental matters exist in relation to the Property sufficient to affect value.
- We understand from our site inspection that traces of asbestos have been found in the building (oral communication).
- Our valuation has been prepared on the basis that the Property does not suffer from contamination.

6.2. Environmental Performance

Energy Performance Diagnosis (“Diagnostic Performance Energetique”)

The DPE assesses the energy consumption and carbon emission of the asset. It has a duration validity of 10 years. According to the DPE dated December 2022 established by the company “GEXPERTISE” the performances of the building are as follow:

<u>Energy Consumption:</u> C (111 to 210 kWh _{EP} / sq m p.a.): 192	<u>Greenhouse gas emission:</u> A (= <5 Kg _{eqCo2} /sq m p.a.): 5
---	---

Energy audit and french tertiary decree (décret tertiaire) capex plan

We have not been provided with any details regarding the ability for the building to target the objective of the tertiary decree. Our valuation might be reviewed upon reception of documents regarding the objectives to target.

CREEM trajectory (Trajectoire CREEM) and net zero Carbon Capex plan

We have not been provided with any details regarding the ability for the building to target the net zero carbon. Our valuation might be reviewed upon reception of the objectives to target.

7. Statutory Matters

- We have made the enquiries of the local authority with regard to town planning matters.
- Planning policy for the area is contained within the Town planning (*Plan Local d'Urbanisme - PLU*) of the municipality of Paris which was adopted 04th July 2023.

Overview	
a. Local planning authority	Commune of Paris
b. Current planning use	General urban zone
c. Area allocated for?	UG, covers most of Paris outside the Bois de Boulogne and Bois de Vincennes, with the exception of Fort Neuf de Vincennes.
d. Area of protected historic monuments?	Yes
e. Maximum building height?	Building heights may not exceed 31 m at the ridge.
f. Miscellaneous provisions	Termite surveillance and control zone Zone at risk of lead exposure

8. Tenure

Title

- The client has not provided us with a certificate of ownership. We have considered full ownership of the property as a freehold equivalent.

If this is not the case, our value must be revised.

9. Occupational Interests

Occupational Interests

We have been provided with a copy of the leases and their amendments, which we have read and have detailed the primary terms in the Tenancy Summary, which is attached in the Valuation Calculation Appendix to this Valuation Report.

We have detailed the major components of the leases below. Within the building, two office sections are let free of charge to associations.

Lease Form

Occupational Lease – CGR Cinemas	
Tenant	CGR Cinemas
Effective Date	23rd February 2024
Lease Type	Short-lease - 24 months lease
Area	A total lettable area of 563 sq.m and 3 indoor parking spaces.
Use	Office use
Base Rent	€ 171,550 per annum
Indexation	The base rent is indexed on the anniversary of the lease start date on 23 rd February reflecting the change in the variation of the French index <i>Indice des Loyers des Activités Tertiaires</i> (ILAT). Base index: Q3 2023 Current index: Q3 2023 (132.15)
Current rent	€ 171,550 per annum
Rent free / Rent reduction	24 months for the area located in the 1st basement: 12 000€VAT excl/sqm/year
WALB	1.6 year

Lease Form

Occupational Lease - Coefficient

Tenant	Coefficient
Effective Date	01 st March 2016
Lease Type	4/6/9 year lease
Area	A total lettable area of 239 sqm
Use	Office use
Base Rent	€ 71,700 per annum
Indexation	The base rent is indexed on the anniversary of the lease start date reflecting the change in the variation of the French index <i>Indice des Loyers des Activités Tertiaires</i> (ILAT). Base index: Q3 2015 (107.98) Current index: Q3 2023 (132.15)
Current rent	€ 87,749 per annum
Rent free / Rent reduction	5 months from 1/03/2016 to 31/07/2016
WALB	0.7 year

Lease Form

Occupational Lease – Zara France

Tenant	Zara France
Effective Date	20 th February 2012
Lease Type	3/6/9-year lease - Tacit renewal lease
Area	A total lettable area of 431 sq.m
Use	Office use
Base Rent	€ 155,160 per annum
Indexation	The base rent is indexed on the anniversary of the lease start date reflecting the change in the variation of the French index <i>Indice du coût de la construction des immeubles à usage d'habitation</i> (ICC). Base index: Q3 2021 (1,624) Current index: Q3 2023 (2,106)
Current rent	€ 201,211 per annum
Rent free / Rent reduction	From 20/01/2012 to 19/07/2012
WALB	0.6 year

Lease Form

Occupational Lease – LASA

Tenant	LASA
Effective Date	01 st July 2016
Lease Type	6/9-year lease
Area	A total lettable area of 374 sq.m and 6 indoor parking spaces.
Use	Office use
Base Rent	€ 114,600 per annum
Indexation	The base rent is indexed on the anniversary of the lease start date reflecting the change in the variation of the French index <i>Indice des Loyers des Activités Tertiaires</i> (ILAT). Base index: Q1 2017 (109.46) Current index: Q1 2024 (135,13)
Current rent	€ 141,475 per annum
Rent free / Rent reduction	From 01/07/16 to 31/12/16 + free rent parking from 01/09/2016 to 28/02/2017
WALB	1.0 year

Lease Form

Occupational Lease – Pascal HOTTE

Tenant	Pascal HOTTE
Effective Date	01 st September 2019
Lease Type	3/6/9-year lease
Area	A total lettable area of 190 sq.m and 2 indoor parking spaces.
Use	Office use
Base Rent	€ 73,300 per annum
Indexation	The base rent is indexed on the anniversary of the lease start date reflecting the change in the variation of the French index <i>Indice des Loyers des Activités Tertiaires</i> (ILAT). Base index: Q1 2019 (113.88) Current index: Q1 2023 (128.59)
Current rent	€ 82,768 per annum
Rent free / Rent reduction	From 01/09/2019 to 31/01/2020
WALB	1.2 year

Lease Form

Occupational Lease – J.E.Y CONSEIL

Tenant	J.E.Y CONSEIL
Effective Date	25 th September 2023
Lease Type	Temporary Release Agreement
Area	A total lettable area of 10 sq.m
Use	Archive space
Base Rent	€ 1,200 per annum
Current rent	€ 1,200 per annum
Rent free / Rent reduction	15 days
WALB	0.1 year

- **Non-recoverable charges**

All charges are re-invoiced (recoverable) to the tenant except those coming from Art-606 CC (according to French Laws).

For the tenants “Les Enfants du Canal” and “La Carriole solidaire” (both “charities / nonprofit association”) all charges are non-recoverable, due to the specific nature of the agreement signed with the tenants.

Rent Arrears

- We have not been informed of any material arrears.

Outstanding Lease Renewals and Rent Reviews

- None.

Vacant Units

- 46% of floor space is vacant.

Income Summary

	Passing Rent
Net passing rent (at valuation date)	€673,954 excl

NB: we have not deducted here the current NR charges from the letting to the two association/Charities. In our valuation we have assumed a departure as at end of September 2024.

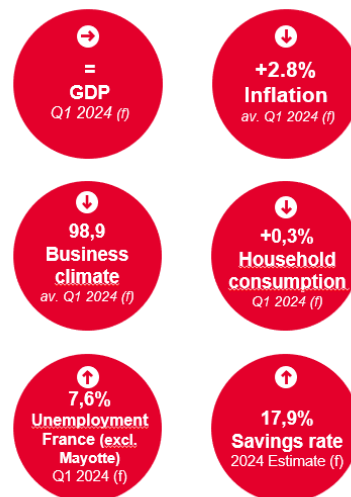
10. The Occupational Market

10.1. Rental Market Commentary

10.1.1. ECONOMIC OVERVIEW

The heavyweight of public finance

Q1 2024 ended with sluggish economic activity (0% GDP growth) due to the continued weakness of domestic demand (+0.2% in Q1), stimulated by consumption (+0.3% in Q1), but tempered by a recovery in imports that was stronger than exports. Manufacturing activity should reverse the balance of foreign trade over Q2 and lift growth to +0.3% with a year-end target estimated by the Banque de France at +0.8%, i.e. lower growth than in 2023. The government has revised down its forecasts for 2024 (from +1.4% to +1%) because of the public deficit which is weighing heavily on activity in an unfavourable geopolitical climate. The announcement of a €10 billion savings plan for government spending is unlikely to be enough to curb the deficit, which rose to 5.5% of GDP by the end of 2023; this is above the expected 4.9%, due to higher-than-expected levels of debt (110.6% of GDP).



Sources : INSEE, Banque de France

As in the Eurozone, price rises are beginning to ease for the first time since January 2022, falling below the 3% mark from February onwards due to a stabilisation of food and manufactured goods prices. Inflation could reach 2.6% in June after a slight lull in the spring and keep household consumption (+0.3% in Q1) and purchasing power afloat, despite the confidence index that is still far from historical averages (90.7 in Q1 2024).

The unemployment rate is rising again. Currently at 7.6% (7.1% in Q1 2023), unemployment is forecast to continue rising with levels approaching 8% by the end of the year. Levels are being accentuated by the increase in the working population following the implementation of pension reform, the end of government support plans and the rise in business insolvencies (17,000 in Q1 2024, the highest since 2015). This change means that the government now sees the prospect of full employment (pledged for 2027) slipping further away and is seeking to introduce new measures to slow rising unemployment, starting with a 3rd unemployment reform, which will again be more restrictive. Against a backdrop of weak growth and a very high deficit, the task of restoring employment between now and the end of their term in office is proving to be a precarious one, particularly for certain sectors, such as construction, which is already struggling with a reduced order book.

10.1.2. TAKE-UP

Q1 driven by major transactions in Paris

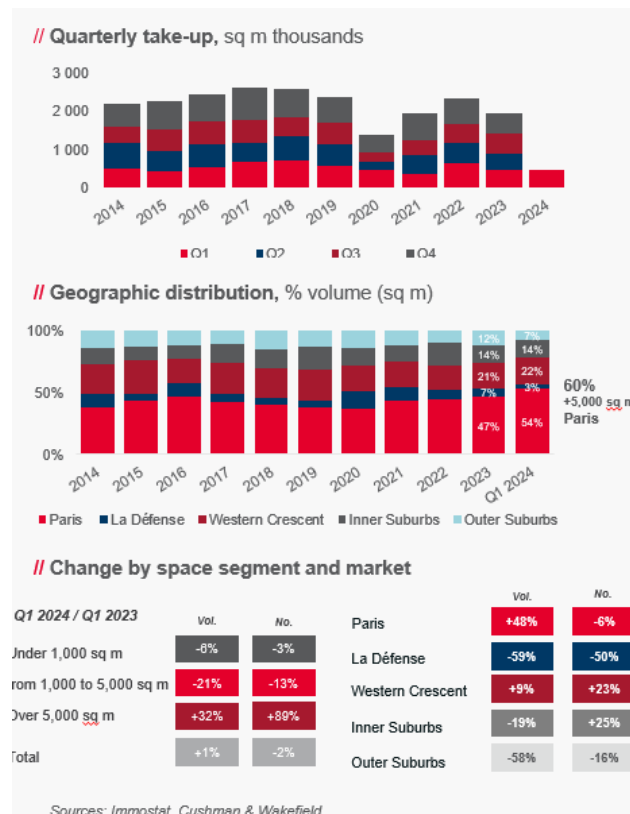
Office take-up reached 451,700 sq m in the Greater Paris Region over Q1 2024, almost on a par with Q1 2023 (+1%). The number of transactions was down slightly (-2%) but remained at a very similar level.

The real change can be seen in activity across the various space segments: there was a sharp rise for spaces over 5,000 sq m, both in terms of volume (+32%) and number (+89%). 6 out of 10 transactions were recorded in the 5,000 to 10,000 sq m segment, i.e. at the lower end of the large space spectrum, most of which were for refurbishment. Conversely, a reduction was seen for office spaces under 5,000 sq m, both in terms of the number of transactions and the volume (see

table), with a more pronounced decline in the medium space segment (-21% by volume and -13% by number).

In terms of geographical distribution, the volume of activity saw a major shift to Paris (54% of activity in the Greater Paris Region). This Parisian record was driven by major corporate transactions which accounted for 60% of take-up for spaces >5,000 sq m, with strong activity recorded outside the CBD (6 out of 8 transactions). This bolstered the volume of take-up compared with Q1 2023, up by +48%.

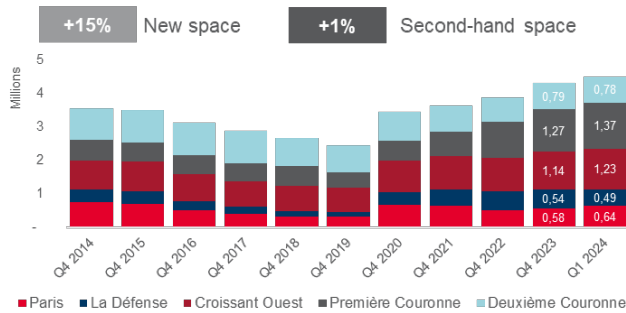
In the suburbs, demand was concentrated in the Western Crescent (22%, +1pts q-o-q), where activity rose across the board (+9% in terms of volume and +23% in terms of number of transactions vs Q1 2023). The Inner Suburbs, which performed less well than the previous 2 markets, still posted an uptick in the number of transactions (+25%). Lastly, weak quarterly activity was seen in the Outer Suburbs and La Défense, where levels were down year on year in terms of both numbers and volume (see table) with a reduction in market share to 7% and 3% respectively.



10.1.3. IMMEDIATE SUPPLY AND VACANCY RATE

A land of contrasts

// Immediate supply by space segment, in millions



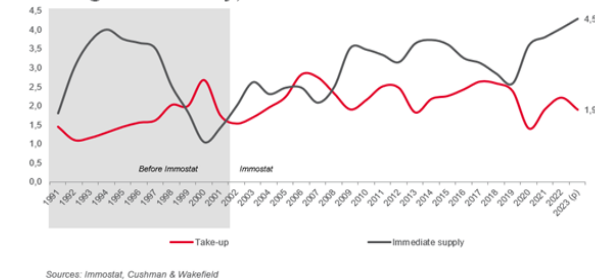
Immediate office supply in the Greater Paris Region continued to rise exponentially, reaching over 4.5 million sq m by the end of March 2024. This surpasses the previous quarter's all-time record which is expected to be beaten again next quarter.

The market most affected by the large number of building completions was the Inner Suburbs (1.37m), particularly in the North with a vacancy rate of >20%,

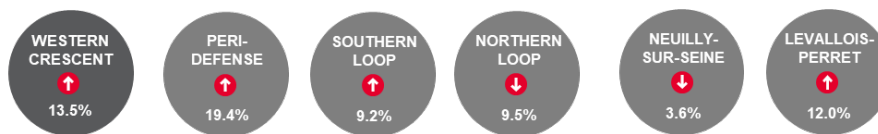
but also the South where the vacancy rate has risen sharply over the last 2 years (13.9%). The Western Crescent (1.23m) was also affected, especially Péri-Défense with a vacancy rate of >19%. However, other sub-markets are more balanced, such as Southern Loop and Northern Loop (≈9%), or even in undersupply, such as Neuilly-sur-Seine (3.6%). Supply levels in Neuilly-Levallois sector are increasingly contrasted across the 2 communes and the vacancy rate in Levallois has risen to 12%.

Paris also saw an increase in supply (+11% in 3 months), although this was welcome given the average absorption rate in this market which less than 1 year and even just a few months in the Central Business District (vacancy at 2.1%) where supply is particularly low. Paris has a lack of immediate office supply >5,000 sq m. It should be noted that, while vacancy rates in most submarkets of the capital are lower than the Greater Paris Region average, Paris 18/19/20 is an exception with a higher vacancy rate (10.1%). Conversely, supply fell in La Défense (-11% in 3 months, 14.2% vacancy rate) and there was a slight change in the Outer Suburbs (-2%, 4.1% vacancy rate).

// Change in vacancy, in %



VACANCY RATE CONTRAST, WESTERN CRESCENT Q1 2024



10.1.4. FUTURE SUPPLY OF MAJOR PROJECTS

Future availability in Paris... outside the CBD

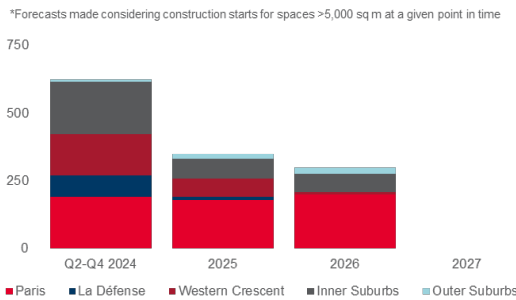
A total of 2.1 million sq m is scheduled for completion in 2024. In Q1 2024, just over 300,000 sq m was completed; this included a 170,000 sq m contribution to immediate supply.

In terms of future supply scheduled for completion over the coming quarters, 620,000 sq m is available and waiting to be pre-let, as well as a further 640,000 sq m scheduled for completion between 2025 and the end of 2027. These projects are mainly concentrated in Paris, particularly outside the CBD, in the Inner Suburbs (North and South) and in the Western Crescent (Péri-Défense and Southern Loop).

Paris accounts for 45% of future availability scheduled for completion between 2024 and the end of 2027, with locations in Centre Ouest outside the CBD (Paris 17/1/2 and 9), South (Paris 14/15 and 12/13) as well as a handful of developments in the North (Paris 18/19). Lastly, given the high level of demand, there are relatively few refurbishment projects planned in the Paris CBD. As a result, most businesses looking for the best quality new buildings will have to turn to Parisian locations outside the CBD.

Around 38% of the projects under construction and scheduled for completion this year and through to 2027 are located in Paris, La Défense, the Southern Loop and the Inner Northern Suburbs in communes with good transport links. Central locations close to metro and RER stations are still very much in demand.

// Availability of buildings under construction, sq m thousands



// Completions vs available future supply



10.1.5. RENTAL VALUES

Higher values

Overall, transaction rents for new and second-hand office space increased compared with Q1 2023, although with a few exceptions. These exceptions, with year-on-year decreases (see table), were due to the quality of the buildings in question rather than any real trend; the samples were recorded over the first 3 months of the year. We will therefore have to wait another few quarters before analysing trends in detail.

However, we can already see that there was a further rise in Parisian rents (€712/sq m/year for new space and €562/sq m/year for second hand), heightened by supply/demand tensions in Centre Ouest, as well as a steady rise in the prime CBD for several quarters with levels now reaching €1,055/sq m/year for refurbished buildings. Some rents for luxury, recently renovated buildings in prime locations can reach over €1,100 or even €1,200/sq m/year.

In the suburbs, the gap between prime and average rents remains wide, particularly in La Défense (€600/sq m/year) and the Western Crescent (€635/sq m/year). In detail, the prime rent in the West Crescent corresponds to transaction references in Neuilly-Levallois, but levels stand at €500/sq m/year in the Southern Loop and €390/sq m/year in Péri-Défense. The prime rent remained stable in the Inner and Outer Suburbs, but these figures conceal some downward corrections in certain sub-markets.



PRIME OFFICE RENT, €/SQ M/YEAR



// Average rents for new space, € per sq m/year

	Q1 2023	Q1 2024	Change N-1
Paris CBD	€843	€843	=
Paris	€632	€712	+
La Défense	€521	€420	-
Western Crescent	€403	€395	-
Inner Suburbs	€318	€325	+
Outer Suburbs	€207	€209	+

// Average rents for second-hand space, € per sq m/year

	Q1 2023	Q1 2024	Change N-1
Paris CBD	€683	€729	+
Paris	€552	€562	+
La Défense	€412	€394	-
Western Crescent	€324	€333	+
Inner Suburbs	€258	€287	+
Outer Suburbs	€155	€156	+

Source: Immostat, Cushman & Wakefield

10.2. Rental Transactions

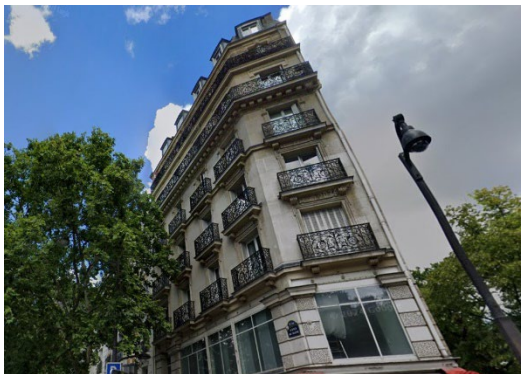
1 - 1-3 Rue du départ – 75014 Paris



- Date August 2023
- Area 264 sq m
- Tenant NC
- Headline Rent € 560/sq m/yr excl.

- Haussmann-style building with an ashlar façade
- Building with a total area of 4,702 sqm
- Old building but with high quality common areas
- Located less than 50m from the Montparnasse train station and metro lines 4, 6, 12 and 13

2 - 89 Avenue du Maine – 75014 Paris



- Date July 2023
- Area 90 sq m
- Tenant Confidential
- Headline Rent € 410/sq m/yr excl.

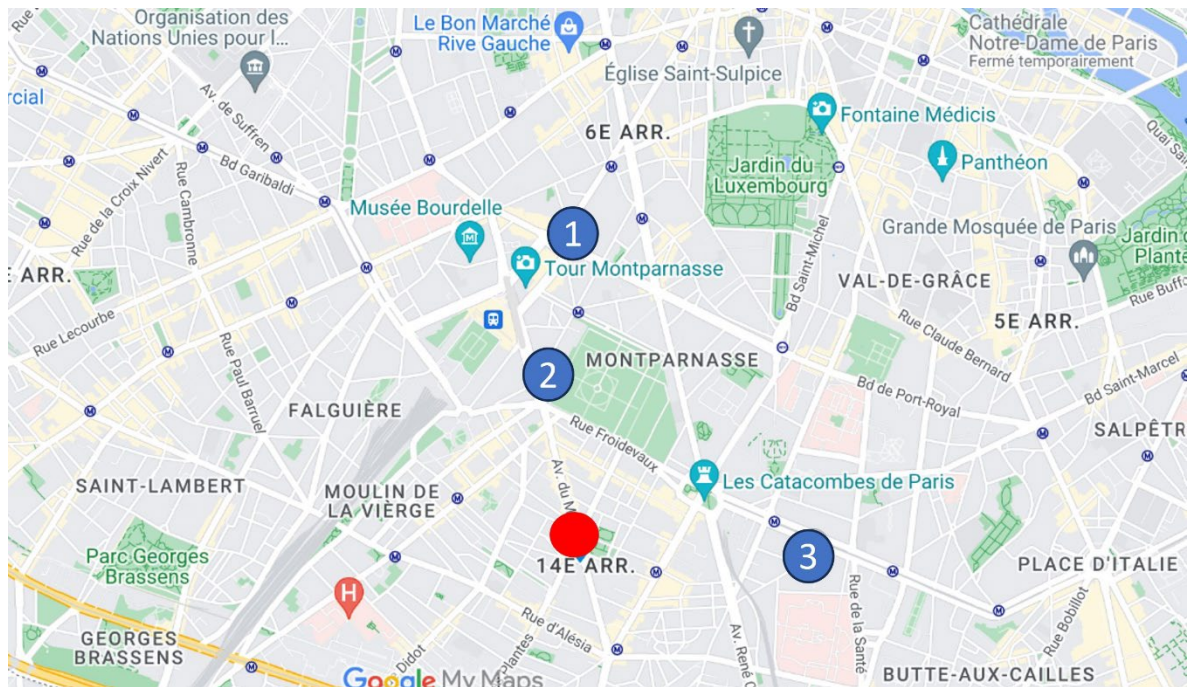
- Haussmann style building with a total surface area of 825 sqm
- Close to line 13 (Gaité) and the globally recognised Montparnasse cemetery
- Located on one of the main arteries of the 14th arrondissement.
- 10min walk from the Montparnasse train station.

3 - Villa Lourcine – 2/28 Villa de Lourcine 75014



- Date May 2023
- Area 172 sq m
- Tenant NC
- Headline Rent € 331/sq m/yr excl.

- Old building with a total surface area of 5,300 sqm
- Close to Saint Jacques and Denfert Rochereau metro/ RER stations
- A proposed 3/6/9-year lease.
- Part of a larger complex of housing and offices



Comments:

Our analysis of the local market sector in the 14th arrondissement of Paris shows that the rents range between € 250 per sqm and € 560 per sqm for new and restructured buildings.

According to our analysis, we believe that a Market Rent in the range of € 350/400 max. per sqm for the office space in the building is in line with current market.

We have discussed with our in-house agency team about the market and the subject property, and they confirmed to us that in its current state of use, a rent of 350€/sqm could be expected. We have considered work of €400/sqm in order only to refresh the premises and renovate the common areas, which is why we have applied a Market Rent in the upper range, at € 375/sq m.

10.3. Rental offers

1 – Gravity – 35/39 Boulevard Romain Rolland 75014 Paris



- Availability Immediately
- Floors GF to 9th floor
- Area 10,352 sq m (Divisible)
- Asking rent 380€/sq m/yr excl.

- Renovated property with ESG certifications (HQE, BREEAM very good etc)
- Benefits exterior spaces and an inter-company restaurant.
- Parking spaces are available (rent of 1,500€/m²)

2 – 10 Place de Catalogne 75014 Paris



- Availability Immediately
- Floors 3rd, 4th and 6th floor
- Area 2,438 sq m
- Asking rent € 550/sq m/yr excl.

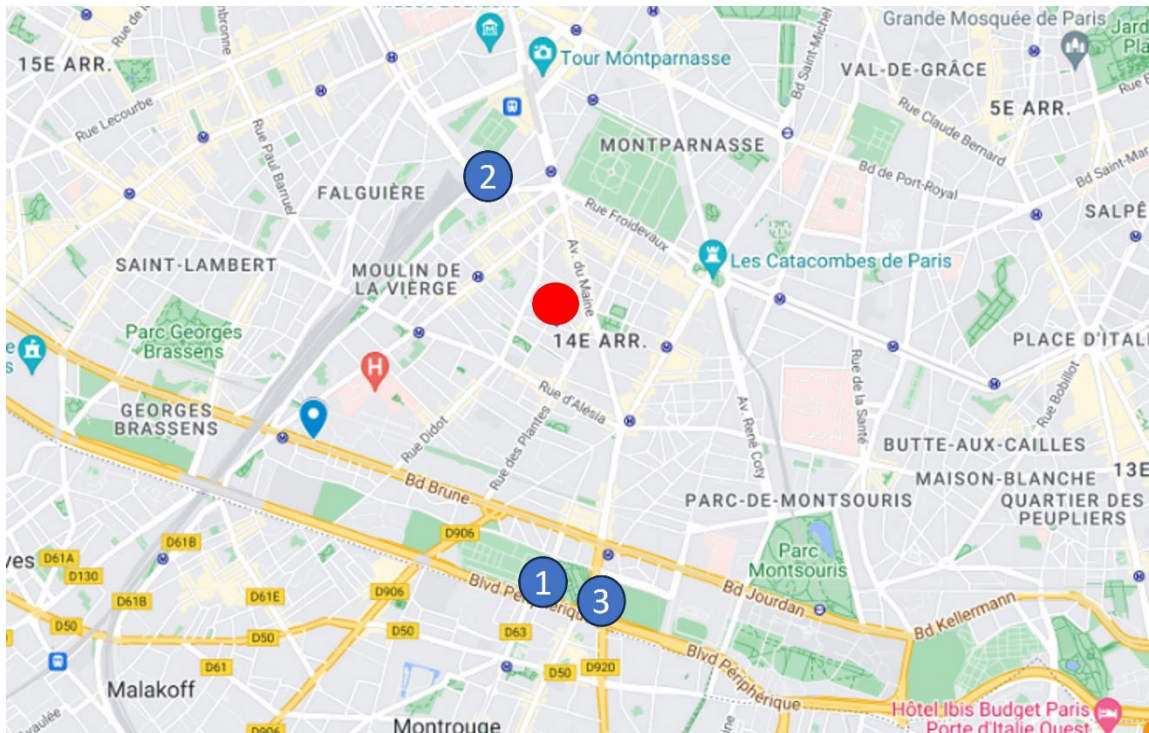
- Building in good condition, with a mix of open-space and partitioned offices.
- Located near the Gare Montparnasse train station
- Basement parking and archive space available

3 – UP ON – 25 Boulevard Romain Rolland 75014 Paris



- Availability Immediately
- Floors 7th and 8th floors
- Area 1,463 sq m
- Asking rent € 415/sq m/yr excl.

- Renovated offices in the UP ON service building : 170 sq m of roof top
- Located 5 a minute walk from metro line 4 and tramway T3, 900m from RER B Gentilly and Cité Universitaire.
- BREEAM in Use, OSMOZ, WIRED SCORE certifications



Comments:

The above stated offers show that the level of rents for building in the vicinity of The Property is between € 380 per sq m per year and € 550 per sq m per year.

The offers listed in the vicinity concern renovated/restructured buildings with better locations, which explains the higher rents. Rents of €380/420 excl/ sqm /yr are obtained for renovated properties located on the limit of Paris, close to the first ring road. Rents above €500 excl/ sqm are primarily for office properties that are in very good condition and are situated in more favourable locations close to Montparnasse.

11. The Investment Market

11.1. Investment market

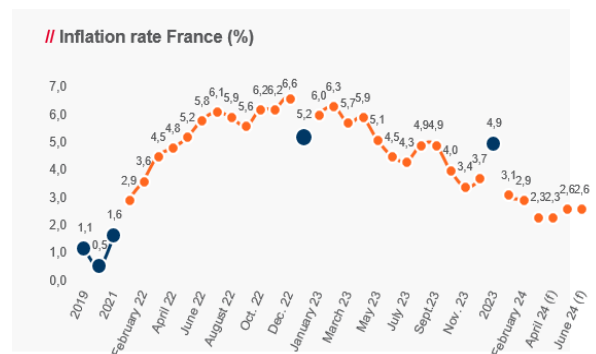
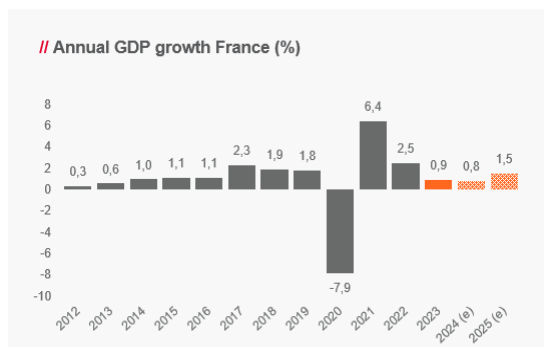
ECONOMY: STAGNANT WATER

The burden of public finances

Q1 2024 ended with sluggish economic activity (0% GDP growth) due to continued weakness in domestic demand (+0.2% in Q1), stimulated by consumption (+0.3% in Q1), but tempered by a recovery in imports that was stronger than exports. Manufacturing activity should reverse the balance of foreign trade over Q2 and lift growth to +0.3%, with a year-end target estimated by the Banque de France at +0.8%, i.e. lower growth than in 2023. The government has revised down its forecasts for 2024 (from +1.4% to +1%) because of the public deficit which is weighing heavily on activity in an unfavourable geopolitical climate. The announcement of a €10 billion savings plan for government spending is unlikely to be enough to curb the deficit, which rose to 5.5% of GDP by the end of 2023; this is higher than the expected 4.9%, due to higher-than-expected levels of debt (110.6% of GDP).

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The unemployment rate is rising again. Currently at 7.6% (7.1% in Q1 2023), unemployment is forecast to continue rising to close to 8% by the end of the year. Levels are being accentuated by the increase in the working population following the implementation of pension reform, the end of government support plans and the rise in business insolvencies (17,000 in Q1 2024, the highest since 2015). This change means that the government now sees the prospect of full employment (pledged for 2027) slipping further away and is seeking to introduce new measures to slow rising unemployment, starting with a 3rd unemployment reform, which will again be more restrictive. Against a backdrop of weak growth and a very high deficit, the task of restoring employment between now and the end of the government's term in office is proving to be a precarious one, particularly for certain sectors, such as construction, which is already struggling due to a reduced order book.



11.1.1. KEY RATES

The decline in inflation in the eurozone to 2.4% in March and April prompted the ECB to consider cutting its key rates, despite a slight rebound in May to 2.6%. As a result, the ECB Governing Council reached a consensus between hardliners and moderates to initiate a 25bp rate cut in June, bringing the refinancing rate to 4.25%.

Price trends from the summer onwards will determine any further cuts between now and the end of the year, but the governors remain cautious and pragmatic, as they do not wish to act too soon on an unsustainable inflationary trajectory. Inflation is still subject to potential wage increases, as well as to geopolitical and climatic tensions.

On the other side of the Atlantic, the US economy is in a divergent cycle. engaged in a divergent cycle, with the FED maintaining its at 5.50% for the past year, in the expectation of a solid prices and an easing in the labour market.

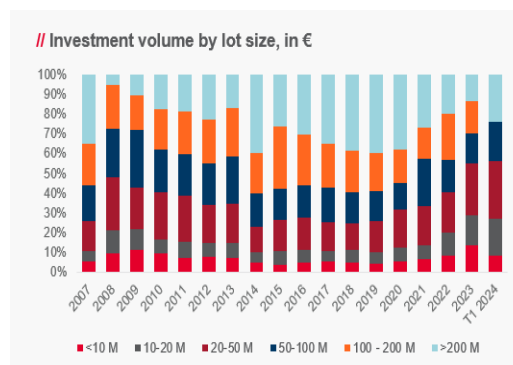
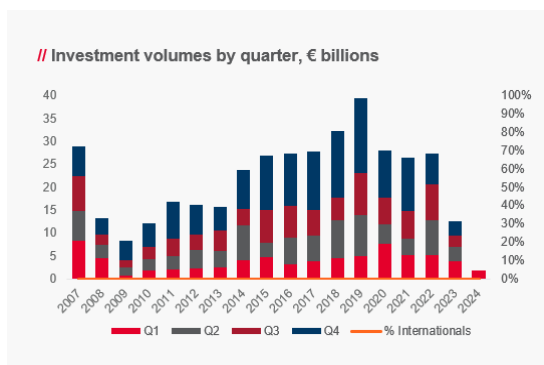
The bond markets' response to the inflationary downturn was evident from the end of 2023 in the easing of long-term borrowing rates. The upturn was short-lived, however, struggling to rekindle the long-term market. The decompression in OAT yields resumed in earnest in the spring, and has remained above 3% since May, peaking at over 3.30% following the announcement of the dissolution of the French National Assembly, widening the gap with German debt. Faced with this monetary stop & go, yields remained cautiously stable in the 2nd quarter, with the exception of the most sought-after districts of the tertiary market (-25 bps in Paris CBD), where transactional activity was fuelled by strong demand and supported by the downward impulse from key interest rates. However, investors remain very cautious, and the market is unlikely to pick up until 2025.

11.1.2. BROAD CONTEXT

Has the investment market finally bottomed out?

The French commercial real estate investment market posted its worst performance since 2009: with €1.7bn in investments so far this year, Q1 was down by around -55% year on year, following the already sharp reduction seen last year. The volume of transactions recorded over the first three months of 2024 reflects the state of mind of investors in autumn 2023 at the height of the market freeze that arose due to a disconnect in terms of repricing between buyers and sellers.

Unsurprisingly, there was a distinct lack of large transactions, which are particularly exposed to issues regarding restricted capital and rising finance costs, with lot sizes >€100 million accounting for just 24% of activity (59% in 2019). On the other hand, the rise in the proportion of international investors (52%) is a positive first sign that greater liquidity is returning to the market, even if this is partly due to the good performance seen for logistics, traditionally a highly internationalised segment. After being the first asset class to be affected by the scale and speed of rising interest rates, logistics is now showing the beginnings of recovery, while retail has maintained its position in terms of market share and offices have continued to fall.



Sources: Immostat, Cushman & Wakefield

The financial markets' anticipation of the ECB lowering its key rates has enabled the establishment of a more attractive spread for real estate, prompting a stabilisation in prime yields for all asset classes over Q1 2024. In this new, more stable and favourable climate, we should see a modest improvement in investment volumes between now and Q2 2024, followed by a more marked improvement over H2. However, this uptick will only apply to those market segments where the underlying rental position is sufficiently transparent (Paris offices, logistics, retail premises in prime locations) and where price corrections have been recorded. Elsewhere, the lack of liquidity, exacerbated by the scale of refinancing problems, will continue to drive differentiation in the range of yields.

11.1.3. OFFICES

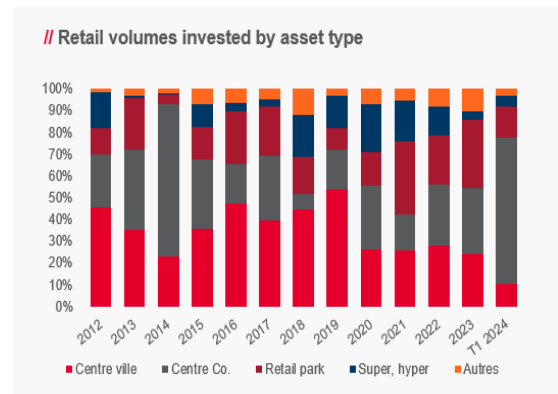
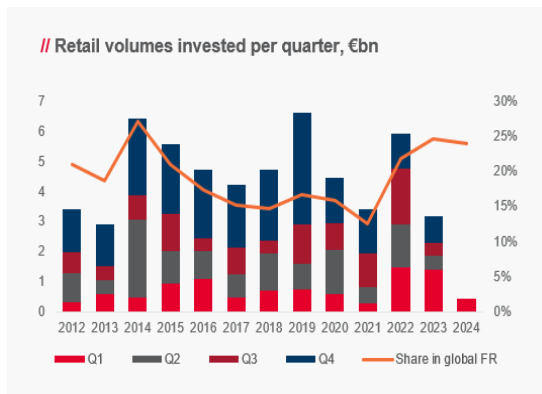
Further deterioration

The office market continued to suffer from questions arising among investors regarding the sustainability of space requirements with the advent of hybrid working: the office market share has fallen from 70% (average before 2019) to 38% at the start of 2024. With €670m in investments so far, office investment remains at the lowest levels seen since 2009.

Beyond the Paris CBD and regional markets, which now account for 37% of investments, the market appears to have come to a complete standstill. 1 transaction for >€200m alone accounted for almost a third of the quarter's activity: Pontegadea's acquisition of the Grand Opéra building. As banks are currently reluctant to finance office assets, liquidity has been limited to the €20-50 million segment in Paris, value-add strategies or small, high-quality core assets which have been acquired by long-term full-equity investors or private individuals who are able to secure debt via private banks. In the major regional cities, activity concentrated on new/refurbished buildings from €20m to €40m.

Against this backdrop, prime yields stabilised in both the capital and in regional markets: 4.25% in the Paris CBD and 5.50% in Lyon. Vendors have now settled on values for these very high-quality products and locations: product is now coming back onto the market, with the positive sign of price improvements between the 1st and the 2nd rounds. However, the volume of core money to be deployed remains limited, even if inflows for insurers' euro funds are picking up.

Meanwhile, the broadening of the yields sought by investors for secondary assets continued, particularly for non-ESG assets that require capital expenditure and that are located outside central markets, for which the risk of accelerated obsolescence is proving to be real due to the worrying level of some vacancy rates. In these locations, it is difficult to envisage an exit without a transformation project behind it. And, given the scale of the current illiquidity premium, only "at-any-cost" sellers or those who have held assets for a long time would consider going to market.



11.2. Investment evidence

We have listed the following recent transactions on comparable properties sold in the sub-market. The following investment transactions took place over the course of the last few years, for assets with similar locations and characteristics than the subject property:

« 214 Raspail » - 214 bd Raspail - 75014 Paris



• Date	October 2023		
• Total space	4 287 sq m		
• Seller	0		
• Purchaser	Norma Capital (SCPI Vendôme Régions)		
• Net sale price	60 000 000 €	i.e. 13 996 €/sq m	
• Initial Yield	Confidential	<i>Estimated reversionay yield: 4,40%</i>	

• Quality of location	Good	• Sub-market	Paris 14-15
• Date of completion/refurb.	2013/2014	• Quality	Renovated
• Asset type	Office	• Certifications	
• Occupancy rate	100%	• Main tenants	Groupe EDH SAS
• WALT	6 years		
• Average rent	NA		

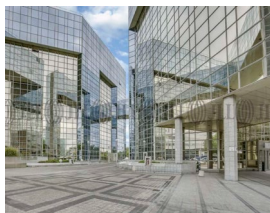
« Les Patios St Jacques » - 2-14 Rue Ferrus - 75014 Paris 14e



• Date	September 2023		
• Total space	2 024 sq m		
• Seller	IMMOVALOR		
• Purchaser	NC		
• Net sale price	8 700 000 €	i.e. 4 298 €/sq m	
• Initial Yield	0,00%		

• Quality of location	Average	• Sub-market	Paris 14-15
• Date of completion/refurb.	1900	• Quality	Old
• Asset type	Office	• Certifications	None
• Occupancy rate	NC	• Main tenants	NC
• WALT			
• Average rent			

« Ponant B » - 5 rue Leblanc - 75015 Paris



• Date	July 2023		
• Total space	5 400 sq m		
• Seller	NC		
• Purchaser	lcade		
• Net sale price	45 302 000 €	i.e. 8 389 €/sq m	
• Initial Yield	0,00%	<i>Estimated reversionay yield: 5,00%</i>	

• Quality of location	Good	• Sub-market	Paris 14-15
• Date of completion/refurb.	1905	• Quality	
• Asset type	Office	• Certifications	NC
• Occupancy rate	NC	• Main tenants	NC
• WALT			
• Average rent			

The above transactions correspond to the latest transactions in the sector, which are quite limited in number. Metric ratios in excess of €8,000/sqm can be seen for buildings in better locations and in good condition and let.

The current investment market in Paris 14th / 15th arrondissements is at a halt with historically low volumes transacted in 2023/2024. We believe the prime yield in this sector is no lower than 4,75% in Q2 2024.

Our valuation considers the specific nature of the subject property due to its location, its current condition and its rental status (leases with very short remaining terms). Given the condition of the asset and its location, a ratio of < €4,500/sqm seems coherent to the current market.

12. Principal Valuation Considerations

We have considered the characteristics of the subject property and the current market situation.

We have summarized the following strengths, weaknesses, opportunities and threats.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • The building is located in Paris, 15-minute walk from Montparnasse train station. • Divisible building with the possibility of letting to several tenants. • The chillers on levels 1/3/5 were replaced in 2016. • Significant number of car parking spaces for this location. 	<ul style="list-style-type: none"> • The office building is located in a residential area. • The nearest metro station is a 6-minute walk away. • Major works need to be considered to refurbish the building. • The building does not meet the latest ESG standards. • Uncertainty regarding ESG compliance and level of potential works to undertake to fulfil the target of Tertiary
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Most leases are coming to an end (1-year WALB), with the possibility of renting at higher levels following renovation work. • An opportunistic value add investor may be interested in purchasing due to the potential of renovating and letting vacant space. 	<ul style="list-style-type: none"> • The current investment market is at a stop due to increase in interest rates and the gap between purchaser's and vendor's expectations. This situation is sharper in peripheral locations.

13. Market Rent

Our opinion of the rental values is set out in the attached valuation calculation printouts. Our opinion of the aggregate of the Market Rent as at the Valuation Date, for each of the elements within the Property is:

Tenants	Floor	Main Use	AREA SCHEDULE						MARKET RENTAL VALUE (€ excl.)						
			Offices	Meeting rooms	Common areas	Archives	TOTAL	Parking Int./Auto	Offices	Meeting rooms	Common areas	Archives	ICR	Parking Int./Auto	
			sq m	sq m	sq m	sq m	sq m	units	€/sq m/yr	€/sq m/yr	€/sq m/yr	€/sq m/yr	€/sq m/yr	€/unit	
Les enfants du Canal	GF	Offices	270	0	0	0	270	0	375	0	0	0	0	0	0
La Carriole Solidaire	GF	Offices	120	0	0	0	120	0	375	0	0	0	0	0	0
Pascal HOTTE	1st floor	Offices	190	0	0	0	190	2	375	0	0	0	0	0	1 500
LASA	1st floor	Offices	374	0	0	0	374	6	375	0	0	0	0	0	1 500
ZARA France	3rd floor	Offices	431	0	0	0	431	0	375	0	0	0	0	0	0
COEFFICIENT	3rd floor	Offices	239	0	0	0	239	0	375	0	0	0	0	0	0
CGR Cinemas	5th floor & 1st basem	Offices	443	120	0	0	563	3	375	120	0	0	0	0	1 500
J.E.Y Conseil	2nd basement	Offices	0	0	0	10	10	0	0	0	0	120	0	0	0
Vacant - Ground floor	GF	Offices	42	0	264	0	305	0	375	0	0	0	0	0	0
Vacant - second floor	2nd floor	Offices	641	0	0	0	641	0	375	0	0	0	0	0	0
Vacant - fourth floor	4th floor	Offices	533	0	0	0	533	0	375	0	0	0	0	0	0
Vacant first basement	1st basement	Offices	0	0	85	113	198	0	0	0	0	120	0	0	0
Vacant - second basement	2nd basement	Offices	0	0	41	120	162	0	0	0	0	120	0	0	0
Vacant - Parking spaces	Parking	Parkings	0	0	0	0	0	24	0	0	0	0	0	0	1 500
TOTAL			3 283	120	390	243	4 036	35	375	120	0	120	0	1 500	
Total Rented			2 067	120	0	10	2 197	11	375	120	0	120	0	1 500	
TOTAL Vacant			1 216	0	390	233	1 839	24	375	0	0	120	0	1 500	

Tenants	Total Lettable Area	LEASE & DURATION			NET HEADLINE RENT	TOTAL ERV / Market Rent	Theoretical Reversion MR / Rent			
		Lease Start	% Indexation of Rent since Lease Start	Remaining Fixed Term				€/yr excl.	€/yr excl.	%
Les enfants du Canal	270	22/02/2023		0,3	0	101 250				
La Carriole Solidaire	120	05/10/2023		0,3	0	45 000				
Pascal HOTTE	190	01/09/2019	12,9%	1,2	82 768	74 250	-10,3%			
LASA	374	01/07/2016	23,5%	1,0	141 475	149 250	5,5%			
ZARA France	431	20/01/2012	29,7%	0,6	201 211	161 625	-19,7%			
COEFFICIENT	239	01/03/2016	22,4%	0,7	87 749	89 625	2,1%			
CGR Cinemas	563	23/02/2024		1,6	159 550	185 025	16,0%			
J.E.Y Conseil	10	25/09/2023		0,1	1 200	1 200				
Vacant - Ground floor	305		NC	0,0	0	15 600				
Vacant - second floor	641		NC	0,0	0	240 375				
Vacant - fourth floor	533		NC	0,0	0	199 838				
Vacant first basement	198		NC	0,0	0	13 536				
Vacant - second basement	162		NC	0,0	0	14 412				
Vacant - Parking spaces	0		NC	0,0	0	36 000				
TOTAL	4 036			1,0	673 954	1 326 986	96,9%			
Total Rented	2 197			1,0	673 954	807 225	19,8%			
TOTAL Vacant	1 839				0	519 761				

We arrive at a market rent of €1,326,986 per year excluding charges and taxes. This equates to a potential reversion of 97% due to the current vacancies and spaces let to non-rent generating associations.

We have assumed a market rent of €375/sqm for office spaces, €120/sqm for archive spaces and €1,500/per parking spaces.

To achieve the Market Rent displayed above, we are of the opinion that the landlord will need to grant incentives (in the form of rent-free periods and Tenant's incentives) equivalent to 6 months for a 3-year firm lease.

14. Market Value

14.1. Methodology

We have adopted a discounted cash flow (DCF) method of valuation cross-checked against a traditional capitalisation method of valuation. The discounted cash flow (DCF) approach was retained as a favoured method of valuation to take into account the departure of all the tenants, the work on the entire building and the reletting of all the premises.

14.2. General Valuation assumptions

We have taken the following details and assumptions into account in both the Capitalisation Method and Discounted Cash Flow in order to achieve the Market Value of the subject property:

- Valuation date: Our valuation is dated 30/06/2024.
- Tenancy: The Property is 54% let at valuation date.
- Purchaser's Costs: We have retained 7.50% as purchaser's costs.
- We have considered a 100% probability of departure of the current tenants at the end of their leases, in order to be able to reflect the property with a standard tenancy situation.
- We have considered a 3-year fixed lease with a 6-month rent free period for the renewals.
- We assumed all charges will be re-invoiced (recoverable) except Art-606 CC (according to French Laws).
- Non-Recoverable Charges (NR): We have retained long-term NR charges of 1% of the market rent (NR rental management fees & Art-606 CC)
- Capex: we have considered an overall capex of € 400 excl. per sqm to refresh the building. In particular, a capex of €735,440 is retained over the first year of the cashflow. This budget corresponds to a capex of €400/sqm for the current vacant areas totaling 1,838.60 sqm.

14.3. Capitalisation methodology

In assessing the Market Value subject to the existing tenancy, we have used a traditional capitalisation methodology. This methodology consists in capitalising the potential net income or the current net income at an appropriate yield.

We have capitalised the Market Rent at a yield of 5,60% for let office areas and a yield of 6.00% for vacant areas and for areas on the ground floor let to associations.

On the above basis, we arrive at the following conclusion:

ASSET	MARKET VALUE BY CAPITALISATION			Net Headline Rent	Net Headline Yield	Market Rental Value	Net Reversionary Yield	Net Potential Rent	Net Potential Yield
	€ inclusive	€ exclusive	€ excl./sq m (excl. Rest.)	K€/year excl.	%	K€/year excl.	%	K€/year excl.	%
Sablière	18 678 175	17 375 047	4 305	674	3,61%	1 327	7,10%	1 194	6,39%

14.4. Discounted Cash Flow

Strategy

In our valuation, we have considered that the building will be relet at the Market Rent on the basis of the general assumptions detailed in 14.2.

Duration

We have adopted a discounted cash flow of 6 years to cover the reletting assumption periods.

General DCF parameters

- **Indexation:** We have retained a rental indexation based on index ILAT (used for office leases and for most current tenants). We have assumed an ILAT indexation rate of 4.00% in year 1, 2.80% in year 2, 2.50% in year 3, and 2.30% from year 4 to the end of the cash flow.
We have assumed also an ICC indexation rate of 4.00% in year 1, and 2.50% from year 2 to the end of the cash flow as the rent of tenant ZARA FRANCE varies according to *Indice du coût de la construction des immeubles à usage d'habitation* (ICC).
- **Market rental growth:** We have assumed a market rental growth of 1.50% in year 1 and year 2, and a growth of 2% from year 3 to the end of the cash flow.
- **Exit value / Exit Yield:** We have retained an exit yield of 5.50% for the office area and for the parking. The exit yield takes into account an average fixed WALT of 2.2 years at the resale. This yield also takes into account the characteristics of the asset, its location and the level of market rent retained.
- **Discount Rate:** We have retained a discount rate of 7.00% on the cash-flows to reflect the risks on the income flows.
- We have deducted agent fees of 1.50% at the time of resale.

On this basis, we arrive at the following conclusion:

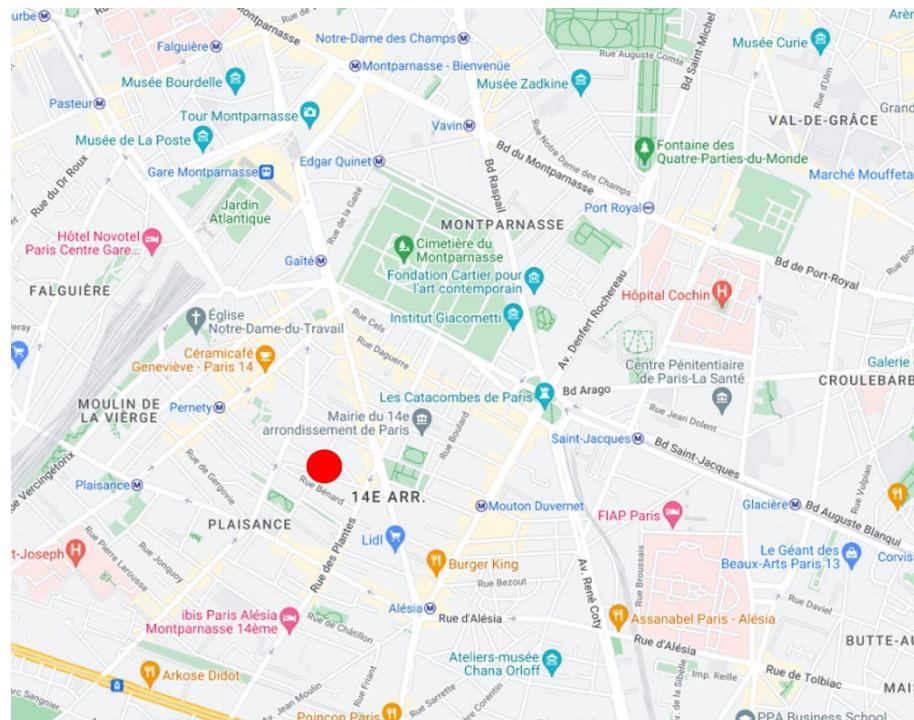
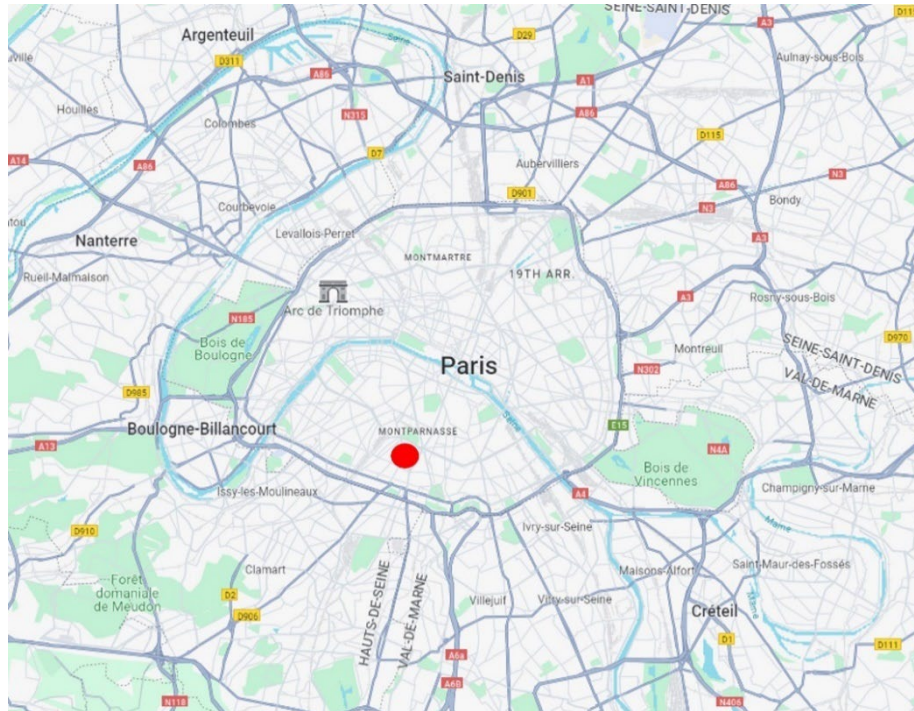
ASSET	MARKET VALUE BY DCF			Net Headline Rent	Net Headline Yield	TOTAL ERV / Market Rent	Net Reversion ary Yield	Net Potential Rent	Net Potential Yield
	€ inclusive	€ exclusive	€ excl./sq m (excl. Rest.)	K€/year excl.	%	K€/year excl.	%	K€/year excl.	%
Sablière	19 097 952	17 765 537	4 402	674	3,53%	1 327	6,95%	1 194	6,25%

14.5. Market Value Retained

We have retained, in conclusion, the value produced by the discounted cash flow (DCF) method (rounded):

ASSET	ROUNDED MARKET VALUE			Net Headline Rent	Net Headline Yield	Market Rental Value	Net Reversion ary Yield	Net Potential Rent	Net Potential Yield
	€ inclusive	€ exclusive	€ excl./sq m (excl. Rest.)	K€/year excl.	%	K€/year excl.	%	K€/year excl.	%
Sablière	19 135 000	17 800 000	4 411	674	3,52%	1 327	6,93%	1 194	6,24%

APPENDIX A: MAPS AND PLANS



APPENDIX B: PHOTOGRAPHS



Exterior view



5th floor (renovated in 2018)



Vacant area



5th floor



Terrace on the 5th floor



Outdoor space



First basement - leased to CGR Cinemas



Common areas - first basement



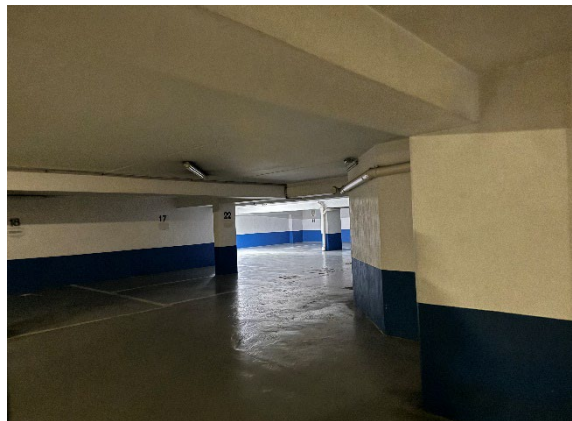
Vacant area



Office area



Entrance hall



Parking spaces

APPENDIX C: VALUATION CALCULATIONS

Inovalis

Asset

N° C&W Valuation France

1

Sablrière

27-29 Rue de la Sablière

75014 Paris

France

Contents

1 - Valuation Synthesis

2 - Tenancy Schedule

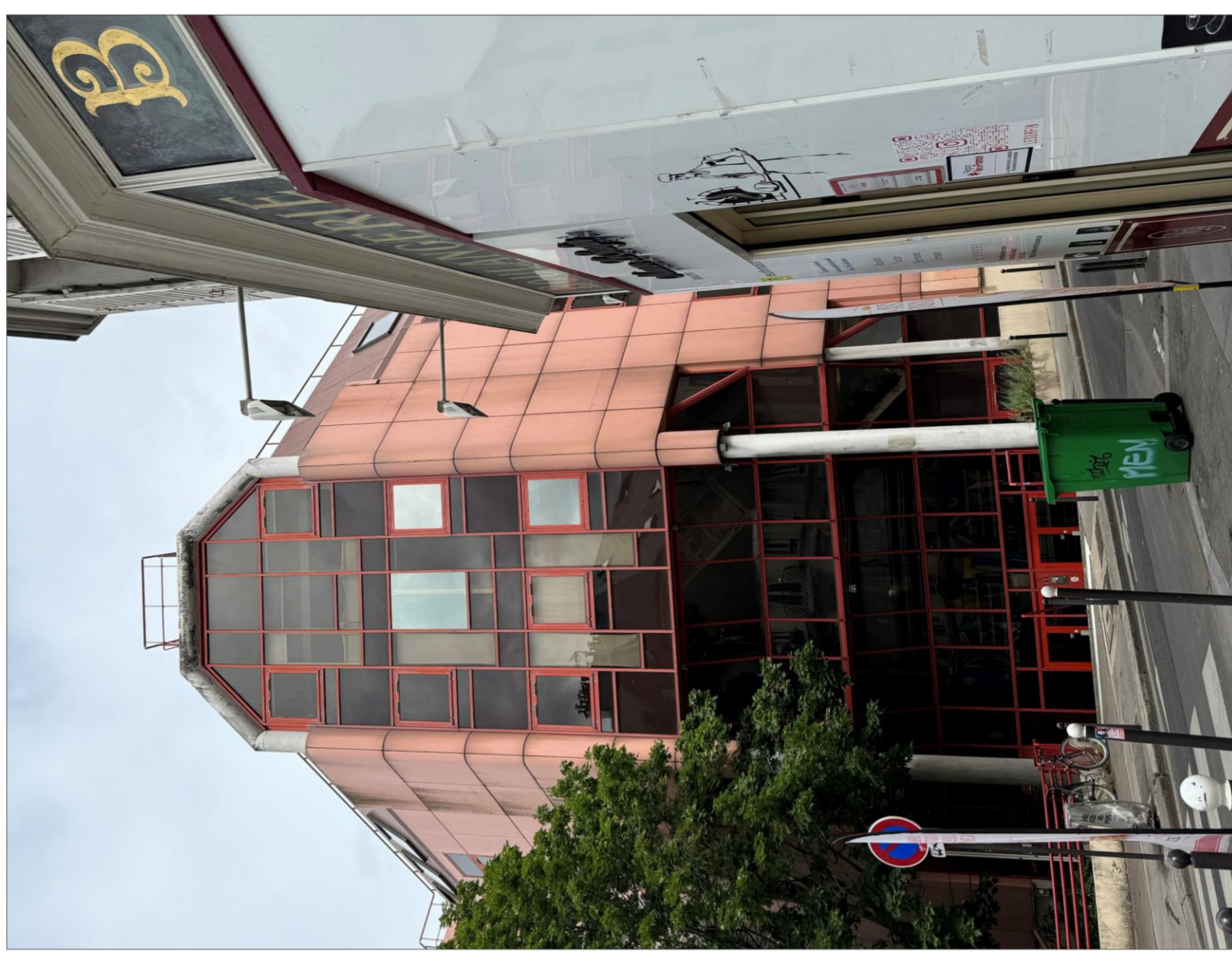
3 - Market Rent

4 - General Assumptions

5 - Capitalisation : Detailed Analysis

6 - DCF : Detailed Analysis

Valuation as at 30/6/2024



Valuation date

30/06/2024

GENERAL PARAMETERS

Total Area	sq m	4 036
Parking Units	u	35
Number of Leases		8
Total Net Headline Rent	€/yr excl.	667 214
Headline Rent excl. Pk and Rest.	€/sq m/yr excl.	296
Total Market Rent	€/yr excl.	1 326 986
Metric Market Rent excl. Pk and Rest.	€/sq m/yr excl.	329
Full Reversion		98,9%
Reversion on rented areas		21,0%
Occupancy Rate		54,4%
Remaining Fixed Duration (WALB)	years	1,0
Maintenance Work	€	
Major Works / CAPEX	€	735 440

DCF

Duration of DCF Analysis	years	6
Annual Average Growth / MR		1,83%
Annual Average Growth / ICC-ILAT		2,36%
Doubtful Debtors / Tax Relief on rent	% rent/year	
NR Global Expenses	% headline rent	1,00%
Permanent Void	% Market Rent	
Income Capitalised at Resale	€/yr excl.	1 467 299
Purchaser's Costs at resale		7,50%
Exit Capitalisation Rate		5,50%
Discount Rate - Cash Flows		7,00%
Market Value exclusive	€ excl.	17 766 000
Market Value exclusive	€ excl./sq m (excl. Rest.)	4 402

CAPITALISATION

Range of Capitalisation Rates retained		5,60% - 6,0%
Average Capitalisation Rate applied		5,79%
Market Value inclusive	€ incl.	18 678 125
Market Value exclusive	€ excl.	17 375 000
Market Value exclusive	€ excl./sq m (excl. Rest.)	4 305
Delta Method (CAPITALISATION / DCF)		-2,2%

SAY MARKET VALUE

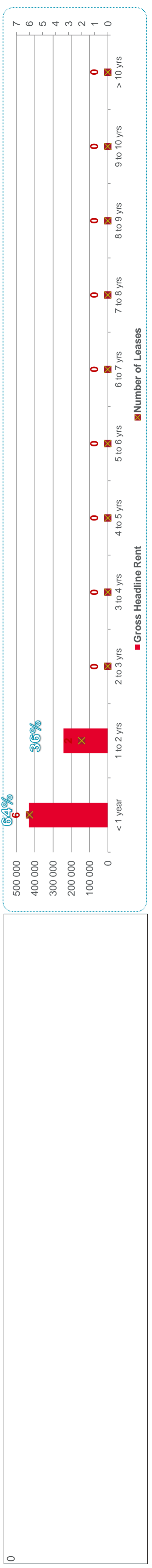
Methodology Retained		DCF
Market Value incl. Purch' costs	€ incl.	19 135 000
Purchaser's Costs		7,50%
Market Value exclusive	€ excl.	17 800 000
	€ excl./sq m	4 411
Net Passing Yield		3,52%
Net Headline Yield		3,49%
Net Headline Yield (on rented MV)		5,50%
Net Potential Yield		6,18%
Net Reversionary Yield		6,93%

GENERAL PARAMETERS RETAINED FOR VALUATION

Tenants	Floor	Main Use	AREA SCHEDULE				LEASE & DURATION				GROSS ANNUAL RENT			Change / Base Rent										
			Offices	Meeting rooms	Common areas	Archives	TOTAL	Lease type	Lease Start	Next Break Option	Lease End	Initial Duration	Remaining Fixed Term		Net Passing Rent (3)	Gross Headline Base Rent excl.	Indexation/Revision	Gross Headline Rent currently indexed excl.						
			sq m	sq m	sq m	sq m	sq m	sq m	sq m	sq m	Int./Auto units	Ext./Moto units	years	€ /yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr	€ /m²/yr
Les enfants du Canal	GF	Offices	270				270						0,3	0	0	0	100	0	0	0	0	0	0	0
La Carriole Solidaire	GF	Offices	120				120						0,3	0	0	0	100	0	0	0	0	0	0	0
Pascal HOTTE	1st floor	Offices	190				190		2				1,2	82 768	436	386	113,88	128,59	128,59	128,59	82 768	436	12,9%	
LASA	1st floor	Offices	374				374		6				1,0	141 475	378	306	109,46	135,13	135,13	135,13	141 475	378	23,5%	
ZARA France	3rd floor	Offices	431				431						0,6	201 211	467	360	1624	2106	2106	2106	201 211	467	29,7%	
COEFFICIENT	3rd floor	Offices	239				239						0,7	87 749	367	300	107,98	132,15	132,15	132,15	87 749	367	22,4%	
CGR Cinemas	5th floor & 1st basement	Offices	443	120			563		3				1,6	159 550	283	283	132,15	132,15	132,15	132,15	159 550	283		
J.E.Y Conseil	2nd basement	Offices			10		10						0,1	1 200	120	120	100	100	100	100	1 200	120		
Vacant - Ground floor	GF	Offices	42		264		305																	
Vacant - second floor	2nd floor	Offices	641				641																	
Vacant - fourth floor	4th floor	Offices	533				533																	
Vacant first basement	1st basement	Offices	85	113			198																	
Vacant - second basement	2nd basement	Offices	41	120			162																	
Vacant - Parking spaces	Parking	Parkings							24															
TOTAL			3 283	120	390	243	4 036		35				1,0	673 954	167	143					673 954	167	17,11%	
Total Rented			2 067	120	0	10	2 197		11				1,0	575 510	262						575 510	262		
TOTAL Vacant			1 216	0	390	233	1 839		24															

Occupancy Rate	54%
Vacancy Rate	46%

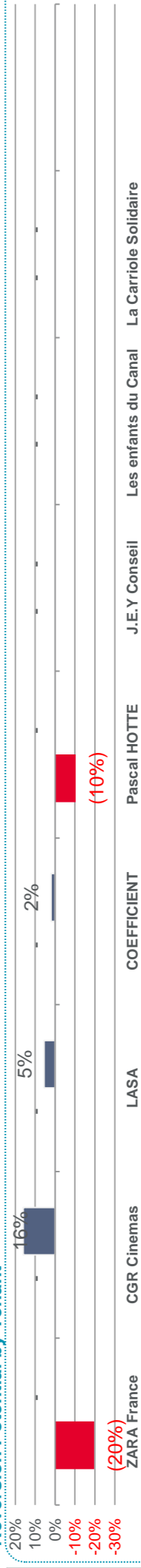
(1) The Gross Headline Rent corresponds to the basis rent indexed at the valuation date, taking into account future indexations where the index is known at the valuation date, not taking into account potential incentives such as : over rent, stepped rents or rent-free periods.



MARKET RENT

Tenants	Floor	Main Use	MARKET RENTAL VALUE (€ excl.)										NET HEADLINE RENT		Theoretical Reversion MR / Rent	% Indexation of Rent since Lease Start	Reversion Potential if returning to base rent	
			Offices €/sq m/yr	Meeting rooms €/sq m/yr	Common areas €/sq m/yr	Archives €/sq m/yr	Int./Auto Pk €/u/year	Ext./Moto Pk €/u/year	ICR €/sq m/yr	Total Excl. €/yr	Total Excl. €/sq m/yr	MR Weighted /sq m weighted/yr	Weighted Area (incl. archives)	Total Excl. €/yr				Total Excl. €/sq m/yr
Les enfants du Canal	GF	Offices	375									101 250	375	0	0			N/A
La Carriole Solidaire	GF	Offices	375								45 000	375	0	0				N/A
Pascal HOTTE	1st floor	Offices	375					1 500			74 250	391			82 768	436	-10,3%	12,9%
LASA	1st floor	Offices	375					1 500			149 250	399			141 475	378	5,5%	23,5%
ZARA France	3rd floor	Offices	375								161 625	375			201 211	467	-19,7%	29,7%
COEFFICIENT	3rd floor	Offices	375								89 625	375			87 749	367	2,1%	22,4%
CGR Cinemas	5th floor & 1st base	Offices	375	120				1 500			185 025	329			159 550	283	16,0%	25,0%
J.E.Y Conseil	2nd basement	Offices				120					1 200	120			1 200	120		NC
Vacant - Ground floor	GF	Offices	375		0						15 600	51						NC
Vacant - second floor	2nd floor	Offices	375								240 375	375						NC
Vacant - fourth floor	4th floor	Offices	375								199 838	375						NC
Vacant - first basement	1st basement	Offices			0	120					13 536	68						NC
Vacant - second basement	2nd basement	Offices			0	120					14 412	89						NC
Vacant - Parking spaces	Parking	Parkings						1 500			36 000							NC
TOTAL			375	120	0	120		1 500			1 326 986	329		673 954	167		96,9%	N/A
Total Rented			375	120	0	120		1 500			807 225	367		673 954	307		19,8%	
Total Vacant			375	0	0	120		1 500			519 761	283					N/A	

Reversion Potential by Tenant



Comments

0

General Assumptions

GENERAL ASSUMPTIONS (AT DEPARTURE-LETTING / RENEWAL)

Tenants	Floor	Main Use	Total Lettable Area sq. m/u	Lease Term			Next Indexation	Theoretical Reversion MR / Rent	General Strategy	Potential Date of Departure	Probability of departure %	Tenant Departure Assumptions			Tenant Renewal Assumptions			Remaining Fixed Period at Exit years
				Lease Start	Next Break Option	Remaining Fixed Term years						Reletting work €/sq m	Void Period months	Rent-Free Period months	Fixed Period years	Reversion at Lease End	Change in Rent at Renewal	
Les enfants du Canal	GF	Offices	270	22/02/23	30/09/24	0,3	22/02/25	Departure in 2024	30/09/24	100%	12	6	3	MR		3	0,3	
La Carriole Solidaire	GF	Offices	120	05/10/23	30/09/24	0,3	05/10/24	Departure in 2024	30/09/24	100%	12	6	3	MR		3	0,3	
Pascal HOTTE	1st floor	Offices	190	01/08/19	31/08/28	1,2	01/09/24	-10,3%	31/08/28	100%	12	6	3	MR	-13,9%	3	2,2	
LASA	1st floor	Offices	374	01/07/16	30/06/25	1,0	01/07/25	5,5%	30/06/25	100%	12	6	3	MR	7,1%	3	1,0	
ZARA France	3rd floor	Offices	431	20/01/12	19/01/25	0,6	20/01/25	-19,7%	19/01/25	100%	12	6	3	MR	-22,1%	3	0,6	
COEFFICIENT	3rd floor	Offices	239	01/03/16	28/02/25	0,7	28/02/25	2,1%	28/02/25	100%	12	6	3	MR	3,2%	3	0,7	
CGR Chemas	5th floor & 1st bas	Offices	563	23/02/24	22/02/26	1,6	23/02/25	16,0%	22/02/26	100%	12	6	3	MR	11,2%	3	1,6	
J.E.Y Conseil	2nd basement	Offices	10	25/09/23	24/07/24	0,1	25/09/24		24/09/24	100%	12	6	3	MR	-3,5%	3	4,2	
Vacant - Ground floor	GF	Offices	305	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	
Vacant - second floor	2nd floor	Offices	641	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	
Vacant - fourth floor	4th floor	Offices	533	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	
Vacant - first basement	1st basement	Offices	198	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	
Vacant - second basement	2nd basement	Offices	162	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	
Vacant - Parking spaces	Parking	Parkings	24	01/07/25	30/06/28				Letting		12	6	3	MR		3	4,0	

Comments

Year	1	2	3	4	5	6	7	8	9	10	11	12
Index ICC / Expenses Inflation	4,00%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%
Index ILAT	4,00%	2,80%	2,50%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
Index ILC	3,50%	2,30%	2,20%	2,05%	2,05%	2,05%	2,05%	2,05%	2,05%	2,05%	2,05%	2,05%
Market Rental Growth	1,50%	1,50%	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%
Maintenance												
CAPEX	735 440	735 440										
€/sq m	182	182										
Total	735 440	735 440										
€/sq m	182	182										
Remarketing	878 800	160 000	417 600	225 200	76 000							
Letting Fees		% headline rent	15,00%									
Broker's Fees at Resale		% net sales price	1,50%									
Duration of DCF Analysis	6	Resale	30/06/2030									
		Doubtful Debtors / Tax Relief on rent								0,00%		
		NR Global Expenses								1,00%		
		Permanent Void								0,00%		

DETAILED ANALYSIS

Valuation Date 30/06/2024

Tenant	Main Use	Lettable Area sq m	Parkings	Lease start date	Remaining term until		Lease expiry	Remaining term until lease expiry	Gross Headline Income	Net Headline Income	Market Rent	Full Reversion (2)/(1)	Remaining Rent Free Periods / (Step Rents)	Assumption considered (cf General Assumptions)	Capitalised Income	Basis of Capitalisation	Yield Applied	Income Capitalised	Vacant Space		Discounted Loss (lease rent free / step rent) Excess of Income	Discounted Loss due to vacancy / End of lease assumptions	Gross Market Value	Purchaser's Costs	Market Value Exclusive before Capex and Structural Void	Market Value excl.	Net Initial Yield	Reversionary Yield
					Lease expiry	years													months	€/sq m								
Les enfants du Canal	Offices	270		22/02/23	0,3	30/09/24	0,3	0	0	0	101	100,0%	(No)	Departure	Market Rent	101	6,00%	1 688	18	(25)	(284)	1 379	7,50%	1 283	4 751	0,00%	7,34%	
La Carrière Solidaire	Offices	120		05/10/23	0,3	30/09/24	0,3	0	0	45	100,0%	(No)	Departure	Market Rent	45	6,00%	750	18	(11)	(126)	613	7,50%	570	4 751	0,00%	7,34%		
Pascal HOTTE	Offices	190	2	01/09/19	1,2	31/08/28	4,2	83	83	74	-10,3%	(No)	Departure	Market Rent	74	5,60%	1 326	18	9	(174)	1 161	7,50%	1 080	5 684	7,13%	6,40%		
LASA	Offices	374	6	01/07/16	1,0	30/06/25	1,0	141	141	149	5,5%	(No)	Departure	Market Rent	149	5,60%	2 665	18	(7)	(400)	2 268	7,50%	2 100	5 616	6,27%	6,61%		
ZARA France	Offices	431		20/01/12	0,6	19/01/25	0,6	201	201	162	-19,7%	(No)	Departure	Market Rent	162	5,60%	2 886	18	21	(455)	2 453	7,50%	2 281	5 293	8,20%	6,59%		
COEFFICIENT	Offices	239		01/03/16	0,7	28/02/25	0,7	88	88	90	2,1%	(No)	Departure	Market Rent	90	5,60%	1 600	18	(1)	(251)	1 348	7,50%	1 254	5 248	6,51%	6,65%		
CGR Cinemas	Offices	563	3	23/02/24	1,6	22/02/26	1,6	160	160	185	16,0%	(No)	Departure	Market Rent	185	5,60%	3 304	18	(39)	(528)	2 737	7,50%	2 546	4 522	5,83%	6,76%		
J.E.Y Conseil	Offices	10		25/09/23	0,1	24/09/24	0,2	1	1	1		(No)	Departure	Market Rent	1	5,60%	21	18	(7)	(7)	15	7,50%	14	1 377	8,11%	8,11%		
Vacant - Ground floor	Offices	305		01/07/25		30/06/34				16		(No)		Market Rent	16	6,00%	260	18		(59)	201	7,50%	187	614		7,74%		
Vacant - second floor	Offices	641		01/07/25		30/06/34				240		(No)		Market Rent	240	6,00%	4 006	18		(442)	3 564	7,50%	3 316	5 173		6,74%		
Vacant - fourth floor	Offices	533		01/07/25		30/06/34				200		(No)		Market Rent	200	6,00%	3 331	18		(367)	2 963	7,50%	2 757	5 173		6,74%		
Vacant first basement	Offices	198		01/07/25		30/06/34				14		(No)		Market Rent	14	6,00%	226	18		(43)	182	7,50%	170	857		7,42%		
Vacant - second basement	Offices	162		01/07/25		30/06/34				14		(No)		Market Rent	14	6,00%	240	18		(40)	200	7,50%	186	1 151		7,21%		
Vacant - Parking spaces	Parkings		24	01/07/25		30/06/34				36		(No)		Market Rent	36	6,00%	600	18		(55)	545	7,50%	507	2 112		6,61%		
TOTAL		4 036	35		1,0	1,4	1,4	674	674	1 327	96,9%				22 903	1 327	5,79%	19 619	18 250	(53)	(3 232)	19 619	7,50%	18 250	4 522	3,44%	6,76%	

* If step rents, income capitalised = headline rent (delta between steps and headline are included in losses of income)

Detail per Tenant Type

MAIN USE	Lettable Area sq m	Parking (Units)	Headline Gross Rent KE/yr excl.	Headline Net Rent KE/yr excl.	ERV KE/yr excl.	Full Reversion (2)/(1)	Yield Applied	Income Capitalised	Discounted Loss due to vacancy / End of lease assumptions	Improvement works and Others KE	Perm. Void & Glob. NR	Market Value inclusive KE	Purchaser's Costs	Market Value exclusive KE	Net initial yield	Reversionary yield
Offices	4 036	11	674	674	1 291	91,6%	5,79%	22 303	(53)	(735)	(204)	18 135	16 869	4 180	3,72%	7,12%
Archives																
High Street Retail																
Parkings		24			36		6,00%	600	(55)	(1)		543	7,50%	506		6,62%
Total	4 036	35	674	674	1 327	96,9%	5,79%	22 903	(53)	(735)	(206)	18 678	17 375	4 305	3,61%	7,10%
Rented Areas	2 197	11	674	674	807	19,8%	5,67%	14 241	(53)	(2 225)	(119)	11 844	7,50%	11 018	5 015	6,82%
Vacant Areas	1 839	24			520		6,00%	8 663	(1 007)	(735)	(87)	6 834	7,50%	6 357	3 458	7,61%

OPEX / CAPEX details and other indemnities / revenues

Maintenance Works (Budget on 10 years not discounted)	0	€ excl. VAT
CAPEX // Major Repairs (Budget on 10 years not discounted)	-735 440	€ excl. VAT
Landlord's Contribution to Tenant's Works // Indemnities to Tenants	0	€ excl. VAT
Indemnities paid by Tenants to Landlord // Other Revenues	0	€ excl. VAT

EPRA Initial Yields

EPRA TOP-UP NIY (EPRA Topped Up / MV incl.)	2,45%
EPRA CASH NIY (EPRA CASH / MV incl.)	2,45%

Discounted Cash Flow Spreadsheet

ANALYSIS BY DISCOUNTED CASH FLOW

DCF Start Date 01/07/2024

Year From At	1 01-juil-24 30-juin-25	2 01-juil-25 30-juin-26	3 01-juil-26 30-juin-27	4 01-juil-27 30-juin-28	5 01-juil-28 30-juin-29	6 01-juil-29 30-juin-30	Cumulated Annual Growth Rate (CAGR)
Market Rental Growth	+ 1,50%	+ 1,50%	+ 2,00%	+ 2,00%	+ 2,00%	+ 2,00%	1,54%
Market Rent	1 338 000	1 358 000	1 382 000	1 409 000	1 438 000	1 466 000	16,57%
Gross Revenues	566 000	502 000	1 093 000	1 391 000	1 377 000	1 420 000	
<i>Annual Change</i>		- 11,32%	+ 117,81%	+ 27,19%	- 0,99%	+ 3,15%	
Indexation ILAT	+ 4,00%	+ 2,80%	+ 2,50%	+ 2,30%	+ 2,30%	+ 2,30%	
Gross Rents	566 000	940 000	1 264 000	1 423 000	1 377 000	1 461 000	
Permanent Void	-	-	-	-	-	-	
Rent-Free Periods / overrent	(681 000)	(438 000)	(171 000)	(32 000)	(41 000)	(41 000)	
Perceived Indemnities	-	-	-	-	-	-	

17,12%

Expenses	Annual Change	1 (2 211 000)	2 (745 000)	3 (331 000)	4 (14 000)	5 (122 000)	6 (31 000)
Vacancy Costs		(294 000)	(135 000)	(48 000)	(22 000)	(22 000)	(4 000)
Doubtful Debtors	-	-	-	-	-	-	-
Non-Recoverable Charges (due to the lease)	-	-	-	-	-	-	-
Global Non-Recoverable Charge	(70 000)	(6 000)	(9 000)	(13 000)	(14 000)	(14 000)	(15 000)
Maintenance Work	-	-	-	-	-	-	-
CAPEX / Improvement Works	(751 000)	(437 000)	(241 000)	(87 000)	(87 000)	(87 000)	(12 000)
Reletting Works	(925 000)	(160 000)	(29 000)	-	-	-	-
Letting Fees	(205 000)	(163 000)	-	-	-	-	-
Paid Indemnities	-	-	-	-	-	-	-

Net Resale	24 475 000	-	-	-	-	-	24 475 000
Total Acquisition Costs (TAC)	26 678 000	-	-	-	-	-	26 678 000
Remaining Rent Free Period to deduct	-	-	-	-	-	-	-
Purchaser's Costs	(1 836 000)	-	-	-	-	-	(1 836 000)
Broker's Fees	(367 000)	-	-	-	-	-	(367 000)
Free Cash Flows	28 370 000	(645 000)	(243 000)	762 000	1 376 000	1 255 000	25 864 000
<i>Annual Change</i>		+ 62,35%	+ 413,80%	+ 80,57%	- 8,83%	N/S	
Annual Initial Yield (passing rent / MV incl.)	79,4%	1,4%	1,9%	5,4%	7,2%	7,0%	7,3%
Annual Average Occupation Rate	55,7%	42,2%	63,1%	80,1%	97,7%	96,2%	96,9%
Initial Occupancy Rate							

Discount Rate - Cash Flow	7,00%
Discount Rate - Resale Value	7,00%
INITIAL YIELDS	
Headline Net Initial Yield (HNI / MV incl.)	3,53%
Passing Net Initial Yield : Passing Net Rent / MV incl.	3,53%
Potential NIY (Net Potential Income / MV incl.)	6,19%
Reversionary Yield (Market Rent / MV incl.)	6,95%

NAV & Market Value	19 098 000 €	4 732 € incl./sq m
Market Value incl. Purch' costs	7,50%	
Purchaser's Costs		
Market Value excl. Purch' costs	17 765 537	4 402 € excl./sq m

DCF ANALYSIS BY TYPE

Market Value exclusive 30/06/2024	72	30/06/2030	Capitalised Income	NOI	Purchaser's Costs	7,50%	Broker's Fees	1,50%
MAIN USE	Remaining Fixed Term	Reversion Potential	Income Capitalised	Exit Cap Rate	Detailed Resale Amount	% change		
Offices	2,1	0,8%	1 427 553	5,50%	€ inclusive 25 955 512	€ excl./sq m 5 901	38,0%	
Archives								
High Street Retail	4,0	1,0%	39 746	5,50%	722 654	662 986	27 624	29,2%
Parkings	2,2	0,9%	1 467 299	5,50%	26 678 166	24 475 382	6 065	37,8%
Total								

(1) Parking Spaces rented alone (without office floor)
Cushman & Wakefield Valuation France | INOVALIS - Asset 1 | Version : Final as at 29/07/2024 - This sheet is an integral part of the Front Section Report and cannot be read separately

APPENDIX D: ABBREVIATIONS

ERV	Estimated Rental Value
GIA	Gross Internal Area
NIA	Net Internal Area
PS	Professional Standard
RICS	Royal Institution of Chartered Surveyors
VPS	Valuation Professional Standard
WAULB	Weighted Average Until lease break

APPENDIX E : SOURCES OF INFORMATION AND TERMS OF THE ENGAGEMENT

Sources of Information

In addition to information established by us, we have relied on the information obtained from you and as listed below:

Type of information	Required information	Received information	Notes
Tenure			
- Title deed or Notary's certificate of ownership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Contract of finance lease	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Co-ownership documents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Minutes from the most recent co-ownership General Assembly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- List of easements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Legal justification of building use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Land Registry/Town planning			
- Cadastral references – Land Registry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Land Registry plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Certificate of town planning authorisation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Other authorisations (CDEC, specific use permits, etc...)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Construction			
- Planning permission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Certificate of completion and conformity of construction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Litigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Description and list of general facilities and technical specifications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Plans/Areas			
- Floor plans/site plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- Schedule of areas by floor and by use	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Tenancy Situation			
- Detailed tenancy schedule with most recent income receipts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- Leases and riders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- Subletting contracts/agreements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Details of tenancy litigations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Lease expiries / break notices / future vacancy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Schedule of recoverable and non-recoverable service charges	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Schedule of recoverable and non-recoverable (land, office or other) taxes, insurance policy(ies), management fees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Works			
- List of works recently carried out on the building (maintenance or heavy renovation), maintenance costs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- List of future works (maintenance or heavy renovation), maintenance costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Environment/pollution			
- Technical documentation and/or information pertaining to any environmental impact on the value	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Certificate of presence/absence of asbestos, termites, radon, lead	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- Presence/Absence of site contamination	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Miscellaneous			
- Contact details of management and / or any person(s) to organise the visits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
- Detailed balance sheet for the past three years (if applicable)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Profit margins, vacancy rate, current rents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
- Other	<input type="checkbox"/>	<input type="checkbox"/>	
ESG			

- EPC or energy consumption (primary energy n-1)	<input type="checkbox"/>	<input type="checkbox"/>
- Carbon footprint (n-1)	<input type="checkbox"/>	<input type="checkbox"/>
- Eco-energy certificate (OPERAT)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
- Energy audit and tertiary decree capex plan	<input type="checkbox"/>	<input type="checkbox"/>
- CREEM trajectory and net zero carbon Capex plan	<input type="checkbox"/>	<input type="checkbox"/>
- Environmental certification	<input type="checkbox"/>	<input type="checkbox"/>
- Climate risk study	<input type="checkbox"/>	<input type="checkbox"/>
- Biodiversity diagnosis	<input type="checkbox"/>	<input type="checkbox"/>
- Other (waste, water, electrical terminals, bike park, etc)	<input type="checkbox"/>	<input type="checkbox"/>

INOVALIS

REAL ESTATE INVESTMENT TRUST

1405-1723-5723