



VALUATION REPORT

West Gate Logistic Warehouse Complex
21st km of Zhytomyr Hwy, Horenychi
Village Council, Kyiv-Svyatoshyno
District, Kyiv Region, Ukraine

Prepared for: NEW UKRAINE PE HOLDING LIMITED
Report date: 2 April 2020
Valuation date: 31 December 2019

Expandia LLC, part of the CBRE Affiliate Network, independently prepares client valuations and related advice and is solely responsible for the contents of this report

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Respectfully Yours,



Sergiy Sergiyenko
General Director
Expandia LLC

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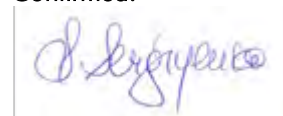
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EXECUTIVE SUMMARY

1 EXECUTIVE SUMMARY

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Confirmed:



Sergiy Sergiyenko
General Director
Expandia LLC

Attn:
Mr. Georgious Chr. Kyrou
Director
NEW UKRAINE PE HOLDING LIMITED

Dear Sir,

This executive summary has been prepared at the request of NEW UKRAINE PE HOLDING LIMITED and represents an integral part of the valuation report dated 2 April 2020 on determining the market value of the subject property – West Gate Logistic Warehouse Complex with the total area of 96,772.8 sq m located at 21st km of Zhytomyr Hwy, Horenynchi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine.

The Valuation was carried out according to valuation services agreement No. V061118/1, between NEW UKRAINE PE HOLDING LIMITED and CBRE Ukraine (Expandia LLC) dated 6 November 2018.

Based on our analysis, it is our opinion that the **market value** of the subject property, effective **December 31, 2019**, subject to underlying Assumptions and Conditions set out herein is:

\$39,800,000

Thirty Nine Million Eight Hundred Thousand US Dollars exclusive VAT.

The indicated value is based on an exposure time of 12-18 months.

This executive summary represents integral part of the valuation report, which in its turn describes the method and approach to value in support of the conclusion and contains the relevant data gathered in our investigation of Client's data and the current market conditions. The market value of the property was calculated under the Income Approach. The valuation has been carried out according to RICS Valuation – Global Standards (2017). This valuation report has been prepared for audit and financial reporting under IFRS.

We confirm the independence of this valuation. We have had no regard to any legal proceedings and the value represented herein is totally impartial. If you have any questions, we would be pleased to discuss the valuation further.



Stanislav Ivanov MRICS, REV
Director
Valuation and Advisory Services



Volodymyr Shcherbak
Senior Valuer
Valuation and Advisory Services

Date to Date Comparison

VALUATION METRICS	CURRENT VALUATION (31/12/19)	PREVIOUS VALUATION (31/12/18)	CHANGE
Methodology	Capitalisation	DCF	
Market Value	\$39,800,000	\$34,400,000	+15.7%
Gross Income	\$7,114,198	\$5,235,178	+35.9%
NOI	\$5,419,924	\$4,020,710	+34.8%
Average Fixed Rent, per sqm/month*	\$4.8	\$3.6	+31.0%
Capitalisation Rate	13.50%	13.00%	+0.5 p.p

*-Actual figure (at the date of valuation)

The market value of the Property has increased by +15.7% since our last valuation. The value change is caused predominantly by the increase of incomes generated by the warehouse by +35.9%, accomplishment of step-rents and yield increase (+0.5%) caused by a risk of a tenancy agreement break with one of the tenants in 2020 due to a possible renegotiation fail.

The year 2019 was generally stable demonstrating moderate increase of rental values on the background of strengthening of the occupier demand. In the H2 2019 investment activity started to increase following the uncertainty in H1 2019 due to the presidential and parliament elections.

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VALUATION REPORT

2 VALUATION REPORT

Report Date	2 April 2020
Addressee	NEW UKRAINE PE HOLDING LIMITED
The Property	West Gate Logistic Warehouse Complex with the total area of 96,772.8 sq m located at 21st km of Zhytomyr Hwy, Horenynchi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine.
Instruction	To value on the basis of Market Value the freehold interest in the building of the Property as at the Valuation Date in accordance with valuation services agreement No. V061118/1, between NEW UKRAINE PE HOLDING LIMITED and CBRE Ukraine (Expandia LLC) dated 6 November 2018.
Valuation Date	31 December 2019
Capacity of Valuer	External
Purpose	Audit and financial reporting under IFRS
Market Value	\$39,800,000 (THIRTY NINE MILLION EIGHT HUNDRED THOUSAND US DOLLARS) EXCLUSIVE VAT The valuation has been prepared on the basis of "Market Value" which is defined as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion". Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using analysis of the property's performance.
Compliance with Valuation Standards	The valuation has been prepared in accordance with the RICS Valuation – Global Standards 2017 ("the Red Book"). We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of The Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the

working papers, together with confirmation that each named valuer complies with the requirements of The Red Book.

Normative Legal Documents

The valuation of subject property was undertaken considering the following national normative legal documents:

- National standard of valuation #1 "General principles of property and property rights valuation" (NS 1) approved by Decree of the Cabinet of Ministers #1440 dated September 10, 2003.
- National standard of valuation #2 "Valuation of real estate" (NS 2) approved by Decree of the Cabinet of Ministers #1442 dated October 28, 2004.
- Law of Ukraine "On valuation of property, property rights and professional valuation services in Ukraine".
- Other legislative acts of Ukraine, normative documents and references.

Special Assumptions

No

Assumptions

The property details on which each valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

Variation from Standard Assumptions

None

Market Conditions

The values stated in this report represent our objective opinion of Market Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the property had been properly marketed and that exchange of contracts took place on this date.

Valuer

The Property has been valued by a valuer who is qualified for the purpose of the valuation in accordance with the RICS Valuation – Global Standards 2017 (The Red Book).

Disclosure

CBRE Ukraine had been performing the continuous valuations of real estate portfolio for the affiliate company of the Client, during 2009-2013 and 2017-2019.

Reliance

This report is for the use only of the party to whom it is addressed for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

SCOPE OF WORK & SOURCES OF INFORMATION

Sources of Information

We have been supplied with the documents from the Client for the Property, which included:

- Ownership certificate for real estate property
- Land lease agreement
- Copies of tenancy agreements
- P&L data for 2019
- OPEX data for 2019
- CAPEX data for 2020
- Tenancy schedule data for 2020
- Plan of the property

We have not provided independent verification of the information contained within the documents nor have we verified that it is complete and accurate. Where supplied with legal documents relating to the property we have had regard to them in undertaking our valuations which reflect our understanding of such information. However, we will not take responsibility for the legal interpretation of these documents. We reserve the right to amend our opinions of value should any legal information be provided which contains a material variation from the assumptions we have adopted in our valuations.

The Property

Our report contains a brief summary of the property details on which our valuation has been based.

Inspection

We inspected the Property both externally and internally in March 2019.

Areas

We have not measured the Property but have relied upon the floor areas provided to us as by the Client.

Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Property and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigation into the past or present uses of the Property, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Repair and Condition

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Property. We are unable, therefore, to give any assurance that the Property is free from defect.

Titles, Tenures and Lettings

Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

VALUATION ASSUMPTIONS

Highest and Best Use

The market value of an asset reflects the concept of its highest and best use. In accordance with IVS - 2017, framework section, "the highest and the best use is the use of an asset that maximizes its potential and that is possible, legally permissible and financially feasible.

In other words, the purpose of the HBU analysis is to determine the functional use which will bring the maximum value to the subject property.

Taking into account the size, location, condition of the property and other relevant factors as well as initial data and assumptions, which were provided by the Client and have influence on the subject property, we came to the conclusion that warehouse would be the highest and best use of the property.

Taxes and Purchaser's costs

No allowances have been made for any expenses of realization nor for taxation which might arise in the event of a disposal. Acquisition costs have not been included in our valuation.

**Environmental
Matters**

In the absence of any information to the contrary, we have assumed that:

(a) the Property is not contaminated and is not adversely affected by any existing or proposed environmental law;

(b) any processes which are carried out on the Property which are regulated by environmental legislation are properly licensed by the appropriate authorities.

**Title, Tenure,
Planning and Lettings**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that the Property possesses a good and marketable title free from any onerous or hampering restrictions or conditions.

LEGAL NOTICE

This valuation report has been prepared by Expandia LLC (CBRE Ukraine) exclusively for NEW UKRAINE PE HOLDING LIMITED in accordance with the terms of the service agreement dated 06.11.2018. The Report is confidential and it must not be disclosed to any person other than the Client without CBRE's prior written consent. CBRE Ukraine has provided this report on the understanding that it will only be seen and used by the Client and no other person is entitled to rely upon it, unless CBRE Ukraine has expressly agreed in writing. Where CBRE Ukraine has expressly agreed that a person other than the Client can rely upon the report then CBRE Ukraine shall have no greater liability to any party relying on this report than it would have had if such party had been named as a joint client under the Instruction.

CBRE's maximum aggregate liability to all parties, howsoever arising under, in connection with or pursuant to reliance upon this Report, and whether in contract, tort, negligence or otherwise shall not exceed the fee under the valuation service agreement.

CBRE shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

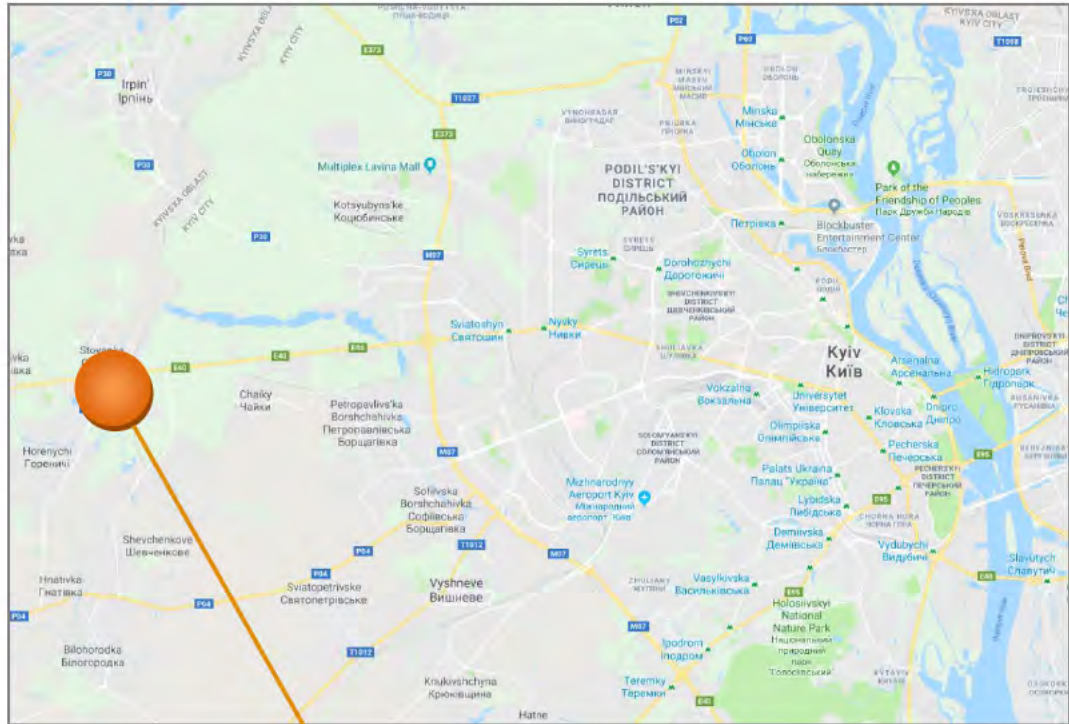
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PROPERTY DETAILS

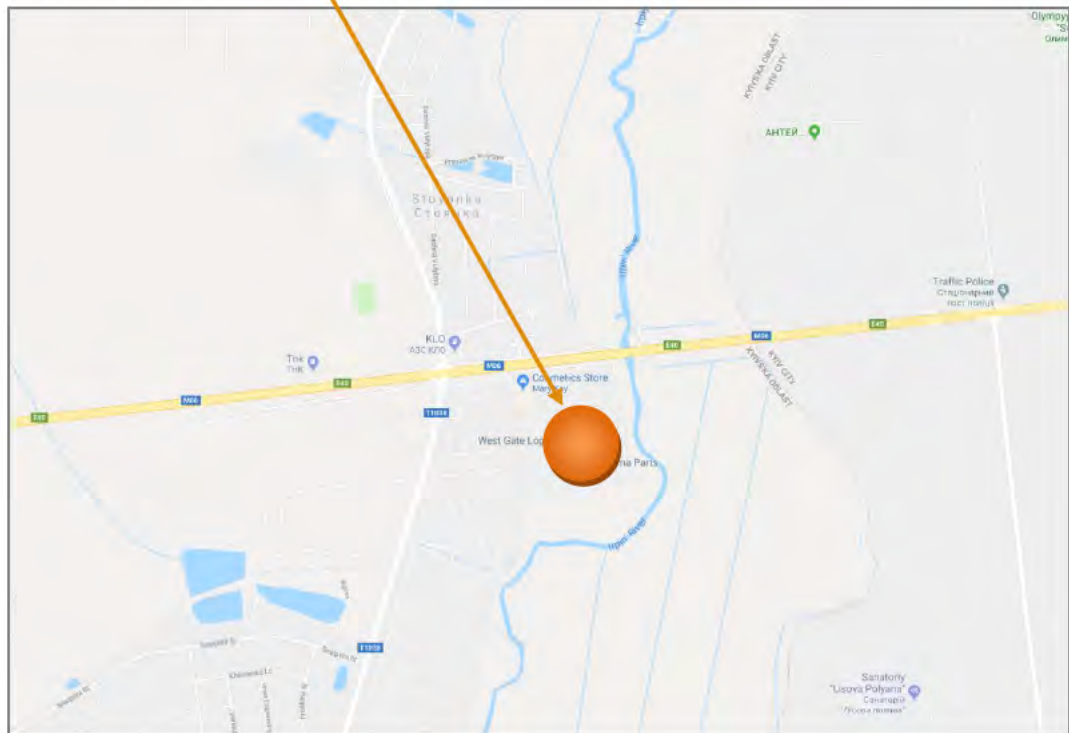
3 PROPERTY DETAILS

Location

Location of the subject property on the map



Source: Google map

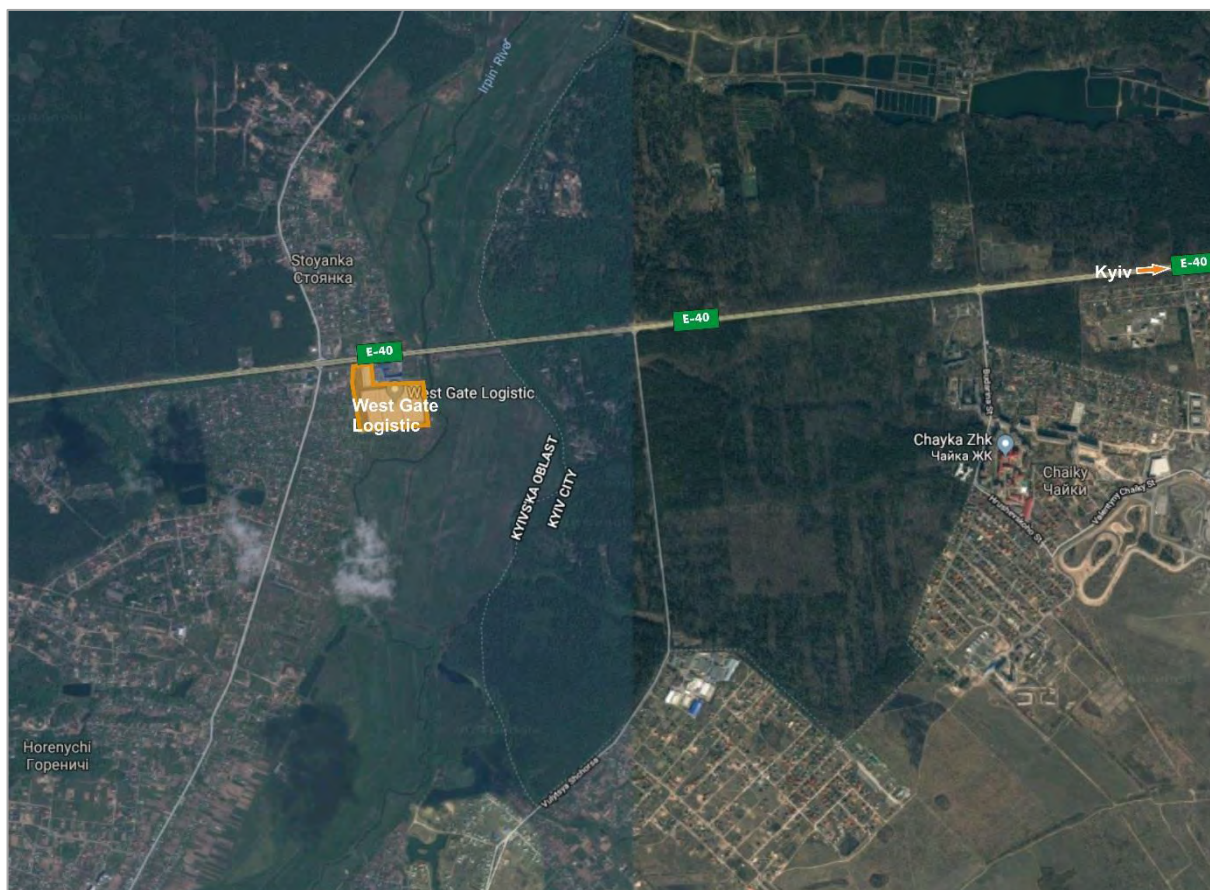


Source: Google map

The subject property is located within Horenynchi Village Council, which belongs to Kyiv-Svyatoshyno

District. The address of the warehouse complex is 21st km of Zhytomyr Hwy, Horenychi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine. Kyiv city border is approximately 8 km away from the subject property while the nearest metro station - Zhytomyrska is located in a distance of almost 10 km from the subject property. The surrounding area of the property is represented by agricultural land, forest and low-rise residential development of Stoyanka and Horenychi Villages.

View to the subject property from the satellite



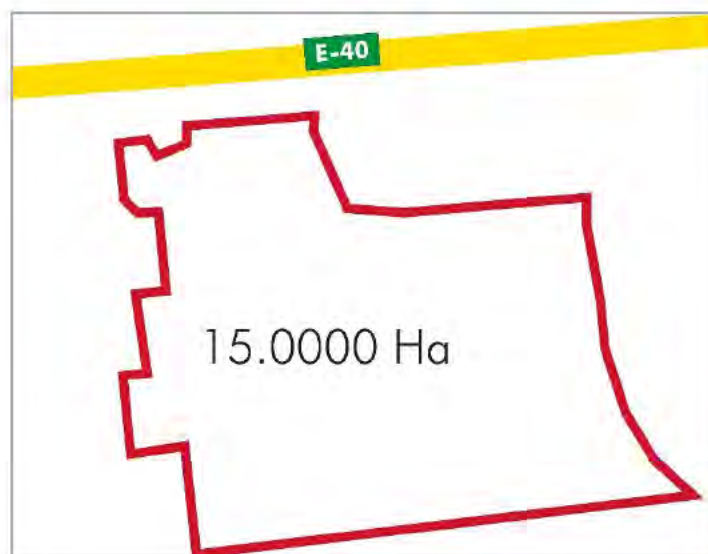
Accessibility

The subject property frontages E-40 international highway which connects Kyiv and Lviv. The quality of road is good. Kyiv ring road can be reached from the E-40 highway as well.

Site Description

The land plot is of irregular shape and has no visible altitude difference. As per the information provided, the total area of the subject land plot comprises 15.0000 ha. The land plot is zoned for development of manufacturing base. A shape of the land plot as per the cadastral map is shown below.

Land plot plan



Technical Description

The subject property comprises operating warehouse complex.

Main properties parameters are provided in the table below:

ADJACENT TERRITORY	
1. Full address	Zhytomyske Hwy (21 st km), Horenynchi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine
2. Date of construction	2008
3. Management company	FM Standard
ADJACENT TERRITORY	
1. Area of the land plot, sq m	150,000
2. Parking (surface/underground).	Surface
3. Number of parking lots	n/a
BUILDING (LITERA A-5)	
1. Total area, sq m	96,351
a) Office premises, sq m	6,115
b) Mezzanine, sq m	12,620
c) Warehouse premises	77,616
2. Number of entrances	60 loading entrances
3. Type of foundation	Concrete
4. Type of building (brick, monolithic frame etc.)	Sandwich panels
5. Basement (area and type of use)	-
6. Ceiling height, meters	
a) Office premises	2.7 m
b) Mezzanine, sq m	3.2 m
c) Warehouse premises	12.2 m
7. Floor bearing capacity, kg/ sq m	5 t/sq m – warehouse; 480 kg/sq m – mezzanine; 480 kg/sq m - office
TELECOMMUNICATIONS	
1. Number and operator of telephone lines	1 (UMC) – at request

2. Other communications	2 internet providers
POWER SUPPLY	
1. Category of electricity supply	2 nd category
2. Availability of diesel generator	Provides fire-prevention systems with energy supply
3. Capacity	560 kW
FIRE SAFETY	
1. Availability of fire line	+
2. Availability of smoke removal system	+
3. Availability of sprinkler system	+
4. Smoke detectors	+
5. System of fire alarm notification	+
VENTILATION	
1. Ventilation system	+
LIFTS	
1. Number of passenger lifts, loading capacity	-
2. Number of freight lifts, loading capacity	-
WATER SUPPLY	
1. Water	Autonomous

Condition

Our inspection suggests the condition of the premises to be without obvious defects without signs of natural deterioration. However, no special structural survey has been conducted, nor did we inspect any parts of the structure or the site, which were covered, unexposed or inaccessible. We are unable, therefore, to give any assurance that the Property is free from defect. Our valuation has been prepared on the basic and critical assumption that this property is free of physical or structural defects or soil contamination, which would adversely affect its value. For greater certainty a detailed building survey should be undertaken.

Tenure

We have been provided with copies of the title documents of building and the land plot. Tenure details are provided as follows.

<i>Document</i>	Ownership certificate
<i>Date</i>	06.02.2008
<i>Owner</i>	West Gate Logistic LLC
<i>Property</i>	Warehouse #1 with the total area of 7,407.3 sq m, located at 21st km of Zhytomyr Hwy, Horenynchi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine.

<i>Document</i>	Ownership certificate
<i>Date</i>	20.11.2008
<i>Owner</i>	West Gate Logistic LLC
<i>Property</i>	Warehouse #2 with the total area of 89,365.5 sq m, located at 21st km of Zhytomyr Hwy, Horenynchi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine.

Document	Ownership act
Date of issue	15.05.2007
Owner	West Gate Logistic LLC
Reason of issuing	Sale-purchase agreement
Property	Land plot of 8.0000 ha, cadastral number 3222482000:12:003:0139, located at Stoyanka Village, Horenychi Village Council, Kyiv-Svyatoshyno District, Kyiv Region, Ukraine, zoned for development of manufacturing base

Copies of the tenure documents are attached as Appendix B of this report.

Pictures of the Property

Warehouse #1



Warehouse #2



Warehouse premises



Warehouse premises



Mezzanine premises



Office premises



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MARKET OVERVIEW

4 MARKET OVERVIEW

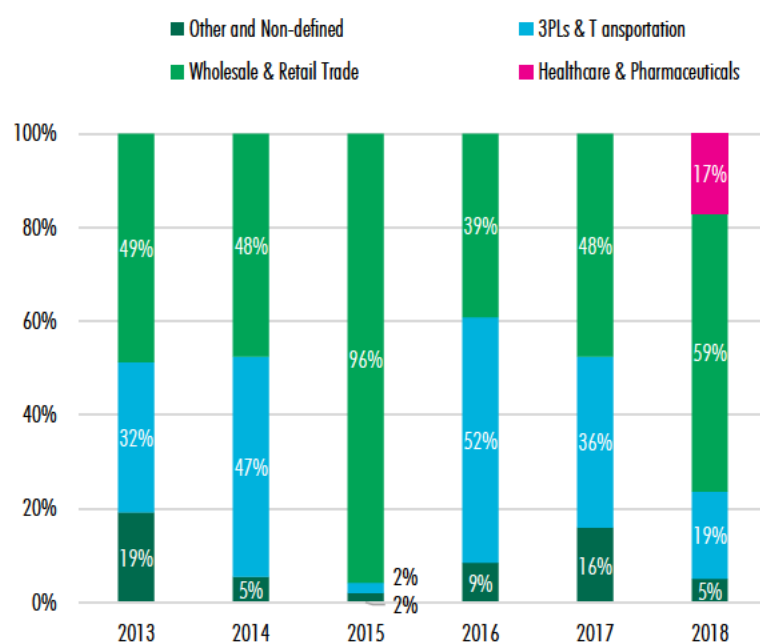
Kyiv Warehouse Market

Demand

2018 was a positive year for the warehouse sector, seeing a 31% upturn in take-up volume reaching ca. 157,000 sqm (including end-user acquisitions). As a general trend in 2018, leasing activity was subject to pent-up demand effect, following a period of 2014-2016 turmoil. Leasing transactions dominated on the market, where only 3% of take-up volume accounted for end-user acquisitions

Tenants from the Wholesale & Retail Trade sector stayed active in their expansions opening new store locations and, thus, becoming the initial warehouse demand driver, with a 59% share of the total take-up volume. Sustainable growth of retail turnover in Kyiv (+2.7% y-o-y) is among the key factors that had a positive impact on the letting activity in this sector. The rest of the take-up volume was represented by Healthcare & Pharmaceuticals sector (17%), followed by Logistics Operators sector (19%) and other industries (5%). A slight downturn in the volume of lettings by Logistics Operators was the result of scarce necessary size units on offer at the market, as 3PL occupiers were mainly after large warehouse space.

Figure : Total Take-up Structure by Industry*



*volume of transactions
Source: CBRE Ukraine

Table : Key Lease & Sales Transactions in 2018

OCCUPIER	INDUSTRY	PROPERTY	DIRECTION	SQ M	DEAL TYPE I	DEAL TYPE II	Class

Supply

2018 registered a modest volume of new supply represented by ca. 9,700 sqm of warehouse space, comprised of Warehouse of E&E Cable Solutions (3,500 sqm) in the direction of Zhytomyr (M-06, E-40) and Warehouse Sofia Ltd (6,200 sqm) in the direction of Fastiv (M-05/M-06, P-04), where the latter was leased to a food retailer Novus immediately after completion. As such, total speculative stock increased marginally to 1.26mio sqm (+0.8% y-o-y) as of the end of 2018. Looking into the pipeline, speculative stock awaits ca. 100,000 sqm of new deliveries over the 2019-2020 period, including projects both in outer- and inner-city locations. Importantly, the evolution of e-commerce projects and marketplace platforms serves as a driver for growing demand for modern warehouse premises within the city to ensure efficient supply chain management from the moment the order receipt to delivery. A myriad of factors in the warehouse segment, including scarce supply and appreciating rents, make the market ripe for built-to-suit warehouse development, although effective rental rates are yet to reach economically viable levels for investors to follow through.

Table: Key Warehouse Schemes in the Pipeline 2019-2020

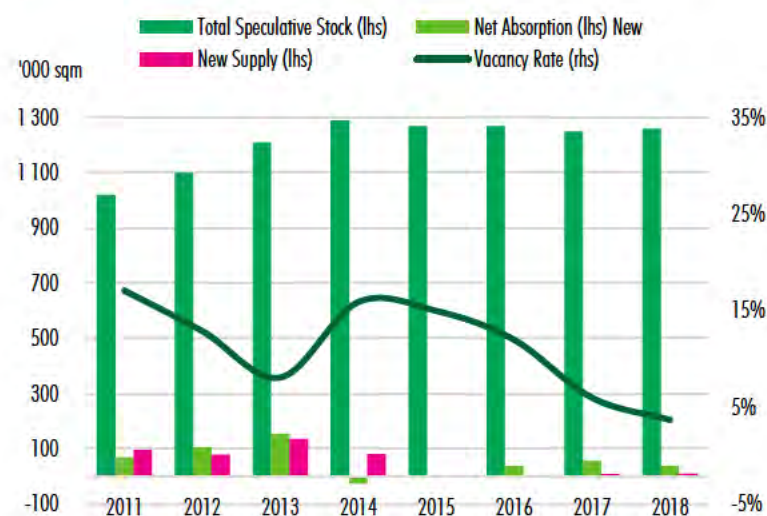
NAME	DEVELOPER	WAREHOUSE PREMISES, SQ M	STATUS	ANNOUNCED COMPLETION
Unilogic Park III	MERX	22,000	Under Construction	2019
Mirazh 3	Mirazh	9,000	Under Construction	2019
Amtel (Phase II)	Amtel Properties	52,000	Project	2019
SAN Factory 2 Storage Area Network	Skyline Development	23,400	Project	2020

Source: CBRE Ukraine

Vacancy & Rents

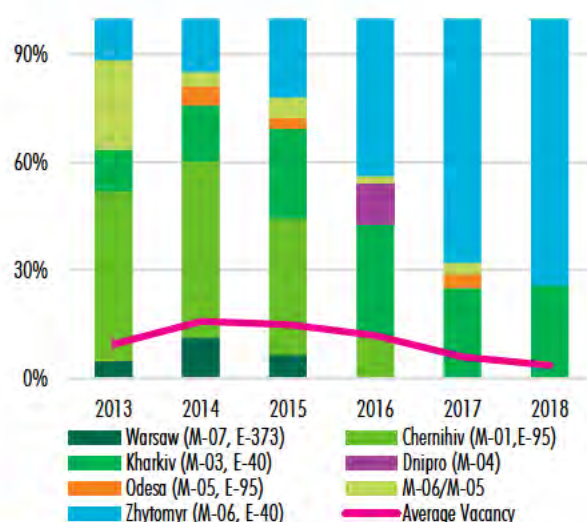
The impact of concurrently growing demand and slackening delivery of new supply resulted in the reduction of average market vacancy to 3.7% (-2.3pp y-o-y). On the one hand, vacancy indicator has been decreasing for 5 years in a row and hit a new record low result in 2018. On the other hand, net absorption edged down, hindered by a lack of available supply. Such market condition allowed landlords to gradually appeal to USD-denominated rents again. Looking into the distribution of vacant space across submarkets, the scant available supply was distributed along Zhytomyr (M-06, E-04) and Kharkiv (M-03, E-04) accounting for 74% and 6%, respectively. The rest of the directions registered no vacant premises by the end of 2018, as the remaining warehouse morsels were taken along directions of Odesa (M-05, E-95) and M-05/M-06 taking the number of available premises along these highways to zero.

Figure: Net Supply, Net Absorption and Vacancy Rate



lhs — left hand side; rhs — right hand side
Source: CBRE Ukraine

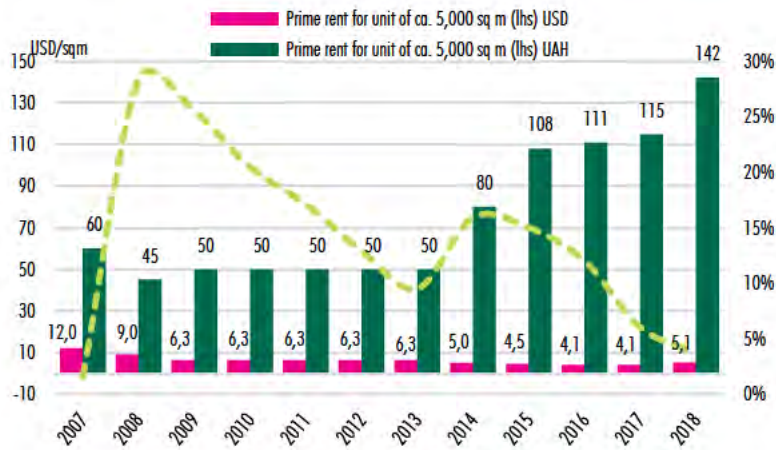
Figure: Vacant Stock Distribution by Highways*



*base — total volume of vacant space
Source: CBRE Ukraine

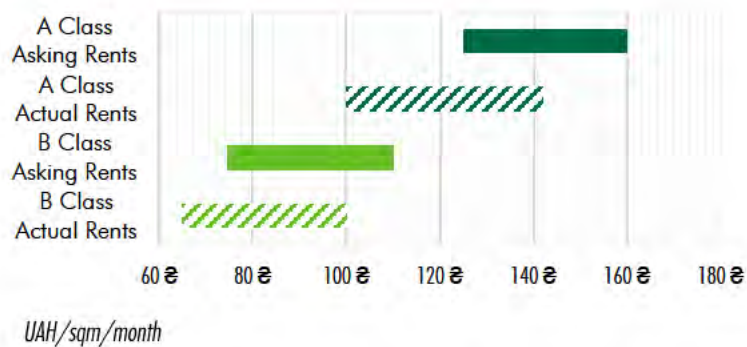
Asking rents remained mostly denominated in UAH, ranging between UAH125-UAH160 (\$4.5-\$5.7) /sqm/month for A-class ambient warehouse, and between UAH75-UAH110 (\$2.7-\$3.9) /sqm/month for B-class ambient warehouses. While demand for the leftover warehouse space stimulated an increase in UAH denominated rent, rents denominated in USD were slightly handicapped by deflationary pressure in the second half of 2018. Therefore, **prime effective rent** ranged between UAH100-UAH142 (\$3.6-\$5.1) /sqm/month, posting 20-29% y-o-y growth in UAH and 20-24% in USD. In 2018 asking rents for Class A cold warehouse facilities (temp. between 0-6°C) varied in the UAH210-UAH230 (\$7.5-\$8.2) /sqm/month range, while actual rents were between UAH190-UAH210 (\$6.8-\$7.5) /sqm/month.

Figure: Actual Prime Rental Rate and Vacancy, as of 2018



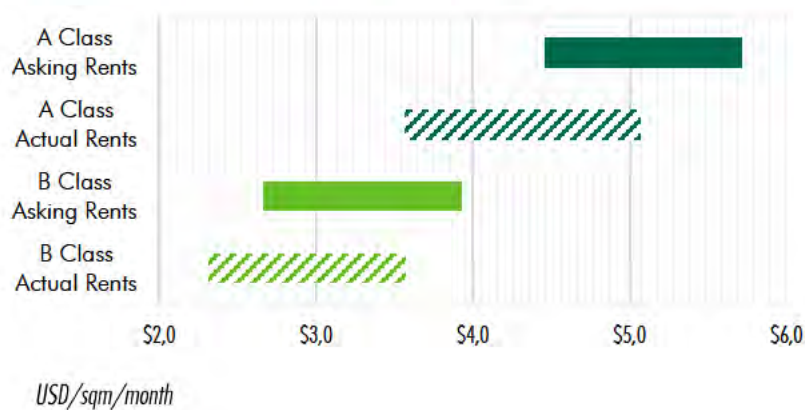
lhs — left hand side; rhs — right hand side
Source: CBRE Ukraine

Figure: Rents for Ambient Warehouses (UAH/sqm/month)



Source: CBRE Ukraine

Figure: Rents for Ambient Warehouses (USD/sqm/month)



Source: CBRE Ukraine

Investment

Investor sentiment within the warehouse segment mimicked the general strengthening of economic indicators and thus growing demand for storage requirements. [REDACTED]

The warehouse segment holds potential for yield-searching investors to benefit from forecast strengthening on the market, evident from steadily growing rental rates and their gradual transition to USD. Following a number of deals finalized in the segment of the year, prime yield firmed up by 0.75 pp to 13%.

Outlook

We expect occupier demand for warehouse space to grow, with more expansion requirements coming from logistics operators and e-commerce players. However, large-scale requirements will be hard to accommodate in the current market condition due to low vacancy and sluggish development activity in the sector. Owing to such imbalance on the market, the volume of take-up in 2019 is likely to be supply-constrained, triggering a consequent increase in prime rental rate for best leftover warehouses space. Owing to progressive expansion of postal and fulfillment services, the market is craving for centrally-located warehouses to gain competitive advantage in delivery times, and this trend is likely to become at the forefront of demand in the segment. The projected volume of new additions over 2019-2020 period (ca. 100,000 sqm) is likely to be absorbed rapidly upon delivery, following the ongoing trend of diminishing average market vacancy. With rents poised for growth to pre-crisis levels in the next few years, a rise in built-to-suit projects will follow in due course.

5

VALUATION METHODOLOGY

5 VALUATION METHODOLOGY

According to the generally accepted valuation practice there are three main approaches to valuing real property: Cost Approach, Market Approach and Income Approach.

The **Cost Approach** provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction.

This approach is based on the principle that the price that a buyer in the market would pay for the asset being valued would, unless undue time, inconvenience, risk or other factors are involved, be not more than the cost to purchase or construct an equivalent asset. Often the asset being valued will be less attractive than the alternative that could be purchased or constructed because of age or obsolescence. Where this is the case, adjustments may need to be made to the cost of the alternative asset depending on the required basis of value.

The Cost Approach is usually applicable in case of valuing specialized properties which typically are not traded in the open market. It is not used by market participants for valuing properties such as ones under consideration and has not been used for valuation purposes in this particular case, mainly because of its inability to assess certain important characteristics such as location, surroundings, property concept, etc.

The **Market Approach** provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. Under this approach the first step is to consider the prices for transactions of identical or similar assets that have occurred recently in the market. If few recent transactions have occurred, it may also be appropriate to consider the prices of identical or similar assets that are listed or offered for sale provided the relevance of this information is clearly established and critically analyzed. It may be necessary to adjust the price information from other transactions to reflect any differences in the terms of the actual transaction and the basis of value and any assumptions to be adopted in the valuation being undertaken. There may also be differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

Considering the subject property we have adopted both **Market and Income approaches** to value the subject property. Within Income Approach we used the **Discounted Cash Flow Method** to arrive at the conclusion of the market value.

When applying DCF Method the next steps should be followed in order to determine the value of an **operating property**:

- Estimation of property revenues – leasable areas are multiplied by corresponding rental rates
- Estimation of the expenses associated with property operation
- Estimation of expenses reimbursed by tenants
- Estimation of other incomes
- Estimation of net operating income (NOI)
- Estimation of a holding period based on income/expenses forecasts – the holding period is forecasted until the stabilization of the property NOI
- Estimation of rental rates and areas for lease during forecast period (if certain areas are to be leased during holding period)
- Estimation of the capitalization rate in the end of the holding period
- Estimation of the property value by dividing forecasted NOI by capitalization rate
- Estimation of the discount rate – the cash flows are discounted to the valuation date. Net property value is received.

A

CALCULATIONS

Strengths	Weaknesses
• Location in proximity to Kyiv • Adjacent to E-40 International Highway • Mid- and long-term lease agreement with the main tenant • High occupancy • Good condition of the property	• Average rental rate is below the market level • Vast majority of lease contracts are signed in the national currency (UAH)
Opportunities	Threats
• Further improvement of business activity • Further rent growth in warehouse segment on the background of limited market supply, virtual absence of speculative stock under development and growing demand from the side of local and international players. • Possibility to renegotiate current tenancy agreements in a mid-term prospect	• Risks of exchange rate fluctuation • A risk of a tenancy agreement break with one of the tenants in 2020 due to a possible renegotiation fail

Considering strengths and weaknesses of the subject property we believe that **13.5%** will be achievable level of the reversionary yield for the subject property.

Reversion Value

Property Reversion Value calculation is provided in the table below:

Parameter	Reversion
NOI	\$5,419,924
Yield	13.50%
Reversion value	\$40,147,587

Parameter	Reversion
Reversion value	\$40,147,587
CAPEX	\$298,260
Market Value	\$39,849,326
Market Value (rounded)	\$39,800,000

Hence, the received result under income approach equals to **\$39,800,000 (rounded)**.

B

TITLE DOCUMENTS

APPENDIX B - TITLE DOCUMENTS

State act of ownership rights for land plot



ДЕРЖАВНИЙ АКТ
на право власності на земельну ділянку

Серія ДЕ № 593367

Державний акт на право власності на земельну ділянку видано
ТОВ "ВЕСТ ГЕІТ ЛОГІСТИК"

(прізвище, ім'я, по батькові громадянина України, іноземного громадянина, особи без громадянства, уповноваженої особи від співвласників земельної ділянки або назва юридичної особи) який (яка) проживає (знаходиться) с Стоянка 21 км Житомирського шосе
(адреса – місце проживання, місцезнаходження)

і на підставі рішення органу державної влади або органу місцевого самоврядування, договору купівлі-продажу договір купівлі-продажу земельної ділянки
від 10 червня 2006 року № 3972
(назва органу, дата і номер рішення)

с власником земельної ділянки площею 15,0000 га у межах згідно з планом
(гектарів або кв. метрів)

(у разі виникнення права спільної власності на земельну ділянку до акта додається список її співвласників).

Земельна ділянка розташована с.Стоянка Гореницької сільської ради Києво-Святошинського району
(адреса – вулиця, населений пункт, район, область)

Цільове призначення (використання) земельної ділянки
розміщення виробничої бази

Державний акт складено у двох примірниках, перший з яких передано власнику земельної ділянки, другий зберігається в Києво-Святошинському районному відділі земельних ресурсів
(назва державного органу, земельних ресурсів)

Акт зареєстровано в Книзі записів реєстрації державних актів на право власності на землю та на право постійного користування землею, договорів оренди землі за № 0047329/00122

Голова _____
(назва місцевої державної адміністрації або органу місцевого самоврядування)

М.П. _____ (підпис) _____ (позначка)

Начальник Києво-Святошинського районного відділу земельних ресурсів
(назва державного органу земельних ресурсів)

Ю.І. Телепньов
(підпис) _____ (позначка)

15 травня 2007 р.

Ownership certificate for warehouse #1



СВІДОЦТВО
про право власності
НА НЕРУХОМО МАЙНО

Київська обл., Києво-Святошинський р., с/рада Гореницька 06.02.2008

виконком Гореницької сільської ради

Тип об'єкта: нежилі приміщення
Адреса об'єкта: Київська обл., Києво-Святошинський р., с/рада Гореницька, Житомирське шосе 21 км, житловий масив, буд. 7

Власник	Форма власності	Частка
Товариство з обмеженою відповідальністю "ВЕСТ ЛОГІСТИК"	приватна	

Опис об'єкта:
складається з складського корпусу №1 літ.Б' заг.пл. 7407,3 кв.м., насосної підстанції літ. С' заг.пл.153,7 кв.м., трансформаторної підстанції літ. З' заг.пл. 84,7 кв.м., дизельної підстанції літ. И' заг.пл. 29,2 кв.м.;

Підстава: рішення виконкому Гореницької сільської ради
Дата: 25.01.2008
Номер: 2/1

Сільський голова  А.А.Гуленко

ЗАРЕЄСТРОВАНО
в спеціальному реєстрі прав
на нерухоме майно
04 03 2008р

ПІДПИСАНО
в спеціальному реєстрі прав
на нерухоме майно
04 03 08

Серія CAB N 100/10

Ownership certificate for warehouse #2


СВІДОЦТВО
про право власності
НА НЕРУХОМЕ МАЙНО

Київська обл., Києво-Святошинський р., с/рада Гореницька 20.11.2008

виконавчий комітет Гореницької сільської ради

Тип об'єкта: "Будівництво офісного та складського корпусу виробничо-складського комплексу (друга черга)"

Адреса об'єкта: Київська обл., Києво-Святошинський р., с/рада Гореницька, Житомирське шосе 21 км, житловий масив, буд. 7

Власник	Форма власності	Частка
Товариство з обмеженою відповідальністю "ВЕСТ ГЕЙТ ЛОГІСТИК"	приватна	1/1

Опис об'єкта:
в цілому складається з літ. "Н" - склад №2 площею 89365,5 кв.м., літ. "О" - ТП-2 площею 60,3 кв.м., літ. "П" - ТП-3 площею 61,0 кв.м., літ. "С" - пост охорони площею 13,0 кв.м., №7 - свердловини, №8 - свердловини, №9 зливної ями, №10 - зливної ями, №11 каналізаційної ями;

Підстава: рішення виконкому Гореницької сільської ради
Дата: 18.11.2008
Номер: 2/1

Сільський голова  **А.А.Гуленко**



ЗАРЕЄСТРОВАНО
в електронному реєстрі прав
власності на нерухоме майно
"20" 11 2008 р.

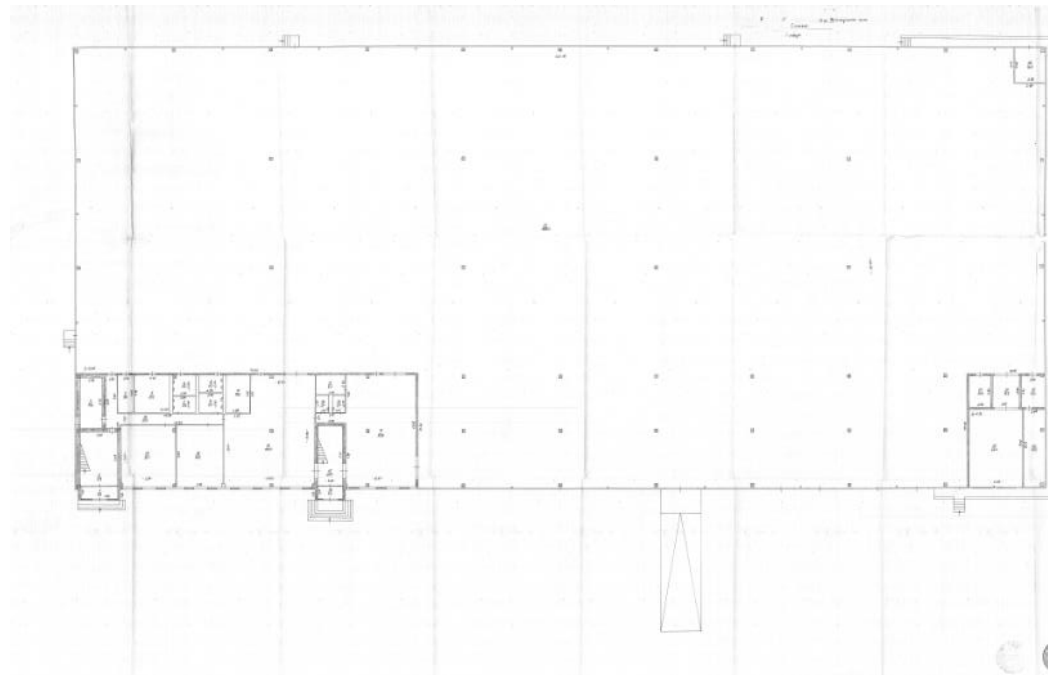
Серія САС № 229630



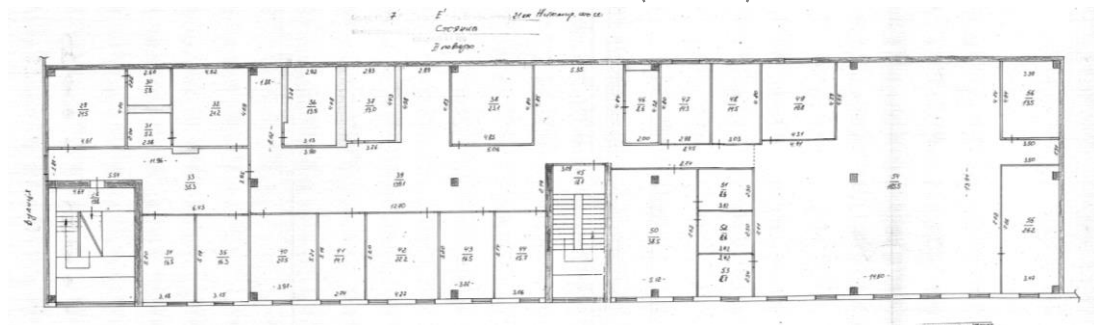
FLOOR PLANS

APPENDIX C – FLOOR PLANS

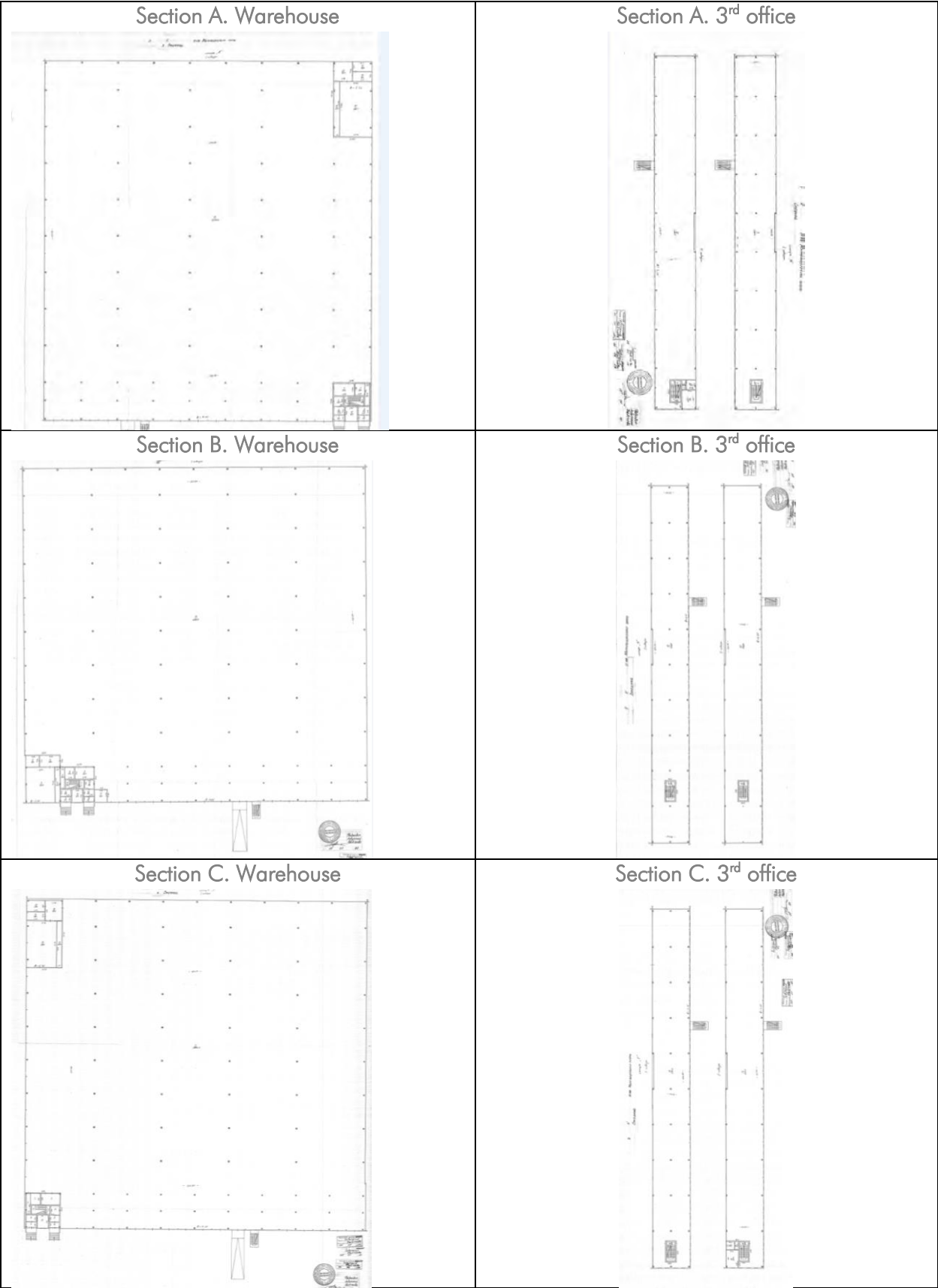
Plan of warehouse #1 (1ST floor)



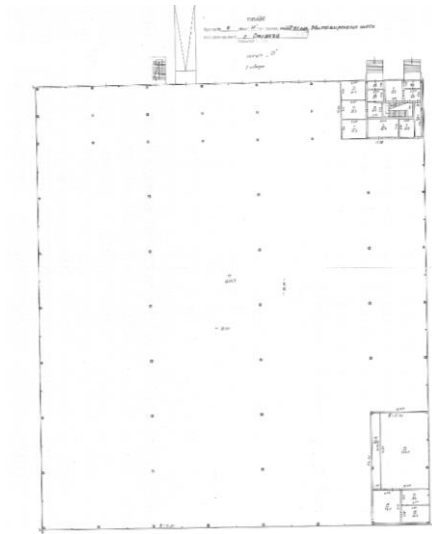
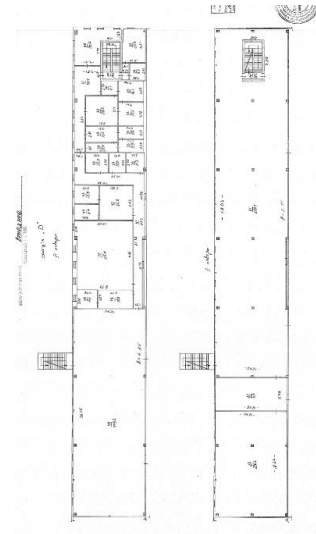
Plan of warehouse #1 (2nd floor)



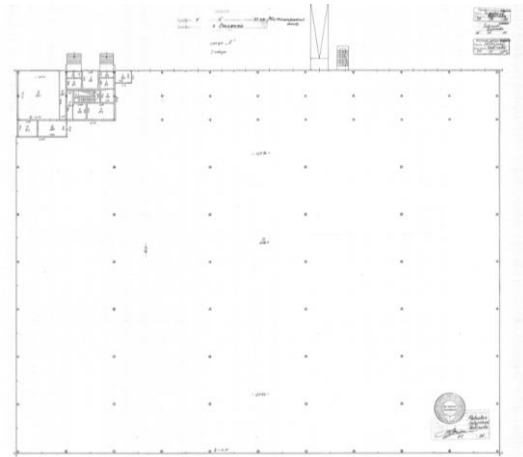
Plan of warehouse #2



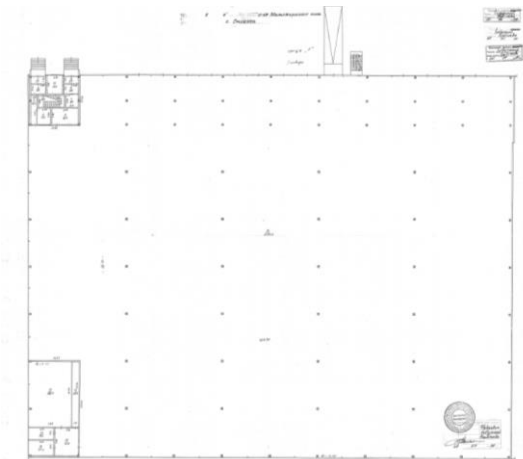
Section D. Warehouse

Section D. 3rd office

Section E. Warehouse

Section E. 3rd office

Section F. Warehouse

Section F. 3rd office

D

CERTIFICATES

APPENDIX C - CERTIFICATES

This certificate issued by Ukraine's State Property Fund in accordance with Ukrainian legislation confirms that CBRE Ukraine is eligible to perform valuation of real property.

 ФОНД ДЕРЖАВНОГО МАЙНА УКРАЇНИ СЕРТИФІКАТ № 432118 суб'єкта оціночної діяльності Дата видачі "25" травня 2018 р.	
Виданий	ТОВАРИСТВУ З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ «ЕКСПАНДІА» (найменування юридичної особи або прізвище, ім'я та по батькові фізичної особи – підприємця)
Реквізити суб'єкта господарювання	03150, м. Київ, вул. Велика Васильківська, буд. 100 (місцезнаходження/ місце проживання) 35415496 код за ЄДРПОУ (реєстраційний номер облікової картки платника податків або серія та номер паспорта (для фізичних осіб, які через свої релігійні переконання відмовляються від прийняття реєстраційного номера облікової картки платника податків та офіційно повідомили про це відповідний контролюючий орган і мають відмітку у паспорті))
Напрями оцінки майна, щодо яких дозволена практична оціночна діяльність	1. Оцінка об'єктів у матеріальній формі. 2. Оцінка цілісних майнових комплексів, паїв, цінних паперів, майнових прав та нематеріальних активів, у тому числі прав на об'єкти інтелектуальної власності. (зазначається необхідне)
Спеціалізації в межах напрямів оцінки	1.1. Оцінка нерухомих речей (нерухомого майна, нерухомості), у тому числі земельних ділянок, та майнових прав на них. 1.2. Оцінка машин і обладнання. 1.3. Оцінка колісних транспортних засобів. 1.4. Оцінка літальних апаратів. 1.5. Оцінка судноплавних засобів. 1.7. Оцінка рухомих речей, крім таких, що віднесені до машин, обладнання, колісних транспортних засобів, літальних апаратів, судноплавних засобів, та тих, що становлять культурну цінність. 2.1. Оцінка цілісних майнових комплексів, паїв, цінних паперів, майнових прав та нематеріальних активів (крім прав на об'єкти інтелектуальної власності). 2.2. Оцінка прав на об'єкти інтелектуальної власності. (зазначається необхідне)
Строк дії з "25" травня 2018 р. до "25" травня 2021 р.	
В. о. Голови Фонду   В. Трубаров	

These certificates issued by Royal Institution of Chartered Surveyors confirm that Mr. Stanislav Ivanov is certified for the purposes of valuation of real property in accordance with Red Book Standards.



This Diploma

certifies that

Stanislav Ivanov

on the 24th day of June 2008

was elected a Professional Member of

**THE ROYAL INSTITUTION
OF CHARTERED SURVEYORS**

President Phil Gorman

Register No. 1278125

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



These certificates issued by Ukraine's State Property Fund in accordance with Ukrainian legislation confirm that Mr. Stanislav Ivanov and Mr. Volodymyr Shcherbak are qualified for the purposes of valuation of real property.

