THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (as amended) (the "FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

A copy of this document, which comprises a prospectus relating to the Company in connection with the issue of shares in the Company, prepared in accordance with the Prospectus Rules made under Section 73A of FSMA, has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council accept any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard thereto. The Company and the Directors of the Company, whose names appear on page 565, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Credit Suisse Securities (Europe) Limited which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as Sole Bookrunner to the Company in connection with the matters described herein. Credit Suisse Securities (Europe) Limited is acting for the Company and for no one else in connection with the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Credit Suisse Securities (Europe) Limited nor for giving advice in relation to the Offer, the contents of this Prospectus or any other matter referred to herein.

Capitalised terms contained in this Prospectus shall have the meanings set out in Part XIV of this Prospectus.

Investment in the Company involves significant risks and special considerations. The attention of prospective investors is drawn to the risk factors in the section entitled "Risk Factors" set out on pages 18 to 35 of this Prospectus.

Details of the Offer are set out in Part V of this document.

Eurocastle Investment Limited

(Incorporated in Guernsey on 8 August 2003 and registered under the Companies (Guernsey) Law, 2008 (as amended) with registered number 41058)

Prospectus

Offer of 10,000,000 Ordinary Shares at an Offer Price per Share to be determined

Credit Suisse

SOLE BOOKRUNNER

Ordinary Share Capital immediately following Admission of Offer Shares

Authorised	Ordinary Shares	Issued
Unlimited	Of no par value	27,629,502

The closing price of the Shares on NYSE Euronext Amsterdam on 13 May 2013 was €8.45.

Please refer to "Important Information" on page 36 for a discussion of additional important legal restrictions and risks applicable to an investment in the Shares.

Eurocastle Investment Limited is offering Offer Shares under the Offer.

The Offer Shares to be made available pursuant to the Offer will, on their Admission, rank *pari passu* in all respects with the existing Shares, including for all dividends and other distributions declared, made or paid on the Shares after their Admission.

Application will be made for all of the Offer Shares to be admitted to listing on NYSE Euronext Amsterdam. The Company, Euronext Amsterdam and the Listing Agent do not accept any responsibility or liability with respect to any person as a result of the withdrawal of the listing or the (related) annulment of any transaction in Shares on NYSE Euronext Amsterdam.

A number of factors will be considered in determining the Offer Price, the amount raised in the Offer and the basis of allocation, including the level and nature of demand for the Offer Shares during the book-building process, prevailing market conditions and the objective of establishing an orderly after-market in the Offer Shares. Unless required to do so by law or regulation, the Company does not envisage publishing any supplementary prospectus or a pricing statement, as the case may be, until announcement of the Offer Price. A pricing statement containing the Offer Price, confirming the number of Offer Shares which are the subject of the Offer and containing any other outstanding information (the "**Pricing Statement**") is expected to be published in accordance with the expected timetable set out on page 44 of this Prospectus. The Pricing Statement will be available on the Company's website at www.eurocastleinv.com.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or acquire Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or the Advisers, and, in particular, is not for distribution in the United States, Australia, Canada or Japan or to U.S., Australian, Canadian or Japanese persons. The Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States, or under the applicable securities laws of Australia, Canada or Japan.

Subject to certain exceptions, the Offer Shares may not be offered or sold in the United States, Australia, Canada or Japan or to, or for the account or benefit of, any U.S. person, or any national, resident or citizen of Australia, Canada or Japan. The Offer Shares only may be offered (i) to persons reasonably believed to be Accredited Investors or Qualified Institutional Buyers that in each case are also Qualified Purchasers or Knowledgable Employees or (ii) to investors that are not U.S. Persons in Offshore Transactions pursuant to Regulation S under the Securities Act. The Company will not be registered under the Investment Company Act, and investors will not be entitled to the benefits of such Act. For further information on selling and transfer restrictions please see the section entitled "Important Information" on pages 36 to 42 of this Prospectus.

Prospective investors are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A or another exemption from the registration requirements of the Securities Act. The Offer Shares are not transferable except in compliance with the restrictions described under "Transfer Restrictions" in Part VIII of this Prospectus. In addition, prospective investors should take note that there are restrictions on the acquisition of the Offer Shares by investors using assets of any retirement plan or pension plan that is subject to Title I of ERISA or Section 4975 of the Code. Prospective investors are also notified that the Directors believe that the Company is classified as a passive foreign investment company for U.S. federal income tax purposes.

Prospectus dated 15 May 2013

TABLE OF CONTENTS

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A—E (A.1—E.7).

This summary contains all the Elements required to be included in a summary for this type of issuer and its securities. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into this summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in this summary with the mention of 'not applicable'.

Section A – Introduction and Warnings		
Element	**Disclosure Requirement**	**Disclosure**
A.1	Warning	This summary must be read as an introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Use of the prospectus for resale or final placement of securities by financial intermediaries	Not applicable. The Company has not given its consent to the use of this document for the resale or final placement of the Shares by financial intermediaries.
Section B – Issuer		
Element	**Disclosure Requirement**	**Disclosure**
B.1	Legal and commercial name	Eurocastle Investment Limited
B.2	Domicile and legal form	The Company is a closed-ended investment company limited by shares. The Company is incorporated and domiciled in Guernsey. The Company operates under the Companies (Guernsey) Law 2008 and regulations made under that law. The Company is regulated as an authorised closed-ended investment fund by the Guernsey Financial Services Commission. The Company's Shares are currently listed on NYSE Euronext Amsterdam.

B.3	Current operations and principal activities	The current principal activity of the Group comprises the management of its German commercial property portfolio. In addition, the Group also actively manages a European real estate related debt portfolio. The Group is externally managed by its manager, FIG LLC (the "Manager"), an affiliate of Fortress Investment Group LLC ("Fortress"), a global alternative asset manager with approximately U.S.$53.4 billion of assets under management as at 31 December 2012 (U.S.$43.7 billion as at 31 December 2011). The Group has entered into a Management Agreement under which the Manager advises the Group on various aspects of its business and manages its day-to-day operations, subject to the supervision of the Group's Board of Directors, of which a majority are independent of the Manager. For its services, the Manager receives an annual management fee (and reimbursement for certain expenses) and incentive compensation. The Group has no ownership interest in the Manager.
B.4a	Significant recent trends	The Group intends to pursue new investment opportunities in the Italian real estate market. The Manager believes there is the potential for attractive returns through investment in Italian non-performing loans and other real estate assets. Fortress has had a significant presence in Italy since 2000 both as an investor in non-performing loans and through its ownership of Italfondiario, the largest independent non-performing loan servicer in Italy. On 12 April 2013, all convertible securities issued by the Company were converted into Shares. This resulted in the issue of 3,398,474,685 new Shares, increasing the issued share capital of the Company from 127,425,780 Shares to 3,525,900,465 Shares. On 8 May 2013, a 200 to 1 share consolidation was implemented which resulted in the consolidation of 3,525,900,465 Shares into 17,629,502 Shares (after taking account of fractional interests).
B.5	Group description	The Company holds its real estate investments through three main Luxembourg based subsidiaries, Luxgate S.à.r.l., Marathon S.à.r.l. and Mars HoldCo S.à.r.l. Depending on the specific investment structure, these companies generally hold the real estate investment through an intermediate holding company. The three main Luxembourg holding companies also hold Luxembourg based property companies. The Company holds its securities and loan investments through four SPVs incorporated in Ireland (Eurocastle Funding Limited, Eurocastle CDO IV PLC, Duncannon CRE CDO I plc and FECO Sub SPV plc), and one Luxembourg subsidiary, Undercroft S.à.r.l.

		Over time, the Directors expect the Company to establish additional vehicles to effect the acquisition of further investments and have recently established an additional subsidiary, Italy Investment S.à.r.l., which is anticipated to hold such assets once acquired.
B.6	Major shareholders	As at 13 May 2013, the Company was aware of the following interests in 3 per cent. or more of the issued share capital and voting rights of the Company:

Shareholder	No. of Shares	Percentage of issued share capital
Euroclear Nominees Limited	10,624,390	60.26%
Goldman Sachs Securities (Nominees) Limited	3,309,261	18.77%
Chase Nominees Limited	719,838	4.08%
Wesley Edens	534,991	3.03%
Randal Nardone	534,841	3.03%

As at the date of this Prospectus, the Directors are not aware of any person or persons who could, directly or indirectly, own or exercise control over the Company. There are no different voting rights for any Shareholder.

B.7	Key financial information	Selected historical financial information relating to the Company which summarises the financial condition of the Company for the three financial years ended 31 December 2012 is set out in the following table:

Statements of financial position and performance

	At 31 Dec 2012 €'000,000	At 31 Dec 2011 €'000,000	At 31 Dec 2010 €'000,000
Cash and cash equivalents	141.4	117.7	113.9
Real estate investment property	2,020.2	2,201.8	3,375.5
Debt investments	456.1	494.2	1,312.2
Other assets	34.0	57.1	80.7
Total assets	**2,651.7**	**2,870.8**	**4,882.3**
Interest bearing debt financing	(2,250.9)	(2,405.9)	(4,482.3)
Other liabilities	(108.7)	(102.0)	(114.5)
Total liabilities	**(2,359.6)**	**(2,507.9)**	**(4,596.8)**
Total net assets	**292.1**	**362.9**	**285.5**
Net assets €/share	**0.44**	**0.64**	**0.58**
Net (liabilities)/assets of the Mars Floating Portfolio	**(15.2)**	**5.7**	**33.5**
Adjusted net assets(1)	**307.4**	**362.9**	**285.5**
Adjusted net assets €/share(1)	**0.46**	**0.64**	**0.58**

Statement of financial performance

	For the year ended 31 Dec 2012 €'000,000	For the year ended 31 Dec 2011 €'000,000	For the year ended 31 Dec 2010 €'000,000
Rental and service charge income	167.7	218.0	285.8
Interest income	23.9	56.4	44.2
Net impact of sale of Mars Fixed	6.8	(9.4)	0
Gain on deconsolidation of CDO II and CDO III	0	53.4	0
Decrease in fair value of investment properties	(94.7)	(59.4)	(85.0)
Other than temporary impairment on securities	(16.7)	(49.8)	(66.1)
Interest expense	(89.6)	(125.7)	(192.6)
Service charges and property related expenses	(62.0)	(72.8)	(86.4)
Other operating income/(expenses)	(7.9)	(25.2)	(23.7)
Net (loss)/profit before taxation	**(72.5)**	**(14.5)**	**(123.8)**
Taxation	(9.2)	(4.0)	(1.1)
Net (loss)/profit after taxation	**(81.7)**	**(18.5)**	**(124.9)**

(1) This is a non-IFRS measure which excludes the negative net asset value of Mars Floating as this financing is non-recourse to the Company and not callable as a result of any changes in the value of the assets.

		Since 31 December 2012, being the end of the last financial period of the Company for which historical financial information is contained in this document, the Company has experienced a significant change because on 12 April 2013, all convertible securities issued by the Company were converted into Shares. This resulted in the issue of 3,398,474,685 new Shares, increasing the issued share capital of the Company from 127,425,780 Shares to 3,525,900,465 Shares. On 8 May 2013, a 200 to 1 share consolidation was implemented which resulted in the consolidation of 3,525,900,465 Shares into 17,629,502 Shares (after taking account of fractional interests).
B.8	Key pro forma financial information	The unaudited pro forma information set out below shows the effect of (i) the Conversion and (ii) the issuing of Offer Shares for subscription (assuming an Offer Price of €8.45, being the closing price of the Shares on NYSE Amsterdam on 13 May 2013 being the last practicable date prior to publication of this Prospectus, that 10,000,000 Offer Shares are issued and €3,500,000 of expenses related to the Offer). The pro forma financial information addresses a hypothetical situation as at 31 December 2012 and, therefore, does not represent the Company's actual financial position or results.

	Financial position as at 31 Dec 2012 €'000	Conversion of convertible securities €'000	Share capital raised through the offer €'000	Pro forma financial position as at 31 Dec 2012 €'000
Cash and cash equivalents	141,344	–	81,000	222,344
Real estate investment property	2,020,254	–	–	2,020,254
Debt investments	456,063	–	–	456,063
Other assets	34,037	–	–	34,036
Total assets	**2,651,698**	**–**	**81,000**	**2,732,698**
Equity and Liabilities				
Capital and reserves				
Issued capital	1,446,624	169,924	81,000	1,697,548
Accumulated loss	(1,296,297)	–	–	(1,296,297)
Net unrealised loss on available-for-sale securities and loans and receivables	(30,548)	–	–	(30,548)
Perpetual subordinated convertible securities	160,514	(169,924)	–	(9,410)
Other reserves	11,813	–	–	11,813
Non-controlling interest	6	–	–	6
Total equity	**292,112**	**–**	**81,000**	**373,112**
Liabilities				
Interest bearing debt financing	2,250,950	–	–	2,250,950
Other liabilities	108,636	–	–	108,636
Total liabilities	**2,359,586**	**–**	**–**	**2,359,586**
Total equity and liabilities	**2,651,698**	**–**	**81,000**	**2,732,698**

B.9	Profit forecast	Not applicable. No profit forecast has been included in this Prospectus.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. There are no qualifications in the audit report on the historical financial information.

<table>
<tr>
<td>B.11</td>
<td>Qualified working capital</td>
<td>
The Company is of the opinion that the Group does not have sufficient working capital for its present requirements, that is, for the 12 months from the date of this Prospectus.
The Group has a number of non-recourse financing facilities which are due to reach maturity within the next 12 months (the ‘‘Relevant Portfolio Financings’’), at which time, the outstanding balance of the financings will become due and payable unless such financings can be extended. If proceeds from the sale of the assets which secure the Relevant Portfolio Financing do not equal or exceed the amount outstanding under the Relevant Portfolio Financing, the Group would be unable to repay the outstanding balance of the Relevant Portfolio Financing when it becomes due and payable. The maturity dates and principal amounts outstanding (as at 31 December 2012) on each Relevant Portfolio Financing are set out below:
<table>
<tr><th>Portfolio</th><th>Current face value €’000</th><th>Maturity date</th></tr>
<tr><td>Drive Senior</td><td>369,346</td><td>Jan 2014</td></tr>
<tr><td>Drive Junior</td><td>308,467</td><td>Jan 2013[1]</td></tr>
<tr><td>Bridge</td><td>372,090</td><td>Jan 2014</td></tr>
<tr><td>Wave</td><td>153,534</td><td>Apr 2014</td></tr>
<tr><td>Mars Floating</td><td>147,872</td><td>Dec 2013[2]</td></tr>
<tr><td>Mars Fixed II</td><td>78,303</td><td>Jun 2013</td></tr>
<tr><td>HUK</td><td>39,896</td><td>May 2014</td></tr>
<tr><td>Total</td><td>1,469,508</td><td></td></tr>
</table>
The Group does not yet have agreed extensions or replacement facilities in place in relation to the Relevant Portfolio Financings, although the Group is engaged in constructive discussions with lenders in respect of the Mars Floating and Drive Junior facilities. A short term extension to satisfy amortisation targets has been agreed in relation to the Mars Floating facility and discussions in relation to longer term extensions are continuing. The Group is actively negotiating the reinstatement of a short term extension with respect to the Drive Junior facility that lapsed on 30 April 2013 and is also engaging in discussions with the lender in relation to a longer term extension. The Group will engage in discussions with lenders in relation to the other Relevant Portfolio Financings as they approach maturity, typically commencing such discussions three to six months prior to the relevant maturity date. Based on the past experiences of the Group and the Manager, the Company is confident that agreement can be reached with lenders to either extend or refinance each Relevant Portfolio Financing prior to its maturity, at least on a short term basis. Given the non-recourse nature of the financings, the Company is not obliged to utilise any additional capital to refinance any of the Relevant Portfolio Financings and it does not currently anticipate that it would use a significant amount of capital for this purpose.
</td>
</tr>
</table>

1 Since the maturity date, the Drive Junior facility has been operating under a rolling standstill agreement with the lenders. The most recent extension to this standstill agreement expired on 30 April 2013. Discussions with the lenders on a refinancing are on-going.

2 The maturity date of the Mars Floating facility is December 2013. However, there was an amortisation target to be met on 31 December 2012 which was not satisfied.

		In the event that the Group is unable to reach a mutually satisfactory agreement with a lender in relation to a Relevant Portfolio Financing then the lender would be entitled to enforce its security rights over the assets secured against the Relevant Portfolio Financing. Should the lender enforce its security rights over such assets, the proceeds from the sale of the assets would be applied to repay, to the extent possible, the amount owing under the Relevant Portfolio Financing (with the Group being entitled to any excess proceeds from the sale of the assets following repayment in full of the amount outstanding), the Group would no longer own those assets and would not have the benefit of any cash distributions from the relevant portfolio (aggregate annual distributable cash[3] from all such portfolios as at 31 December 2012 was approximately €10.1 million). Lenders only have recourse to the portfolio of assets relevant to their financing and the subsidiaries that are parties to the Relevant Portfolio Financing and do not have any recourse to any other assets of the Company or other subsidiaries of the Group. The Company is of the opinion that, should any or all lenders enforce their security in relation to a Relevant Portfolio Financing(s) and after taking into account the relevant forfeiture of the assets secured against such Relevant Portfolio Financing(s) and enforcement against subsidiaries, the remainder of the Group would be able to continue to operate its business in the ordinary course for at least the next 12 months from the date of this Prospectus.
B.34	Description of investment objective, policy and investment restrictions	The Company's goal is to drive strong risk-adjusted returns primarily from European real estate and real estate related investments. Alongside maximising the value of its existing investments in German real estate and European real estate related debt, the Company intends to shift its investment focus in the medium term to making opportunistic investments in the Italian real estate sector. It expects to target a wide range of real estate related products, including, but not limited to, non-performing loans (''NPLs''), closed-end real estate fund units and real estate assets in Italy. The Company will generally target assets that generate significant current cash flows and/or have the potential for meaningful capital appreciation. The Company is seeking to redeploy, opportunistically, capital harvested from its existing businesses in line with its new investment focus. The Group does not have specific policies as to the allocation among types of its investments since its investment decisions depend on changing market conditions. Instead, the Group focuses on relative value and in-depth risk/reward analysis (with an emphasis on asset quality and principal protection), diversification, suitable financing and credit risk management. There are no investment restrictions applicable to the Company.

3 Cash distributable to the Company, being an amount equal to the income from the relevant portfolio (including rent) less (i) capital expenditures, (ii) interest and (iii) cash that is required to be retained at the portfolio level or paid to the lender under the terms of the Relevant Portfolios Financing.

B.35	Borrowing and/or leverage limits	The Group employs leverage, where appropriate, in order to achieve its return objectives. The Group does not have a predetermined target debt to equity ratio as the Directors believe the appropriate leverage for the particular assets that the Group is financing depends on the nature and credit quality of those assets. Leverage will not exceed 95 per cent. of the Group's gross assets.
B.36	Regulatory status of the Company	The Company is a Guernsey-incorporated, closed-ended investment company limited by shares. The Company is regulated as an authorised closed-ended investment fund by the Guernsey Financial Services Commission. The Company is managed by the Manager which is an investment adviser registered with the U.S. Securities and Exchange Commission pursuant to the Investment Advisers Act.
B.37	Profile of typical investor	Typical investors in the Company are expected to be sophisticated, institutional and/or professional investors who understand the risks involved in investing in the Company and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that may result from such an investment.
B.38	Investments which individually constitute at least 20 per cent. of the gross assets of the Company	Not applicable. The Company does not have any investments in underlying assets which individually constitute 20 per cent. or more of the gross assets of the Company.
B.39	Investments which individually constitute at least 40 per cent. of the gross assets of the Company	Not applicable. The Company does not have any investments which individually constitute 40 per cent. or more of the gross assets of the Company.

B.40	The Company's investment manager and other advisers	The Company has appointed the Manager to be responsible for managing the Group and its portfolio of assets on a discretionary basis in accordance with the investment objectives and policies of the Company. The Manager is an affiliate of Fortress Investment Group LLC, a global alternative asset manager with approximately US$53.4 billion of assets under management as at 31 December 2012 (US$43.7 billion as at 31 December 2011). The Company and the Manager have been parties to a Management Agreement since 23 June 2004. The Manager has appointed Fortress Investment Group (UK) Limited, Fortress Investment Group Germany GmbH and Fortress Germany Asset Management GmbH, all wholly-owned subsidiaries of the Manager, to provide investment advice and/or asset or property management services including in relation to the Group. The Manager is entitled to an annual management fee of €4.5 million plus 1.5 per cent. of the net proceeds of any future issue of common or preferred equity capital. The Manager is also entitled to additional incentive compensation equal to 25 per cent. of returns in excess of a threshold return to investors.
B.41	Identity and regulatory status of Investment Manager	The Manager is a limited liability company incorporated in Delaware with registered number 2854297. The Manager is an investment adviser registered with the U.S. Securities and Exchange Commission pursuant to the Investment Advisers Act.
B.42	Valuation of the Company's NAV	The net asset value of the Group is determined semi-annually by the Manager in accordance with IFRS as part of the preparation of the Company's interim and annual financial statements. The Company communicates this valuation in its semi-annual earning announcements it makes to the market and on its website.
B.43	Umbrella collective investment undertaking cross liabilities	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investments in another collective investment undertaking.
B.44	Collective investment undertakings which have not commenced operations	Not applicable. The Company has commenced operations and financial information is included in this Prospectus.
B.45	The Company's existing portfolio	As at 31 December 2012, the Group held €2,031 million (by carrying value) of real estate investments located in Germany and its diversified portfolio of real estate related debt totalled €456 million (by carrying value).
B.46	NAV per Share	As at 13 May 2013 (being the latest practicable date prior to the publication of this Prospectus), the Company's net asset value per Share (unaudited) was €17.47[4].

4 Based on the Company's management accounts as at 31 March 2013 adjusted for the shares issued by the Company following the Conversion of the convertible securities on 12 April 2013 and the 200 for 1 share consolidation that took place on 8 May 2013. Excludes the negative NAV of the Mars Floating portfolio.

Section C - Securities		
Element	**Disclosure Requirement**	**Disclosure**
C.1	Type and class of securities	Ordinary shares of no par value. ISIN: GB00B94QM994 Amsterdam Security Code (fondscode): 37115 Trade Symbol: ECT
C.2	Currency	Euro
C.3	Number of securities in issue	As at 13 May 2013 (being the latest practicable date prior to the publication of this Prospectus), the issued share capital of the Company comprised 17,629,502 ordinary shares of no par value. On 2 April 2013, the Board announced that it does not intend to issue more than 2,000,000,000 new Shares at a price below €0.05 per Share in the six months following the Conversion (being 10,000,000 new Shares at a price below €10 per Share following the recent share consolidation).
C.4	Description of the rights attaching to the securities	The Offer Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Shares in issue at the time the Offer Shares are issued and will rank in full for all dividends and other distributions thereafter declared, made or paid on the share capital of the Company. Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Shares, Shareholders shall have the right to receive notice of and to attend and vote at general meetings of the Company. Subject to the provisions of the Companies (Guernsey) Law, 2008, the Company may from time to time declare dividends and make other distributions on the Shares. Shareholders are entitled to participate in the assets of the Company attributable to their shares in a winding up of the Company or other return of capital.
C.5	Restrictions on the free transferability of the securities	Subject to compliance with applicable securities laws and regulations, there are no restrictions on the free transferability of the Shares.
C.6	Admission	Application will be made for all of the Offer Shares to be admitted to listing and trading on NYSE Euronext Amsterdam. It is expected that admission of the Offer Shares to NYSE Euronext Amsterdam will become effective and that dealings in the Offer Shares will commence on 4 June 2013 and that delivery will take place on the Settlement Date through the facilities of CREST UK in accordance with its normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediately available funds.

C.7	Dividend policy	The Company has not paid a dividend since 19 August 2008. Subject to investment proceeds being available for the purpose and other legal requirements, the Company intends to reinstate an annual dividend of €0.50 per Share. The Company expects to pay this as a quarterly dividend of €0.125 per Share, commencing in the third quarter of 2013. In connection with this, the Company has proposed a resolution at its Annual General Meeting to be held on 29 May 2013 to approve an amendment to its Articles of Incorporation to allow it to take advantage of changes to Guernsey company law which permit greater flexibility in the making of dividend payments. All distributions will be made at the discretion of the members of the Board of Directors and will depend on the Company's earnings, financial condition and such other factors as the Board of Directors may deem relevant from time to time, including limitations under Guernsey company law and any other applicable laws.
	Section D - Risks	
Element	**Disclosure Requirement**	**Disclosure**
D.1	Key information on the risks specific to the issuer or its industry	**Risks relating to real estate investments:** Failure to comply with covenants, amortisation targets and near-term maturities in relation to the Group's financing facilities is likely to trigger (and in the past has triggered) a cessation of the Group's ability to upstream cashflow to the Company from the related portfolios, as well as potentially triggering defaults under the financings, with the consequence that such borrowings become immediately repayable by the borrower in whole or in part (and thus allow foreclosure by lenders against the borrower and in particular on assets over which they have security). The market value of the Group's real estate investments could be affected by macro and micro-economic factors which are outside of its control, such as global, national, regional and local economic conditions, political conditions and events and local property market conditions. Changes in the market value of the Group's properties may adversely affect the Group's ability to dispose of assets or the amount of proceeds received from any such disposals. All of the Group's direct real estate assets currently are located in Germany. A weakening of the retail and business sectors in Germany may adversely affect demand for space at the properties and thus affect each such property's operation, lessen its market value and also lead to increased vacancy rates.

		Income received from properties held by the Group could be impacted by the following factors: • Vacancies (including through departure of or consolidation by major tenants) that lead to reduced occupancy rates which reduce the Group's income and ability to recover operating costs; • Credit risk of tenants, especially in times of economic slowdown, which may lead to loss of income, an increase in bad debts and costs associated with an empty property; • Tenants seeking the protection of bankruptcy laws which may delay the receipt of rental payments and/or sale of properties; • Reletting and renewal costs as there is no assurance that the Group's existing tenants will renew their leases or that new tenants of equivalent standing will be found; • Maintenance costs and capital investments required to maintain properties and attract and satisfy major tenants, and that some of the Group's properties are not readily convertible to alternative uses; • Changes in laws and regulations in relation to real estate. **Risks relating to the debt investments** The investments which the Group holds are generally illiquid. Such illiquidity may affect the Group's ability to dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions, including, in relation to real estate, the exercise by tenants of their contractual rights such as those which enable them to vacate properties. The Group is subject to credit risk in respect of its debt investment business by virtue of the risk of delinquency, foreclosure and loss on the loans underpinning the securities in which the Group invests. A significant portion of the Group's ABS investments consist of securities that are subordinated in right of payment and ranked junior to other securities that are secured by or represent ownership in the same pool of assets. **Risks relating to Italian Real Estate and NPLs** The impact of the austerity programmes implemented in Italy coupled with general recessionary conditions and ongoing uncertainty in the current macroeconomic environment could have negative effects on the market value of properties and tenant creditworthiness.

		Real estate loans that are in default may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of such loans. The Manager may find it necessary to foreclose on collateral securing one or more real estate loans in the Group's portfolio. The foreclosure process can be lengthy and expensive. In any foreclosure action, the amount realised by the Group may be substantially less than the sum of the underlying loan and the expenses incurred in connection with such foreclosure action. **Risks relating to the Manager** The Group's performance is dependent on the Manager, and the Company may not find a suitable replacement if the Manager terminates the Management Agreement or engages in other business activities that reduce the time the Manager spends managing the Group.
D.2	Key information on the risks that are specific to the issuer	The Company's ability to pay dividends will depend on it receiving sufficient earnings from underlying investments. Changes in tax laws or their interpretation could affect the intended tax treatment for the Company, its Special Purpose Vehicles or any subsidiaries.
D.3	Key information on the key risks specific to the securities	The Shares are subject to certain restrictions on transfers in the United States pursuant to the Securities Act and the U.S. Employee Retirement Income Security Act of 1974. This may make it more difficult to resell the Shares in many instances and this could have an adverse impact on the market value of the Shares.

Section E - Offer

Element	Disclosure Requirement	Disclosure
E.1	Net proceeds and costs of the issue	The amount to be raised by the Offer is subject to investor demand and will be determined fully by a bookbuilding exercise conducted by the Sole Bookrunner. The estimated total expenses of the Offer are €3,500,000. There are no expenses of the Offer that the Company will charge to investors. The net proceeds of the Offer will not be known until after the Offer. The net proceeds of the Offer will be set out in the Pricing Statement, which will be available on the Company's website at www.eurocastleinv.com in due course.

E.2	Reason for the offer and use of proceeds	The Company intends to pursue new investment opportunities, including in the Italian real estate and debt markets. The Manager believes there is the potential for attractive gross unlevered returns through investment in Italian non-performing loans and other real estate assets. The net proceeds of the Offer will be used exclusively to fund further investments in alignment with its new investment focus, and whilst the Company is actively identifying and reviewing investment opportunities, it has not yet identified specific targets for which to use the proceeds of the Offer.
E.3	Terms and conditions of the offer	The Company proposes to issue 10,000,000 Offer Shares through the Offer, at an Offer Price per Offer Share to be determined by the Company. Under the Offer, all Offer Shares will be sold at the Offer Price which will be determined by the Company in consultation with the Sole Bookrunner. A number of factors will be considered in deciding the Offer Price and the bases of allotment under the Offer, including the level and nature of demand for Offer Shares. The number of Offer Shares to be issued pursuant to the Offer, and therefore the proceeds of the Offer, are not known at the date of this Prospectus but will be notified by the Company via the Pricing Statement and an RIS announcement prior to admission of the Offer Shares. The Offer will open on 15 May 2013. The Directors reserve the right to close the Offer at any time or to extend the closing date of the Offer. Notification of any closure or extension will be via an RIS announcement. The issue of the Offer Shares is conditional on, amongst other things, admission of the Offer Shares to listing on NYSE Euronext Amsterdam and the Underwriting Agreement becoming unconditional and not having been terminated in accordance with its terms. In circumstances in which these conditions are not fully met, the Offer will not take place and no Offer Shares will be issued.
E.4	Material interests	Other than as disclosed in Element B.6, there are no interests that are material to the Issue.
E.5	Name of person selling securities	Not applicable. There are no Shareholders offering to sell their Shares as part of the Offer. There are no lock-up agreements.

E.6	Dilution	If 10,000,000 Shares are issued pursuant to the Offer, this will represent 36.19 per cent. of the enlarged share capital of the Company and will result in existing shareholders who do not subscribe in the Offer pro rata to their current shareholdings being diluted by 36.19 per cent.
E.7	Expenses charged to the investor	Not applicable, investors will not be charged expenses by the Company.

RISK FACTORS

An investment in the Company is subject to a number of risks and is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. There can be no assurance that the Company's investment objectives will be achieved. Prospective investors should carefully review and evaluate the factors and risks associated with any investment in the Shares, the Group's business and the industry in which it operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below before making a decision to invest in the Company. Investors should immediately seek their own personal financial advice from their independent professional financial adviser authorised under the Financial Services and Markets Act 2000 or other advisers such as legal advisers and accountants.

Prospective investors should be aware that the value of the Shares and any income from them may decrease and that they may not realise the value of their initial investment. In addition, the market price of Shares may be less than the underlying value of the Group's net assets

The risks set out below are the risks which the Directors currently consider to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares but are not the only risks relating to the Group or an investment in the Company or the Shares. There may be additional material risks that the Company does not currently consider to be material or of which the Company is not aware. These additional risks may be or become material and adversely affect the Group's business, results of operations, financial condition, prospects and/or the value of the Shares.

Prospective investors should note that the risks relating to the Group, its industry and the Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

This Prospectus also contains estimates, valuations and projections that involve risks and uncertainties. The Company's results may differ significantly from those previously projected as a result of certain factors, including the risks which it faces, as described below and in other sections of this document.

The information given is as at the date of this Prospectus and, except as required by the FCA, the Prospectus Rules, the Disclosure and Transparency Rules, the City Code on Takeovers and Mergers or any other applicable law, will not be updated. Any forward-looking statements are made subject to the reservations specified under "Forward-looking statements" in the section headed "Important Information".

RISKS RELATING TO REAL ESTATE INVESTMENTS

If the Group breaches covenants or amortisation targets under its financing agreements of its real estate investments or is unable to repay or refinance such financings on maturity, it could be forced to sell assets and lose the ability to make operating distributions to the Company

The Group is party to various financings which contain financial covenants, amortisation targets and near-term maturities. Failure to comply with such covenants, amortisation targets and near-term maturities is likely to trigger (and has in the past triggered) a cessation of the Group's ability to upstream cashflow to the Company from the related portfolios as well as potentially triggering defaults under the financings, with the consequence that such borrowings become immediately repayable in whole or in part (and thus allow foreclosure by lenders). Currently the Drive Junior and Mars Floating Portfolios are restricted from upstreaming cash to the Company as a result of breaching covenants and/or maturities, as applicable.

There can be no assurance that the Group will be able to secure the relevant facility extensions, refinance near-term maturities as they fall due or have sufficient cash resources (whether through asset sales or otherwise) or other credit facilities available to make full repayments of any such facilities as they fall due, which could lead to foreclosure by the lenders.

Facilities with an aggregate face value of approximately €1,469,508,000 (as at 31 December 2012) are due to mature within the next 12 months from the date of this Prospectus (''**Relevant Portfolio Financings**''). 78.1 per cent. (by value) of the Group's real estate investment portfolio could be affected by Relevant Portfolio Financings. The Group does not yet have agreed extensions or replacement facilities in place in relation to the Relevant Portfolio Financings. Although the Group is engaged in constructive discussions with lenders in respect of the Mars Floating and Drive Junior facilities, there can be no assurance that these discussions will be successful. As at the date of this Prospectus, a short term extension to satisfy amortisation targets has been agreed in relation to the Mars Floating facility and discussions in relation to a longer term extension are continuing. The Group is actively negotiating the reinstatement of a short term extension with respect to the Drive Junior facility that lapsed on 30 April 2013, and is also engaging with the lenders in relation to a longer term extension.

Failure to reach a mutually satisfactory outcome may result in a lender seeking to enforce its security rights over the assets secured against the financing. Should the lender enforce its security rights over such assets, the proceeds from the sale of the assets would be applied to repay, to the extent possible, the amount owing under the facility (with the Group being entitled to any excess proceeds from the sale of the assets following repayment in full of the amount outstanding). Although lenders only have recourse to the portfolio of assets relevant to their financing and the subsidiary who is a party to the financing and do not have any recourse to any other assets of the Company or other subsidiaries of the Group, the Group would no longer own these portfolios and would not have the benefit of any cash distributions from the relevant portfolio (aggregate annual distributable cash from all such portfolios as at 31 December 2012 was approximately €10.1 million). The loss of the revenue from the upstreamed cash could affect the Company's ability to pay dividends, however, there is no obligation on the Company to use the upstreamed cash to service the other facilities. Restrictions on cash distributions from the portfolios or foreclosures over the portfolios would have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The value of the Group's real estate investments could be affected by a number of factors, some of which are outside its control

The market value of the Group's real estate investments could be affected by macro and micro-economic factors which are outside of its control. Real estate valuations are impacted by national, regional and local economic conditions (which may be adversely affected by business closures or slowdowns and other factors), and political conditions and events, as well as by local property market conditions (such as an oversupply of commercial property).

Valuation of property is inherently subjective due to the individual nature of each property. As a result, valuations are subject to uncertainty. The valuation reports prepared by CBRE in Part XII of this Prospectus are made on the basis of assumptions set out in those valuation reports which may not prove to reflect the true position. In the current economic environment, real estate prices and values remain subject to heightened volatility and could decline significantly. There can be no assurance that the valuations of the properties will reflect actual sale prices even where any such sales occur shortly after the relevant valuation date, or that estimated yield and annual rental will prove to be obtainable.

Changes in the market value of the Group's properties will affect the amount at which such properties can be sold and the profit or loss made on realisation. Where the estimated disposal proceeds of each such property fall below the carrying value, the Group must account for the amount of that shortfall in its financial statements prepared in accordance with IFRS. This may have a material adverse impact on the Group's results. Furthermore, the Group's properties are and will be independently revalued on a semi-annual basis, and any increase or decrease in the estimated value of its properties will be recorded as a revaluation gain or loss in the Group's consolidated income statement for the period in which the revaluation occurs. For example, the Group recorded a decrease in the fair value of its investment properties arising from the combined impact of accounting for disposals and revaluations of €94.7 million in the year ended 31 December 2012 (€59.4 million in the year ended 31 December 2011). As a result, the Group could have significant non-cash revenue gains and losses from period to period depending on the change in fair market value of its properties, whether or not such properties are sold. If there is a substantial decrease in the fair market value of the Group's properties over the longer term the Group's business, results of operations, financial condition and prospects could be materially adversely affected.

The Group's real estate portfolio is concentrated in Germany and is therefore exposed to changes in German economic conditions

All of the Group's direct real estate assets currently are located in Germany. A weakening of the retail and business sectors in the relevant regions or in Germany generally may adversely affect demand for space at the properties and thus affect each such property's operation, lessen its market value and also lead to increased vacancy rates. Conversely, strong economic conditions could lead to increased building activity and increased competition for tenants. In either case, the operation of the properties could be adversely affected. Also, a decline in the German economy or the commercial property market may have an immediate effect on the net income of the properties and could lead to higher rates of delinquency or defaults under leases.

Income received from the Group's properties could be adversely affected by a number of factors

Income received from properties held by the Group may be adversely affected by the following factors:

(a) Vacancies that lead to reduced occupancy rates which reduce the Group's income and its ability to recover certain operating costs such as service charges.

(b) The Group's ability to collect rent from tenants and other contractual payments on a timely basis or at all. In particular, in periods of economic slowdown or recession, the Group's tenants may face increased financial pressure that may result in them facing difficulty in paying their rental commitment to the Group and consequently these tenants may breach contract terms and/or vacate the premises. This may result in the loss of rental income, an increase in bad debts and/or costs associated with an empty property.

(c) Tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rental and other contractual payments, inability to collect such payments at all or the termination of a tenant's lease, or which could hinder or delay the sale of properties.

(d) The amount of rent and the terms on which lease renewals and new leases are agreed being less favourable than current leases and the reletting costs involved in this process. There can be no assurance that the Group's existing tenants will renew their leases at the end of their current tenancies or, if they do not, that the new tenants of equivalent standing (or any new tenants) will be found to take up replacement leases.

(e) A competitive rental market or a slowdown in the rental market may affect rental levels or occupancy levels at the Group's properties. The age, construction, quality and design of the buildings on a particular property may affect its occupancy levels as well as the rents that may be charged for individual leases. Over time, there may be a requirement for increased maintenance costs and necessary capital improvements in order to maintain a property and to attract and satisfy major tenants. Some of the Group's properties may not readily be convertible to an alternative use if such properties were to become unprofitable due to competition, age of the improvements, decreased demand, regulatory changes or other factors. The conversion of commercial properties to alternate uses generally requires substantial capital expenditure. Thus, if the operation of any such property becomes unprofitable the liquidation value of any such property may be substantially less.

(f) Changes in laws and governmental regulations in relation to real estate, including those governing permitted and planning usage, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to particular properties may also be restricted by legislative actions, such as revisions to existing laws or the enactment of new laws.

Departure of, or consolidation by, major tenants could result in significant loss of letting income, empty property costs, a reduction in asset values and increased bad debts

Many of the Group's German real estate assets are let to a variety of German corporates and retailers. Consolidation among those tenants, over which the Group would have no control, may adversely affect the Group if it led to the closure or consolidation of stores and/or office space located in properties owned by the Group.

For example, the merger between Dresdner Bank and Commerzbank resulted in the consolidation of back office operations which primarily led to a decrease in tenancy rates in the Drive Portfolio from 78.7 per cent as at 31 December 2011 to 66.9 per cent. for the year ended 31 December 2012 (on a like-for-like basis).

In addition, the Group is heavily dependent on its top five tenants who accounted for 46.3 per cent. of its passing rental income for the year ended 31 December 2012 (31 December 2011: 50.4 per cent.). Loss of any one of these tenants could have a significant impact on the Group's performance.

Specific factors relating to the office and retail sectors could lead to a reduction in income derived from the Group's office properties and retail centres

The Group derives a significant portion of its income from properties that are offices and shopping centres. The income from and market value of such properties are subject to a number of specific risks. In particular, a given property's age, condition, design, and access to transportation affect the ability of such a property to compete against other similar properties in the area in attracting and retaining tenants. Other important factors include the quality and mix of a property's existing tenants, the quality of its property manager, the attractiveness of the property and the surrounding area to prospective tenants and their customers, access to public transportation and major roads and the public perception of safety in the surrounding neighbourhood. Attracting and retaining tenants often involves refitting, repairing or making improvements to the property, in the case of an office to accommodate the type of business conducted by prospective tenants or a change in the type of business conducted by existing major tenants and, in the case of a shopping/retail centre, to continue to attract customers and other tenants.

Local and regional economic conditions and other related factors also affect the demand for and success of a property. For example, decisions by companies to locate an office in a given area will be influenced by factors such as labour cost and quality, and quality of life issues such as those relating to schools and cultural amenities. Equally, leases at retail centres may contain turnover rent provisions which can result in lower income during periods of low consumer spending.

Also, changes in local or regional population patterns and employment growth influence the success of both office properties and retail centres and the ability of such properties to generate income and sustain market value. In addition, an economic decline in the businesses operated by tenants can affect office buildings and cause one or more significant tenants to cease operations and/or become insolvent. A decline in consumer spending could have a similar effect on a retail centre. The risk of such an adverse effect is increased if revenue is dependent on a single tenant or a few large tenants or if there is a poor tenant mix.

The Group's ability to dispose of assets has been impacted by events resulting from the global financial crisis

The Group's ability to dispose of assets and the proceeds received in relation to any such disposals has been affected by the reduction in property values following the global financial crisis. Also, the Group's ability to dispose of assets is influenced by restrictions in its financings requiring lender consent for sales below a threshold value. Due to the current market conditions and the nature of the assets the Group holds, sales of assets by the Group could result and have resulted in significantly lower proceeds than the carrying value of those assets in the consolidated financial statements of the Group. Also, due to the nature of the Group's assets, asset sales may not be affected swiftly enough to avoid default on the Group's existing financings.

The Group may be liable for any health and safety or environmental issues on or in its real estate investments

The Group is subject to a variety of laws and regulations concerning the protection of health and the environment. This includes environmental laws and regulations that impose liability on the Group for the costs of removal or remediation of hazardous or toxic substances located on or in its real estate investments. The costs of any required remediation or removal of such substances may be substantial. The presence of such substances, or the failure to remediate such substances properly, may also adversely affect the owner's ability to sell or lease the real estate or to borrow using the real estate as collateral.

Laws and regulations may also impose liability for the release of certain materials into the air or water from a real estate investment, including asbestos, and such release can form the basis for liability to third persons for personal injury or other damages. Other laws and regulations can limit the development of and impose liability for the disturbance of wetlands or the habitats of threatened or endangered species.

Also, the Group is required to comply with laws and regulations in relation to fire safety at properties. These laws and regulations may change and as there is no right of continuance in relation to fire safety requirements, any changes must be considered and implemented by the Group, where required. The cost of implementing changes to fire safety arrangements at properties may be significant and could also lead to loss of rent if an area affected by the change in requirements is leased at the time a change is required to be implemented.

Insurance on real estate or other assets may not cover all losses

There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war, that may be uninsurable or not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations, and other factors, including terrorism or acts of war, also might make the insurance proceeds insufficient to repair or replace a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds might not be adequate to restore the Group's economic position with respect to the affected real property. Should an uninsured loss or a loss in excess of insured limits occur, the Group could lose capital invested in the affected property as well as anticipated future turnover from that property. In addition, the Group could be liable to repair damage caused by uninsured risks. The Group would also remain liable for any debt or other financial obligation related to that property. Such risks also apply to the real estate assets that underlie the Group's European Real Estate Related Debt Portfolio. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future.

RISKS RELATING TO THE COMPANY'S DEBT PORTFOLIO INVESTMENTS

Concentration in any one industry, region or country may increase risk of defaults on debt obligations

The risk that payments on the Group's investments could be adversely affected by defaults on debt obligations is likely to increase to the extent that the Group's portfolio is concentrated in any one industry, region or country as a result of the increased potential for correlated defaults in respect of a single industry, region or country as a result of downturns relating generally to such industry, region or country. As at 31 December 2012, the Group's European Real Estate Related Debt Portfolio has a collateral spread 30 per cent., 13 per cent., 28 per cent. and 29 per cent. respectively between UK, Italy, Germany and other European countries. The Group's strategy will increase the Group's exposure to real estate assets in Italy. Except as described in Part I of this Prospectus, the Group is not required to observe specific diversification criteria.

The investments which the Group holds are generally illiquid

The investments which the Group holds are generally illiquid, and the securities that the Group may purchase in connection with privately negotiated transactions may not be registered under relevant securities laws, resulting in restrictions on their transfer, sale, pledge or other disposition except in a transaction that is exempt from the registration requirements of, or is otherwise in accordance with, those laws. A majority of the securities and loans that the Group has acquired as well as a majority of the securities that the Group may in future acquire have been purchased or may be purchased in private, unregistered transactions and are therefore subject to restrictions on resale or otherwise have no established trading market. Such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions, including, in relation to real estate, the exercise by tenants of their contractual rights such as those which enable them to vacate properties. This could have an adverse effect on the Group's financial condition and results of operations, with a consequential adverse effect on the market value of the Group's Shares or on the Group's ability to make expected distributions to its shareholders.

Insolvency of obligors under investments may prevent payment in full or on time

Investments may be subject to various laws for the protection of creditors in the jurisdictions of incorporation of the obligor and, if different, the jurisdictions from which the obligor conducts its business and in which it holds its assets, which may adversely affect such obligor's ability to make payment on a full or timely basis. These insolvency considerations will differ depending on the country in which an obligor or its assets are located and may differ depending on the legal status of the obligor.

The Group holds a range of securities where its interest is subordinated to other interests in the same assets

The Group holds securities that are subordinated in right of payment and ranked junior to other securities or interests that are secured by or represent ownership in the same assets.

In relation to ABS investments, in general, losses on a mortgage loan included in a securitisation will be borne first by a cash reserve fund or letter of credit, if any, and then by the ''first loss'' subordinated security holder. The ''first loss'' holder is the holder of the most junior securities, being the securities most at risk if the value of the collateral falls below the loan amount. In the event of default and the exhaustion of any equity support, reserve fund, letter of credit and any classes of securities junior to those in which the Group invests, the Group may not be able to recover all of its investment in the securities purchased. In addition, if the underlying mortgage portfolio has been overvalued by the originator of the loan, or if the values subsequently decline, and, as a result, less collateral is available to satisfy interest and principal payments due on the related mortgage backed securities, the securities in which the Group invests may effectively become the ''first loss'' position behind the more senior securities.

In addition, certain of the Group's investments have structural features that divert payments of interest and/or principal to more senior classes when the delinquency or loss experience of the pool exceeds certain levels. As a result of these features, subordinated securities have a higher risk of loss as a result of delinquencies or losses on the underlying assets.

Separately, where the Group finances the acquisition of a portfolio of assets through a structure such as a CDO, ratings downgrades in relation to underlying obligors or a failure to satisfy other portfolio level tests may result in substantially all of the interest receipts from the portfolio being mandatorily diverted to repay the senior debt in the structure. This is currently the position in relation to Duncannon CRE CDO I, which has failed to meet cash flow triggers. The risk has also materialised in the past in relation to other subordinated securities and may again in the future, which can and has resulted in impairments in relation to such assets.

Subordinated securities generally do not have the right to call a default or vote on remedies following a default unless more senior securities have been paid in full. As a result, a shortfall in payments to subordinated investors in asset backed securities will generally not result in the default being declared on the relevant transaction and the transaction will not be restructured or unwound first. Furthermore, because subordinated securities may represent a relatively small percentage of all securities secured by the same asset pool, the impact of a relatively small loss on the overall pool may be substantial on the holders of such subordinated securities.

The prices of lower credit quality securities are generally less sensitive to interest rate changes than more highly rated investments but more sensitive to adverse economic downturns or individual issuer developments. A projection of an economic downturn, for example, could cause a decline in the price of lower credit quality securities because the ability of obligors of mortgages underlying mortgage backed securities to make principal and interest payments may be impaired. In such event, existing credit support in the securitisation structure may be insufficient to protect the Group against loss of its principal on these securities.

The Group's investments in mortgage loans may be subject to delinquency, foreclosure and loss

Commercial mortgage loans are secured by multi-family or commercial property and are subject to risks of delinquency and foreclosure, and risks of loss. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. Net operating income of an income-producing property can be affected by, among other things, tenant mix, success of tenant businesses, property management decisions, property location and condition, competition from comparable types of properties, changes in laws that increase operating expense or limit rents that may be charged, any need to address environmental contamination at the property, the occurrence of any uninsured casualty at the property, changes in national, regional or local economic conditions and/or specific industry segments, declines in regional or local real estate values, declines in regional or local rental or occupancy rates, increases in interest rates, real estate tax rates and other operating expenses, changes in governmental rules, regulations and fiscal policies, including environmental legislation, acts of God, terrorism, social unrest and civil disturbances.

In the event of any default under a mortgage loan held directly, the Group is expected to bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the mortgage loan, which could have a material adverse effect on cash flow from operations. Foreclosure of a mortgage loan can be an expensive and lengthy process which could have a substantial negative effect on the Group's anticipated return on the foreclosed mortgage loan.

The ability of the Group to sell investments and reinvest the proceeds may be restricted

The Group may dispose of certain of its investments and reinvest the proceeds thereof in substitute investments in accordance with the Group's investment objectives and subject to certain other conditions, in particular the terms of CDO issuances. The earnings with respect to such substitute investments will depend, among other factors, on reinvestment rates available at the time and on the availability of investments satisfying the above criteria. The need to identify acceptable investments may require the Group to purchase substitute investments with a lower yield than those initially acquired or require that the sale proceeds be maintained temporarily in cash which may reduce the yield.

The value of investments is subject to changes in credit spreads

The value of the Group's ''available for sale'' securities will be subject to changes in credit spreads as a result of changes in interest rates and market demand. The value of these securities is dependent on the yield demanded on these securities by the market. Excessive supply of these securities or a reduced demand will generally cause the market to require a higher yield on these securities, resulting in the use of a higher, or ''wider'', spread over a benchmark rate to value such securities. Under such conditions, the value of the Group's securities portfolio would tend to decline. Conversely, if the spread used to value such securities were to decrease, or ''tighten'', the value of the Group's securities portfolio would tend to increase.

Furthermore, shifts in the market's expectations of future interest rates would also affect the yield required on the Group's securities and therefore their value. This would have similar effects on the Group's portfolio and the Group's financial position and operations as a change in spreads.

RISKS RELATING TO NEW INVESTMENT FOCUS

Current unfavourable economic conditions worldwide and in Italy

With the new investment focus of the Company on the Italian real estate market, following investment in this region the value of the Company's portfolio may become dependent on macroeconomic and political conditions prevailing in Italy and Italy's ongoing economic crisis may have a significant adverse impact on the Company's returns.

Italy's economy has faced and continues to face unprecedented macroeconomic headwinds, originating from sizeable fiscal imbalances which were compounded by other deep-rooted structural vulnerabilities. These developments, in conjunction with recent downgrades of Italy's sovereign debt by the major rating agencies (including Standard & Poors, Fitch and Moody's), have translated into deteriorating financial market conditions for Italian assets. Despite the Italian government's affirmation to implement necessary reforms demanded by the International Monetary Fund (the ''IMF''), the European Central Bank (the ''ECB'') and the European Union (the ''EU''), there are concerns about whether an agreement will materialise and as to its eventual success. A failure to reach an agreement and successfully implement reforms may lead to termination of the financial support by the IMF, the ECB and/or the EU, which would create the conditions for a credit event with respect to Italy's debt or lead to a default by Italy on its debt. Even though Italy has tried to implement reforms, its government debt as a percentage of GDP is still the second highest in Europe, only behind that of Greece. It remains uncertain whether, even if reforms are successfully implemented, Italy's economy will grow sufficiently to ease its financing constraints. These concerns may result in a credit event with respect to Italy occurring earlier and prior to the completion of such reforms, and may exacerbate current macroeconomic conditions in Italy. Similar developments could be triggered by further significant deterioration of global economic conditions, including the credit profile of other EU countries such as Greece, Spain, Portugal, Ireland, or the creditworthiness of Italian or international banks, which may give rise to concerns regarding Italy's ability to meet its funding needs. If such events were to occur, the market reaction would be negative and business activity would deteriorate, which may have an adverse effect on the Company.

In relation to political conditions in Italy, on 21 December 2012, the then Italian Prime Minister Mario Monti resigned and the Italian parliament was subsequently dissolved. Italian parliamentary elections were held on 24 – 25 February 2013, with no political group or party winning an outright majority, resulting effectively in a hung parliament.

On 8 March 2013, Fitch downgraded Italy's credit rating from A- to BBB+, citing Italy's mushrooming debt and ongoing recession as the primary reasons for the downgrade. Fitch also reasoned that the increased political uncertainty and non-conducive backdrop for further structural reform measures constitute a further adverse shock to the real economy amidst the deep recession.

Lengthy negotiations led to the formation of a new government at the end of April 2013. The new government is supported by a coalition of political parties which are usually distant between themselves thus leaving a margin of uncertainty on the new government's stability. If the political climate in Italy does not stabilize or if the political instability continues, the uncertainties for the Italian economic and financial crisis may increase and result in further destabilization of the Italian economy and market confidence.

Borrowing costs and liquidity levels may be negatively affected by downgrades of Italy's credit rating, and the cost of risk for Italy's debt would increase further. Negative sentiment surrounding Italy, including downgrades of its sovereign debt rating, could also further increase the cost of Italy servicing its debt, resulting in increased taxation and lower Italian government spending. This could further delay the country's economic stabilization and eventual recovery, which may have an adverse effect on the Company's returns following investment in Italy.

A break-up of the Euro could have a significant impact on the Group's net income derived from Italian investments

The instability of the Eurozone and stagnant growth of Italy and certain other member states has resulted in concerns regarding the suitability of a single currency to appropriately deal with specific circumstances in individual member states. If such concerns were to be realised, this could lead to the reintroduction of individual currencies in Italy and other member states, which would result in the redenomination of the Company's euro-issued assets and liabilities to the Italian Lire or such other currency of Italy, which could result in a mismatch in the values of assets and liabilities and expose the Company to additional currency risks. Leaving the Eurozone could entail substantial economic, political and procedural costs. Such concerns regarding the possibility of Italy reverting to a national currency could materially adversely affect the Company's returns.

The Group's ability to generate its desired returns will depend on its ability to identify and invest in suitable investment opportunities

The ability of the Group to effectively implement its investment strategy and achieve its desired investment returns may be limited by the ability of the Manager to identify and acquire appropriate investments on its behalf. Until such time as the Group is able to invest in suitable investments, its funds may not be fully invested. The Group's funds may be held on cash deposit pending investment.

In addition, the Group may be subject to significant competition in seeking investments. Some of the Group's competitors may have greater resources, and the Group may not be able to compete successfully for investments. Furthermore, competition for investments may lead to the price of such investments increasing which may further limit the Group's ability to generate its desired returns.

The Group's due diligence may not reveal all pertinent information and/or the Manager may not be able to assess factors affecting returns from NPLs

The seller of a portfolio of loans may not have made certain information available either because such information is subject to confidentiality restrictions or otherwise. Therefore, the information available to the Manager at the time of making an investment decision may be limited, and the Manager may not have access to detailed information regarding the investment. Therefore, no assurance can be given that the Manager will have knowledge of all factors relevant to the value of an investment (including the amount and timing of collections from individual loans and the costs of servicing successfully) or all circumstances that may adversely affect such investment, or that it will accurately assess such information.

In addition, the Manager may make assessments that prove to be inaccurate, even with access to all relevant information. Furthermore, the Manager expects to rely upon third parties in connection with their evaluation and management of proposed investments, and no assurance can be given as to the accuracy or completeness of the information provided by such third parties or to the Group's right of recovery against them in the event errors or omissions do occur.

Recovery under loans secured by Italian real estate is subject to a variety of specific real estate related risks

It is likely that a portion of the NPLs expected to be acquired by the Group will be secured by real estate predominantly located in Italy. Accordingly, real estate related risks will indirectly apply to such investments. These are similar to the risks that the Group faces in respect of its direct real estate investments described in "Risks Relating To Real Estate Investments" above.

Real estate loans in default may be expensive and time-consuming to restructure or workout, and enforcement proceedings in Italy can take a considerable period of time

Real estate loans that are in default may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of such loans. Even if a restructuring were successful, a risk exists that upon maturity of such real estate loan, replacement "takeout" financing will not be available. It is possible that it may be necessary or desirable to foreclose on collateral securing one or more real estate loans in the Group's portfolio. The foreclosure process can be lengthy and expensive. In Italy, foreclosure actions can take several years to litigate. Foreclosure litigation tends to create a negative public image of the collateral property and related assets, and may disrupt the ongoing leasing and management of the property. At any time during the foreclosure proceedings, the borrower may file for bankruptcy, which would have the effect of staying the foreclosure action and further delaying the foreclosure process. In any foreclosure action, the amount realised by the Group may be substantially less than the sum of the underlying loan and the expenses incurred in connection with such foreclosure action. The amount that may be received by the Group may also be substantially affected by foreclosure actions by lenders senior to the Group, if any.

Cash flows to be generated by NPLs may be subject to the effectiveness of enforcement proceedings in respect of the NPLs, which, in Italy, can take a considerable amount of time depending on the type of action required, where such action is taken and on the servicer carrying out such enforcement proceedings. The length of and costs associated with enforcement proceedings depends on several factors, including the following: proceedings in certain courts involved in the enforcement of the real estate loans and mortgages may take longer than the national average; obtaining title deeds from land registries which are in the process of computerizing their records can take up to two or three years; further time is required if it is necessary to obtain an injunction and if the relevant borrower raises a defense or counterclaim to the proceedings; it may take an average of six to seven years from the time lawyers commence enforcement proceedings until the time an auction date is set for the forced sale of any asset; and further time would be required for the completion of the forced sale process in the event that a sole auction date is not sufficient for the completion of the same forced sale process. If such proceedings are delayed to a greater extent than it is currently expected to be the case, the Funds' returns could be materially adversely affected. In addition, there can be no assurance that any such forced sale proceeding would result in the payment in full (or even in part) of outstanding amounts under such real estate loans and, therefore, the Funds' returns could be materially adversely affected.

Insolvency proceedings may not result in repayment of outstanding amounts

The Group may acquire NPLs in which the relevant borrower is subject to insolvency proceedings. In addition, certain NPLs may be unsecured debts. The main way of enforcing such loans is by insolvency proceedings against the relevant borrower. Due to the complexity of the insolvency proceedings in Italy, the time involved (potentially considerably longer than in some other European jurisdictions) and the possibility for challenges and appeals by the borrower, there can be no assurance that any such insolvency proceedings in relation to the borrowers would result in the payment in full (or even in part) of outstanding amounts under such loans. After insolvency proceedings are commenced, no legal action can be taken against the borrower and, in most cases, no enforcement proceedings may be initiated or continued. If such risks materialise to a greater extent than it is currently expected to be the case for the NPLs, the Group's returns could be materially adversely affected.

Bankruptcy laws may limit the Group's ability to recover

Italian bankruptcy laws and other laws and regulations governing creditors' rights in Italy may offer significantly less protection for creditors than the bankruptcy regime of the United States or elsewhere. If the current economic downturn persists or worsens, bankruptcies could intensify, or applicable bankruptcy protection laws and regulations may change to limit the impact of the recession on corporate and retail borrowers. Applicable bankruptcy laws and other laws and regulations governing creditors' rights in Italy may limit the Group's ability to obtain payments on defaulted credits.

Interest on loans may not be fully recoverable as a result of the application of Italian usury laws

The interest payments and other remuneration paid by the borrowers in relation to the NPLs are subject to Italian law No. 108 of 7 March 1996 (the ''Usury Law'', as recently amended by Law Decree No. 70 of 13 May 2011 (converted into law, with amendments, by Law no. 106 of 12 July 2011 published in the Official Gazette no. 160 of 12 July 2011)), which introduced legislation preventing lenders from applying interest rates equal to or higher than rates (the ''Usury Rates'') set every three months on the basis of a decree issued by the Italian Ministry of Economy and Finance (the last such decree being issued on 21 December 2012). In addition, even where the applicable Usury Rates are not exceeded, interest and other advantages and/or remuneration may be held to be usurious if: (i) they are disproportionate to the amount lent (taking into account the specific circumstances of the transaction and the average rate usually applied for similar transactions); and (ii) the person who paid or agreed to pay them was in financial and economic difficulties. The provision of usurious interest, advantages or remuneration has the same consequences as non-compliance with the Usury Rates.

The Italian Government, with law decree No. 394 of 29 December 2000 (the ''Usury Law Decree'' and, together with the Usury Law, the ''Usury Regulations''), converted into law by law No. 24 of 28 February 2001, has established, *inter alia*, that interest is to be deemed usurious only if the interest rate agreed by the parties exceeds the Usury Rate applicable at the time the relevant agreement is reached. The Usury Law Decree also provides that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (such date being 31 December 2000) are to be substituted with a lower interest rate fixed in accordance with parameters determined by the Usury Law Decree.

No official or judicial interpretation of the Usury Law Decree is yet available. However, the Italian Constitutional Court has rejected, with decision No. 29/2002 (deposited on 25 February 2002), a constitutional exception raised by the Court of Benevento (2 January 2001) concerning article 1, paragraph 1, of the Usury Law Decree (now reflected in article 1, paragraph 1 of the above-mentioned conversion law No. 24 of 28 February 2001). In so doing, it has confirmed the constitutional validity of the provisions of the Usury Law Decree which hold that interest rates may be deemed to be void due to usury only if they infringe Usury Regulations at the time they are agreed between the borrower and the lender and not at the time such rates are actually paid by the borrower.

If an NPL is found to contravene the Usury Regulations, the relevant borrower might be able to claim relief on any interest previously paid and to oblige the Company to accept a reduced rate of interest, or potentially no interest on such NPL. Accordingly, there is a risk that interest on certain NPLs may not be fully collectible which would reduce the value of and the income stream from such loans. If any such risks materialise, the Company's returns could be materially adversely affected.

Compounding of interest (anatocismo) is subject to restrictions under Italian law

Pursuant to article 1283 of the Italian civil code, accrued interest in respect of a monetary claim or receivable may be capitalised only (i) under an agreement subsequent to such accrual or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable, provided in any case that the relevant interests are due for a period of at least six months. Article 1283 of the Italian civil code allows derogation from this provision in the event that there are recognized customary practices (*usi normativi*) to the contrary. Banks and financial companies in the Republic of Italy have traditionally capitalised accrued interest on a three-monthly basis on the grounds that such practice could be characterised as a customary practice (*uso normativo*). However, a number of judgments from Italian courts (including the judgment from the Italian Supreme Court (*Corte di Cassazione*) No. 2374/99) have held that such practices are not a customary practice (*uso normativo*). Consequently, if customers of the banks originating the portfolio were to challenge this practice and such interpretation of the Italian civil code were to be upheld before other courts in the Republic of Italy, this could adversely affect the returns generated from the NPLs.

In this respect, it should be noted that article 25, paragraph 3, of legislative decree No. 342 of 4 August 1999 (''Law No. 342''), enacted by the Italian Government under a delegation granted pursuant to law No. 142 of 19 February 1992, has considered the capitalisation of accrued interest *(anatocismo)* made by banks prior to the date on which it came into force (19 October 1999) to be valid. After such date, the capitalisation of accrued interest is no longer possible upon the terms established by a resolution of the Interministerial Committee for Credit and Savings issued on 22 February 2000. Law No. 342 has been challenged and decision No. 425 of 17 October 2000 of the Italian Constitutional Court (*Corte Costituzionale*) has declared as unconstitutional the provisions of Law No. 342 regarding the validity of the capitalisation of accrued interest made by banks prior to the date on which Law No. 342 came into force.

Mortgage borrowers may unilaterally subrogate loans to a new lender

Article 120-quarter of Legislative Decree No. 385 of 1 September 1993, as amended, provides that any borrower may at any time prepay a loan, funding such prepayment through a loan granted by another lender which will be subrogated, pursuant to Article 1202 of the Italian Civil Code (*surrogato per volontà del debitore*), to the rights of the former lender. This includes the subrogation in the mortgage (without registration of the transfer with the land registry). Subrogation can be requested by delivery of a certified copy of the deed of subrogation (*atto di surrogazione*) made in the form of a public deed (*atto pubblico*) or of a deed certified by a notary public with respect to the signature (*scrittura privata autenticata*), without prejudice to any financial benefit.

If subrogation is not completed within thirty days from the date of the relevant request from the succeeding lender to the former lender to commence co-operation procedures, the original lender shall pay to the borrower an amount equal to 1 per cent. of the outstanding amount of the relevant loan for each month (or part thereof) of delay, provided that if such delay is caused by the succeeding lender, it shall repay any such penalty for delay to the former lender.

RISKS RELATING TO THE GROUP'S FINANCING ARRANGEMENTS

The Group is exposed to foreign exchange risk and interest rate risk, the hedging of which may limit gains or result in losses

The Group has used derivatives for the purposes of efficient portfolio management. This strategy has certain risks, including the risk that losses arising from the early termination of a hedge position will reduce the cash available for distribution to shareholders and that such losses may exceed the amount invested in such instruments.

The Group's primary interest rate exposure relates to its real estate and other asset backed securities, loans and floating rate debt obligations, as well as its interest rate swaps. In the event of a significant rising interest rate environment and/or economic downturn, mortgage and loan defaults may increase and result in credit losses. Interest rates are highly sensitive to many factors, including governmental monetary and political conditions, and other factors beyond the Group's control.

The Group's primary foreign exchange rate exposure relates to its non-Euro denominated portfolio of securities and loans. Changes in currency exchange rates can adversely impact the fair values and earning streams of the Group's non-Euro denominated assets and liabilities. In the past, the Group has mitigated this impact through a combination of (i) non-Euro denominated financing; (ii) the use of balance guaranteed hedging; and (iii) rolling forward foreign exchange contracts to hedge its net non-Euro equity investment. Recognising the liquidity risk and related margin requirements associated with entering into forward foreign exchange contracts and the increased uncertainty as to the future cash flows from, and value of, its equity investments in the debt portfolio, the Company stopped hedging its net non-Euro equity investments from the beginning of 2009.

RISKS RELATING TO THE COMPANY

The Shares are subject to restrictions on transfers

The Shares have not been registered in the United States under the Securities Act or under any other applicable securities law and are subject to restrictions on transfer contained in such laws and to reflect the U.S. Employee Retirement Income Security Act of 1974 (''ERISA'').

There are additional restrictions on the resale of Shares by Shareholders who are located in the United States or who are U.S. Persons and on the resale of Shares by any Shareholders to any person who is located in the United States or is a U.S. Person. These restrictions will make it more difficult to resell the Shares in many instances and this could have an adverse impact on the market value of the Shares. Prospective investors should refer to the section ''Transfer Restrictions'' in Part VIII of this Prospectus.

Risk of the Group's assets being deemed "plan assets" if it has ERISA investors

Unless an exception applies, if 25 per cent. or more of the Shares (calculated in accordance with ERISA) or any other class of equity interest in the Group are owned, directly or indirectly, by pension plans or other Benefit Plan Investors, and any of such Benefit Plan Investors are subject to ERISA or Section 4975 of the Code, assets of the Group could be deemed to be ''plan assets'' subject to the constraints of ERISA. Were the assets of the Group deemed to be ''plan assets'', the Manager would become an ERISA fiduciary and subject to U.S. court jurisdiction, the ''prohibited transaction'' rules of ERISA would apply to all of the Group's dealings and the ownership documents for all of the Group's assets would be required to be held in the U.S.. Any requirement to comply with such rules would likely lead to the Company unknowingly violating ERISA, given the scale and geographical spread of the operations of each of the Group and the Manager.

Accordingly, pursuant to the restrictions on ownership contained in the Company's Articles of Incorporation, no Benefit Plan Investor that is subject to Title I of ERISA or Section 4975 of the Code will be permitted to acquire the Shares. For further details, prospective investors should refer to ''ERISA Considerations'' and ''Transfer Restrictions'' under Part VIII of this Prospectus.

The Company will not be registered under the U.S. Investment Company Act

The Company will not be registered as an investment company in the United States under the Investment Company Act. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which will be applicable to investors in the Company or to the Company.

Shareholders may not be entitled to the takeover offer protections provided by the City Code on Takeovers and Mergers

The City Code on Takeovers and Mergers applies to offers for all public companies considered by the Takeover Panel to be resident in the United Kingdom, the Channel Islands (which includes Guernsey) or the Isle of Man.

Currently, the Takeover Panel will normally consider a company resident in the United Kingdom, the Channel Islands or the Isle of Man only if it is incorporated in one of those jurisdictions and has its place of central management in one of those jurisdictions.

The Board considers that on the basis that the Company does not have its place of central management in the United Kingdom, the Channel Islands or the Isle of Man, the Takeover Panel will decline to apply the City Code to the Company and Shareholders will not receive the benefit of the takeover offer protections provided by the Code.

However, on 5 July 2012, the Code Committee of the Takeover Panel published a consultation paper which advocated for the removal from the residency test of the requirement of a company to have its place of central management in the United Kingdom, the Channel Islands or the Isle of Man. On the basis of the response statement issued by the Code Committee on 15 May 2013, the residency test will no longer apply to the Company from 30 September 2013. From this date the City Code on Takeovers and Mergers will apply to the Company with respect to the ''employee information and company law matters'' described in the ''shared jurisdiction'' provisions of paragraph (iii) of section 3(a) of the Introduction to the City Code on Takeovers and Mergers.

Future Share issues could dilute the interests of existing Shareholders and lower the price of the Shares

The Company intends in the future, subject to applicable contractual and other restrictions, to issue additional Shares in subsequent public offerings or private placements at prices that may be lower than the price of the Offer Shares. The Company is not required under Guernsey law to offer any such Shares to existing Shareholders on a pre-emptive basis. Therefore, it may not be possible for existing Shareholders to participate in such future Share issues, which may dilute the existing Shareholders' interests in the Company. In addition, the issue of additional Shares by the Company, or the possibility of such issue, may cause the market price of the Shares to decline.

RISKS RELATING TO REGULATION AND TAXATION

Compliance with, and changes in, laws and regulations

The Group is required to comply with various laws and regulations in the jurisdictions in which it operates, including in relation to planning, environmental, fire, health and safety, tax, landlord and tenant and other matters. Compliance with these laws and regulations may impose significant compliance costs and restrictions on the Company. If the Company fails to comply with these laws and regulations, the Company may have to pay penalties or private damages awards.

Certain of the Company's subsidiaries are currently under audit or review by German and Luxembourg tax authorities in relation to historic tax liabilities. Whilst the Group has and continues to seek to comply with taxation laws and regulations, there is a lack of clarity in relation to the requirements of certain German taxation laws applicable to the Group. As such, the Group has taken steps to address any potential issues that may be identified as part of the tax audit or review and the Company has made a provision in its consolidated financial statements for the year ended 31 December 2012 of €11.2 million, being an amount equal to the Group's estimated potential exposure. However, there may be unasserted claims (the German and Luxembourg tax authorities have up to five years to initiate an audit), and a tax authority may find that the Company's efforts to improve tax compliance are insufficient.

In addition, changes in existing laws or regulations, or in their interpretation or enforcement, could require the Company to incur additional costs in complying with those laws, or require changes to its investment strategy, operations or accounting and reporting systems, leading to additional costs and tax liabilities or loss of revenue, which could materially adversely affect the Company's business, financial condition and results of operations.

For example, there could be changes in tenancy laws that limit the Company's recovery of certain property operating expenses, limiting the ability of the Company to review rent under its lease on an upwards-only basis, or altering the frequency of collection of rent, which is typically quarterly in advance. There could also be changes or increases in real estate taxes that cannot be recovered from the Company's tenants or changes in environmental laws that require significant capital expenditure.

Changes in tax laws or their interpretation could affect the intended tax treatment for investments using Special Purpose Vehicles

The Company holds a substantial amount of its investments through SPVs. For tax and other reasons, the Company's investments in the SPVs are likely to be funded wholly or partly by way of a series of debt instruments with the equity of certain SPVs held by one or more third parties. The Company structures its SPVs so that they are substantially exempt from income taxes in their jurisdiction of incorporation and seeks to conduct their affairs so as not to be subject to, or subject to minimal, income tax in the jurisdictions in which their assets are located. Further the Company structures the SPVs so that they only hold assets that are not subject to withholding taxes on distributions made by, or on realisations of, the assets.

However, tax laws may change or be subject to differing interpretations, possibly with retroactive effect, so that the tax consequences of a particular investment or SPV structure may change after the investment has been made or the SPV has been established with the result that investments held by SPVs may be required to withhold tax or the SPVs themselves may become liable to tax, in each case resulting in the Company's returns being reduced. The Company and the SPVs will be subject to such risk both in the jurisdiction of their respective incorporation and in each jurisdiction where their assets are located.

The Company believes that it has been and anticipates that it will continue to be classified as a Passive Foreign Investment Company (''PFIC'') for U.S. federal income tax purposes, which may result in certain adverse U.S. federal income tax consequences to U.S. Holders

Based on the Company's income, assets, and activities, the Directors believe that the Company has been and anticipate that it will continue to be classified as a PFIC for U.S. federal income tax purposes. If the Company is a PFIC for any taxable year (or portion thereof) in which a U.S. Holder (as defined below) owns Shares, and such U.S. Holder does not make a Qualified Electing Fund (''QEF'') or ''mark-to-market'' election that is effective for the taxable year in which the U.S. Holder first acquires any Shares, such holder generally will be liable to pay U.S. federal income tax at the highest ordinary income tax rate on any ''excess distribution'' from the Company and on the U.S. Holder's gain from the disposition of Shares as if such excess distribution or gain had been recognized ratably over the U.S. Holder's holding period for the Shares, plus interest on such amount as if it were treated as a series of underpayments of tax in such prior years. A U.S. Holder may be able to avoid these adverse tax consequences, however, by making a QEF election to include its pro rata share of the Company's earnings and profits in income currently as it is earned. See ''Tax Considerations – United States Taxation -– U.S. Holders – Passive Foreign Investment Company'' below. U.S. Holders should consult their own tax advisers about the impact of making or failing to make a timely QEF or mark-to-market election with respect to their Shares.

Risk of adverse tax consequences by reason of having a permanent establishment

If the Company, its SPVs or any subsidiaries were treated as having a permanent establishment or otherwise creating a taxable presence in any country in which it invests or operates, income attributable to such permanent establishment or taxable presence may be subject to tax on a net basis.

The Company expects to be subject to FATCA

The Company expects to be subject to the U.S. tax reporting and withholding rules imposed by the Foreign Account Tax Compliance Act (''FATCA''), with respect to payments that it receives and, possibly, with respect to payments that it makes. The Company expects to meet the definition of ''investment entity'' and therefore to be a Foreign Financial Institution (''FFI'') under FATCA. In that case, the Company will be subject to FATCA withholding tax on ''withholdable'' payments that it receives unless it either becomes a participating FFI or qualifies as a deemed compliant FFI. If the Company becomes a participating FFI, it may be required to withhold on certain payments that it makes to Investors that do not provide the information required by FATCA to the Company or that are considered non-participating FFIs.

The application of FATCA to payments made with respect to the Shares is not clear. Certain definitions and effective dates relevant to participating FFIs have not yet been promulgated by the U.S. Internal Revenue Service (as defined below). On 9 October 2012 the Chief Minister of Guernsey announced the intention of the States of Guernsey to negotiate an intergovernmental agreement with the U.S. regarding the implementation of FATCA. The Chief Minister said that discussions had taken place at official level with the U.S. and formal negotiations were currently on going. On 15 March 2013, it was further announced that Guernsey is working towards concluding an intergovernmental agreement with the U.S.. Once signed, an intergovernmental agreement would be subject to ratification by Guernsey's parliament and implementation of the agreement would be through Guernsey's domestic legislative procedure. It is anticipated that any such legislation will not come into effect until 2015 at the earliest. The impact of such an agreement on the Company and the Company's reporting and withholding responsibilities (if any) pursuant to FATCA as implemented in Guernsey are not currently known.

FATCA is particularly complex and its application to the Company, the Shares and the Shareholders is uncertain at this time. Each Shareholder should consult its own tax adviser to obtain a more detailed explanation of FATCA and to learn how this legislation might affect each Shareholder in its particular circumstance.

Implementation of the EU Alternative Investment Fund Managers Directive may make it more difficult for the Company to raise additional capital in the future

The EU Alternative Investment Fund Managers Directive (''AIFMD'') is required to be implemented into national law in EU member states by 22 July 2013. Among other things, AIFMD introduces a framework for alternative investment funds (''AIFs'') managed by authorised managers in the EU to be marketed to professional investors in the EU pursuant to a marketing passport. The Company believes that it will be an AIF within the meaning of AIFMD, but as a non-EU AIF any non-EU manager marketing will not be eligible for the marketing passport until 22 July 2015 at the earliest. Consequently, in order to market to investors in the EU following implementation of AIFMD the Company will need to rely on national private placement exemptions for the marketing of funds by non-EU managers, which EU member states may elect to allow pursuant to the AIFMD. The availability of this private placement exemption in each EU member state is dependent on that Member State permitting it. AIFMD also introduces certain additional requirements before a non-EU AIF can be marketed pursuant to these national private placement exemptions. These include a requirement to comply with certain transparency provisions as set out in AIFMD and a requirement that the country of domicile of the AIF and its manager (in the case of the Company, Guernsey and the United States) enter into a co-operation agreement with each of the EU member states where the AIF is to be marketed. As at the date of this Prospectus, there is no guarantee that such co-operation agreements will be in place as from the implementation of AIFMD.

The Group's ability to implement its new investment strategy depends on the Company being able to raise additional capital, and the implementation of AIFMD, and compliance with the requirements of AIFMD, may make it more difficult or impossible for the Company to market its shares to investors in certain EU member states which will have a consequential impact on its ability to do this.

Changes in the Company's tax status or tax treatment may adversely affect the Company and if the Company becomes subject to the UK offshore fund rules there may be adverse tax consequences for certain UK resident Shareholders

Any change in the Company's tax status or treatment, or in taxation law or practice in jurisdictions including Guernsey, Germany, Luxembourg, Italy, Ireland, the United Kingdom, the United States, any jurisdiction which Shareholders are held to be tax resident or where the Company operates could affect the value of the investments held by the Company or the Company's ability to achieve its investment objectives or alter the after-tax returns to Shareholders. Statements in this Prospectus concerning the taxation of Shareholders are based upon current Guernsey, United Kingdom and United States tax law and published practice. Law and practice is, in principle, subject to change (potentially with retrospective effect).

In particular, in respect of the UK offshore fund rules (which were reformed with effect from 1 December 2009), the statements in this Prospectus are based upon the Directors' interpretation of the reformed rules and it is possible that HM Revenue & Customs may ultimately seek to apply the rules in a different way. Should HM Revenue & Customs take a different view that the Company does fall within the reformed rules, this may (unless the Company applies for, and is granted, reporting fund status) have adverse UK tax implications for certain United Kingdom investors as any gains arising upon disposal of Shares would be treated as being subject to UK income tax.

Failure by the Company to maintain its non-UK tax resident status may subject the Company to additional taxes

In order to maintain its non-UK tax resident status, the Company is required to be controlled and managed outside the United Kingdom. The composition of the board of Directors of the Company, the place of residence of the individual Directors and the location(s) in which the board of Directors of the Company makes decisions will be important in determining and maintaining the non-UK tax resident status of the Company. Although the Company is established outside the United Kingdom and a majority of the Directors of the Company live outside the United Kingdom, continued attention must be given to ensure that major decisions are not made in the United Kingdom or the Company may lose its non-UK tax resident status. As such, management errors may potentially lead to the Company being considered UK tax resident which may adversely affect the financial condition of the Company, results of operations, the value of the Shares and/or the after-tax return to the Shareholders.

Individual Shareholders may have conflicting investment, tax and other interests with respect to their investments in the Company

Shareholders are expected to include taxable and tax-exempt entities and persons organised and residing in various jurisdictions who may have conflicting investment, tax and other interests with respect to their investments in the Company. The conflicting interests of individual Shareholders may relate to or arise from, among other things, the nature of investments made by the Group, the structuring of the acquisition of investments, the timing of disposition of investments and the manner in which income and capital generated by the Company is distributed to Shareholders. The structuring of investments and distributions may result in different returns being realised by different Shareholders. As a consequence, conflicts of interest may arise in connection with decisions made by the Manager, including the selection of borrowers in whose debt obligations the Group will invest, which may be more beneficial for one investor than for another investor, especially with respect to investors' individual situations. In selecting and structuring investments appropriate for the Group and in determining the manner in which distributions shall be made to Shareholders, the Manager and the Directors respectively will consider the investment and tax objectives of the Company and Shareholders as a whole, not the investment, tax or other objectives of any Shareholder individually, which may adversely affect the investment returns of individual Shareholders.

Compliance with taxation requirements is difficult

The Group is subject to a number of different taxation regimes. In particular, it must comply with the taxation rules and regulations in Guernsey, the jurisdictions of its investments (currently Germany and it is proposed that the Company will also make investments in Italy in line with its new strategic direction), Luxembourg, the United States and the United Kingdom. It is complicated to apply the various taxation regimes to the Group and there is a risk that the Group may not be fully compliant with all required regimes. This could result in fines or penalties for the Group, or other consequences imposed by the relevant regulator, which may be to the detriment of the Group.

RISKS RELATING TO THE MANAGER

The Group's performance is dependent on the Manager (including its relationship with Italfondiario), and the Company may not find a suitable replacement if the Manager terminates the Management Agreement

The Group is reliant on the Manager, who has significant discretion as to the implementation of the Group's operating policies and strategies. The Group is subject to the risk that the Manager will terminate the Management Agreement and that no suitable replacement will be found. In addition, the Directors believe that the Group's success depends to a significant extent upon the experience of the Manager's executive officers, whose continued service is not guaranteed. The departure of a key executive of the Manager may have an adverse effect on the performance of the Group.

Furthermore, the success of the Group's new investment focus in Italy is, in part, dependent upon the Manager's strategic relationships with its Italian affiliate, Italfondiario. To the extent that the Manager is unable to utilise these relationships in relation to the Group, particularly given that there is no umbrella contractual relationship between Italfondiario and the Group currently in place (rather the Group will seek to engage Italfondiario on a case-by-case basis) then this may have a material adverse effect on the Company's ability to implement its new strategy.

Furthermore, there can be no assurance that Italfondiario will remain under the control of Fortress. A change of control, or changes precipitated by Italfondiario's minority investor, may lead to a change in Italfondiario's management and possibly its processes and procedures in a manner adverse to the Group, or Italfondiario ceasing to act as servicer to the Group in relation to its Italian NLP portfolios. Once engaged, any subsequent replacement of Italfondiario as a servicer of relevant portfolios could entail substantial business disruption and additional transaction costs that may adversely affect the Group's returns. If Italfondiario were to fail or otherwise cease to service the relevant portfolios, there can be no assurance that the Company will be able to arrange for a replacement of equal experience and expertise to service such portfolios.

There are conflicts of interest in the Group's relationship with the Manager

The Manager and its affiliates manage and invest in other investment vehicles which have investment objectives which overlap with those of the Group, and some of the members of the Board of Directors also serve as officers and/or directors of these other entities. For example, the Manager and its affiliates may have investment in and/or earn fees from such other investment vehicles which are larger than their economic interests in the Group and may therefore have an incentive to allocate investments to such other investment vehicles. These relationships may lead to conflicts of interest. Certain investments appropriate for the Group may also be appropriate for one or more of these other investment vehicles. Accordingly it is possible that the Group will not have the opportunity to participate in investments made by such other investment vehicles which fall within the Group's investment objectives. When it is determined that it would be appropriate for the Group and one or more other investment vehicles managed by the Manager or its affiliates to participate in the same investment opportunity, the Manager will seek to allocate participation levels on an appropriate basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to market trends and the size, liquidity, finance ability and anticipated term of the proposed investment. The Manager may also engage in additional real estate related management and investment opportunities in the future which may also compete with the Group for investments.

The ability of the Manager and its officers and employees to engage in other business activities will reduce the time the Manager spends managing the Group. The Group may engage in a material transaction with the Manager or another entity managed by the Manager provided the transaction is on arm's length commercial terms.

The management compensation structure that the Company has agreed to with its Manager includes an incentivisation payment designed to closer align the interests of the Manager with the Company. However, the pricing and terms of the compensation structure are such that the Manager is not currently entitled to the incentivisation payment and so the Manager may not be adequately incentivised when acting for the Company. If the Manager does become entitled to the incentivisation payment at a future date, this may encourage the Manager to invest in high risk investments. In evaluating investments and other management strategies, the opportunity to earn incentive compensation based on funds from operations (''FFO'') may lead the Manager to place undue emphasis on the maximisation of FFO at the expense of other criteria, such as preservation of capital, in order to achieve higher incentive compensation. Investments with higher yield potential are generally riskier or more speculative.

Retention of the Manager's affiliates to provide services to the Group may create additional conflicts of interest

The Group may retain or otherwise purchase services from affiliates of the Manager and businesses in which they have an interest, including in respect of Italfondiario. The Group may compete with other affiliates of the Manager or third parties for access to an opportunities provided by the Manager's affiliates. Conflicts of interest may arise in connection with such transactions, and such conflicts of interest may have adverse consequences for the Group.

The Management Agreement may be difficult and costly to terminate

Termination of the Management Agreement may be difficult and costly. The term of the Management Agreement is ten years from 13 August 2003, subject to automatic renewal: (i) on the tenth anniversary of its commencement; and (ii) on each three year anniversary of such date, for an additional three year period unless a majority of the Shareholders by vote agree that there has been unsatisfactory performance by the Manager that is materially detrimental to the Company. Unless terminated for cause, and even if terminated on an anniversary date, the Manager must be paid a termination fee equal to the amount of management fee earned by the Manager during the 12 month period preceding such termination. In addition, following any termination of the Management Agreement, unless the Company, either at the request of the Manager or at its own volition, purchases the Manager's right to receive incentive compensation at its fair market value (determined by independent appraisal to be conducted by an appraisal firm recognised in the United States, and mutually agreed upon by the Company and the Manager), the Company must continue to pay the incentive compensation to the Manager following termination or expiration of the Management Agreement which payments could continue for an indefinite period of time. These provisions may increase the effective cost to the Company of terminating the Management Agreement.

Broad investment guidelines provide the Manager with a wide range of potential investments each of which the Directors will not specifically review and may be made without shareholder consent

The Manager is authorised to follow very broad investment guidelines. Consequently, the Manager has great latitude in determining the types and categories of assets it may decide are proper investments for the Group. Accordingly, while the Group's new investment focus is on the Italian real estate market, the Group's investment strategy may evolve in light of the Manager's view of existing market conditions and investment opportunities, and this evolution may involve additional risks depending upon the nature of the assets in which it invests and its ability to finance such assets on a short or long-term basis. Decisions to make investments in new asset categories present risks that may be difficult for the Group or the Manager to adequately assess and could therefore reduce the Group's ability to pay dividends or have adverse effects on the Group's liquidity or financial condition. A change in the Group's investment strategy may also increase the Group's exposure to interest rate, foreign currency, real estate market or credit market fluctuations. The Manager's failure to accurately assess the risks inherent in new asset categories or the financing risks associated with such assets could adversely affect the Group's results of operations and the Group's financial condition.

The Board of Directors will periodically review the Company's investment guidelines and the Group's investments. However, the Board of Directors does not review each proposed investment. Transactions entered into by the Manager may be difficult or impossible to unwind by the time they are reviewed by the Board of Directors. Further, the Group may change its investment strategy without shareholder consent, which may result in it making investments that are different, risker or less profitable than its current investments.

IMPORTANT INFORMATION

Investors should rely on the information in this Prospectus. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of the Offer Shares other than as contained in this Prospectus, and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by or on behalf of the Company. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and PR 3.4.1 of the Prospectus Rules neither the delivery of this Prospectus nor the allotment or issue of Offer Shares shall under any circumstances create any implication that there has been no change in the business or affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any subscription, purchase or proposed subscription or purchase of Shares.

Neither the Company nor the Directors is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment by such offeree or purchaser.

An investment in the Company should be regarded as a long term investment. There can be no assurance that the Company's investment objectives will be achieved.

An investment in the Offer Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that may result from such an investment. An investment in the Offer Shares should constitute part of a diversified investment portfolio. Further, the price of Shares and the income from Shares can go down as well as up, and investors may not realise the value of their initial investment. Investors must be able and willing to withstand the loss of their entire investment. Accordingly, typical investors in the Company are expected to be sophisticated and/or professional investors who understand the risks involved in investing in the Company.

Statements made in this Prospectus are based on the law and practice currently in force and are subject to changes therein. This Prospectus should be read in its entirety before making any application for Offer Shares.

All times and dates referred to in this Prospectus are, unless otherwise stated, references to London times and dates and are subject to change without further notice.

Forward-looking Statements

This Prospectus includes statements that are, or may be deemed to be, ''forward-looking statements''. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms ''believes'', ''estimates'', ''anticipates'', ''expects'', ''intends'', ''may'', ''will'' or ''should'' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company concerning, amongst other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it, and Special Purpose Vehicles formed by the Company, invest and issue securities. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, dividend policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition and dividend policy of the Company, and the development of its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to:

- the risk factors set forth above in the section entitled ''Risk Factors'';
- changes in economic conditions generally and the real estate and debt markets specifically;
- economic conditions in Germany;
- economic conditions in Italy;
- changes in the Company's business strategy;
- impairments in the value of the Group's investments;
- legislative/regulatory changes;
- changes in taxation regimes;
- the Group's continued ability to invest the cash on its balance sheet and the proceeds of this Offer in suitable investments on a timely basis; and
- the availability and cost of capital for future investments.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Forward-looking statements speak only as at the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward-looking statements contained herein (save where required by the NYSE Euronext Amsterdam Listing Rules, Prospectus Rules or Disclosure Rules and Transparency Rules, as applicable), whether as a result of new information, future events, conditions or circumstances, any change in the Company's expectations with regard thereto or otherwise, investors are advised to consult any communications made directly to them by the Company and/or any additional disclosures through announcements that the Company may make through a Regulatory Information Services announcement (or a ''RIS'').

For the avoidance of doubt, nothing in the foregoing paragraphs under the heading ''Forward-looking Statements'' constitutes a qualification of the working capital statement contained in paragraph 12.13 of Part VI of this Prospectus. Potential investors are advised to read this Prospectus in its entirety before making any investment in Shares and, in particular, should carefully review the sections of this Prospectus entitled ''Summary'', ''Risk Factors'', Part I ''The Company, its Business and Investment Opportunities'', Part II ''Overview of Current Portfolio and Financing Arrangements'', Part III ''Operating and Financial Review and Prospects'', Part IV ''Management of the Company'', Part IX ''Financial Information for the 3 year period ended 31 December 2012'' and Part X ''Pro Forma Financial Information''. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus may not occur. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum and Articles of Incorporation of the Company which investors should review.

The contents of the Company's website at www.eurocastleinv.com are not incorporated into and do not form part of this Prospectus and prospective investors should not rely on it.

Certain information in this Prospectus is attributed to or sourced from third parties as specifically noted in this Prospectus. Such information has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by the stated sources, no facts have been omitted which would render the information inaccurate or misleading.

Subject to its legal and regulatory obligations, the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

Prospective investors must not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Investors should note that the Sole Bookrunner and/or its respective affiliates have acted, and in some cases, continue to act, in various capacities in relation to the issuers of certain securities in which the Group invests or may invest, including as manager, servicer, security trustee, equity holder and/or secured lender to affiliates of the issuer of the relevant securities. Each role confers specific rights to and obligations on the Sole Bookrunner and/or its affiliates. In carrying out these rights and obligations the interests of the Sole Bookrunner and/or its respective affiliates may not be aligned with the interests of a potential investor in the Shares. The Sole Bookrunner and/or its respective affiliates in their capacity as lender to certain of the issuers of securities in which the Group invests or its affiliates may hold security interests in various of those issuers' assets, some of which assets may also secure obligations owed to holders of the relevant issuer's securities, which may include the Group.

Neither the Shares nor the Company have been approved or disapproved by any governmental or regulatory authority of any country or jurisdiction, nor has any such governmental or regulatory authority passed upon or endorsed the merits of the Company or an investment in its Shares. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

THE OFFER SHARES HAVE NOT BEEN APPROVED OR RECOMMENDED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY U.S. STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY NOR HAVE SUCH AUTHORITIES CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

The distribution of this Prospectus and the offer, sale and/or issue of Shares in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company and the Sole Bookrunner to inform themselves about, and to observe, any such restrictions.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any Offer Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of Offer Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom into whose possession this Prospectus comes are required by the Company and the Sole Bookrunner to inform themselves about and to observe any restrictions as to the offer or sale of Shares and the distribution of this Prospectus under the laws and regulations of any territory in connection with any applications for Shares in the Group, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Group, the Sole Bookrunner, the Manager or the Administrator that would permit a public offering of the Offer Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus other than in any jurisdiction where action for that purpose is required.

The Offer is only being made to persons in the United Kingdom whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the FSMA, and the Sole Bookrunner has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of the Offer Shares in circumstances in which Section 21(1) of the FSMA does not apply.

The distribution of this Prospectus and the offer, sale and/or issue of the Offer Shares has not been and will not be registered under the Securities Act or any state securities laws in the United States or, except as set out in this Prospectus, the securities laws of any other jurisdiction and may not be reoffered, resold, pledged or otherwise transferred except as permitted by the Company's Articles of Incorporation and as provided in this Prospectus. Subscribers shall be required to represent, acknowledge and agree that they will not reoffer, resell, pledge or otherwise transfer the Offer Shares except (x) in compliance with the Securities Act and other applicable laws and except to a transferee who is (i) (a) an Accredited Investor or a Qualified Institutional Buyer and (b) in each case also a Qualified Purchaser or Knowledgeable Employee or (ii) not a U.S. Person purchasing for its own account, or for the account of a buyer that meets such criteria, in an Offshore Transaction pursuant to Regulation S and (y) (1) upon delivery of all certifications, opinions and other documents that the Company may require and (2) in accordance with any applicable securities law of any state of the United States and any other jurisdiction.

Further, no purchase, sale or transfer of Offer Shares may be made to a person whose assets include ''plan assets'' within the meaning of ERISA that are subject to Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the ''Code''). Accordingly, investors using assets of retirement plans or benefit plans that are subject to ERISA or Section 4975 of the Code (including, as applicable, assets of an insurance company general account or separate account) will not be permitted to acquire Offer Shares, and each investor will be required to represent or will, by its acquisition of an Offer Share be deemed to have represented, that it is not a ''Benefit Plan Investor'' within the meaning of ERISA that is using assets of a plan that is subject to ERISA or Section 4975 of the Code. Any purported purchase or transfer of an Offer Share to a Benefit Plan Investor whose assets include ''plan assets'' under ERISA that are subject to Title I of ERISA or Section 4975 of the Code, or otherwise does not comply with the foregoing, is subject to restrictions as provided in the Company's Articles of Incorporation and this Prospectus.

The Offer Shares are transferable subject to the restrictions described herein. Each transferor of Offer Shares agrees to provide notice of the transfer restrictions set forth herein to the transferee.

THE MANAGER IS EXEMPT FROM REGULATION BY THE COMMODITY FUTURES TRADING COMMISSION (''CFTC'') AS A COMMODITY POOL OPERATOR PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, THE MANAGER IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT (AS DEFINED IN THE CFTC RULES) OR A CERTIFIED ANNUAL REPORT TO SHAREHOLDERS. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A POOL OR UPON THE ADEQUACY OR ACCURACY OF AN OFFERING MEMORANDUM. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS OFFERING OR THIS PROSPECTUS.

THE MANAGER QUALIFIES FOR THE EXEMPTION UNDER CFTC RULE 4.13(a)(3) ON THE BASIS THAT, AMONG OTHER THINGS (I) EACH SHAREHOLDER THAT IS A U.S. PERSON OR A U.S. RESIDENT IS A ''QUALIFIED PURCHASER'' (WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT), (II) THE INTERESTS ARE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND ARE OFFERED AND SOLD WITHOUT MARKETING TO THE PUBLIC IN THE UNITED STATES AND (III) AT ALL TIMES EITHER (A) THE AGGREGATE INITIAL MARGIN AND PREMIUMS REQUIRED TO ESTABLISH THE COMPANY'S COMMODITY INTEREST POSITIONS WILL NOT EXCEED FIVE PERCENT OF THE LIQUIDATION VALUE OF THE COMPANY'S PORTFOLIO; OR (B) THE AGGREGATE NET NOTIONAL VALUE OF THE COMPANY'S COMMODITY INTEREST POSITIONS WILL NOT EXCEED ONE HUNDRED PERCENT OF THE LIQUIDATION VALUE OF THE COMPANY'S PORTFOLIO.

Notice to New Hampshire Residents only

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF THE

STATE OF NEW HAMPSHIRE HAS PASSED IN ANYWAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Available Information

For so long as any of the Shares are in issue and are ''restricted securities'' within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the Exchange Act nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of a Share, or to any prospective purchaser of a Share designated by such holder or beneficial owner, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

Service of Process and Enforcement of Civil Liabilities

The Company is incorporated under Guernsey law. Service of process upon Directors and officers of the Company, the majority of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, since most directly owned assets of the Group are outside the United States, any judgment obtained in the United States against it may not be collectible within the United States. There is doubt as to the enforceability in England and Guernsey, in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated upon U.S. federal securities laws.

Other Selling Restrictions

Relevant Member States of the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a ''Relevant Member State''), an offer to the public of any Offer Shares may not be made in that Relevant Member State prior to the publication of the Prospectus in relation to the Offer Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than the offers contemplated in the Prospectus in a Relevant Member State after the date of such publication or notification, and except that the Offer Shares may be offered to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive, as implemented in the Relevant Member State;

(b) by the Sole Bookrunner to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company or the Sole Bookrunner of a Prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Sole Bookrunner and the Company that it is a ''qualified investor'' within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression ''an offer to the public'' in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and the Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression ''Prospectus Directive'' means Directive 2003/71/EC (and any amendments thereto, including the 2010 PD Amending

Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression ''2010 PD Amending Directive'' means Directive 2010/73/EU.

In the case of any Offer Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Offer Shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the Sole Bookrunner has been obtained to each such proposed offer or resale.

The Company, the Sole Bookrunner and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement, and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Sole Bookrunner of such fact in writing may, with the consent of the Sole Bookrunner, be permitted to subscribe for or purchase Offer Shares in the Offer.

Germany

The Offer Shares which are the subject of this Prospectus are neither registered for public distribution with the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* — ''BaFin'') according to the German Investment Act nor listed on a German exchange. No sales prospectus pursuant to the German Securities Prospectus Act has been filed with the BaFin. Consequently, the Offer Shares in the Company must not be distributed within Germany by way of a public offer, public advertisement or in any similar manner, and this document and any other document relating to the Offer Shares in the Company, as well as information or statements contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of the Offer Shares in the Fund to the public in Germany or any other means of public marketing.

Any resale of the Offer Shares in the Federal Republic of Germany may only be made in accordance with the German Securities Prospectus Act and any other laws applicable in the Federal Republic of Germany governing the sale and offering of shares. No view on Taxation is expressed. Prospective investors in Germany are urged to consult their own tax advisers as to the tax consequences that may arise from an investment in the Offer Shares.

Italy

The offering of the Offer Shares has not been authorised by the relevant Italian authorities pursuant to Article 42 and Article 94 and seq. of Legislative Decree no. 58, dated 24 February 1998, as amended, and, accordingly, no Offer Shares may be offered, sold, delivered or marketed to investors of any kind in the Republic of Italy, nor may copies of the Prospectus or of any document relating to the Offer Shares be distributed in the Republic of Italy.

Japan

Offering of the Offer Shares will fall under the private placement defined in Article 2, paragraph 3, sub-paragraph 2-b of the Securities and Exchange Law and accordingly no registration in accordance with Article 4, paragraph 1 of the Securities and Exchange Law has been made therefor.

Presentation of Financial Information

The audited consolidated financial statements of the Company as at and for the years ended 31 December 2010, 2011 and 2012 and the notes thereto are incorporated by reference into this document as further detailed in Part XIII ''Documentation Incorporated by Reference''.

The financial statements of the Company are prepared under Companies (Guernsey) Law, 2008 and IFRS.

Certain financial information in this Prospectus has been rounded and, as a result, the totals of the data presented may vary slightly from the actual arithmetic totals of such information.

Rating Agencies

Where a credit rating is referenced in this Prospectus, the value of the stated credit rating is the lower of the relevant credit ratings provided by each of S&P, Fitch and Moody's. In some instances, only two of these credit rating agencies provide a relevant credit rating, in which case the stated credit rating is the lower of the two credit ratings provided. Each of S&P, Fitch and Moody's is a credit rating agency registered or certified in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the Credit Rating Agencies Regulation).

OFFER STATISTICS

Offer Price (per Offer Share) [1]	To be determined
Number of Offer Shares being offered in the Offer	10,000,000
Number of Shares in issue following the Offer	up to 27,629,502

Note:

(1) It is expected that the Pricing Statement containing the Offer Price and the number of Shares to be issued pursuant to the Offer will be published in accordance with the expected timetable set out on page 44 of this Prospectus. The Pricing Statement will be available on the Company's website at www.eurocastleinv.com.

EXPECTED TIMETABLE

Event	Expected Time and Date
Announcement of results of the Offer	Before 10.00 a.m. on 30 May 2013
Pricing Statement published	30 May 2013
Admission to listing of the Offer Shares on NYSE Euronext Amsterdam	4 June 2013
Commencement of trading of the Offer Shares on NYSE Euronext Amsterdam	4 June 2013
CREST UK account of the Sole Bookrunner credited in respect of Offer Shares in uncertificated form	4 June 2013
Share certificates in respect of Offer Shares issued in certificated form expected to be dispatched (or as soon as practicable thereafter)	11 June 2013

Each of the dates in the above timetable and as referenced throughout this Prospectus is subject to change and may be brought forward as well as moved back, in which case new dates and times will be announced publicly. Reference to times are to Central European Time unless otherwise stated. Temporary documents of title will not be issued.

The Company's ISIN is GB00B94QM994.

PART I:

THE COMPANY, ITS BUSINESS AND INVESTMENT OPPORTUNITIES

The financial information set out in this Part I has been derived from the Company's audited consolidated financial statements for the year ended 31 December 2012 and its unaudited management accounts.

Introduction

The Company was incorporated in Guernsey, Channel Islands on 8 August 2003 and commenced its operations on 21 October 2003. The Company is a Euro denominated Guernsey closed-end investment company listed on NYSE Euronext Amsterdam (formerly listed on the London Stock Exchange and formerly had a secondary listing on the Frankfurt Stock Exchange). The Company is regulated as an authorised closed-ended investment fund by the Guernsey Financial Service Commission. The activities of the Group include the investing in, financing and managing of European real estate assets and European real estate related debt. The Company is externally managed by its investment manager, FIG LLC, an affiliate of Fortress Investment Group LLC.

Investment Objectives and Strategy

The Company's goal is to drive strong risk-adjusted returns primarily from European real estate and real estate related investments.

Alongside maximising the value of its existing investments in German real commercial estate and European ABS and real estate loans, the Company intends to shift its investment focus in the medium term to making opportunistic investments in the Italian real estate sector. It expects to target a wide range of Italian real estate related products, including, but not limited to, non-performing loans (''NPLs''), closed-end real estate fund units and real estate assets. The Company will generally target assets that generate significant current cash flows and/or have the potential for meaningful capital appreciation. The Company is seeking to redeploy, opportunistically, capital harvested from its existing businesses (which may include existing available corporate cash as well as the proceeds of the Offer and other debt and equity financings it may raise in the future) in line with its new investment focus.

The Company's asset allocation and target assets may change over time, depending on the Manager's investment focus in light of prevailing market conditions.

The Company believes that through its Manager, it is one of only a select number of market participants that has the combination of industry expertise and key business relationships which the Company thinks are necessary to take advantage of this opportunity. The Company intends to focus on the investment opportunities described below, as well as other opportunities that may arise as the European real estate market evolves.

The Group intends to pursue a medium term strategy substantially, but not exclusively, consisting of: (i) investing in Italian NPLs and other Italian real estate related opportunities; (ii) asset management and run-off of its German commercial real estate portfolio; and (iii) active management of its European real estate related debt portfolio. A summary of each category is set out below.

New Investment Focus: Italian NPLs and Other Italian Real Estate Related Investments

Given the current market environment, the Company sees significant investment opportunities in Italian NPLs and other Italian real estate related assets with potential to generate superior risk-adjusted returns and permit dividend growth over time.

The European financial crisis has created a significant supply-demand imbalance, with (i) over €120 billion[1] of Italian NPLs on banks' balance sheets and pressure on banks to sell non-core assets to improve capital ratios; and (ii) a limited universe of buyers with deep market knowledge, industry relationships and servicing expertise in Italy.

The Company intends to capitalize on the Manager's longstanding experience in Italy to source opportunities to acquire Italian NPLs, real estate assets and closed-end real estate fund units, together

1 Source: Bank of Italy data and PWC Analysis on ABI and Bank of Italy data – as per ABI Monthly Outlook – Feb 2013.

with the Manager's relationship with Italfondiario, which is majority-owned by Fortress private equity funds, to analyse and service investments. Since 2001, funds managed by Fortress have acquired €16.5 billion (by gross book value) of Italian NPLs in seven transactions.

Italfondiario is the largest independent special servicer in Italy and is 88.8 per cent. owned by funds managed by Fortress. Italfondiario has approximately 600[2] employees in nine offices in Italy, currently servicing approximately €34 billion[2] of loans. Italfondiario has developed long term strategic relationships with top Italian banks including an agreement with Intesa Sanpaolo to manage their newly-generated NPLs. Italfondiario is one of the highest rated special servicers in Italy by Fitch and S&P with access to a vast network of external professionals and proprietary IT asset management systems. The servicer has consistently demonstrated an ability to predict cash flow with a high degree of accuracy. The Group plans to engage the services of Italfondiario to manage its NPL portfolios as it acquires them.

Italian Non-Performing Loans

The Company believes Italian NPLs represent an attractive, ''actionable'' investment opportunity that the Company is particularly well positioned to take advantage of. The Company is targeting unlevered returns (before expenses associated with the investment) in the range of 15 to 20 per cent. per annum from investments in Italian NPLs. From a low of €42 billion[3] in 2008, the volume of NPLs on Italian banks' balance sheets has grown to €122 billion in 2012[3], representing an increase of over 300 per cent., with delinquency rates increasing from 2.6 to 6.4 per cent. over the same period[3]. A number of factors have contributed to the surge in NPLs in Italy, including:

- deteriorating loan quality during the period leading up to the global financial crisis – the influx of foreign banks into the Italian market led Italian banks to lend more aggressively to stay competitive;
- poor servicing capabilities within the banks – banks are typically not well equipped to handle special servicing, and rely on a lengthy court resolution process as compared to active management and out of court settlements to resolve NPLs; and
- limited NPL sales by banks from 2007 to 2012 – due to a large gap between ask and bid prices.

After a long period of inactivity, banks now appear highly motivated to dispose of NPL portfolios in order to manage regulatory pressure, improve their capital ratios, create liquidity and deconsolidate assets.

As importantly, banks are being forced to take larger loss provisions against their non-performing loans following a recent analysis by the Bank of Italy, which is expected to close the bid-ask spread and make it more likely that banks will be willing to sell their portfolios.

Based on these factors and the Manager's previous experience, the Company estimates that up to 40 per cent. of the stock of Italian NPLs could be sold over the next three years which represents NPLs with a face value of almost €50 billion. Assuming an average purchase price of 25 per cent. of face value, this equates to an investment opportunity of €12.5 billion.

The Company intends to pursue a customised investment approach to acquiring Italian NPLs which may include entry into strategic partnerships with banks and negotiating structured transactions to match the seller's specific requirements.

On 13 February 2013 the Board of Directors approved the Group's first Italian NPL investments. The investments, which are subject to finalisation of documentation, are expected to close on or around 20 May 2013.

The first investment is into a vehicle that is the ultimate holder of three portfolios of NPLs and one portfolio of performing loans. One portfolio comprises predominantly unsecured NPLs, the remaining two NPL portfolios comprise a mixture of unsecured loans and loans secured over Italian residential properties. The performing loans portfolio in 100 per cent. secured. The first investment is being acquired from certain investors in a private fund managed by an affiliate of Fortress.

2 Source: Italfondiario management data at 31 December 2012.
3 Source: Bank of Italy data and PWC Analysis on ABI and Bank of Italy data – as per ABI Monthly Outlook – Feb 2013.

The vehicle in which the Group will invest is a Delaware incorporated LLC managed by FIG LLC. No fees are payable to FIG LLC in respect of the management of this vehicle. Following completion of the acquisition of the interests in the LLC, the Group will own approximately 82 per cent. of the vehicle.

The total consideration payable by the Group for this investment is approximately €13.9 million. The consideration payable has been determined in light of a fair value analysis of the four portfolios by an independent professional valuation firm.

The second investment comprises the direct acquisition by the Group of 100 per cent. of the Italian securitisation notes issued in respect of a separate portfolio of 100 per cent. secured NPLs. The notes will be acquired from Fortress affiliates for €200,000.

Each of the five portfolios of loans in which the Group is investing has historically been serviced by Italfondiario and this arrangement will continue following the investments by the Group.

In accordance with the provisions of the Management Agreement in relation to related party transactions, these acquisitions have been approved by the independent directors. The acquisitions are not conditional upon the Company raising proceeds pursuant to the Offer.

Italian Real Estate Funds

The closed-end fund structure was created in 1998 to attract institutional capital to Italian real estate. It is estimated that there are currently over 300[4] Italian closed-end real estate funds (listed and reserved to institutional investors) with total assets under management of approximately €50 billion[4], a number of which are approaching liquidation. Listed real estate funds trade at substantial discount to net asset value and the Company intends to target funds with a near term liquidation where it believes the Manager will be in a position to influence the liquidation process.

Asset Management and Run-Off: German Real Estate Portfolio

As at 31 December 2012 the Group owned 422 properties in Germany with a market value of €2 billion and an annual rental income of €139 million. In 2012, 67 per cent. of the value of the Group's portfolio was located in secondary markets outside the largest 5 cities in Germany. As at 31 December 2012, investments in German commercial real estate represented approximately 64 per cent. of the Group's net assets (€195.7 million)[5] when excluding the Mars Floating Portfolio[6].

The Company intends to continue to selectively sell its German real estate assets as part of a comprehensive sales strategy aimed at harvesting the value from this portfolio in the short to medium term. The Group has sold 103 assets (€477.7 million of gross purchase price) over the last 3 financial years. In the first quarter of 2012, the Group has sold a further 7 properties generating €55.7 million in sales proceeds. The Company may look to retain certain German real estate assets which are subject to long term leases in the banking and retail sectors.

Active Portfolio Management: European Real Estate Related Debt Portfolio

The Company intends to continue to actively manage its debt portfolio to harvest the long term value of the investments it has made in this sector. The Company expects to continue to reinvest, where possible, redemption proceeds generated within its remaining public CDO, Duncannon, in order to enhance the value of its investment in Duncannon. At the same time, the Company seeks to maximise returns on investments made other than through Duncannon, to position such returns for reinvestment in accordance with the Company's prevailing investment and distribution strategy.

---

4 Scenari Immobiliari ''I Fondi immobiliari in Italia e all'Estero'' 2013 estimate.

5 The segmental net asset value set out in the annual report which is incorporated by reference pursuant to Part XIII allocates corporate cash of €38.5 million to the debt and real estate portfolios. The segmental net asset values stated above exclude this allocation.

6 The NAV disclosed excludes the negative NAV of the Mars Floating portfolio as this financing is non-recourse to the Company and not callable as a result of any changes in the value of the assets.

As at 31 December 2012, the Group's debt portfolio represented 26 per cent. of its net assets (€79.4 million)[7] when excluding the Mars Floating Portfolio. Please refer to the section headed "European Real Estate Related Debt Portfolio" in Part II of this Prospectus for a summary of the Group's current debt portfolio.

Diversification and Risk Management

The Group does not have specific criteria as to the allocation among types of its investments since its investment decisions depend on changing market conditions. Instead, the Group focuses on relative value and in-depth risk/reward analysis (with an emphasis on asset quality and principal protection), diversification, suitable financing and credit risk management.

The Board, taking into account advice received from the Manager in accordance with the Management Agreement, periodically reviews the Company's portfolio of investments in the context of the objective of diversification described above and for compliance with the Group's overall investment objective. The independent Directors will consider corrective action if they identify that a particular investment does not comply with the Group's investment criteria.

The Group's investment policy is adopted by and may be varied by the Board from time to time, taking into account advice received from the Manager in accordance with the Management Agreement. The approval of Shareholders is not required for any change in the Group's investment policy.

The Group does not have a predetermined target debt to equity ratio as the Directors believe the appropriate leverage for the particular assets that the Group is financing depends on the nature and credit quality of those assets. However, the total leverage of the Group will not exceed 95 per cent. of the Group's gross assets.

The Board of Directors has adopted guidelines for investments where there may be a conflict of interest with the Manager and these guidelines, which are set out in the Management Agreement, are currently as follows:

- the Group will not co-invest with the Manager or any of its affiliates unless (i) the co-investment is in accordance with any guidelines approved by the Board of Directors from time to time; and (ii) such co-investment is approved in advance by a majority of the independent Directors; and
- the Group may acquire assets from the Manager or its affiliates, acquire assets in which the Manager or its affiliates has an ownership interest, sell assets to the Manager and its affiliates, appoint affiliates of the Manager to perform due diligence or service investments, provided in each case that such transaction complies with the Group's investment guidelines and the transaction is on arm's length commercial terms.

Net Asset Value[8]

As at 31 December 2012, being the date of the most recent net asset valuation, the net asset value was €307.3 million, 10 per cent. of which (€32.3 million)[9] comprises cash and other corporate net assets. Based on the Shares in issue as at 31 December 2012, the net asset value per share was €0.46. Following Conversion of the Shares on 12 April 2013, the net asset value per share (based on the 31 December 2012 net asset value) was €0.09. When adjusted for the 200 for 1 share consolidation that took place on 8 May 2013, the NAV per share would be €17.43.

Amount of Leverage

The amount of equity relative to the external debt of the Group will depend, among other things, upon the diversification and quality of the underlying investments. In any case, the total leverage of the Group

---

7 The segmental net asset value set out in the annual report which is incorporated by reference pursuant to Part XIII allocates corporate cash of €38.5 million to the debt and real estate portfolios. The segmental net asset values stated above exclude this allocation.

8 The NAV disclosed excludes the negative NAV of the Mars Floating portfolio as this financing is non-recourse to the Company and not callable as a result of any changes in the value of the assets.

9 The segmental net asset value set out in the annual report which is incorporated by refernce pursuant to Part XIII allocates corporate cash of €38.5 million to the debt and real estate portfolios. The segmental net asset values stated above exclude this allocation.

will not exceed 95 per cent. of its gross assets. As at 31 December 2012, the Group on a consolidated basis had incurred €2,258 million nominal of debt representing 85 per cent. of its gross assets.

Dividend and Dividend Policy

The Company has in the past paid dividends to Shareholders. However, since the issue of the convertible securities in 2008, the Company has not paid any dividends to Shareholders due to restrictions on dividend payments contained in the terms of the convertible securities and the fact that the Company has incurred losses from writedowns to the value of its portfolio.

Since the initial public offering in June 2004, the Board of Directors of the Company has declared the following dividends:

	Record Date	**Payment Date**	**Per Share Dividend**
2004 – Third quarter	29 October 2004	5 November 2004	€0.30
2004 – Fourth quarter	4 March 2005	11 March 2005	€0.33
2005 – First quarter	29 April 2005	6 May 2005	€0.33
2005 – Second quarter	24 June 2005	15 July 2005	€0.35
2005 – Third quarter	28 October 2005	11 November 2005	€0.37
2005 – Fourth quarter	25 January 2006	17 February 2006	€0.37
2006 – First quarter	17 May 2006	2 June 2006	€0.30
2006 – Second quarter	23 August 2006	8 September 2006	€0.40
2006 – Third quarter	15 November 2006	1 December 2006	€0.43
2006 – Fourth quarter	27 November 2006	15 December 2006	€0.29
2007 – First quarter	7 March 2007	23 March 2007	€0.14
2007 – Second quarter	17 May 2007	1 June 2007	€0.45
2007 – Third quarter	21 August 2007	31 August 2007	€0.60
2007 – Fourth quarter	20 November 2007	30 November 2007	€0.60
2008 – First quarter	2 April 2008	11 April 2008	€0.30
2008 – Second quarter	19 August 2008	29 August 2008	€0.30

Subject to investment proceeds being available for the purpose and other legal requirements, the Company intends to reinstate an annual dividend of €0.50 per Share. The Company expects to pay this as a quarterly dividend of €0.125 per Share, commencing in the third quarter of 2013. In order to be in a position to pay this, the Company will propose a resolution at its AGM in May 2013 to approve an amendment to its Articles of Incorporation to allow it to take advantage of changes to Guernsey company law which permits greater flexibility in the making of dividend payments (including that profits are no longer the key determinant of the distribution policy of a company, rather a company may pay a dividend or distribution from any source, provided that the directors are satisfied on reasonable grounds that it is, and remains, solvent).

The Company intends to make dividend payments from available cash from operations including proceeds of sale in relation to disposals of existing investments.

All distributions will be made at the discretion of the members of the Board of Directors and will depend on the Company's earnings, financial condition and such other factors as the Board of Directors may deem relevant from time to time, including limitations under Guernsey company law and any other applicable laws or regulations. The Company may revise its dividend policy from time to time and there can be no assurance that the Company will pay dividends at all.

Use of Proceeds

The Company is seeking to raise further capital in order to pursue new investment opportunities, including in the Italian real estate and debt market. The Company is actively identifying and reviewing investment opportunities, although it has not yet identified specific targets for which to use the proceeds of the Offer. The net proceeds of the Offer, which will be set out in the Pricing Statement will be used exclusively to fund the acquisition of further investments in alignment with the Company's new investment focus.

Financial Information

Consolidated financial information for the three years ended 31 December 2012 is incorporated by reference in Part XIII of this Prospectus.

Other than as set out below, there has been no significant change in the financial or trading position of the Group since 31 December 2012, being the end of the last financial period of the Company for which historical financial information is incorporated by reference in this document. On 12 April 2013, all convertible securities issued by the Company were converted into Shares. This resulted in the issue of 3,398,474,685 new Shares, increasing the issued share capital of the Company from 127,425,780 Shares to 3,525,900,465 Shares. On 8 May 2013, a 200 to 1 share consolidation was implemented which resulted in the consolidation of 3,525,900,465 Shares into 17,629,502 Shares (after taking account of fractional interests).

PART II:

OVERVIEW OF CURRENT PORTFOLIO AND FINANCING ARRANGEMENTS

As at 31 December 2012, the Group held €2,031 million (by carrying value) of real estate investments located in Germany and its diversified portfolio of real estate related debt investments totaled €456 million.

Set out below is an overview of the Group's current real estate and debt portfolios and its financing arrangements. Please refer to Part I ''The Company, its Business and Investment Opportunities'' for information about the Company's intention to shift its investment focus to include investments in the Italian real estate sector whilst harvesting value from its existing portfolio summarised below.

German Commercial Real Estate

The Group historically has invested primarily in German commercial real estate. Substantially all of these assets were direct real estate investments, comprising the Wave Portfolio, Belfry Portfolio, Truss Portfolio, Drive Portfolio, Turret Portfolio, Tannenberg Portfolio, Superstellar Portfolio, HUK Portfolio, Mars Floating Portfolio, Mars Fixed II Portfolio and Bridge Portfolio.

The following section describes the Group's direct real estate asset investments. The Group treats the Drive Portfolio as a direct real estate investment on the basis that, through ownership of all the units in the Dresdner Grund-Fonds, the Group keeps all the economic benefit and all the economic burden of all the assets in the Drive Portfolio and intends to include those assets in its consolidated accounts.

As at 31 December 2012, the Group's direct real estate investments amounted to 77 per cent. of the Group's gross assets and comprised 422 properties in Germany with an aggregate market value of €2,008 million (excluding capitalized tenant incentives, leasing commission and head leases).

The tables below contain a summary of data in relation to the Group's real estate portfolio as at 31 December 2012 and 31 December 2011. Please see the table in Part XI ''Interim Management Statement'' for the data as at 31 March 2013.

Property Valuation Data (by Portfolio)

For 2012

	Number of properties	Occupancy %	Lettable space (sqm)	Property valuation(1) €m	Passing Rent €m	Net operating income (NOI)(2) €m	NOI yield on valuation %
Drive	162	66.9%	414,536	710	40.5	30.2	4.3%
Bridge	6	96.5%	191,572	407	27.1	25.0	6.1%
Wave	56	81.4%	149,309	182	13.8	11.1	6.1%
Turret	63	96.9%	141,389	169	14.9	12.7	7.5%
Mars Floating (3)	11	59.3%	155,335	129	9.8	6.3	4.9%
Mars Fixed II	3	89.8%	38,291	96	6.5	4.7	4.9%
Truss	41	96.5%	81,437	95	8.2	7.0	7.4%
Belfry	27	95.1%	52,900	60	5.1	4.4	7.3%
Tannenberg	27	94.6%	49,569	59	5.0	4.3	7.2%
Superstella	18	100.0%	38,641	56	4.4	4.0	7.2%
HUK	8	94.3%	30,399	45	3.6	3.2	7.1%
Total portfolio	**422**	**81.2%**	**1,343,378**	**2,008**	**138.9**	**112.9**	**5.6%**

For 2011 (on a like-for-like basis):

	Number of properties	Occupancy %	Lettable space (sqm)	Property valuation[1] €m	Passing Rent €m	Net operating income (NOI)[2] €m	NOI yield on valuation %
Drive	162	78.7%	414,536	759	50.0	42.7	5.6%
Bridge	6	96.2%	191,572	424	29.9	28.1	6.6%
Wave	56	81.5%	149,309	176	13.7	11.8	6.7%
Turret	63	97.6%	141,389	173	15.0	13.4	7.8%
Mars Floating [3]	11	59.7%	155,335	152	9.8	6.4	4.2%
Mars Fixed II	3	86.2%	38,291	96	6.3	5.2	5.4%
Truss	41	98.6%	81,437	97	8.4	7.5	7.7%
Belfry	27	98.2%	52,900	61	5.2	4.6	7.6%
Tannenberg	27	95.5%	49,569	61	5.2	4.4	7.2%
Superstella	18	100.0%	38,641	56	4.4	4.1	7.2%
HUK	8	93.3%	30,399	44	3.5	3.2	7.2%
Total portfolio	**422**	**85.1%**	**1,343,378**	**2,099**	**151.5**	**131.4**	**6.3%**

(1) Property valuation excludes the leasehold gross-ups of €23.2 million (31 December 2011: €22.6 million).

(2) Net operating income is after deducting €2.0 million (31 December 2011: €2.8 million) of free rent. It excludes the amortisation of tenant incentives and leasing commissions, the fund costs related to the Drive portfolio and other real estate related general expenses included within property operating expenses in the consolidated income statement. It is shown here as the annualised amount at the period end.

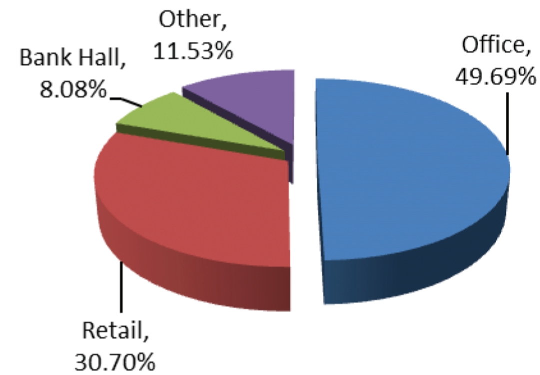
(3) The total portfolio includes 100 per cent. of the Mars Floating portfolio, in which the Group has a 50 per cent. investment.

The following tables and pie charts contain information relating to the composition of the Group's aggregate direct real estate portfolio. Underlying information has been sourced from the Company's management data as at 31 December 2012.

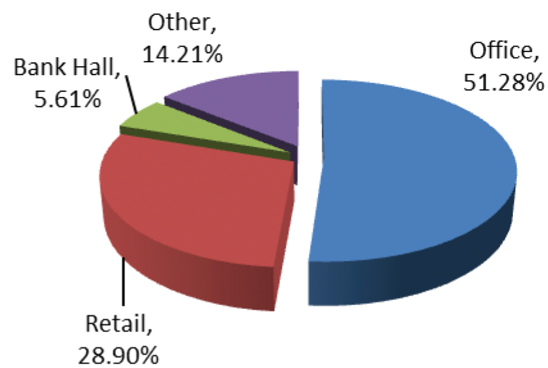
	Total
Portfolio Market Value (€m)	2,008
Number of assets	422
Rental Income (€m/year)	139
Rental Income (€m/sqm/year)	127
Top 10 assets by Rental Income	35%
Top 20 assets by Rental Income	45%
Top 30 assets by Rental Income	52%
Credit Tenants[10] portion of Rental Income	59%
Other Tenants portion of Rental Income	41%
Net Operating Income (€m/year)	113
Net Operating Income Yield	5.6%
Average Value (€/m^2)	1,494
Portfolio Area (m^2)	1,343,378
Average Assets Size (m^2)	3,183
Occupancy (m^2)	1,090,524
Occupancy (per cent. of Area)	81.2%
Average lease term (years)	4.5
Credit Tenants[10]	4.9
Other Tenants	3.8

10 Credit Tenant represents Commerzbank, Deutsche Bank, Deutsche Bahn, Vodafone and anchor tenants in the Retail Portfolio.

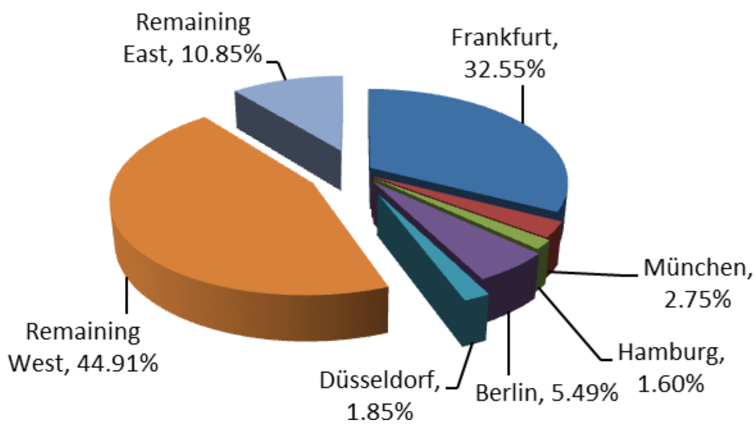
Sector Distribution by Rental Income



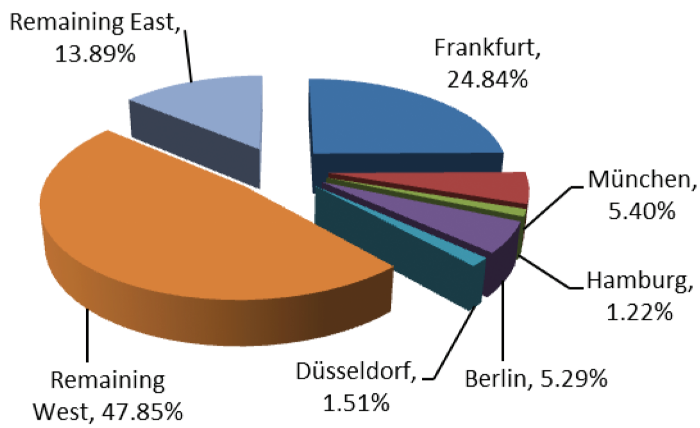
Sector Distribution by Lettable Floor Space



Metropolitan Concentration by Rental Income[11]

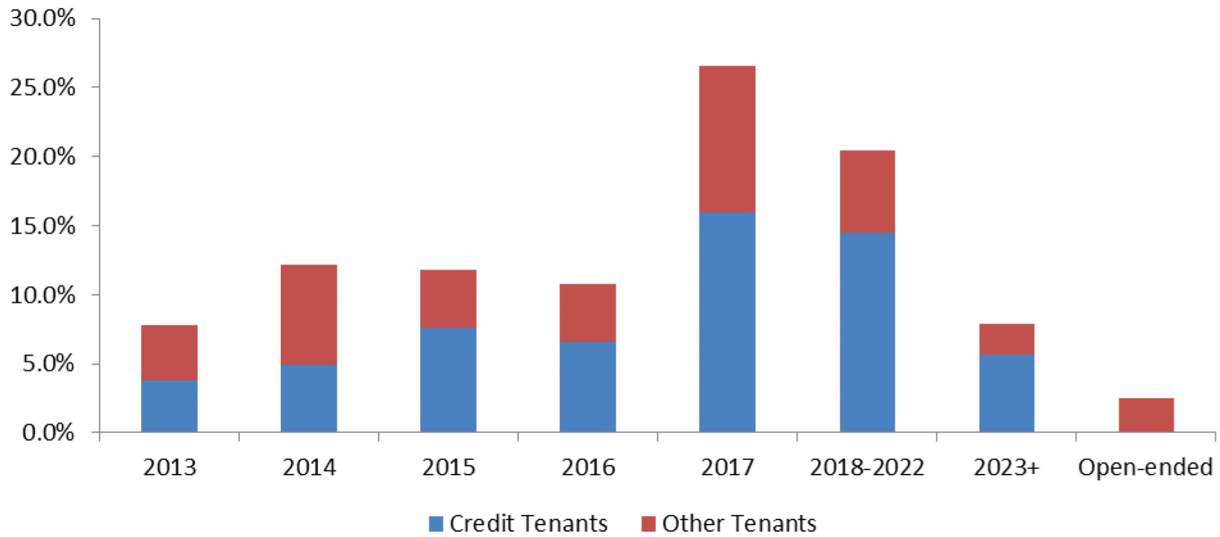


Metropolitan Concentration by Lettable Floor Space



11 Remaining East and Remaining West refers to the former East Germany and West Germany respectively, excluding those cities specifically stated.

Lease Expiry Schedule



* Credit Tenants represents Commerzbank, Deutsche Bank, Vodafone and anchor tenants in the Retail Portfolio.

Non-Retail Portfolio

Bridge Portfolio

The ''Bridge Portfolio'' comprises 3 single tenant and 3 multi-tenanted office properties. It was acquired in 2006 and comprises of approximately 192,000 sqm of which 72.0 per cent. are situated in the Rhine-Main area. The key tenants are Vodafone (26.8 per cent. of rent), CSC (20.5 per cent. of rent) and Deutsche Bahn (18.4 per cent. of rent). As at 31 December 2012, the average remaining lease term is 5.8 years with occupancy of 96.5%.

Wave Portfolio

The ''Wave Portfolio'' was acquired through a sale/leaseback transaction with Deutsche Bank in December 2004. As at 31 December 2012, this portfolio is approximately 149,000 sqm spread across 52 cities and towns throughout Germany and predominantly consists of office buildings. Rentals to Deutsche Bank accounted for 72.7 per cent. of the portfolio's revenue from 52.8 per cent. of the total lettable space. Deutsche Bank has leased the properties on a standard form of lease which reflects customary terms in the German market. It is fully indexed to the German consumer price index.

The average remaining lease term for properties let to Deutsche Bank in the Wave Portfolio is 3.3 years, while the average remaining lease term of the entire portfolio is approximately 3.2 years. As at 31 December 2012, the total occupancy of the Wave Portfolio was approximately 81.4 per cent. with unlet space in the region of 28,000 sqm.

Drive Portfolio

Drive S.à.r.l., a wholly-owned subsidiary of Luxgate S.à.r.l. which in turn is a wholly-owned subsidiary of the Company, owns all of the units in ECT GPROP1, a German public open ended real estate fund (the ''Fund'') that owns a portfolio of 162 commercial properties in Germany (the ''Drive Portfolio'').

The Fund is managed by Aberdeen Immobilien Kapitalanlagegesellschaft GmbH (the ''Drive Manager''). An affiliate of the Drive Manager is currently retained by the Fund to provide asset management services.

The Drive Portfolio consists primarily of office buildings and comprises approximately 415,000 sqm of leasable space. The properties within the Drive Portfolio are located throughout Germany with concentrations in Frankfurt and the western part of Germany. Rentals to Commerzbank accounted for approximately 75.7 per cent. of the portfolio's rental income. As at 31 December 2012, Commerzbank's average remaining lease term was 4.2 years, in line with the average remaining lease term of the portfolio. As at 31 December 2012 the occupancy rate of the Drive portfolio was 67 per cent. by lettable area, as a result of changes in Commerzbank's requirements following its acquisition of Dresdner Bank.

All of the Commerzbank leases are based on a standard form of lease which reflects customary terms in the German market. In particular, there is a rent adjustment equal to 100 per cent. of the change in the German consumer price index determined on an annual basis. In addition, Commerzbank has options to extend the lease term, in most cases twice, on each occasion by 5 years.

HUK Portfolio

The Group acquired a portfolio of 8 properties through a sale/leaseback transaction with HUK, a leading German insurance group, in 2007 (the ''HUK Portfolio''). The properties are located throughout Germany and comprise approximately 30,000 sqm. The average remaining lease term is 3.8 years with HUK accounting for 65.7 per cent. of rental income. Approximately 94 per cent. of the portfolio is currently occupied.

All of HUK's leases are based on a standard form of lease reflecting customary terms in the German market. In most cases, the rent adjustment is equal to 100 per cent. of the change in the German consumer price index determined on an annual basis. HUK has the option to extend the lease term for any or all of the leases for 4 or 5 years.

Mars Floating Portfolio

The Group acquired a portfolio of multi-tenanted office properties within a larger transaction in 2007 (the ''Mars Floating Portfolio''). As at 31 December 2012, the portfolio comprises 10 properties mainly in the Rhine-Main, the Rhein-Ruhr and the Munich area with 155,000 sqm. Approximately 59.3 per cent. of the portfolio is occupied with an average remaining lease term of 3.2 years. None of the in-place tenants contributes more than 5 per cent. to the portfolio's rental income.

Mars Fixed II Portfolio

The Group acquired a portfolio of 3 multi-tenanted properties within a larger transaction in 2007 (the ''Mars Fixed II Portfolio''). It consists of a high street retail anchored multi-use property in Darmstadt, an office tower with a large retail unit on the ground floor in Cologne and an office property in Hamburg. The portfolio comprises approximately 38,000 sqm which are approximately 89.8 per cent. occupied. Of the available space, 54 per cent. is retail and 37 per cent. is office usage. The average remaining lease term is 3.3 years.

Retail Portfolio

As at 31 December 2012, the Group's Retail Portfolio comprises 176 German retail assets amounting to approximately 364,000 sqm of lettable floor space in 5 separately financed portfolios, the Belfry Portfolio, Superstella Portfolio, Tannenberg Portfolio, Truss Portfolio and Turret Portfolio, as described below. These assets are leased principally to national German retailers on market standard leases in the German retail market. Substantially all leases are indexed to the German consumer price index with a rental adjustment being made once the index has moved 10 per cent. from a reference level set upon signing of each lease. The size of the adjustment is generally between 50 per cent. and 100 per cent. of the index movement depending on the tenant and the term of the lease.

The Group's retail assets in aggregate derive over 75 per cent. of their rental income from German national retailers, including prominent national retailers such as the Edeka Group, the Rewe Group, the Schwarz Group and Tegut.

Belfry Portfolio

The Group acquired a portfolio of retail properties in various locations across Germany (the ''Belfry Portfolio'') in 2005. The Belfry Portfolio comprises 27 properties, the majority of which are leased to prominent German retailers with long term leases. The properties are generally in grocery, discounter or supermarket formats with an aggregate lettable area of approximately 53,000 sqm. The portfolio currently benefits from over 95.1 per cent. occupancy and in-place leases have a weighted-average lease term of 4.1 years. Over 61 per cent. of the Belfry Portfolio's income is due from prominent German retailers.

Superstella Portfolio

The Group acquired a portfolio of 18 retail properties in a sale/leaseback transaction with a leading national retailer, Edeka Group (the ''Superstella Portfolio'') in 2007. The properties are generally in grocery, discounter or supermarket formats with an aggregate lettable area of approximately 39,000 sqm. 93.3 per cent. of the rental income as at 31 December 2012 is derived from Edeka Group occupying 94.3 per cent. of the total lettable area. The portfolio currently benefits from 100 per cent. occupancy and in-place leases have a weighted-average lease term of 8.8 years.

Tannenberg Portfolio

The Group acquired a portfolio of 27 retail properties held by various unconnected sellers in various locations across Germany (the ''Tannenberg Portfolio'') in 2007. These properties are generally in grocery, discounter or supermarket formats, and have an aggregate lettable area of approximately 50,000 sqm. As at 31 December 2012 they benefit from 94.6 per cent. occupancy. In-place leases have a weighted-average lease term of approximately 5.8 years and 70 per cent. of income is derived from prominent German retailers.

Truss Portfolio

The Group acquired a portfolio of 41 retail properties held by various unconnected sellers in various locations across Germany (the ''Truss Portfolio'') in 2006.

These properties are generally in grocery, discounter or supermarket formats, and have an aggregate lettable area of approximately 81,000 sqm. As at 31 December 2012, they benefit from almost 97 per cent. occupancy. In-place leases have a weighted-average lease term of approximately 4.2 years and over 72 per cent. of income is derived from prominent German national retailers.

Turret Portfolio

The Group acquired a portfolio of 63 properties in Germany (the ''Turret Portfolio'') in 2006.

As at 31 December 2012, the properties in the Turret Portfolio have an aggregate lettable area of approximately 141,000 sqm. They benefit from almost 97 per cent. occupancy and the in-place leases have a weighted-average lease term of approximately 4.0 years. The properties are approximately 80 per cent. leased to national German retailers, primarily comprising discount stores and super stores.

Further information regarding the Group's direct real estate investments is provided in the valuation reports contained in Part XII of this Prospectus.

European Real Estate Related Debt Portfolio

As at 31 December 2012, the Group's portfolio of real estate related debt consisted of 30 per cent. Sterling denominated investments, 68 per cent. Euro denominated investments and 2 per cent. Swiss Franc denominated investments with collateral spread 30 per cent., 13 per cent., 28 per cent. and 29 per cent. respectively between UK, Italy, Germany and other European countries. The real estate related debt portfolio had a weighted average credit rating of B-.

European CMBS and Other Asset Backed Securities

CMBS

The Group intends to continue to make CMBS investments by recycling principal and sales proceeds received within the Duncannon CRE CDO. CMBS are debt securities secured by or evidencing ownership interests in a single mortgage loan secured by a commercial property or a pool of mortgage loans secured by commercial properties. The majority of investments in CMBS are intended to consist of securities that are part of a capital structure or securitisation where the rights of such class to receive principal and interest are subordinate to senior classes but senior to the rights of lower rated classes of securities.

Other Asset Backed Securities

The Group may also make investments in other types of asset backed securities which are backed by various other types of collateral such as loans to small and medium sized companies and whole business loans.

As at 31 December 2012, the Group's asset backed securities portfolio comprised 46 securities with an aggregate face value of €354 million held at a carrying value of €267 million and an average investment size of €8 million. Of this portfolio, 27.5 per cent. were Investment Grade and 72.5 per cent. were Non-Investment Grade, with an overall weighted-average rating of B+; 88.0 per cent. was CMBS, 0.3 per cent. was RMBS and 11.7 per cent. was other ABS.

European Real Estate Related Loans

The Group has also invested in portfolios of European mortgage loans. These loans have taken the form of ''B Notes''. A ''B Note'' is typically a privately negotiated loan (a) secured by a first mortgage on a single large commercial property or group of related properties and (b) subordinated to an ''A Note'' secured by the same first mortgage on the same property. The subordination of a B Note is typically evidenced by an inter-creditor agreement with the holder of the related A Note. The Group has acquired B Notes in negotiated transactions with the originators, as well as in the secondary market.

As at 31 December 2012, the Group's real estate related loans portfolio comprised 21 loans with an aggregate face value of €277 million held at a carrying value of €168 million and an average investment size of €13 million. Of this portfolio, all were Non-Investment Grade with an overall average rating of CCC.

Other Investments

The Group may also selectively pursue special investment situations where the Manager believes cash flows have been mispriced, such as discounted securities in particular sectors or jurisdictions which have fallen out of favour due to economic pressures, regulatory issues or illiquidity.

Group Financing Overview

Real Estate Asset Financing

The Group generally procures medium to long term non-recourse secured financing for both direct and other real estate investments. It structures such financing taking into account jurisdiction-specific factors to ensure optimal returns.

The Group's real estate financing comprises the following non-recourse facilities:

Portfolio	Month raised	Face value as at 13 May 2013 €'000	Face value as at 31 December 2012 €'000	Interest Rate as at 31 December 2012	Fixed or Floating Interest Rates	Maturity date
Drive Senior	Feb 2006	280,832	369,346	3.76%	Fixed	Jan 2014
Drive Junior	Feb 2006	308,467	308,467	4.51%	Fixed	Jan 2013
Bridge	Oct 2006	372,090	372,090	4.67%	Fixed	Jan 2014
Wave	Apr 2007	142,638	153,534	4.78%	Fixed	Apr 2014
Mars Floating	Jan 2007	134,593	147,872	2.33%	Partly fixed	Dec 2013
Turret	May 2006	147,556	147,556	4.85%	Fixed	May 2016
Truss	Dec 2005	84,855	85,280	4.85%	Fixed	Feb 2016
Mars Fixed II	Jun 2008	78,303	78,303	5.07%	Fixed	Jun 2013
Belfry	Aug 2005	54,496	54,770	4.66%	Fixed	Oct 2015
Rapid	Aug 2007	54,500	54,500	4.91%	Fixed	Nov 2017
Tannenberg	May 2007	52,960	52,960	4.66%	Fixed	Oct 2014
HUK	Feb 2007	39,896	39,896	4.86%	Fixed	May 2014
Total		**1,751,186**	**1,864,574**			

The Group's debt financings had a face value as at 13 May 2013 of €36.6 million in relation to Eurocastle CDO IV and €354.7 million in relation to Duncannon CRE CDO IV.

As at 13 May 2013, being the latest practicable date prior to publishing this Prospectus, the Group's current borrowings were €2,142,553,000.

2013 Maturities

The Group secured a restructuring of the senior loan on the Drive Portfolio in January 2013. Modified terms include a one-year extension and interim amortisation targets (refer to Note 26 of the Notes to the Consolidated Financial Statements for the financial year ending 31 December 2012 which are incorporated by reference into this Prospectus pursuant to Part XIII of this Prospectus) to be met through an agreed sales programme. Sales fees of 3.5 per cent. of gross sales proceeds shall be for the benefit of the Group if these targets are met. In addition, the Company will receive asset management fees in relation to the Drive Portfolio of €1.7 million per annum. The Group remains in constructive discussions with the lenders of the junior facility for the reinstatement of a short-term extension following its prior extension lapsing on 30 April 2013, in addition to negotiations for a long term extension.

The Mars Floating Portfolio was originally financed on a short term basis in January 2007 and, as at 31 December 2012, had an outstanding balance of €148 million. In consideration of an extension of this facility in January 2009, the Company agreed to transfer to the Mars Floating facility lender half of its equity investment in the portfolio. The loan is currently under standstill following a €28 million shortfall on an interim amortisation payment due on 31 December 2012 pending a restructuring due to be completed in the second quarter of 2013.

On 25 June 2008, the Group successfully refinanced three of the properties out of the Mars Floating Portfolio, with a major German bank, for an amount of €79.0 million. This facility, referred to as the Mars

Fixed II facility, is non-recourse to the Company, has an effective interest rate of 5.21 per cent. and matures in June 2013. In light of the upcoming maturity, the Group is currently engaged in positive discussions with the lender with a view to securing a medium term extension.

Further details of these facilities (including in relation to the negotiation and extension of the facility in relation to the Mars Floating Portfolio) are set out in Note 20.1 to the audited financial results of the Company for the twelve month period ended 31 December 2012, as incorporated by reference pursuant to Part XIII of this Prospectus.

Financial Covenants

The Group has financial covenants that apply to each of its twelve debt facilities in its real estate portfolio. If uncured, non-compliance with these covenants would constitute an event of default under the relevant facility. The main covenants relate to interest cover (''ICR''), the actual requirements of which vary between each loan and are set out in the table below. Two facilities contain a gross yield covenant (''GYR'') which measures total annual rental income as a percentage of the total debt amount outstanding. All such covenants are set out in the table below and are tested quarterly in line with the interest payment date of each facility.

One facility, the Drive senior loan, has a loan to value covenant set at 49.5 per cent.. This covenant is in place because German public fund legislation (to which the Drive Portfolio is subject) requires that a German public open-ended real estate fund may not have long term borrowing exceeding 50 per cent. of the value of its real estate assets based on a prescribed public fund valuation methodology. A failure to comply would result in a mandatory prepayment obligation of the loan to bring the loan back into compliance.

The financing arrangements on all portfolios additionally require the sale of investment properties to achieve minimum release price thresholds before lenders will release security over the assets being sold. The release pricing varies from portfolio to portfolio. Release pricing in excess of current values will hinder the ability of the Group to sell certain assets without specific lender waivers.

Compliance with financial covenants is continuously monitored by the Group. The Group actively manages covenant compliance with measures to take remedial action initiated as soon as it becomes aware of a breach or a projected breach.

As at 31 December 2012 and for all covenant test dates to 30 April 2013, the Group is fully compliant in all financial covenant tests certified to lenders for all facilities save for in the case of the Drive junior facility. The Drive junior facility is currently breaching both its interest coverage and gross yield covenants (as well as being past its stated maturity date and its standstill having lapsed on 30 April 2013)[12]. For further discussion of the Drive Junior facility, see sub-paragraph 13 of ''12 General'' in Part VI of this Prospectus.

12 Discussions with the lenders on a refinancing of the Drive Junior facility are on-going.

Portfolio	Maturity date	ICR covenant (default)	Actual ICR	GYR covenant	Actual GYR
Mars Floating	31/12/2013	100%	167%	n/a	n/a
Mars Fixed II	28/06/2013	115%	123%	7.50%	8.00%
Tannenberg	20/10/2014	100%	153%	n/a	n/a
Wave	15/04/2014	115%	166%	n/a	n/a
Bridge	15/01/2014	125%	141%	n/a	n/a
Belfry	18/10/2015	N/A	145%	n/a	n/a
HUK	07/05/2014	100%	182%	n/a	n/a
Rapid	07/11/2017	100%	146%	n/a	n/a
Truss	07/02/2016	100%	172%	n/a	n/a
Turret	07/05/2016	100%	172%	n/a	n/a
Drive Junior	31/01/2013	145%	5%	7.15%	6.36%
Drive Senior	20/01/2014	200%	265%	n/a	n/a

The Group has two financings for its debt investment portfolio of which only one, the Duncannon CRE CDO I, contains a default financial covenant. The Duncannon CRE CDO I requires that the portfolio satisfies an overcollateralisation test. In order to comply with this covenant, the value (calculated by reference to various rating agency criteria) of the assets must at least be at or exceed the debt outstanding of the most senior class of the notes. As at 31 March 2013, the ratio was reported at 198 per cent. against the required covenant level of 100 per cent., this equates to a cushion of €174 million given the current senior debt outstanding of €178 million.

Securitisation and Loan Asset Financing

CDOs

The Group utilises securitisation structures, such as CDOs, to match-fund certain debt investments.

CDOs are multiple class debt securities, or bonds, secured by pools of collateral consisting of assets, such as mortgage backed or other asset backed securities. In the Group's case, the collateral will be certain Target Investments of a type that the Group typically invests in. Unlike typical securitisation structures, the Group may structure its CDOs such that the underlying assets may be sold, subject to certain limitations, without a corresponding pay-down of the CDO debt during the reinvestment period (which is typically three to five years), provided the proceeds are reinvested in certain qualifying assets. This will enable the Manager to manage, subject to certain limitations, the pool of underlying assets.

Under a CDO financing structure, a portfolio of investments (other than direct real estate investments) satisfying the Company's credit and diversification investment criteria is assembled and held by an SPV. To help finance the purchase of the underlying investments, the SPV may issue a series of notes, which are typically rated by rating agencies, listed on a recognised securities exchange, are not subject to redemption at the request of any third party holders (and thus will not be subject to refinancing risk for mismatched maturities), are sold primarily to institutional investors and only have a claim on the collateral of the issuer.

Duncannon CRE CDO I

On 30 July 2007, the Group completed a CDO financing, Duncannon CRE CDO I, whereby a portfolio of European real estate related securities and loans were refinanced through a public issue with a corresponding U.S. private placement by Duncannon CRE CDO I plc of €730 million of senior and mezzanine bonds and €80 million of subordinated bonds. The Group retained €110.5 million of mezzanine and subordinated bonds and has since acquired a further €3.8 million at a discount.

Since June 2009, Duncannon CRE CDO I has failed to meet certain cashflow triggers, where compliance is generally a function of the default rate and external credit ratings of the underlying investments. As a consequence, substantially all of the interest receipts are mandatorily being diverted to amortise senior debt and the Company has therefore not received any cash from the investment and may not receive any cash from the investment in the future.

Since June 2009, using a combination of amortisation and asset sale proceeds, Duncannon CRE CDO I has repurchased €321 million of its own senior debt at an average price of 64 per cent. of its nominal value. As at 31 December 2012, €392.1 million of senior and mezzanine debt remained outstanding of which €37.2 million has been retained by the Group.

The weighted-average credit rating of Duncannon CRE CDO I plc's portfolio of securities as at 31 December 2012 was B-. The assets in this portfolio are, consistent with applicable rating agency criteria, diversified by asset type, industry, location and issuer. The Directors expect that this diversification will mitigate the risk of capital loss to the portfolio.

Eurocastle CDO IV

The Group, through Eurocastle CDO IV (an SPV borrower), entered into a term credit multi-currency bilateral facility, structured to replicate many features of a CDO financing for €400 million on 14 July 2005 in order to finance investments in asset backed securities and real estate related loans.

The CDO IV term financing was most recently amended in 2011 when its maturity was extended to December 2014 with all principal proceeds being used mandatorily to repay the financing. All excess cashflow after interest and costs is received by the Group, being an amount equal to €0.9 million in 2012 (€0.2 million in 2011).

Consolidated Subsidiaries and Special Purpose Vehicles

The Company holds its investments either directly, through subsidiaries or indirectly through leveraged special purpose vehicles (''SPVs''). In the case of SPVs, the ordinary share capital of the SPVs is held by a third party trust unconnected to the Company or the Manager, but the SPVs are nevertheless consolidated with the Company because, in substance, the Company retains the majority of the residual or ownership risks related to each SPV and its assets in order to obtain benefit from the SPV's activities.

The Company holds its real estate investments through three main Luxembourg based subsidiaries: Luxgate S.à.r.l., Marathon S.à.r.l. and Mars HoldCo S.à.r.l. Depending on the specific investment structure, these companies generally hold the real estate investment through an intermediate holding company (Belfry Lux Participation S.à.r.l. in the case of the Belfry Portfolio, Truss Lux Participation S.à.r.l. in the case of properties within the Truss Portfolio, Eurobarbican S.à.r.l. in the case of the Wave Portfolio, Drive S.à.r.l. in the case of the Drive Portfolio, Turret Lux Participation S.à.r.l. in the case of properties within the Turret Portfolio and Marathon S.à.r.l. in the case of the Bridge Portfolio) which holds the assets in the relevant jurisdiction through one or more local vehicles. The three main Luxembourg holding companies also hold Luxembourg based property companies (Turret Lux Participation S.à.r.l. in the case of properties within the Turret Portfolio, Eschborn (Bridge) S.à.r.l., Düsseldorf (Bridge) S.à.r.l Galluspark (Bridge) S.à.r.l, Berlin (Bridge) S.à.r.l, Wiesbaden (Bridge) S.à.r.l and Sulzbach (Bridge) S.à.r.l. in the case of the Bridge Portfolio, Zama S.à.r.l. in the case of properties within the HUK Portfolio, Superstella S.à.r.l. in the case of properties within the Superstella Portfolio, Tannenberg S.à.r.l. in the case of properties within the Tannenberg Portfolio and a number of Mars PropCo S.à.r.l. entities in the case of properties within the Mars Floating and Mars Fixed II Portfolios which have direct investments in German real estate). All these portfolios are consolidated at the Group level.

The Company holds its securities and loan investments through four SPVs incorporated in Ireland (Eurocastle Funding Limited, Eurocastle CDO IV PLC, Duncannon CRE CDO I plc and FECO Sub SPV plc), and one Luxembourg subsidiary, Undercroft S.à.r.l.

Over time, the Directors expect the Company to establish additional vehicles to finance the acquisition of further investments and have recently established an additional subsidiary, Italy Investments S.à.r.l., which is anticipated to hold such assets once acquired.

The Company does not have, and does not currently anticipate having, any off-balance sheet financing.

PART III:

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The discussion and analysis below provides information which the Directors believe is relevant to an assessment and understanding of its consolidated financial position and results of operations. You should read this discussion and analysis in conjunction with the consolidated financial statements and related notes incorporated by reference as set out in Part XIII of this Prospectus.

The following discussion and analysis contains statements reflecting the Directors' views about the Company's future performance and constitutes ''forward-looking statements''. These views may involve risks and uncertainties that are difficult to predict and may cause the Company's actual results to differ materially from the results discussed in such forward-looking statements. Readers should consider that various factors, including changes in general economic conditions, developments in the European property markets, influence of currency fluctuations and inflation, and other factors discussed in the section entitled ''Certain Risk Factors'' in this Prospectus, may affect the Company's performance. The Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise save to the extent it is required to do so under applicable law or regulation.

The Company has prepared its consolidated financial statements in accordance with International Financial Reporting Standards (or ''IFRS'') which differ in certain respects from generally accepted accounting principles in the United States.

For the purposes of this section, the term ''Company'' means Eurocastle Investment Limited and where the context requires, Eurocastle Investment Limited and its consolidated subsidiaries.

The financial information in this Part III has been extracted without material adjustment from the Company's audited accounts for the years ended 31 December 2012; 31 December 2011 and 31 December 2010.

Factors Affecting Results of Operations

The significant deterioration in economic conditions on the back of the global credit crisis continues to have an adverse impact on property valuations. This has affected and may continue to affect the Group's ability to dispose of assets or the level of proceeds received in relation to any such disposals. Due to the current market conditions and the nature of the assets in which the Group invests, sales of assets by the Group could result in significantly lower proceeds than the carrying value of those assets resulting in losses to the Group. The economic situation may also result in a lower leasing or renewals volume or in a reduction in rents as a result of increased vacancy within the Group's portfolio or tenant defaults.

All of the Group's direct real estate investments are located in Germany. While there are indications that conditions in the German real estate market are improving following a significant decline in the aftermath of the global credit crisis with increased transaction volumes and declining cap rates in 2011/12 compared with 2008/09, this improvement may not be sustained.

The Group's ability to carry on its business for the long-term depends to a significant degree on its ability to generate sufficient revenue to meet its general corporate expenses. The Company's liquidity is primarily generated by cash flows (from ordinary operations as well as from asset sales) from its real estate portfolios. In respect of two of the Group's portfolios, however, Drive and Mars, the majority of the excess net operating cashflow and sales proceeds are required to be retained within the relevant subsidiaries to fund capital expenditure, finance costs and amortisation.

A significant proportion of the Group's financing facilities reach their scheduled maturities in 2013 and 2014. The Company expects to meet the Group's long-term liquidity requirements, especially in relation to its term financing maturities, through negotiated extensions of its term debt, the refinancing of its term debt or asset sales at or before maturity. Although the Group has historically been able to obtain and renegotiate its financings on acceptable terms, however, there can be no assurance that future financing and/or renegotiation of existing terms will be available or, if it is, that it will be available on terms that the Group considers acceptable. In particular, should the current difficult financial market conditions persist, the Group may have difficulty in renewing, extending or refinancing its existing facilities in the future.

On 12 April 2013, the Company completed the mandatory conversion of all of its outstanding convertible securities into Shares. Since the issue of the convertible securities in 2008 the Group, after servicing external debt and meeting its other operating costs, had not upstreamed sufficient cashflow to the Company to enable it to pay the interest due on the outstanding convertible securities, with the consequence that the outstanding amount of principal and interest due on the convertible securities had increased year on year as a result of the deferral and accrual of unpaid interest. The Company therefore sought and obtained the consent of the holders of the convertible securityholders to an amendment to the terms of the convertible securities that would permit mandatory conversion at the Company's option in return for a reduction in the conversion price from €0.30 per Share to €0.05 per Share. The Conversion has discharged in full the Company's liability to pay interest and repay the outstanding principal amount on the convertible securities.

In addition, in order to preserve additional capital for investment, the Company and the Manager agreed conditional on the Conversion, to amend the Management Agreement with effect from 12 April 2013 to reduce the annual management fee payable by the Company. The effect of the amendment was to reduce the annual management fee by approximately €17.5 million on an annualised basis through re-setting the capital base upon which the fee is calculated. The Manager's entitlement to incentive compensation was also re-set to the lower capital base.

As well as the factors described above, other matters affecting the Company's results from operations for 2011 includes the signing of 251 leases for approximately 154,400 square metres (''sqm''), of which 164 were new leases for 56,900 sqm. The lease renewal rate was 69 per cent.. The Company also restructured the Mars Fixed Portfolio and transferred control to a junior lender in return for fixed asset management fees of which €2.9 million was received in 2011. The Company sold its controlling interest in CDO II and CDO III. This realised a gain to the Company of €53.4 million. €26.3 million of its senior CDO debt was repurchased at an average price of 67.6 per cent. to nominal realising a gain of €8.4 million.

In 2012 the Company's results from operations were affected by the entry into of 262 leases for 196,030 sqm, of which, 119 were new leases for 57,382 sqm. The lease renewal rate was 70.2 per cent.. The Company also refinanced the Mars Floating Portfolio and, partially, the Drive Portfolios. These refinancings extended the amortisation terms and created additional sales and asset management fee streams. In the first half of 2012, the Company purchased €76.8 million of its senior CDO debt at an average price of 61 per cent. realising a gain of €30.4 million. The Company also sold its remaining interest in the Mars Fixed Portfolio realising a gain of €6.8 million in 2012.

In 2012, the Company's NAV decreased to €292.1million in 2012 from €362.9 million in 2011. This was as a result of fair value adjustments to investment property primarily in the Drive, Mars Floating and Bridge portfolios and impairments of debt securities offset by the gain on the repurchase of debt. Excluding the negative NAV of the Mars Floating portfolio, which has financing that is non-recourse to Eurocastle, the NAV for 2012 would be €307.3 million.

Current Trading and Prospects

The Company's ability to increase its earnings in order to recommence paying dividends largely depends on its ability to successfully implement its new investment strategy, which will include investing in Italian real estate related investments whilst harvesting value from its existing German real estate assets and portfolio of debt investments. The Company will continue to look for opportunities to dispose of its real estate assets and will actively manage its debt portfolio in order to upgrade both credit quality and yield. Cash proceeds from realisations of investments, together with the net proceeds of the Offer, will be reinvested in accordance with the new investment focus. Based on the Directors' view of the opportunities in Italian real estate related investments and the projected returns from investing in this asset class at the current phase in the cycle, the Directors believe that the Company is currently in a position to capitalise on these opportunities and this should lead to an increase in net income and funds from operations over time.

INCOME STATEMENT

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000	Year ended 31 December 2010 €'000
Operating income			
Interest income	23,900	56,382	44,289
Rental income	139,753	179,572	236,030
Service charge income	27,912	38,407	49,826
Loss on disposal of asset backed securities, available-for-sale	–	–	(5,469)
Gain/(loss) on disposal of loans and receivables	592	520	(6,184)
Decrease in fair value of investment properties	(94,658)	(59,399)	(85,015)
Gain on repurchase of debt financing	30,381	8,376	23,711
Increase in fair value of interest rate swaps	52	1,463	3,523
Gains on foreign currency contracts, translation and swaps	–	1,443	–
Impairment losses	(16,710)	(49,781)	(66,127)
Loss on sale of shares in Bastion	–	(711)	–
Gain on repurchase of mezzanine financing	885	2,753	–
Gain/(loss) on transfer of investment in Mars Fixed I Portfolio	6,793	(9,377)	–
Gain on deconsolidation of CDO II and CDO III	–	53,432	–
Income from associate	–	–	–
Total operating income	**118,900**	**223,080**	**194,584**
Operating expenses			
Interest expenses	89,582	125,739	192,560
Service charge expenses	27,045	35,532	49,826
Property operating expenses	34,962	37,283	36,569
Losses on foreign currency contracts, translation and swaps	1,707	–	425
Other operating expenses	38,050	38,961	39,040
Total operating expenses	**191,346**	**237,515**	**318,420**
Net operating loss before taxation	**(72,446)**	**(14,435)**	**(123,836)**
Taxation expenses – current	7,711	2,290	1,913
Taxation charge/(credit) – deferred	1,515	1,748	(827)
Net loss after taxation	**(81,672)**	**(18,473)**	**(124,922)**
Loss per ordinary share			
Basic and diluted	(0.64)	(0.25)	(1.92)

CONSOLIDATED BALANCE SHEET

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000	Year ended 31 December 2010 €'000
Assets			
Cash and cash equivalents	141,344	117,669	113,990
Investment properties held for sale	76,510	53,152	93,340
Other assets	24,066	22,875	49,976
Available-for-sale securities	46,098	45,543	36,313
Loans and receivables (includes cash to be invested)	409,965	448,647	1,275,901
Fixtures and fittings	55	133	216
Derivative assets	9,792	20,170	29,313
Investment property	1,943,744	2,162,243	3,282,196
Investment in associate	–	-	–
Intangible assets	124	375	1,038
Total assets	**2,651,698**	**2,870,807**	**4,882,283**
Equity and liabilities			
Capital and reserves			
Issued capital, no par value, unlimited number of shares authorised	1,446,624	1,434,370	1,428,119
Accumulated loss	(1,296,297)	(1,186,680)	(1,143,354)
Net unrealised loss on available-for-sale securities and loans and receivables	(30,548)	(38,785)	(143,373)
Hedging reserve	(5,507)	(8,112)	607
Perpetual subordinated convertible securities	160,514	144,822	126,219
Other reserves	17,320	17,320	17,320
Total shareholders' equity	**292,106**	**362,935**	**285,538**
Non-controlling interest	**6**	**6**	**6**
Total equity	**292,112**	**362,941**	**285,544**
Liabilities			
Trade and other payables	59,198	56,088	81,104
CDO bonds payable	11,249	431,700	1,392,570
Bank borrowings	352,905	1,974,226	3,089,807
Derivative liabilities	1,898,045	13,228	14,325
Finance lease payable	8,756	22,692	13,213
Current taxation payable	23,216	5,230	2,205
Deferred taxation liability	6,217	4,702	3,515
Total liabilities	**2,359,586**	**2,507,866**	**4,596,739**
Total equity and liabilities	**2,651,698**	**2,870,807**	**4,882,283**

Consolidated results for the year ended 31 December 2012 compared with the year ended 31 December 2011

The following discussion is based on the Company's audited consolidated financial statements, which have been prepared in accordance with IFRS, and is a brief description of the principal captions of the Company's consolidated income statement for 2012 and 2011.

Revenues (comprising interest income, rental income and service charge income)

In 2012, total revenues (comprising interest income, rental income and service charge income) decreased by 30 per cent. to €191.6 million from €274.4 million in 2011. This is due to the loss of rental income and associated service charge income following the disposal of the Mars Fixed I Portfolio; the sale of investment property in both years together with the decline in occupancy from 85.1 per cent. to 81.2 per cent. (on a like-for-like basis).

Rental income in 2012 amounted to €139.8 million, a decrease of €39.8 million or 22 per cent. from 2011. The decline is primarily driven by a 9 per cent. reduction in the number of properties owned by the Company from 463 at the end of 2011 to 422 in 2012; in combination with the loss in rental income associated with the lower occupancy rate as a direct result of a major tenant vacating a significant property following the consolidation of their back-office locations in Frankfurt.

Interest income decreased by 58 per cent. from €56.4 million for 2011 to €23.9 million for 2012. The decrease is mainly due to the deconsolidation of two CDOs (Eurocastle CDO II PLC (''CDO II'') and Eurocastle CDO III PLC (''CDO III'')) in September 2011.

Total Operating Expenses

The Company's total operating expenses amounted to €191.3 million in 2012, representing a decrease of 19 per cent. from €237.5 million in 2011. This is mainly due to the reduction in the number of properties owned by the Company in 2012.

Interest expenses for 2012 amounted to €89.6 million compared with €125.7 million in 2011 as a result of the disposal of investment properties and repayment of related debt, the deconsolidation of CDO II and CDO III and the sale of the Mars Fixed I Portfolio.

Property expenses comprising service charge expenses and property operating expenses amounted to €62.05 million in 2012 compared to €72.8 million in 2011 of which 45 per cent. and 53 per cent. is recoverable respectively. The decrease in costs is explained by the disposal of properties. The recovery rate has decreased as expenditure on non-reimbursable costs (for example, capital expenditure) has increased due to the re-letting efforts and age of the properties.

Other operating expenses, representing corporate costs, costs relating to disposal of assets and other incidental expenses together with losses on foreign currency contracts, translation and swaps amounted to €39.8 million in 2012 compared to €39.5 million in 2010.

Net Operating Loss before Taxation

The Company's net operating loss before taxation amounted to €72.4 million in 2012, which represents a 402 per cent. increase when compared to a net operating loss before taxation of €14.4 million in 2011. In addition to the effect of the activities described above, the increase in net operating loss before taxation is due to the gain on deconsolidation of CDO II and CDO III of, in aggregate, €53.4 million in 2011 offset by the increase of €22.0 million in gains on debt buybacks in 2012.

Net Loss after Taxation

The total taxation charge has increased by €5.2 million to €9.2 million in 2012 from €4.0 million in 2011 as a result of the increase in provisions relating to the taxation audits in Germany and Luxembourg. This resulted in the Company's net loss after taxation increasing by 342 per cent. to €81.7 million in 2012 compared to €18.5 million in 2011.

Funds from Operations

Funds from Operations (''FFO'') amounted to €25.6 million for 2012 and negative €32.0 million for 2011. This represents an increase of 180 per cent. from 2011. FFO does not represent cash generated from operating activities in accordance with IFRS and therefore should not be considered an alternative to cash flow as a measure of liquidity, and is not necessarily indicative of cash available to fund cash needs.

FFO is an appropriate measure of the underlying operating performance of real estate companies because it provides investors with information regarding the Company's ability to service debt and make capital expenditures. Furthermore, FFO is used to compute incentive compensation to the Manager (of which none has been due to the Manager in 2012 or 2011). FFO, as defined by the Company, represents net profit after taxation (computed in accordance with IFRS), excluding changes in the fair value of investment properties net of attributable deferred taxation, changes in the fair value of interest rate swaps that are taken to the income statement, unrealised movements on currency swaps (net of translation gains/losses of related assets) and accounting losses on investments made with non-recourse financing to the extent they exceed the net amount invested. The Group considers the realisation of gains and losses on its investments to be a normal part of its recurring operations and therefore does not exclude such gains and losses when arriving at FFO.

A reconciliation of FFO to the Company's net loss after taxation is contained in the Report of the Directors which forms part of the Company's Annual Report for 2012 incorporated by reference into this Prospectus pursuant to Part XIII of this Prospectus.

Consolidated results for the year ended 31 December 2011 compared with the year ended 31 December 2010

The following discussion is based on the Company's audited Consolidated Financial Statements, which have been prepared in accordance with IFRS, and is a brief description of the principal captions of the Company's consolidated income statement for 2010 and 2011.

Revenues (comprising interest income, rental income and service charge income)

In 2011, total revenues (comprising interest income, rental income and service charge income) decreased by 17 per cent. to €274.4 million from €330.1 million in 2010. This decrease was mainly due to the loss of rental income and associated service charge income following the sale of the Mars Fixed Portfolio and Bastion Portfolio, a decrease in the occupancy rate from 87.0 per cent. to 84.3 per cent. (on a like-for-like basis), as well as the disposal of investment properties in 2011.

Rental income in 2011 amounted to €179.6 million, a decrease of €56.6 million or 24 per cent. from €236.0 million in 2010. This is due to the disposal of the Mars Fixed Portfolio and Bastion Portfolio, as well as investment properties in the Drive and Wave portfolios. In addition there were large Commerzbank lease expirations in 2011 as Commerzbank refocused its real estate strategy following its acquisition of Dresdner Bank. The number of properties in the Company's portfolio decreased from 523 in 2010 to 463 in 2011.

Interest income increased by 27 per cent. from €44.3 million for 2010 to €56.4 million for 2011. The increase is due to a gain realised on the redemption of a previously impaired debt position.

Total Operating Expenses

The Company's total operating expenses amounted to €237.5 million in 2011, representing a decrease of over 25 per cent. from €318.4 million in 2010. This is mainly due to the reduction in the property portfolios in 2011.

Interest expenses for 2011 amounted to €125.7 million from €192.6 million in 2010 as a result of the disposal of investment property and repayment of related debt; and the sale of the Mars Fixed I Portfolio and Bastion Portfolio.

Property expenses comprising service charge expenses and property operating expenses amounted to €72.8 million in 2011 compared to €86.4 million in 2010 and in line with the reduction in revenue above. The recovery rate for 2011 decreased as a result of an increase in expenditure on non-reimbursable costs such as capital expenditure and tenant improvements.

Other operating expenses representing corporate costs, costs relating to disposal of assets and other incidental expenses, together with losses on foreign currency contracts, translation and swaps amounted to €39.0 million in 2011, as compared to €39.5 in 2010.

Net Operating Loss before Taxation

The Company's net operating loss before taxation amounted to €14.4 million in 2011, which represents a 88 per cent. decrease in the size of the Company's net operating loss before taxation when compared to its operating loss before taxation of €123.8 million in 2010. This decrease is due to gains realised on the deconsolidation of CDO II and CDO III, lower impairment losses on debt securities and a reduction in fair value losses on investment property.

Net Loss after Taxation

The total taxation charge has increased by €2.9 million to €4.0 million in 2011 from €1.1 million in 2010. This resulted in the Company's net loss after taxation decreasing by 85 per cent. from €124.9 million in 2010 to €18.5 million in 2011.

Funds from Operations

FFO amounted to a negative €32.0 million for 2011 and a negative €69.2 million for 2010. FFO does not represent cash generated from operating activities in accordance with IFRS and therefore should not be considered an alternative to cash flow as a measure of liquidity, and is not necessarily indicative of cash available to fund cash needs.

A reconciliation of FFO to the Company's net loss after taxation is contained in the Report of the Directors which forms part of the Company's Annual Report for 2011 incorporated by reference into this Prospectus pursuant to Part XIII of this Prospectus.

Liquidity and Capital Resources

The Company's ability to execute its business strategy, particularly the growth of its investment portfolio, depends to a significant degree on its ability to obtain additional capital.

The Company's liquidity is primarily generated by cash flows (from ordinary operations as well as asset sales) from its real estate other than its Drive and Mars portfolios, the majority of whose excess net operating cash flow and sale proceeds is and will continue to be retained within the relevant subsidiaries to fund capital expenditure, finance costs and amortisation. The Group expects that its cash on hand and cash flow from operations will satisfy its liquidity needs with respect to its current investment portfolio over the next twelve months. The Group expects that its long term liquidity requirements, specifically the repayment of its debt obligations, will be met through the liquidation or refinancing of its assets at maturity or through negotiated extensions. Although the Group has historically been able to obtain and renegotiate its financings on acceptable terms, there can be no assurance that future financing and/or renegotiation of existing terms will be available or, if it is, that it will be available on terms that the Group considers acceptable. In particular, should the current difficult financial market conditions persist, the Group may have difficulty in renewing, extending or refinancing its existing facilities in the future.

Details of the Group's real estate financing arrangements, including the maturity profile and financial covenants in respect of such financing arrangements, are more particularly described under ''Real Estate Asset Financing'' in Part II above and in Note 16 to the audited financial results for the year ended 31 December 2012 as incorporated by reference pursuant to Part XIII in this Prospectus.

With respect to the Company's debt business, 87.5 per cent. of the portfolio is financed on a match funded basis through the issuance of collateralized debt obligations by Duncannon, a public CDO. Cash flow from the debt portfolio within Duncannon, including gains thereon, must be retained within Duncannon until certain cash flow triggers are brought into compliance and are therefore not necessarily available to fund the Company's current cash needs.

CONSOLIDATED CASHFLOW STATEMENT

	Notes	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000	Year ended 31 December 2010 €'000
CASH FLOW STATEMENT				
Cash inflows from operating activities		1,915	11,386	3,599
Cash inflows from investing activities		169,924	147,912	413,325
Cash outflows from financing activities		(127,741)	(165,655)	(416,536)
Net increase/(decrease) in cash and cash equivalents		**44,098**	**(6,357)**	**388**

Cash inflows from operating activities

Cash inflows from operating activities decreased by €9.5 million to €1.9 million in 2012 from €11.4 million in 2011. This was driven by the decrease in rental income as a result of the lower occupancy levels (81.2 per cent. in 2012 compared to 85.1 per cent. in 2011 on a like-for-like basis) and reduction in the recovery rate of property expenses in 2012.

Cash inflows from operating activities increased by €7.8 million to €11.4 million in 2011 from €3.6 million in 2010. The Group paid €1.5 million less in taxes in 2011 than 2010 and recognised a positive cash movement in net working capital. Occupancy levels (year-on-year) did not have a material impact on the cash flows of the Group.

Cash inflows from investing activities

Cash inflows from investing activities were 14.9 per cent. higher in 2012 compared to 2011. The purchase of loans and receivables was reduced to €19.0 million in 2012 compared to €137.1 million in 2011. This was set off by a reduction of €30.0 million in the proceeds from disposal of investment properties and €84.4 million in the sale and prepayment of loans and receivables. In 2012, the Group recorded a cash inflow of €6.8 million compared to a cash outflow of €6.4 million in 2011 with respect to the sale of the Group's investment in the Mars Fixed I Portfolio. The Group also recognised a cash outflow of €7.3 million in the 2011 for the deconsolidation of CDO II and CDO III, whereas no amount was recognised in 2012. Cash outflows on capital expenditure and tenant incentives increased from €12.0 million in 2011 to €17.5 million in 2012.

Cash inflows from investing activities were €265.4 million lower in 2011 at €147.9 million compared to €413.3 million in 2010. This was driven by a reduction of €141.2 million in 2011 from €310.1 million in 2010 in the sale and prepayment of loans and receivables. The Group also recorded €142.5 million from proceeds on the sale of investment properties in 2011 compared to €223.4 million in 2010. Cash outflows on capital expenditure and tenant incentives decreased from €20.0 million in 2010 to €12.0 million in 2011.

Cash outflows from financing activities

Cash outflows from financing activities decreased by €37.9 million in 2012 to an outflow of €127.7 million compared to €165.7 million in 2011. The Group repaid €78.4 million of bank borrowings in 2012 compared to €147.2 million in 2011 primarily as a result of a reduction in the number of investment property sales in 2012 compared to 2011 (refer to ''Cash inflows from investing activity'' section above). This was set-off by an increase of €28.4 million to €46.6 million for the repurchase of bonds issued in 2012.

Cash outflows from financing activities decreased by €250.8 million to an outflow of €165.7 million in 2011 from €416.5 million in 2010. As a result of the decrease in the proceeds on disposal of investment properties, the Group repaid €147.2 million of bank borrowings in 2011 which was €158.4 million lower than the amount repaid in 2010. At the same time, the Group did not repay any of its bonds issued in 2011 compared to an amount of €41.3 million in 2010.

Capitalisation and Indebtedness

A summary of the Group's capitalization and indebtedness as at 31 March 2013 is set out in Part VI of this Prospectus.

Dividend Policy

A summary of the Group's dividend policy is set out in Part I of this Prospectus.

Qualitative and Quantitative Disclosure about Market Risk

Interest Rate Risk

The Group's primary interest rate exposures relate to its real estate and other asset backed securities, loans and floating rate debt obligations, as well as its interest rate swaps. In the event of a significant rising interest rate environment and/or economic downturn, mortgage and loan defaults may increase and result in credit losses. Interest rates are highly sensitive to many factors, including governmental monetary and political conditions, and other factors beyond the Group's control.

The Group has financed its core real estate portfolios with fixed rate loans except for the Wave portfolio where an interest rate swap has been entered into (refer to note 24 to the audited financial statements for the year ended 31 December 2012, as incorporated by reference pursuant to Part XIII in this Prospectus). Changes in interest rates affect the break costs incurred to unwind the financing arrangements and thus affect the gain or loss on disposal of the Group's real estate assets and also may affect the Group's ability to sell assets should the net proceeds be insufficient to repay their allocated liability.

Based on the Group's primary interest rate exposure to floating rate financial assets and financial liabilities held at 31 December 2012, including the effect of hedging instruments, a 100 basis point increase/(decrease) in interest rates would increase/(decrease) earnings by approximately €0.9 million per annum (31 December 2011: €0.8 million per annum). The impact on equity due to the cash flow hedging would be an increase/(decrease) of approximately €2.0 million (31 December 2011: €4.0 million).

Changes in the level of interest rates also can affect the Group's ability to acquire securities and loans and its ability to realise gains from the settlement of such assets. Increasing interest rates would decrease the value of the fixed rate assets because higher required yields result in lower prices on existing fixed rate assets in order to adjust their yield upward to meet the market. At 31 December 2012, a 100 basis point change in interest rates would impact the net equity by €0.1 million (31 December 2011: €0.1 million).

Foreign Currency Risk

The Group's primary foreign currency exchange rate exposure relates to its non-Euro denominated portfolio of securities and loans. Changes in the currency exchange rates can adversely impact the fair values and earnings streams of the Group's non-Euro denominated assets and liabilities. In the past, the Group has mitigated this impact through a combination of: (i) non-Euro denominated financing; (ii) the use of balance guaranteed hedging; and (iii) rolling forward foreign exchange contracts to hedge its net non-Euro equity investment.

Recognising the liquidity risk and related margin requirements associated with entering into forward foreign exchange contracts and the increased uncertainty as to the future cash flows from, and value of, its equity investments in the debt portfolio, the Group stopped hedging its net non-Euro equity investments from the beginning of 2009.

No sensitivity analysis is presented for foreign exchange risk, as the impact of reasonably possible market movements on the Group's revenue and equity are not significant. The Group currently match-funds its debt investment portfolios, meaning that any non-Euro denominated debt investments are funded by financings in the same currency, therefore eliminating any material foreign currency exposure.

Market Risk

The Group's current real estate investment assets are located in Germany, and, therefore, the performance of such assets depends on the strength of the German economy and other factors affecting German real estate values. A decline in the German economy or the commercial property market may have an immediate effect on the net income of the properties and could lead to higher rates of delinquency or defaults under leases. The Group is also subject to general property market risks including, among other things, fluctuations in rental levels and property yields. These risks are assessed by the Group at the point of acquisition and are then monitored on an ongoing basis. In addition, external third party valuations of the Group's real estate assets are obtained during each financial year. These appraisals take current market developments into consideration.

The Group recognizes that the significant deterioration in economic conditions on the back of the global credit crisis continues to have an adverse impact on property valuations. This has affected and may continue to affect the Group's ability to dispose of assets or the level of proceeds received in relation to any such disposals. Due to the current market conditions and the nature of the assets in which the Group invests, sale of assets by the Group could result in significantly lower proceeds than the carrying value of those assets in the consolidated financial statements included herein. Also, due to the nature of the Group's assets, asset sales may not be affected swiftly enough to avoid default of the Group's existing financings. The Group also recognizes that the economic situation may result in a lower leasing or renewals volume or in a reduction in rents as a result of tenant defaults. In addition, the Group's top five tenants accounted for 46.3 per cent. of its passing rental income for the year ended 31 December 2012 (31 December 2011: 50.4 per cent.). Loss of any one of these tenants could have a significant impact on the Group's performance.

The Group is also exposed to market risk in respect of its interest rate swaps where it receives floating rate and pays fixed rate. A significant decrease in underlying interest rates and variations in the yield curve could have an adverse impact on the valuations of its interest rate swaps, affecting the Group's ability to repay any allocated debt should it choose to sell assets prior to maturity.

The Group's available-for-sale securities are predominantly floating rate and as such are valued based on a market credit spread over Euribor, Libor and CHF benchmarks for Euro and non-Euro denominated assets respectively. Increases in the credit spreads above such benchmarks may affect the Group's net equity, net income or cash flow directly through their impact on unrealised gains or losses on available-for-sale securities, and therefore its ability to realise gains on such securities, or indirectly through its impact on its ability to borrow and access capital.

Credit Risk

The Group is subject to credit risk in its real estate business, primarily in relation to its underlying tenants. The Group is also subject to credit risk in respect of its debt investment business by virtue of the risk of delinquency, foreclosure and loss on the loans underpinning the securities in which the Group invests.

The Group manages its German real estate credit risk by assessing the creditworthiness of its larger tenants and its securities portfolio and the underlying credit quality of its holdings and where appropriate, repositioning such investments to upgrade the credit quality and yield on the investments.

Critical Accounting Policies and Estimates

The accounting policies and estimates are documented in the audited financial statements as detailed in Part IX of this Prospectus. The critical accounting policies and estimates are detailed below.

Impairment of available-for-sale investments and loans and receivables

The Group assesses on a regular basis whether there is any objective evidence of impairment in respect of the available-for-sale investments and loans and receivables portfolios. In determining whether objective evidence of impairment exists, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. This evidence may include observable significant financial difficulty of the issuer or obligor, defaults or breaches of contract, the probability of the borrower entering bankruptcy or other financial reorganisation, adverse changes in the payment status of the borrowers in a Company or external events that would imply a high probability of default and loss.

Valuation of available-for-sale investments

Available-for-sale investments are stated at fair value. The determination of the fair value of available-for-sale investments requires considerable judgment and the consideration of factors such as the nature of the securities, credit rating, quality of collateral, extent of active market and the reputation of the issuers. The fair value is based on indicative dealer price quotations.

Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed by external valuers who hold a recognised and relevant professional qualification and have recent experience in the location and category of investment being valued. In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgment and not only relied on historical transactional comparables. The main factors the valuers consider when determining a fair valuation are the following: passing rent, void periods, yield, relettability and marketability of properties. The fair value represents the amount at which the asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the date of valuation, in accordance with international valuation standards.

Fair value of derivatives

The fair values of derivatives are determined by using valuation techniques. Where valuation techniques including models are used to determine fair values, they are validated and periodically reviewed by qualified personnel. All models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical models use only observable data, however, areas such as credit risk (both own and counterparty) and volatilities require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Refinancing of bank borrowings and CDO bonds payable

Refinancing of bank loans and CDO bonds payable are reviewed to determine if the terms of the new facility are substantially different to the existing terms. The Group makes this determination using the net present value of the cash flows under the new terms discounted at the original effective interest rate compared to the discounted present value of the remaining cash flows under the existing terms. If the comparison exceeds a 10 per cent. threshold, the refinancing is considered to be substantially different. The Group also reviews the qualitative changes to the financings (e.g. nature and amount of security, counterparties or change in type of financing) to make their assessment. The Group renegotiated the Mars Floating term financing and the Duncannon Revolver note assuming the same terms and conditions of the existing Class A note. Both are considered to be a continuance of existing facilities.

Off-Balance Sheet Arrangements

The Group does not have any off-balance sheet arrangements.

Contractual Obligations

	Total	**Less than 12 months**	**12-60 months**	**After 60 months**
	€'000,000	€'000,000	€'000,000	€'000,000
CDO Bonds Payable	352.9	0	0	352.9
Term Financing	1,898.1	581.6	1,316.5	0
Finance Leases Payable	23.2	1.0	3.9	18.3
	2,274.2	582.6	1,320.4	371.2

Contingent liabilities

The Group does not have any contingent liabilities.

Description of Financing Facilities

A description of the Group's financing facilities, including a table setting out relevant maturities and a summary of the financial covenants applicable to such facilities is set out in Part II of this Prospectus.

PART IV:

MANAGEMENT OF THE COMPANY

Management of the Company

The Board of Directors is responsible for the determination of the Company's investment objectives and policies as specified in this Prospectus and has responsibility for its activities. The Company has, however, appointed the Manager, which is part of the Fortress group, to be responsible for managing the Group and its portfolio of assets on a discretionary basis in accordance with the investment objectives and policies of the Company.

The Manager

Fortress is a global alternative investment and asset management firm with approximately US$53.4 billion of assets under management as at 31 December 2012[13]. Founded in 1998, Fortress seeks to provide its investors with risk-adjusted returns in a management structure that closely aligns the interests of investors and managers.

Fortress has three alternative investment businesses: private equity, credit and liquid markets. Fortress employs, together with its affiliates, nearly 1,000 employees.[14] Fortress is headquartered in New York City and its affiliates have offices in Atlanta, Dallas, Frankfurt, London, Los Angeles, New Canaan, Philadelphia, Rome, San Francisco, Shanghai, Singapore, Sydney and Toronto.

Fortress' principals have extensive experience[15] in the fields of real estate investment, asset-based investing and finance and risk management with respect to both dollar and non-dollar denominated investments. Fortress has a long and established track record of investing throughout a number of credit and distressed cycles around the world and is experienced at investing globally in undervalued assets and illiquid credit investments.

The Manager is an SEC-registered investment adviser which advises funds and managed accounts of Fortress.

The Manager's European real estate investment experience includes investments in excess of €7 billion as at 31 December 2012, through private equity funds it manages, in multi-family assets in Germany made since 2004. The Manager continues to be active in this sector in Germany.

Further, through private equity investments in Italy, Fortress-managed funds have majority interests in Italfondiario SpA. Italfondiario is the largest independent special servicer in Italy, currently servicing approximately €34 billion of loans. Italfondiario is the highest rated special servicer in Italy by Fitch and S&P. The Manager expects to appoint Italfondiario as the Italian loan portfolio manager for the Company.

The Manager has appointed Fortress Investment Group (UK) Limited, Fortress Investment Group Germany GmbH and Fortress Germany Asset Management GmbH, all wholly-owned subsidiaries of the Manager, to provide investment advice and/or asset or property management services to the Manager including in relation to the Group.

The Manager's Resources

The Group relies on the facilities and resources of the Manager to conduct its day to day operations. The Group will have access to all of Fortress' infrastructure (operational and risk management systems) and resources as well as a dedicated team of professionals responsible for the day-to-day operations of the Group. The Directors also expect the long standing close working relationships of the Manager with most market participants will afford the Group priority access to investments. The Manager is an investment adviser registered with the U.S. Securities and Exchange Commission pursuant to the Investment Advisers Act.

13 Source: Fortress Investment Group LLC.
14 Source: Fortress Investment Group LLC.
15 Source: Fortress Investment Group LLC.

Pursuant to the terms of the Management Agreement, the Manager is required to provide a dedicated management team which shall have, as their primary responsibility, the management of the Company and shall devote such of their time to the management of the Company as the Board of Directors reasonably deems necessary and appropriate, commensurate with the Company's level of activity from time to time. Pursuant to an investment advisory agreement, Fortress Investment Group (UK) Limited supplies the Manager with dedicated investment advice and credit monitoring services.

Conflicts

The Management Agreement generally does not limit or restrict the Manager from engaging in any business or managing any other vehicle that invests generally in Target Investments. The Manager and its affiliates engage in a broad spectrum of investment activities that are independent from and which may, from time to time, conflict with the Group's investment activities. However, the terms of the Management Agreement prohibit the Manager and any entity controlled by or under common control with the Manager from raising or sponsoring any new investment fund, company or vehicle whose investment policies, guidelines or plan targets, as its primary investment category, investments in credit sensitive European real estate related securities (it being understood that no such fund, company or vehicle shall be prohibited from investing in credit sensitive European real estate related securities). A number of investment vehicles managed or sponsored by the Manager or its investment advisory affiliates have investment objectives which overlap, in part, with the Group's investment objectives. The Group will therefore face a number of conflicts of interest with the Manager and its affiliates with respect to the allocation of investment opportunities.

The Manager does not manage any vehicle which invests primarily in credit sensitive European real estate related securities other than the Group.

If and when other vehicles managed by the Manager intend to invest in Target Investments, the Manager will use its best judgment and act in a manner which it considers fair and reasonable in allocating investment opportunities, with the decision to allocate any particular investment opportunity being within the Manager's discretion. It is possible, therefore, that the Group will not have the opportunity to participate in investments made by such other investment vehicles which fall within the Company's investment objectives. If it is determined that it would be appropriate for the Group and one or more other investment vehicles managed by the Manager to participate in the same investment opportunity, the Manager will seek to allocate participation levels on an appropriate basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to market trends and the size, liquidity, financeability and anticipated term of the proposed investment.

The Board of Directors has adopted guidelines for investments where there may be a conflict of interest with the Manager and these guidelines, which are set out in the Management Agreement, are currently as follows:

- the Group will not co-invest with the Manager or any of its affiliates unless (i) the co-investment is in accordance with any guidelines approved by the Board of Directors from time to time and (ii) such co-investment is approved in advance by a majority of the independent Directors; and
- the Group may acquire assets from the Manager or its affiliates, acquire assets in which the Manager or its affiliates has an ownership interest, sell assets to the Manager and its affiliates, appoint affiliates of the Manager to perform due diligence or service investments, provided in each case that such transaction complies with the Group's investment guidelines and the transaction is on arm's length commercial terms.

Manager's Fees and Incentive Compensation

Management Fee

Under the terms of the Management Agreement, the Manager is entitled to receive from the Company an annual management fee (the ''Management Fee'') equal to 1.50 per cent. of the Company's gross equity (''Gross Equity''), calculated and paid monthly in arrear based upon the weighted daily average of the Gross Equity of the Company for such month. Gross Equity refers to (A) the sum of (i) the total equity (''Total Equity''), plus (ii) the value of contributions made by partners other than the Company to the capital of any subsidiary, less (B) any capital dividends or capital distributions made by the Company to its shareholders or, by any subsidiary to its shareholders, partners or other equity holders other than the Company. Total Equity refers to €300,000,000 plus the total net proceeds to the Company from any common or preferred equity capital raised after 1 April 2013 by the Company (including pursuant to the Offer) or any subsidiary of the Company (exclusive, with respect to any subsidiary, of capital of such subsidiary consisting of a capital contribution or other form of capital investment made by the Company or another subsidiary of the Company).

The basis on which the Management Fee is calculated was updated recently as part of an amendment and restatement of the Management Agreement so as to reduce the amount payable by the Company to the Manager through the Management Fee. This was achieved by resetting the capital base upon which such fee is calculated and by varying the scope of the meaning of Funds From Operations. In addition, the scope of the meaning of Funds From Operations was varied by the amendment to the Management Agreement to exclude from the basis of calculation any accounting losses on investments made with non-recourse financing to the extent they exceed the net amount invested. These amendments to the terms of the Management Agreement were conditional upon the Conversion taking place.

The annual management fee payable under the Management Agreement is offset by any amount the Manager receives by way of fees from an SPV or subsidiary pursuant to any management agreement between the Manager and an SPV or subsidiary. Further details are set out in Part VI of this Prospectus. The Manager is entitled to use proceeds from the Management Fee in part to pay compensation to its officers and employees.

The Management Agreement may be terminated by the Company upon expiration of the initial term of 10 years (which is 13 August 2013), or on each three year anniversary thereof in certain circumstances if a majority of the holders of Shares agree, by vote, that there has been unsatisfactory performance that is materially detrimental to the Company. In these circumstances, a termination fee is payable equal to the amount of management fees earned by the Manager during the 12 consecutive calendar months immediately preceding the termination. If the Management Agreement is terminated on 60 days' prior written notice by the Company for fraud, misappropriation of funds, gross negligence or wilful violation on the part of the Manager (''cause''), no termination fee is payable.

Incentive Compensation

The Manager is entitled to receive annual incentive compensation pursuant to the terms of the Management Agreement with the Company. The purpose of the incentive compensation is to provide an additional incentive for the Manager to achieve targeted Funds From Operations and to increase the Company's shareholder value. This incentive compensation, which is calculated on a cumulative, but not compounding, basis (and which is not subject to clawback) is an amount equal to 25 per cent. of the Euro amount by which the Funds from Operations of the Company before the Incentive Compensation exceed an amount equal to:

(a) (i) €300 million

plus

(ii) the proceeds of any equity offering by the Company (adjusted for any prior capital dividends or capital distributions) multiplied by the ratio of (x) the number of days in the computational period subsequent to the settlement of such offering divided by (y) the total number of days in the computational period,

multiplied by

(b) a simple interest rate of 8 per cent. per annum.

Upon any termination of the Management Agreement by either party (including for cause), the Company shall be entitled to purchase the Manager's right to receive incentive compensation from the Manager for a cash purchase price equal to its fair market value (as determined by independent appraisal to be conducted by an appraisal firm recognised in the United States and mutually agreed upon by the Company and the Manager) or otherwise shall continue to pay the incentive compensation to the Manager following termination or expiration of the Management Agreement, which payments could continue for an indefinite period of time. In addition, if the Company does not elect to so purchase the Manager's right to receive incentive compensation, the Manager will have the right to require the Company to purchase the same at the price described above.

The Board of Directors may request that the Manager accept all or a portion of its incentive compensation in Shares, and the Manager may elect, in its discretion, to accept such payment in the form of Shares, subject to limitations that may be imposed by any applicable laws or regulations.

Reimbursement of Expenses

Because employees of the Manager or its affiliates perform certain legal, accounting and other services that outside professionals or outside consultants otherwise would perform, the Manager will be paid or reimbursed for the cost of performing such services in addition to its Management Fee and incentive compensation, provided that such costs and reimbursements are no greater than those which would be paid to outside professionals or consultants on an arm's-length basis. In addition, insofar as the Company bears asset management (including property management) costs relating to its investments, the Manager or its affiliates will be reimbursed for any expenses incurred in contracting with third parties, including third parties who are affiliates of the Manager, for the asset management of the Company's investments.

The expenses required to be paid by the Company include, but are not limited to, issuance and transaction costs incidental to the acquisition, disposition and financing of investments, legal and auditing fees and expenses, the compensation and expenses of the Company's directors, the costs associated with the establishment and maintenance of any credit facilities and other indebtedness of the Company (including commitment fees, legal fees, closing costs, etc.), expenses associated with other securities offerings of the Company, the costs of preparing, printing and mailing the Company's annual report to its shareholders and proxy materials with respect to any meeting of the shareholders of the Company, costs incurred by employees of the Manager for travel on the Company's behalf, costs associated with any computer software or hardware that is used by the Company, costs to obtain liability insurance to indemnify the Company's directors and officers and the compensation and expenses of its transfer agent and administrator. The Manager is responsible for the following expenses: (i) the wages and salaries of its employees, officers and those of its affiliates to the extent not specifically covered by the Company; (ii) rent attributable to space occupied by the Manager and its affiliates; and (iii) all other overhead expenses not specifically covered by the Company.

Manager's Options

The Company has granted options to the Manager representing the right to acquire 10 per cent. of (i) the number of Shares offered and sold in its private offering in October 2003 at an exercise price per Share of €1.00 (before consolidation of the Shares of the Company on 13 June 2004) which was equivalent to an exercise price per Share of €10.00 after consolidation; (ii) the number of Shares offered and sold in its initial public offering in June 2004 at an exercise price per Share of €12.00 (which was the offer price for that offering); (iii) the number of Shares offered and sold in its repeat offering in June 2005 at an exercise price of €17.25 per Share (which was the offer price for that offering); (iv) the number of Shares offered and sold in its repeat offering in January 2006 at an exercise price of €30.00 per Share (which was the offer price for that offering); (v) the number of Shares issued to the Fortress Funds in March 2006 at an exercise price per share of €18.00 (which was the issue price for that issue); (vi) the number of Shares offered and sold in its repeat offering in December 2006 at an exercise price of €37.00 per Share; and (vii) the number of Offer Shares offered and sold at an exercise price per share equal to the Offer Price. The Options are fully vested and immediately exercisable on the date of grant and remain exercisable for 10 years following the date of grant. The number of options and the exercise price for each grant has been adjusted to reflect the consolidation of Shares on 8 May 2013. The Options were and are being granted in connection with the Manager's work related to the Company's offerings and provide an additional incentive for the Manager to enhance the value of the Company's Shares. The Options granted to the Manager form part of a ''tandem award'' where the Company may grant awards to the employees of the Manager. If the employees of the Manager exercise their options, the Manager's Options will no longer be exercisable to the extent exercised by the employee. The Manager's Options have been granted, and any tandem awards will be granted, under the Eurocastle Non-Qualified Share Option Plan adopted on 31 December 2003 (the ''Plan''). As at the date of this Prospectus, no tandem options have been granted.

On 13 May 2013, the Board agreed to extend the Plan for a further term of 10 years so that Options may be granted pursuant to the Plan on any date on or before 31 December 2023.

Share-based payments are accounted for based on their fair value on the grant date in accordance with the provisions of IFRS 2, Share-Based Payment. Share options granted in 2003 and 2004, for the purpose of compensating the Manager for its successful efforts in raising capital for the Company, have therefore been accounted for at the fair value on the grant date. The fair values of such Options at the date of grant have been debited to equity as the costs of issuance of Shares with corresponding increases in other reserve.

Eligibility

The Manager and each employee of the Manager who is performing services for the Group and each officer, employee, consultant or adviser of the Group or any parent, affiliate or subsidiary of the Group is eligible for awards under the Plan.

Awards

Awards under the Plan will be granted by the Board. The Board or a committee of the Board, as applicable, may grant awards singularly, in tandem or in combination with other awards.

The awards which may be granted under the Plan are:

- share options, which are rights to acquire a specified number of Shares at an option price during a specified time as the Board determines. The share option will lapse on the 10th anniversary of its date of grant unless otherwise determined by the Board at the date of grant or in an award agreement. The option price will be fixed at the time of grant and will be the closing price of a Share of the Company on the principal stock exchange on which the Shares are trading;
- share appreciation rights, which are rights to receive, upon surrender of the rights, an amount payable in cash and/or in Shares under such terms and conditions as the Board may determine. The amount payable in cash and/or Shares with respect to each right will be equal to the percentage of the amount by which the fair market value of a Share on the exercise date exceeds the fair market value of a Share on the date of grant. The applicable percentage will be established by the Board; and
- performance awards based on such conditions as the Board deems appropriate. The performance awards may be contingent upon the performance of the Group's or the individual's performance. Performance awards may be in the form of performance units, performance shares and such other performance awards as the Board may determine.

The Board may amend the Plan. The participant's consent is required if the amendment adversely affects the rights of a participant.

As at 13 May 2013, Fortress, its principals and its senior management owned approximately 7.52 per cent. of the issued equity capital of the Company (and, assuming the exercise of their options to purchase shares of the Company, an additional 0.17 per cent. of the then issued share capital). In addition, certain funds managed by the Manager on behalf of third party investors owned approximately 17.80 per cent. of the Company's issued share capital as at 13 May 2013.

Code of Business Conduct and Ethics

The Manager has a code of business conduct and ethics governing matters such as conflicts of interest, insider trading and fair dealing. The code applies to all of the Manager's employees and sets out procedures for reporting violations and the consequences of non-compliance.

The Administrator

The Company entered into an Amended and Restated Administration Agreement with International Administration Group (Guernsey) Limited ("IAG") on 1 July 2009, under which IAG provides administrative and corporate secretarial services for the Company.

IAG was incorporated as a company with limited liability in Guernsey on 1 February 2000 and has its registered office at Regency Court, Glategny Esplanade, St Peter Port, Guernsey GY1 1WW. The ultimate holding company of IAG is IAG Holdings Limited, which is incorporated in Guernsey.

IAG is licensed to carry out controlled investment business in the Bailiwick of Guernsey.

Fees of IAG

IAG is entitled to receive from the Company a fee at the rate of €90,000 per annum, payable quarterly in advance. The Group shall reimburse IAG in respect of all documented reasonable out of pocket expenses properly incurred by it in the performance of its duties.

Directors

The Directors, all of whom are non-executive and do not have service contracts, are as follows:

Keith Dorrian was born in Guernsey in 1946 and has close to 40 years' experience in the offshore finance industry. Joining Manufacturers Hanover in 1973 he moved to First National Bank of Chicago in 1984 where he was appointed Vice President and Company Secretary. In 1989 he joined ANZ Bank (Guernsey) where, as a Director of the Bank and Fund Management company, he was closely involved in the banking and fund management services of the Group. He took up the position of Manager Corporate Clients in Bank of Bermuda (Guernsey) Ltd in 2000 and was appointed local Head of Global Fund Services and Managing Director of the Guernsey Bank's Fund Administration company, Management International (Guernsey) Limited, in 2001, retiring on 31 December 2003. He is currently a member of the Guernsey Investment Fund Association, the Institute of Financial services, has been elected a Fellow of the Institute of Directors and holds the Institute's Diploma in Company Direction and is a Director of a number of listed and unlisted funds and fund management companies.

He was appointed as a Director of the Company on 1 August 2003.

Randal A. Nardone is a principal and has been a member of the Board of Directors of Fortress Investment Group LLC since November 2006. Mr. Nardone has been a member of the Management Committee of Fortress since 1998. He has served as interim Chief Executive Officer since December 2011. Prior to co-founding Fortress in 1998, Mr. Nardone was a managing director of UBS from May 1997 to May 1998. Before joining UBS in 1997, Mr. Nardone was a principal of BlackRock Financial Management, Inc. Prior to joining BlackRock, Mr. Nardone was a partner and a member of the executive committee at the law firm of Thacher Proffitt & Wood. Mr. Nardone received a B.A. in English and Biology from the University of Connecticut and a J.D. from Boston University School of Law. Mr Nardone was appointed as a Director of the Company on 22 August 2006.

Udo Scheffel was born in Zeitz, Germany in 1951. Dr. Scheffel is an experienced real estate professional with over 20 years of experience in the German property sector. He was the Chief Executive Officer of GBWAG, the biggest stock listed Bavarian residential company. He was responsible for the development and realisation of corporate strategy and all shareholder affairs including the company's annual general meeting. Before that he was the chief executive officer of the Bayerische Immobilien Gruppe, a major German privately held commercial property company. Until 2005 this company was listed on the German stock-exchange. From 1994 to 1998 he was responsible for the growth of RAG Immobilien AG, now named Vivawest Wohnen GmbH, the real-estate holding of Evonik Industries AG, and was the chairman of the Board. Prior to that he was senior vice-president of RAG, the German coal company, and responsible for its associate companies. He has substantial experience in German mergers and acquisitions. He began his real estate career at Maritim, a major German hotel company. Dr. Scheffel was appointed as a Director of the Company on 22 August 2006.

Peter Smith is a member of Eurocastle's board of directors. Mr. Smith is a managing director in the Private Equity business at Fortress Investment Group LLC and is also a member of the firm's Management Committee. In addition Mr. Smith is a director of Nationstar Mortgage and National Real Estate Investment Services, and a member of the board of Springleaf Financial. Mr. Smith joined Fortress in May 1998, prior to which he worked at UBS and, before that, at BlackRock Financial Management Inc. from 1996 to 1998. Mr. Smith worked at CRIIMI MAE Inc. from 1991 to 1996. Mr. Smith received a BBA in Finance from Radford University and an MBA in Finance from George Washington University. He was appointed as a Director of the Company on 17 November 2011.

Simon Thornton was born in Sheffield in 1964. After completing his PhD at Nottingham University, Dr. Thornton joined PKF in 1992 and qualified as a Chartered Accountant. He was appointed Audit Director in 1997 and was responsible for the audit of a wide range of Financial Services Businesses. Dr. Thornton was appointed as the managing director of the Praxis Group in 2002. The Praxis Group is an independent financial services group based in the Channel Islands. Additionally, he is the director of a number of investment companies and several Channel Islands trading companies among which is the Guernsey Housing Association LBG. He chairs the Audit and Remuneration Committees of SandpiperCI Limited. Dr. Thornton was appointed as a Director of the Company on 22 August 2006.

Directors' Fees

The ordinary remuneration of each Director for their services will be determined from time to time by the Directors but shall not exceed €100,000 each per annum or such higher amount as may be determined by an ordinary resolution of the Company. The Company may also reimburse any Director for such reasonable expenses as may be incurred in connection with the performance of their duties as Directors of the Company.

The total aggregate remuneration paid to the independent directors for the period ended 31 December 2012 was €170,000. Neither Randal A. Nardone nor Peter Smith receives any remuneration from the Company.

Keith Dorrian and Udo Scheffel each currently receive €40,000 per annum payable quarterly in equal instalments. Simon Thornton is currently entitled to receive €50,000 per annum payable quarterly in equal instalments. Historically, they have also received 1,000 Shares each, at or around the time of the Company's annual general meeting each year.

No amounts have been set aside or accrued by the Group to provide pension, retirement or similar benefits for any of the Directors.

As at the date of this Prospectus, Keith Dorrian holds 45 Shares, Randal A. Nardone holds 534,841 Shares, Udo Scheffel holds 30 Shares and Simon J. Thornton holds 30 Shares. Peter Smith does not hold any Shares as at the date of this Prospectus.

The Company's Audit Committee meets formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and remuneration of the auditor and to review the annual accounts, half yearly reports, interim management statements and to discuss the audit plan with the auditors.

Where non-audit services are to be provided by the auditor, full consideration of the financial and other implications on the independence of the auditor arising from any such engagement are considered before proceeding.

Simon J. Thornton acts as chairman of the Audit Committee, with Udo Scheffel and Keith Dorrian also members of the Audit Committee. The principal duties of the Audit Committee are to monitor the integrity of the financial statements; consider the appointment of external auditors; to discuss and agree with the external auditors the nature and scope of the audit; to keep under review the scope; results and cost effectiveness of the audit and the independence and objectivity of the auditor; to review the external auditors' letter of engagement and management letter; and to analyse the key procedures adopted by the Company's service providers.

PART V:

THE OFFER

The Offer

The Company is offering 10,000,000 Offer Shares for subscription pursuant to the Offer. The Offer Price has not yet been determined by the Company.

The Offer is being made by means of an offer of Offer Shares to certain institutional and other sophisticated investors outside the United States and in the United States to Accredited Investors or Qualified Institutional Buyers that in each case are also Qualified Purchasers or Knowledgeable Employees. The Offer Shares are not being offered to and are not eligible for investment by any Benefit Plan Investor that is subject to Title I of ERISA or Section 4975 of the Code and any such plan that buys Offer Shares is subject to restrictions as provided in the Articles of Incorporation and this Prospectus.

The net proceeds of the Offer will not be known until after the Offer (and after deduction of expenses payable by the Company in connection with the Offer). The Offer will dilute each existing shareholding prior to the Offer by 36.19 per cent. (so that a 1 per cent. Shareholding immediately prior to the Offer would represent a 0.64 per cent. shareholding immediately after the Offer). The net asset value of the Company will increase by the amount equal to the net proceeds of the Offer. Until such proceeds begin to be used for the purposes disclosed in this Prospectus, the Directors expect that the Offer will not be accretive to earnings.

The Offer will be conditional on Admission occurring and becoming effective by 8.00 a.m. (Amsterdam time) on or prior to 4 June 2013 (or such later date as the Company may determine).

For additional information on the options granted to the Manager see ''Manager's Fees and Incentive Compensation – Manager's Options'' in Part IV of this Prospectus.

All Offer Shares issued pursuant to the Offer will be issued, payable in full, in cash at the Offer Price.

Immediately following Admission of the Offer Shares, it is expected that at least 25 per cent. of the Company's issued Shares (before exercise of the Manager's Options) will be held in public hands.

Allocation and Pricing

All Offer Shares issued pursuant to the Offer will be issued at the Offer Price. The Offer Price and allocation of Offer Shares under the Offer will be determined by the Sole Bookrunner in consultation with the Company having regard to the outcome of the bookbuilding process.

Amongst the factors considered in determining the Offer Price will be the prevailing market conditions, the closing price of the Shares on the dealing day prior to pricing and the demand for Offer Shares in the bookbuilding.

The Offer Price is expected to be announced in accordance with the expected timetable set out on page 44 of this Prospectus. The Pricing Statement, which will contain the Offer Price will be published in accordance with the timetable set out on page 44 of this Prospectus. The Pricing Statement will be available on the Company's website at www.eurocastleinv.com.

All Ordinary Shares sold pursuant to the Offer will be sold, payable in full, at the Offer Price. Upon notification of any allocation, prospective investors will be contractually committed to acquire the number of Ordinary Shares allocated to them at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment. Dealing may not begin before notification is made.

Underwriting

Details of the Underwriting Agreement between the Company, the Manager, the Directors and the Sole Bookrunner are set out in Part VI ''Additional Information'' of this Prospectus.

The Offer is conditional upon the Underwriting Agreement becoming unconditional and not having been terminated in accordance with its terms in respect of the Offer.

The obligations of the Sole Bookrunner under the Underwriting Agreement are, and the Offer is, conditional on, *inter alia*:

(i) Admission occurring by not later than 8.00 a.m. (Amsterdam time) on 4 June 2013 (or such later time and date as the Company and the Sole Bookrunner may agree in writing);

(ii) the warranties, representations and undertakings given by the Company in the Underwriting Agreement being true and accurate and not misleading in any respect on and as of the date of the Underwriting Agreement and at any time prior to Admission; and

(iii) the fulfilment by the Company of its obligations under the Underwriting Agreement which are required to be performed or satisfied on or prior to Admission, save to the extent that any non-compliance is not material in the context of the Offer.

If any condition in the Underwriting Agreement is not satisfied or waived in accordance with the Underwriting Agreement within the stated time periods (or such later time and/or date as the Company and the Sole Bookrunner may agree), or has become incapable of being satisfied, or the Underwriting Agreement is terminated in accordance with its terms, the Offer will lapse. The Sole Bookrunner may at its sole discretion and upon such terms as they think fit, waive compliance by the Company with, or extend the time and/or date for fulfilment by the Company of the whole or any part of any of the Company's obligations in relation to the conditions in the Underwriting Agreement, save that certain conditions, including the condition relating to Admission referred to in paragraph (i) above may not be waived.

In addition, the Company reserves the right to decide not to proceed with the Offer at any time prior to Admission.

Dealings

Application will be made for the Offer Shares to be issued pursuant to the Offer to be admitted to listing on NYSE Euronext Amsterdam. It is expected that Admission of the Offer Shares will become effective and that dealings in Shares will commence in accordance with the timetable set out on page 44 of this Prospectus. The Company, Euronext Amsterdam and the Listing Agent do not accept any responsibility on liability with respect to any person as a result of the withdrawal of the listing or the (related) annulment of any transaction in Shares on NYSE Euronext Amsterdam. Allotment, delivery and settlement of the Shares is expected to take place in accordance with the timetable set out on page 44 of this Prospectus through the book entry systems of CREST UK and/or Euroclear Netherlands.

Dealings in Offer Shares in advance of the crediting of the relevant CREST UK stock account or the despatch of the relevant share certificate shall be at the risk of the person concerned.

Settlement

Save in respect of initial purchasers who are Qualified Institutional Buyers, each initial purchaser of Shares who is a U.S. Person and each U.S. Person who acquires Shares from another U.S. Person (other than pursuant to a bona fide market purchase on NYSE Euronext Amsterdam) is required to hold Shares in certificated form.

Temporary documents of title will not be issued pending the despatch by post of definitive certificates in respect of Offer Shares in certificated form which is expected to take place in accordance with the timetable set out on page 44 of this Prospectus. (or as soon as practicable thereafter). Pending the despatch of such certificates, transfers will be certified against the register.

CREST UK/Euroclear Netherlands

The Shares will be in registered form and, subject to the ERISA and Investment Company Act considerations set out in Part VIII of this Prospectus, will be eligible for settlement through CREST UK. Investors may hold Shares either directly in CREST UK or indirectly through Euroclear Netherlands participants.

The Company will arrange for the Registrar to be instructed to credit the CRESTCo account of the Sole Bookrunner with the Offer Shares to be issued in uncertificated form in accordance with the timetable set out on page 44 of this Prospectus. The Sole Bookrunner will then settle on a delivery versus payment basis with successful applicants under the Offer either through CREST UK or Euroclear Netherlands. Investors who hold Shares indirectly in CREST UK through Euroclear Netherlands participants may incur higher custody charges for their Shares than if such Shares were held directly in CREST UK. Also, as a result of the Company being incorporated in Guernsey, investors may incur higher transaction or brokerage costs when dealing with Shares. Investors should be aware that Offer Shares delivered in certificated form are likely to incur, on an ongoing basis, higher dealing costs than those in respect of Offer Shares held in CRESTCo accounts. Offer Shares initially issued in certificated form may subsequently be deposited into CRESTCo accounts in accordance with normal CREST UK procedures subject to the ERISA and Investment Company Act considerations set out in Part VIII of this Prospectus.

Offer Shares settled through CREST UK are subject to the restrictions on transfer set out in Part VIII of this Prospectus.

Selling Restrictions

Please see "Important Information – Other Selling Restrictions" and paragraph 2 "Transfer restrictions" of Part VIII of this Prospectus for details of certain restrictions relating to the Offer Shares.

Lock-up Arrangements

The Company has agreed not to issue any Shares (other than Shares issued pursuant to the Offer and the Manager's Options) for a period of 90 days from Admission of the Offer Shares (subject to certain exceptions, including where the Sole Bookrunner has given its consent to the issue or sale, as the case may be).

Costs and Expenses of the Offer

The costs and expenses of the Offer will be borne by the Company. The costs are expected to be approximately €3.5 million.

PART VI:

ADDITIONAL INFORMATION

1 Incorporation and Share Capital

The Company is incorporated and domiciled in Guernsey and was registered on 8 August 2003 under the provisions of the Companies (Guernsey) Law, 1994 (as amended), as a closed-ended investment company limited by shares (registered number 41058) under the name of Eurocastle Investment Limited. The Company operates under the Companies (Guernsey) Law, 2008 (as amended) and regulations made under that law. The base currency of the Company is the euro. The Company was incorporated with, and as at 31 December 2012 it had, an authorised share capital consisting of an unlimited number of Shares of no par value each. On 21 October 2003, the Company issued 118,576,700 Shares at €1.00 each. Pursuant to a written resolution of the Company dated 18 June 2004, the Shareholders resolved to consolidate the Shares and:

- to receive one Share in exchange for every ten Shares previously held by them; and
- to adopt new Articles of Incorporation, the material terms of which are summarised below.

At its initial public offering in June 2004, the Company issued 6,600,000 Shares at €12.00 per Share and further issued 6,000 Shares, also at €12.00 per Share, to directors Paulo Bassi and Keith Dorrian. At its annual general meetings in April 2005 and June 2006, the Company issued an additional 6,000 Shares to Paulo Bassi and Keith Dorrian. In its June 2005 offering, the Company issued 5,740,000 Shares at €17.25 per Share. In February 2006, pursuant to an agreement signed in December 2005, the Company issued 8,571,429 Shares to the Fortress Funds at €18.00 per Share. In its January 2006 offering, the Company issued 11,667,000 Shares at €30.00 per Share. On 1 February 2006, the over-allotment option relating to the January offering was exercised resulting in 1,156,000 ordinary shares being issued at €30 each. On 1 June 2006, 6,000 shares were issued to Paulo Bassi and Keith Dorrian in their capacity as Directors. On 8 June 2006, 71,146 options with a strike price of €10 each were exercised. On December 2006, a further public offering of 17,837,838 shares at €37 each was raised.

On 19 January 2007, 20,000 options with a strike price of €10.00 per share were exercised. On 7 March 2007, 237,445 options with an average strike price of €21.26 were exercised. On 12 April 2007, 15,000 options with a strike price of €10.00 were exercised. On 7 May 2007, 10,573 options with an average strike price of €11.89 were exercised. On 21 May 2007, 8,639 options with an average strike price of €16.46 were exercised. On 29 May 2007, 8,891 options with an average strike price of €17.37 were exercised. On 2 July 2007, 2,429 share options with a strike price of €18.00 were exercised. On 20 August 2007, 3,000 shares were issued to Paulo Bassi, Keith Dorrian and Simon Thornton as part of their Directors' remuneration. On 1 October 2007, 13,238 share options with an average strike price of €12.81 were exercised. On 10 October 2007, 1,000 shares were issued to Udo Scheffel as part of his Directors' remuneration. On 11 October 2007, 34,305 share options with a strike price of €10.00 were exercised. On 12 October 2007, 29,031 share options with a strike price of €10.00 were exercised. On 15 October 2007, 25,000 share options with a strike price of €10.00 were exercised.

On 14 August 2008, 4,000 shares were issued to Paulo Bassi, Keith Dorrian, Udo Scheffel and Simon Thornton in their capacity as Directors at nil proceeds. On 25 September 2008, the Group repurchased 3,199,988 ordinary shares, representing 5 per cent. of the ordinary shares in issue, at a fixed price of €6.00 per share.

On 22 June 2009, 4,000 shares were issued to Paulo Bassi, Keith Dorrian, Udo Scheffel and Simon Thornton as part of their remuneration as Directors for nil value.

On 25 June 2009, the Group issued €75 million of perpetual subordinated convertible securities (net of transaction costs of €1.2 million) on the following terms:

- The convertible securities were issued at par and will be entitled to a coupon of 20 per cent., payable annually in arrears. Interest may accrue and is capable of being paid in shares at the conversion price at the Company's discretion upon conversion. No interest will be paid out until the corporate loan facility has been paid off in full.

- The convertible securities are perpetual but the Company may redeem the securities after 2 years at a premium of 20 per cent.
- The securities will be convertible into shares at the holder's option at a conversion price per Ordinary Share of €0.30.
- The securities have a minimum denomination of €50,000 and are unlisted but can be transferred.

On 6 October 2009, the Group raised an additional €15 million of capital through the issuance of further convertible securities on terms that economically represented a premium to par. On 19 October 2009, the Group issued a further €9.75 million of convertible securities on the same terms as the prior issuance.

On 25 February 2010, convertible security holders presented €1.5 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 5,000,000 shares. On 21 June 2010, 4,000 shares were issued to Paulo Bassi, Keith Dorrian, Udo Scheffel and Simon Thornton per their in-place compensation arrangements at nil consideration.

On 12 July 2011, 4,000 shares were issued to Paulo Bassi, Keith Dorrian, Udo Scheffel and Simon Thornton per their in-place compensation arrangements at nil consideration. On 25 July 2011, convertible security holders presented €3.0 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 10,050,268 shares. On 29 July 2011, convertible security holders presented €3.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 10,568,550 shares. On 4 August 2011, convertible security holders presented €0.1 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 219,725 shares.

On 13 June 2012, 4,000 shares were issued to Paulo Bassi, Keith Dorrian, Udo Scheffel and Simon Thornton per their in-place compensation arrangements at nil consideration. On 5 June 2012, convertible security holders presented €0.1 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 370,443 shares. On 19 July 2012, convertible security holders presented €0.3 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 998,755 shares. On 6 August 2012, convertible security holders presented €3.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 10,546,849 shares. On 10 August 2012, convertible security holders presented €0.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 635,046 shares. On 18 September 2012, convertible security holders presented €0.3 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 1,091,125 shares. On 27 September 2012, convertible security holders presented €0.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 594,634 shares. On 3 October 2012, convertible security holders presented €.7 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 2,493,999 shares. On 4 October 2012, convertible security holders presented €0.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 594,634 shares. On 10 October 2012, convertible security holders presented €2.5 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 8,244,053 shares. On 29 October 2012, convertible security holders presented €0.6 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 2,159,156 shares. On 7 November 2012, convertible security holders presented €0.6 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 1,962,868 shares. On 8 November 2012, convertible security holders presented €1.1 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 3,691,397 shares. On 13 November 2012, convertible security holders presented €0.2 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 606,180 shares. On 23 November 2012, convertible security holders presented €2.1 million of convertible securities for conversion. Eurocastle duly converted these securities and issued 6,855,452 shares.

On 28 March 2013, the Company obtained approval from the holders of its convertible securities to lower the conversion price from €0.30 to €0.05 per share in exchange for, *inter alia*, the right for the Company to require a conversion of all outstanding convertible securities. The Conversion has discharged the Company's liability to pay interest and repay the outstanding principal amount on the convertible securities and, subject to investment proceeds being available for the purpose and other legal requirements, will allow the Company to reinstate regular dividend payments to Shareholders. The

Company and the Manager also agreed a material reduction in the level of annual management fees payable to the Manager by the Company to take effect following the Conversion. These fee arrangements are described in Part IV.

On 12 April 2013, the Company converted all outstanding convertible securities to Shares and increased the issued share count to 3,525,900,465. In accordance with Guernsey law, Shareholder approval was not required in connection with the Conversion.

The Board does not intend to issue more than 10,000,000 new Shares at a price below €10.00 in the six months following the date of the Conversion.

On 8 May 2013, the Company consolidated its share capital such that every 200 Shares were consolidated into one Share. This resulted in the number of issued shares decreasing to 17,629,502 Shares.

As at the date of this Prospectus, the issued share capital of the Company (all of which is fully paid up) consists of 17,629,502 Shares and Options over 29,333 Shares.

Shares in the Company are listed on Euronext Amsterdam.

There are no provisions of Guernsey law which confer rights of pre-emption upon the issue or sale of any class of Shares in the Company.

Save as disclosed in this Prospectus, no share or loan capital of the Group has been issued or agreed to be issued and no such capital of the Group is proposed to be issued or is under option or agreed conditionally or unconditionally to be put under option.

2 Memorandum

The Memorandum provides that the Company's principal object is to carry on business as an investment company.

The objects of the Company are set out in full in Clause 3 of the Memorandum which is available for inspection as stated at paragraph 14 of this Part VI.

3 Articles of Incorporation

The following is a summary of the principal provisions of the current Articles of Incorporation of the Company insofar as they have not been described earlier in this Prospectus.

The Company, in its notice of Annual General Meeting dated 22 April 2013, has proposed that certain amendments are made to these Articles of Incorporation. A resolution for the adoption of a revised set of Articles of Incorporation will be put to the Annual General Meeting of the Company, currently scheduled to be held on 29 May 2013. A summary of the key proposed amendments is set out in the section below entitled ''Proposed Key Amendments to the Articles of Incorporation''. The proposed changes to the Articles of Incorporation are set out in full in the Proposed New Articles of Incorporation, which are available for inspection as stated at paragraph 14 of this Part VI.

Capital Structure

Under the Articles, the Directors have discretion to allot or grant options over Shares of the same class and to create new classes of Shares to such persons on such terms and conditions and at such times as the Directors determine. All Shares of each class will rank *pari passu* unless otherwise provided when the Shares are offered for sale.

Variation of Class Rights and Alteration of Capital

Subject to the provisions of Guernsey law, all or any of the special rights for the time being attached to any class of shares issued may (unless otherwise provided by the terms of issue of the shares of that class or the Articles) from time to time (and notwithstanding that the Company may or may be about to be in liquidation) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters of the capital committed or agreed to be committed in respect of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles, but so that the quorum at such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one-third of the capital committed or agreed to be committed in respect of the issued shares of the class in question.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of issue of the shares of that class) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Issue of Shares

Subject to the provisions of the Articles, unissued shares shall be at the disposal of the Board which may allot, grant options over (including, without limitation, by way of granting phantom stock, stock appreciation rights or other similar rights) or otherwise dispose of them to such persons on such terms and conditions and at such times as the Board determines but so that the amount payable on application on each share shall be fixed by the Board. Shares do not carry any rights of pre-emption.

Classes of Shares

The rights attaching to the Shares are as follows:

(a) Voting Rights

Subject to any special rights or restrictions which may be attached to any class of share on a show of hands, every holder of Shares who (being an individual) is present in person or by a proxy shall have one vote and, on a poll, every holder present in person or by a proxy shall have one vote for every Share held.

(b) Dividends

Subject to the Companies (Guernsey) Law 2008 (as amended), and as hereinafter set out, the Directors of the Company may from time to time declare dividends on Shares out of the earnings of the Company available for distribution. Dividends will be paid to Shareholders pro rata to their Shareholdings and no dividend will be declared in excess of the amount recommended by the Directors. The Directors have the right to recommend the payment of dividends in respect of the Company at their discretion, provided that dividends will be payable only to the extent that they are justified by the position of the Company and any surplus derived from the sale or realisation of an investment held directly by the Company shall not be available for dividends. All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividend shall bear interest against the Company. Any dividend unclaimed after a period of 12 years from the date of declaration thereof will be forfeited and will revert to the Company and the payment by the Directors of any unclaimed dividend or other sum payable on or in respect of a Share into a separate account will not constitute the Company a trustee in respect thereof.

(c) Redemption

The Shares do not carry a right to redemption by Shareholders.

Transfer and Compulsory Transfer of Shares

Subject to any restrictions on transfers described below and in Part VIII of this Prospectus:

(a) Any Shareholder may transfer all or any of his uncertificated shares by means of a relevant system authorised by the Board in such manner provided for, and subject as provided, in any regulations issued for this purpose under the laws applicable to the Company or such as may otherwise from time to time be adopted by the Board on behalf of the Company and the rules of any relevant system and accordingly no provision of the Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred.

(b) Any Shareholder may transfer all or any of his certificated shares by an instrument of transfer in any usual form, or in any other form which the Board may approve, signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

(c) The Directors shall not be bound to register more than four persons as joint holders of any Share. In addition, the Articles allow the Directors to refuse to consent to a transfer by a Shareholder (a ''Defaulting Shareholder'') who, having been requested to do so by the Directors, fails to provide certain information regarding the interests of other persons in the Shares held by the Defaulting Shareholder.

The Articles require that Defaulting Shareholders can only make ''approved transfers'' as is defined in the Articles.

The Directors may refuse to register a transfer of Shares in the circumstances set out in Part VIII of this Prospectus provided that such discretion may not be exercised in such a way as to prevent dealings in Shares taking place on an open and proper basis.

Proposed Key Amendments to the Articles of Incorporation

Set out below is a summary of the key changes proposed to be made to the Articles of Incorporation of the Company, principally being proposed to reflect certain changes brought about by the introduction of the Companies (Guernsey) Law.

(a) Amendments to provide the directors with an unlimited ability to issue new shares, subject to compliance with the procedural requirements of the Companies (Guernsey) Law (which includes satisfying themselves that the consideration for the issue of such shares is fair and reasonable to the Company and its existing members).

(b) Amendments to reduce the minimum notice period for general meetings to the minimum amount permitted under the Companies (Guernsey) Law.

(c) Amendments to refer to distributions as well as dividends which will increase the Company's flexibility to make distributions (including dividends).

(d) Amendments to reflect the fact that, under the Companies (Guernsey) Law, profits are no longer the key determinant of the distribution policy of a company. Under the Companies (Guernsey) Law, a company may pay a dividend or distribution from any source, provided that the directors are satisfied on reasonable grounds that it is, and remains, solvent.

(e) Amendments to provide the Company with the maximum possible power to communicate with shareholders electronically (including that shareholders are deemed to agree that the Company may validly serve documents on them by posting documents on a website and notifying the shareholder that such documents have been posted and the Company may validly serve notices and documents on a shareholder by sending these notices and documents to an email address provided by the shareholder for that purpose).

4 Directors

(a) Unless otherwise determined by the Board, the number of Directors shall be not less than two or more than ten.

(b) The Directors shall not be required to hold any qualification shares. At the first annual general meeting and at each annual general meeting thereafter: (1) any Director who was elected or last re-elected a Director at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation; and (2) such further Directors (if any) shall retire by rotation as would bring the number retiring by rotation up to one-third of the number of Directors in office at the date of the notice of the meeting (or, if their number is not a multiple of three, the number nearest to but not greater than one-third).

(c) The Directors (other than alternate directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine provided that the amount paid to any Director by way of fees shall not exceed €100,000 in any financial year, or such higher amount as may be determined from time to time by ordinary resolution of the Company. Any fees payable pursuant to the Articles shall be distinct from and shall not include any salary, remuneration for any executive office or other amounts payable to a Director pursuant to any other provisions of the Articles and shall accrue from day to day. The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors, including expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company. If by arrangement with the Board, any Director shall perform or render any special duties or services outside his ordinary duties as a Director, he may be paid such reasonable additional remuneration as the Board may determine.

(d) A Director who to his knowledge is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of his interest at a meeting of the Board.

(e) Subject to certain exceptions, a Director may not vote (or be counted in the quorum) in respect of any resolution of the Directors or committee of the Directors concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company).

(f) Any Director may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

(g) Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such company.

(h) The Directors shall not be subject to a mandatory retirement age.

Borrowing Powers

The Directors may exercise all the powers of the Company to borrow money and hypothecate, mortgage, charge or pledge the assets, property and undertaking of the Company or any part thereof and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Disclosures of Beneficial Interests in Shares

(a) The Directors may serve notice on any Shareholder requiring that Shareholder to disclose to the Company the identity of any person (other than the Shareholder) who has an interest in the Shares held by the Shareholder and the nature of such interest. Any such notice shall require any information in response to such notice to be given within such reasonable time as the Directors may determine.

(b) If any Shareholder is in default in supplying to the Company the information required by the Company within the prescribed period (which is 28 days after service of the notice or 14 days if the shares concerned represent 0.25 per cent. or more in nominal value of the issued shares of the relevant class), the Directors in their absolute discretion may serve a direction notice on the Shareholder. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the ''Default Shares'') and any other shares held by such Shareholder, such Shareholder shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. of the Shares for the time being in issue, the direction notice may additionally direct that dividends on such Default Shares will be retained by the Company (without interest), and that no transfer of Default Shares (other than a transfer approved under the Articles) shall be registered until the default is rectified.

5 Report and Accounts

The annual report and accounts of the Company will be made for the 12 month (or such shorter) period ending 31 December in each year. Copies of the annual audited financial statements and the semi-annual unaudited interim reports will be made available for inspection at and may be obtained upon request from the registered office of the Company shortly thereafter.

6 Annual General Meeting

It is intended that the annual general meeting of the Company will normally be held in May of each year. The annual general meeting of the Company will be held in Guernsey or such other place as may be determined by the Board of Directors. Notices convening the general meeting in each year will be sent to Shareholders at their registered addresses or despatched by other reasonable means not later than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors by sending notices to Shareholders at their registered addresses or by Shareholders requisitioning such meetings in accordance with the Articles of Incorporation and Guernsey law.

7 Winding Up

The Company may be voluntarily wound up at any time by special resolution. On a winding up, the surplus assets remaining after payment of all creditors, including the repayment of bank borrowings shall be divided *pari passu* amongst Shareholders pro rata, according to the rights attached to the Shares.

8 Untraceable Shareholders

The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Shareholder or any shares to which a person is entitled by transmission on death or bankruptcy if and provided that:

(a) for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Shareholder or to the person so entitled to the share at his address in the Register or otherwise the last known address given by the Shareholder or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Shareholder or the person so entitled provided that in any such period of 12 years the Company has paid at least three dividends whether interim or final;

(b) the Company has at the expiration of the said period of 12 years by advertisement in a newspaper circulating in the area in which the address referred to in sub-paragraph (a) above is located given notice of its intention to sell such shares;

(c) the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Shareholder or person so entitled; and

(d) if any part of the share capital of the Company is quoted on any stock exchange, the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such shares.

9 Directors' Interests

No Directors have any convictions in relation to fraudulent offences. None of the Directors have been the subject of any official public incrimination or sanction by statutory or regulatory authorities (including designated professional bodies) and none of the Directors have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Within the past five years, none of the Directors have been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of an administrative, management or supervisory body or a senior manager.

There are no outstanding loans granted by the Group to Directors, nor are there any guarantees provided by the Group for the benefit of any Director.

No Director is subject to any conflict of interest between his duties to the Group and his private interests or other duties.

Over the five years preceding the date of this Prospectus, the Directors have held the following directorships (apart from their directorships of the Company) and/or partnerships:

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
Keith Dorrian	AB Alternative Strategies PCC Limited	AB Asia Pacific Growth Fund Limited
	AB International Fund PCC Limited	ACUS (Channel Islands) Limited
	Arab Bank Fund Managers (Guernsey) Limited	CitiRoad PCC Limited
	IIAB PCC Limited	Credit Suisse Opportunistic Alternative Strategies Limited
	International Public Partnerships Limited	Clarion ICC Limited
	BH Credit Catalysts Limited	Cayuga Global Growth Fund
	Credit Suisse Opportunistic Alternative Strategies Ltd	Elven Investments Limited
	Custom Portfolio PCC Ltd	FPP Asia Pacific Fund Limited
	Credit Suisse Core Alternative Strategies Ltd	Guernsey Training Agency Limited
	Pensus Limited	Hermes Absolute Return Fund Limited
	Premium Portfolio Fund PCC Ltd	Hermes Commodities Umbrella Fund Limited
	Premium Series PCC Ltd	HCIF Index Sub Fund Limited
	Re Investments ICC Ltd	HSBC Global Absolute Fund of Funds Limited
	Re Investments Alternative Strategies IC Ltd	IDFC Private Equity Partners GP Limited
	Re Investments Global IC Ltd	Montier Multistrategy Fund of Funds Limited
	Re Investments LEA Markets Ltd	Montier Long Short Equity Fund of Funds Limited
	Asian Alternative Strategies Fund Ltd	Montier Multistrategy Master Fund
	Credit Suisse Global Real Estate & Infrastructure Opportunities Ltd	Montier Multi Strategy Closed End Fund of Funds Limited
	Secundum Series PCC Limited	Montier Asset Management Limited
	Eagle & Dominion Limited	Montier Asia and Emerging Market Fund of Funds Limited
	Eagle & Dominion Growth Fund Limited	
	Strategic Investment Portfolio Holdings Limited	
	Strategic Investments GP Limited	
	Hermes Emerging Markets Private Equity Fund GP Limited	
	UK Commercial Property Trust Limited	
	UK Commercial Property Holdings Limited	
	UK Commercial Property Nominee Limited	
	UK Commercial Property GP Limited	
	UK Commercial Property Estates Holdings Limited	
	UK Commercial Property Estates Limited	
	MasterCapital Fund Limited	
	PSource Structured Debt Limited	
	Third Point Offshore Investors Limited	
	K A N Consulting Limited	
Peter Smith	National Real Estate Information Services LP	FIF Amstead BC Block LLC
	Springleaf Finance Corp.	
	Springleaf Finance Inc.	
	Nationstar Mortgage LLC	
	Nationstar Regular Holdings Ltd.	
	FIF HE Holdings LLC	
	CW Financial Services LLC	
	CWCapital LLC	
	CWCapital Investments LLC	
	CWCapital Asset Management LLC	

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
Simon Thornton	Alderney Housing Association Limited Guernsey Housing Association LBG Ardleigh Road (Guernsey) Limited Mount Wise Developments Limited Westpoint Holdings Limited Arlington Limited Audley Capital Management SPV1 Limited Audley Capital Management (Cayman GP) Limited Audley Capital Management Limited Audley European Opportunities Fund Limited Audley European Opportunities Master Fund Limited Audley Investment Management Limited Audley Investment 1 Limited Audley Investment 2 Limited Audley Natural Resources Fund Limited Audley Natural Resources Master Fund Limited Audley Recovery Opportunities Fund Limited Audley Recovery Opportunities Master Fund Limited Colne River Global Bond Fund Typhoon Options Fund Foundation Limited Rosso Sarl St James Limited TASNCH Holding S.r.l. Verde Sarl Praxis Asset Management Praxis Corporate Finance Praxis Pensions and Benefits Limited Praxis Fund Services Praxis Holdings Limited Praxis Luxemburg SA Praxis Wealth Solutions Limited Trireme Pension Services (Malta) Limited PKF (Guernsey) Limited Walter Property Limited Walter Property (Jersey) Ltd Foxtail Limited Alocasia Limited Lilly Limited Orchid Limited Alternative Solutions Limited Annevilles Nurseries Limited SandpiperCI Limited BKF Holdings (Guernsey) Ltd Bouet Holdings Limited Drury Limited G Orange (Guernsey) Limited L.S. Warry & Sons Limited LDM Properties (Guernsey) Limited New Island Wide (Properties) Ltd New Island Wide Ltd Perelle (2003) Limited Pitronnerie Properties Limited Sandpiper Propertyco 1 Limited Sandpiper Propertyco 7 Limited Sandpiper Propertyco15 Limited St Pierre Park Hotel Ltd Trade Savers C.I. Limited	AGIC GP limited AGICM Limited Adco One Limited Adco Three Limited Adco Two Limited Art Investment PCC Limited Art Trading Limited ASL Holdings Limited Brittain Hadley Holdings Limited Channel Islands Finance Company Ltd Commercial Properties Limited CIT CoTru Guernsey Ltd Coalburn (Guernsey) Limited Cornwall Property Limited Dhow Developments Holding Limited Dhow Estates Limited Ferncliffe Developments Limited Finchley Road (Guernsey) Limited First Central (Guernsey) Limited Grange Offices Limited Grafton Group Holdings Limited Grafton Group Services Limited Hallumshire (Guernsey) Limited Hallumshire Holdings Limited Heathhall (Guernsey) Limited Heretic Holdings Limited JAB Limited Krypton Holdings Limited Lavender Limited Mount Wise (Guernsey) Limited Mount Wise (Devon) Limited Mount Wise Holdings Limited Perelle House Limited Plaisance Holdings Limited Portman Developments Limited Praxis Directors One Limited Praxis Directors Two Limited Praxis Nominees Limited Praxis Secretaries Limited Praxis Trustees Limited Truchot Trustees Limited Property Services Limited Pumpkin Limited Radon Holdings Limited Safeway (Channel Islands) Limited Safeway Stores (Guernsey) Ltd Samarium Holdings Limited Shimmering Diamond Limited Springfield Holdings Limited St Johns Wood Holdings Limited Thistle Company Limited Westpoint (Guernsey) Limited West Street Developments Limited Winchester Street (Guernsey) Limited Woodpecker Holdings Limited Wynbrook (Guernsey) Limited
Udo Scheffel	None	

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
Randal Nardone	A&K Sarl (f/k/a Abercrombie & Kent Group of Companies S.A.) Abercrombie & Kent S.A. AGF Holdings Inc. Alterra Healthcare Corporation Alea Group Holdings (Bermuda) Ltd. (2) BAI Liquidating LLC Bailbo LLC BC Holdings GP Ltd. BlackRock Fortress Liquidating LLC Lewis GP Ltd. (f/k/a Boxcleaver Acquisition GP Ltd.) Brookdale Living Communities Inc. Brookdale Senior Living Inc. FCF Deutschland GmbH FCF UK Limited Florida East Coast Railway Corp (f/k/a FECR Rail Corp) Florida East Coast Holdings Corp FECR Rail LLC FECR Rail Holding LLC FCF III UK Limited FCF UK (A) Limited FECR Rail Holding LLC FIC BM LLC FIC GSA Mezzanine Borrower LLC FIF I NPL Residual S.à.r.l. FIF III Liberty Holdings LLC FIF IV SPEC LLC FIF NPL Sarl FIG HCRS LLC FIG Corp FIG Asset Co LLC FIG LLC FIG Partners Pool (A) LLC FIG Partners Pool (2) LLC FIN Acquisition Limited FIN Acquisition Holdings Limited FIT Aero Iceland Ltd. FIT Aero Investments Ltd. FIT Capital Trading LLC FIT CFN Holdings LLC FIT DVI LLC FIT FHA Acquisition LLC FIT Kansas Christian LLC FIT Foxwoods Springs LLC FIT Ramsey LLC FIT Oklahoma Christian LLC FIT REN LLC Fortress Canada Investment Corp. Fortress China Senior Care GP Ltd. Fortress China Senior Care Advisors Ltd. Florida East Coast Industries Inc. Fortezza Non IPO Sarl Fortress CBO Investments I Corp. Fortress CBO Investments I Limited Fortress CCRC Acquisition LLC Fortress Fund IV GP Holdings Ltd. Fortress GSA Securities LLC Fortress GSA Securities SPE LLC Fortress Investment Group (UK) Ltd. Fortress Investment Group LLC Fund IV CFD LLC Fortress Drive Asset Manager LLC Fortress Investment Holdings II LLC Fortress Investment Fund V (Fund B) Securities Holdings Limited Fortress Investment Fund V (Coinvestment Fund B) Securities Holdings Limited Fortress Investment Fund V Securities Holdings L.P. Fortress Principal Investment Group LLC Fortress IOFP 2 LLC	Fortress Investment Fund V (Fund A) FFTL Limited Fortress Investment Fund V (Fund B) FFTL Limited Fortress Investment Fund V (CFG) Limited FIF III CLIF Holding LLC FIT CCRC LLC FIT Mapeley Holdings Ltd. Fortress Cayman Holdings LLC Fortress Cayman Partners LLC Fortress UK Acquisition Company ITAL FT Investment Holdings IV LLC ITAL FT Investment Holdings V LLC NIC 2 River Place LLC NIC 4 River Place LLC Seacastle Holdings MM LLC SKI ITW BD GP Holdings Ltd.

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
	Fortress IW Coinvestment Fund GP Holdings Ltd.	
	Fortress GSA Mortgage LLC	
	Fortress Oldcastle SLP LLC	
	Fortress Principal Investment Holdings IV LLC	
	Fortress Principal Investment Holdings LLC	
	Fortress Subsidiary (GAGACQ) Co-Investors (Cayman) Ltd.	
	Fortress Fund V GP (BCF) Holdings Ltd.	
	Fortress Fund V GP Holdings Ltd.	
	Fortress Investment Fund III (Fund D) (GAGACQ Subsidiary) Ltd.	
	Fortress Investment Fund III (Fund E) (GAGACQ Subsidiary) Ltd.	
	Fortress Investment Fund III (Fund D) ECT Ltd.	
	Fortress Investment Fund III (Fund E) ECT Ltd.	
	Fortress (GAGACQ) Cayman Ltd.	
	Fortress Investment Fund V (Fund A) MBS Holdings Limited	
	Fortress Investment Fund V (Coinvestment Fund A) MBS Holdings Limited	
	Fortress Investment Fund V (Fund A) MBS III Holdings Limited	
	Fortress Investment Fund V (Fund A) MBS IV Holdings Limited	
	Fortress Investment Fund V (CFG) MBS Holdings Limited	
	Fortress Investment Fund V (CFG) MBSIII Holdings Limited	
	Fortress Investment Fund V (Coinvestment CF) MBS Holdings Limited	
	Fortress PE Promote Corp	
	FRID GP Holdings Ltd.	
	FRIT Ital S.L.	
	FRIT PINN LLC	
	Fund IV CFD LLC	
	GAGACQ Ireland Limited	
	GAGFAH S.A.	
	Galaxy PEF Holdings LLC	
	Galaxy Acquisition Blocker B LLC	
	Galaxy Acquisition Blocker CFG LLC	
	GMZ Funding LLC	
	GMZ Funding II LLC	
	Green Tree Investment Holdings LLC	
	GSA EQ Borrower LLC	
	Harvest Facility Holdings GP LLC	
	Harvest Facility Holdings GP II LLC	
	Harvest Headquarters LLC	
	Harvest Canada Blocker GP LLC	
	Harvest Leasing LLC	
	Harvest Management Sub LLC	
	Harvest Mezzanine I LLC	
	Harvest Mezzanine II LLC	
	Holiday Canada LLC	
	Holiday Canada GP II LLC	
	Holiday Acquisition Corp.	
	IMPAC Commercial Assets Corporation	
	Intrawest ULC	
	Intrawest Cayman GP Ltd.	
	Intrawest US Holdings Inc.	
	Ital Investment Holdings II LLC	
	Ital SP Acquisition GP LLC	
	Italfondiario Investment Sarl	
	Iron Horse Acquisition Holding LLC	
	Iron Horse Holding LLC	
	Karl S.A.	
	LIV Holdings LLC	
	Luz Acquisition LLC	
	Mapeley Columbus (Jersey) Limited	
	Matakite A Cayman Ltd.	
	Matakite B Cayman Ltd	

Name	Current Directorships/Partnerships	Previous Directorships/Partnerships
	Matakite C Cayman Ltd Matakite D Cayman Ltd Matakite E Cayman Ltd Matakite F Cayman Ltd Matakite G Cayman Ltd MS Hub Acquisition B Blocker LLC MS Hub Acquisition CFG Blocker LLC Nationstar Regular Holdings Ltd. Newcastle 2005-1 Asset-Backed Note LLC Newcastle CDO IV Corp. Newcastle CDO IV Holdings LLC Newcastle CDO IV, Limited Newcastle CDO V Corp. Newcastle CDO V Holdings LLC Newcastle CDO V, Limited Newcastle CDO VI Corp. Newcastle CDO VII Corp. Newcastle CDO VI Holdings LLC Newcastle CDO VII Holdings LLC Newcastle CDO VI, Limited Newcastle CDO VII Limited Newcastle MH I LLC Newcastle Mortgage Securities LLC Newcastle OPCO LLC Newcastle Investment Holdings LLC NIC Airport Corporate Center, LLC NIC Apple Valley I LLC NIC Apple Valley II LLC NIC Apple Valley III LLC NIC Dayton Towne Center, LLC NIC DP LLC NIC TRS Holdings, Inc. NIH TRS Holdings, Inc. NPL Holdings LLC PNG Acquisition Company Inc. PNG Merger Sub Inc. RESG Acquisition Corp. RESG MIDL Corp. RR Acquisition Holding LLC RR Acquisition MM LLC RailAmerica Inc. (merged with RR Acquisition Sub Inc.) Seacastle Inc. SP GP LLC SPM Two Inc. Steamboat Ski & Resort Corporation Steamboat Acquisition Corp. Shannon Health Properties, Inc. Shannon Property Management Inc. Shannon Health Care Realty, Inc. Springleaf Finance Corporation Springleaf Finance Inc. Stelfort III Acquisition Inc. Stelfort III Holding Inc. Torre Real Speculative SGR P.A Wintergames Acquisition LLC Wintergames Acquisition ULC Wintergames Travel GP Ltd. WWTAI Finance Ltd. WPRM LLC SKI Cayman ITW BD Limited	

Disclosure of Interests and Trading History of Shares

The interests of Directors in the Shares of the Company as at the date of this Prospectus and as they are expected to be immediately following the Offer are as follows:

Name	As at the date of this Prospectus	Following the Offer
Keith Dorrian	45	45
Randal A Nardone[(1)]	534,841	534,841
Udo Scheffel	30	30
Simon Thornton	30	30
Peter Smith	0	0

Note:

(1) Randal A Nardone is a member of Fortress Operating Entity I LP which is the registered holder of 5,025 Shares and as a result of this relationship Randal A. Nardone is interested in the Shares owned by this entity or in some of such Shares.

Except as set out above, none of the Directors, nor any persons connected with the Directors, have an interest in Shares or Options of the Company.

Save as disclosed below, the Directors are not aware of any person who, as at 13 May 2013 (being the latest practicable date prior to the date of this Prospectus), directly or indirectly is interested in 3 per cent. or more of the share capital of the Company. The Shares held by each person referred to below carry the same voting rights as all other Shares.

Name	No. of Shares	Percentage of Issued Share Capital Pre-Offer	Percentage of Issued Share Capital Post-Offer[(1)]
Euroclear Nominees Limited	10,624,390	60.26%	38.45%
Goldman Sachs Securities (Nominees) Limited	3,309,261	18.77%	11.98%
Chase Nominees Limited	719,838	4.08%	2.61%
Wesley Edens	534,991	3.03%	1.94%
Randal A Nardone	534,841	3.03%	1.94%

Note:

(1) Assuming such Shareholders do not purchase any Offer Shares.

The Directors are not aware of any person who, as at the date of this Prospectus, directly or indirectly, jointly or severally, exercises control over the Company and are not aware of any arrangements, the operations of which may at a subsequent date result in a change of control of the Company.

10 Middle-market prices for Shares

The table below sets out the middle-market prices for the Shares on the first dealing day in each of the six months preceding the date of this Prospectus (and on 13 May 2013), as extracted from Euronext Amsterdam N.V.'s Daily Official List (*Officiele Prijscourant*). It should be noted that trades in these securities were not necessarily transacted on these dealing days and that the figures shown below may therefore represent prices made on earlier trades. It should also be noted that not all trades will have been reported to Euronext Amsterdam.

Date	Price[16]
	(€)
13 May 2013	8.45
2 May 2013	0.03
2 April 2013	0.05
1 March 2013	0.06
1 February 2013	0.05
2 January 2013	0.04
3 December 2012	0.03

11 Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) are contracts which have been entered into by any member of the Group in the two years immediately prior to the date of this Prospectus, and which are or may be material or are contracts entered into by any member of the Group which contain any provisions under which any member of the Group has any obligation or entitlement which is or may be material to the Group at the date of this Prospectus:

11.1 Management Agreement

The Company is party to an amended and restated Management Agreement with the Manager, dated as at 28 February 2013 and effective from 1 April 2013, pursuant to which the Manager provides for the day-to-day management of the Group's operations.

The Management Agreement provides that if Fortress acts as investment manager of any subsidiary or SPV, Fortress will, to the extent it is able to do so, be required to procure that the investment policy of the subsidiary or SPV conforms with the investment policies and guidelines of the Company.

The Company has agreed to indemnify, reimburse and hold harmless the Manager and its affiliates and their members, managers, officers, directors, and employees with respect to all expenses, losses, damages, liabilities, demands, charges and claims arising from acts or omissions of such party not constituting bad faith, wilful misconduct, gross negligence, or reckless disregard of the Manager's duties, performed in good faith under the Management Agreement. The Manager has agreed to indemnify, reimburse and hold harmless the Company, the Company's Shareholders, Directors, officers and employees with respect to all expenses, losses, damages, liabilities, demands, charges and claims arising from acts of the Manager and its affiliates and their members, managers, officers, directors and employees constituting bad faith, wilful misconduct, gross negligence or reckless disregard of the Manager's duties under the Management Agreement. The Manager carries errors and omissions and other customary insurance.

The Management Agreement generally does not limit or restrict the Manager from engaging in any business or managing any other vehicle that invests generally in Target Investments. However, the terms of the Management Agreement prohibit the Manager and any entity controlled by or under common control with the Manager from raising or sponsoring any new investment fund, company or other pooled vehicle (that raises equity capital from outside sources) whose investment policies, guidelines or plan targets as its primary investment category investments in credit sensitive European real estate related securities it being understood that no such fund, company or pooled investment vehicle shall be prohibited from investing in credit sensitive European real estate related securities other than as its primary investment category. See Part IV of this Prospectus for a summary of the fees and incentive compensation payable to the Manager under the Management Agreement.

The Management Agreement shall be in effect until the date which is ten years from 13 August 2003, subject to automatic renewal and on such date and on each three year anniversary of such date shall be deemed renewed automatically for an additional three year period unless the holders of a simple majority of Shares by vote taken at a meeting duly held for such purpose agree that there has been unsatisfactory performance that is materially detrimental to the Company. The Manager will be provided with 60 days' prior notice of any such termination and will be paid a termination fee described in Part IV of this Prospectus. The Company may terminate the Management Agreement effective upon 60 days' notice,

16 The middle market prices for the first dealing date in each of the six months preceding the date of this Prospectus reflect the price before the share consolidation of 8 May 2013, and other than the price for 13 May 2013 and 2 May 2013, reflect the price before the Conversion.

without payment of any termination fee, in the event of fraud, misappropriation of funds, gross negligence or wilful violation by the Manager. The Manager may terminate the Management Agreement upon 60 days' notice in the event that the Company defaults in the performance or observance of any material term, condition or covenant under the Management Agreement (taking into account any applicable grace period) and on each anniversary of the commencement of the Management Agreement. Upon any termination of the Management Agreement by either party for any reason, the Company shall be entitled to purchase the Manager's right to receive incentive compensation from the Manager for a cash purchase price equal to its fair market value (as determined by independent appraisal to be conducted by an appraisal firm recognised in the United States and mutually agreed upon by the Company and the Manager). If the Company does not elect to so purchase the Manager's right to receive incentive compensation, the Manager, by delivering to the Company written notice within 20 days following termination, will have the right to require the Company to purchase the same at the price described above. Otherwise the Company will be required to continue to pay the incentive compensation to the Manager following termination of the Management Agreement, which payments could continue for an indefinite period of time.

The Manager may at any time, without the Company's consent, assign or subcontract certain duties under the Management Agreement to any affiliate of the Manager or to an entity whose day-to-day business and operations relating to the Company are managed and supervised by any one or more of Messrs. Wesley R. Edens, Peter L. Bridge Jr. and Randal A. Nardone, provided that certain officers of the Manager also jointly manage and supervise the day-to-day business and operations of such affiliate and provided, further, that the Manager shall be fully responsible to the Company for all errors or omissions of such assignee.

The Management Agreement is governed by the law of the State of New York.

11.2 Administration Agreement

The Company is party to an Amended and Restated Administration Agreement with IAG dated 1 July 2009, pursuant to which IAG performs certain administrative duties in respect of the Company, including, among other things, maintenance of the books and records of the Company, monitoring adherence with applicable laws, maintaining bank accounts, preparation of annual tax exempt applications in Guernsey and provision of company secretary services.

In the absence of negligence, fraud, or wilful default, IAG will not be liable for any loss or damage suffered by the Company or its shareholders as a result of the performance or non-performance by IAG of its obligations and duties under the Administration Agreement.

The Company has agreed to indemnify and hold harmless IAG from and against all actions, proceedings, claims and demands (including costs, expenses incidental thereto) which may be made against, suffered or incurred by IAG in respect of any direct loss or damage suffered or alleged to have been suffered in connection with the performance or non-performance by IAG of the obligations or duties under the Administration Agreement.

References to IAG in the indemnity provisions include references to the officers, servants, agents and delegates of IAG.

The Administration Agreement provides that the appointment of IAG will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other in the event of a material breach of the Administration Agreement, or the insolvency of the other party.

See Part IV of this Prospectus for a summary of the fees payable to IAG for the performance of its duties under the Administration Agreement.

The Administration Agreement is governed by the laws of Guernsey.

11.3 Registrar's Agreement

The Company is party to a Registrar Agreement with Anson Registrars Limited dated 24 June 2004, pursuant to which Anson Registrars Limited will act as registrar of the Company, and, amongst other things, will have responsibility for the transfer of shares, maintenance of the share register and acting as transfer and paying agent.

The Registrar shall not, in the absence of fraud, negligence or wilful default or breach by it of the terms of the Registrar Agreement be liable to the Company for any loss or damage suffered by the Company arising directly or indirectly out of anything done or omitted by the Registrar in good faith in accordance with the terms of the Registrar Agreement.

The Registrar shall not, in the absence of fraud, negligence or wilful default or breach by it of the terms of the Registrar Agreement be liable to the Company for any loss sustained by the Company or in any of the assets of the Company as a result of loss, delay, misdelivery or error in transmission of any email, cable, telex, telefax or telegraphic communication or if any document be proved to be forged or otherwise defective or erroneous.

The Company shall indemnify and hold harmless the Registrar against all claims and demands which may be made against the Registrar in respect of any loss or damage sustained or suffered or alleged to have been sustained or suffered by any third party as a result of or in consequence of the performance or non-performance by the Registrar of its obligations under the Registrar Agreement otherwise than by reason of fraud, negligence or wilful default or the breach by the Registrar of the terms of the Registrar Agreement.

The Registrar Agreement provides that the appointment of Anson Registrars Limited will continue unless and until terminated by either party giving to the other not less than 90 days' written notice, provided that such notice will not be effective within six months of the date of the Registrar Agreement. In certain circumstances, the Registrar Agreement may be terminated forthwith by notice in writing by either party to the other based on certain material breaches of the Registrar Agreement, or the insolvency of either.

In any event, the Registrar may cease to provide any services pursuant to the Registrar Agreement if any of its fees become overdue by more than seven days until such overdue fees are paid in full.

Anson Registrars Limited is entitled to a minimum annual fee of €5,280 for the performance of its duties under the Registrar Agreement. Anson Registrars Limited is entitled to additional fees in respect of the performance of tasks including transfers and dividend payments.

11.4 United Kingdom Transfer Agent Agreement

The Company is party to a UK Transfer Agent Agreement with Anson Registrars Limited and Anson Administration (UK) Limited (the "UK Transfer Agent") dated 20 November 2006, pursuant to which the UK Transfer Agent will act as the transfer agent of the Group and Anson Registrars Limited in the United Kingdom, providing transfer agent services, including the processing of transfer deeds.

The UK Transfer Agent shall not, in the absence of fraud, negligence, wilful misconduct or wilful default or breach by it of the terms of the UK Transfer Agent Agreement be liable for any loss or damage suffered by the Company arising directly or indirectly out of anything done or omitted by the UK Transfer Agent in good faith in accordance with the terms of the UK Transfer Agent Agreement.

The UK Transfer Agent shall not, in the absence of fraud, negligence, wilful misconduct or wilful default or breach by it of the terms of this Agreement be liable to the Company for any loss sustained by the Company or in any of the assets of the Company as a result of loss, delay, misdelivery or error in transmission of any email, cable, telex, telefax or telegraphic communication or if any document be proved to be forged or otherwise defective or erroneous.

The Company undertakes to indemnify and hold harmless the UK Transfer Agent and its employees, agents and sub-contractors against all claims and demands which may be brought against or suffered by them arising out of or in connection with the performance or non-performance of the obligations under the UK Transfer Agent Agreement otherwise than by reason of negligence, fraud, wilful misconduct or wilful default or breach of the UK Transfer Agent Agreement.

The UK Transfer Agent Agreement provides that the appointment of the UK Transfer Agent will continue until terminated by Anson Registrars Limited giving to the UK Transfer Agent not less than 90 days' written notice, provided that such notice will not be effective within six months of the date of the UK Transfer Agent Agreement. In certain circumstances, the UK Transfer Agent Agreement may be terminated forthwith by notice in writing by a party to the other parties based on material breaches of the UK Transfer Agent Agreement or the insolvency of a party.

In any event, the UK Transfer Agent may either terminate its appointment or suspend performance of services by notice in writing to Anson Registrars Limited if Anson Registrars Limited fails to pay any sum due within 28 days of the UK Transfer Agent giving written notice to Anson Registrars Limited.

Anson Registrars Limited will reimburse the UK Transfer Agent, and the Company will reimburse the Registrar, for all out-of-pocket costs and reasonable expenses reasonably and properly incurred by the UK Transfer Agent in connection with the performance of any of its duties under the UK Transfer Agent Agreement. The Company is not liable to pay the UK Transfer Agent any remuneration under the UK Transfer Agent Agreement. The UK Transfer Agent Agreement is governed by English law.

11.5 Option Agreements

A summary of the six option agreements with Fortress Investment Group LLC (the "Option Agreements") is set out in Part IV of this Prospectus. The Option Agreements are governed by Guernsey law.

11.6 CDO IV Portfolio Management Agreement

The Company and the Manager are parties to the CDO IV Portfolio Management Agreement with Eurocastle CDO IV dated 14 July 2005. Under this agreement, the Manager has agreed to manage the assets of Eurocastle CDO IV (including negotiating and executing documents on behalf of Eurocastle CDO IV in connection with acquisition, sale or hedging of any investments) and to be responsible for certain day-to-day operations of Eurocastle CDO IV. Eurocastle CDO IV will pay the Manager an annual management fee of €1,000. Eurocastle CDO IV shall pay all of its expenses and reimburse the Manager for expenses reasonably necessary for the performance of its duties and functions under the CDO IV Portfolio Management Agreement.

The CDO IV Portfolio Management Agreement may be terminated by Eurocastle CDO IV or Eurocastle Investment Limited upon 60 days' prior written notice, without payment of any amounts by way of compensation, in the event of any act of fraud or misappropriation of funds by the Manager in its corporate capacity under the CDO IV Portfolio Management Agreement or in the event of any gross negligence on the part of the Manager in the performance of its duties under, or wilful violation of, the CDO IV Portfolio Management Agreement. The Manager may resign its appointment upon 60 days' prior written notice.

The Manager may assign its obligations under the CDO IV Portfolio Management Agreement to any of its affiliates.

The Manager assumes no obligation or responsibility under the CDO IV Portfolio Management Agreement or otherwise to any person other than Eurocastle CDO IV. With respect to Eurocastle CDO IV, the Manager assumes no obligation or responsibility other than to render the services required to be rendered by the Manager under the CDO IV Portfolio Management Agreement, as expressly provided therein, in good faith. The Manager and its affiliates will not be liable to Eurocastle CDO IV, the Company, the board of directors, or their shareholders or partners or any other person for any losses, claims, damages, costs, expenses, demands or liabilities incurred by any such person that arise out of, in relation to or in connection with any act or omission in the performance by the Manager or its affiliates of its functions under, or in connection with, the CDO IV Portfolio Management Agreement, except for any liability to Eurocastle CDO IV in respect of any direct losses incurred by Eurocastle CDO IV as a result of the Manager's own acts or omissions constituting wilful misconduct or gross negligence in the performance of its duties. Eurocastle CDO IV undertook to indemnify the Manager for any loss caused by, or arising out of or in connection with any of the transactions contemplated in the CDO IV Portfolio Management Agreement, except that such loss results from the Manager's gross negligence or wilful misconduct.

The CDO IV Portfolio Management Agreement is governed by English law.

11.7 Duncannon CDO Portfolio Management Agreement

The Manager is a party to the Duncannon CDO Portfolio Management Agreement with Duncannon dated 31 July 2007 (the " Duncannon CDO Portfolio Management Agreement") pursuant to which the Manager has agreed (subject to the terms of the trust deed) to monitor and direct the investment and reinvestment of the collateral of Duncannon in accordance with its standards, policies and procedures. The Manager will, amongst other things, select investments to be acquired, retained, sold or otherwise disposed of, waive any default or vote to accelerate the maturity of a defaulted obligation. Under the Duncannon CDO Portfolio Management Agreement, the Manager has also agreed to perform, on behalf of the Duncannon CDO, portfolio management services such as the acquisition or sale of collateral debt obligations and hedge obligations. The Manager is entitled to receive a senior portfolio management fee of 0.10 per cent. per annum of the aggregate collateral balance, and a subordinated portfolio management fee equal to 0.15 per cent. per annum of the aggregate collateral balance and any accrued but unpaid subordinated collateral management fee.

The Manager shall be responsible for all ordinary expenses incurred in the performance of its obligations under the Duncannon CDO Portfolio Management Agreement, except that Duncannon shall reimburse the reasonable expenses incurred with respect to the offering and sale of the notes and of employing outside counsel with the performance of its obligations and with the restructuring of any collateral debt obligation.

The Manager and its delegates are excluded from any liability to Duncannon in the absence of any acts or omissions constituting bad faith, wilful misconduct or negligence in the performance of, or reckless disregard with respect to, its obligations under the Duncannon CDO Portfolio Management Agreement. The Duncannon CDO Portfolio Management Agreement also contains provisions whereby Duncannon has agreed to indemnify the Manager and its delegates from and against all expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever incurred by the Manager in the performance of its duties and obligations (except such as shall be finally judicially determined to have arisen from bad faith, wilful misconduct, negligence or reckless disregard by the Manager or its delegates in the performance or non-performance of its duties and obligations).

The Duncannon CDO Portfolio Management Agreement shall be automatically terminated in the event of repayment in full of all amounts owing under the notes and the liquidation of the portfolio and the final distribution of proceeds as provided in the trust deed. The Manager may be removed without cause upon 90 days' written notice by the Trustee, as directed by holders of at least 75 per cent. of the aggregate principal amount outstanding of each class of the notes. The Manager may be removed with cause upon 30 days' prior written notice by the Trustee, acting upon the direction of the holders of at least 75 per cent. of the aggregate principal amount outstanding of (i) in certain circumstances set out in the Duncannon CDO Portfolio Management Agreement, the "controlling class" (as defined therein) or (ii) in other specified circumstances, the notes in issue at the time (excluding any notes owned by the Manager, any affiliate thereof or any fund managed by the Manager). The Manager may resign upon 30 days' written notice to Duncannon or upon 10 days' written notice with cause. No termination or resignation shall be effective until a replacement portfolio manager is appointed.

The Duncannon CDO Portfolio Management Agreement is governed by English law.

11.8 Supplemental Trust Deeds relating to the Convertible Securities

On 3 April 2013, the Company and the trustee for the Series A €75,000,000 20 per cent. Perpetual Subordinated Convertible Securities and the Series B €24,750,000 20 per cent. Perpetual Subordinated Convertible Securities (together the "Convertible Securities") executed a supplemental trust deed in respect of each series to amend the conditions to the original trust deed to permit the Company, subject to certain conditions, to exercise a mandatory conversion of the Convertible Securities into Ordinary Shares (the "Supplemental Trust Deeds").

The mandatory conversion was pursuant to the consent solicitation process (the "Consent Solicitation") that the Company launched on 28 February 2013 in respect of the Convertible Securities. Pursuant to the Consent Solicitation, the Company sought the approval of the holders of the Convertible Securities by written resolution to amend the terms and conditions of the Convertible Securities to permit the Company to mandatorily convert, subject to certain conditions, all but not some only of the Convertible Securities into Shares at a conversion price of €0.05 per Share on or before 31 May 2013. The written resolution for the Series A Convertible Securities was passed on 28 March 2013 and the written resolution for the Series B Convertible Securities was passed on 28 March 2013. The Company exercised the Mandatory Conversion in respect of each series of Convertible Securities on 12 April 2013 which resulted in the issuance of 3,398,474,685 new Shares.

The Supplemental Trust Deeds are governed by English law.

11.9 Funding Management Agreement

The Company and the Manager are parties to the Funding Management Agreement with Eurocastle Funding Limited, dated 23 June 2004, pursuant to which the Manager provides for the day-to-day management of Eurocastle Funding's operations (including negotiating and executing documents on behalf of Eurocastle Funding in connection with the acquisition, sale or hedging of any investments), subject to the investment policies and guidelines of the Company.

Eurocastle Funding is an SPV established in Ireland.

Eurocastle Funding shall pay all of its expenses and reimburse the Manager for expenses reasonably necessary for the performance of its duties and functions under the Funding Management Agreement.

Eurocastle Funding has agreed to indemnify the Manager and its affiliates and their members, managers, directors, officers and employees and any person controlling the Manager with respect to all expenses, losses, damages, liabilities, demands, charges and claims arising from acts of the Manager not constituting bad faith, wilful misconduct, gross negligence, or reckless disregard of the Manager's duties under the Funding Management Agreement. The Manager has agreed to indemnify Eurocastle Funding, Eurocastle Funding's shareholders, directors, officers and employees and any person controlling the Manager with respect to all expenses, losses, damages, liabilities, demands, charges and claims arising from acts of the Manager and its affiliates and their members, directors, managers, officers and employees constituting bad faith, wilful misconduct, gross negligence or reckless disregard of the Manager's duties under the Funding Management Agreement.

Eurocastle Funding and the Company may terminate the Funding Management Agreement on 60 days' written notice, without payment of any amounts by way of compensation, in the event of fraud, misappropriation of funds, or gross negligence by the Manager in the performance of its duties under or willful violation of the Funding Management Agreement. The Manager may terminate the Funding Management Agreement upon 60 days' notice.

The Manager shall receive an annual management fee of €1,000 for the performance of services pursuant to the Funding Management Agreement.

The Funding Management Agreement is governed by English law.

11.10 Paying Agent Agreement

The Company has entered into a paying agent agreement dated 14 December 2005 with ABN Amro Bank N.V. (the "Paying Agent Agreement"). Under this Agreement the Paying Agent agrees to make available, at the expense of the Company, all the necessary facilities and information to enable Shareholders in the Netherlands to exercise their rights and perform such duties commonly performed by a paying agent or required by the applicable Euronext Rules. The Company provides an indemnity to the Paying Agent in respect of any claims, demands, expense and liabilities the Paying Agent may incur in the performance of its duties without bad faith, negligence or wilful misconduct. The Company shall pay a fee of €250 per payment of dividends or other distributions plus any reasonable costs properly incurred by the Paying Agent in carrying out its duties to the Company. The Paying Agent Agreement can be terminated by either party by at least 60 days' notice, and termination shall not take effect without a successor being appointed by the Company and, if termination is sought by the Company, within 60 days. The Paying Agent Agreement is governed by Dutch law.

11.11 Underwriting Agreement

The Underwriting Agreement was entered into on 15 May 2013 between the Company, the Manager, the Directors, and the Sole Bookrunner and contains *inter alia*, the following provisions:

(a) the Company confirmed the appointment of ABN Amro Bank N.V. as Listing Agent in connection with the proposed Admission of the Offer Shares to NYSE Euronext Amsterdam and the agreement sets out their duties as Listing Agent and the Company's obligations to it in its capacity as Listing Agent;

(b) the Company confirmed the appointment of Credit Suisse as Sole Bookrunner in relation to the Offer;

(c) the Company has agreed, subject to certain conditions, to issue Shares at the Offer Price;

(d) the Sole Bookrunner has agreed, subject to (a) determination of the Offer Price; (b) the Company and the Sole Bookrunner executing and delivering a pricing statement; and (c) certain other conditions, to procure subscribers for or, failing which, to subscribe themselves, all of the Offer Shares at the Offer Price;

(e) the Company has agreed to pay to the Sole Bookrunner, subject to certain conditions, a commission of €2 million. All commissions will be paid together with any value added tax chargeable thereon;

(f) the obligations of the Company to issue Offer Shares and the obligations of the Sole Bookrunner to procure subscribers for or, failing which, themselves to subscribe for Offer Shares are subject to certain conditions including, amongst others, that Admission occurs by not later than 8.00 a.m. on 4 June 2013 or such later time as the Company may agree with the Sole Bookrunner. In certain circumstances, the Sole Bookrunner may terminate the Underwriting Agreement at any time on or before Admission. These circumstances include the occurrence of certain material changes in the condition (financial or otherwise), prospects or earnings of the Company or of companies in the Group and certain changes in financial, political or economic conditions (as more fully set out in the Underwriting Agreement);

(g) the Company has agreed to pay any stamp duty and/or stamp duty reserve tax and any other tax, charge or duty and any related costs, fines, penalties or interest arising in respect of the issue of Shares under the Offer;

(h) the Company has undertaken to pay or cause to be paid (together with any related value added tax) all costs, charges, fees and expenses of, in connection with or incidental to, *inter alia*, the Offer, Admission and the arrangements contemplated by the Underwriting Agreement;

(i) the Company has given customary warranties in relation to the business, the accounting records and the legal compliance of the Company and its consolidated subsidiaries and in relation to the contents of this Prospectus and has also given a customary indemnity to the Sole Bookrunner. The Manager has given customary warranties in relation to itself. Each Director has given customary warranties in relation to the infomation regarding that Director in this Prospectus; and

(j) the Company has agreed not to issue any Shares (other than Shares issued pursuant to the Offer and the Manager's Options) for a period of 90 days from Admission (subject to certain exceptions, including where the Sole Bookrunner has given its consent to the issue or sale, as the case may be).

12 General

12.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), which may have or have had in the recent past significant effects on the Company and/or the Group's financial position or profitability.

12.2 The Company will not, to a significant extent, be a dealer in investments.

12.3 The Company does not intend to register under or become subject to the Investment Company Act as an investment company. In order to avoid such registration, it will seek to comply with Section 3(c)(7) of the Investment Company Act, which provides an exclusion from investment company status for investment funds whose securities are sold in the United States or to U.S. Persons who are

Qualified Purchasers (as such term is therein defined) and certain other limited categories of persons.

12.4 The Company has the following principal subsidiaries, which are directly or indirectly wholly owned by the Company and consolidated into the annual financial statements of the Company:

Company Name	Proportion of capital held	Principal activity	Registered office
LUXEMBOURG			
Luxgate S.à.r.l.	100%	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Marathon S.à.r.l.	100%	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Mars Holdco 1 S.à.r.l.	100%	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Belfry Lux Participation S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Bastion Lux Participation S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Eurobarbican S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Truss Lux Participation S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Italy Investment S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Undercroft S.à.r.l.	100%	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Turret Lux Participation S.à.r.l.	100% (indirectly via Luxgate S.à.r.l. and Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Zama (Windhoek) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Sulzbach (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Wiesbaden (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Berlin (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Galluspark (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Dusseldorf (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Eschborn (Bridge) S.à.r.l.	100% (indirectly via Marathon S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Superstella S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Tannenberg S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Property Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg

Company Name	Proportion of capital held	Principal activity	Registered office
Finial S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Mars PropCo 2-39 S.à.r.l. (23 real estate holding companies numbered 2,4-5,7, 9-24, 33, 38- 39)	100% (indirectly via Luxgate S.à.r.l.)	Property Companies	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
Drive S.à.r.l.	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	2-4 rue Beck L-1222 Luxembourg Grand Duchy of Luxembourg
GERMANY			
ECTGPROP1 (formerly known as Dresdner Grund-Fonds)	100% (indirectly via Luxgate S.à.r.l.)	Real Estate Investment Fund	Bettinastraße 53-55, 60325 Frankfurt, Germany
Short Wave Acquisition GmbH	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	Neue Rothofstr. 17, 60313 Frankfurt, Germany
S-Wave Grundstücksverwaltungs-gesellschaft 1 mbH	100% (indirectly via Luxgate S.à.r.l.)	Property Company	Junghofstraße 22, 60311, Frankfurt, Germany
Long Wave Acquisition GmbH	100% (indirectly via Luxgate S.à.r.l.)	Holding Company	Neue Rothofstr. 17, 60313 Frankfurt, Germany
L-Wave Grundstrücksverwaltungs 1-59 GmbH & Co. KG (32 real estate holding companies numbered 1, 3, 4, 6, 7, 10, 15, 17, 20-22, 24-28, 30, 31, 33, 36, 38, 41, 43-45, 47, 48, 51-54, 59)	100% (indirectly via Luxgate S.à.r.l.)	Property Companies	Junghofstraße 22, 60311 Frankfurt, Germany
Belfry GmbH & Co.KG	100% (indirectly via Luxgate S.à.r.l.)	Property Company	Junghofstraße 22, 60311 Frankfurt, Germany
Truss GmbH & Co.KG	100% (indirectly via Luxgate S.à.r.l.)	Property Company	Junghofstraße 22, 60311 Frankfurt, Germany

Additionally, the Group has investments in Eurocastle Funding Limited, Eurocastle CDO IV, Duncannon CRE CDO I PLC and FECO Sub SPV PLC which are consolidated in accordance with International Accounting Standard 27.

Following the restructuring of the Mars Floating finance facility during 2009, the Mars Floating lender has acquired a 50 per cent. interest in the Mars Fixed I and Mars Floating portfolios. The Mars Fixed I portfolio was restructured and deconsolidated in the second quarter of 2011 with the investment recorded as an associate. The remaining 25 per cent. interest in this portfolio was sold in April 2012.

12.5 CBRE has given and not withdrawn its consent to the inclusion in this Prospectus of the valuation reports prepared by it and set out in Part XII of this Prospectus in the form and context in which it is included, has authorised the contents of its above mentioned report for the purpose of Prospectus Rule 5.5.3. CBRE accepts responsibility for the content of its valuation reports and to the best of its knowledge and belief, having taken all reasonable care to ensure that the same is the case, the information contained in its valuation report or reports is in accordance with the facts and does not omit anything likely to affect the import of such information.

12.6 Ernst & Young LLP has given and not withdrawn its written consent to the inclusion in this Prospectus of its report on the compilation of the pro forma financial information set out in Part X of this Prospectus in the form and context in which it appears.

12.7 Credit Suisse Securities (Europe) Limited has given and not withdrawn its consent to the inclusion in this Prospectus of references to its name in the form and context in which they are included in this Prospectus.

12.8 The Manager is or may be a promoter of the Company. Save as disclosed herein, no amount or benefit has been paid or given by the Group to the Manager, and, other than expressly disclosed in this Prospectus, none is intended to be given.

12.9 Application will be made for the Offer Shares to be admitted to listing and trading on NYSE Euronext Amsterdam.

12.10 No commission will be payable by the Company to financial intermediaries or placees in connection with the Offer.

12.11 Other than as set out below, there has been no significant change in the financial or trading position of the Group since 31 December 2012, being the end of the last financial period of the Company for which historical financial information is incorporated by reference in Part XIII of this Prospectus. On 12 April 2013, pursuant to the Conversion, 3,398,474,685 new Shares were issued which resulted in the issued share capital of the Company increasing from 127,425,780 Shares to 3,525,900,465. On 8 May 2013, a 200 to 1 share consolidation was implemented which resulted in the consolidation of 3,525,900,465 Shares into 17,629,502 Shares (after taking account of fractional interests).

12.12 The property valuations in the Valuation Reports, as set out in Part XII of this Prospectus, are as at 31 December 2012. There has been no material change to the values of the properties since the date of the Valuation Reports.

12.13 The valuation of five properties in the Drive portfolio, two properties in the Mars Fixed portfolio and one property in the Wave portfolio set out in the CBRE valuation reports differs to the equivalent figure included in the Group's financial statements for the year ended 31 December 2012 by an aggregate amount of €1,295,000. This is because binding sales contracts were entered into in relation to those properties before 31 December 2012 for values different to the CBRE valuations. For IFRS reporting purposes the Company is required to record the sale price in the financial statements, whereas CBRE provides its valuation of the property as at 31 December 2012.

12.14 The Company is of the opinion that the Group does not have sufficient working capital for its present requirements, that is, for the 12 months from the date of this Prospectus.

The Group has a number of non-recourse financing facilities which are due to reach maturity within the next 12 months (the ''Relevant Portfolio Financings''), at which time the outstanding balance of the financings will become due and payable unless such financings can be extended. If proceeds from the sale of assets which secure the Relevant Portfolio Financing do not equal or exceed the amount outstanding under the Relevant Portfolio Financing, the Group would currently be unable to repay the outstanding balance of the financings when they become due and payable. The maturity dates and principal amounts outstanding (as at 31 December 2012) on each Relevant Portfolio Financing are set out below:

Portfolio	**Current face value €'000**	**Maturity date**
Drive Senior	369,346	Jan 2014
Drive Junior	308,467	Jan 2013[17]
Bridge	372,090	Jan 2014
Wave	153,534	Apr 2014
Mars Floating	147,872	Dec 2013[18]
Mars Fixed II	78,303	Jun 2013
HUK	39,896	May 2014
Total	**1,469,508**	

17 Since the maturity date, the Drive Junior facility has been operating under a rolling standstill agreement with the lenders. The most recent extension to this standstill agreement expired on 30 April 2013. Discussions with the lenders on a refinancing are on-going.

18 The maturity date of the Mars Floating facility is 31 December 2013. However, there was an amortisation target to be met by 31 December 2012 which was not satisfied.

The Group does not yet have agreed extensions or replacement facilities in place in relation to the Relevant Portfolio Financings, although the Group is engaged in constructive discussions with lenders in respect of the Mars Floating and Drive Junior facilities. A short term extension to satisfy amortisation targets has been agreed in relation to the Mars Floating facility and discussions in relation to longer term extensions are continuing. The Group is actively negotiating the reinstatement of a short term extension with respect to the Drive Junior facility that lapsed on 30 April 2013 and is also engaging in discussions with the lender in relation to a longer term extension. The Group will engage in discussions with lenders in relation to the other Relevant Portfolio Financings as they approach maturity, typically commencing such discussions three to six months prior to the relevant maturity date.

Based on the past experiences of the Group and the Manager, the Company is confident that agreement can be reached with lenders to either extend or refinance each Relevant Portfolio Financing prior to its maturity, at least on a short term basis. Given the non-recourse nature of the financings, the Company is not obliged to utilise any additional capital to refinance any of the Relevant Portfolio Financings and it does not currently anticipate that it would use a significant amount of capital for this purpose.

In the event that the Group is unable to reach a mutually satisfactory agreement with a lender in relation to a Relevant Portfolio Financing then the lender would be entitled to enforce its security rights over the assets secured against the Relevant Portfolio Financing. Should the lender enforce its security rights over such assets, the proceeds from the sale of the assets would be applied to repay, to the extent possible, the amount owing under the Relevant Portfolio Financing (with the Group being entitled to any excess proceeds from the sale of the assets following repayment in full of the amount outstanding), the Group would no longer own those assets and would not have the benefit of any cash distributions from the relevant portfolio (aggregate annual distributable cash[19] from all such portfolios as at 31 December 2012 was approximately €10.1 million). Lenders only have recourse to the portfolio of assets relevant to their financing and the subsidiaries that are parties to the Relevant Portfolio Financing and do not have any recourse to any other assets of the Company or other subsidiaries of the Group.

The Company is of the opinion that, should any or all lenders enforce their security in relation to a Relevant Portfolio Financing(s) and after taking into account the relevant forfeiture of the assets secured against such Relevant Portfolio Financing(s) and enforcement against subsidiaries, the remainder of the Group would be able to continue to operate its business in the ordinary course for at least the next 12 months from the date of this Prospectus.

12.15 The net asset value of the Group is determined semi-annually by the Manager in accordance with IFRS as part of the preparation of the Company's interim and annual financial statements. The Company communicates this valuation in its semi-annual earning announcements it makes to the market and on its website. The Directors currently only contemplate the publication of the net asset value being suspended in *force majeure* circumstances. If the publication of semi-annual results was unduly delayed or cancelled, the Company would make a market announcement.

12.16 The Company complies with the corporate governance requirements provided for under applicable laws and regulations in Guernsey.

12.17 Without taking into account any capital raised pursuant to the Offer or any subsequent offer (which will impact the amount payable to the Manager), the maximum amounts payable in respect of fees over a 12-month period to each of the Manager, the Administrator and the Registrar are as follows:

Manager	€4,500,000
Administrator	€90,000
Registrar	€9,000

19 Cash distributable to the Company, being an amount equal to the income from the relevant portfolio (including rent) less (i) capital expenditures, (ii) interest and (iii) cash that is required to be retained at the portfolio level or paid to the lender under the terms of the Relevant Portfolio Financing.

13 Indebtedness and Capitalisation

The indebtedness and capitalisation of the Group as at 31 March 2013 (on an unaudited basis) were as follows:

Group indebtedness and capitalisation	**Amount (€'000)**
Total current debt (guaranteed and secured)[(1)]	
Guaranteed and secured	
Bank credit facilities[(2)]	564,151
Repurchase agreements	0
Total non-current debt	564,151
Secured	
Bonds issued (collateralised debt obligations)	353,327
Term bank borrowings	1,273,152
	1,626,479
Shareholders' equity	
Share capital	1,446,624
Other reserves	(14,256)
Convertible securities	167,758
	1,600,126
Total Capitalisation	3,790,756

There has been no material change to the Group capitalisation since 31 March 2013.

As at 31 March 2013, the Group on a consolidated basis had incurred approximately €2.19 billion nominal of debt representing 85 per cent. of its gross assets.

The Group Net Indebtedness as at 31 March 2013 (on an unaudited basis) was as follows:

Group Net Indebtedness	**Amount (€'000)**
Liquidity	
Cash	139,683
Bank deposits	0
Trading securities	455,527
	595,210
Current Financial Receivables	
Current Financial Debt	
Current bank debt	564,151
Current portion of non-current debt	0
Other current financial debt	40,698
Current Financial Debt	604,849
Net Current Financial Indebtedness	(9,639)
Non-current financial indebtedness	
Non current bank loans	1,273,152
Bonds issued	353,327
Other non-current loans	52,644
	1,679,123
Net Financial Indebtedness	1,688,762

Notes:

(1) The Group as at the date of this Prospectus carried current debt which is both guaranteed and secured.

(2) The assets secured under the Group's debt liabilities are either assigned or charged to the relevant lender by way of security or transferred to the relevant counterparty under a loan repurchase agreement.

The Group has no indirect or contingent indebtedness.

14 Documents available for Inspection

Copies of the following documents are available for inspection at the registered office of the Company, at the offices of the Manager, and at the offices of Linklaters, One Silk Street, London EC2Y 8HQ during usual business hours (Saturdays, Sundays and public holidays excepted) from the date of publication of this Prospectus for either a period of 14 days or until Admission of all of the Offer Shares, whichever is the longer period:

14.1 the Memorandum and Articles of Incorporation of the Company;

14.2 the new Articles of Incorporation of the Company proposed to be adopted at the AGM on 29 May 2013;

14.3 the audited consolidated accounts of the Company for the periods ended 31 December 2010, 31 December 2011 and 31 December 2012 which have been audited by Ernst & Young LLP. Ernst & Young LLP are registered to carry out audit work by the ICAEW;

14.4 this Prospectus; and

14.5 the valuation reports set out in Part XII of this Prospectus.

PART VII:

TAX CONSIDERATIONS

1 General

The comments below are of a general and non-exhaustive nature based on the Directors' understanding of the current law and published tax authority practice in Guernsey, the UK (as applied in England and Wales) and the United States of America, which are subject to change, possibly with retrospective effect. The following summary does not therefore constitute legal or tax advice and applies only to persons holding Shares as an investment.

An investment in the Company involves a number of complex tax considerations and the following summary does not address all possible tax consequences. Changes in tax legislation in any of the countries in which the Company will have Investments or in Guernsey (or in any other country in which a subsidiary of the Company, through which investments are made, is located), or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Company to investors.

Prospective investors should consult their professional advisers on the potential tax consequences of subscribing for, purchasing, holding, converting or selling Shares under the laws of their country and/or state of citizenship, domicile or residence.

2 Guernsey Taxation

2.1 The Company

Under current law and practice in Guernsey, the Company is eligible for and has been granted exemption from Income Tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 (the ''Ordinance''). Under the provisions of the Ordinance, the Company will be treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax and will not be liable to income tax in Guernsey save in respect of income arising in Guernsey (other than bank deposit interest). It is anticipated that no income other than bank deposit interest will arise in Guernsey and therefore the Fund should not incur any additional liability to Guernsey tax. It is intended to conduct the affairs of the Company so as to ensure it retains such exempt status which is granted on application on an annual basis and on payment of the annual fee, currently £600 per application, and provided the Company continues to qualify under the applicable legislation for exemption.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the turning of such investments to account is a business or part of a business), nor are there any estate duties, (save for registration fees and ad valorem duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

In addition, interest and dividend payments by a company which has exempt status for Guernsey tax purposes are regarded as having a source outside Guernsey and are payable without deduction of tax in Guernsey.

Future Changes

The Company could be subject to the FATCA. The application of FATCA to the Company is not currently clear, and its application will be affected by any intergovernmental agreement on FATCA that Guernsey and the United States enter into. See discussion below at 4.8.

On 9 October 2012 the Chief Minister of Guernsey announced the intention of the States of Guernsey to negotiate an intergovernmental agreement with the U.S. regarding the implementation of FATCA. The Chief Minister said that discussions had taken place at official level with the U.S. and formal negotiations were currently on going. On 15 March 2013, it was further announced that Guernsey is working towards concluding an intergovernmental agreement with the US. Once signed, an intergovernmental agreement would be subject to ratification by Guernsey's parliament and implementation of the agreement would be through Guernsey's domestic legislative procedure. It is anticipated that any such legislation will not come into effect until 2015 at the earliest. The impact of such an agreement on the Company and the Company's reporting and withholding responsibilities (if any) pursuant to FATCA as implemented in Guernsey are not currently known.

On 15 March 2013 the Chief Minister of Guernsey announced that Guernsey was in the process of finalising a draft intergovernmental agreement with the UK (''UK-Guernsey IGA'') under which potentially obligatory disclosure requirements may be imposed in respect of certain investors in the Company who may have a UK connection. As at the date the Prospectus, details of the finalised terms effective date of the UK-Guernsey IGA have yet to be published. Once signed, the UK-Guernsey IGA would be subject to ratification by Guernsey's parliament and implementation of the agreement would be through Guernsey's domestic legislative procedure. It is anticipated that any such legislation will not come into effect until 2016 at the earliest. The impact of the UK-Guernsey IGA on the Company and the Company's reporting responsibilities pursuant to the UK-Guernsey IGA are not currently known.

European Savings Directive

Although not a Member State of the European Union, Guernsey, in common with certain other jurisdictions, entered into agreements with EU Member States on the taxation of savings income. From 1 July 2011 paying agents in Guernsey must automatically report to the Director of Income Tax in Guernsey any interest payment to individuals resident in the contracting EU Member States which falls within the scope of the EU Savings Directive (2003/48/EC) (the ''Directive'') as applied in Guernsey. However, whilst such interest payments may include distributions from the proceeds of shares or units in certain collective investment schemes which are equivalent to an Undertaking for Collective Investment in Transferable Securities (''UCITS''), guidance notes issued by the States of Guernsey on the implementation of the bilateral agreements indicate that the Company is not equivalent to a UCITS. Accordingly, any payments made by the Company to Shareholders will not be subject to reporting obligations pursuant to the agreements between Guernsey and EU Member States to implement the Directive in Guernsey.

The scope and operation of the Directive is currently being reviewed in accordance with the European Council's findings published on 13 November 2008. Any review will affect EU Member States. Guernsey, along with other dependent and associated territories, will consider the effect of any proposed changes to the Directive in the context of existing bilateral treaties and domestic law, once the outcome of that review is known. If changes are implemented as outined, these will widen the Directive's scope, and the position of Shareholders in relation to the Directive as applied in Guernsey may be different to that set out above.

2.2 The Shareholders

Shareholders resident in Guernsey

Shareholders who are resident for tax purposes in Guernsey (which includes Alderney and Herm) will incur Guernsey income tax at the applicable rate on a distribution paid to them by the Company. The Company will be required to provide the Director of Income Tax in Guernsey such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of Income Tax may require, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment. Provided the Company maintains its exempt status, there would currently be no requirement for the Company to withhold tax from the payment of a distribution to a Guernsey resident Shareholder.

Shareholders not resident in Guernsey

In the case of Shareholders who are not resident in Guernsey for tax purposes, and provided the Company maintains its exempt status, the Company's distributions can be paid to such Shareholders without giving rise to a liability to Guernsey income tax, nor will the Company be required to withhold Guernsey tax on such distributions.

3 United Kingdom Taxation

In addition to the disclaimers contained in ''Tax Considerations – 1. General'' above, prospective investors should note that this summary of United Kingdom taxation considerations applies only to Shareholders resident and, in the case of an individual, domiciled, for tax purposes in the United Kingdom and to whom ''split year'' treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold Shares as an investment and who are the absolute beneficial owners of their Shares. (In particular, Shareholders holding their Shares via a depositary receipt system or clearance service should note that they may not always be the absolute beneficial owners thereof.) Certain categories of Shareholders, such as traders, brokers, dealers, banks, financial institutions, insurance companies, investment companies, collective investment schemes, tax-exempt organisations, persons connected with the Company or Group, persons holding the shares as part of hedging transactions, Shareholders who have (or are deemed to have) acquired their shares by virtue of an office or employment, and Shareholders who are, are to become or have been officers or employees of the Company or a company forming part of the Group, may be subject to special rules and this summary does not apply to such Shareholders. This summary also does not apply to any individual Shareholder who owns 5 per cent. or more of the issued ordinary share capital of the Company. It assumes that the Finance (No.2) Bill, as ordered to be printed on 25 March 2013, will be enacted without amendment.

3.1 The Company

The Directors intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Company. This will include conducting the affairs of the Company so that it does not become resident in the UK for taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a permanent establishment situated therein), the Company should not be subject to UK income tax or corporation tax other than on UK source income. The rest of the United Kingdom Taxation summary below is written on this basis.

3.2 The Shareholders

(i) Disposal of Shares

The Company should not as at the date of this Prospectus be an ''offshore fund'' as defined in section 355 of the Taxation (International) and Other Provisions Act 2010 (''TIOPA''). Accordingly, the provisions of Part 8 of TIOPA and the Offshore Funds (Tax) Regulations 2009 should not apply. For so long as the Company is not an ''offshore fund'', any disposal of Shares by a Shareholder may give rise to a chargeable gain for United Kingdom tax purposes.

(a) UK resident Shareholders

A disposal or deemed disposal of Shares by a Shareholder who is (at any time in the relevant United Kingdom tax year) resident in the United Kingdom for tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of United Kingdom taxation on chargeable gains (including by reference to changes in the sterling/euro exchange rate), depending on the Shareholder's circumstances and subject to any available exemption or relief.

(b) Non-UK resident Shareholders

A Shareholder who is not resident in the United Kingdom for tax purposes but who carries on a trade in the United Kingdom through a branch or agency, or in the case of a company a permanent establishment, may be subject to United Kingdom taxation on chargeable gains on a disposal of Shares which are used in or for the purposes of the trade or used, held or acquired for use for the purposes of the branch, agency or permanent establishment.

A Shareholder who is an individual who ceased to be resident in the United Kingdom for tax purposes for a period of five years or less and who disposes of Shares during that period may also be liable, on his return to the United Kingdom, to United Kingdom taxation on chargeable gains (subject to any available exemption or relief).

(ii) Income from the Company

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

According to their personal circumstances, Shareholders resident in the United Kingdom for tax purposes may be liable to income tax or corporation tax in respect of dividend or other income distributions of the Company. A United Kingdom resident individual Shareholder who receives a dividend from the Company will generally be entitled to a tax credit which may be set off against the Shareholder's total income tax liability. The tax credit will be equal to 10 per cent. of the aggregate of the dividend (before deduction of any foreign withholding tax) and the tax credit (the ''gross dividend''). Such an individual Shareholder who is liable to income tax at the basic rate will be subject to tax on the dividend at the rate of 10 per cent. of the gross dividend, so that the tax credit will satisfy in full such Shareholder's liability to income tax on the dividend. In the case of such an individual Shareholder who is liable to income tax at the higher rate, the tax credit will be set against but not fully match the Shareholder's tax liability on the gross dividend and such Shareholder will have to account for additional income tax equal to 22.5 per cent. of the gross dividend (which is also equal to 25 per cent. of the cash dividend received (before deduction of any foreign withholding tax)) to the extent that the gross dividend when treated as the top slice of the Shareholder's income falls above the threshold for higher rate income tax. In the case of such an individual Shareholder who is subject to income tax at the additional rate, the tax credit will also be set against but not fully match the Shareholder's liability on the gross dividend and such Shareholder will have to account for additional income tax equal to 27.5 per cent. of the gross dividend (which is also equal to approximately 30.6 per cent. of the cash dividend received (before deduction of any foreign withholding tax)) to the extent that the gross dividend when treated as the top slice of the Shareholder's income falls above the threshold for additional rate income tax.

Foreign withholding tax withheld from the payment of a dividend will generally be available as a credit against the income tax payable by an individual Shareholder in respect of the dividend.

A United Kingdom resident individual Shareholder who is not liable to income tax in respect of the gross dividend and other United Kingdom resident taxpayers who are not liable to United Kingdom tax on dividends will not be entitled to claim repayment of the tax credit attaching to dividends paid by the Company.

Shareholders who are within the charge to United Kingdom corporation tax in respect of Shares will be subject to corporation tax on the gross amount of any dividends paid by the Company, subject to any applicable credit for foreign withholding tax, unless (subject to special rules for such shareholders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each such Shareholder's position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class.

Shareholders who are not liable to United Kingdom tax on their income will not be subject to United Kingdom tax on dividends.

Additional considerations may apply if the Company were to pay dividends from its share premium account.

Where investments of the Company are distributed in specie to Shareholders, such distributions may represent a part-disposal of Shares for United Kingdom tax purposes.

(iii) Anti-avoidance

The attention of individual Shareholders resident in the United Kingdom is drawn to the provisions of Part 13, Chapter 2 of the Income Tax Act 2007 (the ''ITA''). These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

More generally, the attention of Shareholders is also drawn to the provisions of Part 13, Chapter 1 of the ITA and Part 15 of the Corporation Tax Act 2010 which give powers to HM Revenue and Customs to cancel tax advantages derived from certain transactions in securities.

Part 9A of TIOPA contains provisions which subject certain United Kingdom resident companies to corporation tax on profits of companies not so resident in which they have an interest. The provisions may affect United Kingdom resident companies which are deemed to be interested whether directly or indirectly in at least 25 per cent. of the profits of a non-United Kingdom resident company which is controlled by residents of the United Kingdom and which is resident in a low tax jurisdiction. The legislation is not directed towards the taxation of chargeable gains.

It is possible that the Company would be a close company if resident in the United Kingdom. If this were to be the case, in certain circumstances, a proportionate part of any chargeable gain which accrues to the Company may be treated as if it had accrued at that time to any United Kingdom resident and, in the case of an individual, domiciled Shareholder who, whether alone or together with certain connected persons, holds more than 25 per cent. of the Shares. However, it is not expected that such a Shareholder would be subject to such treatment.

(iv) Stamp duty and stamp duty reserve tax

No United Kingdom stamp duty or stamp duty reserve tax will be payable on the issue of the Shares. No United Kingdom stamp duty should be payable on the transfer of the Shares, provided that any instrument of transfer is not executed in the United Kingdom and that any instrument of transfer, wherever executed, does not relate to any property situated, or to any matter or thing done or to be done, in the United Kingdom. Provided that the Shares are not registered in any register of the Company kept in the United Kingdom or paired with shares issued by a body corporate incorporated in the United Kingdom, any agreement to transfer the Shares will not be subject to United Kingdom stamp duty reserve tax.

4 United States Taxation

To ensure compliance with U.S. Treasury Department Circular 230, investors are hereby notified that: (A) any discussion of U.S. federal tax issues in this prospectus is not intended or written by us to be relied upon, and cannot be relied upon, by investors for the purpose of avoiding penalties that may be imposed on investors under the U.S. Internal Revenue Code (the ‘‘Code’’); (B) such discussion is included herein by us in connection with the promotion or marketing (within the meaning of Circular 230) by us of the transactions or matters addressed herein; and (C) investors should seek advice based on their particular circumstances from an independent tax adviser.

4.1 General

The following is a summary of certain U.S. federal income tax consequences of acquiring, holding and disposing of the Shares by U.S. Holders, Tax-Exempt Holders and Non-U.S. Holders (all as defined below, and collectively, for the purposes of this section 4 the ‘‘Investors’’). This summary is based upon the Code, Treasury regulations promulgated thereunder, judicial authorities, published positions of the U.S. Internal Revenue Service (the ‘‘IRS’’) and other applicable authorities, all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). This summary does not discuss all of the tax consequences that may be relevant to a particular Investor based on such Investor’s particular circumstances or to certain Investors that are subject to special treatment under U.S. federal income tax laws such as former U.S. citizens or long term residents subject to Code section 877 or section 877A; subchapter S corporations; U.S. Holders (as defined below) whose functional currency is not the U.S. dollar; financial institutions and insurance companies; broker-dealers; regulated investment companies; trusts and estates; persons holding the Shares as part of a ‘‘straddle’’, ‘‘hedge’’, ‘‘conversion transaction’’, ‘‘synthetic security’’, or other integrated investment; and persons subject to the alternative minimum tax. This summary is limited to Investors who acquire Shares in the Offering and who hold the Shares as capital assets. No rulings have been or will be sought from the IRS regarding any matter discussed in this Prospectus, and counsel to the Company has not rendered any legal opinion regarding any of the tax consequences discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax aspects set forth below. This discussion also does not address U.S. state or local taxation.

Prospective investors are urged to consult their tax advisers to determine the U.S. federal, state, local and non-U.S. income and other tax consequences of acquiring, holding and disposing of the Shares, as well as

the effect of tax laws of the jurisdictions of which they are citizens, residents or domiciliaries or in which they conduct business.

For purposes of the following discussion, a ''U.S. Holder'' is a holder that is (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity taxable as a corporation) created or organised under the laws of the United States or any state thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (a) the administration over which is subject to primary supervision by a court within the United States and as to which one or more U.S. persons have the authority to control all substantial decisions or (b) which has properly elected to be treated as a ''United States person'' for U.S. federal income tax purposes. A ''Tax-Exempt Holder'' is a U.S. Holder that is exempt from US federal income taxation under section 501(a) of the Code. A ''Non-U.S. Holder'' is a person that is not a U.S. Holder or an entity treated as a partnership for U.S. federal income tax purposes.

If a partnership, including for this purpose any entity treated as a partnership for U.S. federal income tax purposes, is a holder of the Shares, the U.S. federal income tax treatment of a partner in such partnership will generally depend upon the status of such partner and the activities of the partnership.

Prospective investors that are partnerships and partners in such partnerships are urged to consult their tax advisers to determine the U.S. federal income tax consequences of acquiring, holding and disposing of the Shares.

4.2 The Company

Taxation as a Corporation

The Company has consistently treated itself as a corporation for U.S. federal income tax purposes. Thus, except as described below, the income, gains, losses, deductions and expenses of the Company do not pass through to the Investors, and all distributions by the Company to the Investors are treated as dividends, returns of capital and/or gains.

United States Trade or Business: U.S. Withholding Taxes

The Company has previously conducted its operations in a manner that has permitted the Company to take the position that it is not engaged in the conduct of a U.S. trade or business for U.S. federal income tax purposes, although no assurances can be given that the Company's activities will not change or that the IRS will not challenge the position that the Company is not engaged in a U.S. trade or business. So long as the Company and its subsidiaries are not engaged in a U.S. trade or business, income and gain earned by the Company and its subsidiaries will not be subject to regular U.S. federal income taxation. If, however, contrary to expectations, the Company or one or more of its subsidiaries were treated as engaged in a U.S. trade or business, then the Company or the subsidiary generally would be subject to regular U.S. federal income taxation on any income or gain effectively connected with the U.S. trade or business (and may also be subject to a 30 per cent. U.S. branch profits tax). In such event, the Company's ability to make distributions to its shareholders may be materially and adversely affected.

The Company or one or more of its subsidiaries may be subject to U.S. withholding tax at a rate of 30 per cent. on certain types of fixed or determinable annual or periodical income (such as rents, dividends, and interest on investments), derived by the Company from sources within the United States. This U.S. withholding tax is separate from the FATCA withholding tax (discussed below) which may apply to certain payments (including U.S. source income) received by the Company (or its subsidiaries), but the two withholding tax regimes are coordinated to prevent multiple levels of withholding tax on the same payments.

Passive Foreign Investment Company

Generally, a non-U.S. corporation, such as the Company, will be classified as a passive foreign investment company (a ''PFIC'') during a given year if either (i) 75 per cent. or more of its gross income for the taxable year constitutes ''passive income'' or (ii) 50 per cent. or more of the value of its assets (determined on the basis of a quarterly average) during such year produces or is held for the production of ''passive income''. For these purposes, ''passive income'' generally includes interest, dividends, certain rents and royalties and gain from the sale or exchange of property that produces such income. Based on the Company's income, assets and activities, the Directors believe that the Company has been, and anticipate that it will continue to be, classified as a PFIC for U.S. federal income tax purposes. The remainder of this discussion assumes that the Company is a PFIC.

For purposes of the PFIC rules, the Company generally will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which it owns, directly or indirectly, at least 25 per cent. (by value) of the stock. There are several exceptions and special rules that apply to this ''look through'' rule. In addition, the Company directly or indirectly holds equity interests in subsidiaries or other entities which are PFICs (''lower-tier PFICs''). The Directors of the Company believe, based on income, assets and activities, that the Company's subsidiaries (including CDOs), to the extent they are treated as corporations for U.S. federal income tax purposes, have been and will continue to be PFICs. Under attribution rules, U.S. Holders will be deemed to own their proportionate shares of lower-tier PFICs and will be subject to U.S. federal income tax according to the rules described below on (i) certain distributions by a lower-tier PFIC and (ii) a disposition of shares of a lower-tier PFIC, in each case as if the U.S. Holder held such shares directly, even though a U.S. Holder has not received the proceeds of those distributions or dispositions directly.

Controlled Foreign Corporation

Generally, a non-U.S. corporation, such as the Company, will be classified as a controlled foreign corporation (a ''CFC'') if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value of all classes of stock of the corporation, are held, directly, indirectly, or constructively, by ''U.S. Shareholders''. A U.S. Shareholder, for this purpose, is generally any U.S. Holder that possesses, directly, indirectly or constructively, 10 per cent. or more of the combined voting power of all classes of shares of the corporation. Depending on future changes in ownership of the Shares, it is possible that the Company may be treated as a CFC. If the Company is classified as both a PFIC and a CFC, the Company generally will not be treated as a PFIC with respect to those U.S. Holders that meet the definition of a U.S. Shareholder.

If the Company were classified as a CFC, a U.S. Shareholder of the Company generally would be required to include in gross income (as ordinary income) at the end of each taxable year of the Company an amount equal to the U.S. Shareholder's pro rata share of the Company's ''subpart F income''. Subpart F income generally includes dividends, interest, rents and royalties, gains from the sale of securities, and income from certain transactions with related parties. If the Company were classified as a CFC, it is likely that much if not substantially all of its income would constitute subpart F income.

4.3 U.S. Holders

Passive Foreign Investment Company

Generally, if the Company is classified as a PFIC in any taxable year, a U.S. Holder will be subject to special tax rules on the receipt of any ''excess distribution'' in respect of the Shares and gain from the direct or indirect disposition of the Shares whether or not the Company ceases to be a PFIC in a subsequent tax year. A U.S. Holder that is eligible to make a ''QEF election'' or a ''mark-to-market election'' (each as described below) with respect to the Shares may avoid the excess distribution regime by making such an election with respect to the Shares. An excess distribution generally is any distribution to the extent such distribution exceeds 125 per cent. of the average annual distributions made with respect to the Shares during the preceding three taxable years or, if shorter, the period during which the U.S. Holder held the Shares. For purposes of the PFIC rules, a distribution includes any actual or constructive transfer of money or property by the Company with respect to the Shares, including a distribution in redemption of the Shares if such redemption is treated as a dividend for U.S. federal income tax purposes. A disposition includes any transaction or event that constitutes an actual or deemed transfer of the Shares, including a redemption of the Shares if such redemption is treated as an exchange for U.S. federal income tax purposes or, in certain circumstances, a pledge of the Shares as security for a loan.

Under the PFIC rules, a U.S. Holder is required to allocate any excess distribution received or gain recognised from disposition of the Shares ratably over the U.S. Holder's entire holding period for the Shares. The amount allocated to the taxable year in which the excess distribution is made or the gain is recognised will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest income tax rate in effect for that year, regardless of the rate otherwise applicable to the U.S. Holder. The U.S. Holder will also be liable for an additional tax equal to an interest charge on such tax liability attributable to income allocated to prior years. In computing such tax liability, amounts allocated to prior tax years may not be offset by any net operating losses of the U.S. Holder.

In addition, under the PFIC rules, a U.S. Holder will be required to file an annual return on IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) regarding distributions received in respect of, and gain recognised on the dispositions of, the Shares.

A U.S. Holder may, however, make an election to treat the Company as a ''qualified electing fund'' (''QEF'') in order to avoid the application of the PFIC rules discussed above. In order for a QEF election to be timely and valid, the U.S. Holder must make such election on Form 8621 with its timely filed U.S. federal income tax return for the first year in the U.S. Holder's holding period of the Shares during which the Company qualified as a PFIC. If a U.S. Holder makes a timely and valid QEF election with respect to the Company, the U.S. Holder will be required, for each taxable year for which the Company is a PFIC, to include in income, regardless of whether a distribution was made, such holder's pro rata share of the Company's (i) ordinary earnings as ordinary income and (ii) net capital gains as long term capital gain, in each case computed under U.S. federal income tax principles. Under the QEF rules, a U.S. Holder will not be required to include any amount in income for any taxable year during which the Company does not have ordinary earnings or net capital gains.

The QEF rules may cause an electing U.S. Holder to recognise income in a taxable year in amounts significantly greater than the distributions received from the Company in such taxable year. In certain cases in which the Company does not distribute all of its earnings in a taxable year, a U.S. Holder may be permitted to elect to defer the payment of some or all of its taxes with respect to the Company's income subject to an interest charge on the deferred amount. The QEF election is made on a shareholder-by-shareholder basis. Thus, any U.S. Holder of the Shares must make its own decision regarding whether to make a QEF election. A QEF election applies to all of the Shares held or subsequently acquired by an electing U.S. Holder and can be revoked only with the consent of the IRS.

The Company may directly or indirectly own the shares of lower-tier PFICs. In such event, a U.S. Holder wishing to treat one or more lower-tier PFICs as a QEF would be required to make a separate QEF election for each such lower-tier PFIC. The application of the PFIC rules to tiers of PFICs is complex. Prospective purchasers should consult their own tax advisors as to these rules.

It should be noted that certain classes of Investors (for example, consolidated groups and grantor trusts) are subject to special rules regarding the QEF election. The Company intends to provide U.S. Holders with such information as is necessary to enable them to make a QEF election and to comply with the reporting requirements applicable to a QEF election with respect to the Company and, to the extent information is available, each of its subsidiaries which is classified as a corporation for U.S. federal income tax purposes and which is expected to qualify as a lower-tier PFIC.

Alternatively, to the extent the Shares are treated as ''marketable stock'' for purposes of the PFIC rules, a U.S. Holder may make an election to mark the Shares to market annually (a ''mark-to-market election''). In order for a mark-to-market election to be timely and valid, the U.S. Holder must make such election on Form 8621 with its timely filed U.S. federal income tax return for the first year in the U.S. Holder's holding period of our Shares during which the Company qualified as a PFIC. If a U.S. Holder makes a timely and valid mark-to-market election, the U.S. Holder will be required for each taxable year that the Shares are held, and upon the disposition of the Shares, to recognise as ordinary income or ordinary loss (but only to the extent of the net amount of previously included income as a result of the mark-to-market election) an amount equal to the difference between the U.S. Holder's tax basis in the Shares and the fair market value of the Shares. Such amounts must be reported annually by the U.S. Holder on Form 8621. The U.S. Holder's tax basis in the Shares will be increased by any income recognised by the U.S. Holder as a result of the mark-to-market election and will be decreased by any losses allowable under the mark-to-market rules.

As with the QEF election, the mark-to-market election is made on a shareholder-by-shareholder basis. Thus, any U.S. Holder of the Shares must make its own decision regarding whether to make a mark-to-market election. In addition, a mark-to-market election is revocable (except to the extent that the Shares are no longer considered marketable stock) only with the consent of the IRS, and will continue to apply even if the Company is no longer classified as a PFIC.

The mark-to-market election is available only for ''marketable stock,'' which is stock that is traded in greater than de minimis quantities on at least 15 days during each calendar quarter on a qualified exchange or other market, as defined in applicable U.S. Treasury regulations. A mark-to-market election with respect to the Shares would not apply to any equity interests in lower-tier PFICs the Company owns. Accordingly, a U.S. Holder that makes a mark-to-market election with respect to the Shares generally would continue to be subject to the PFIC rules with respect to its indirect interest in any lower-tier PFICs. The Company cannot provide any assurances that the Shares will be listed or traded on a qualified exchange or other market in other than de minimis quantities on at least 15 days during each calendar quarter.

Prospective investors are urged to consult their tax adviser about the PFIC rules, including the possibility and advisability of and the procedure and timing for making a QEF or mark-to-market election in connection with the Shares.

Controlled Foreign Corporation

If the Company were classified as a CFC, a U.S. Holder that is treated as a U.S. Shareholder of the Company for purposes of the CFC rules would generally not be taxable under the PFIC rules described above. Rather, at the end of each taxable year of the Company, such U.S. Holder would generally include in gross income (as ordinary income) an amount equal to the shareholder's pro rata share of the Company's subpart F income. As a result, to the extent subpart F income of the Company includes net capital gains, such gains will be treated as ordinary income of the U.S. Holder under the CFC rules, notwithstanding the fact that the character of such gains might otherwise be preserved under the PFIC rules if a QEF election were made.

Distributions on the Shares

The treatment of actual distributions of cash on the Shares will generally vary depending on whether a U.S. Holder has made a timely QEF or mark-to-market election as described above. If a timely QEF election has been made or if the U.S. Holder is treated as a U.S. Shareholder of the Company for the purposes of the CFC rules, distributions should be allocated first to amounts previously taxed pursuant to the QEF election or pursuant to the CFC rules, if applicable. Amounts so allocable would not be taxable again to U.S. Holders. Distributions in excess of such previously taxed amounts will be taxable to U.S. Holders as ordinary income upon receipt, to the extent of any remaining untaxed current and accumulated earnings and profits of the Company. Such distributions made to a non-corporate U.S. Holder will not be eligible for taxation at the reduced tax rates generally applicable to dividends paid by certain United States corporations and ''qualified foreign corporations'' (which are generally subject to a top U.S. federal income tax rate on dividends of 20 per cent., plus, as described below, applicable tax on net investment income) and such distributions generally will not be eligible for the dividends-received-deduction with respect to distributions made to corporate U.S. Holders. Distributions in excess of (i) previously taxed amounts and (ii) any remaining current and accumulated earnings and profits will be treated first as a non-taxable return of capital, which reduces the tax basis in the Shares to the extent thereof, and then as capital gain.

If a timely mark-to-market election has been made, distributions made by the Company to a U.S. Holder will be taxable as ordinary income to the extent of any current and accumulated earnings and profits of the Company. Such distributions made to a non-corporate U.S. Holder will not be eligible for taxation at reduced tax rates applicable to dividends payable by certain United States corporations and qualified foreign corporations (which are generally subject to a top U.S. federal income tax rate on dividends of 20 per cent. plus, as described below, applicable tax on net investment income) and such distributions generally will not be eligible for the dividends-received-deduction with respect to distributions made to corporate U.S. Holders. Any distributions in excess of the current and accumulated earnings and profits of the Company will be treated first as a non-taxable return of capital, which reduces the tax basis in the Shares to the extent thereof, and then as capital gain.

In the event that a U.S. Holder does not make a timely QEF or mark-to-market election, then except to the extent that distributions may be attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions made with respect to the Shares may constitute excess distributions, and may be subject to an additional tax reflecting an interest charge under the PFIC rules described.

Sale or Other Disposition of the Shares

A U.S. Holder that has made a valid QEF or mark-to-market election will generally recognise gain or loss upon the sale or other disposition of the Shares equal to the difference between the amount realised and the holder's adjusted tax basis in the Shares. The tax basis of a U.S. Holder in the Shares will generally be the amount paid for such Shares, increased by amounts taxable to such holder by virtue of a QEF or mark-to-market election, and decreased by (i) actual distributions from the Company that are deemed to consist of previously taxed amounts or are treated as a non-taxable reduction in the tax basis of the Shares and (ii) any losses previously allowed under the mark-to-market rules. In the case of a U.S. Holder that has made a valid QEF election, any gain or loss recognised from a sale or other disposition of the Shares will be long term capital gain or loss if the U.S. Holder has held such Shares for more than one year at the time of the sale or disposition. In the case of a U.S. Holder that has made a valid mark-to-market election, any gain recognised will be ordinary income and any loss recognised will be ordinary loss to the extent of the net gains previously recognised under the mark-to-market election, and capital loss thereafter. The ability of U.S. Holders to offset capital losses against ordinary income, however, is limited.

If a U.S. Holder does not make a timely QEF election or mark-to-market election, any gain realised from the sale or other disposition of the Shares or any gain deemed to accrue prior to the time a QEF or mark-to-market election is made will generally be treated as an excess distribution and subject to an additional tax reflecting an interest charge under the PFIC rules described above.

If the Company were treated as a CFC and a U.S. Holder were treated as a U.S. Shareholder thereof at any time within the five year period ending on the date of disposition, then subject to a special limitation for individual U.S. Shareholders that have held the Shares for more than one year, any gain realised by such U.S. Holder upon disposition of the Shares would generally be treated as a dividend to the extent of the current and accumulated earnings and profits of the Company accumulated while such U.S. Shareholder owned the Shares. In this respect, earnings and profits generally would not include any amounts previously taxed to the U.S. Holder pursuant to the CFC rules.

4.4 Tax-Exempt Holders

Unrelated Business Taxable Income

Tax-Exempt Holders that are generally exempt from U.S. federal income taxation may nevertheless be subject to ''unrelated business income tax'' on any ''unrelated business taxable income'' or income from debt-financed property (collectively ''UBTI'') derived by such Tax-Exempt Holder. An investment in the Shares should not generate UBTI for Tax-Exempt Holders that are pension plans, Keogh plans, individual retirement accounts, tax-exempt institutions and other tax-exempt entities, provided that such Tax-Exempt Holders do not incur ''acquisition indebtedness'' (as defined for U.S. federal income tax purposes) with respect to their investments in the Shares.

Controlled Foreign Corporation

If the Company were classified as a CFC and a Tax-Exempt Holder were treated as a U.S. Shareholder, the Tax-Exempt Holder's subpart F income from the Company generally would not be treated as UBTI (assuming such Tax-Exempt Holder itself did not incur ''acquisition indebtedness'' to acquire its Shares).

Passive Foreign Investment Company

As discussed above, the Directors believe that the Company has been, and anticipate that it will continue to be classified as a PFIC for U.S. federal income tax purposes. Treasury regulations provide, however, that Tax-Exempt Holders generally will not be subject to the potentially adverse effects of the PFIC rules discussed above. Moreover, unlike taxable U.S. Holders, a Tax-Exempt Holder may not make a QEF election with respect to the Company unless such Tax-Exempt Holder is taxable under the UBTI rules with respect to distributions received from the Company (which should occur only if a Tax-Exempt Holder itself incurred ''acquisition indebtedness'' to make its investment in the Shares).

4.5 Non-U.S. Holders

Dividends paid to a Non-U.S. Holder in respect of its Shares generally will not be subject to U.S. federal income tax or withholding tax (subject to the FATCA discussion below) unless the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States. In addition, a Non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding tax (subject to the FATCA discussion below) on any gain attributable to a sale or other taxable disposition of the Shares unless such gain is effectively connected with its conduct of a trade or business in the United States or the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of sale or other disposition and certain other conditions are met.

Dividends and gains that are effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States generally will be subject to regular U.S. federal income tax at the same U.S. federal income tax rates applicable to a comparable U.S. Holder and, in the case of a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes, may also be subject to an additional branch profits tax at a 30 per cent. rate.

4.6 Tax on Net Investment Income

For taxable years beginning after 31 December 2012, U.S. Holders that are individuals, estates or trusts and whose income exceeds certain thresholds generally are subject to a 3.8 per cent. tax on net investment income, including dividends and capital gains from the sale or other taxable disposition of the Shares, subject to certain limitations and exceptions. Under recently proposed regulations, distributions from the Company generally are included in net investment income when they are received, even if attributable to earnings and profits that were required to be included in the income of a U.S. Holder as a result of its QEF election for regular U.S. federal income tax purposes. Alternatively, the proposed regulations allow a U.S. Holder to elect to treat the income inclusion under the QEF rules as net investment income. This election would apply to all interests in QEFs and CFCs held, or subsequently acquired, by the U.S. Holder and may be revoked only with the consent of the IRS. U.S. Holders should consult their own tax advisers regarding the effect, if any, of such tax on their ownership and disposition of the Shares and whether to make the election provided by the proposed regulations.

4.7 Information Reporting and Backup Withholding

U.S. Holders are generally subject to information reporting requirements with respect to dividends paid on the Shares and proceeds paid from the disposition of the Shares if the dividends or proceeds are paid within the United States or through certain U.S.-related financial intermediaries. Backup withholding at a current rate of 28 per cent. with respect to dividends and disposition proceeds paid within the United States or through certain U.S.-related financial intermediaries would generally apply unless the U.S. Holder provides a correct taxpayer identification number, certifies that it is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. Certain persons are exempt from information reporting and backup withholding, including corporations and financial institutions. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund provided that the required information is timely furnished to the IRS. A Non-U.S. Holder generally may eliminate the requirement for information reporting and backup withholding by providing certification of its foreign status, under penalties of perjury, on a duly executed applicable IRS Form W-8 or by otherwise establishing an exemption.

A U.S. Holder that transfers cash to a non-U.S. corporation such as the Company will likely be required to report the transfer to the IRS on Form 926 (Return by a U.S. Transferor of Property to a Foreign Corporation) if (i) immediately after the transfer, such person holds (directly, indirectly or by attribution) at least 10 per cent. of the total voting power or total value of such corporation or (ii) the amount of cash transferred by such person (or any related person) to such corporation during the twelve-month period ending on the date of the transfer exceeds $100,000. Certain U.S. Holders may also be required to file IRS Form 5471 (Information Return of U.S. Persons With Respect to Certain Foreign Corporations) to report transfers of cash or other property to the Company and information relating to the U.S. Holder and the Company. Substantial penalties may be imposed upon a U.S. Holder that fails to comply. In addition, a U.S. Holder may be required to file a Treasury Form TD F 90-22.1 (Report of Foreign Bank and Financial Accounts) each year to report its interest in the Shares.

Certain specified individuals and, to the extent provided by future guidance, certain domestic entities, who, at any time during the taxable year, hold interests in specified foreign financial assets (including stock in a foreign corporation, such as the Company, that is not held in an account maintained by a financial institution) having an aggregate value in excess of applicable reporting thresholds (which depend on the individual's filing status and tax home, and begin at a low of more than $50,000 on the last day of the taxable year or more than $75,000 at any time during the taxable year) are required to attach a disclosure statement on Form 8938 (Statement of Specified Foreign Financial Assets) to their U.S. federal income tax return. A specified person who reports the Shares on a Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) does not have to report the Shares on the Form 8938 if the person identifies the Form 8621 which includes the Shares on the Form 8938. No Form 8938 is required to be filed by a specified person who is not required to file a U.S. federal income tax return for the taxable year. Investors are urged to consult their own tax adviser regarding these reporting requirements.

4.8 FATCA

Under sections 1471 of the Code through 1474 (the Foreign Account Tax Compliance Act, or ''FATCA''), a person who makes a withholdable payment (as defined in section 1473 of the Code) to a foreign financial institution (''FFI'') or a non-financial foreign entity (''NFFE'') must withhold at a 30 per cent. rate unless the FFI or NFFE meets certain requirements or provides certain information to the person making the payment. Withholdable payments generally include fixed or determinable annual or periodical (''FDAP'') payments (such as dividends) from U.S. sources and gross proceeds from the sale or other disposition of any property of a type which can produce U.S.-source interest or dividends (such as stock). FATCA withholding on U.S.-source FDAP payments is generally scheduled to commence 1 January 2014, and FATCA withholding on payments of gross proceeds is generally scheduled to commence 1 January 2017. Because the Company expects to be treated as an investment entity and therefore as an FFI under FATCA, the Company is likely to require certain information, representations or both from Investors to avoid withholding under FATCA on payments to it.

The application of FATCA to payments made with respect to the Shares is currently not clear. Commencing 1 January 2017, certain payments by certain FFIs may be subject to FATCA withholding. Certain definitions and effective dates relevant to FFIs have not yet been promulgated by the IRS. In addition, on 9 October 2012 the Chief Minister of Guernsey announced the intention of the States of Guernsey to negotiate an intergovernmental agreement with the United States of America regarding the implementation of FATCA. The Chief Minister said that discussions had taken place at an official level with the United States of America and formal negotiations are currently on going. On 15 March 2013, it was further announced that Guernsey is working towards concluding an intergovernmental agreement with the U.S.. Once signed, an intergovernmental agreement will be subject to ratification by Guernsey's parliament and implementation of the agreement will be through Guernsey's domestic legislative procedure. The impact of such an agreement on the Company and the Company's reporting and withholding responsibilities (if any) pursuant to FATCA as implemented in Guernsey with respect to the Shares is not currently known. Prospective Investors should consult their tax advisers regarding the effect of FATCA in their particular circumstances.

PART VIII:

ERISA, TRANSFER RESTRICTIONS, ELIGIBLE INVESTORS AND CERTIFICATES

1 ERISA Considerations

1.1 General

ERISA, and Section 4975 of the Code, impose certain restrictions on (a) employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, (b) plans (as defined in Section 4975(e)(1) of the Code) that are subject to Section 4975 of the Code, including individual retirement accounts or Keogh plans, (c) any entities whose underlying assets include plan assets by reason of an investment by a plan described in (a) or (b) in such entities (each of (a), (b) and (c), a ''Plan'') and (d) persons who have certain specified relationships to Plans (''Parties in Interest'' under ERISA and ''Disqualified Persons'' under the Code). Moreover, based on the reasoning of the U.S. Supreme Court in John Hancock Life Ins. Co. v. Harris Trust and Sav. Bank, 510 U.S. 86 (1993), an insurance company's general account may be deemed to include assets of the Plans investing in the general account (e.g., through the purchase of an annuity contract), and such insurance company might be treated as a Party in Interest with respect to a Plan by virtue of such investment. ERISA also imposes certain duties on persons who are fiduciaries of Plans subject to ERISA, and ERISA and Section 4975 of the Code prohibit certain transactions between a Plan and Parties in Interest or Disqualified Persons with respect to such Plan. Violations of these rules may result in the imposition of excise taxes and other penalties and liabilities under ERISA and the Code.

The U.S. Department of Labor has promulgated a regulation, 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA (the ''Plan Asset Regulation'') describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of the fiduciary responsibility provisions of Title I of ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an ''equity interest'' of an entity that is neither a ''publicly offered security'' nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets are deemed to include both the equity interest itself and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an ''operating company'' or that equity participation by ''Benefit Plan Investors'' is not ''significant''.

The Shares constitute ''equity interests'' in the Company for purposes of the Plan Asset Regulation; the Company will not be registered under the Investment Company Act; and it is not likely that the Company will qualify as an ''operating company'' for purposes of the Plan Asset Regulation. Therefore, if equity participation in the Company by Benefit Plan Investors (as defined below) is ''significant'' within the meaning of the Plan Asset Regulation, the assets of the Company could be deemed to be the assets of Plans investing in the Shares. If the assets of the Company were deemed to constitute the assets of an investing Plan, (i) transactions involving the assets of the Company could be subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code, (ii) the assets of the Company could be subject to ERISA's reporting and disclosure requirements, and (iii) the fiduciary causing the Plan to make an investment in the Shares could be deemed to have delegated its responsibility to manage the assets of the Plan.

Under the Plan Asset Regulation, equity participation in an entity by Benefit Plan Investors is ''significant'' on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25 per cent. or more of the value of any class of equity interest in the entity is held by Benefit Plan Investors (the ''25 per cent. Threshold'').

The term ''Benefit Plan Investor'' is defined to include any (i) ''employee benefit plan'' (as defined in Section 3(3) of ERISA), whether or not subject to Title I of ERISA, including without limitation governmental plans, foreign pension plans and church plans, (ii) ''plan'' (as defined in Section 4975(e)(1) of the Code), whether or not subject to Section 4975 of the Code, including without limitation individual retirement accounts and Keogh plans, or (iii) entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity, including without limitation, as applicable, an insurance company general account. For purposes of making determinations under the 25 per cent. threshold, (i) the value of any Shares held by a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person (each such person or affiliate, a ''Controlling Person''), is disregarded which, in the case of the Company, will include the Manager and its affiliates, and (ii) only the proportion of an insurance company general account's equity investment in the Company that represents plan assets is taken into account.

1.2 Restrictions on Purchase

The Company intends to prohibit investors that are subject to Title I of ERISA or Section 4975 of the Code from acquiring any Shares. Accordingly, Benefit Plan Investors using assets of Plans that are subject to Title I of ERISA or Section 4975 of the Code (including, as applicable, assets of an insurance company general account or separate account) will not be permitted to acquire Shares, and each investor will be required to represent, or will be deemed to have represented, as applicable, that it is not a Benefit Plan Investor that is using assets of a Plan that is subject to ERISA or Section 4975 of the Code. Each purchaser of a Share admitted to settlement by means of the CREST UK system if any, will be deemed to represent and warrant that it is not a Benefit Plan Investor that is using assets of a Plan that is subject to ERISA or Section 4975 of the Code. In addition, the Company's Articles of Incorporation provide that a purported transfer of any Share to a Benefit Plan Investor that is subject to Title I of ERISA or Section 4975 of the Code will not be effective. For a discussion of transfer restrictions with respect to the Shares, see ''Transfer Restrictions'' below.

1.3 Special Considerations Applicable to Insurance Company General Accounts

Any purchaser that is an insurance company using the assets of an insurance company general account should note that pursuant to regulations issued pursuant to Section 401(c) of ERISA (the ''General Account Regulations''), assets of an insurance company general account will not be treated as ''plan assets'' for purposes of the fiduciary responsibility provisions of ERISA and Section 4975 of the Code to the extent such assets relate to contracts issued to employee benefit plans on or before 31 December 1998 and the insurer satisfies various conditions. The plan asset status of insurance company separate accounts is unaffected by Section 401(c) of ERISA, and separate account assets are treated as the plan assets of any such plan invested in a separate account.

2 Transfer Restrictions

The Shares have not been and will not be registered under the Securities Act or any U.S. state securities or ''Blue Sky'' laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred in the United States or to U.S. Persons unless the Shares are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available and in accordance with the restrictions described under ''Eligible Investors'' below.

Each purchaser of Shares will be deemed to have represented and agreed as follows:

(a) The purchaser (A)(i) is an Accredited Investor or a Qualified Institutional Buyer that in each case is also a Qualified Purchaser or a Knowledgeable Employee, (ii) is acquiring the Shares for its own account or for the account of an Accredited Investor or a Qualified Institutional Buyer that in each case is also a Qualified Purchaser or a Knowledgeable Employee and (iii) is aware, and each beneficial owner of the Shares has been advised, that the sale of the Shares to it is being made in reliance on Rule 144A or another exemption from the registration requirements of the Securities Act, or (B) is not a U.S. Person and is purchasing the Shares in an offshore transaction pursuant to Regulation S.

(b) The purchaser understands that the Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Shares have not been and will not be registered under the Securities Act and that (A) if in the future the purchaser decides to offer, resell, pledge or otherwise transfer any of the Shares, such Shares may be offered, resold, pledged or otherwise transferred only (i) in the United States to a person whom the seller reasonably believes is a Qualified Institutional Buyer or an Accredited Investor that in each case also is a Qualified Purchaser or a Knowledgeable Employee, or (ii) to a person that is not a U.S. Person in an Offshore Transaction pursuant to Regulation S under the Securities Act and that

(B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser of the Shares from it of the resale restrictions referred to in (A) above.

(c) The purchaser understands that (other than initial purchasers who are Qualified Institutional Buyers) U.S. Persons that do not purchase Shares in a bona fide trade on the London Stock Exchange or NYSE Euronext Amsterdam will be required to hold Shares in certificated form and that the Shares will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE ''SECURITIES ACT''), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR, EXCEPT AS SET OUT IN THE COMPANY'S PROSPECTUS (THE ''PROSPECTUS''), THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS PERMITTED BY THIS LEGEND. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (X) IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND EXCEPT TO A TRANSFEREE WHO IS (i) (A) AN ''ACCREDITED INVESTOR'' WITHIN THE MEANING OF THE SECURITIES ACT OR (B) A ''QUALIFIED INSTITUTIONAL BUYER'' (AS DEFINED IN RULE 144A OF THE SECURITIES ACT) AND IN EACH CASE ALSO A ''QUALIFIED PURCHASER'' OR A ''KNOWLEDGEABLE EMPLOYEE'' WITHIN THE MEANING OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE ''1940 ACT''), OR (ii) NOT A ''U.S. PERSON'' (AS SUCH TERM IS DEFINED UNDER RULE 902 IN REGULATION S UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A BUYER THAT MEETS SUCH CRITERIA IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S AND (Y) (1) UPON DELIVERY OF ALL CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT THE COMPANY MAY REQUIRE AND (2) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THIS SECURITY MAY BE MADE (i) TO A BENEFIT PLAN INVESTOR WHOSE ASSETS INCLUDE ''PLAN ASSETS'' WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (''ERISA''), THAT ARE SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE ''CODE'') OR (ii) THAT WOULD REQUIRE THE COMPANY TO REGISTER AS AN INVESTMENT COMPANY UNDER THE 1940 ACT. EACH PURCHASER OR TRANSFEREE OF THIS SECURITY WILL BE REQUIRED TO REPRESENT OR WILL BE DEEMED TO HAVE REPRESENTED THAT (i) IT IS NOT A BENEFIT PLAN INVESTOR OR USING ASSETS OF A PLAN THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE AND (ii) IF IT IS A U.S. PERSON, THAT IT IS A ''QUALIFIED PURCHASER'' OR A ''KNOWLEDGEABLE EMPLOYEE,'' AND WILL BE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE COMPANY'S PROSPECTUS AND ARTICLES OF INCORPORATION.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE PROSPECTUS TO THE TRANSFEREE.

(d) The purchaser understands that no transfer of a Share will be effective, and the Company will not recognise any such transfer to a Benefit Plan Investor that is subject to Title I of ERISA or Section 4975 of the Code as more fully set forth in ''ERISA Considerations'' above.

Each purchaser of the Shares in the United States or who is a U.S. person will be required to execute a U.S. Investor Representation Letter in the form provided by the Sole Bookrunner and deliver such letter to the Sole Bookrunner and the Company.

3 Eligible Investors

The Shares may only be offered (i) to persons reasonably believed to be Accredited Investors or Qualified Institutional Buyers that in each case are also Qualified Purchasers or Knowledgeable Employees or (ii) to persons that are not U.S. Persons in Offshore Transactions pursuant to Regulation S. Initial purchasers of the Shares will be required to make the representations and agreements set forth under "Transfer Restrictions" and "ERISA Considerations" herein. A Shareholder may only sell, transfer, assign, pledge, or otherwise dispose of its Shares within the United States to transferees that are Accredited Investors or Qualified Institutional Buyers, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and that are, in each case, also Qualified Purchasers or Knowledgeable Employees, or in Offshore Transactions to transferees that are not U.S. Persons pursuant to Regulation S. See "Transfer Restrictions" above.

4 Certificates

Save in respect of initial purchasers who are Qualified Institutional Buyers, each initial purchaser of Shares who is a U.S. Person and each U.S. Person who acquires Shares from another U.S. Person (other than pursuant to a bona fide market purchase on NYSE Euronext Amsterdam) is required to hold Shares in certificated form.

PART IX:

FINANCIAL INFORMATION FOR THE 3 YEAR PERIOD ENDED 31 DECEMBER 2012

The consolidated financial statements of the Company included in the Company's Annual Reports for each of the years ended 31 December 2010, 2011 and 2012, together with the independent auditor's reports thereon are incorporated by reference into this Prospectus.

The consolidated financial statements for the years ended 31 December 2010, 2011 and 2012 were prepared in accordance with IFRS.

The consolidated financial statements of the Company for each of the years ended 31 December 2010, 2011 and 2012 have been audited by Ernst & Young LLP, independent auditors, of One More London Place, London SE1 2AF, as stated in their reports thereon, included in the Company's Annual Reports and incorporated by reference herein. Ernst & Young LLP are registered to carry out audit work by the ICAEW.

The audit opinion to the members of the Company and its subsidiaries for the year ended 31 December 2010 is set out on page 32 of the Company's Annual Report 2010.

The audit opinion to the members of the Company and its subsidiaries for the year ended 31 December 2011 is set out on pages 8 to 9 of the Company's Annual Report 2011.

The audit opinion to the members of the Company and its subsidiaries for the year ended 31 December 2012 is set out on page 8 of the Company's Annual Report 2012.

See Part XIII of this Prospectus for further details about information that has been incorporated by reference into this Prospectus.

PART X:

UNAUDITED PRO-FORMA FINANCIAL INFORMATION

The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
Guernsey
GY1 1WW

15 May 2013

Dear Sirs

We report on the pro forma balance sheet (the ''Pro Forma Financial Information'') set out in Part X of the Prospectus dated 15 May 2013, which has been prepared on the basis described in note 1, for illustrative purposes only, to provide information about how the conversion of the convertible securities and the offering of Offer Shares for subscription (the ''transactions'') might have affected the financial information presented on the basis of the accounting policies to be adopted by Eurocastle Investment Limited in preparing the financial statements for the period ending 31 December 2012. This report is required by item 20.2 of Annex I of Commission Regulation (EC) No 809/2004 and is given for the purpose of complying with that item and for no other purpose.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to Commission Regulation (EC) No 809/2004, consenting to its inclusion in the Prospectus.

Responsibilities

It is the responsibility of the directors of Eurocastle Investment Limited to prepare the Pro Forma Financial Information in accordance with item 20.2 of Annex I of Commission Regulation (EC) No 809/2004.

It is our responsibility to form an opinion, as required by item 7 of Annex II of the Commission Regulation (EC) No 809/2004, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of Eurocastle Investment Limited.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Eurocastle Investment Limited.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Eurocastle Investment Limited.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I of Commission Regulation (EC) No 809/2004.

Yours faithfully

Ernst & Young LLP

15 May 2013

UNAUDITED PRO-FORMA BALANCE SHEET

The following unaudited pro forma balance sheet has been prepared to illustrate the effect of (i) the conversion of the convertible securities into issued Shares and (ii) the offering of Offer Shares for subscription as if these events had occurred on 31 December 2012. The unaudited pro forma balance sheet has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not reflect the Company's actual financial position or results. The unaudited pro forma balance sheet is based on the Company's audited historical financial statements as at 31 December 2012 and has been presented in accordance with the the accounting policies of the Company.

The unaudited pro forma balance sheet has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II to the Prospectus Rules. No account has been taken of any results or other activity since 31 December 2012.

		Adjustments		
	Balance sheet as at 31 December 2012(2) *€'000*	**Conversion of convertible securities(3)** *€'000*	**Share capital raised through the offer(4)** *€'000*	**Pro forma balance sheet as at 31 December 2012** *€'000*
Assets				
Cash and cash equivalents	141,344	–	81,000	222,344
Investment properties held for sale	76,510	–	–	76,510
Other assets	24,066	–	–	24,066
Available-for-sale securities	46,098	–	–	46,098
Loans and receivables (includes cash to be invested)	409,965	–	–	409,965
Fixture and fittings	55	–	–	55
Derivative assets	9,792	–	–	9,792
Investment property	1,943,744	–	–	1,943,744
Investment in associate	–	–	–	–
Intangible assets	124	–	–	124
Total Assets	**2,651,698**	**–**	**81,000**	**2,732,698**
Equity and Liabilities				
Capital and Reserves				
Issued capital, no par value, unlimited number of shares authorised	1,446,624	169,924	81,000	1,697,548
Accumulated loss	(1,296,297)	–	–	(1,296,297)
Net unrealised loss on available-for-sale securities and loans and receivables	(30,548)	–	–	(30,548)
Hedging reserve	(5,507)	–	–	(5,507)
Perpetual subordinated convertible securities(5)	160,514	(169,924)	–	(9,410)
Other reserves	17,320	–	–	17,320
Total shareholders' equity	**292,106**	**–**	**81,000**	**373,106**
Non-controlling interest	6	–	–	6
Total equity	**292,112**	**–**	**81,000**	**373,112**
Liabilities				
Trade and other payables	59,198	–	–	59,198
Current taxation payable	11,249	–	–	11,249
CDO bonds payable	352,905	–	–	352,905
Bank borrowings	1,898,045	–	–	1,898,045
Derivative liabilities	8,756	–	–	8,756
Finance lease payable	23,216	–	–	23,216
Deferred taxation liability	6,217	–	–	6,217
Total liabilities	**2,359,586**	**–**	**–**	**2,359,586**
Total equity and liabilities	**2,651,698**	**–**	**81,000**	**2,732,698**

(1) The pro forma information above has been prepared to give effect to (i) the conversion of the convertible securities into issued Shares and (ii) the offering of Offer Shares for subscription as if these events had occurred on 31 December 2012, in a manner consistent with the accounting policies of the Company. The Company prepares its financial statements in accordance with International Financial Reporting Standards.

(2) Extracted without adjustment from audited consolidated financial statements for the year ended 31 December 2012.

(3) The conversion of all of the Company's convertible securities into Shares is based on capital and interest accrued on the convertible securities as at 12 April 2013, at a conversion price of €0.05 per Share. The number of Shares in issue increased from 127,425,780 to 3,525,900,465 as a result of the Conversion.

(4) The share capital raise pursuant to the Offer has been assumed at an Offer Price of €8.45 (being the closing price of the Shares on NYSE Amsterdam on 13 May 2013, being the last practicable date prior to publication of this Prospectus) multiplied by 10,000,000 shares net of estimated expenses relating to the Offer of €3,500,000.

(5) The negative value remaining in the perpetual subordinated convertible securities relates to the interest accrued from 1 January 2013 to 12 April 2013, being the date of conversion. The future results will not include any interest accrued on convertible securities. For the year ended 31 December 2012, the capitalised interest amounted to €27.9 million.

PART XI:

INTERIM MANAGEMENT STATEMENT DATED 14 MAY 2013

Press Release
14 May 2013

Highlights*

- Eurocastle obtained approval from the holders of its convertible securities to lower the conversion price from €0.30 to €0.05 per share in exchange for, inter alia, the right for the Company to require a conversion of all outstanding convertible securities. Conditional upon such conversion, the Company reached agreement with the Manager to rebase the fees under its Management Agreement which will preserve capital for future investment. The expected savings for 2013 amounts to €13.1 million, and an annual run rate of €17.5.

- Eurocastle also intends to reinstate an annual dividend of €0.50 per ordinary share, commencing in the third quarter of 2013 subject to board approval and other legal requirements.

- On 12 April 2013, Eurocastle converted all outstanding convertible securities to ordinary shares and increased the share count by 3,398,474,685 shares resulting in the adjusted fully diluted (NAV) per share as at 31 December 2012 reducing from €0.46 to €0.09.

- Eurocastle has announced that it has received approval to complete a consolidation of shares at a ratio of 200:1 with respect to the existing ordinary share capital of the Company. The effect was to reduce the number of shares in issue from 3,525,900,465 to approximately 17,629,502 resulting in an adjusted NAV of €17.43 as at 31 December 2012.

- Since the quarter-end, the Group has signed 21 commercial leases for approximately 9,910 square metres (sqm).

- At end of the first quarter of 2013, the level of physical portfolio occupancy on a like-for-like basis decreased to 78.8% from 81.2% at the end of 2012 due to an early surrender of a major tenant's lease in the Drive portfolio that had been terminated. In return for the early surrender, a surrender premium of €4.2 million was received.

- The Group sold 7 properties during the first quarter for total sales proceeds of €55.7 million versus a carrying value of €56.3 million.

* *NAV excludes the Mars Floating facility as the financing is non-recourse to Eurocastle and not callable as a result of any changes in the value of the assets.*

Financing and Liquidity

- As at 31 March 2013, Eurocastle had a corporate cash balance of €37.4 million. Net of corporate liabilities, this amounts to €31.2 million.

- In January 2013, the Group secured a restructuring of the senior loan on the Drive portfolio. Modified terms include a 1 year extension to January 2014 and interim amortisation targets to be met through an agreed sales programme. Sales fees of 3.5% of gross sales proceeds (equivalent to amount of €14.1 million) shall be for the benefit of the Group if these targets are met. In addition, Eurocastle will receive asset management fees in relation to the Drive portfolio of €1.7 million per annum. The Group remains in constructive discussions with the lenders of the junior facility.

- In light of the upcoming maturity of the Mars Fixed 2 portfolio in June 2013, the Group is engaged in positive discussions with the facility lender with regards to a medium term extension.

Real Estate

Business Review

- The Group has an interest in 415 investment properties across Germany valued at approximately €2.0 billion based on independent valuations carried out in December 2012, equivalent to an NOI yield of 5.2% based on the 2013 first quarter's annualised NOI compared to 5.6% at year end. The Group's assets are held in 11 separate financing portfolios. They comprise a diversified mix of office and retail properties concentrated in the five major German markets.

First Quarter 2013 Real Estate Portfolio Analysis:

Asset	No. of properties	Occupied space (sqm)	Occupancy %	Passing rent €m	Annualised NOI €m	Property valuation[1] €m	Average lease term	NOI yield on valuation %
Drive	157	230,940	58.7%	35.0	21.2	663	4.4	3.2%
Bridge	6	186,237	97.3%	27.4	25.3	407	5.7	6.2%
Wave	56	119,492	80.0%	13.7	10.1	182	3.3	5.5%
Turret	63	137,039	96.9%	14.9	13.1	169	3.8	7.7%
Mars – Floating	9	80,334	57.0%	8.4	4.5	120	3.1	3.7%
Mars – Fixed 2	3	34,374	89.8%	6.5	4.6	96	3.1	4.8%
Truss	41	77,967	95.7%	8.2	7.2	95	4.1	7.6%
Belfry	27	49,880	94.3%	5.0	4.3	60	3.9	7.1%
Tannenberg	27	46,857	94.5%	5.0	4.1	59	5.4	6.9%
Rapid	18	38,641	100.0%	4.4	4.0	55	8.5	7.3%
Zama	8	28,542	93.9%	3.7	3.3	45	3.6	7.4%
Grand Total	**415**	**1,030,303**	**78.8%**	**132.2**	**101.7**	**1,951**	**4.5**	**5.2%**

(1) *Property valuations are based on semi annual third party independent valuations undertaken in December 2012.*

- Eurocastle continues to pursue a real estate divestment programme seeking to dispose of assets that are believed to be stable, fully valued or as required within the framework of certain of its financings. In the first quarter of 2013, 7 properties have been sold for total sales proceeds of €55.7 million.

- Good progress continues to be made on new leasing and on renewing existing tenants. During the first quarter of 2013, the Group signed 32 leases for approximately 13,549 sqm, including 20 new leases for approximately 2,570 sqm and 12 lease renewals for approximately 10,979 sqm. Since the quarter end, an additional 1,240 sqm of new leases and 8,670 sqm of renewals have been signed. The current renewal rate for leases expiring in 2013 is at 42.9%.

- The Group continues to seek to moderate capital expenditure committed to new leasing, focusing it on those leases and portfolios achieving the greatest economic benefit for the Group and thus maximising cashflow available to Eurocastle.

- As at 31 March 2013, the Group had total lettable space of 1.3 million sqm with occupancy at 78.8%, down from 81.2% at the end of 2012 on a like-for-like basis due to an early surrender of a major tenant's lease in the Drive portfolio that had been terminated. In return for the early surrender, a surrender premium of €4.2 million was received.

* *Unless otherwise stated, the information provided excludes the Mars Fixed 1 portfolio, but includes 100% of the Mars Floating portfolio, in which the Group has a 50% equity investment.*

Market Outlook*

- The investment volume in Germany amounted to €7.1 billion in the first quarter of 2013. This represents an increase of 35% compared to the same quarter last year. The five major office markets accounted for 56% (versus Q1 2012 of 49%) of the overall investment activity in the first quarter of 2013, with the highest volume in Munich at €0.7 billion. Due to the lack of core product, secondary cities (those outside of the Top 5) have experienced a high demand for investment opportunities from investors.

- Office investments are still dominating German investment markets with €2.8 billion followed by retail investments with €1.7 billion. Foreign property investors accounted for approximately 25% of the turnover in the first quarter of 2013, down from 30% for the full year 2012.

- Rental take-up figures decreased in major office markets by 16% compared to the first quarter of 2012, with an office turnover of 490,000 sqm. Vacancy rates in the five major markets have decreased from 9.9% in the first quarter of 2012 to 9.2% in the first quarter of 2013. In line with the lower vacancy, prime rents have increased slightly and are expected to continue to improve.

* *Data and analysis for this section has been extracted from professional market research sources*

Debt Investments

- There was one upgrade and eight downgrades in the first quarter of 2013, compared to two upgrades and twenty five downgrades in the fourth quarter of 2012.

- Total amortisation principal received in the Group's debt business during the first quarter of 2013 was €3.1 million. The majority of these proceeds were received within the CDO V portfolio which (together with additional amortisation proceeds received in December 2012) was used to purchase €25.9 million of CMBS rated at BBB+ at an average price of 92.95% of nominal.

Forward-Looking Statements

This release contains statements that constitute forward-looking statements. Such forward-looking statements may relate to, among other things, future commitments to sell real estate and achievement of disposal targets, availability of investment and divestment opportunities, methods of funding portfolios, timing of completion of acquisitions and disposals, the operating performance of our investments and financing needs. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may”, “will”, “should”, “potential”, “intend”, “expect”, “endeavour”, “seek”, “anticipate”, “estimate”, “overestimate”, “underestimate”, “believe”, “could”, “project”, “predict”, “continue”, “plan”, “forecast” or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. The Group’s ability to predict results or the actual effect of future plans or strategies is limited. Although the Group believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, its actual results and performance may differ materially from those set forth in the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors that may cause the Group’s actual results in future periods to differ materially from forecasted results or stated expectations, including the risks regarding Eurocastle’s ability to achieve its targets regarding asset disposals or leasing or that Eurocastle will be able to fund, extend, refinance or repay its liabilities.

PART XII:

VALUATION REPORTS FOR DIRECT REAL ESTATE INVESTMENTS

Valuation Report Relating to the Belfry Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors.

The Direct Investment Portfolio:
Belfry Portfolio (27 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF BELFRY PORTFOLIO
(27 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of the initial valuation carried out by CBRE in 2005 (date of valuation 31 October 2007) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 2011 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 26 freehold equivalent (*Eigentum*) Properties and 1 leasehold equivalent (*Erbbaurecht*) Property.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion.”

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 60,210,000 (Sixty million two hundred ten thousand Euro) made up as follows:

Schedule	Investment Properties	€ 60,210,000
Total		€ 60,210,000
Total	Net Rent Receivable p.a.	€ 5,062,684
Total	Estimated Net Rental Value p.a.	€ 4,981,006

At this point we do not expect any material changes for the portfolio during an appropriate marketing period of approx. 3 months, whether in the rental or in the investment market.

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on our latest inspection as well as on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to our initial report dated 31 October 2007. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

We have based our assessment of market data and comparable transactions on our in-house research, on publications from market participants, as well as on the publications of other institutes.

All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject property and on the documents and information provided.

In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspections

CBRE had access to the subject properties as members of the public in order to carry out the inspections. We have not carried out any building surveys. The properties have not been measured as part of CBRE’s inspection nor have the services or other installations been tested. All of CBRE’s conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for their purpose or the health of their occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of a property which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurring in the demolition and removal of any existing structure on the property.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

An investigation of the compliance of the property with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the property and the processes carried out at the property are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have generally assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject property.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the property is free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the property.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Inspections

In accordance with our instructions, we have last re-inspected the subject properties between April and June 2011. As agreed and wherever possible the properties were inspected internally and externally, however only the publicly accessible areas. With regards to the building and internal structure of the subject properties, we have also made assumptions relying on information provided by the technical due diligence of the technical advisors for our initial valuation. In the event of these assumptions proving to be incorrect, we reserve the right to amend our valuation accordingly.

9.3 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 properties. We are unable, therefore, to give any assurance that the properties are free from defect.

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

a. there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;
b. the properties are free from rot, infestation, structural or latent defect;
c. no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the properties; and
d. the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.4 Environmental Matters

In undertaking our work, we have assumed that the property is not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on it. Specifically we have assumed that:

a. the properties are not contaminated and not adversely affected by any existing or proposed environmental law;
b. any processes which are carried out on the properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.

We have therefore not undertaken, nor have we taken into account any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the property nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject properties and have therefore assumed that none exists.

We have otherwise considered the age and apparent general condition of the properties but comments made in the property details do not express an opinion about or advise us on the condition of parts not inspected and should not be taken as making an implied representation or statement about such parts.

9.5 Floor Areas

We have relied upon the schedules of area that were provided to us. In undertaking our work, we have assumed that these surface areas are correct. All measurements, areas and ages quoted in our report are approximate.

9.6 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

Details of title/tenure under which the properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. 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.

We have conducted credit enquiries on the financial status of the main tenants. In undertaking our valuations we have reflected our general understanding of a typical purchaser's likely perceptions of the financial status of tenants from a market perspective.
Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

a. the properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;
b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;
c. the properties are not adversely affected by town planning or road proposals;
d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;
e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates;
f. there are no user restrictions or other restrictive covenants in leases, which would adversely affect value;
g. all vacant accommodation is available to let and unencumbered.

9.7 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.8 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.
b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.9 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.10 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the size of the subject properties:

Land transfer tax: Under German tax law, a transfer tax based on the purchase price has to be paid on property purchase. This is generally paid by the purchaser. The tax rate is different in each of the German federal states and applies in 2012 as follows:

Federal State	Land Transfer Tax Rate
Baden-Württemberg	**5.0%**
Bavaria	**3.5%**
Hesse	**3.5%**
Mecklenburg-Vorpommern	**3.5% (As of 01.07.2012: 5.0%)**
North Rhine-Westphalia	**5.0%**
Rhineland-Palatinate	**5.0%**
Saxony	**3.5%**
Schleswig-Holstein	**5.0%**
Thuringia	**5.0%**
Saarland	**4.5%**

Berlin	**5.0%**
Bremen	**4.5%**
Hamburg	**4.5%**
Lower Saxony	**4.5%**
Saxony-Anhalt	**5.0%**
Brandenburg	**5.0%**

Notary and legal fees: Due to the size of the properties we have made the assumption of generally 1% for notary and legal fees, which is in line with average costs for notarising a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have adopted fees of 2% to 3% which, in our experience, is in line with market conditions.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

THE SCHEDULE

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05000 Bahnhofstrasse; 95659 Arzberg Date of Inspection: 18 May 2011	Arzberg is a small town located in the administrative district of Oberfranken in Bavaria, approx. 35 km south of Hof and approx. 45 km east of Bayreuth. This town has roughly 5,400 inhabitants and is located in the district of Wunsiedel. The subject property is situated at the southern fringe of the municipality in a residential area; the river Röslau flows behind the property. The subject property can be easily accessed via the high street; limited visibility, however, due to the sloping tract of land. The subject property was constructed in 2004. It is a stand-alone building with a saddleback roof. There is a bakery at the front which has its own entrance. The exterior areas are partly landscaped, partly paved with asphalt and appear to be in a well-kept condition. The property appears to be in good condition with no obvious major defects. We understand that the property comprises the following: Plot size: 5,123 sq m Lettable area: 976 sq m 74 parking spaces	Freehold (Eigentum) The Property is let to: Penny food discount (930.68 sq m) expiring 15 April 2016. Passing rent is €109,800.00 per annum. Indexed 10% hurdle/60%. Bäckerei Brunner – bakery - (45.17 sq m) expiring 30 April 2014. Passing rent is € 12,863.04 per annum. Indexed 10% hurdle/70%.	€ 122,663	€ 111,354	€ 1,380,000
Unit-ID: bel05005 Triptiser Str. 12a; 07955 Auma Date of Inspection: 23 May 2011	Auma-Weidatal is a small community of roughly 3,000 inhabitants and is located in the district of Greiz, approx. 30 km south of Gera and approx. 50 km west of Zwickau. The subject property is situated on a main through road, Triptiser Strasse (B2), between the northern and southern part of the town. The property was built between 1992 and 1994 and was refurbished in 2002. The property is an L-shaped, single-storey building comprising two building sections: a REWE supermarket, incorporating storage and staff rooms, a delivery area and a REWE beverage store with a separate entrance; the beverage store is set back. The building appears to be a reinforced concrete frame construction with light-weight concrete masonry infill and a white rendered façade (partly with corrugated metal elements); it has a pitched roof. The exterior areas are landscaped and paved with interlocking concrete pavers. There is sufficient parking in front of the building facing the road.	Freehold (Eigentum) The Property is let to: REWE — supermarket (1,209.42 sq m) expiring 31 December 2017. Passing rent is € 160,838.16 per annum. Indexed 10% hurdle/50%. REWE — beverage market (396.85 sq m) expiring 31 December 2017. Passing rent is € 40,769.40 per annum. Indexed 10% hurdle/50%.	€ 201,608	€ 163,953	€ 2,020,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	On inspection all building parts appeared to be in good condition, having benefited from regular maintenance. Although not of the latest REWE design, the sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 5,090 sq m Lettable area: 1,606 sq m 74 parking spaces				
Unit-ID: bel05010 Tevesstrasse 2c; 78176 Blumberg Date of Inspection: 20 June 2011	Blumberg is a small town of approx. 10,100 inhabitants and is located in the administrative district of Schwarzwald-Baar-Kreis (around 206,500 inhabitants) roughly 75 km southeast of Freiburg and approx. 60 km northwest of Lake Constance. The B27 (main road for Donaueschingen-Singen) can be accessed within 1 km from Blumberg; the A81 (Stuttgart-Singen) is accessed within roughly 20 km. The subject property is situated in the commercial park "Lauffenmühle", between Hauptstrasse, Espenstrasse and Tevesstrasse, only 300 m from the town centre. This is a location which is easily accessible for motorists; it offers a competitive number of specialist retail stores providing food and non-food goods, such as drugs and textiles. The property, which was built between 1998 and 2002, consists of three separate single-storey buildings which are arranged next to each other: a Penny food discounter, a beverage store and a multi-tenant building with four retail units. All building sections appear to be steel constructions with pre-cast concrete elements and barrel roofs. The facades are partly rendered, partly covered with corrugated metal elements. The exterior areas are landscaped and partly paved with asphalt and interlocking concrete pavers. There is a large car park in front of the buildings facing the road. On inspection all building parts appeared to be in good condition. The sales areas appeared to be modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 9,500 sq m Lettable area: 2,293 sq m 125 parking spaces	Freehold (Eigentum) The Property is let to: Fristo Getränkemarkt – beverage market (400.00 sq m) expiring 29 October 2014. Passing rent is € 43,021.20 per annum. Indexed 10% hurdle/60%. Thomas Schneider (320.00 sq m) expiring 31 December 2013. Passing rent is € 26,532 per annum. Indexed 10% hurdle/60%. Sport 2000 Weber — (313.00 sq m) expiring 27 April 2013. Passing rent is € 21,220.08 per annum. Indexed 10% hurdle/100%.	€ 110,524	€ 207,816	€ 2,340,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05015 Borriestrasse 132; 32257 Bunde Date of Inspection: 9 June 2011	Bünde is located in the administrative district (Regierungsbezirk) of Detmold, approx. 20 km north of Bielefeld in the state of North Rhine-Westphalia. Bünde is located approx. 1 km away from the A30 motorway and is comprised of 12 suburbs. The subject property is located in the northern suburb of Bünde on the edge of a dense residential development. The property is highly visible and easily accessible from the main road. The subject property, a Penny food discounter with an integrated bakery, was constructed in 2004. It is a stand-alone building with a clinker facade and a pitched roof with tiles. The interior of the subject property appears to be in good condition. The exterior areas (partly paved with asphalt with interlocking concrete pavers) are well maintained. The bakery is located in the entrance area of the discounter. We understand that the property comprises the following: Plot size: 4,010 sq m Lettable area: 976 sq m 70 parking spaces	Freehold (Eigentum) The Property is let to: Penny food discount (931.00 sq m) expiring 22 July 2016. Passing rent is € 120,657.60 per annum. Indexed 10% hurdle/60%. Bäckerei Schmidt GmbH – bakery - (45.00 sq m) expiring 31 July 2016. Passing rent is € 12,000 per annum. Indexed 15% hurdle/60%.	€ 132,658	€ 123,600	€ 1,550,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05020 Nersingerstrasse; 89275 Elchingen Date of Inspection: 17 June 2011	Elchingen is a small town of approx. 9,200 inhabitants and is located in the district of Neu-Ulm, rouhly 10 km northeast of Ulm. Elchingen is directly located at the intersection of the A8 (Stuttgart-Munich) and the A9 (Berlin-Munich) - two major national motorways. The subject property is situated in a small commercial area on the southern fringe of Elchingen. This is a location which is easily accessed by motorists. Other retailers and community facilities (sports ground) are in the neigbourhood. A residential area is within walking distance to the north, separated by railroad tracks. The property, which was built in 2003, comprises three joint building parts, each housing one retail unit on ground leve. All three building sections appear to be reinforced concrete frame constructions with masonry infill, each with a pitched roof. The façades are rendered white and partly covered with corrugated metal elements. The exterior areas are landscaped and partly paved with interlocking concrete pavers. There is a large car park in front of the buildings facing the road. There is also a self-service car wash on the property. Solar panels are installed on the roofs. We understand that the property comprises the following: Plot size: 7,314 sq m Lettable area: 1,948 sq m 118 parking spaces	Freehold (Eigentum) The Property is let to: Subrenta Immobilienverwaltung (828.00 sq m) expiring 30 September 2015. Passing rent is € 114,000.00 per annum. Indexed 10% hurdle/65%. Getränke Göbel GmbH– beverage market - (582.30 sq m) expiring 31 December 2013. Passing rent is € 38,193.72 per annum. Indexed 10% hurdle/60%. TEDI GmbH & Co. KG (420.00 sq m) expiring 24 November 2013. Passing rent is € 25,200.00 per annum. Indexed 10% hurdle/65%.	€ 177,394	€ 229,832	€ 2,770,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05025 Riedstrasse 20; 89275 Giengen Date of Inspection: 17 June 2011	Giengen is a town of approx. 19,400 inhabitants and is located in the administrative district of Heidenheim, approx. 30 km north of Ulm and roughly 12 km southeast of Heidenheim. The A7 motorway (Ulm-Würzburg) can be accessed within 1 km. The subject property is situated in the commercial area "Gewerbegebiet Ried" to the east of Giengen. The location is easily accessed by motorists from the city centre of Giengen via Memminger Strasse. This is an established retailing and wholesale location with national retail chains and local businesses; it offers a competitive number of specialist retail stores, mainly from the food and textile industries as well as craft shops. Residential areas are within walking distance. The property, which was built in 1991, is a two to three-storey building. On the upper floors there is a large sports centre incorporating tennis courts, bowling halls, a gym, a sauna and spa areas; both units are accessed separately. The building is appears to be a reinforced concrete frame construction with infill elements (masonry or precast concrete elements); the building's façade is clad with corrugated metal elements. The building is covered with a flat roof, the rear, with a pitched roof. The building sections which we were able to inspect appeared to be in good condition consistent with the building's age. The sales areas are modern and attractive; the exterior areas are well maintained, being partly landscaped and partly paved with asphalt. There is a car park in front of the building facing the road. We understand that the property comprises the following: Plot size: 9,198 sq m Lettable area: 8,215 sq m 114 parking spaces	Freehold (Eigentum) The Property is let to: Rental Guarantee/ Giengener Volksbank (4,615.00 sq m) expiring 30 September 2014. Passing rent is € 298,097.28 per annum. Jürgen Enenkel (3,600.00 sq m) expiring 31 August 2015. Passing rent is € 90,000.00 per annum.	€ 388,097	€ 377,460	€ 3,440,000
Unit-ID: bel05030 Lange Strasse; 04668 Grimma Date of Inspection: 19 May 2011	Grimma is a small town in the state of Saxony with approx. 18,700 inhabitants and is located in the district of Landkreis Leipzig (ca. 267,400 inhabitants), roughly 27 km southeast of Leipzig and approx. 75 km northwest of Dresden. Grimma is located approx. 2 km away from the A14 motorway. The subject property is located in the historic city centre of Grimma. In the direct surroundings there are mixed-use terraced developments. The assortment of historic properties in Grimma's town centre attracts tourists to Grimma. This is an area which was severely damaged by the 2002	Freehold (Eigentum) The Property is let to: ALDI food discount (791.34 sq m) expiring 30 November 2016. Passing rent is € 62,000.04 per annum. Indexed 10% hurdle/50%.	€ 211,607	€ 243,743	€ 2,490,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	flooding of the river Mulde, however great efforts have been made to remodel the area since then. As far as we could tell, the subject property appears to consist of seven building sections. The four oldest buildings, which were refurbished in 2002 are in good condition and are located directly on the pedestrian area in the Altstadt in Grimma. One of these buildings (surrounded by the three new buildings which were erected in 2002) provides access to the car park through a passageway. The older buildings have either 2 or 3 storeys, separate entrances, pitched roofs and rendered facades. The new building sections are solid constructions (probably masonry) with a white rendered façade (partly with corrugated metal elements) and a flat roof. We were unable to inspect the offices and surgeries on the first floor. The exterior areas are landscaped and partly paved with interlocking concrete pavers. The car park is bordered on all sides by the buildings. The sales areas are in good conditions; the exterior areas are generally well-kept. We understand that the property comprises the following: Plot size: 5,158 sq m Lettable area: 2,843 sq m 70 parking spaces	NKD Vertriebs GmbH (360.00 sq m) expiring 31 December 2012. Passing rent is € 35,340.48 per annum. Indexed 10% hurdle/70%. Markgrafen Getränke – beverage market (300.00 sq m) expiring 31 December 2012. Passing rent is € 32,553.96 per annum. Indexed 10% hurdle/70%.			
Unit-ID: bel05035 Lichtensteinerstrasse; 08118 Hartenstein Date of Inspection: 17 May 2011	Hartenstein is a small town located in the administrative district (Regierungsbezirk) of Landkreis Zwickau in the state of Saxony, approx. 75 km southeast of Leipzig and roughly 85 km southwest of Dresden. Hartenstein is located almost 3 km away from the A72 motorway. The subject property is located in the north of Hartenstein. The community is primarily rural in character. The property is highly visible and easily accessible from the main road. The subject property, a Netto food discounter, was constructed in 2003. It is a stand-alone building with a saddleback roof, which is used by the Netto supermarket chain. The building appears to be a reinforced concrete frame construction with masonry infill. The façades are rendered white and partly covered with corrugated metal elements. The exterior areas are landscaped and partly paved with interlocking concrete pavers.	Freehold (Eigentum) The Property is let to: Netto Marken Discount GmbH & Co OHG — supermarket (1,056.00 sq m) expiring 27 August 2017. Passing rent is € 112,831.44 per annum. Indexed 10% hurdle/60%.	€ 112,831	€ 95,040	€ 1,240,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	There is a car park is in front of the building facing the road. The exterior areas are partly landscaped and partly paved with asphalt and appear to be in a well-kept condition. The property appears to be in good condition with no obvious major defects. The interior of the subject property appears to be in good condition. No major defects were identified during the inspection, which appears plausible since the building was recently erected. We understand that the property comprises the following: Plot size: 6,273 sq m Lettable area: 1,056 sq m 71 parking spaces				
Unit-ID: bel05040 Frankenstrasse; 95233 Helmbrechts Date of Inspection: 18 May 2011	The municipality of Helmbrechts is located in the Upper Franconian district of Hof in Bavaria on the A 9 junction, halfway between Hof (ca. 17 km) and Kulmbach (approx. 23 km). The Czech border is roughly 30 km away. The subject property is located on the eastern outskirts of the municipality at a roundabout which provides access to the inner city area, to the commercial district (Gewerbegebiet Süd) and to the A 9 motorway. Frankenstrasse leads towards the town centre. The property is situated in a mixed use zone with scattered businesses, but which otherwise is predominantly residential. The property is highly visible from the main road. The subject property, which was constructed in 2005, is a freestanding building with a pitched roof and is used by Netto, a discounter chain. Both the entrance area and the exterior areas (with sufficient parking) appear to be in good condition; the building does not show signs of any defects. We understand that the property comprises the following: Plot size: 6,790 sq m Lettable area: 1,121 sq m 76 parking spaces	Freehold (Eigentum) The Property is let to: Netto Marken Discount Gmbh & Co OHG — supermarket (1,121.00 sq m) expiring 28 July 2020. Passing rent is € 131,829.60 per annum. Indexed 10% hurdle/70%.	€ 131,830	€ 121,068	€ 1,640,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05045 Engerstrasse 45-47; 32051 Herford Date of Inspection: 8 June 2011	Herford is a large county seat in the district of the same name in North Rhine-Westphalia. Approx. 63,800 inhabitants live in Herford, between the Wiehengebirge (a low mountain range), the Ravensberger Hügelland (mountain chains south of the Wiehengebirge) and the Teutoburg Forest. Osnabrück is located 46 km west of Herford and Bielefeld 15 km southwest. The subject property is located in the west of Herford, 800 m away from the B61, on a busy through road. It benefits from high visibility and very good accessibility. The subject property, which was constructed in 2003, is an L-shaped building with a clinker facade and has a pitched roof with roofing tiles. It houses Penny, the food discounter, a beverage store (Lösch-Depot) and a bakery (Hensel). The interior sales areas appear to be modern and in good condition. There is also a petrol station with an integrated shop which was constructed and is operated by ConocoPhillips (Jet). The subject property as well as the exterior areas appear to be well kept. The object offers a sufficient number of parking spaces. We understand that the property comprises the following: Plot size: 7,989 sq m Lettable area: 1,484 sq m 108 parking spaces	Freehold (Eigentum) The Property is let to: Penny food discount ((929.00 sq m) expiring 13 November 2015. Passing rent is € 117,054.00 per annum. Indexed 10% hurdle/60%. ConocoPhillips Germany - Jet petrol station – expiring 30 June 2015. Passing rent is € 51,358.56 per annum. Indexed 10% hurdle/60%. Löschdepot GmbH & Co (500.00 sq m) expiring 30 September 2013. Passing rent is € 39,000.00 per annum. Indexed 15% hurdle/60%.	€ 219,204	€ 209,040	€ 2,530,000
Unit-ID: bel05050 Further Strasse; 91315 Hochstadt an der Aisch Date of Inspection: 17 May 2011	The municipality of Höchstadt an der Aisch is located in the Middle Franconian district of Erlangen-Höchstadt in Bavaria near the A3 autobahn, approx. 18 km from Erlangen and 33 km from Nuremburg. The subject property is located in the southern outskirts of the municipality in a small commercial area near a petrol station, a car dealer and several supermarkets. Due to its location on a main road, the subject property benefits from good visibility. The subject property, which was constructed in 2002, consists of two interconnected buildings, each of which has a pitched roof; one building houses a Netto store, the other, a Takko store (textiles). The property can be accessed via Fürther Strasse as well as via a side street (Schlesierstrasse). The exterior areas appeared to be in a well-kept condition, however, the current parking facilities are inadequate for both retail units.	Freehold (Eigentum) The Property is let to: Netto Marken Discount Gmbh & Co OHG — Netto supermarket (1,027.00 sq m) expiring 7 August 2017. Passing rent is € 116,461.80 per annum. Indexed 10% hurdle/60%. TAKKO Modemarkt GmbH & Co KG — textiles retail (699.52 sq m) expiring 7 August 2017. Passing rent is € 82,655.28 per annum. Indexed 10% hurdle/65%.	€ 199,117	€ 188,429	€ 2,350,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	We understand that the property comprises the following: Plot size: 5,718 sq m Lettable area: 1,727 sq m 80 parking spaces				
Unit-ID: bel05055 An der Hohensaas 11 a 95030 Hof Date of Inspection: 18 May 2011	The city of Hof is located in the north Bavarian district of Upper Franconia. Kulmbach is approx. 41 km away and Bayreuth is roughly 49 km away. Hof is divided into 19 town districts, and has a population of about 46,300. Hof is ca. 9 km from the A9 motorway and 5 km from the A93 and the A72 motorways. The subject property is situation in the western outskirts of Hof in a commercial area that is 3 km from the Hof town centre. Neighbouring operations include an auto service center and construction companies. Visibility from Kulmbacher Strasse is restricted due to its location on a minor road and the sloping vehicle access. The subject property was constructed in 1994 and is a single building with a pitched roof, which houses a Takko store (textiles). The facade shows minor defects, particularly in the entrance area. Since there are apparently insufficient parking spaces at the front of the building, public parking along the street is also being used. Additionally, the limited access and entrance areas have not been well maintained. We understand that the property comprises the following: Plot size: 2.531 sq m Lettable area: 928 sq m 23 parking spaces	Freehold (Eigentum) The Property is let to: TAKKO Modemarkt GmbH & Co KG — textiles retail (928.19 sq m) expiring 28 February 2014. Passing rent is € 127,100.64 per annum. Indexed 10% hurdle/80%.	€ 127,101	€ 89,106	€ 1,080,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05060 Kasseler Strasse 72; 34123 Kassel-Waldau Date of Inspection: 7 June 2011	The city district of Waldau has a population of approx. 6,400, is one of the 23 town districts of Kassel, and is located in the southeast of the city. The A7 and A49 motorways as well as the B83 federal road are 1 to 2 km away. The district of Kassel has roughly 237,000 residents. The district of Waldau comprises a large residential area, a large park and leisure area, and a large industrial park in the south. The subject property is situated at the edge of the residential area in Waldau, and borders an Industrial park to the south. Being directly on the main road, it is easily accessible and benefits from good visibility. The subject property, which was constructed in 2005, is a stand-alone building with a clinker facade and a tiled pitched roof. The windows and the entrance area are in good condition. On the whole, the building which houses Penny, the discounter, appears to be in a good condition - both from the interior and the exterior. The exterior areas (partly paved with asphalt, a car park with interlocking concrete pavers, as well as green strips) have been well maintained. There is a bus stop directly in front of the property (Gesamtschule Waldau). There is also a bakery (Ehmer) nearby, which provides access to the subject property via a separate entrance. The fast food stand (Ihr Imbiss) is located at the front of the building on the right. We understand that the property comprises the following: Plot size: 3,823 sq m Lettable area: 984 sq m 65 parking spaces	Freehold (Eigentum) The Property is let to: Netto Warenhandelsgesellschaft – supermarket - (931.00 sq m) expiring 5 April 2017. Passing rent is € 124,902.96 per annum. Indexed 10% hurdle/60%. Bäckerei Ehmer – bakery - (28.00 sq m) expiring 31 March 2017. Passing rent is € 9,000.00 per annum. Indexed 10% hurdle/70%. Fikri Aydin (25.00 sq m) expiring 30 April 2015. Passing rent is € 6,425.52 per annum. Indexed 10% hurdle/70%.	€ 140,328	€ 133,206	€ 1,710,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05065 Phillipp-Reis-Strasse; 35321 Laubach Date of Inspection: 3 June 2011	Laubach is a small town of approx. 9,900 inhabitants and is located in the district of Gießen (ca 256,400 inhabitants) in the state of Hesse. Laubach is roughly 50 km north of Frankfurt am Main and approx. 150 km southeast of Cologne. Laubach is located about 10 km away from the A5 motorway (Frankfurt-Basel). The subject property is located in the west of Laubach within a commercial area. The property is well-situated in the comercial area, highly visible and easily accessible from the main road. The subject property, which was built in 2004, comprises two rectangular buildings: a REWE Supermarket and a K+K shoe market in a separate building next to it. Both buildings are solid constructions (probably masonry) with a white rendered façade (partly with corrugated metal elements) and a saddleback roof. The exterior areas are paved with interlocking concrete pavers. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the appearance of a building of the construction year 2004. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 12,078 sq m Lettable area: 2,974 sq m 130 parking spaces	Freehold (Eigentum) The Property is let to: REWE - supermarket (1,985.26 sq m) expiring 27 May 2019. Passing rent is € 251,555.64 per annum. Indexed 10% hurdle/65%. K + K Shoe Market (333.44 sq m) expiring 31 July 2015. Passing rent is € 28,008.96 per annum. Indexed 10% hurdle/65%. Leox AG (222.23 sq m) expiring 31 August 2015. Passing rent is € 21,862.68 per annum. Indexed 10% hurdle/60%.	€ 301,427	€ 334,525	€ 4,090,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05070 Ahornallee21a; 02708 Lobau Date of Inspection: 18 May 2011	Löbau is a small town of approx. 15,900 inhabitants and is located in the district of Görlitz in the state of Saxony, roughly 65 km east of Dresden and approx. 160 km east of Leipzig. It is only a few kilometres away from the border crossing from Poland to the Czech Republic. The A4 motorway can be reached within ca. 10 km. The subject property is situated at the southern fringe of the municipality in a multi-family residential area and can be easily accessed on foot as well as by car. The subject property, which was constructed in 1999, is a freestanding building with a pitched roof and is used by Netto, a food discounter chain. Both the entrance area and the exterior areas (with sufficient parking) appear to be in good condition; the building does not show any signs of defects. We understand that the property comprises the following: Plot size: 3,979 sq m Lettable area: 1,037 sq m 55 parking spaces	Freehold (Eigentum) The Property is let to: Netto Marken Discount Gmbh & Co OHG — supermarket (1,037.00 sq m) expiring 31 May 2014. Passing rent is € 101,164.08 per annum. Indexed 10% hurdle/100%.	€ 101,164	€ 93,330	€ 990,000
Unit-ID: bel05075 Lohstrasse 272; 97638 Melrichstadt Date of Inspection: 17 May 2011	Mellrichstadt is a municipality on the Rhön river in the Lower Franconian Main-Rhön region in Bavaria. Mellrichstadt, which is located approx 30 km north of Bad Kissingen and roughly 46 km east of Fulda, is divided into 6 districts. The A71 motorway can be reached via the B 19 from the north-east within about 15 km. The subject property is located on the northern fringe of the town in a mixed use zone. Apart from auto centres and several supernmarkets, Lohstrasse is gaining increasing significance as a residential development zone. The city centre of Mellrichstadt can be reached via Meininger Strasse, roughly 600 m away. Due to its location the subject property, a ribbon development along the main street (Hauptstrasse), is highly visible even from a distance. The subject property was constructed in 2005 and is a freestanding building with a pitched roof, which houses a Lidl store and a bakery. The bakery has seating and a separate entrance at the front of the building. The exterior areas with a large car park appear to be well-kept. We were unable to detect any major defects.	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH & Co KG (1,250.00 sq m) expiring 28 February 2020. Passing rent is € 153,000.00 per annum. Indexed 10% hurdle/65%. Backhaus Nahrstedt – bakery - (97.22 sq m) expiring 28 February 2015. Passing rent is € 27,725.04 per annum. Indexed 10% hurdle/100%.	€ 180,725	€ 165,833	€ 2,270,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	We understand that the property comprises the following: Plot size: 6,022 sq m Lettable area: 1,347 sq m 90 parking spaces				
Unit-ID: bel05080 Gerauer Strasse 54 64546 Mörfelden-Walldrof Date of Inspection: 16 May 2011	The municipality of Mörfelden-Walldorf is located in the district of Gross-Gerau (approx. 254,900 inhabitants) on the Autobahn A 5 junction, halfway between Darmstadt (roughly 12 km) and Frankfurt am Main (roughly 18 km). The subject property is situated in a small commercial area on the southern fringe of Mörfelden-Walldorf. This is a location which is easily accessed by motorists; there are a number of other retailers in the neighourhood. The subject property, which was constructed in 2005, comprises two building sections, each with a separate entrance. The larger building section houses a Tegut supermarket store, the adjoining section a Penny food discounter. The property has a saddleback roof and appears to be in good condition with no obvious major defects. The exterior areas are paved with asphalt and appear to be in a well-maintained condition. We understand that the property comprises the following: Plot size: 10,366 sq m Lettable area: 2,904 sq m 160 parking spaces	Freehold (Eigentum) The Property is let to: Tegut Gutberlet Stiftung & Co — supermarket (1,753.82 sq m) expiring 31 August 2018. Passing rent is € 252,550.08 per annum. Indexed 10% hurdle/60%. Penny food discount (1,753.82 sq m) expiring 6 September 2020. Passing rent is € 168,360.00 per annum. Indexed 10% hurdle/60%.	€ 420,910	€ 418,150	€ 5,550,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05085 Hersfelderstrasse; 36272 Niederaula Date of Inspection: 7 June 2011	Niederaula is a small town with approx. 5,400 inhabitants and is located in the district of Hersfeld-Rotenburg (around 122,300 inhabitants), roughly 90 km north of Frankfurt am Main and roughly 56 km south of Kassel. The city lies along the A7 motorway. The subject property is located on the nothern fringe of Niederaula in a mixed use zone, which is predominantly low-density residential (single and multi-family homes). Hersfelder Strasse, the location of the subject property, is the main through road in the town. There is agricultural land nearby. The subject property was constructed in 2004 and comprises four building sections, each with a separate entrance. Lidl is the anchor tenant, with a Logo beverage store, a bakery, a butcher (Schäfer Fleischerei), as well as an NKD store (clothing discounter). All building sections are solid constructions (probably masonry) with a white rendered façade (partly with corrugated metal elements) and a pitched roof. The exterior areas are paved with interlocking concrete pavers. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the appearance of a building of the construction year 2004. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 9,781 sq m Lettable area: 2,004 sq m 155 parking spaces	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH & Co KG (1,031.53 sq m) expiring 30 September 2015. Passing rent is € 118,956.00 per annum. Indexed 10% hurdle/70%. Heurich GmbH (376.12 sq m) expiring 31 March 2016. Passing rent is € 36,123.48 per annum. Indexed 10% hurdle/60%. Schäfer (320.00 sq m) expiring 31 May 2013. Passing rent is € 30,115.56 per annum. Indexed 10% hurdle/70%.	€ 206,195	€ 198,027	€ 2,330,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05090 Hoferstrasse 88; 95145 Oberkotzau Date of Inspection: 19 May 2011	The municipality of Oberkotzau is located in the Upper Franconian district of Hof in Bavaria, approx. 5 km south of the county seat of Hof. Bayreuth is situated approx. 45 km southwest. Oberkotzau is on one of the major railway lines (Hof - Marktredtwitz - Nürnberg / Regensburg and Hof - Bamberg - Nürnberg) and is roughly 12 km away from the A9 and A72 motorways. The subject property, which is located at the northern fringe of the town directly on the main street (Hofer Strasse) in a mixed use zone with a petrol station, several auto centres and residential developments, is highly visible due its location on the main throughfare. The subject property, which was constructed in 2004, is a stand-alone building with a pitched roof and houses a TEDI discount store (formerly Plus). An annex, which formerly housed a bakery unit with a separate entrance, is now vacant and has been closed. The exterior areas including a surfaced car park and green strips; they appear to be in a well-kept condition. We were unable to detect any major defects to the building. We understand that the property comprises the following: Plot size: 4,868 sq m Lettable area: 981 sq m 72 parking spaces	Freehold (Eigentum) The Property is let to: Subrenta Immobilienverwaltung (931.35 sq m) expiring 31 August 2019. Passing rent is € 102,633.24 per annum. Indexed 10% hurdle/100%.	€ 102,633	€ 98,370	€ 1,310,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05095 Ringstrasse 113; 65479 Raunheim Date of Inspection: 16 May 2011	Raunheim is a small town of approx. 14,800 inhabitants and is located in the district of Gross-Gerau (ca 254,900 inhabitants), roughly 20 km south-west of Frankfurt am Main in the state Hesse. Raunheim is accessed via the B43 and surrounded by the A3, A60 and A67 motorways. Frankfurt International Airport is located about 10 km to the east. The subject property is situated along the Ringstrasse which is the main road through Raunheim. This is a location which is easily accessed by motorists and pedestrians from the surrounding residential area. The property consists of a one-storey building which comprises a supermarket (tegut). The property was erected in 2005 and is a reinforced concrete structure with light-weight concrete masonry. The sheet metal covering of the pitched roof is supported by a corrugated metal sandwich construction on a wooden structure. The annex in the rear is of light concrete masonry and has a flat roof made of reinforced concrete covered with plastic film. On inspection all building parts appeared to be in excellent condition consistent with the appearance of a relatively new building. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 2,637 sq m Lettable area: 1,792 sq m 140 parking spaces	Leasehold (heritable building right) until 14 July 2017. Ground rent is € 6,966.00 per annum. The Property is let to: Teegut Gutberlet Stiftung & Co — supermarket (1,791.86 sq m) expiring 30 June 2020. Passing rent is € 261,253.20 per annum. Indexed 10% hurdle/60%.	€ 261,253	€ 258,028	€ 3,340,000
Unit-ID: bel05100 Von-Heyden-Strasse 2; 93105 Regensburg-Tierheim Date of Inspection: 19 May 2011	Tegernheim, a small town of approx 4,900 residents is located in the Upper Palatinate district of Regensburg (approx. 183,800 inhabitants) in Bavaria. Tegernheim is located roughly 5 km east of Regensburg on the Danube river. Regensburg, the 5th largest city in Bavaria, has a population of approx 135,500. The A3 motorway runs 3 km to the south; the A93 runs 6 km to the west and connects to Nuremberg and Passau. The subject property is situated on the south west periphery of Tegernheim, directly at a roundabout. There are primarily residential developments on the way to Regensburg; along Ortstrasse in the direction of the centre of Tegernheim there are residential as well as commercial developments. The property benefits from very good visibility.	Freehold (Eigentum) The Property is let to: Netto Marken Discount Gmbh & Co OHG — supermarket (1,117.00 sq m) expiring 4 September 2017. Passing rent is € 138,290.76 per annum. Indexed 10% hurdle/50%. Die Kinderkiste (225.00 sq m) expiring 31 March 2013. Passing rent is € 19,165.20 per annum.	€ 174,856	€ 180,924	€ 2,250,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	The subject property was constructed in 2002. It is a retail complex with a pitched roof and houses a Netto food discounter. A further unit was let to the drug store chain Schlecker but is vacant at present. Additionally, the building also houses a tanning studio, an ice cream shop, a children's bookstore and a computer store. There is an integrated bakery in front of the cash registers in the Netto store. There is a large car park in front of the property which, like the remaining exterior areas, is in a well maintained condition. We understand that the property comprises the following: Plot size: 16,889 sq m Lettable area: 1,771 sq m 100 parking spaces	Joseph Galata (77.00 sq m) expiring 30 September 2013. Passing rent is € 8,400.00 per annum.			
Unit-ID: bel05110 Lange Feld Strasse 116 30926 Seelze Letter Date of Inspection: 8 June 2011	The town of Seelze is located in Lower Saxony, in the district of Hanover and borders on the state capitol, Hanover. The A7 motorway runs approx. 5 km from the town; the B441 federal road also connects the town to the road network. The population of Seelze is roughly 33,000. The subject property is situated between the city districts of Seelze and Letter, directly on the Hauptstrasse (main toad). It is easily accessible via the Hannoversche Strasse, an important east-to-west arterial road and benefits from good visibility in this location. The subject property, a Netto food discounter, was constructed in 2004. It is a freestanding building with a clinker facade and a pitched roof with tiles. The windows and entrance area show minor signs of defects. The interior areas appeared to be in good condition; the exterior areas (partly paved with asphalt, a car park with interlocking concrete pavers) appeared to be well maintained. We understand that the property comprises the following: Plot size: 5,220 sq m Lettable area: 969 sq m 68 parking spaces	Freehold (Eigentum) The Property is let to: Netto Marken Discount GmbH & Co OHG — supermarket (934.00 sq m) expiring 13 April 2016. Passing rent is € 122,400.00 per annum. Indexed 10% hurdle/60%. Hatice Aydin (35.00 sq m) expiring 30 April 2013. Passing rent is € 3,117.84 per annum. Indexed 10% hurdle/60%.	€ 125,518	€ 109,626	€ 1,380,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05115 Karlsbaderstrasse 57; 09465 Sehma Date of Inspection: 17 May 2011	Sehmatal is a small community of approx. 7,000 inhabitants and is located in the district of Erzgebirgskreis in the state of Saxony, approx. 35 km south of Chemnitz and approx. 75 km southwest of Dresden. The B95 and B101 federal roads are located roughly 3 km away. The nearest motorway (A72 Chemnitz - Hof) can be reached within about 25 km to the north-west. The subject property is situated directly in the centre of the town district of Sehma, along the Karlsbader Strasse which is the main road running through Sehmatal. This is a location which is easily accessed both by motorists as well as pedestrians. The property consists of a one-storey building. It comprises a food discounter (Netto) and a bakery. A further unit was let to the drug store chain Schlecker but is vacant at present. There is a car park which can accommodate approximately 60 cars. The property was erected in 2001 and is a solid masonry structure. The roof is covered with concrete tiles on a wooden substructure. No major defects were identified during the on-site visit. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,440 sq m Lettable area: 1,204 sq m 64 parking spaces	Freehold (Eigentum) The Property is let to: Netto Marken Discount GmbH & Co OHG — supermarket (1,004.00 sq m) expiring 25 July 2016. Passing rent is € 104,474.28 per annum. Indexed 10% hurdle/60%.	€ 104,474	€ 105,960	€ 1,200,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05120 Kronacherstrasse; 96342 Stockheim Date of Inspection: 19 May 2011	Stockheim is a small town with a population of approx. 5,200 in the district of Kronach (circa 70,200 inhabitants), in the region of Upper Franconia in Bavaria. Kronach is approx. 6 km away, Kulmbach is approx. 23 km away and Bayreuth is 45 km to the south. The B85 federal road runs through Stockheim and the ICE (high speed rail) network stops in Stockheim along the Munich - Berlin line. The subject property is situated on the southern edge of Stockheim, directly on the main street, Kronachstrasse / B85, in a primarily rural area. There are isolated commercial properties and agricultural land in the area. The open development ensures that the subject property is visible from a great distance. The property, which was constructed in 2001, is a small retail warehouse centre comprising two connecting building sections. Each section has a separate entrance and a pitched roof. One unit houses a textile discounter (Kik) and a further was let to the drug store chain Schlecker but is vacant at present. At the entrance there is a takeaway counter. The current parking facilities are deemed to be appropriate for both retail units. On inspection the interior and exterior areas appeared to be in a good condition We understand that the property comprises the following: Plot size: 2,000 sq m Lettable area: 765 sq m 40 parking spaces	Freehold (Eigentum) The Property is let to: KiK Supermarket — textile store (545.00 sq m) expiring 30 August 2014. Passing rent is € 52,989.96 per annum. Indexed 10% hurdle/60%.	€ 52,990	€ 67,530	€ 670,000
Unit-ID: bel05125 Elitze Fohre 5; 30900 Wedemark-Mellendorf Date of Inspection: 7 June 2011	Wedemark-Mellendorf is a small town to the north of Hanover in the state of Lower Saxony. The town authorities are located in central Mellendorf. Wedemark has a population of approx. 29,200 of which 6,400 live in Mellendorf. The subject property is situated at the edge of Wedemark. The junction to the A7 motorway is 3 km away. Due to its location at the intersection of Wedermarktstrasse, which leads to the town centre of Wedemarkt, the subject property enjoys good visibility and accessibility. The subject property was constructed in 2001 and comprises 2 retail units - a beverage store from the "famila" hypermarket and a pet food store. There is a backery located near the cashier area. The "famila" hypermarket (not included in subject property) is on the neighbouring property. The subject property is a solid structure with a flat roof and brick facade.	Freehold (Eigentum) The Property is let to: Famila Warenhaus – beverage store (984.00 sq m) expiring 3 November 2014. Passing rent is € 98,896.20 per annum. Indexed 10% hurdle/60%.	€ 98,896	€ 94,464	€ 1,060,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
	The grounds are well maintained, and there are adequate parking spaces available. There is an S-Bahn (commuter rail) station roughly 100 m away, which, as a result of increased pedestrian flow, could contribute to the potential customer base. We understand that the property comprises the following: Plot size: 3,379 sqm Lettable area: 984 sqm 50 car parking spaces				
Unit-ID: bel05130 Alfred-Nobel-Strasse; 97080 Würzburg Date of Inspection: 19 May 2011	The city of Wurzburg has a population of approx. 133,800 and is the 6th largest city in Bavaria. It is located in the region of Lower Franconia, in the Main river valley, with the Main river running through the city. The nearest major cities are Frankfurt am Main, roughly 120 km to the northwest and Nuremburg, approx. 110 km to the southeast. The A3 and A7 motorways are accessible within a few kilometers. The subject property is situated at the northern edge of Wurzburg, directly on the B27 federal road, not far from the Main, in a commercial area. The subject property enjoys good visibility. Central Wurzburg is 5 km away. The subject property was built in 2001. It is a pre-cast concrete construction with a flat roof and houses a REWE supermarket. There is a small rental unit housing a tanning studio next to the entrance to the one side of the property. There is a bakery inside the supermarket at the entrance. The car park, which is shared by another supermarket, provides sufficient parking and is in a good condition as are the other exterior areas. We understand that the property comprises the following: Plot size: 7,107 sq m Lettable area: 2,496 sq m 100 parking spaces	Freehold (Eigentum) The Property is let to: REWE — supermarket (2,396.74 sq m) expiring 30 November 2016. Passing rent is € 349,480.80 per annum. Indexed 10% hurdle/65%. Georg Busch (99.63 sq m) expiring 31 January 2016. Passing rent is € 7,200 per annum. Indexed 10% hurdle/60%.	€ 356,681	€ 309,163	€ 4,170,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: bel05135 Heinrich-Wobst-Str. 2 07937 Zeulenroda Date of Inspection: 17 May 2011	Zeulenroda is a town of approx. 16,100 inhabitants and is located in the administrative district of Greiz (around 107,500 inhabitants), approx. 30 km south of Gera and approx. 45 km north of Hof. The B94 main road (Schleiz-Greiz) runs through the town centre. The subject property is situated in a commercial area on the southern fringe of Zeulenroda-Langenwolschendorf; this location is highly visible and easily accessed by motorists via the main road, the B94. This is an established retail location specializing in furniture and home improvement goods, with a number of other retailers nearby. The property, which was originally built in 1993 and extended in 2002, is a single-storey Hagebaumarkt DIY store incorporating interior and exterior sales areas (garden centre), storage areas, staff rooms and a delivery area. The building appears to be a steel structure with sandwich elements; the building's façade is clad with corrugated metal elements in Hagebaumarkt's corporate colours. The building has a flat roof; parts of the garden centre have a wooden pitched roof; all roof coverings are corrugated metal. The building sections, which we were able to inspect appeared to be in good condition consistent with the building's age. The sales areas are modern and attractive. The exterior areas are well maintained, being partly landscaped and partly paved with asphalt and interlocking concrete pavers. The car park is situated in front of the building along the road; during our inspection we noted an imbiss in the parking area (presumably a sub-tenant). We understand that the property comprises the following: Plot size: 14,498 sq m Lettable area: 5,632 sq m 132 parking spaces	Freehold (Eigentum) The Property is let to: Hagebaumarkt – DIY store (5,631.77sq m) expiring 31 March 2018. Passing rent is € 300,000.00 per annum.	€ 300,000	€ 253,430	€ 3,060,000
Total			**€ 5,062,684**	**€ 4,981,006**	**€ 60,210,000**

Valuation Report Relating to the Bridge Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Bridge Portfolio (6-Properties, Multiple Locations, Germany)

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Suite 6
Borough House
Rue du Pré
St Peter Port
Guernsey GY1 3RH

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF THE BRIDGE PORTFOLIO (6 PROPERTIES IN BERLIN, NORTHRHINE-WESTPHALIA AND HESSE, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) interests. We must point out that this comprises an update of the initial valuation carried out by CBRE Germany in 2006 (date of valuation 18 August 2006) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 2012 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 6 freehold equivalents (*Eigentum*) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule.

Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 406,970,000 (Four hundred and six million nine hundred and seventy thousand Euros) made up as follows:

Schedule	Investment Properties	€ 406,970,000
Total		€ 406,970,000
Total	Net Rent Receivable	€ 27,054,121
Total	Estimated Net Rental Value	€ 28,382,735

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

Information provided for the initial valuation:

- Online Data Room prepared by the property owner:
    - Property specific documents (Ownership details, site details, building details, lease agreements, others)
- Technical & Environmental Due Diligence Reports prepared by URS:
    - Object Data (Site, site description and areas)
    - Building Data (Ownership status, general condition, building description, constructional transformations, modernisation and major renovations, building details, building services and environmental)
    - Cost Tables
- Legal Report prepared by Allen & Overy
- Other various documents provided by the vendor

Accordingly, the valuation reflects the physical, economical, legal & regulatory status of the portfolio on the basis of the information contained in these documents. Variations and amendments to these documents have been adopted as instructed specifically in writing by the client. CBRE accepts no liability for any errors or amendments which may have occurred after this date of which CBRE has not been expressly informed and instructed accordingly by the client. All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

For the initial valuation CBRE had access to the subject properties in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE’s inspection nor have the services or other installations been tested. All of CBRE’s conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

For this update valuation, in accordance with the Instruction Letter dated December 2007, the latest re-inspections have been carried out by CBRE in Q2 2012 (please find the actual inspection dates of the properties in the schedule attached to this report). The portfolio has been valued under the unverified assumption of no material change of the physical and the legal conditions of the properties.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for its purpose or the health of its occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances. We refer to the Technical Due Diligence reports as compiled by URS for the individual properties in the course of the initial report.

In the case of properties which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurred due to the demolition and removal of any existing structure on the properties.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the properties or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. We refer to the Technical Due Diligence reports as compiled by URS for the individual properties in the course of the initial report.

Should it, however, be subsequently established that such contamination exists at the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorization for the Use of the Property

An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out. We refer to the Technical Due Diligence reports compiled by URS for the individual properties in course of the initial report.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject properties, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.

Where there is high voltage electricity supply apparatus within close proximity to the properties, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the properties are free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate other than those referred to in the respecticve valuation, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the properties.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Surface Areas

We have not measured the properties but have relied upon the schedules of area that were provided to us within the tenancy lists and the technical due diligence assessment. In undertaking our work, we have assumed that these floor areas are correct.

9.3 Title, Tenure, Planning and Lettings

We have relied on and have reflected the information provided within the legal due diligence report from Allen & Overy. In cases where no information was available, we have assumed that there are no entries, information or circumstances which could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of typical purchasers' likely perceptions of the financial status of tenants from a market perspective.

Specifically we have assumed that:

a. the title of the property is free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the property is not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates.

f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

g. all vacant accommodation is available to let, unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.5 Legal Issues

We have not been provided with updated information on legal issues. As instructed we have assumed that the information provided for the initial valuation is still valid and correct. We have assumed that the owner of the property is Eurocastle Investment Limited.

9.6 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.7 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject property.

Land transfer tax: Under German tax law, transfer tax of 3.5% - 5.0% (set by the individual Federal States) of the purchase price must be paid on property purchase. This is generally paid by the purchaser.

Notary and legal fees: We have reflected a range of 0.15% to 0.60% for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have therefore adopted a range of 0.5% to 1.5%.

9.8 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called "cardinal duties", the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa.TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: bri06100 Alt-Moabit 91-97, 10559 Berlin Date of Inspection: 23 May 2012	The property is located in the immediate vicinity of the Tiergarten (Zoo) and the governmental district of Berlin. Situated in a mixed use area, the property is located directly on the river Spree. The area is dominated by new office complexes as well as high-standard apartments. A huge variety of restaurants, bars and other leisure facilities are available. A major advantage of this district is the very good connection to the motorway A 111, which is approx. 3.5 km away, as well as to the central railway station (1 km). This railway hub provides excellent connections to destinations thoroughout Germany and abroad. The closest bus stop is located some 300 m away from the subject property. The office park with approx. 50,000 sq m of total lettable space consists of several four to six storey buildings which are partially combined. The complex was built in two phases. The first part was completed in 1989 and consists of an office building complex. The second part was completed in 1992 and consists of two seven storey buildings which are symmetrically arranged around six courtyards, with a facade of terracotta slab framed by steel. Included in this complex are listed buildings, a former shaft tower, as well as the three storey mixed-use property "Alt-Moabit 92". The layout of the buildings offers high flexibility for the lettable space and the interior design. The site comes with three parking garages, a loading ramp and freight elevator. Storage space and archives are also available. The service of the complex also comprises a canteen located directly at the river "Spree". The well above average fit out includes the following: - Floor to ceiling height of approx. 3.40 m, with suspended ceilings with integrated lighting and cabling ducts - Outside sun protection (south and west sides), and skylights towards the hall	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Texas Instrument Berlin AG– office (3,904.89 sq m) expiring 31 May 2016. Passing rent is € 791,472.47 per annum. Indexation 100% VPI p.a. DAK – office/storage (563,047.20 sq m) expiring 31 July 2013. Passing rent is € 563,047.20 per annum. Indexation 100% VPI p.a. AVM GmbH – office/storage (4,299.00 sq m) expiring 31 March 2017. Passing rent is € 513,040.20.35 per annum. Indexation 100% VPI p.a.	€ 5,640,202	€ 6,170,639	€86,630,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	We understand that the Property is comprised of: Plot size: 21,750 sq m Lettable area: 48,059 sq m 730 car parking spaces				
Unit-ID: bri06105 Kaiserswerther Strasse 117-123, 40474 Düsseldorf Date of Inspection: 21 May 2012	The subject property is located in Kaiserswerther Strasse, a prominent crossroad which connects the city centre with the exhibition as well as the fashion centre. The area is a mixed used area with several offices, hotels and apartments. Various major fashion companies, such as Escada or Aigner, have their fashion stores along Kaiserswerther Strasse. Due to the central location of the area, the city centre is approx. 2 km away and the A44 motorway, just 3.5 km. Moreover, other motorways such as the A46, the A52 or the A3 are all within a distance of approx. 11 km. The Duesseldorf international airport can be reached within 4 km. A bus and tram station is located some 150 m away from the subject property. Erected in 1995 the property comprises two equally long elongated components with two separate entrances. The 6 storey flat roofed building has two elevators in each component. The design of the building gives it a very attractive and modern appearance which is also reflected in the attractive entrance hall. The aluminium framed windows are fitted out with tinted glazing to maintain a comfortable working environment. The ground floor comprises one large fashion store occupied by Aigner and on the other side a further three fashion shops. The above floors accommodate highly fitted out offices or fashion show rooms. Each office can be designed according to the tenant's preferences due to the flexible wall system. In the basement the building provides 183 parking spaces. We understand that the Property is comprised of: Plot size: 5,545 sq m Lettable area:11,992 sq m 211 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Hoffmann,Liebs,Fritsch – office (2,754.96 sq m) expiring 31 March 2014. Passing rent is € 612,557.88 per annum. Indexed 100% VPI p.a. Showroom Betriebsgesellschaft – office (1,088.20 sq m) expiring 30 April 2014. Passing rent is € 198,433.56 per annum. No indexation.	€ 1,879,109	€ 2,323,570	€35,440,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: bri06110 Abraham-Lincoln-Park, 65849 Wiesbaden Date of Inspection: 21 May 2012	The subject property is located in the south-east of Wiesbaden between a residential and a commercial area. Surrounded by meadows, the area lies between the city centre and the junction to the A 66. The property benefits from its close proximity to the A 643 and A 671 motorways, which are within 3 km. Several bus lines provide direct services to the city centre and the train station. The city centre of Wiesbaden is within approx. 1.8 km. The subject property comprises 3 interconnected buildings situated at the Abrahm-Lincoln-Park. The property was completed in 2002 and is completely occupied by CSC, a leading IT consulting company. As a result of the design, the building is bright and spacious. Additionally, as it not surrounded by other buildings it benefits from natural lighting from all sides in addition to a central atrium. The building has a flat roof with extensive greenery. The main elevations are mainly glazed, while the remaining areas cladd in grey powder-coated metal panels. The glazed outer skin is double-glazed. The windows can be opened and have been fitted with automatic sun blinds. These rise, fall and tilt depending on the position of the sun, to reduce both glare and heat. They work in conjunction with the building's chilled beam air system to maintain a comfortable working environment throughout. The office entrance is situated in Part C. It comprises a single storey, fully glazed reception area with two wooden reception desks. The reception area as well as the canteen has a natural stone floor and painted walls. There is a large fully glazed canteen on the ground floor, which can be easily adapted to suit any kind of event. The other floors are characterised by very bright and open offices with flexible working places. In the basement floors of all three buildings are a total of 619 parking spaces with another 15 parking spaces being outdoors. The general condition of the building complex was found to be good and fully functional considering the year of construction. The supporting structure and the roof of the building appear to be in good condition. The condition of the façade and the windows including	Freehold (Eigentum) The Property is let to CSC Ploenzke AG until 31 March 2017. Passing rent is € 5,536,926.28 per annum. Stepping rent.	€ 5,536,926	€ 4,770,989	€ 81,060,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	the exterior sun protection was found to be good and fully functional. We understand that the Property is comprised of: Plot size: 16,748 sq m Lettable area:29,740 sq m 634 car parking spaces				

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: bri06115 Pfarrer-Perabo-Platz 2-5; Im Galluspark 21-25, 60326 Frankfurt Date of Inspection: 24 May 2012	The property is located in Frankfurt West between Mainzer Landstrasse and Gutleutstrasse. The A 5 motorway is only 3.6 km away and offers excellent connections to the A 3, the A 66 and the A 7. The main railway station in Frankfurt is also within approx. 2 km. A bus shuttle service some 400 m away transfers commuters directly to the main station; a bus station is located in front of the building. Furthermore, the city centre is 3 km away and Frankfurt international airport, only 12 km away. The L-shaped property, which is approximately at a 90-degree angle to the site, consists of 7 interconnected buildings which are technically independent of each other. The buildings were constructed in 1996 and consist of a total of nine levels: two basement parking floors and a ground floor plus six upper levels, of which level 5 and 6 are terraced floors. From a construction point of view the property offers a mix of solid masonry facades with heat insulating plastering, as well as, in part an aluminium/glazed facade. The interconnected buildings are accessible via 7 individual entrances with revolving entrance doors, aluminium facade elements and ceiling heights covering two levels for a more attractive building entrance. The property offers an average office fit out standard for the Frankfurt office market. Although it is mainly let to one tenant with several individual fit out specifications, mainly on the ground floor, this property could easily be divided up and re-let to third party users. The property generally appears to be in fair to good condition. The supporting structure and the roof of the building appear to be in a good to fair condition; the façade is in good condition. We understand that the Property is comprised of: Plot size: 18,211 sq m Lettable area: 44,278 sq m 599 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Deutsche Bahn AG – office (42,894.88 sq m) expiring 31 December 2024. Passing rent is € 4,986,891.94 per annum. Indexation from 2015. DB Gastronomie – retail (1,312.87 sq m) expiring 31 December 2024, € 86,649.48 per annum. Indexation from 2015.	€ 5,088,643	€ 5,793,332	€ 83,360,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: bri06120 Am Unisys-Park 1, 65843 Sulzbach Date of Inspection: 24 May 2012	Located in a major business park in Sulzbach, the property benefits from its convenient location and its proximity to the A 66 motorway, which is only 1.5 km away and which provides access to the A 5 and the A 3 motorways. A bus station, some 800 m away, offers a connection to the local railway station. The building itself is situated on the edge of the business park and has a pleasant view of the landscaped areas. The rectangular shaped site is located in the commercial area of Sulzbach and covers an area of 12,590 sq m. The site is bordered by commercial office developments on the one side and residential developments on the other side. The property (built in 1972) comprises 2 basement parking levels, one ground level and nine upper floors of which the top floor is for technical usage only. The individual levels are terraced from the 1st to 7th floor. Level 8 and 9 are cubical. On the ground floor the canteen is directly connected to a courtyard which serves as an outdoor service area. All floors are accessible via three passenger elevators, one goods elevator and 3 staircases. The ground floor was refurbished in 1999 and has an attractive entrance area. The property currently serves as the German headquarters of Clariant Due to its location and dimensions the property is regarded as a landmark building in Sulzbach. The subject property offers a moderate office fit out combined with an efficient floor plan. Although it is currently let to one tenant this property can be divided up and re-let to third party users. The property generally appears to be in fair condition. The supporting structure and the roof of the building appear to be in good condition. We understand that the Property is comprised of: Plot size: 12,590 sq m Lettable area:17,280 sq m 341 car parking spaces	Freehold (Eigentum) The Property is let to Clariant GmbH until 31 May 2016 for a partial area of 1,562 s qm and until 31 March 2019 for the remaining area. Passing rent is € 1,649,746.74 per annum. Stepping rent.	€ 1,668,914	€ 1,879,254	€ 22,330,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: bri06125 Alfred-Herr-hausen-Allee 1, 65760 Eschborn Date of Inspection: 24 May 2012	The subject property is located on the edge of a business park with an unobstructed view of the meadows. The area is primarily used for office accommodation by several blue chip companies such as Deutsche Bank or Deutsche Telekom. A major advantage of this area is that the motorway access of the A 66 and A 648 are less than 1 km away, providing direct connections to Frankfurt and Wiesbaden. The S-Bahn station is in the immediate vicinity (majority of employees use public transport) and the bus station is some 500 m away. The building, a striking and prominent office property situated in Alfred Herrhausen Allee, consists of 3 different components in which the concave shaped Part B connects the other two components. Part A has 14 floors, Part B 23 floors and Part C 9 floors. The property was completed in 2002 and since then has been let in full by the Geman headquarters of Vodafone. The building has a modern and attractive appearance. Additionally, since the building is a stand-alone complex, the office space in the building benefits from the natural lighting from all sides. The building is constructed using a concrete frame where the main elevations are clad with a double glazed outer skin, with the remaining areas being clad in grey stone. On the three basement floors the building provides 811 parking spaces with another 100 parking spaces being located on the external area. We understand that the Property is comprised of: Plot size: 11,775 sq m Lettable area: 40,223 sq m 911 car parking spaces	Freehold (Eigentum) The Property is sinlge let to Vodafone with a lease expiry at 30 September 2017- office/storage (40,222.79 sq m). Passing rent is € 7240,326.35 per annum. Indexed 10% hurdle/100%.	€ 7, 240,326	€ 7,444,951	€ 98,150,000

Valuation Report Relating to the Drive Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Drive Portfolio (162 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF DRIVE PORTFOLIO
(162 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE in 2005 (date of valuation 8 November 2005) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q1 and Q2 2012 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 153 freehold equivalent (*Eigentum*) Properties and 9 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 708,536,000 (Seven hundred eight million five hundred thirty six thousand Euros) made up as follows:

Schedule	Investment Properties	€ 708,536,000
Total		€ 708,536,000
Total	Net Rent Receivable p.a.	€ 39,701,807
Total	Estimated Net Rental Value p.a.	€ 53,468,048

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on the data and information that was taken into account for the initial valuation (including third party due diligence reports) and also reflects the updated data provided for previous update valuations. For the explicit list of data provided for the initial valuation please refer to the report dated 5 December 2005 and the update valuation reports as at 31 December 2006, 2007, 2008, 2009, 2010 and 2011. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

Relevant data for the initial report was provided by, among others, the vendor of the portfolio, and by third party due diligence reports in respect of the specific legal, technical and environmental aspects of the portfolio. We have fully relied on the findings of the reports and have also included updated information that has been provided.

Apart from where updated information has been received, we have compiled this report under the assumption that there is no material change of the physical or the legal conditions of the portfolio, or with regard to the findings of the third party due diligence reports.

The initial valuation was based on a technical survey by THP. The survey was a primary component of the ongoing due diligence programme, and we have incorporated key findings and recommendations into our own valuation analysis and reports. These findings and conclusions include (where delivered and applicable):

- Ongoing maintenance estimates
- Tenants' improvements
- Deferred maintenance
- Building division / service separation & related costs.

For the update report 2006, we were provided with updated figures / budgets for 'deferred maintenance' anticipated for each property. We had taken the 'capital expenditure (CAPEX)' figures forecasted for the periods 'year 1', 'year 2-5' and 'year 6-12,' and have translated them into a reserve figure calculated in perpetuity which has been added to the original estimates for ongoing maintenance in our DCF calculation.

For the update valuation as at 31 December 2011, we have made market-based assumptions for future non-recoverable costs and capital expenditures which cover on-going maintenance and Tenant Improvements expenditures anticipated over the period covered by our DCF calculation.

Accordingly, the valuation reflects the physical, economical, legal & regulatory status of the portfolio on the basis of the information contained in these documents. Variations and amendments to these documents have been adopted as instructed specifically in writing by the Principal. CBRE accepts no liability for any errors or amendments which may have occurred after this date of which CBRE has not been expressly informed and instructed accordingly by the Principal. All conclusions made by CBRE regarding the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

For the initial valuation CBRE had access to the subject properties in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

According to our instruction letter, the assets will be inspected on site every 24 months. The properties will be inspected in the course of the 1st quarter 2014. Where changes in the physical composition and legal characteristics of the properties have been communicated to us, we have assumed without verification that these are valid and correct. In cases where we have not been informed of any material changes, and no changes were observable from our most recent on-site inspection, we have assumed that the properties have not materially changed.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the suitability of the subject properties for its purpose or the health of its occupiers and users.

Common examples of such materials include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the third party due diligence reports of THP (technical) and Wessling (environmental) as stated above. Since none of the pollutants require immediate action and potential risks in the long term perspective do not have a material impact on the overall value we have not reflected any such costs in our valuations.

8.4 Site Conditions

We did not carry out investigations on the site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of properties which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurred due to the demolition and removal of any existing structure on the properties.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the third party due diligence reports of THP (technical) and Wessling (environmental) as stated above. As no issues were identified in those reports, we have not reflected any costs related to this issue in our valuations.

8.5 Environmental Contamination

As we have not been specifically instructed to do so, we have not undertaken any investigation into the past or present uses of either the properties or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

In preparing our valuation we have relied on the information in the environmental due diligence report of Wessling. Since no pollutants requiring immediate action were identified, and potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any costs related to this issue in our valuations.

Should it, however, be subsequently established that such contamination exits at any of the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may be found to have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorization for the Use of the Property

For the compilation of the initial valuation report, we have relied on the final legal report prepared by Freshfields. Accordingly all material issues included in the findings and conclusions included in this report have been reflected in our report and valuation. An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out by CBRE.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

We made only general enquiries of the local planning authorities and have relied on information provided to us in the legal due diligence report.

No formal searches were instigated. Except where stated to the contrary, there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the properties.

Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject properties, we have assumed that the existing business will continue (regarding both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.

Where there is high voltage electricity supply apparatus within close proximity to the properties, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the properties are free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate other than those referred to in the legal report provided by Freshfields, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the properties.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Surface Areas

We have not measured the properties but have relied upon the schedules of area that were provided to us within the tenancy lists and the technical due diligence assessment. In undertaking our work, we have assumed that these floor areas are correct.

9.3 Title, Tenure, Planning and Lettings

With reference to the land register excerpts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of typical purchasers' likely perceptions of the financial status of tenants from a market perspective.

Specifically we have assumed that:

a. the title of the property is free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the property is not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates.

f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

g. all vacant accommodation is available to be let, unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.5 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (§ 123 BauGB) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection is provided. In accordance with the service contracts detailed therein (including provision of district heat, broadband cabling, gas, water and electricity) we have indirectly concluded that services are available.

9.6 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject property.

Land transfer tax: Under German tax law, a transfer tax between 3.5% and 5.0% of the purchase price must be paid on property purchase. This is generally paid by the purchaser.

Notary and legal fees: We have reflected an allowance of 0.1% up to 1.0% for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges, depending on purchase volume.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have therefore adopted a level of 0.5% up to 3% which, in our experience, is in line with market conditions.

9.7 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.8 Hereditary Building Rights

According to the most recent information provided by the Principal for the update valuation as at 31 December 2012, 9 properties within the portfolio are partially or completely subject to ground leases. The following table provides more detailed information regarding these leaseholds:

Hereditary Building Rights				
ID	City / Town	Street	Expiry	Current Ground Rent EUR p.a.
23029	Hanover	Bödeker Strasse 102	2031	26,393
23030	Ingolstadt	Rathausplatz 3	2051	112,336
23032	Munich	Gleichmannstrasse 4	2066	21,188
23033	Munich	Wolfratshauser Strasse 208	2071	52,812
23034	Neufahrn	Echingerstrasse 2	2030	35,684
23069	Bielefeld	Stresemannstrasse 4 (TE)	2047	293,136
23143	Emsdetten	Frauenstrasse 3	2050	19,494
23192	Iserlohn	Am Dicken Turm	2025	293
23420	Cologne	Auf dem Hunnenrücken 2-22	2066	18,178

Total	**579,514**

The ground leaseholds have been valued on the assumption that they would be renewed at market conditions after their actual expiry, and that there are no clauses or conditions in the "Erbbaurecht" contract that could be considered outside of the industry norms that would adversely affect the valuation.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called "cardinal duties", the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE Gm

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23002 Burgstr. /Schlosskirchstr. 03046 Cottbus Date of Inspection: 24 February 2012	The property is located ca. 50 m from the pedestrianised area in Cottbus town centre. There is a public car-park 50 m away, the surrounding buildings are either new or refurbished. Distance to the nearest motorway is around 5 km. The property is a 3-storey office building with 2 attic floors, a corner building between Burgstr. and Schlosskirchstr. The facade is clad with sandstone and white render, there is an underground parking facility. Quality of the entrance areas is good-very good. We understand that the Property is comprised of: Plot size: 826 sq m Lettable area: 3,008 sq m 11 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1155.91 sq m) expiring 31 December 2013. Passing rent is €143,405.04 per annum. Indexed 100% VPI p.a. Allianz Versicherung -Office- (811.13 sq m) expiring 31 October 2016. Passing rent is €46,867.80 per annum. Indexed 100% VPI p.a. Richter-Altmann-Jyrch -Office- (338.67 sq m) expiring 31 December 2013 at a passing rent of €20,449.44 per annum. No Indexation.	€246,070	€226,582	€2,300,000
	ID: dri23017 Schlossstrasse 26 13507 Berlin Date of Inspection: 5 March 2012	The subject property is located in the district of Reinickendorf in the subdistrict Tegel. The property is in the centre of the district "Alt-Tegel" on the street Schlossstrasse directly on the junction to the main road Berliner Strasse. The Berliner Strasse is a retail location within the district. It is situated close to the pedestrian zone, at the northern end of the street. The location of the property is good. The Oracle HQ is located on the other side of the street. Excellent road and public transport connections. The subject property is a mixed-use building with 6 floors and a basement, which comprises of retail in the ground floor, office from the 1st to 4th floor and residential space in the 5th floor. The structure of the building is masonry with plastered concrete walls. The facade in the front of the building is with metal elements. There is grafiti on the facade and some of the metal panels are slackly. The appartments had a damage of water, and as a result the roof was newly waterproofed. There was also a damage of water in the vault room and there is a damage of water in the hallway of the 5th floor. However the subject property is in good condition. It is in a well-visible corner location. However, the lack of on-site parking spaces is a disadvantage in this area. We understand that the Property is comprised of: Plot size: 418 sq m Lettable area: 1,875 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (955.61 sq m) expiring 31 December 2013. Passing rent is €178,659.60 per annum. Indexed 100% VPI p.a. Dr. Roser -other area- (301.86 sq m) expiring 30 September 2013. Passing rent is €55,293.48 per annum. Indexed 100% VPI p.a. Dr. Granzow -other area- (130.26 sq m) expiring 31 October 2023 at a passing rent of €18,961.44 per annum. Indexed 100% VPI p.a.	€299,757	€227,909	€3,260,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23026 Mühlenstrasse 6 32756 Detmold Date of Inspection: 5 April 2012	The property is situated on a side street in the town centre of Detmold, around 100 m from the pedestrianised area. Distance to the nearest motorway is 20 km. The property is a 2-storey residential building with one indoor parking space. It adjoins the property Paulinenstr. 45 forming an inner yard with surface parking spaces. We understand that the Property is comprised of: Plot size: 155 sq m Lettable area: 114 sq m 1 car parking space	Freehold (Eigentum) The Property is let to: Residential- (113.73 sq m) unlimited lease. Passing rent is €7,560.00 per annum. Indexed 100% VPI p.a..	€7,560	€7,424	€85,000
	ID: dri23029 Bödeker Str. 102 30161 Hanover Date of Inspection: 21 March 2012	The subject property is situated in a sub-centre of Hanover-List (approx. 2 km from the city centre), an area with predominantly refurbished buildings in art nouveau style and in good condition. There is an underground railway station in around 50 m. Bödecker Str. is a 2-lane road which is fairly well frequented. The surroundings are characterised by smaller retail facilities of good quality. The property is a 5-storey building with a fitted-out attic (residential), with a retail/office unit on ground floor level and several day clinics and residential units in the upper floors. The building, which has a red-brownish rendered facade to the upper floors and a sandstone facade at ground floor level is in good condition. We understand that the Property is comprised of: Plot size: n/a Lettable area: 1,052 sq m No car parking spaces	Leasehold Ground Lease (Expiry) 2031 The Property is let to: Commerzbank AG -bank hall/office/storage- (390.00 sq m) expiring 31 December 2015. Passing rent is €43,875.36 per annum. Indexed 100% VPI p.a. Dr. Schaller -other area- (109.00 sq m) expiring 28 February 2015. Passing rent is €11,602.20 per annum. Indexed 100% VPI p.a. Anytime Personallogistik -office- (96.05 sq m) expiring 31 December 2013 at a passing rent of €7,061.28 per annum. Indexed 100% VPI p.a.	€89,551	€84,134	€750,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23030 Rathausplatz 3 85049 Ingolstadt Date of Inspection: 1 March 2012	Edge of town centre/pedestrianised zone; very good amenities and transport connections; high visibility Town centre retail/office property with rendered facade and metal windows; structure appears neglected; Fenestration provides for good layout grid. We understand that the Property is comprised of: Plot size: n/a Lettable area: 1,904 sq m No car parking spaces	Leasehold Ground Lease (Expiry) 2051 The Property is let to: Commerzbank AG -bank hall/office/storage- (802.00 sq m) expiring 31 December 2016. Passing rent is €103,279.20 per annum. Indexed 100% VPI p.a. Danuvius Klinik -office/storage- (325.36 sq m) expiring 30 September 2020. Passing rent is €44,062.68 per annum. Indexed 100% VPI p.a. Dr. Wegmann -office- (445.33 sq m) expiring 31 July 2016 at a passing rent of €39,570.36 per annum. Indexed 5% hurdle/100%.	€199,052	€189,899	€1,150,000
	ID: dri23032 Gleichmannstr. 4 81241 Munich Date of Inspection 8 March 2012	Gleichmannstrasse connects the main western road from Munich (Landsberger Strasse) with the railway station of Pasing which is a desirable suburb of Munich with its own amenities and transport facilities and central district; the property is situated in this centre; very good amenities and transport facilities, shops, reasonable office property. 4-storey-property with retail on the ground floor and offices on the upper floors. Property is in reasonable condition/slightly neglected; no car park; good town centre property; good size and good floor layout. We understand that the Property is comprised of: Plot size: n/a Lettable area: 800 sq m No car parking spaces	Leasehold Ground Lease (Expiry) 2066 The Property is let to: Commerzbank AG -bank hall/office/storage- (646.00 sq m) expiring 31 December 2016 . Passing rent is €145,285.80 per annum. Indexed 100% VPI p.a. Dr. Güpner -other area- (154 sq m) expiring 31 January 2017. Passing rent is €35,319.48 per annum. Indexed 100% VPI p.a.	€180,605	€140,040	€2,030,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23033 Wolfratshauser Strasse 208 81479 Munich Date of Inspection: 7 March 2012	Wolfratshauser Strasse is the main road to the south-west of Munich. The property is situated in the centre of this part of Munich near an S-Bahn (commuter railway) station and other transport connections. The location is one of the most sought-after residential areas of Munich. 2-storey-property with rendered facade and metal roof; in good condition; attractive building with good visibility and appearance. We understand that the Property is comprised of: Plot size: n/a Lettable area: 332 sq m 3 car parking spaces	Leasehold Ground Lease (Expiry) 2071 The Property is let to: Commerzbank AG -bank hall/office/storage- (332.00 sq m) expiring 30 June 2015. Passing rent is €57,592.68 per annum. Indexed 100% VPI p.a.	€57,593	€47,184	€0
	ID: dri23034 Echingerstrasse 2 85375 Neufahrn Date of Inspection: 8 March 2012	In the centre of Neufahrn which is a location on the main route between Munich and airport. Situated on the main crossroads in Neufahrn: good visibility; reasonable amenities and transport facilities. The property is a 2-storey old corner building. We understand that the Property is comprised of: Plot size: n/a Lettable area: 510 sq m 9 car parking spaces	Leasehold Ground Lease (Expiry) 2030 The Property is let to: K1 Spielotheken GmbH -retail- (124.10 sq m) expiring 30 June 2016. Passing rent is €13,794.36 per annum. Indexed 100% VPI p.a.	€13,794	€33,900	€0
	ID: dri23035 Berliner Str. 74 14712 Rathenow	The property is located in the town centre of Rathenow next to a small shopping mall ("City Center") on an urban main road. Distance to the nearest motorway is 30 km.	Freehold (Eigentum)	€40,429	€88,707	€790,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 6 March 2012	The property is a red-brick 3-storey refurbished old corner building. We understand that the Property is comprised of: Plot size: 582 sq m Lettable area: 1,276 sq m 7 car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (386 sq m) expiring 31 December 2013. Passing rent is €40,429.20 per annum. Indexed 100% VPI p.a.			
	ID: dri23037 Friedrichstr. 23b 70174 Stuttgart Date of Inspection: 14 March 2012	Located in the city centre of Stuttgart; good-quality neighbourhood regarding properties and adjoining companies; banking district; very good amenities and transport facilities due to the proximity of the city centre. 5-storey office property in medium condition; historic facade; regular floor layout; no inside parking. We understand that the Property is comprised of: Plot size: 426 sq m Lettable area: 1,447 sq m 1 car parking space	Freehold (Eigentum) The Property is let to: alma mater GmbH -office/storage- (314.87 sq m) expiring 30 September 2015. Passing rent is €39,851.04 per annum. Indexed 100% VPI p.a. Ioana Alina Ross -retail/storage- (263.00 sq m) expiring 31 July 2016 at a passing rent of €39,348.00 per annum. Indexed 100% VPI p.a. Convensis GmbH -office/storage- (266.85 sq m) expiring 30 September 2013. Passing rent is €29,916.20 per annum. Indexed 100% VPI p.a.	€107,075	€193,358	€2,740,000
	ID: dri23038 Hauptstrasse 63 78647 Trossingen Date of Inspection: 15 March 2012	The property is located in the main street of Trossingen, subject to very heavy traffic. There are many small retailers and restaurants in the neighbourhood. The vacancy rate appears to be very low.	Part-ownership 2,200/10,000 The Property is let to: Commerzbank AG -bank hall- (186 sq m) expiring 31 December 2016. Passing rent	€21,442	€21,528	€270,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is an apartment building, the ground floor is used by the bank. The property is in reasonable condition, the facade at the entrance area is clad. There are about 25 parking spaces at the rear yard of the property. We understand that the Property is comprised of: Plot size: 426 sq m Lettable area: 186 sq m 8 car parking spaces	is €21,442.32 per annum. Indexed 100% VPI p.a.			
	ID: dri23039 Wilhelmstrasse 7 65185 Wiesbaden Date of Inspection: 15 February 2012	The subject property is in a highly visible location on the best-known street, Wilhelmstrasse. Most of the major banks have branches are located there as are most of the high street retail chains, there are also restaurants, cafes, the famous "Kurhaus", a large park, etc. The amenities and transport facilities are excellent. The main railway station and a public car park are in the immediate vicinity. The motorway network is within easy reach. The reinforced-concrete framed building was constructed in 1967. The ground floor accommodates the area headquarters for Wiesbaden and an impressive banking hall with offices on the floors 1-5 above. The fifth floor has a terrace. The two basement floors accommodate the technical equipment as well as the basement garage with sufficient parking spaces. The building is highly efficient and also has a high standard of fit out including: full air conditioning with humidification, 2 lift systems (therefore each floor can be divided into 4 units), continuous large windows, suspended ceilings with integrated lights, window sill cable ducts, high-quality kitchens, interior sun blinds etc. We understand that the Property is comprised of: Plot size: 3,745 sq m Lettable area: 10,370 sq m 94 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (7766.21sq m) expiring March 2014. Passing rent is €1,302,529.92 per annum. Indexed 100% VPI p.a. Sozietät Richardt -office- (652.48 sq m) expiring 31 December 2014 at a passing rent of €96,558.00 per annum. Indexed 100% VPI p.a. Unisono Services GmbH -office- (455.31 sq m) expiring 30 November 2015. Passing rent is €70,064.64 per annum. Indexed 100% VPI p.a.	€1,665,236	€1,413,229	€22,350,000
	ID: dri23053 Niddastrasse 27 60329 Frankfurt/Main Date of Inspection: 13 February 2012	The subject property is located in the Frankfurt submarket "Bahnhofsviertel", on a street parallel to Taunusanlage and connecting to Mainzer Landstrasse. The amenities and transport facilities are good. The underground station Taunusanlage is approx. 5 minutes walk. The main railway station with all important train connections is also only 5 minutes away. The "Alte Oper" is approx. 700 m away. The existing property is the former Commerzbank data processing centre, constructed in 1978. The offices are located along the facade, whereas in the core of the building are open plan offices, typical of data processing centres, with raised floors and air conditioning. The property has a ground floor and	Freehold (Eigentum) The Property is let to various parking tenants, the office accomodation is vacant.	€52,727	€2,263,650	€7,400,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		three upper floors. The property is valued as a redevelopment using the residual value method. The redeveloped property comprises a mix-use building including residential and office areas with a lettable area of 11,025 sq m. We understand that the existing Property is comprised of: Plot size: 3,819 sq m Lettable area: 8,104 sq m (existing building) 160 car parking spaces				
	ID: dri23056 Taunusstrasse 20 60325 Frankfurt/Main Date of Inspection: 14 February 2012	The property is located in the "Bahnhofsviertel". The amenities and transport facilities are good. The main station with all major transport connections is approx. 500 metres away, the city centre is within 10 minutes walk. The location is not a typical office area. Property appears to be from the early 1970s. The property has retail occupation on the ground floor and 6 upper floors used as offices. We understand that the Property is comprised of: Plot size: 237 sq m Lettable area: 1,217 sq m No car parking space	Freehold (Eigentum) The Property is let to: Storm Entertainment -retail- (283.00 sq m) expiring 30 November 2026. Passing rent is €71,904.00 per annum. Indexed 100% VPI p.a. Einsatz Werbeagentur -office- (147.00 sq m) expiring 30 April 2013 at a passing rent of €14,112.00 per annum. Indexed 100% VPI p.a. Verlag Volker Herrmann und Andreas Stenger GbR -office- (147.00 sq m) expiring 30 September 2015. Passing rent is €11,466.00 per annum. Indexed 100% VPI p.a.	€97,482	€153,566	€1,930,000
	ID: dri23060 Weserstrasse 43-49 60329 Frankfurt/Main Date of Inspection: 14 February 2012	The subject property is located in the Frankfurt submarket "Bahnhofsviertel", on a street parallel to Taunusanlage and connecting to Mainzer Landstrasse. The amenities and transport facilities are good. The underground station Taunusanlage is approx. 5 minutes walk. The main railway station with all important train connections is also only 5 minutes away. The "Alte Oper" is approx. 700 m away. The 6-storey office building was constructed in 1990. The property has an acceptable of fit-out including a reception area with a gallery stretching over two floors, raised floors, natural stone facade, full air conditioning, a floor-to-ceiling height of 2.75 m, exterior sun blinds, suspended ceilings with integrated lights, partially wood panelling in the corridors. In addition the property has a very good parking space ratio.	Freehold (Eigentum) The Property is let to: Dr. Lübke GmbH -parking internal- (10 units) expiring 28 February 2013. Passing rent is €15,600,00 per annum. Indexed 100% VPI p.a.	€20,600	€1,200,982	€15,370,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 2,440 sq m Lettable area: 6,025 sq m 101 car parking spaces				
	ID: dri23061 Wilhelm-Leuschner-Str. 27-29 60329 Frankfurt/Main Date of Inspection: 13 February 2012	The subject property is located in the Frankfurt submarket "Bahnhofsviertel". It is situated at the corner of the streets Wilhelm-Leuschner-Strasse and Windmühlstrasse. The property is on the boundary of the two districts "Bahnhofsviertel" and "Bankenviertel". Accessibility by road as well as by public transport is very good. The property was constructed in 2001/2002. There are three separate entrances for the various tenants. The building was constructed on an existing basement garage. The main use is residential, although the ground floor accommodates 3 retail units as well as office space. The first floor is for office use only. Residential units are on floors 3-7. The facade is of natural stone up to the 2nd floor, above which a glass facade construction was used. The office space meets the usual Frankfurt "banking standard": a floor-to-ceiling height of 2.75 m, raised floors, full air conditioning. The residential units are also well fitted out: room-height windows, glass doors, partially built-in cupboards in the corridor, carpets, etc. We understand that the Property is comprised of: Plot size: 3,617 sq m Lettable area: 7,368 sq m 164 car parking spaces	Freehold (Eigentum) The Property is let to: Deutsche Lufthansa AG -office/storage- (1,732.00 sq m) expiring 30 September 2018. Passing rent is €225,763.20 per annum. Indexed 100% VPI p.a. Consolidated Parking -parking internal- (95 units) expiring 28 February 2013 at a passing rent of €143,061.13 per annum. Indexed 100% VPI p.a. Transearch -office- (299.00 sq m) expiring 28 February 2014. Passing rent is €54,676.44 per annum. Indexed 100% VPI p.a.	€1,192,331	€1,387,881	€22,050,000
	ID: dri23067 Bahnhofstrasse 20 73430 Aalen Date of Inspection: 1 March 2012	The property is located near the main station of Aalen. The main bus station directly adjoins to one side. The area is dominated by small retailers, restaurants and other banks. The property has three floors and is in good condition. The building is painted white and appears to have been renovated in the last few years. We understand that the Property is comprised of: Plot size: n/a Lettable area: 1,318 sq m	Freehold (Eigentum) Listed building Yes The Property is let to: Commerzbank AG -bank hall/office/storage- (1,318.00 sq m) expiring 31 December 2015. Passing rent is €161,841.96 per annum. Indexed 100% VPI p.a.	€161,842	€126,894	€2,140,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		12 car parking spaces				
	ID: dri23068 Bismarckstr. 9 56470 Bad Marienberg Date of Inspection: 10 February 2012	The property is located in a secondary shopping street just east of the main pedestrian zone. The post office is located directly opposite. Public transport facilities are in the immediate vicinity. This 3 storey (at the back 4 storey shingle facade) terraced flat-roofed 1970s building, with a stone slab facade, has a banking hall on the ground floor and retail units in the upper floors (Chinese restaurant and a gaming establishment). Parking is provided behind the building (see ID 23097) with a separate entrance to the building. The facade needs some repainting. The windows are probably original. We understand that the Property is comprised of: Plot size: n/a Lettable area: 823 sq m No car parking spaces	Part-ownership 548/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (623.00 sq m) expiring 31 December 2014. Passing rent is €91,950.36 per annum. Indexed 100% VPI p.a.	€91,950	€68,790	€840,000
	ID: dri23069 Stresemannstrasse 4 33602 Bielefeld Date of Inspection: 5 April 2012	The subject property is located at the end of a prime retail pedestrianised area of Bielefeld. With its double frontage and corner location the building is highly visible. Opposite, on Stresemannstrasse, is the "City-Passage" with tenants such as Saturn, Kaufhof and Deichmann, whereas opposite on Bahnhofstrasse is a Karstadt department store. Along Herforderstrasse are Deutsche Bank and the Sparkasse. At the corner of Stresemannstrasse and Herforderstrasse is a public car park accessible via Herforderstrasse. Other public transport facilities are located along Herforderstrasse (bus station). The main railway station is approx. 500 m away. The 4-storey flat-roofed property, with a stone slab facade (to the front) and prefabricated metal panelling facade (at the back) has glass elements integrated and was constructed in 1970. It was completely refurbished and altered in 1988 when Commerzbank moved in. The subject property has 2 inner courtyards and an atrium above the banking hall providing additional daylight to the inner office units. The basement floor provides storage space, technical equipment and the bank vault. There are 4 staircases and 4 lifts in the building. The banking hall, 1st and partially 2nd and 3rd floors have full air conditioning with humidification. The office space is of good standard with suspended ceilings (floor-to-ceiling height of approx. 2.75 m), raised floors and exterior sun blinds. We understand that the Property is comprised of: Plot size: 3,810 sq m Lettable area: 8,973 sq m No car parking spaces	Leasehold Ground Lease (Expiry) 2047 The Property is let to: Commerzbank AG -bank hall/office/storage- (8973.00 sq m) expiring 31 December 2013. Passing rent is €904,831.93 per annum. Indexed 100% VPI p.a.	€907,688	€812,808	€6,830,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23072 Lange Strasse 39-40 27749 Delmenhorst Date of Inspection: 27 March 2012	The property is situated in the pedestrianised area of Delmenhorst, opposite a Karstadt department store. Distance to the nearest motorway is 3 km. The property is a completely reconstructed 2-3-storey building (rear part appears new). There are shop windows at the rear of the building as well as parking spaces (inside and surface). We understand that the Property is comprised of: Plot size: 769 sq m Lettable area: 1,377 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let to: Residential- (173.00 sq m) unlimited lease. Passing rent is €6,228.00 per annum. Indexed 100% VPI p.a.	€6,228	€111,894	€1,130,000
	ID: dri23075 Schmiedgasse 23 87600 Kaufbeuren Date of Inspection: 8 March 2012	Situated in the town centre pedestrian zone; shopping area; good amenities and transport facilities. Rendered facade; property appears to be in a slightly neglected condition; reletting likely to be easy due to location. We understand that the Property is comprised of: Plot size: n/a Lettable area: 898 sq m 9 car parking spaces	Part-ownership 239/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (642.00 sq m) expiring 31 December 2014. Passing rent is €84,846.35 per annum. Indexed 100% VPI p.a. Pianofactum Musikhaus -retail/storage- (256.45 sq m) expiring 31 December 2014 at a passing rent of €19,061.40 per annum. Indexed 100% VPI p.a.	€103,908	€88,103	€1,190,000
	ID: dri23076 Bergische Landstrasse 17	The property is located in a secondary retail area with only local shopping facilities in the vicinity. Public transport stops directly in front of the building.	Part-ownership 230/1,000	€56,029	€48,672	€680,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	51375 Leverkusen Date of Inspection: 30 March 2012	The 5-storey 1980s terraced building, with a brick facade, has a banking hall on the ground floor, offices above and residential units in the upper floors. The parking spaces behind the building are accessed via a drivethrough at the left of the building. The property is generally in a good state of repair, the only visible disrepair is to the balustrade on the 1st floor. We understand that the Property is comprised of: Plot size: n/a Lettable area: 338 sq m No car parking spaces	The Property is let to: Commerzbank AG -bank hall- (338.00 sq m) expiring 31 December 2013. Passing rent is €56,028.96 per annum. Indexed 100% VPI p.a.			
	ID: dri23078 Bismarckplatz 6-7 41061 Mönchengladbach Date of Inspection: 30 March 2012	The property is located on "Bismarckplatz" surrounded by a busy ring road and a pedestrianised street. Bismarckplatz has bus-stops on lines 1, 2, 9, 15, 17, 19, 97 and 18 and therefore offers good connections to most areas. There are a number of parking spaces in front of the building. The surroundings are dominated by office buildings occupied by Postbank, BHW, Sparkasse and Deutsche Bank. There are vacant offices in the subject property as well as in the adjacent Deutsche Bank building (local agents have letting signs). The location of the building, in a square, provides high visibility. The main retail shopping street and pedestrianised area are one block away. 5-storey office building with stone cladding and glass facade. The ground floor is used as a bank while the remaining floors are office space. We understand that the Property is comprised of: Plot size: 1,720 sq m Lettable area: 5,143 sq m 23 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (5,143.00 sq m) expiring 31 December 2016. Passing rent is €440,957.76 per annum. Indexed 100% VPI p.a.	€440,958	€420,468	€5,850,000
	ID: dri23079 Leineweberstr. 12-20 45468 Mülheim/Ruhr Date of Inspection: 29 March 2012	The property is located just south of the city centre of Mülheim/Ruhr, on a major thoroughfare. The department stores of "Kaufhof" and "Woolworth" are located opposite the subject property. Public transport facilities are in the direct vicinity.	Freehold (Eigentum) The Property is let to: Aldi Einkauf GmbH & Co. ohG -office-	€67,936	€255,878	€2,910,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The modern 6 storey building, with a tilted copper roof and a prefabricated stone slab facade accommodates a banking hall on the ground floor and office units above. There are two separate entrances, with the access to the basement garage being next to the "Sparkasse" building in the side street. There is a basement garage in the rear part of the building. The building is in a good state of repair. We understand that the Property is comprised of: Plot size: 1,470 sq m Lettable area: 2,915 sq m 20 car parking spaces	(352.68 sq m) expiring 31 October 2014. Passing rent is €37,635.6 per annum. Indexed 100% VPI p.a. Kanzlei Niehoff, Bolz, Kupka-office- (375.00 sq m) expiring 31 December 2017 at a passing rent of €30,300.00 per annum. Indexed 5% hurdle/100%.			
	ID: dri23080 Kreillerstrasse 3 81673 Munich Date of Inspection: 7 March 2012	Kreillerstrasse is one of the main roads leading into Munich from the east. The surroundings are of middle/low-class residential property. The subject property is situated on the main shopping spot of this district; good connections to public transport. 5-storey-property in fairly poor condition; low-quality residential on upper floors; retail (part-ownership) on ground floor; rendered facade; property in neglected condition We understand that the Property is comprised of: Plot size: n/a Lettable area: 185 sq m No car parking spaces	Part-ownership 84.46/1,000 The Property is let to: Commerzbank AG -bank hall- (185.00 sq m) expiring 31 December 2014. Passing rent is €42,933.36 per annum. Indexed 100% VPI p.a.	€42,933	€31,080	€480,000
	ID: dri23082 Am Hallenbad 3 35260 Stadtallendorf Date of Inspection: 9 February 2012	The property is located in the pedestrianised zone of Stadtallendorf and is accessible from both sides, i.e. from "Am Hallenbad" and "Teichwiesenstr". The "Gemeindezentrum" (municipal offices) is located opposite the subject property. Public transport facilities are in the direct vicinity. The up to 4-storey 1980s building, with an aluminium and shingled facade, has a bank branch on the ground floor and offices above (e.g. Allianz). The first floor is accessible via an external staircase. No	Part-ownership 298/773 The Property is let to: Commerzbank AG -bank hall- (266 sq m) expiring 31 December 2012. Passing rent is €35,274.96 per annum. Indexed 100% VPI p.a..	€35,275	€25,536	€290,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		evident vacancy. On-site car parking is provided in front of the building. The property is in a good state of repair. We understand that the Property is comprised of: Plot size: n/a Lettable area: 266 sq m No car parking spaces				
	ID: dri23085 Rheinstrasse 76185 Karlsruhe Date of Inspection: 16 March 2012	The property is located on an arterial road in Karlsruhe. The usage of the area is mixed, but dominated by residential buildings, with the ground floors occupied by small retailers and restaurants. The property has five storeys. The ground floor and the first floor are used by the bank. The upper floors are used as condominiums. The building is clad in green plastic. The condition of the property is reasonable. We understand that the Property is comprised of: Plot size: n/a Lettable area: 297 sq m No car parking spaces	Part-ownership 133.6/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (297 sq m) expiring 31 December 2014. Passing rent is €50,790.72 per annum. Indexed 100% VPI p.a.	€50,791	€40,938	€530,000
	ID: dri23087 Sonnenstr. 2 72458 Albstadt Date of Inspection: 15 March 2012	The property is located in the town centre of Albstadt. The buildings in the neighbourhood are mostly older than the subject property, with their ground floors mainly used as retail or restaurant accommodation. The property is a mixed-use building, with its ground floor used by the bank and other retailers. The property is in good condition. The area in the upper floors is used as office.	Part-ownership 5,325/10,000 The Property is let to: Mobile Center GmbH -retail/storage- (250.75 sq m) expiring 31 March 2022. Passing rent is €18,728.28 per annum. Indexed 100% VPI p.a.	€18,728	€69,045	€740,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies		Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 922 sq m 3 car parking spaces					
	ID: dri23089 Bahnhofstr. 21 56626 Andernach Date of Inspection: 10 February 2012	The subject property is located on the one-way shopping street of Andernach. The "Volksbank" building is its direct neighbour. Public transport facilities are in the direct vicinity. The 2 storey terraced building, with a rendered façade, has been refurbished and accommodates the banking hall on the ground floor and office space above. There are no parking spaces on site. The property is in a good state of repair. We understand that the Property is comprised of: Plot size: n/a Lettable area: 650 sq m No car parking spaces	Part-ownership The property is vacant.	544.15/1,000	€0	€45,240	€390,000
	ID: dri23090 Martin-Luther-Platz 18 91522 Ansbach Date of Inspection: 1 March 2012	The property is located in the pedestrianised area of Ansbach, next to an old church. The area is dominated by small retailers and restaurants. The property is an attractive building in good condition. It has four storeys; the facade is painted beige. We understand that the Property is comprised of: Plot size: n/a	Part-ownership The property is vacant.	372/1,000	€0	€42,972	€500,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Lettable area: 473 sq m No car parking spaces				
	ID: dri23094 Grabenstrasse 9 71522 Backnang Date of Inspection: 14 March 2012	The property is located on the fringe of the pedestrian area of Backnang. The area is highly frequented, because of the attached multi-storey car park. Four other banks are located in the direct neighbourhood. The property has partly 3 and partly 4 storeys. A multi-storey car park is attached. The condition of the building is reasonable. We understand that the Property is comprised of: Plot size: n/a Lettable area: 332 sq m No car parking spaces	Part-ownership 24,948/100,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (332 sq m) expiring 31 December 2016. Passing rent is €36,428.76 per annum. Indexed 100% VPI p.a.	€36,429	€30,450	€390,000
	ID: dri23095 Louisenstrasse 66 61348 Bad Homburg Date of Inspection: 9 February 2012	Bad Homburg is located northeast of Frankfurt. The amenities and transport facilities are very good. The motorways A661 and A5 connect Bad Homburg with Frankfurt. The international airport is accessible in 25 minutes. All bus routes pass the nearby "Kurhaus". The underground line S 5 connects to Frankfurt main station in 7 stops. The property is in a prominent location on the Bad Homburg pedestrian shopping street "Louisenstrasse". The property was constructed in 1970. The basement accommodates the technical building equipment and parking spaces, on the ground floor is the recently-refurbished and well-fitted banking hall, with office units located on the four upper floors. The high standard of fit out of the office space includes full air conditioning with humidification, a floor-to-ceiling height of 2.75 m, glass doors, glass partition walls, partially wood panelling, exterior electric sun blinds, window sill cable conduits (partially in screed) and suspended ceilings. We understand that the Property is comprised of: Plot size: 1,447 sq m Lettable area: 3,240 sq m 43 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (2855.00 sq m) expiring 31 December 2015. Passing rent is €378,409.32 per annum. Indexed 100% VPI p.a. Derpart Reisevertrieb GmbH -retail/office- (117.19 sq m) expiring 31 December 2015 at a passing rent of €35,446.80 per annum. Indexed 5% hurdle/100%. Residential- (84.00 sq m) unlimited lease at a passing rent of €8,040.00 per annum. Indexed 100% VPI p.a.	€427,558	€469,354	€7,730,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23096 Salinenstrasse 32 55543 Bad Kreuznach Date of Inspection: 15 February 2012	The subject property is located close to the town centre on a thoroughfare. Retail units and restaurants as well as office buildings are predominant. Public transport stops are located directly in front of the building. The 4-storey building (only 2 storeys at the rear) with a stone slab facade (partly rendered) accommodates the banking hall on the ground floor and office space above (2nd and 3rd floor vacant). Car parking spaces are located behind the building. We understand that the Property is comprised of: Plot size: 477 sq m Lettable area: 1,287 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (981 sq m) expiring 31 December 2016. Passing rent is €75,238.20 per annum. Indexed 100% VPI p.a.	€75,238	€86,676	€1,020,000
	ID: dri23097 (Parkplatz) 56470 Bad Marienberg Date of Inspection: 10 February 2012	Presumed to be the car park behind the property (ID 23068), as there is a separate entrance to the building. The car park is accessible from Langenbacherstrasse. Various car parks behind buildings in Bismarckstr. Not clearly identified which car park is part of the property. We understand that the Property is comprised of: Plot size: 148 sq m 14 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -parking external- (14 units) expiring 31 December 2014. Passing rent is €1,989.12 per annum. Indexed 100% VPI p.a.	€1,989	€1,932	€24,000
	ID: dri23099 Salzburger Strasse 3	The property is located on Salzburger Strasse, a pedestrianised shopping street. Salzburger Strasse is the extension of Ludwigstrasse, the main pedestrian shopping street in Bad Reichenhall. There are no	Part-ownership 285/1,000	€79,932	€73,470	€1,000,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	83435 Bad Reichenhall Date of Inspection: 9 March 2012	vacancies nearby. National retailers, including Douglas, Müller Drogerie and Nordsee are located on Ludwigstrasse. Salzburger Strasse is dominated by local retailers. The subject property is located just a few metres from the Kurgarten and about 50 m from the Kurhaus. Opposite the property is a cinema (Park-Kino), while a Steigenberger Hotel is about 70 m away. Bad Reichenhall's regional railway station is about 350 m away. The property is a 4-storey mixed-use building with rendered façade. It is in good condition. The ground floor is occupied by Commerzbank the upper floors are used as doctors surgeries and/or residential apartments. We understand that the Property is comprised of: Plot size: 770 sq m Lettable area: 445 sq m No car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (445 sq m) expiring 31 December 2014. Passing rent is €79,932.36 per annum. Indexed 100% VPI p.a.			
	ID: dri23100 Frankfurter Strasse 113 61118 Bad Vilbel Date of Inspection: 10 April 2012	The property is located in the town centre, on the main shopping street of Bad Vilbel. There are public transport stops in front of the building. The 4-storey terraced modern building, with a rendered facade, has a banking hall on the ground floor and residential units above. There is no evident vacancy. Parking is provided on site behind the building via a driveway on the left hand side of the building. We understand that the Property is comprised of: Plot size: 477 sq m Lettable area: 452 sq m 12 car parking spaces	Part-ownership 338/1,000 The Property is let to: Sparda Bank -bank hall/storage- (452 sq m) expiring 31 January 2022. Passing rent is €46,008.00 per annum. Indexed 100% VPI p.a.	€46,008	€50,628	€790,000
	ID: dri23103 Hauptstrasse 35-37 59269 Beckum-Neubeckum Date of Inspection: 4 April 2012	The property is located in the town centre of Neubeckum in a mixed commercial/ residential area. Distance to the nearest motorway is 3 km.	Part-ownership 59/100 The property is vacant.	€0	€18,642	€170,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is a 3-storey mixed residential/commercial asset with a rendered facade. The condition of the property as well as the entrance area are medium. We understand that the Property is comprised of: Plot size: n/a Lettable area: 316 sq m No car parking spaces				
	ID: dri23104 Nordstrasse 51 59269 Beckum Date of Inspection: 4 April 2012	The property is situated at the edge of the pedestrianised area, on a main road junction close to the main station. Distance to the nearest motorway is around 5 km. The property is a refurbished old corner building, with 2-storeys plus attic floor, in good condition. We understand that the Property is comprised of: Plot size: 422 sq m Lettable area: 978 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (978 sq m) expiring 31 December 2016. Passing rent is €63,827.52 per annum. Indexed 100% VPI p.a.	€63,828	€59,364	€730,000
	ID: dri23106 Siebenmorgen 38 51427 Bergisch Gladbach Date of Inspection: 2 April 2012	The subject property is located facing the market place in the local shopping area of the "Refrath" suburb of Bergisch Gladbach. Public transport facilities are in the direct vicinity. The 4-storey (at the rear only 1 storey) 1980s corner building, with a rendered facade, has a banking hall on the ground floor and office/residential units above. No evident vacancy. Parking is provided next to	Part-ownership 161/1,000 The Property is let to: Commerzbank AG -bank hall/storage- (211 sq m) expiring 31 December 2014. Passing rent is €51,765.60 per annum. Indexed 100% VPI p.a.	€51,766	€37,608	€490,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		the building. The facade needs some refurbishment as there is slight damage and the paint/plaster is peeling off in some sections . We understand that the Property is comprised of: Plot size: n/a Lettable area: 211 sq m 6 car parking spaces				
	ID: dri23107 Bahnhofstrasse 46 57518 Betzdorf Date of Inspection: 10 February 2012	The subject property is located in the pedestrian zone of the main shopping street in Betzdorf. Next door are various local offices (district court, registry office). There are sufficient parking spaces behind the subject property. The bus station is approx. 250 m away. This modern 4-storey (at the rear only 2-storey) building with a stone slab facade accommodates a banking hall on the ground floor and predominantly offices (plus 1 residential unit) in the upper floors. There appears to be one vacant unit. Parking facilities are provided behind the building. We understand that the Property is comprised of: Plot size: n/a Lettable area: 479 sq m 6 car parking spaces	Part-ownership 417/1,000 The Property is let to: Commerzbank AG -bank hall/office- (479 sq m) expiring 31 December 2014. Passing rent is €68,262.60 per annum. Indexed 100% VPI p.a.	€68,263	€49,716	€620,000
	ID: dri23109 Stuttgarter Strasse 60 74321 Bietigheim Date of Inspection: 14 March 2012	The property is located on an arterial road with busy traffic. The neighbourhood is a commercial area. Two other banks are located in the direct neighbourhood. The property has five floors, only the ground floor is in retail use. The upper floors are condominiums and doctors' surgeries. The retail units are occupied by the bank and other retailers.	Part-ownership 11,664/100,000 The Property is let to: Pre Tec Invest GmbH -other area/storage- (204 sq m) expiring 31 January 2019. Passing rent is €26,961.36 per annum. Indexed 100% VPI p.a.	€26,961	€25,704	€320,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 204 sq m 6 car parking spaces				
	ID: dri23113 Münsterplatz 1-3/3a 53111 Bonn Date of Inspection: 10 February 2012	The property is located in the core and historic city centre of Bonn. Münsterplatz (a square) is the centre of the town and the pedestrian shopping streets radiate from it. The historic Münster (cathedral) of Bonn is approx. 50 m away. 5-6 storey mixed-use building (mainly office use) in a prime location in Bonn. Although in the historic part of the city, the building has a slab facade. We understand that the Property is comprised of: Plot size: 1,185 sq m Lettable area: 5,032 No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (4,894.00 sq m) expiring 31 December 2013. Passing rent is €679,596.69 per annum. Indexed 100% VPI p.a. Peter Krahn -retail- (45.00 sq m) expiring 30 June 2013 at a passing rent of €34,485.48 per annum. Indexed 100% VPI p.a.	€721,131	€690,738	€12,000,000
	ID: dri23114 Neue Str. 20 38100 Braunschweig Date of Inspection: 22 March 2012	The subject property is situated directly next to the edge of the pedestrianised area in Brunswick (Braunschweig) city centre in mixed retail/office surroundings, the quality of which is medium. Opposite is a large Karstadt department store, there are some public parking facilities in Neue Strasse. There is a bus stop outside the property. The subject property is a 5-storey office/retail building with a steeply-sloping attic floor and a single storey section adjoining a building at the rear. The front and back of the main building are mainly glazed, the sides are tiled. The adjoining building has large shop windows and a steel sheet facade and comprises the banking hall and major parts of the furniture store. The whole ensemble is of medium quality. We understand that the Property is comprised of: Plot size: 2,568 sq m	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (2,718.00 sq m) expiring 31 December 2013. Passing rent is €282,710.64 per annum. Indexed 100% VPI p.a. SFU Sachen für Unterwegs GmbH -retail- (763.88 sq m) expiring 30 September 2013 at a passing rent of €95,178.12 per annum. Indexed 10% hurdle/100%. Internationale Schule des Goldenen Rosenkreuzes e.V. -office- (394.76 sq m) expiring 30 June 2014 at a passing rent of €18,476.52 per annum. Indexed 100% VPI	€396,365	€448,230	€4,960,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Lettable area: 5,937 sq m 30 car parking spaces	p.a.			
	ID: dri23117 Domshof 8-12 28195 Bremen Date of Inspection: 26 March 2012	The subject property is situated right in the city centre of Bremen, on the central market place and next to the cathedral. The market place forms the entrance to the pedestrianised area, but there are also many office buildings. There is a tram stop close to the property. The quality of the surrounding buildings is good. The subject property is a conglomerate of several buildings, the most attractive of which is No. 8, a typical Hanseatic city house with a remarkable sandstone facade (2 storeys plus attic). Nos. 9-10 and 12 are a single building with sandstone facade apparently built around the 1970s (4 storeys plus double attic), No. 11 is a white-painted neo-classical house (4 storeys). We understand that the Property is comprised of: Plot size: 4,423 sq m Lettable area: 13,439 sq m 28 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (7,375.39 sq m) expiring 31 December 2015. Passing rent is €830,012.55 per annum. Indexed 100% VPI p.a. Barmer Ersatzkasse -office/storage- (2,869.30 sq m) expiring 31 May 2018 at a passing rent of €397,747.80 per annum. Indexed 100% VPI p.a.	€1,227,760	€1,092,938	€14,260,000
	ID: dri23118 Landrat-Christians-Str. 98 28779 Bremen Date of Inspection: 27 March 2012	The subject property is located in the northern district of Blumental, around 20 km from Bremen city centre. The surrounding buildings are smaller residential or mixed retail/residential facilities, most of which are rather old, the distance to the suburban centre is approx. 500 metres. Close to the property is an industrial plant of the Bremer Woll-Kämmer AG. The property is a 2-storey mixed-use building, with fitted-out attic, and a rendered facade. There are two parking spaces next to the building. In addition to the bank on ground floor level, there are a day clinic and residential units. The building is in good condition. We understand that the Property is comprised of: Plot size: 696 sq m Lettable area: 719 sq m 2 car parking spaces	Freehold (Eigentum) The Property is let to: BRIGG -office- (182.64 sq m) expiring 31 January 2017. Passing rent is €9,798.48 per annum. Indexed 100% VPI p.a.	€9,798	€35,236	€320,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23120 Schwachhauser Heerstr. 76 28209 Bremen Date of Inspection: 26 March 2012	The property is located around 2 km east of the city centre on a 2-lane arterial road with tram lines (tram stop in front of the property). There are several smaller retail facilities in the mixed buildings around, many in art nouveau-like style. The quality of the surrounding properties is good, there are some public parking facilities along Schwachhauser Heerstrasse. The subject property is a 3 storey building with fitted-out attic, with residential units in the upper floors, and balconies on the rendered facade. The building is newer then many of the surrounding buildings, the overall quality is medium good, the entrance area to the property is good in condition. We understand that the Property is comprised of: Plot size: n/a Lettable area: 362 sq m 4 car parking spaces	Part-ownership 5,819/10,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (362.28 sq m) expiring 31 December 2013. Passing rent is €46,155.24 per annum. Indexed 100% VPI p.a.	€46,155	€34,952	€440,000
	ID: dri23124 Rheinstrasse 14 64283 Darmstadt Date of Inspection: 10 April 2012	The subject property is located in the city centre of Darmstadt, about 300 m from the pedestrianised zone. Accessibility by car is very good, with a public car park in the immediate vicinity. Public transport facilities are also good. This impressive 5-storey building, with a banking hall and a retail unit on the ground floor and office space in the upper floors, was constructed in 2002. Each floor is divisible into 2 separate units. The fit-out includes minimum floor-to-ceiling heights of 2.75 m, glass doors, raised floors, windows partially floor-to-ceiling high, interior sun blinds, suspended metal ceilings, suspended lighting and natural stone facade. Parking spaces are provided in the basement garage. We understand that the Property is comprised of: Plot size: 1,705 sq m Lettable area: 4,234 sq m 51 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (2,690.59 sq m) expiring 31 December 2019. Passing rent is €570,663.60 per annum. Indexed 100% VPI p.a. Dr. Wilken -office/storage- (354.50 sq m) expiring 14 November 2017 at a passing rent of €58,315.20 per annum. Indexed 100% VPI p.a. Allianz Versicherungs- und Beratungsgesellschaft -office/storage- (434.14 sq m) expiring 31 January 2017 at a passing rent of €56,923.08 per annum. Indexed 100% VPI p.a.	€804,848	€567,141	€10,450,000
	ID: dri23126 Paulinenstr. 45	The property is situated in the town centre of Detmold, around 100 m from the pedestrianised area, on a 4-lane main road. Distance to the motorway is 20 km.	Freehold (Eigentum)	€167,793	€128,313	€1,600,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	32756 Detmold Date of Inspection: 5 April 2012	The property is a 4-storey commercial building with a concrete facade. There are retail units on ground floor level and office accommodation in the upper floors. At the rear of the building are several parking spaces in an inner yard. We understand that the Property is comprised of: Plot size: 1,136 sq m Lettable area: 1,944 sq m 18 car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (1,151.00 sq m) expiring 31 December 2015. Passing rent is €99,917.16 per annum. Indexed 100% VPI p.a. Stadt Detmold -office- (674.02 sq m) expiring 17 October 2014 at a passing rent of €51,386.88 per annum. Indexed 100% VPI p.a. Reise- und Lotto-Shop Uwe Klinge - retail/storage- (86.50 sq m) expiring 31 Jule 2014 at a passing rent of €10,489.44 per annum. Indexed 100% VPI p.a.			
	ID: dri23129 Brackeler Hellweg 136 44309 Dortmund Date of Inspection: 28 March 2012	The property is located on a shopping street in the Dortmund district of "Brakel". Brackeler Hellweg is a busy arterial road. The property has good access: the bus stop "Brakeler Kirche" on line 403 is directly opposite. The immediate surroundings are dominated by shops for day-to-day shopping requirements such as a Rewe supermarket and a DM Drugstore. Commerzbank is opposite. However Brakel is an area dominated by social housing. The building is a 4-storey flat-roof construction, with a tiled façade. The ground floor is occupied by a bank, a drugstore and a cafe while the remaining floors are residential. We understand that the Property is comprised of: Plot size: n/a Lettable area: 267 sq m No car parking spaces	Part-ownership 151.26/1,000 The Property is let to: Commerzbank AG -bank hall/storage- (267.00 sq m) expiring 31 December 2013. Passing rent is €34,101.60 per annum. Indexed 100% VPI p.a.	€34,102	€30,858	€360,000
	ID: dri23130 Kaiserstr. 61 44135 Dortmund Date of Inspection: 28 March 2012	The property is located on a main road in a residential area of Dortmund's "Mitte" district. The property is currently let to an Café. The surroundings include shops for the day-to-day shopping needs of the residents, the post office is next door, while the Sparkasse and a drugstore are located opposite the building. The second retail unit in the property is let to a pharmacy while the office floors are let to lawyers.	Part-ownership 178.816/1,000 The Property is let to: Mariellis Langehenke -retail/storage-	€37,440	€38,250	€460,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The building is a 6-storey flat-roofed construction with a tiled façade. The ground floor has a pharmacy and one vacant unit, while the remaining floors are used as offices as well as residential units. We understand that the Property is comprised of: Plot size: n/a Lettable area: 341 sq m 4 car parking spaces	(341.00 sq m) expiring 31 January 2019. Passing rent is €37,440.00 per annum. Indexed 100% VPI p.a.			
	ID: dri23131 Kampstrasse 47 44137 Dortmund Date of Inspection: 28 March 2012	The subject property is located in the city centre of Dortmund just off the main pedestrianised shopping street. The main frontage is along Kampstrasse, a main thoroughfare in the city centre. The main railway station is in the immediate vicinity, about 500 m behind the subject property. Other public transport stops such as trams and buses are directly in front of the building on Kampstrasse. As part of a large complex with West LB, the building is highly visible. Other large companies, such as Deutsche Telekom, Commerzbank, Sparkasse, RWE and Continental, occupy buildings in the immediate area. The terraced, flat-roofed 7-storey building, with a prefabricated aluminium slab facade and darkened aluminium windows, was constructed in 1977. It is part of a complex with the adjacent West LB building. The complex has a shopping arcade on the ground floor, leading from Kampstrasse to Katharinenstrasse (pedestrianised zone). The subject property has one main entrance on Kampstrasse and 2 staircases with a total of 5 lifts. The banking hall and the 8 retail units on the ground floor are currently occupied by Commerzbank (retail units used as offices). The upper floors mainly accommodate office units with a canteen in the 6th floor (operated by Eurest). Technical equipment for the building is located on the roof and in the basement. The property is in a reasonable state of repair, although the facade needs some cleaning. According to the caretakers no major maintenance works are currently necessary. We understand that the Property is comprised of: Plot size: 4,339 sq m Lettable area: 13,098 sq m 246 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/storage- (13,098.00 sq m) expiring 31 December 2015. Passing rent is €1,416,803.52 per annum. Indexed 100% VPI p.a.	€1,416,804	€1,303,896	€15,060,000
	ID: dri23132 Königstr. 13 47051 Duisburg Date of Inspection: 29 March 2012	The property is located on Königstrasse, the major pedestrianised shopping street of Duisburg. The subject property is located roughly in the middle of the pedestrian street, directly on König-Heinrich-Platz (also an underground station). König-Heinrich-Platz is a square with a fountain and an art sculpture and therefore high visibility. It functions as a meeting point for locals and tourists. There are typical German retailers on Königstrasse, with a Galeria Kaufhoff just across the square. The buildings next to the subject property are occupied by Deutsche Bank, Commerzbank and the Sparkasse.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (3,941.44 sq m)	€496,430	€844,504	€11,150,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The building is an 8-storey concrete construction with a metal-clad facade. The ground floor is used by retailers and a bank branch and the upper floors are used as offices with one residential unit. We understand that the Property is comprised of: Plot size: 2,151 sq m Lettable area: 6,794 sq m 84 car parking spaces	expiring 31 December 2015. Passing rent is €398,580.84 per annum. Indexed 100% VPI p.a. Photo Beck -retail- (92.35 sq m) expiring 31 March 2017 at a passing rent of €47,880.00 per annum. Indexed 100% VPI p.a. Vodafone D2 GmbH -retail- (88.51 sq m) expiring 31 December 2013 at a passing rent of €44,235.12 per annum. Indexed 100% VPI p.a.			
	ID: dri23133 Bismarckstr. 2 52351 Düren Date of Inspection: 3 April 2012	In its corner location on Bismarckstr./Schützenstr. the building is highly visible. The building has two separate entrances as well as two separate accesses (entry/exit) for the car park. Public transport stops are in the direct vicinity (bus 100 m). The 4-storey historic corner building, with a brick facade, has a banking hall on the ground floor. The 2nd floor and the attic level appear to be vacant. A third party tenant (Randstad) occupies the first floor on Bismarckstr. The property is in a good state of repair (e.g. new windows). Sufficient parking spaces are located at the rear of the building. We understand that the Property is comprised of: Plot size: 2,222 sq m Lettable area: 2,216 sq m 30 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,331.45 sq m) expiring 31 December 2016. Passing rent is €103,442.87 per annum. Indexed 100% VPI p.a. Randstad Deutschland GmbH & Co. KG-office/storage- (190.06 sq m) expiring 31 March 2017 at a passing rent of €23,196.84 per annum. Indexed 5% hurdle/100% .	€126,640	€180,049	€2,160,000
	ID: dri23134 Zollhausstrasse 34 52353 Düren Date of Inspection: 3 April 2012	The subject property is located on a local shopping street in a suburb of Düren. The Düren municipal offices adjoin on one side. The car park at the rear of the building is accessible via a driveway through on the left hand side of the building, where also the entrance for the residential units is. Public transport stops are in the direct vicinity (bus 10 m). The 1970s/80s 3-storey flat-roofed building, with a brick facade, is mostly vacant. A former banking hall on the ground floor is vacant, while at least part of the 1st and 2nd floors appears to be occupied by residents. Parking is provided in the courtyard behind the building. The windows are original. The	Part-ownership 29.648/100 The Property is let to: Dr. Wulff -other area/storage- (260.00 sq m) expiring 31 December 2025. Actual Rent €0 (rent free period), passing rent is €13,417.92 per annum. Indexed 100% VPI p.a.	€0	€16,039	€190,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Balconies appear to be undergoing refurbishment works at present. We understand that the Property is comprised of: Plot size: n/a Lettable area: 260 sq m 6 car parking spaces				
	ID: dri23142 Altendorfer Strasse 7 37574 Einbeck Date of Inspection: 23 March 2012	The property is situated in the town centre of Einbeck, less than 100 m from the pedestrianised area on an urban main road. There are predominantly mixed-use buildings in the vicinity. The property is a 3-storey office building, with a rendered facade. The condition of the main entrance area is fairly good. We understand that the Property is comprised of: Plot size: n/a Lettable area: 399 sq m 3 car parking spaces	Freehold (Eigentum) The property is vacant.	€0	€27,954	€270,000
	ID: dri23143 Postcode 48282 48282 Emsdetten Date of Inspection: 4 April 2012	The property is located directly on the marketplace in the town centre of Emsdetten. All local shopping amenities are to be found in the direct vicinity. Public transport facilities are within easy reach of the subject property. This 3-storey building with a brick facade and prefabricated metal slab elements has a banking hall on the ground floor and office/doctors surgeries in the floors above. No evident vacancy. No on-site parking is provided but there are sufficient public parking spaces in the vicinity. The facade needs some cleaning.	Leasehold Ground Lease (Expiry) 2015 The Property is let to: Commerzbank AG -bank hall/storage- (421.00 sq m) expiring 31 December 2014. Passing rent is €38,225.64 per annum. Indexed 100% VPI p.a. Seeger-other area- (157.00 sq m) expiring 31 January 2018 at a passing rent of €10,733.28 per annum. Indexed 100% VPI p.a.	€48,984	€45,546	€270,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 751 sq m No car parking spaces				
	ID: dri23144 Herrigerstr. 1 50374 Erftstadt Date of Inspection: 3 April 2012	The property is located in the town centre, next to the market place. Public transport facilities are in the immediate vicinity. A separate entrance for the residential units is located on the right hand side of the building, the entrance to the banking hall is in the middle of the building. The 3-storey historic building with a pitched roof and a rendered facade has a banking hall on the ground floor and is assumed to have office space on the first floor and residential units above. The facade and the windows need some cleaning and perhaps repainting.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (406.00 sq m) expiring 31 December 2014. Passing rent is €37,430.04 per annum. Indexed 100% VPI p.a.	€42,950	€33,517	€410,000
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 490 sq m No car parking spaces				
	ID: dri23146 Grabenstr. 73 52249 Eschweiler Date of Inspection: 3 April 2012	The property is located on the main shopping street of Eschweiler, opposite a small marketplace. Directly across from the subject property is a "dm Markt" drugstore and at the end of Grabenstr. is a "P&C" department store. Public transport is within easy reach. The 4-storey terraced, historic building with a stone slab facade accommodates a banking hall on the ground floor and office units and apartments above. It appears that property no. 75 is above the ground floor of no. 73 (i.e. banking hall). The property is in a good state of repair, including new windows. There are no parking spaces provided on site.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (338.00 sq m) expiring 31 December 2014. Passing rent is €55,902.96 per annum. Indexed 100% VPI p.a.	€58,922	€47,292	€590,000
		We understand that the Property is comprised of: Plot size: 685 sq m Lettable area: 410 sq m				

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		No car parking spaces				
	ID: dri23149 Kupferdreherstr. 161 45257 Essen Date of Inspection: 29 March 2012	The property is located on a main road in a residential/industrial area of Essen. The city centre is approx. 8 km north of subject property. The residential quality can be described as reasonable to poor and is mainly dominated by social housing. The building is a 3 storey brick construction with a pitched roof. The appearance is typical of this type of property. The ground floor is used as a retail banking unit, the top floors are used as offices and residential flat. We understand that the Property is comprised of: Plot size: 685 sq m Lettable area: 407 sq m 2 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (305.00 sq m) expiring 31 December 2014. Passing rent is €35,573.64 per annum. Indexed 100% VPI p.a.	€41,096	€33,640	€450,000
	ID: dri23150 Lindenallee 4 45127 Essen Date of Inspection: 29 March 2012	The property is located in the main city-centre retail area of Essen. The location is dominated by pedestrian shopping streets and large office complexes. The buildings in close proximity are occupied by well established German retailers such as Galeria Kaufhof and Hallhuber. The central railway station "Hauptbahnhof" can be reached via a large square and is approximately 150 m away. While the area closer to the Hauptbahnhof is dominated by retailers the other side is dominated by office buildings, predominately banks such as, Deutsche Bank, SEB and the Sparkasse. The building is a 2 to 11 storey concrete construction with a tiled facade. The ground floor is used as a retail banking unit while the remaining floors are used as office space. We understand that the Property is comprised of: Plot size: 1,234 sq m Lettable area: 6,978 sq m 25 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (6,978.00 sq m) expiring 31 December 2013. Passing rent is €674,005.20 per annum. Indexed 100% VPI p.a.	€674,005	€804,360	€10,450,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23154 Friedrich-Ebert-Str. 7 67227 Frankenthal Date of Inspection: 11 April 2012	The subject property is located opposite the "Finanzamt" (tax office) in a quiet side street with mainly residential apartments in the neighbourhood. It is situated back-to-back with the property "Westl. Ring" close to the town centre. Public transport facilities are approx. 500 m away. This 3-storey historic building, with a brick façade, accommodates three residential units. The property is in a good state of repair. Behind the building is a parking deck, which is shared with the neighbouring property Westl. Ring. We understand that the Property is comprised of: Plot size: 726 sq m Lettable area: 406 sq m 14 car parking spaces	Freehold (Eigentum) The Property is let to: Residential- (145.50 sq m) unlimited lease at a passing rent of €5,890.08 per annum. No Indexation. Residential- (114.90 sq m) unlimited lease at a passing rent of €5,473.44 per annum. No Indexation. Residential- (145.75 sq m) unlimited lease at a passing rent of €5,328.00 per annum. No Indexation.	€18,839	€23,307	€300,000
	ID: dri23155 Mühlstr. 11-13 67227 Frankenthal Date of Inspection: 11 April 2012	The property is located in a secondary street close to the main shopping street. The railway station is approx. 800 m away. The vacant small retail unit on the ground floor of the 4-storey building is probably in part ownership with various office/residential units above. The space is very dark and narrow and therefore probably difficult to let. The facade needs refurbishment. No parking spaces available. We understand that the Property is comprised of: Plot size: n/a Lettable area: 171 sq m No car parking spaces	Part-ownership 225.31/1,000 The property is vacant.	€0	€13,338	€120,000
	ID: dri23156 Westl.-Ringstr. 27 /F.-Ebert-Str. 7	The complex is located in a secondary retail street with some small shops and restaurants - although mainly residential. It is situated back-to-back with the property "Friedrich Ebert Str. 7" close to the town centre. Public transport facilities are approx. 500 m away.	Freehold (Eigentum)	€146,899	€163,756	€1,950,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	67227 Frankenthal Date of Inspection: 11 April 2012	The 3 storey complex comprises a new (stone slab facade) and an old building part (rendered facade). The banking hall is on the ground floor with office space above (also occupied by third party tenants). There is some vacancy. The properties are in a good state of repair. Behind the building is a parking deck, which is shared with the neighbouring property Friedrich Ebert Str. 7. We understand that the Property is comprised of: Plot size: 1,360 sq m Lettable area: 2,118 sq m 19 car parking spaces	The Property is let to: Commerzbank AG -bank hall/storage- (1,008.00 sq m) expiring 31 December 2016. Passing rent is €100,437.23 per annum. Indexed 100% VPI p.a.. Sauerzapf -office- (275.00 sq m) expiring 31 May 2014 at a passing rent of €27,069.84 per annum. Indexed 5% hurdle/100% . Avis Fort- und Weiterbildung - office/storage- (285.09 sq m) expiring 30 July 2015 at a passing rent of €19,392.36 per annum. Indexed 100% VPI p.a..			
	ID: dri23160 Universitätsplatz 7 36037 Fulda Date of Inspection: 9 February 2012	The subject property is located directly on the corner of "Universitätsplatz", where the "Karstadt" and "Kaufhof" department stores as well as branches of Deutsche Bank and Volksbank are located. The building is highly visible. Public transport facilities as well as public parking spaces are in the direct vicinity. The 4-storey flat-roofed historic building, with a stone slab facade and a large balcony on the first floor, has a banking hall on the ground floor and office units above (lawyers). The entrance for the office space is on the left side of the building, on Universitätsplatz. There are some parking spaces on site accessible via a driveway from Rabanusstr. The property is in a good state of repair. We understand that the Property is comprised of: Plot size: 580 sq m Lettable area: 2,298 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,933.00 sq m) expiring 31 December 2015. Passing rent is €243,358.08 per annum. Indexed 100% VPI p.a.. Schüler Rechtsanwälte -office- (143.18 sq m) expiring 30 November 2013 at a passing rent of €11,670.96 per annum. Indexed 100% VPI p.a..	€255,029	€212,442	€3,600,000
	ID: dri23162 Egerlandstr.(Parkplatz) 82538 Geretsried Date of Inspection: 8 March 2012	Situated in the northern part of Geretsried, at the end of the main shopping street (no pedestrianised zone).	Part-ownership 21.1953/1,000 The Property is let to: Commerzbank AG -bank hall/storage- (292.00 sq m) expiring 31 December 2014.	€39,373	€26,904	€390,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Typical mixed-use property with residential accommodation on upper floors and retail on ground floor; rendered facade. We understand that the Property is comprised of: Plot size: n/a Lettable area: 292 sq m 1 car parking space	Passing rent is €39,372.72 per annum. Indexed 100% VPI p.a..			
	ID: dri23166 Friedrich-Ebert-Str. 19 67269 Grünstadt Date of Inspection: 11 April 2012	The subject property directly adjoins the local railway station, with Hypovereinsbank and Sparkasse as neighbours. It is accessible from both Friedrich Ebert Strasse and Bahnhofstrasse. Sufficient public car parking is available. The modern, 2-storey building, with a rendered facade, accommodates the banking hall on the ground floor and office space (let to an insurance company) above. The facade needs cleaning, but generally the property is in a good state of repair. We understand that the Property is comprised of: Plot size: 270 Lettable area: 439 sq m 3 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (388.00 sq m) expiring 31 December 2016. Passing rent is €30,903.24 per annum. Indexed 100% VPI pa.. Seitz -office- (51.01 sq m) expiring 31 June 2014 at a passing rent of €3,672.72 per annum. Indexed 5% hurdle/100%.	€34,576	€32,131	€450,000
	ID: dri23167 Kaiserstr. 30 51643 Gummersbach Date of Inspection: 2 April 2012	The subject property is located in the town centre of Gummersbach, in the pedestrian zone. Opposite is a "Karstadt" department store and a Commerzbank building. The subject property is not highly visible as the neighbouring property narrows the street, partly obstructing it. Public transport is in easy reach of the property. The 4-storey, terraced 1980s building. with a glazed stone slab facade accommodates a banking hall on the ground floor and office units above. The 2nd and 3rd floors appear to be vacant. Parking is provided in a small garage at the rear of the building. The property is in a good state of repair.	The Property is let to: Commerzbank AG -bank hall/office/storage- (616.00 sq m) expiring 31 December 2012. Passing rent is €93,744.24 per annum. Indexed 100% VPI p.a..	€93,744	€101,724	€1,090,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 450 Lettable area: 1,153 sq m 2 car parking spaces				
	ID: dri23168 Münsterstrasse 11-13 33330 Gütersloh Date of Inspection: 5 April 2012	The property is located in the city centre of Gütersloh, close to the pedestrianised area. There is a car park opposite. The property is a 2-storey building with fitted-out attic. There are parking spaces at the rear of the building. We understand that the Property is comprised of: Plot size: 2,838 sq m Lettable area: 2,573 sq m 24 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,949.01 sq m) expiring 31 December 2016. Passing rent is €108,753.84 per annum. Indexed 100% VPI p.a.. Celik Schmuck GmbH -office/storage- (475.91 sq m) expiring 30 November 2017 at a rent of €24,627.12 per annum. Actual Rent is €0. Indexed 100% VPI p.a..	€113,659	€161,667	€1,960,000
	ID: dri23174 Eppendorfer Landstr. 12 20249 Hamburg Date of Inspection: 19 March 2012	The subject property is situated in the district of Eppendorf, which is characterised by exclusive residential properties. The surroundings, along Eppendorfer Landstrasse and in the side streets is characterised by many small but high-class retail facilities as well as residential use. The property is an impressive refurbished art nouveau building with 5-storeys and fitted out attic, which is in a very good condition. The Commerzbank branch on ground floor level is also in good condition, entrance area, landscaping and outside pavement is well maintained. There is no visible disrepair.	Part-ownership 10,135/100,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (360.11 sq m) expiring 31 December 2017. Passing rent is €101,021.52 per annum. Indexed 100% VPI p.a..	€101,022	€47,383	€1,060,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 359 sq m No car parking spaces				
	ID: dri23179 Am Markt 10 63450 Hanau Date of Inspection: 10 April 2012	The subject property is located in the heart of the city centre of Hanau, in the pedestrian zone, with a "Kaufhof" department store opposite. A bus station and taxi rank is within 50 m. Public parking is also available within 50 m. The historic 4-storey building, with a rendered façade, has a banking hall on the ground floor and office space in the upper floors. Some of the office units appear to be vacant. There is no on-site parking. The subject property is in a relatively good state of repair.	Part-ownership 358.73/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (392.00 sq m) expiring 31 December 2016. Passing rent is €82,246.56 per annum. Indexed 100% VPI p.a..	€82,247	€62,004	€910,000
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 392 sq m No car parking spaces				
	ID: dri23181 Prinzenstr. 5 30159 Hanover Date of Inspection: 21 March 2012	The subject property is situated in the centre of Hanover, about 100 m from the pedestrianised area, in a neighbourhood characterised by office buildings and Hanover opera and theatre. The surrounding buildings are of medium quality with various users. The Hanover theatre is next door. The property is a 5-storey building with basement. It has a brownish rendered facade, the quality is medium. There is parking facility indoors and in the rear yard of the building.	Freehold (Eigentum) The Property is let to: Adomus Facility Management -office- (12.00 sq m) expiring 30 September 2013. Actual Rent is €0.	€0	€171,540	€1,730,000
		We understand that the Property is comprised of: Plot size: 945 sq m Lettable area: 2,095 sq m				

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		9 car parking spaces				
	ID: dri23182 Rathenaustr. 4 30159 Hanover Date of Inspection: 21 March 2012	The subject property is situated in the centre of Hanover, about 100 m from the pedestrianised area, in a neighbourhood characterised by office buildings and Hanover opera and theatre. The surrounding buildings are of medium quality with various users. Opposite is the Hanover opera. The property comprises two buildings, of which one is a 4-storey neo-classical building, which is in good condition. It has a sandstone facade, a impressive banking hall, offices and a canteen on the top floor. The access to the offices is via an internal impressive staircase which currently only has access through the banking hall. The second building, with a separate access from Sophienstrasse, comprises offices. The buildings are connected. We understand that the Property is comprised of: Plot size: 1,692 sq m Lettable area: 6,623 sq m 10 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (6,623.00 sq m) expiring 31 December 2015. Passing rent is €666,326.99 per annum. Indexed 100% VPI p.a..	€666,327	€552,468	€8,930,000
	ID: dri23189 Heinrichstr. 8 44623 Herne Date of Inspection: 28 March 2012	The property is located in a side street just off the main shopping street, with predominantly office and residential uses. The car park is accessible from Schäferstrasse. The 4-storey 1970s/80s terraced building, with a stone slab facade, accommodates a banking hall on the ground floor with a separate exit to the car park towards Schäferstrasse. The office space above appears to be partly vacant. The property is in a good state of repair. We understand that the Property is comprised of: Plot size: 1,121 sq m Lettable area: 1,411 sq m 17 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/storage- (1,009.00 sq m) expiring 31 December 2014. Passing rent is €66,280.08 per annum. Indexed 100% VPI p.a..	€66,280	€80,139	€810,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23191 Poststrasse 2 95028 Hof Date of Inspection: 12 March 2012	The property is located in Hof, which is in the northern part of Bavaria, close to the border with Saxony. The situation can be described as a town centre location with access to the pedestrianised area. There are several motorways around Hof: the A9 in the west, A72 in the north and A33 in the east. The property is a 5-storey office building, with a Commerzbank branch on the ground floor. The facade is rendered and has some red-painted elements. There are smaller buildings attached to both sides of the building. We understand that the Property is comprised of: Plot size: 340 sq m Lettable area: 1,234 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Schuh- und Sporthaus Pfersdorf GmbH -retail/storage- (335.66 sq m) expiring 31 January 2022 at a passing rent of €32,867.28 per annum. No Indexation. Immobilien Freistaat Bayern -office- (202.81 sq m) expiring 31 March 2017 at a rent of €10,951.80 per annum. No Indexation.	€43,819	€79,996	€810,000
	ID: dri23192 Am Dicken Turm (Kfz-Stellplatz) 58636 Iserlohn Date of Inspection: 28 March 2012	The car park is located just off the main shopping area but is highly frequented. Open, modern parking deck comprising some 30 car spaces with separate entry/exit driveways, each secured by a barrier. We understand that the Property is comprised of: Plot size: n/a 30 car parking spaces	Part-ownership 369/1,250 Ground Lease (Expiry) 2025 The Property is let to: Commerzbank AG -parking internal- (30 units) expiring 31 December 2016. Passing rent is €5,967.60 per annum. Indexed 100% VPI p.a..	€5,968	€6,300	€60,000
	ID: dri23193 Schillerplatz 1 58636 Iserlohn	The subject property is located in the city centre of Iserlohn, forming a whole building complex ("Am Dicken Turm" and "Schillerplatz"). Opposite the building is a "Karstadt" department store and branches of Deutsche Bank and the Stadtsparkasse. Public transport stops are in the immediate area.	Freehold (Eigentum)	€221,352	€242,436	€2,740,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 28 March 2012	This 4-storey 1970s/80s corner building, with a stone slab facade, accommodates a banking hall on the ground floor and office units in the upper floors. The building complex stretches along "Am Dicken Turm" and "Schillerplatz", each street having access to the banking hall. A further entrance is provided for the office units above. No evident vacancy. There is no visible on site parking. We understand that the Property is comprised of: Plot size: 1,307 sq m Lettable area: 3,627 sq m 7 car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (3,527.00 sq m) expiring 31 December 2016. Passing rent is €221,351.99 per annum. Indexed 100% VPI p.a..			
	ID: dri23195 Eisenbahnstr. 5 67655 Kaiserslautern Date of Inspection: 11 April 2012	The property is located in the city centre, close to the pedestrian zone. There are three entrances on the ground floor. Public transport facilities as well as public parking spaces are in the direct vicinity. The 3-storey 1950s/60s building, with a stone slab facade, comprises a banking hall on the ground floor and office space above. Apparently there is one unit vacant. The facade and windows need some cleaning/refurbishment. No on site parking. We understand that the Property is comprised of: Plot size: 443 sq m Lettable area: 1,211 sq m No car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (939.00 sq m) expiring 31 December 2014. Passing rent is €76,033.67 per annum. Indexed 100% VPI p.a..	€76,034	€78,144	€940,000
	ID: dri23198 Andreas-Gayk-Str. 15 24103 Kiel Date of Inspection: 20 March 2012	The property is located in a road that is an extension of Sophienblatt, near to several major retailers, including Woolworth and Intersport. The main railway station is within 5 minutes walk. Citybank, Norisbank and NordwestLotto are near to the building as is the new town hall. The nearest motorway access is about 2.5 km away.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,211.45 sq m)	€307,307	€335,512	€5,060,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is a five-storey building, with banking facilities in the basement. The upper floors are used as offices. We understand that the Property is comprised of: Plot size: 1,754 sq m Lettable area: 3,589 sq m 32 car parking spaces	expiring 31 December 2012. Passing rent is €223,365.90 per annum. Indexed 100% VPI p.a.. Verbraucherzentrale Schleswig-Holstein -retail/office- (589.98 sq m) expiring 31 July 2013 at a passing rent of €42,749.04 per annum. Indexed 100% VPI p.a.. Adecco Personaldienstleistungen GmbH -office- (274.62 sq m) expiring 30 July 2013 at a rent of €28,472.16 per annum. Indexed 100% VPI p.a..			
	ID: dri23199 Clemensstrasse 32 56068 Koblenz Date of Inspection: 10 February 2012	The tower is located in the city centre of Koblenz, opposite the marketplace ("Zentralplatz"). Next to the subject property is a newly-developed shopping centre, with office space in the top levels. The property is accessible via Clemensstr. and Görgenstr. Public transport stops are located directly in front of the property. This 8-storey 1970s high-rise building, with a prefabricated metal slab facade, has the banking hall on the ground floor and office space above. Along Görgenstr. about a third of the facade is covered by ventilation slots. The windows and the facade are in their original state. We understand that the Property is comprised of: Plot size: 1,402 sq m Lettable area: 5,014 sq m 46 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage (3,100.97 sq m) expiring 31 December 2016. Passing rent is €271,232.40 per annum. Indexed 100% VPI p.a.. Müller, Nöthen und Partner -office- (542.01 sq m) expiring 30 September 2016 at a passing rent of €50,187.12 per annum. Indexed 100% VPI p.a.. Decadis AG -office- (275.00 sq m) expiring 30 December 2012 at a rent of €21,005.88 per annum. Indexed 100% VPI p.a..	€356,719	€380,923	€4,810,000
	ID: dri23200 Brüderstr. 3 50667 Cologne Date of Inspection: 3 April 2012	The property is located opposite the Cologne Schauspielhaus theatre and close to the Opera. Although the location is only about 200 metres from an underground station and a very good retail location, the situation is only of secondary quality due to relatively low visibility and the low footfall. 5-storey building, with stone tile façade. The ground floor can be let as retail space, the top floors are primarily residential use.	Part-ownership 388.334/1,000 The Property is let to: Oppenländer -office- (70.00 sq m) expiring 31 October 2013. Passing rent is €7,892,16 per annum. No Indexation.	€7,892	€35,700	€430,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 297 sq m No car parking spaces				
	ID: dri23201 Enggasse 3a/b, Tunisstr. 27 50668 Cologne Date of Inspection: 2 April 2012	The property is located in a established office area, in the city centre of Cologne. With the Hauptbahnhof (central station) just a few minutes walk away, the area benefits from good amenities and transport facilities in its central location. The neighbouring buildings are mainly occupied by banks such as Sal Oppenheim, Deutsche Bank and Commerzbank. The building is located on an intersection and therefore has good visibility. 7-storey office building with tiled stone facade.	Freehold (Eigentum) The Property is let to: GESIS Leibniz-Institut für Sozialwissenschaften -office/storage/other area- (2,874.37 sq m) expiring 31 October 2021. Passing rent is €407,540.88 per annum. Indexed 100% VPI p.a..	€407,541	€750,482	€9,820,000
		We understand that the Property is comprised of: Plot size: 1,469 sq m Lettable area: 5,687 sq m 9 car parking spaces				
	ID: dri23203 Kalker Hauptstr. 193-195 51103 Cologne Date of Inspection: 2 April 2012	The property is located on a highly frequented and busy local high street, with high footfall, in the "Kalk" district of Cologne. The high street has some attractive new developments such as the "Cologne Arkaden" and all other typical high street chains. The retail unit next to the subject property is occupied by Edeka. 6 storey building with metal-clad facade. The ground floor is used as retail and office space while the upper floors are primarily residential. The property has a small number of private parking spaces at the rear of the building. The retail part of the building is very deep and a conversion from its current use to retail would find it difficult to make efficient use of this less than ideal layout (for example storage at the rear, or office use).	Part-ownership 342.923/1,000 The Property is let to: Commerzbank AG -bank hall- (440.00 sq m) expiring 31 December 2014. Passing rent is €81,424.08 per annum. Indexed 100% VPI p.a..	€81,424	€71,040	€950,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 440 sq m 5 car parking spaces				
	ID: dri23209 Am Marktplatz 26 47829 Krefeld Date of Inspection: 30 March 2012	The subject property is located directly in the city centre of Krefeld, on the marketplace and opposite the Town Hall. Due to its corner location the property is highly visible. Public transport facilities are in the direct vicinity. The 4-storey restored historic corner building has a banking hall on the ground floor and office/residential space above. One residential unit is vacant. There are separate entrances for the banking hall and the office/residential units above. No on-site parking. The property is in a average state of repair. We understand that the Property is comprised of: Plot size: n/a Lettable area: 321 sq m No car parking spaces	Part-ownership 4,053/10,000 The Property is let to: Commerzbank AG -bank hall/storage- (321.00 sq m) expiring 31 December 2014. Passing rent is €48,337.44 per annum. Indexed 100% VPI p.a..	€48,337	€39,582	€530,000
	ID: dri23210 Ostwall 101-107 47798 Krefeld Date of Inspection: 30 March 2012	The subject property is located on the "Ostwall", a major thoroughfare through Krefeld, leading towards the main railway station. Along Ostwall there are predominately terraced buildings with smaller retail units on the ground floor and office/residential units above. The main shopping area is located to the west of "Ostwall". Public transport stops are in the immediate area (tram and bus). The 5-storey historic building, with a rendered facade, has a banking hall on the ground floor (with many small, atypical arch windows, which make the retail unit relatively dark) and offices above. The basement garage is accessible via Dreikönigenstrasse. The windows show signs of aging and the facade needs some cleaning. We understand that the Property is comprised of: Plot size: 2,137 Lettable area: 4,042 sq m	Freehold (Eigentum) The Property is let to: Intersolute GmbH -office- (449.00 sq m) expiring 31 December 2012. Passing rent is €36,239.52 per annum. Indexed 100% VPI p.a..	€36,240	€321,336	€3,480,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		46 car parking spaces				
	ID: dri23211 Fritz-Hornschuch-Strasse 2 95326 Kulmbach Date of Inspection: 12 March 2012	The property is located in Kulmbach, a town in the northern part of Bavaria close to the border with Thuringia. The property is a 5-storey office and retail building. It has a slatted facade. The retail units and a Commerzbank branch are on the ground floor. We understand that the Property is comprised of: Plot size: n/a Lettable area: 713 sq m No car parking spaces	Part-ownership 261.942/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (713.00 sq m) expiring 31 December 2014. Passing rent is €65,497.68 per annum. Indexed 100% VPI p.a..	€65,498	€57,762	€700,000
	ID: dri23213 Hauptstr. 91 70771 Leinfelden Date of Inspection: 15 March 2012	The property is located on the main street of Leinfelden-Echterdingen. There is very heavy traffic. The buildings in the neighbourhood have a similar usage, their ground floors are occupied by retailers and restaurants and there are apartments on the upper floors. The property has five storeys. The area used by the bank is located on the ground floor. The condition of the building is reasonable. There are some defects in the render. There are 4 parking spaces in the parking garage, three parking spaces in front of the property are reserved for bank clients. We understand that the Property is comprised of: Plot size: n/a Lettable area: 305 sq m 4 car parking spaces	Part-ownership 168.0/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (305.00 sq m) expiring 31 December 2014. Passing rent is €38,278.68 per annum. Indexed 100% VPI p.a..	€38,279	€27,432	€360,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23214 Kölner Str. 45 51379 Leverkusen Date of Inspection: 30 March 2012	The subject property is located in the district centre of Opladen, a suburb of Leverkusen. The adjoining building is the Stadtsparkasse. Public transport facilities are in easy reach. The 6 storey, 1960s terraced building, with a banking hall on the ground floor and residential units above, has 12 balconies facing the high street. There is no visible on-site parking. The property has new windows, the facade needs cleaning. We understand that the Property is comprised of: Plot size: n/a Lettable area: 390 sq m 4 car parking spaces	Part-ownership 21.825/100 The Property is let to: Commerzbank AG -bank hall/storage- (390.00 sq m) expiring 31 December 2014. Passing rent is €65,112.96 per annum. Indexed 100% VPI p.a..	€65,113	€55,440	€750,000
	ID: dri23221 Mainzer Strasse3 55252 Mainz-Kastel Date of Inspection: 15 February 2012	Mainzer Strasse is a secondary retail location in Mainz-Kastel, with some small retail units (barber, etc.), but predominantly residential. Public transport stops are in the direct vicinity. The-3 storey 1970s corner building, with a rendered facade, has a retail unit on the ground floor (former banking hall) and offices above. The facade and the windows need refurbishment. The entrance to the other units is in the courtyard. We understand that the Property is comprised of: Plot size: n/a Lettable area: 161 sq m No car parking spaces	Part-ownership 331.948/1,000 The Property is let to: Telekommunikation Pro -retail/storage- (161.00 sq m) expiring 31 July 2013. Passing rent is €11,172.00 per annum. No Indexation.	€11,172	€11,208	€140,000
	ID: dri23225 Bahnhofstr. 1-3 95615 Marktredwitz	The property is located in the centre of Marktredwitz, a small town in the northern part of Bavaria, on the motorway A33 and about 40 km east of Bayreuth. The border with the Czech Republic is 15 km to the east.	Part-ownership 588.39/1,000	€22,874	€23,112	€260,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 12 March 2012	The property is a partly 2- and partly 3-storey detached building. There is a Commerzbank branch on the ground floor. The upper floors are used as office space by Commerzbank. We understand that the Property is comprised of: Plot size: n/a Lettable area: 387 sq m 7 car parking spaces	The Property is let to: Barth Steuerberatungsgesellschaft -bank hall/storage- (387.00 sq m) expiring 30 September 2022. Passing rent is €22,874.40 per annum. Indexed 100% VPI p.a..			
	ID: dri23230 Hans-Böckler-Platz 2 45468 Mühlheim/Ruhr Date of Inspection: 29 March 2012	The location of Hans-Böckler-Platz has the "Forum" shopping centre, high-rise residential buildings, office complexes (e.g. "Postbank") and part of a small shopping street. The subject property comprises a retail and a storage unit within the building of the shopping centre "Forum" and can be access via a separate walkway. The storage and sanitary areas in the basement can be accessed via an interior staircase through the retail areas on the ground floor. The property is fitted-out with suspended ceilings, a carpeted floor and double-glazed windows in metal frames. We understand that the Property is comprised of: Plot size: n/a Lettable area: 363 sq m No car parking spaces	Part-ownership 190/1000 The Property is let to: Alpha Copycenter -retail/storage- (363.00 sq m) expiring 31 March 2022. Passing rent is €21,336.00 per annum. Indexed 100% VPI.	€21,336	€21,336	€250,000
	ID: dri23231 Duisburger Str. 282 45478 Mülheim/Ruhr Date of Inspection: 29 March 2012	The property is highly visible due to its corner location on Duisburger Str./Lutherstr. In Lutherstr. there are predominantly residential units, whereas Duisburgerstr. is a main thoroughfare leading westwards out of Mülheim. Public transport stops are located in the immediate area (bus 100 m).	Part-ownership 2,288/10,000 The Property is let to: Max & Moritz Apotheke - retail/office/storage- (272.00 sq m)	€25,344	€25,560	€300,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The 5-storey 1980s building, with a rendered facade, has a banking hall on the ground floor and offices/doctors' surgeries above. The windows are original, the facade needs some cleaning. Car parking spaces are provided behind the building, off Lutherstrasse. We understand that the Property is comprised of: Plot size: n/a Lettable area: 272 sq m 6 car parking spaces	expiring 31 March 2022. Passing rent is €25,344.48 per annum. Indexed 100% VPI p.a..			
	ID: dri23232 Boschetsrieder Strasse 81-83 81379 Munich Date of Inspection: 7 March 2012	Boschetsrieder Strasse is the main road through the Munich district of Sendling; with mixed uses: retail, office and residential; the subject property is situated slightly outside of the main business location of this district. 5-storey building with rendered facade; retail on ground floor, office and residential on upper floors; part-ownership. We understand that the Property is comprised of: Plot size: n/a Lettable area: 626 sq m 3 car parking spaces	Part-ownership 2,587/10,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (626.16 sq m) expiring 31 December 2014. Passing rent is €72,001.80 per annum. Indexed 100% VPI p.a..	€72,002	€74,985	€1,110,000
	ID: dri23241 Allersberger Str. 45 90461 Nuremberg Date of Inspection: 2 March 2012	Located a few hundred metres from the town centre of Nuremberg but separated by the rail tracks and the main railway station; situated at an intersection of several streets (Allersberger Strasse, Strauchstrasse, Scheurlstrasse, Galgenhofstrasse); tram station 100 m away; neighbourhood dominated by secondary retail and residential uses. 7-storey-property with retail on ground floor and office/doctors' surgeries on upper floors; rendered facade, property in medium condition; separate entrances: retail on Allersberger Strasse, upper floors on Strauchstrasse; part-ownership	Part-ownership 1,932/10,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (516.00 sq m) expiring 31 December 2013. Passing rent is €69,170.76 per annum. Indexed 100% VPI p.a..	€69,171	€55,176	€690,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 516 sq m 5 car parking spaces				
	ID: dri23242 Spitalgasse 5 90403 Nuremberg Date of Inspection: 2 March 2012	Located directly in the city centre of Nuremberg but not in a pedestrian zone, which begins on the other side of the street with a market place. Very good amenities and transport facilities. 4-storey office building with banking hall; outside and inside in good condition; divisible into 4 sections per floor. There is a large number of underground car parking spaces. The property seems to be in a good condition. We understand that the Property is comprised of: Plot size: 2,460 sq m Lettable area: 7,769 sq m 116 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (7,769.00 sq m) expiring 31 December 2015. Passing rent is €1,280,603.04 per annum. Indexed 100% VPI p.a..	€1,280,603	€936,264	€14,870,000
	ID: dri23243 Goethestr. 1 90409 Nuremberg Date of Inspection: 2 March 2012	Situated a few hundred metres north of the city centre of Nuremberg in a residential neighbourhood; inside the town centre ring; fairly poor class residential area. 7-storey apartment building with retail units on ground floor; part-ownership; rendered facade.	Part-ownership 18.67/1,000 The Property is let to: Context WAE GmbH -office/storage- (135.00 sq m) expiring 14 September 2013. Passing rent is €11,670.00 per annum. No Indexation.	€11,670	€11,670	€140,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 135 sq m No car parking spaces				
	ID: dri23245 Nelkenstr. 1 90439 Nuremberg Date of Inspection: 2 March 2012	Located in the south-west of Nuremberg, outside the town centre in the suburb of Schweinau; location is dominated by residential and retail uses; bus stop approx. 200 m; underground approx. 5 min. Situated on the junction of Schwalbacher Strasse and Nelkenstrasse the property has an attractive appearance; partly historic facade; bank on ground floor and residential on upper floors; the property appears to be in an average condition of repair. We understand that the Property is comprised of: Plot size: 300 sq m Lettable area: 421 sq m 2 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (370.95 sq m) expiring 31 December 2013. Passing rent is €33,793.92 per annum. Indexed 100% VPI p.a.. Residential- (49.60 sq m) unlimited lease. Passing rent is €2,649.84 per annum. No Indexation.	€36,444	€28,879	€370,000
	ID: dri23246 Gutenbergstr. 3 46045 Oberhausen Date of Inspection: 29 March 2012	The subject property is located on the marketplace in the city centre of Oberhausen, where public parking facilities are provided. 4-storey terraced building accommodates a banking hall on the ground floor and office space above. No on site parking provided. It appears that no major maintenance works are necessary. We understand that the Property is comprised of: Plot size: 397 sq m Lettable area: 834 sq m	Freehold (Eigentum) The Property is vacant.	€0	€63,777	€640,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		No car parking spaces				
	ID: dri23250 Bruchstr. 18 57462 Olpe Date of Inspection: 2 April 2012	The subject property is located on a main thoroughfare in Olpe. The corner location makes the building well visible, although the visibility of the bank branch itself is slightly obscurred due to a projecting building section. A bus stop is located directly in front of the building. The 3 to 5 storey modern complex, with a rendered facade, comprises a banking hall and a retail unit (kitchens) on the ground floor and residential units in the upper floors. It is part of a complex with a similar building adjoining. 2 units vacant. Parking spaces are provided at the back of the building and in a basement garage accessible from the street "Am Bratzkopf". The property is in a good state of repair. We understand that the Property is comprised of: Plot size: 0 Lettable area: 630 sq m 7 car parking spaces	Part-ownership 252/1,000 The Property is let to: Commerzbank AG -bank hall/office- (630.3 sq m) expiring 31 December 2014. Passing rent is €99,813.72 per annum. Indexed 100% VPI p.a..	€100,184	€78,790	€920,000
	ID: dri23251 Möserstr. 7 49074 Osnabrück Date of Inspection: 4 April 2012	The subject property is located in the heart of the city centre of Osnabrück, just off the main pedestrianised high street. A Kaufhof department store, a C&A and a Sports arena are located next to the property. Opposite, on Möserstrasse, the Sparkasse is erecting a large office complex, part of which is supposed to be let out to third party tenants. "Kamp Passage" located behind Möserstrasse was also constructed recently and is in direct competition with the "Deutsch Passage" (visible vacancy) opposite the subject property. "Öwer der Hase" is a one-way U-shaped street with a turning area towards the pedestrian zone near the subject property. Public transport can be reached easily from the property. The 5-storey flat-roofed U-shaped property, with a natural stone facade and coated aluminium windows, was constructed in 1996 on a reinforced concrete frame. The ground floor accommodates the banking hall and two retail units (shoe shop and furniture). There are 4 entrances (two of which are for the banking hall), 2 staircases and 2 lifts. The first floor comprises mainly conference rooms, the floors above are offices. The complete building is fully air conditioned. It has suspended ceilings (floor-to-ceiling height of approx. 2.75 -3.00 m), raised floors and exterior sun blinds. We understand that the Property is comprised of: Plot size: 1,592 sq m Lettable area: 4,866 sq m 27 car parking spaces	Freehold (Eigentum) The Property is let to: Allianz Versicherung AG -office- (775.49 sq m) expiring 31 December 2015. Passing rent is €68,667.60 per annum. No Indexation. Maus -office- (391.67 sq m) expiring 31 December 2016. Passing rent is €28,200.24 per annum. Indexed 10% hurdle/100%. Messe -retail- (172.14 sq m) expiring 31 December 2013. Passing rent is €27,920.16 per annum. Indexed 100% VPI p.a..	€131,508	€483,964	€6,250,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23261 Nördliche Hauptstrasse 4 83700 Rottach-Egern Date of Inspection: 9 March 2012	The property is located immediately next to the Tegernsee (lake) in Rottach-Egern. Tegernsee is a very prosperous location in Bavaria. The subject property is located on the main road alongside the lake, which passes through various smaller towns along the lakeshore. Nördliche Hauptstrasse has various national and local retailers. The property can easily be reached by car and public parking is available immediately opposite. Opposite the building is the town hall/local authority offices (Rathaus, Gemeindeverwaltung) and the Tourist Information of Rottach-Egern. The upmarket fashion retailers Bogner and Strenness are located to the left and right of the property. The property is built in a traditional style for southern Bavaria. The two-storey building has a brick façade and pitched, tiled roof. The ground floor of the property is occupied by Commerzbank with doctors' surgeries on the first and second floors. The property is in a good condition. We understand that the Property is comprised of: Plot size: n/a Lettable area: 529 sq m 6 car parking spaces	Part-ownership 672.41/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (529.00 sq m) expiring 31 December 2014. Passing rent is €91,403.40 per annum. Indexed 100% VPI p.a..	€91,403	€89,880	€1,220,000
	ID: dri23262 Grabenstrasse 9 65428 Rüsselsheim Date of Inspection: 15 February 2012	The subject property is located in the town centre of Rüsselsheim, directly on "Europaplatz". Public parking and transport facilities are in the direct vicinity. Typical 1970s 4-storey flat-roofed office building, with a banking hall on the ground floor and offices above. The prefabricated metal slab facade and the windows need some cleaning. We understand that the Property is comprised of: Plot size: n/a Lettable area: 717 sq m No car parking spaces	Part-ownership 312/1,000 The Property is let to: Commerzbank AG -bank hall/storage- (717.00 sq m) expiring 31 December 2014. Passing rent is €95,760.12 per annum. Indexed 100% VPI p.a..	€95,760	€78,480	€960,000
	ID: dri23265 Schützenplatz 3 38259 Salzgitter	The property is located in the district of Salzgitter-Bad, close to the main central station in the pedestrianised area. Distance to the nearest motorway is 10 km.	Freehold (Eigentum)	€0	€27,540	€250,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 23 March 2012	The property is a 3-storey mixed commercial/residential building. The rear of the building, which is rendered, borders an inner yard which is not in a good condition. We understand that the Property is comprised of: Plot size: 374 sq m Lettable area: 479 sq m No car parking spaces	The Property is vacant.			
	ID: dri23266 Obertorstrasse 44-46 36381 Schlüchtern Date of Inspection: 9 February 2012	The subject property is located at the end of the high street, next to the Sparkasse building. Residential properties are adjacent to the rear of the subject property. Public transport facilities are within easy reach. The 7-storey 1960s/70s high-rise building, with a rendered facade, has a banking hall on the ground floor and residential units above. The entrance to the residential units is behind the building, where the car park is also located. The property is in a good state of repair (e.g. new windows). We understand that the Property is comprised of: Plot size: n/a Lettable area: 427 sq m No car parking spaces	Part-ownership 1,664/10,000 The Property is let to: Commerzbank AG -bank hall/storage- (427.00 sq m) expiring 31 December 2014. Passing rent is €49,889.04 per annum. Indexed 100% VPI p.a..	€49,889	€38,196	€430,000
	ID: dri23268 Ludwigstr. 23 95100 Selb Date of Inspection: 12 March 2012	The property is located in the town centre of Selb. Selb is a small town in the northern part of Bavaria. The town of Bayreuth is 50 km to the southwest and the border with the Czech Republic is 5 km to the east.	Freehold (Eigentum) The Property is vacant.	€0	€25,716	€250,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is an historic 2-storey building. The building is connected to others in this row. We understand that the Property is comprised of: Plot size: 420 sq m Lettable area: 290 sq m 6 car parking spaces				
	ID: dri23270 Bahnhofstr. 1 71063 Sindelfingen Date of Inspection: 15 March 2012	The property is located near the town centre of Sindelfingen. The other buildings in the area are smaller but in similar condition. There is another bank in the same building. The area used by the bank is located in a building with five floors. The property is in reasonable condition. The entrance area appears dark because of the construction of the building. We understand that the Property is comprised of: Plot size: n/a Lettable area: 435 sq m 2 car parking spaces	Part-ownership 205/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (435.00 sq m) expiring 31 September 2013. Passing rent is €49,133.28 per annum. Indexed 100% VPI p.a..	€49,133	€37,758	€470,000
	ID: dri23271 Kölner Str. 115-117 42651 Solingen Date of Inspection: 30 March 2012	The subject property is located just outside the main pedestrian zone in the city centre of Solingen. Along Kölner Str. are smaller retail units with office/residential units above. "Karstadt" and "C&A" department stores are located further up the street near the marketplace/bus station. The 5 storey (at the rear only 1.5 storey) building with a stone slab facade has a banking hall on the ground floor and office units in the upper floors. Parking is provided behind the building.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,377.22 sq m) expiring 31 December 2015. Passing rent is €111,566.76 per annum. Indexed 100% VPI p.a.. Context -office- (198.80 sq m) expiring 31	€133,575	€122,382	€1,420,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 1,344 sq m Lettable area: 1,655 sq m 14 car parking spaces	December 2013. Passing rent is €17,050.92 per annum. No Indexation. Residential- (78.79 sq m) unlimited lease. Passing rent is €4,957.32 per annum. No Indexation.			
	ID: dri23272 Marktstr. 2 31655 Stadthagen Date of Inspection: 21 March 2012	The property is located off the main shopping street in Stadthagen, close to the central bus station. There is a small park next to the building and public parking nearby. Distance to the nearest motorway is 15 km. The property is a detached red-brick office building with a flat roof and aluminium windows. Condition of entrance areas is medium. We understand that the Property is comprised of: Plot size: n/a Lettable area: 844 sq m 15 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -retail- (623.00 sq m) expiring 31 December 2015. Passing rent is €61,482.96 per annum. Indexed 100% VPI p.a.. Stadt Stadthagen -parking (internal)- (12 units) expiring 30 July 2013. Passing rent is €5,500.00 per annum. No Indexation.	€66,983	€62,728	€690,000
	ID: dri23276 Solitudestrasse 218 70499 Stuttgart Date of Inspection: 14 March 2012	Located in Weilimdorf, a suburb of Stuttgart; easy access to motorway A 81 and close to Zuffenhausen; high purchasing power area; bus stop 100 m. 3-storey property with stone-clad facade; retail units on ground floor; offices on upper floors.	Part-ownership 3,699/10,000 The Property is let to: Aura Hausgeräte GmbH -retail- (218.00 sq m) expiring 31 December 2013. Passing rent is €12,000.00 per annum. Indexed 100% VPI p.a..	€12,353	€16,236	€180,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 218 sq m 3 car parking spaces				
	ID: dri23278 Bahnhofstr. 7 83278 Traunstein Date of Inspection: 9 March 2012	The property is located about 350 m away from the local railway station. The retail location can be categorised as secondary (B). Although the quality of the surrounding buildings can be described as high it is not the most frequented location in Traunstein. However, Bahnhofstrasse has other insurance and bank tenants such as HVB, Sparkasse and Bayerische Versicherungskammer. There is one vacant retail unit close to the building but the quality of the vacant retail space there is lower than the subject space. Other than banks, the street is dominated by mainly local fashion retailers. The property is a 3-storey modern mixed-use building with a rendered façade. The ground floor is occupied by Commerzbank and the upper floors are occupied by doctors' surgeries. The overall condition can be described as good.	Part-ownership 566.12/1,000 The Property is let to: Commerzbank AG -bank hall/storage- (365.00 sq m) expiring 31 December 2014. Passing rent is €53,913.96 per annum. Indexed 100% VPI p.a.. Huber -office- (50.46 sq m) expiring 31 July 2014. Passing rent is €4,094.88 per annum. No Indexation.	€58,009	€43,836	€630,000
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 415 sq m No car parking spaces				
	ID: dri23284 Dotzheimer Strasse 176 65197 Wiesbaden Date of Inspection: 15 February 2012	The property is located on the western edge of the city. Dotzheimer Strasse is one of the main streets leading to the district of Wiesbaden-Dotzheim. Retail unit in an apartment complex including some office units. The property has been improved in the last year and is now in a good to medium condition.	Part-ownership 3,447/100,000 The Property is let to: EVIM Gemeinnützige B. -bank hall/storage- (248.00 sq m) expiring 30 September 2013. Passing rent is €16,848.00 per annum. Indexed 100% VPI p.a..	€16,848	€16,968	€190,000
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 248 sq m				

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		5 car parking spaces				
	ID: dri23285 Moritzstrasse 27 65185 Wiesbaden Date of Inspection: 15 February 2012	Property is located on the southern fringe of the city centre. The area is dominated by residential and smaller retail properties. Retail unit (bank) in a 6-storey building, fair general condition. We understand that the Property is comprised of: Plot size: n/a Lettable area: 354 sq m 4 car parking spaces	Part-ownership 24,560/100,000 The Property is let to: Commerzbank AG -bank hall/storage- (354.00 sq m) expiring 31 December 2014. Passing rent is €42,582.12 per annum. Indexed 100% VPI p.a..	€42,582	€38,532	€520,000
	ID: dri23292 Mainluststrasse 13-15 60329 Frankfurt/Main Date of Inspection: 13 February 2012	The subject property is located in the Frankfurt "Bahnhofsviertel" district. The building complex stretches along Gutleutstrasse and Wilhelm-Leuschner-Strasse as well as Windmühlstrasse and Mainluststrasse. The property is on the border of two districts, "Bahnhofsviertel" and "Bankenviertel". Accessibility by car as well as by public transport is very good. The complex comprises two historic adjacent buildings with Mainluststrasse 15 having a separate entrance. Currently the lettable space is accessible via Windmühlstrasse 14. Both properties are linked to Windmühlstrasse 14 in terms of electricity and heating. The property has a sandstone facade and has an above-average standard of fit out, similar to the Windmühlstrasse property. We understand that the Property is comprised of: Plot size: 1,150 sq m Lettable area: 2,652 sq m No car parking spaces	Freehold (Eigentum) The Property is vacant.	€0	€382,741	€5,180,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23295 Lindenallee 3a 99310 Arnstadt Date of Inspection: 27 February 2012	The property is located around 2 km north of Arnstadt town centre in a neighbourhood of similar buildings, some of which are also used by banks (Raiffeisen, Sparkasse, etc.). Distance to the nearest motorway is 3 km. The property is a 2-storey older office building with fitted-out attic and a white rendered facade. There is a parking at the rear and an escalator for wheelchairs at the rear entrance. We understand that the Property is comprised of: Plot size: 1,006 sq m Lettable area: 817 sq m 4 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/storage- (520.00 sq m) expiring 31 December 2013. Passing rent is €58,609.80 per annum. Indexed 100% VPI p.a.. Steuerberater Boseck -office- (296.93 sq m) expiring 28 February 2014. Passing rent is €17,646.60 per annum. Indexed 100% VPI p.a..	€76,256	€59,954	€640,000
	ID: dri23296 Bahnhofstrasse 5-7 08280 Aue Date of Inspection: 29 February 2012	The property is located in the centre of Aue, just a few metres from the pedestrianised zone on a two-lane road. Distance to the nearest motorway is 15 km. The property is a 4-storey art nouveaux building with a sandstone facade. There is a retail unit on ground floor level and office space in the upper floors. We understand that the Property is comprised of: Plot size: 868 sq m Lettable area: 2,355 sq m 6 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (853.00 sq m) expiring 31 December 2013. Passing rent is €100,803.60 per annum. Indexed 5% hurdle/100%. Knoll -office- (195.64 sq m) expiring 31 May 2016. Passing rent is €11,776.38 per annum. Indexed 100% VPI p.a.. Döscher -office- (194.48 sq m) expiring 28 February 2013. Passing rent is €6,407.40 per annum. Indexed 100% VPI p.a..	€119,287	€127,796	€1,210,000
	ID: dri23299 Dr.Wilhelm-Külz-Str. 4-6 04552 Borna	The property is located in the centre of Borna, just off the main shopping area. The surroundings are characterised by similar mixed-use buildings, distance to the nearest motorway is 30 km.	Part-ownership 507/1,000	€31,005	€31,415	€320,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 28 February 2012	The property consists of two refurbished 3-storey buildings with rendered facades and fitted-out attics. There are retail units on the ground floor level and a parking deck at the rear of the buildings (ramp at building No. 6), plus additional parking at the rear of the building (access between Nos. 4 & 6). We understand that the Property is comprised of: Plot size: n/a Lettable area: 573 sq m No car parking spaces	The Property is let to: Commerzbank AG -bank hall/office/storage- (573.00 sq m) expiring 31 December 2016. Passing rent is €31,005.24 per annum. Indexed 100% VPI p.a..			
	ID: dri23302 Breite Str. 32 / Rainergasse 2 04509 Delitzsch Date of Inspection: 28 February 2012	The property is located in the pedestrianised area, next to what appears to be an old watchtower on the town walls. The surrounding properties are similar in size and character to the subject property. There are few unrefurbished buildings left in the town. Distance to the nearest motorway is 12 km. The 3-storey building has a historic facade with brick on the ground floor and render on the upper 2-storeys. On the ground floor there are three retail units: there are office units on the upper floors. The building is connected to "Kornmarkt 4-6" and there is also a passage leading to this building. We understand that the Property is comprised of: Plot size: 613 sq m Lettable area: 887 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (698.00 sq m) expiring 31 December 2013. Passing rent is €68,927.04 per annum. Indexed 5% hurdle / 100%.	€68,927	€60,829	€640,000
	ID: dri23303 Antoinettenstr. 33 06844 Dessau Date of Inspection: 28 February 2012	The property is located around 300 m west of Dessau town centre on a 4-lane urban main road. There are a cinema and large apartment buildings opposite. Distance to the nearest motorway is 6 km.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (1,406.04 sq m)	€181,712	€114,721	€1,180,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is part of a large office building with a red-brick/ glazed façade. There are retail facilities on ground floor level and office space in the upper floors. The rear of the building (not part of property) accommodates a Steigenberger Hotel. We understand that the Property is comprised of: Plot size: 809 sq m Lettable area: 2,553 sq m 6 car parking spaces	expiring 31 December 2013. Passing rent is €137,328.60 per annum. Indexed 100% VPI p.a.. Allianz Beratungs- und Vertriebs- AG -office- (679.80 sq m) expiring 31 December 2017. Passing rent is €40,812.24 per annum. Indexed 100% VPI p.a.. Medx-Medical-Service -retail- (58.35 sq m) expiring 14 July 2013. Passing rent is €3,571.08 per annum. Indexed 100% VPI p.a..			
	ID: dri23306 Dr.-Külz-Ring 10 01067 Dresden Date of Inspection: 22 February 2012	The property is located in the city centre of Dresden. There are very good public transport connections. The shopping street "Prager Str." is 50 m away and passes the rear of the building, which is known as the "House of the Books". The 5-storey building is has a rendered facade with some brown brickwork on ground floor level. The property is in a good condition. It is connected to another building, which is modern with glass architecture. We understand that the Property is comprised of: Plot size: 1,129 sq m Lettable area: 4,526 sq m No car parking spaces	Freehold (Eigentum) The Property is vacant.	€0	€340,968	€3,180,000
	ID: dri23308 Röberstr. 11 04838 Eilenburg Date of Inspection: 28 February 2012	The property is located around 200 m from the town centre of Eilenburg, in a neighbourhood with apparently higher-class mixed-use buildings and some other commercial properties (kindergarten opposite, school nearby). Distance to the nearest motorway is around 15 km. The property is a 2-storey white-rendered detached office building with a tiled roof. There is parking next to the building.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (593.00 sq m) expiring 31 December 2013. Passing rent is €54,285.72 per annum. Indexed 5% hurdle / 100% .	€54,286	€32,220	€340,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 2,241 sq m Lettable area: 593 sq m No car parking spaces				
	ID: dri23309 Am Markt 37 06295 Eisleben Date of Inspection: 27 February 2012	The property is located close to Eisleben town centre on an urban main road. The surrounding buildings are similar to the subject property but most are in slightly worse condition. The distance to the nearest motorway is around 20 km. The property is a 3-storey refurbished old building with fitted-out attic.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (878.41 sq m) expiring 31 December 2013. Passing rent is €82,256.28 per annum. Indexed 5% hurdle / 100% .	€82,256	€87,862	€840,000
		We understand that the Property is comprised of: Plot size: 2,852 sq m Lettable area: 1,345 sq m No car parking spaces				
	ID: dri23310 Badener Tor-Str. 13 76275 Ettlingen Date of Inspection: 16 March 2012	The property is located in the pedestrianised zone of Ettlingen. The pedestrian zone in the area is dominated by small retailers. The property has three floors and is in reasonable condition. The facade is rendered and painted pink.	Part-ownership 400/1,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (322.00 sq m) expiring 30 September 2013. Passing rent is €44,690.52 per annum. Indexed 5% hurdle /100% .	€44,691	€39,420	€510,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: n/a Lettable area: 322 sq m No car parking spaces				
	ID: dri23311 Augustusburger Str. 36 09557 Flöha Date of Inspection: 29 March 2012	The property is located on a main road around 1 km south of the town centre. The surroundings are characterised by similar mixed-use buildings. Two buildings away there is another bank (Sparkasse). The property has two sections: a rendered/red-brick 3-storey old building with fitted-out attic and a new single-storey building adjoining. The property is part of a pair of semi-detached buildings but is in slightly better condition than the adjoining property. We understand that the Property is comprised of: Plot size: 1,230 sq m Lettable area: 929 sq m 10 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall- (397.00 sq m) expiring 31 December 2013. Passing rent is €52,133.04 per annum. Indexed 100% VPI p.a.. Residential- (53.00 sq m) unlimited lease. Passing rent is €2,926.68 per annum. No Indexation. Residential- (55.00 sq m) unlimited lease. Passing rent is €2,814.96 per annum. No Indexation.	€57,875	€57,516	€540,000
	ID: dri23316 Petersstrasse 27 09599 Freiberg Date of Inspection: 29 March 2012	The property is located at the beginning of the pedestrianised area in the town centre of Freiberg. The surrounding buildings are similar to the subject property The property is 4-storey old building with a rendered façade. It has retail units on ground floor level and residential accommodation on the upper floors. We understand that the Property is comprised of: Plot size: 641 sq m Lettable area: 675 sq m	Part-ownership 3,957/10,000 The Property is let to: Commerzbank AG -bank hall/office/storage- (675 sq m) expiring 31 December 2013. Passing rent is €62,819.28 per annum. Indexed 5% hurdle/100%.	€62,819	€46,968	€550,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		5 car parking spaces				
	ID: dri23317 Eisenbahnstr. 126 15517 Fürstenwalde Date of Inspection: 6 March 2012	The property is situated in the town centre, on the fringe of the main shopping street. The railway station is approx. 2 min. away. In general the area is dominated by residential buildings. The property is a two storey office and residential building. The ground floor is occupied by Commerzbank and used as a retail banking unit. We understand that the Property is comprised of: Plot size: 641 sq m Lettable area: 633 sq m 6 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (327.63 sq m) expiring 31 December 2013. Passing rent is €32,218.92 per annum. Indexed 5% hurdle /100%.	€32,229	€37,167	€290,000
	ID: dri23318 Marktstrasse 6 39638 Gardelegen Date of Inspection: 22 March 2012	The property is located on the outskirts of the town centre, in a mixed commercial/residential area. There are public parking spaces on the street. The property is a nicely refurbished art-nouveaux building with a white rendered facade and metal windows. We understand that the Property is comprised of: Plot size: 523 sq m Lettable area: 543 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Residential- (76.71 sq m) unlimited lease. Passing rent is €3,352.20 per annum. No Indexation. Residential- (74.87 sq m) unlimited lease. Passing rent is €3,219.96 per annum. No Indexation.	€6,572	€19,244	€130,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23320 Jakobstrasse 43 02826 Görlitz Date of Inspection: 23 February 2012	The property is located on the central market place (Postplatz) in the historic town centre of Görlitz, which is characterised by similar buildings (including the old post office). There are some public parking spaces, multiple tram lines cross the Postplatz. The distance to the nearest motorway is 10 km. The property is a nicely refurbished neoclassical building with 4 floors and two entrances, both of which are in good condition. We understand that the Property is comprised of: Plot size: 297 sq m Lettable area: 1,062 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (462.00 sq m) expiring 31 December 2013. Passing rent is €44,663.28 per annum. Indexed 5% hurdle /100%. Senckenberg Museum Görlitz -office/storage/other area- (599.96 sq m) expiring 14 December 2014. Passing rent is €30,143.04 per annum. Indexed 100% VPI p.a..	€74,806	€64,385	€620,000
	ID: dri23321 Am Fischmarkt 13 / Hoher Weg 11 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail occupiers and there is a market place in front of the building. The town of Halberstadt has an attractive town centre which attracts a lot of tourists. The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor. We understand that the Property is comprised of: Plot size: 360 sq m Lettable area: 1,858 sq m 46 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (725.31 sq m) expiring 31 December 2017. Passing rent is €59,103.60 per annum. Indexed 5% hurdle / 100%. Dr. Klu -office- (222.20 sq m) expiring 30 June 2018. Passing rent is €13,332.00 per annum. Indexed 100% VPI p.a..	€73,936	€143,855	€1,290,000
	ID: dri23324 Berliner Str. 25 16761 Hennigsdorf	The property is located in a suburb of Berlin on an urban main road. The surrounding building are predominantly of mixed-use, there are large apartment blocks opposite. Distance to the nearest motorway is 4 km.	Part-ownership 491.37/1,000	€38,928	€44,383	€450,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 5 March 2012	The property is a 2-storey yellow-rendered building with a fitted out attic. The quality of the commercial entrances is good, the entrance to the residential area is only fair. We understand that the Property is comprised of: Plot size: n/a Lettable area: 563 sq m 12 car parking spaces	The Property is let to: Commerzbank AG -bank hall/storage- (376.85 sq m) expiring 31 December 2013. Passing rent is €38,928.24 per annum. Indexed 5% hurdle/100%.			
	ID: dri23326 Untere Marktstr. 4 98646 Hildburghausen Date of Inspection: 13 March 2012	The property is located in the town centre of Hildburghausen, a small town in the south of Thuringia. The nearest motorway is the A71, which is about 20 km northwest of Hildburghausen. Erfurt is about 66 km to the north. The property is a 3-storey historic building. It has a refurbished, rendered historic facade. There are parking spaces at the rear of the building. There is a Commerzbank branch on the ground floor. We understand that the Property is comprised of: Plot size: 590 sq m Lettable area: 568 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (567.68 sq m) expiring 31 December 2013. Passing rent is €40,744.32 per annum. Indexed 5% hurdle /100%.	€40,744	€38,176	€330,000
	ID: dri23327 Kirschgartenstr. 10-12 65719 Hofheim Date of Inspection: 15 February 2012	The property is in a prominent location in the town centre of Hofheim. To the left of the rear of the building is a large marketplace with smaller retail units and restaurants. Public transport is directly available in the marketplace.	Part-ownership 18,947/100,000 The Property is let to: Commerzbank AG -bank hall/office- (383.00 sq m) expiring 31 December 2014.	€67,533	€57,294	€810,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The 3 storey modern town centre office building with a rendered facade accommodates the Commerzbank banking hall on the ground floor and office space in the floors above. There is also a Greek restaurant on the ground floor, at the front right hand corner of the building. The entry to the office accommodation is at the rear of the building, in the courtyard, where car parking spaces are available. We understand that the Property is comprised of: Plot size: n/a Lettable area: 383 sq m 1 car parking spaces	Passing rent is €67,533.12 per annum. Indexed 5% hurdle/100%.			
	ID: dri23328 Friedrichstrasse 42 a 02977 Hoyerswerda Date of Inspection: 24 February 2012	The property is located in the historic part of the town centre of Hoyerswerda. The surroundings are characterised by similar and less elaborately refurbished old buildings, most of which are at least partly commercial. Distance to the nearest motorway is 30 km. The property is a 3-storey white rendered neoclassical office building with a fitted-out attic floor. There is a parking and an additional entrance at the rear. We understand that the Property is comprised of: Plot size: 987 sq m Lettable area: 1,016 sq m 16 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (874.00 sq m) expiring 31 December 2013. Passing rent is €75,232.20 per annum. Indexed 5% hurdle /100%.	€75,232	€55,596	€530,000
	ID: dri23332 Goethestrasse 3-5 04109 Leipzig Date of Inspection: 28 February 2012	The subject property is located in the heart of the city centre of Leipzig within the inner ring, just east of the main pedestrianised high street. The university is in the direct vicinity with various building complexes (including a high rise building to the south of the subject property). All public transport systems have stops directly in front of the building. Opposite the subject property is the opera. The famous "Gewandhaus" (concert hall) is located diagonally opposite the property on Augustusplatz. The 6-storey listed building was constructed in 1911. It was completely renovated in 1996 and is still in a very good state of repair. In the course of the renovation the fifth floor was extended. Two retail units on the ground floor are let to a bookstore and Commerzbank respectively. All other areas are let to	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (5,728.00 sq m) expiring 31 December 2015. Passing rent is €711,862.45 per annum. Indexed 5% hurdle/100%. ROTOR Textilien GmbH -retail/storage-	€789,862	€618,366	€9,500,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Commerzbank until 2015. The atrium and generous circulation areas reduce the lettable area substantially. The banking hall and conference rooms are air conditioned. A fully fitted, partly air-conditioned kitchen is currently not being operated. We understand that the Property is comprised of: Plot size: 1,470 sq m Lettable area: 6,389 sq m No car parking spaces	(660.55 sq m) expiring 31 July 2016. Passing rent is €78,000.00 per annum. Indexed 100% VPI p.a..			
	ID: dri23333 August-Bebel-Str. 7 02708 Löbau Date of Inspection: 23 February 2012	The property is located around 150 m north of Löbau town centre, on 2-lane street, along which some public parking spaces are provided. The surroundings are characterised by similar buildings and a large old building probably housing public offices or a school. Distance to the nearest motorway is 15 km. The property is a 2-storey white-rendered detached building, with a tiled roof. There is parking at the rear. We understand that the Property is comprised of: Plot size: 1,790 sq m Lettable area: 867 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office- (867.00 sq m) expiring 31 December 2013. Passing rent is €71,209.44 per annum. Indexed 5% hurdle/100%.	€71,209	€45,084	€470,000
	ID: dri23340 Dohnaischer Platz 7 01796 Pirna Date of Inspection: 23 February 2012	The property is located at the edge of the pedestrianised are in the town centre of Pirna. The surrounding buildings are predominantly refurbished old buildings, mainly in commercial use. The distance to the nearest motorway is ca. 10 km. The property is a fairly new 3-storey office building with a rendered facade and a 2-storey adjoining building. There is a car park at the rear.	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office- (608.00 sq m) expiring 31 December 2013. Passing rent is €68,706.60 per annum. Indexed 5% hurdle/100%. auTec GmbH -retail/storage- (100.69 sq m) expiring 31 December 2013. Passing rent is €10,125.24 per annum. Indexed 5% hurdle/100%. ARWA -office- (189.74 sq m) expiring 30 June 2017. Passing rent is €240.00 per	€79,072	€79,832	€770,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 773 sq m Lettable area: 1,082 sq m 5 car parking spaces	annum. Indexed 5% hurdle/100%.			
	ID: dri23345 Karl-Liebknecht-Str. 4 06862 Rosslau Date of Inspection: 28 February 2012	The property is located in the town centre of Rosslau, opposite a supermarket. The surrounding buildings are similar in style to the subject property. The property is a refurbished old building with 3 storeys and a fitted-out attic. There is a pathway to the rear yard, which provides parking spaces. We understand that the Property is comprised of: Plot size: 678 sq m Lettable area: 688 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank hall/office/storage- (383.12 sq m) expiring 31 December 2013. Passing rent is €32,770.56 per annum. Indexed 5% hurdle /100%.	€32,771	€34,319	€270,000
	ID: dri23348 Mittelstr. 14 04626 Schmölln Date of Inspection: 28 February 2012	The property is located in the town centre of Schmölln, on the edge of the pedestrianised area. Next to the property is a vacant plot of land and a run down building; opposite are railway tracks. The surrounding buildings are predominantly smaller mixed-use properties. Across Mittelstr. there is a new mixed-use building with a pharmacy on ground floor level. The property is a 3-storey art nouveau building with a sandstone and white rendered facade. Apart from the apartments, the building is completely vacant. We understand that the Property is comprised of: Plot size: 320 sq m Lettable area: 720 sq m	Freehold (Eigentum) The Property is let to: Residential- (76.99 sq m) unlimited lease. Passing rent is €3,812.04 per annum. No Indexation. Residential- (60.96 sq m) unlimited lease. Passing rent is €2,640.00 per annum. No Indexation.	€6,452	€31,821	€170,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		No car parking spaces				
	ID: dri23350 Gustav-König-Str. 20 96515 Sonneberg Date of Inspection: 13 March 2012	The property is located in Sonneberg, which is a small town in the south of Thuringia. Erfurt is about 75 km to the north. The motorway A9 is about 40 km to the east and the A71 is some 52 km to the northwest. The property comprises a 4-storey building with parking spaces in the rear yard. It is a corner building. On the ground floor there is a Commerzbank branch, a hairdresser and an insurance company office. The upper floors are residential and doctor's surgeries. We understand that the Property is comprised of: Plot size: 744 sq m Lettable area: 601 sq m No car parking spaces	Part-ownership 289.74/1,000 The Property is let to: Commerzbank AG -office/storage/bank hall- (601.00sq m) expiring 31 December 2013. Passing rent is €51,290.04 per annum. Indexed 5% hurdle/100%.	€51,290	€32,484	€310,000
	ID: dri23354 Steubenstr. 15 99423 Weimar Date of Inspection: 27 February 2012	The property is located in the historic town of Weimar. The city of Weimar, known as "Goethestadt" (Goethe town), is 20 km east of Erfurt and is very popular with tourists. The property is not located in the famous old city centre but some 200 m away from it. The surrounding area is dominated by small retail and residential occupiers. The 4-storey building has a historic facade and a rectangular layout. The windows are in gothic style, as are the front doors. Other than Commerzbank there are two tenants, which occupy small office units. The building has a main entrance at the front which is used by Commerzbank and a side entrance for other office units. We understand that the Property is comprised of: Plot size: 3,837 sq m Lettable area: 6,214 sq m 45 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -office/storage/bank hall- (1,212.90sq m) expiring 31 December 2013. Passing rent is €133,788.24 per annum. Indexed 5% hurdle/100%. Klassik Stiftung Weimar -office/storage- (1,198.80 sq m) expiring 14 December 2013. Passing rent is €48,328.09 per annum. Indexed 5% hurdle/100%. Haema AG -office- (793.11 sq m) expiring 30 April 2018. Passing rent is €36,399.84 per annum. Indexed 5% hurdle/100%.	€249,907	€286,927	€2,310,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23356 Bautzener Str. 54 02943 Weisswasser Date of Inspection: 24 February 2012	The property is located in the town centre of Weisswasser in a mixed-use neighbourhood. The surrounding properties are similar in size and character to the subject property or are of slightly poorer quality. The distance to the nearest motorway is 30 km. The property is a 3-storey neo-classical mixed-use corner building with a red-brick/rendered facade. There is a pathway to the rear yard, from which lead the entrances to the residential units and a car park. There are retail units on ground floor level. We understand that the Property is comprised of: Plot size: 787 sq m Lettable area: 1,604 sq m 5 car parking spaces	Freehold (Eigentum) The Property is let to: Bartholomäus -office- (181.47 sq m) expiring 31 October 2016. Passing rent is €9,310.56 per annum. Indexed 100% VPI p.a.. STBU -office- (92.53 sq m) expiring 31 December 2013. Passing rent is €7,968.00 per annum. Indexed 5% hurdle/100%. Schubert -retail- (66.18 sq m) expiring 31 December 2013. Passing rent is €6,648.00 per annum. Indexed 5% hurdle/100%.	€68,037	€89,700	€800,000
	ID: dri23357 Am Markt 1 16792 Zehdenick Date of Inspection: 5 March 2012	The property is located on the market place, opposite the church. There are similar, although mainly smaller buildings in the surroundings. Distance to the nearest motorway is 30 km. The property is a listed, 2-storey mixed-use corner building with fitted-out attic. The side building is slightly lower than the main section. There is a driveway to an inner yard. We understand that the Property is comprised of: Plot size: 544 sq m Lettable area: 661 sq m 3 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -bank-hall/storag- (416.83 sq m) expiring 31 December 2013. Passing rent is €40,350.24 per annum. Indexed 5%/hurdle 100%. Residential- (69.70 sq m) unlimited lease. Passing rent is €3,571.68 per annum. No Indexation.	€43,922	€51,436	€560,000
	ID: dri23358 Neumarkt 7 09405 Zschopau	The property is located in the town centre of Zschopau on a market place. The surrounding buildings are similar in character to the subject property, there are public parking spaces in the market place. Distance to the nearest motorway is 15 km.	Freehold (Eigentum)	€27,210	€32,742	€300,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Date of Inspection: 29 February 2012	The property is a 3-storey rendered old building with a fitted-out attic. There is a retail unit on ground floor level and office space in the upper floors. We understand that the Property is comprised of: Plot size: 250 sq m Lettable area: 546 sq m No car parking spaces	The Property is let to: Commerzbank AG -office/bank-hall/storag/other area- (323.65 sq m) expiring 31 December 2013. Passing rent is €27,210.24 per annum. Indexed 5% hurdle 100%.			
	ID: dri23359 Dr.-Friedrichs-Ring 23 08056 Zwickau Date of Inspection: 29 February 2012	The property is located in the town centre of Zwickau on the edge of the main pedestrianised area. The surroundings are characterised by similar mixed-use old buildings. There are some public parking spaces in the area. Distance to the nearest motorway is 6 km. The property is a 4-storey old building with a rendered facade. There are retail units on ground floor level and office space in the upper floors. We understand that the Property is comprised of: Plot size: 2,538 sq m Lettable area: 3,437 sq m 28 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -office/bank-hall/storag- (1,832.02 sq m) expiring 31 December 2013. Passing rent is €232,367.16 per annum. Indexed 5%/hurdle 100%. Allianz Deutschland AG -office/storage- (522.41 sq m) expiring 30 September 2013. Passing rent is €45,166.08 per annum. Indexed 100% VPI p.a.. Walter -retail/storage- (160.00 sq m) expiring 31 December 2013. Passing rent is €19,929.60 per annum. Indexed 10%/ hurdle 100%.	€344,162	€325,972	€3,490,000
	ID: dri23360 Berliner Str. 1 03238 Finsterwalde Date of Inspection: 24 February 2012	The building is in the main shopping area of Finsterwalde on a rather busy local access road. Most of the surrounding properties are refurbished old buildings, with commercial occupation on the main street and residential in the side streets. Distance to the nearest motorway is 15 km.	Freehold (Eigentum) The Property is let to: Deutsche Rentenversicherung Brandenburg -office/storag- (143.20 sq m) expiring 31	€79,475	€179,700	€1,150,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is a fairly new, red-brownish rendered corner building on 4 floors. There are several entrances, all in good condition, as well as an underground parking facility and a car park at the rear of the building. We understand that the Property is comprised of: Plot size: 1,280 sq m Lettable area: 3,129 sq m 21 car parking spaces	March 2014. Passing rent is €16,875.84 per annum. Indexed 100% VPI p.a.. mobilcom-debitel -retail- (145.97 sq m) expiring 31 December 2013. Passing rent is €12,000.00 per annum. Indexed 100% VPI p.a.. Wirtschafts- und Die -office- (142.18 sq m) expiring 28 February 2013. Passing rent is €11,148.00 per annum. No Indexation.			
	ID: dri23364 Neustadt 15-15 a 02763 Zittau Date of Inspection: 23 February 2012	The property is located in the town centre of Zittau, on a large square. The surroundings are characterised by old but refurbished medium-sized commercial buildings. Distance to the nearest motorway is 40 km. The property is a 3-storey mixed-use building with a sandstone clad / rendered facade and a fitted-out attic. The property is in a medium to poor condition.There are two entrances at the side of the building in an alley. To the left of the building is an underground car park. We understand that the Property is comprised of: Plot size: 1,540 sq m Lettable area: 2,991 sq m 19 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -storag/bank hall- (800 sq m) expiring 31 December 2013. Passing rent is €55,634.52 per annum. Indexed 5% hurdle/100%. Markus Hänisch AWD -office/retail- (291.65 sq m) expiring 30 November 2013. Passing rent is €19,779.00 per annum. Indexed 5% hurdle/100%. Residential- (352.71 sq m) unlimited lease. Passing rent is €16,920.36 per annum. Indexed 100% VPI p.a..	€116,866	€171,205	€1,440,000
	ID: dri23367 Lauengraben 18 02625 Bautzen Date of Inspection: 23 February 2012	The property is located in the town of Bautzen, which is about 65 km east of Dresden. The border with the Czech Republic is 15 km to the south and the border with Poland is some 50 km to the east. The building is located on a main street. On the other side of the street there is a very large shopping centre. The 3-storey building has a historic facade with brickwork on the ground floor and render on the upper 2 storeys. On the ground floor there are three retail units and there are office units on the upper floors. The building is connected to "Kornmarkt 4-6" and there is also a passage leading to this building.	Freehold (Eigentum) The Property is let to: Dresdner Druck -office/retail/storag- (588.92 sq m) expiring 31 December 2013. Passing rent is €26,290.08 per annum. Indexed 100% VPI p.a.. Debeka Krankenversicherungsverein - office/retail- (198.95 sq m) expiring 30	€55,832	€63,665	€650,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 609 sq m Lettable area: 952 sq m 3 car parking spaces	September 2013. Passing rent is €19,736.52 per annum. No Indexation. Residential- (77.83 sq m) unlimited lease. Passing rent is €5,029,80 per annum. No Indexation.			
	ID: dri23370 Taunusanlage 9 60329 Frankfurt/Main Date of Inspection: 14 February 2012	The subject property is located in the traditional Frankfurt submarket "Bankenviertel" (banking district). In the direct vicinity is the "Skyper" building and the refurbished high-rise T11. The city centre with the "Alte Oper" is some 300 m away. The amenities and transport facilities are very good. The underground station "Taunusanlage" is only 50 m away. The 6-storey office building has a reasonable standard of fit-out, such as a floor-to-ceiling height of 2.50 m and window sill cable ducts. The ground floor and the fifth floor are air conditioned. The main characteristic of the building is the inner courtyard with the open square corridors above, making the office space bright and generous. The property is connected to the adjacent building Marienstrasse 2 and is therefore not separately lettable. A staircase connects the property Taunusanlage 9 with Marienstrasse 2, where a second entrance is located. We understand that the Property is comprised of: Plot size: 2,043 sq m Lettable area: 6,347 sq m 24 car parking spaces	Freehold (Eigentum) The Property is let to: ALPINE Bau Deutschland -office- (340.54 sq m) expiring 30 September 2013. Passing rent is €64,897.20 per annum. Indexed 100% VPI p.a..	€70,329	€1,737,331	€25,880,000
	ID: dri23372 Marienstr.2 60329 Frankfurt/Main Date of Inspection: 14 February 2012	The subject property is located in the traditional Frankfurt submarket "Bankenviertel" (banking district). In the direct vicinity is the "Skyper" building and the refurbished high-rise T11. The city centre with the "Alte Oper" is some 300 m away. The amenities and transport facilities are very good. The underground station "Taunusanlage" is only 50 m away. This part of the complex was constructed in 1988 and has a higher standard of fit-out than Taunusanlage. This includes raised floors, air conditioning, a floor-to-ceiling height of 2.75 - 3 m, natural stone facade. Open plan offices of up to 400 sq m are possible. The 6-storey building complex has various differences in floor levels due to the different construction dates and floor-to-ceiling heights of the two buildings. The entrance on Marienstr. 2 is officially part of the site of Taunusanlage 9, therefore the two buildings are not separately lettable. The technical facilities are also not separable. The access to the basement garage is from Marienstrasse.	Freehold (Eigentum) The Property is vacant.	€0	€832,732	€12,070,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 753 sq m Lettable area: 2,876 sq m No car parking spaces				
	ID: dri23375 Kleiner Burstah 6-10 20457 Hamburg Date of Inspection: 19 March 2012	The subject property is located in the "old city" of Hamburg, a district characterised by office buildings, but also providing restaurants and small shopping facilities. It is not far from the city centre (ca. 250 m). Amenities and transport facilities are good. Public transport stops are nearby (150 m). The distance to the main central station is around 1 km, to the motorway 5 km and to the airport 13 km. The quality of the surrounding properties ranges from good to medium. The property is a 7-storey office building with a glass/aluminium façade, indoor parking facility and exterior sun blinds. The building was recently refurbished. The tenant Provinzial insurance company has also spent a capex for its fit-out. The property can be split into 2 units per floor due to the fact that there is a second entrance with lifts on Ost-West-Str.. Conference facilities are located on the 6th floor, the management offices on the 5th floor. The property is generally in good to very good condition. We understand that the Property is comprised of: Plot size: 2,373 sq m Lettable area: 7,182 sq m 41 car parking spaces	Freehold (Eigentum) The Property is let to: Provinzial Nord Brandkasse AG - office/storage/other area- (7,181.73 sq m) expiring 30 April 2019. Passing rent is €343,551.60 per annum. Indexed 100% VPI p.a..	€1,244,301	€1,229,863	€20,450,000
	ID: dri23378 An der Rheinschanze 1 67059 Ludwigshafen Date of Inspection: 10 April 2012	The property is located in Ludwigshafen, which is located next to Mannheim, Frankfurt and Stuttgart. It is a city-centre location with very good access to the pedestrian zone. A railway station is approx. 50 m away.. The 5-storey building is located at a corner location. The property was built in 1961. The fit out is not to a high standard. The floors could be divided up into three separate sections. The floor-to-ceiling height is 2.50 m. In 1986 a round extension building was added to the existing building. The fit out of the extension building is slightly better. Parking facilities are located in front of the building. We understand that the Property is comprised of: Plot size: 3,230 sq m Lettable area: 5,508 sq m	Freehold (Eigentum) The Property is let to: BASF IT Services GmbH -office/storage- (4,121.38 sq m) expiring 30 April 2014. Passing rent is €343,551.60 per annum. Indexed 100% VPI p.a.. MIKA Pharma GmbH -office/storage- (565.45 sq m) expiring 31 July 2013. Passing rent is €46,833.48 per annum. Indexed 100% VPI p.a.. Büchner -office- (272.38) expiring 31 December 2018. Passing rent is €23,045.64 per annum. Indexed 100% VPI p.a..	€413,431	€430,448	€4,840,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		55 car parking spaces				
	ID: dri23392 Windmühlstrasse 14 60329 Frankfurt/Main Date of Inspection: 13 February 2012	The subject property is located in the Frankfurt district "Bahnhofsviertel" (banking district). The building complex stretches along Gutleutstrasse and Wilhelm-Leuschener-Strasse as well as Windmühlstrasse and Mainluststrasse. The property is on the boundary of the two districts "Bahnhofsviertel" and "Bankenviertel". Accessibility by car as well as by public transport is very good. The subject property was constructed in 1992 for the purposes of Commerzbank. One existing historic building in Gutleutstrasse was integrated. It has a reception area, 5 lift systems, a separate entrance on Gutleutstrasse, raised floors, full air conditioning with humidification, tiltable windows, flexible partition wall system, a floor-to-ceiling height of 2.75 m and partly exterior sun blinds. Four inner courtyards provide adequate daylight. The property has two basement garage levels, a ground floor with some retail units (restaurant) and seven upper floors. We understand that the Property is comprised of: Plot size: 9,560 sq m Lettable area: 40,025 sq m 148 car parking spaces	Freehold (Eigentum) The Property is let to: Paonessa -office/storage- (302 sq m) expiring 14 August 2015. Passing rent is €16,200.00 per annum. Indexed 100% VPI p.a..	€31,610	€6,830,853	€74,800,000
	ID: dri23405 Marsstrasse 20-22 80335 Munich Date of Inspection: 7 March 2012	The property is located in one of the main western streets leading to the city centre, near the main railway station. The location is between the main railway station and Stiglmaierplatz and can be assessed as a good city-centre office location; good amenities and transport facilities. Large office building with 3 basements, ground floor and up to 6 upper floors; metal/glass facade; only two main entrances, which complicates divisibility for reletting of the property; average standard of fit-out; very large empty basement accommodation for the former data processing centre; underground car park with 320 spaces (very good); air-conditioning only in special purpose space not in office space, large canteen on top floor. We understand that the Property is comprised of: Plot size: 5,947 sq m Lettable area: 25,032 sq m 331 car parking spaces	Freehold (Eigentum) The Property is let to: Landeshauptstadt München -office/storage- (2,559.93 sq m) expiring 30 April 2015. Passing rent is €456,112.20 per annum. Indexed 100% VPI p.a.. DEKRA Akademie GmbH -office/storage- (1,802.47 sq m) expiring 15 June 2017. Passing rent is €350,776.80 per annum. Indexed 100% VPI p.a..	€1,275,639	€4,162,746	€63,170,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23406 Theodor-Heuss-Allee 44 60486 Frankfurt/Main Date of Inspection: 14 February 2012	The "Estrella" (Broker Office Centre) is located in the submarket of City West. The local public transport network connection is good. The local railway stations (S-Bahn) 'Frankfurt West' and 'Messe' (serviced by the lines S3, S4, S5 and S6) are located within 2-3 minutes walk of the property. The main railway station is within only one to two stops. There are also tram and bus routes. The property is a trading centre. Three floors are designed as open plan offices. The building is terraced in the upper floors. An inner courtyard provides additional daylight for the top three floors. The offices and conference rooms are located along the facade. The partition walls in the corridors are mostly glazed. The fit-out is of exceptionally high standard: raised floors (35 cm), a floor-to-ceiling height of 5 m in the trading rooms, full air conditioning, escalators, exterior sun blinds etc. The ground floor accommodates conference rooms, the mail distribution centre, offices for the building control system and a canteen. We understand that the Property is comprised of: Plot size: 6,727 sq m Lettable area: 33,246 sq m 170 car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -office/storage- (33,246.21 sq m) expiring 31 December 2016. Passing rent is €11,752,094.28 per annum. Indexed 100% VPI p.a..	€11,768,520	€8,163,283	€139,060,000
	ID: dri23410 Jeversche Strasse 4 - 6 39261 Zerbst Date of Inspection: 27 February 2012	The property is located around 1 km south of Zerbst town centre, on a 2-lane road. Buildings in the vicinity are predominantly refurbished older buildings, most are commercial, some are mixed residential/commercial. Distance to the nearest motorway is around 15 km. The property consists of 2 buildings: The first (Nos. 6 and 6a) is a 4-storey rendered building with fitted-out attic, retail units on the ground floor (one of which is vacant) and residential units on the upper floors. A pathway leads to parking spaces at the rear of this building, the condition of which is fairly good. The second building appears to be an office or mixed-use building on 3-storeys, this unit is in poor condition. The property is valued as land deducted by demolition costs. We understand that the Property is comprised of: Plot size: 503 sq m No lettable area No car parking spaces	Freehold (Eigentum) The Property is vacant.	€0	€0	€5,000
	ID: dri23411 I: Fischmarkt 12, 12a,b 38820 Halberstadt Date of Inspection:	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The town of Halberstadt has an attractive town centre, which attracts many tourists.	Freehold (Eigentum) The Property is let to:	€138,657	€168,355	€1,650,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	22 March 2012	The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor. We understand that the Property is comprised of: Plot size: 652 sq m Lettable area: 1,577 sq m 23 car parking spaces	Parfümerie "Flair" -retail- (346.83 sq m) expiring 31 December 2014. Passing rent is €47,838.12 per annum. Indexed 5% hurdle/100%. Blokker GmbH -office/storage- (374.93 sq m) expiring 31 December 2016. Passing rent is €40,492.44 per annum. Indexed 100% VPI p.a.. IKK gesund plus -office/storage- (251.05 sq m) expiring 31 October 2013. Passing rent is €15,649.20 per annum. Indexed 100% VPI p.a..			
	ID: dri23412 III: Hoher Weg 11a,b 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The town of Halberstadt has an attractive town centre, which attracts many tourists. The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor. We understand that the Property is comprised of: Plot size: 298 sq m Lettable area: 1,423 sq m 12 car parking spaces	Freehold (Eigentum) The Property is let to: Seelhorst -retail- (205.59 sq m) expiring 31 December 2016. Passing rent is €64,282.63 per annum. Indexed 5% hurdle/100%. Oskar Kämmer Schule -office/storage- (1,160,57 sq m) expiring 31 December 2012. Passing rent is €62,113.20 per annum. Indexed 5% hurdle/100%.	€126,816	€126,037	€1,300,000
	ID: dri23413 IV: Hoher Weg 12, 12a-d 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The town of Halberstadt has an attractive town centre, which attracts many tourists. The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a	Freehold (Eigentum) The Property is let to: AWZ Aus- und Weiterbildung -office/storage- (824.45 sq m) expiring 31 December 2013. Passing rent is €55,968.84 per annum. Indexed 5% hurdle/100%. Targobank AG & Co. K -retail- (162.08 sq m) expiring 30 June 2017. Passing rent is	€143,768	€175,756	€1,820,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor. We understand that the Property is comprised of: Plot size: 460 sq m Lettable area: 2,140 sq m 29 car parking spaces	€30,010.20 per annum. Indexed 100% VPI p.a.. Postbank Finanzberatungs AG -office- (305.10 sq m) expiring 30 September 2014. Passing rent is €18,033.96 per annum. Indexed 100% VPI p.a..			
	ID: dri23414 V: Hoher Weg 13, 13a-e 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The town of Halberstadt has an attractive town centre, which attracts many tourists. The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor. We understand that the Property is comprised of: Plot size: 444 sq m Lettable area: 1,861 sq m 26 car parking spaces	Freehold (Eigentum) The Property is let to: Ostharzer Volksbank -retail- (184.41 sq m) expiring 31 October 2014. Passing rent is €25,519.56 per annum. Indexed 100% VPI p.a.. Residential- (77.23 sq m) unlimited lease. Passing rent is €6,620.04 per annum. Indexed 100% VPI p.a.. Residential- (82.49 sq m) unlimited lease. Passing rent is €6,117.36 per annum. Indexed 100% VPI p.a..	€140,784	€139,919	€1,800,000
	ID: dri23415 VI: Hoher Weg 14, 14a-d 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The town of Halberstadt has an attractive town centre, which attracts many tourists. The 5- to 6-storey building has a rendered facade and is in a very good condition. Asset nos. dri23321, dri23411, dri23412, dri23413, dri23414 and dri23415 are connected and form an "L" shaped building complex. There is another retail building connected at Fischmarkt, the tenants there are H&M and a drugstore. At the rear of the building there is an underground garage. The building has residential and office units on the upper floors and retail units on the ground floor.	Freehold (Eigentum) The Property is let to: IKK gesund plus -office- (383.80 sq m) expiring 31 October 2015. Passing rent is €32,096.40 per annum. Indexed 100% VPI p.a.. Köpke -retail- (267.06 sq m) expiring 30 April 2015. Passing rent is €13,345.44 per annum. Indexed 100% VPI p.a.. Kluge -retail- (195.71 sq m) expiring 14 May 2014. Passing rent is €11,043.84 per annum. Indexed 100% VPI p.a..	€150,849	€209,615	€2,280,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property is comprised of: Plot size: 1,052 sq m Lettable area: 2,985 sq m 59 car parking spaces				
	ID: dri23417 Ölmühlweg 65-67 61462 Königstein/Ts. Date of Inspection: 10 April 2012	Königstein is to the north of Frankfurt, 20 minutes from Frankfurt's city centre. The Rhine-Main Airport is reachable within 25 minutes. KTC offers a good view of the ruins of the town's medieval castle in an area surrounded by woods and a natural environment. KTC has functioned as Commerzbank (and formerly Dresdner Bank) Group's communications and training centre since 1971. The facilities were specially designed to meet this requirement. The complex includes six buildings with differing dates of construction. The most recent building dates from 1993. KTC has about 36 seminar rooms (accommodating various groups sizes up to 300 people) and 211 guest rooms. The buildings are in very good condition and have a very high standard of fit-out. The complex includes the following leisure facilities: tennis court, bowling, boules, fitness facilities, swimming pool, sauna, steam bath, solarium, putting green, shooting billiards ,table tennis, etc. We understand that the Property is comprised of: Plot size: 45,750 sq m Lettable area: 15,000 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Commerzbank AG -other- (15,000 sq m) expiring 31 December 2015. Passing rent is €1,621,052.28 per annum. Indexed 100% VPI p.a..	€1,624,307	€1,443,120	€21,450,000
	ID: dri23420 Auf dem Hunnenrücken 2-22 50668 Cologne Date of Inspection: 3 April 2012	The property is located in a established office area in the city centre of Cologne. The multi-storey car park was voted "Top Parking Garage in Cologne" in 2004. The car park is opposite the "Enggasse 3" building and could potentially serve the parking demands of the various office buildings in close proximity. 3-level multi-storey car park. Solid concrete construction with metal-clad facade. We understand that the Property is comprised of: Plot size: 463 sq m 63 car parking spaces	Ground Lease (Expiry) 2066 The Property is let to: Randstad Deutschland -parking internal- (12 units) expiring 31 December 2014. Passing rent is €16,560.00 per annum. Indexed 100% VPI p.a.. Commerzbank AG -parking internal- (7 units) expiring 31 December 2014. Passing rent is €8,904.00 per annum. Indexed 100% VPI p.a.. Sevenal AG -parking internal- (4 units) expiring 31 December 2014. Passing rent is €3,840.00 per annum. Indexed 100% VPI p.a..	€43,879	€75,600	€700,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	ID: dri23421 Bürgermeister-Smidt-Str. 41-4: 27568 Bremerhaven Date of Inspection: 27 March 2012	The property is located in the pedestrianised area, close to the harbour. There are public car parks and other (paying) public parking spaces nearby. Several bus routes pass close to the property. The property is a 4- to 6-storey rendered/partly cladded mixed-use building, with several parking spaces at the rear. The entrance areas are in medium to good condition. We understand that the Property is comprised of: Plot size: 710 sq m Lettable area: 1,852 sq m No car parking spaces	Freehold (Eigentum) The Property is let to: Residential- (76.62 sq m) unlimited lease. Passing rent is €4,183.80 per annum. No Indexation. Residential- (76.62 sq m) unlimited lease. Passing rent is €4,183.68 per annum. No Indexation. Residential- (76.62 sq m) unlimited lease. Passing rent is €4,119.12 per annum. No Indexation.	€39,866	€117,680	€1,330,000
	ID: dri23425 Hoher Weg 38820 Halberstadt Date of Inspection: 22 March 2012	The property is located in the town centre of Halberstadt. The town is located in Saxony-Anhalt about 60 km southeast of Brunswick and 50 km southwest of Magdeburg. The surrounding area is dominated by retail usage and there is a market place in front of the building. The property comprises an open-air car park. We understand that the Property is comprised of: Plot size: 650 sq m	Freehold (Eigentum) The Property is let to: Kluge -parking external- (1 unit) expiring 15 December 2015. Passing rent is €420.00 per annum. No Indexation. Seehorst -parking external- (1 unit) expiring 15 December 2015. Passing rent	€762	€19,800	€162,000

Valuation Report Relating to the Huk Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Huk Portfolio (8 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF HUK PORTFOLIO
(8 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*). We must point out that this comprises an update of a valuation carried out by CBRE in 2006 (date of valuation 14 December 2006) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q1 2013 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 8 freehold equivalent (*Eigentum*) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 44,650,000 (Forty four million six hundred sixty-five thousand Euro) made up as follows:

Schedule	Investment Properties	€ 44,650,000
Total		€ 44,650,000
Total	Net Rent Receivable p.a.	€ 3,635,642
Total	Estimated Net Rental Value p.a.	€ 3,055,177

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on the data and information that was taken into account for the initial valuation (including third party due diligence reports) and also reflects the updated data provided for previous update valuations. For the explicit list of data provided for the initial valuation please refer to the report dated 14 December 2006 and the update valuation report as at 31 December 2007. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

Relevant data for the initial report was provided by, among others, the vendor of the portfolio, and by third party due diligence reports in respect of the specific legal, technical and environmental aspects of the portfolio. We have fully relied on the findings of the reports and have also included updated information that has been provided.

Apart from where updated information has been received, we have compiled this report under the assumption that there is no material change of the physical or the legal conditions of the portfolio, or with regard to the findings of the third party due diligence reports.

In order to carry out the initial valuation of the portfolio, we have reviewed the Reviewed and Updated Preliminary Due Diligence Report by Hengeler & Müller, dated 5 September 2006 (hereinafter referred to as the "Preliminary Due Diligence Report") and the Facility and Environmental Due Diligence Assessment by URS, dated 25 August 2006 (hereinafter referred to as the "F & E Due Diligence") and reflected the relevant information from both due diligence reports, including those findings regarding immediate repair requirements and the general assessments of the properties, in our Valuation and Report. For the update valuation as at 31 December 2010, we were provided with updated forecasts from the Principal regarding Deferred Maintenance, and we have adopted those forecasts in our valuation. Further, we have made market-based assumptions for future CAPEX which cover on-going maintenance and Tenant Improvements expenditures anticipated over the period covered by our DCF calculation.

With regard to the contractual rental situation of the properties, we have calculated all values on the basis of the information provided by the principal in the tenancy schedules, which has been crosschecked with copies of lease contracts provided to CBRE, the unsigned draft lease contract with the main tenant HUK-Coburg and area calculation schedules provided. The details are stated in the relevant sections of this report.

In carrying out our update valuation, the following additional sources were used:

a. Local and regional authorities, for statistical information;

b. Market data from local agents, research institutions (BulwienGesa AG) and other publicly accessible sources;

c. RICS Valuation – Professional Standards, March 2012 ("Red Book"); published by the Royal Institution of Chartered Surveyors;

d. BauGB (Baugesetzbuch - German statutory valuation directives);

e. CBRE research including inter alia:

- discussions with local agents
- discussions with the regional authority for statistical information
- our internal database – including inter alia past valuations.

All conclusions made by CBRE regarding the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided by the principal, Hengeler & Müller and URS.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

For the initial valuation CBRE had access to the subject properties in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

According to our instruction letter, the assets will be inspected on site every 24 months. The properties have been inspected in the course of the 1st quarter 2013. Where changes in the physical composition and legal characteristics of the properties have been communicated to us, we have assumed without verification that these are valid and correct. In cases where we have not been informed of any material changes, and no changes were observable from our most recent on-site inspection, we have assumed that the properties have not materially changed.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the suitability of the subject properties for its purpose or the health of its occupiers and users.

Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the F & E Due Diligence as stated above. For details of the findings for the individual properties please refer to the "Property Report" section of this document and the F & E Due Diligence. We have assumed that all the findings by URS are correct and complete, and have not allowed for any costs related to this topic.

8.4 Site Conditions

We did not carry out investigations on the site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of properties which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurred due to the demolition and removal of any existing structure on the properties.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the findings of the F & E Due Diligence as stated above, and as no issues were identified therein, we have not reflected any costs related to this issue in our valuations.

8.5 Environmental Contamination

As we have not been instructed to do so, we have not undertaken any investigation into the past or present uses of either the properties or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Our valuation is based on the findings of the F & E Due Diligence as stated above, and for details please refer to the "Property Report" section of this document and the F & E Due Diligence. Since no pollutants requiring immediate action were identified, and potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any costs related to this issue in our valuations.

Should it, however, be subsequently established that such contamination exits at any of the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may be found to have a detrimental effect on the value reported.

8.6 Legal Requirements/Consents and Authorization for the Use of the Property

For the compilation of the initial valuation report, we have relied on the legal due diligence report prepared by Hengeler & Müller. Accordingly all material issues included in the findings and conclusions included in this report have been reflected in our report and valuation. An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out by CBRE.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

We have been provided with, as part of the initial valuation, a schedule indicating the sum insured for each of the subject properties and assume that the properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered. Since no information to the contrary has been brought to our attention, we have assumed that the information provided is correct and the relevant policies are still valid or have been replaced with policies that are valid at the date of valuation.

8.9 Town Planning and Road Proposals

We made only general enquiries of the local planning authorities and have relied on information provided to us in the legal due diligence report.

No formal searches were instigated. Except where stated to the contrary, there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the properties.
Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

Other than for the main tenant, as previously stated, no investigations have been carried out concerning either the status of payments of any contractually agreed rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

According to the information provided in the Preliminary Due Diligence Report, some of the tenancy agreements do not comply with the legal requirement for written form. It is also stated that the tenancy agreements include clauses entitling either party to demand that these defects be remedied. In accordance with the findings of the Preliminary Report, we have assumed that all potential risks associated with the legal requirement for written form had been rectified at the date of valuation.

8.13 Employment Matters related to janitors' flats

According to the information provided in the Preliminary Due Diligence Report, the residential accommodation in the properties in Duisburg, Hanover, Coblence and Regensburg has been let as janitor's flats (Hausmeisterwohnungen). Hengeler & Müller are of the opinion that there is a risk that the rights and obligations under the employment contracts may be transferred to the purchaser with the acquisition of the properties. We have been provided by the principal with the information that the vendor will ensure that no liabilities in this respect are transferred to the purchaser.
In our valuation we have therefore assumed that no related costs would be payable by the purchaser.

8.14 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

According to statements in the Preliminary Due Diligence Report, the properties are free from any pending litigation, the real estate is unencumbered and there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value. For details, please refer to the "Property Report" section of this document and the Preliminary Due Diligence Report.

8.15 Subsidies

According to information in the Preliminary Due Diligence Report, the property in Hanover is subject to a subsidy. We have assumed that there will be no future costs related to this subsidy. With regard to the other properties, the Preliminary Due Diligence Report states that there are no circumstances related to subsidies or grants that might influence the value of the properties.

Important
Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included in our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Floor Areas

We have not measured the properties, but have relied on the schedules of the area that were provided to us as part of the tenancy lists. In undertaking our work, we have assumed that these floor areas are correct. For the initial valuation we have also cross-checked the areas in the tenancy schedule with additional calculations provided by HUK-COBURG.

The differences in areas determined by analysing these documents were between –10.9% and +1.0%. The 10.9% variance resulted from an adjustment to the leased area occupied by HUK-COBURG, and has been confirmed as such by the Principal. Aside from this specific example, we consider that the area discrepancies to be minimal and within the expected range, which in general do not present any problems. However, in order to provide a definitive legal opinion, we recommend that an appropriate specialist should be consulted.

9.3 Title, Tenure, Planning and Lettings

With reference to the land register excerpts supplied to us, and the information in the Preliminary Due Diligence Report, we are of the opinion that, in particular, any easements, restrictions, or encumbrances that exist do not have a significant effect on market values. Please refer to the respective paragraphs in the "Property Report" sections in this report. We reserve the right to amend our valuation should this assumption subsequently prove to be incorrect.

We have conducted credit enquiries on the financial status of the main tenant HUK-COBURG only. We have, however, reflected our general understanding of typical purchaser's likely perceptions of the financial status of tenants from a market perspective.

In accordance with the statements in the Preliminary Due Diligence Report, we are of the opinion that:

a. the title of the properties is free from any onerous or hampering restrictions or conditions;
b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning approvals or existing use rights for their current use;
c. the properties are not adversely affected by town planning or road proposals;
d. all buildings comply with all relevant statutory and local authority requirements including building, fire and health and safety regulations;
e. tenants will meet their obligations under their lease contracts, and where appropriate are responsible for insurance and payments of business rates;
f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
g. all vacant accommodation is available to let and unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation;
b. the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.5 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of Section 123 of the German statutory building code (Baugesetzbuch) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat if available) and sewers (for both waste and surface water) and that refuse collection is provided.

9.6 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject portfolio.

Land transfer tax: Under German tax law transfer tax is between 3.5% and 5% of the purchase price. This is generally paid by the purchaser.

Notary and legal fees: The allowance of 0.75% to 1% is in line with average costs for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges for a portfolio of a comparable size.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. For the purpose of this valuation, we have adopted 1.75% to 2.5% of market value.

9.7 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT ("Mehrwertsteuer") on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. **TOBIAS JERMIS**
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06200 Lange Laube 20; 30159 Hanover Date of Inspection 26 February 2013	The complex is located in Hanover in the inner city area on the road Lange Laube, which provides direct access to the A37/A2 motorways to Berlin or Osnabrück. The inner city pedestrian zone is located 300 m away from the object on Lange Laube and the main railway station, providing ICE (high-speed train) connections, is about 800 m away. The nearby surroundings are comprised of a mix of residential, retail and office accommodation. Additionally, there are several restaurants nearby. The campus of the University of Hanover is located in the north-west. The pedestrian zone is accessed via the Goseriede/Münzstrasse ring roads in the east. The subject property is a building complex comprising a 2 to 5- storey new building, erected in the late 1980s, and a 4-storey older building, erected in approximately the 1950s. The property has 4,588 sq m of lettable area.The property has a rendered façade. The windows are double glazed in aluminium frames. All the offices are fitted with exterior aluminium-framed sun-blinds. The windows on the ground floor and mezzanine area are fitted with vertical interior sunshades. The hotel in the old part of the subject property was recently refurbished. The site has 102 underground parking spaces. The parking garage is equipped with ventilation as well as a sprinkler system. The entire building complex has aluminium-framed windows with exterior sun-blinds. The building's main entrance is equipped with aluminium-framed doors with glass panels as well as a revolving door in the same materials. The office areas are carpeted, the sanitary facilities are tiled and the staircases are finished in natural stone. There is one lift in each of the staircases. We understand that the Property is comprised of: Plot size: 2,862 sq m Lettable area: 4,588 sq m 102 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: HUK-Coburg– office/storage (3,359.44 sq m) expiring 31 March 2023. Passing rent is € 583,014.48 per annum. Indexation 100% p.a. Bundesanstalt für Immobilien – office/storage (717.22 sq m) expiring 31 December 2013. Passing rent is € 91,740.48 per annum. Indexation 10% hurdle/100%. Hotel Alpha – Hotel (420.00 sq m) expiring 28 February 2017. Passing rent is € 39,531.00 per annum. Indexation 100% p.a.	€ 744,680	€ 477,289	€ 7,950,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06205 Engelberger-strasse 21 Rennerstrasse 1; 79106 Freiburg Date of Inspection 25 February 2013	The complex is located on Engelbergerstrasse, in Freiburg-Stühlinger on the edge of the city, north-west of the city centre. The Engelbergerstrasse location provides direct access to the A5 motorway Frankfurt/Karlsruhe/Stuttgart or Basel. The inner city area and the main railway station, providing ICE (high-speed train) connections, are located ca. 300-400 m away from the property. The nearby surroundings are comprised of a mix of residential, retail and office accommodation. Opposite the subject property there is a small park, which connects Engelbergerstrasse to the pedestrian zone at the Stühlingerbrücke (bridge). The north-western area is characterised by residential accommodation, whereas office accommodation predominates in the south. The pedestrian zone continues in a westerly direction, behind the main railway station. The six-storey office building was constructed in 1993. It occupies a corner location as a block development along the street with a lettable area of 5,356 sq m. It has a reinforced concrete frame. The office partition walls to the corridors are metal stud partitions with double-sided plasterboard. The partition walls in the offices are secured to the floor coverings. In the second basement there are 96 underground car parking spaces and technical areas. Access to the parking is via Engelbergerstrasse. There are also storage rooms on the 2nd lower floor, with an area of 356 sq m The main entrances are Engelbergerstrasse 21 and Rennerstrasse 1, beneath the arcade. At the rear of the property there is a landscaped inner courtyard. The building is suitable for a division into several rental units. We understand that the Property is comprised of: Plot size: 1,083 sq m Lettable area: 5,286 sq m 96 car parking spaces	Freehold (Eigentum) + underground parking part ownership The Property is let multiple tenants. The main tenants are however: HUK-Coburg – office/storage (1,749.61 sq m) expiring 28 February 2017. Passing rent is € 261,068.04 per annum. Indexation 100% VPI p.a. Universitätsklinikum Freiburg – office/storage (1,038.00 sq m) expiring 31 May 2014. Passing rent is € 125,765.77 per annum. 630 sq m are indexed 100% VPI p.a. the remaining areas are indexed 10% hurdle/100%. Spiessen v. Hahn – office/storage (361.68 sq m) expiring 30 November 2014. Passing rent is € 43,580.76 per annum. Indexation 100% VPI p.a.	€ 678,349	€ 611,058	€ 8,930,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06210 Friedrich-Wilhelm-Strasse 18; 47051 Duisburg Date of Inspection 22 February 2013	The property is situated in the city centre of Duisburg, directly adjacent to the pedestrian zone. Friedrich-Wilhelm-Strasse is characterized by a mixed usage development of office and residential accommodation, as well as numerous retail and restaurant businesses on the ground floors. Approximately 200 m east of the property there is a park (Immanuel-Kant-Park). Friedrich-Wilhelm-Strasse is one of the major access roads to the city centre. Duisburg's main railway station is ca. 600 m southeast of the property. The A40 motorway (Venlo-Duisburg-Essen) is ca. 1 km northwest of the property, the A59 motorway (Duisburg-Dinslaken) ca. 800 m southeast. The subject property is an office building, which was constructed in 1987. It has a total lettable area of approx. 4,124 sq m, 56 underground and 11 external parking spaces. The building is roughly U-shaped. The property has three facades fronting Friedrich-Wilhlem-Strasse, Wallstrasse and Böningerstrasse, respectively. The structure is a reinforced concrete frame structure with a façade partly of red brick and partly of cladding. The windows have anodised aluminium frames with double-glazing. It has a pitched roof and a yard with car parking spaces. Towards Bröningerstrasse there is a section of the building that has only three storeys; the remainder of the building is on 4 storeys. There are two entrances and two staircases which provide access to the building, one at the corner of Friedrich-Wilhelm-Strasse/Wallstrasse and one at the rear of the building in Bröningerstrasse. The building is suitable for a division into several rental units. We understand that the Property is comprised of: Plot size: 2,050 sq m Lettable area: 4,124 sq m 67 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: HUK-Coburg – office/storage (1,914.67 sq m) expiring 28 February 2017. Passing rent is € 252,220.92 per annum. Indexed 100% VPI p.a. Hargreaves raw mater – office/storage (341.08 sq m) expiring 31 August 2015. Passing rent is € 49,392.80 per annum. Indexed 100% VPI p.a. RA Klocke – office/storage (461.00 sq m) expiring 31 August 2015. Passing rent is € 47,117.40 per annum. Indexed 100% VPI p.a.	€ 471,739	€ 409,326	€ 5,770,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06215 Semerteichstrasse 45, Lensingstrasse; 44141 Dortmund Date of Inspection 22 February 2013	The subject property is situated in Dortmund, in the office sub-market of Westfalendamm/Büro Boulevard B1. This area is located in the southeast of the city centre along the B1 which is a busy road connecting the west and east of Dortmund and providing access to the city centre in the north via the B54. Access to the A44 motorway (Dortmund-Kassel) is approximately 7 km away, to the A1 motorway (via A44 Cologne-Dortmund-Bremen) approximately 7.5 km to the east and to the A45 motorway (Dortmund-Giessen) approximately 7.8 km to the west. The inner city lies 2.5 km away. The development along the Semerteichstrasse is characterized in the south and north by office buildings and, further to the south, by multi-storey apartment blocks. Opposite the subject property there are allotment gardens and, to the rear of the property, (freestanding) residential blocks. Along the B1 (federal road) there are further office blocks: a petrol station and car dealerships are located at the junction of Semerteichstrasse. The subject property in Semerteichstrasse consists of a reinforced concrete frame structure with an aluminium curtain wall. It has double-glazed windows with aluminium frames and exterior sun blinds. The main section of the property has 6 upper floors. The basement and the ground floor each have a clear height of ca. 3 m, the remaining upper floors, between 2.2 - 2.3 m. Room depths of the upper floors are between 4 and 4.5 m. Due to their depth and layout the basement and ground floor are exceptionally well-suited to serve as open-plan offices. The building is suitable for a division into several rental units. We understand that the Property is comprised of: Plot size: 2,183 sq m Lettable area: 3,115 sq m 66 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: HUK-Coburg – office/storage (2,292.57 sq m) expiring 28 February 2017. Passing rent is € 290,034.72 per annum. Indexed 100% VPI p.a.	€ 290,035	€ 304,821	€ 3,780,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06220 Frans-Weis-Strasse 10; 56073 Coblence Date of Inspection 21 February 2013	The subject property is located in a commercial area, which borders the city centre to the west (500 m away or 10 minutes on foot). There are several car dealerships in the neighbourhood, a car rental service, retail warehouses, office blocks , as well as numerous businesses including Römhildt Bodenbeläge (floor coverings), Biedermann Haustechnikunternehmen (house automation services), some of which have storage buildings. In the immediate vicinity and to the northwest there is a predominantly multi-storey residential development of average quality. The city centre with its pedestrian zone and "Löhr-Center" shopping centre lies to the east. The commercial park is separated from a residential area by railway tracks to the south and in the west there is a similar residential development. The subject property has good road access to and from the city centre. The B9 Moselring and city centre are easily reached via the central roundabout at Saarplatz about 200 m away. There is also direct motorway access to the A8 motorway in about 5.5 km, as well as access to the A61 motorway via the "Koblenz" motorway junction. The subject property comprises a 2-storey and a 3-storey section, both erected in 1969. The property has a lettable area of 2,182 sq m. It is a reinforced concrete frame construction. An exterior car park has 22 parking spaces. The building is suitable for a division into several rental units, the main roof was replaced recently. We understand that the Property is comprised of: Plot size: n.a. Lettable area: 2,182 sq m 22 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: HUK-Coburg – office/storage (1,771.26 sq m) expiring 28 February 2017. Passing rent is € 191,021.76 per annum. Indexed 100% VPI p.a. Residential (130.93 sq m) unlimited lease. Passing rent is € 4,806.72 per annum. No indexation.	€ 195,828	€ 171,841	€ 2,190,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06225 Albertstrasse 2; 93047 Regensburg Date of Inspection 18 February 2013	The complex is located in Regensburg, on the city boundary, south of the inner city on Albertstrasse, which provides direct access to the A93/A3 motorways to Nuremberg and Munich respectively, via Kumpfmühler Strasse and the main road leading to the motorway (Kirchmeier Str), ca. 3 km away. The main railway station is located ca. 300 m away from the property on Albertstrasse. The inner city and historic town centre are about 400 m away and are easily accessible on foot. The development in the eastern section of Albertstrasse is characterized by detached villas providing a combination of residential and office accommodation. Opposite the subject property is the Schlosspark Thurn und Taxis park, which connects Albertstrasse with the inner city and the historic old town to the north. The northwest region, along the railway tracks, is primarily one of mixed uses (office and residential accommodation). The railway tracks continue in a southerly direction. The four-storey office building with shed roof and basement garage is a perimeter block development in a corner position on Albertstrasse, Margaretenstrasse and Bahnhofstrasse. It was built in 1992. The lettable area is about. 3,776 sq m. The underground garage has 41 parking spaces; the access to the parking level is from Albertstrasse. There are a further 13 parking spaces in the rear section of the building. Access is from Albertstrasse, Margaretenstrasse and Bahnhofstrasse. The northern entrance is accessed from a hall leading from Albertstrasse and Margaretenstrasse. The building is suitable for a division into several rental units. We understand that the Property is comprised of: Plot size: 3,158 sq m Lettable area: 3,776 sq m 54 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: HUK-Coburg – office/storage (2,224,03 sq m) expiring 28 February 2017. Passing rent is € 275,778.48 per annum. Indexed 100% VPI p.a. in-TRUST AG – office (633.00 sq m) expiring 31 July 2016. Passing rent is € 74,514.84 per annum. 423 sq m are indexed 100% VPI p.a. the remaining areas are indexed 10% hurdle/100%. Rechtsanwaltskanzlei – office/storage (334.15 sq m) expiring 31 December 2018. Passing rent is € 37,591.57 per annum. Indexed 8% hurdle/100%	€ 444,701	€ 401,352	€ 6,230,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06230 Friedrich-Ebert-Strasse 21; 34117 Kassel Date of Inspection 26 February 2013	The complex is located in Kassel, on the city boundary, west of the inner city, on the 4-lane Friedrich-Ebert-Strasse, which provides direct access to the A49, A44 and A7 motorways to the Ruhr area and to Frankfurt (about 4 km away). The inner city area and the main railway station, providing ICE (high-speed train) connections, are located 300-400 m away from the property. The nearby surroundings are comprised of a mix of residential, retail and office accommodation. The area is characterised by residential accommodation on Karthäuser Strasse towards the south, with mixed uses to the west and east of the property along Friedrich-Ebert-Strasse. Office accommodation is prevalent to the north, in the area of the main railway station. The main shopping street (Obere Königsstrasse) and the pedestrian zone connect to the city centre, ca. 400 m east of the property. The four-storey office building, with a roof storey and two basement garage levels, is a perimeter block development in a corner position on Friedrich-Ebert, Karthäuser- und Jordanstrasse. The complex is U-shaped, the lettable area is approx. 3,920 sq m. The two basement levels house a total of 67 parking spaces and the technical installations. The access to the parking levels is from Jordanstrasse. The building is a reinforced concrete construction with a façade clad in natural stone. The deep-set windows partly have sloping breast walls and exterior sun blinds. They are double-glazed in thermal-break aluminium frames. The inner courtyard formed from the first floor upwards has a steel and glass pyramid roof. The building is suitable for a division into several rental units. We understand that the Property is comprised of: Plot size: 1,382 sq m Lettable area: 3,927 sq m 63 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: HUK-Coburg – office/storage (1,813.99 sq m) expiring 28 February 2017. Passing rent is € 289,047.36 per annum. Indexed 100% VPI p.a. Signet GmbH – office (1,020.00 sq m) expiring 31 December 2013. Passing rent is € 70,920.00 per annum. Indexed 100% VPI p.a. Kesseler Verkehrs- u – office/storage (325.00 sq m) expiring 31 August 2015. Passing rent is € 29,415.00 per annum. Indexed 5% hurdle/100%	€ 422,061	€ 341,235	€ 4,960,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: huk06235 Pfarrer-Byns-Strasse 1; 53121 Bonn Date of Inspection 21 February 2013	The property is situated in Bonn, in the district of Endenich. Endenich has ca. 12,000 inhabitants. Endenich is located close to the A 565 motorway, which can be reached 900 m south of the subject property via the B56 (Hermann-Wandersleb-Ring/Provinzialstrasse). Endenich's centre is situated ca. 500 m east of the subject property. Pfarrer-Byns-Strasse can be accessed via the Hermann-Wandersleb-Ring (ring road). An office and administration building, occupied by "Ideal-Standard", a manufacturer of sanitary fittings, is located opposite the subject property. Bordering the property to the south is a beverage cash-and-carry store, as well as several apartment blocks. There is a further residential development (an apartment block) in the immediate neighbourhood, as well as several retail warehouses, a petrol station, numerous commercial businesses and some scattered office buildings. On the opposite side of the street on the northern side of Hermann-Wandersleb-Ring there is a nature reserve with open fields. A large office complex is located ca. 300 m south at the junction of Hermann-Wandersleb-Ring / Rochusstrasse / Provinizialstrasse. Bonn's main railway station is ca. 2.2 km away to the east and in close proximity to the inner city of Bonn. The subject property is an office building, constructed in 1976, with approx. 3,304 sq m of lettable space. It is a reinforced steel-frame structure with a façade of anodised aluminium panels and a band of double-glazed windows with aluminium frames. It also has exterior sun-blinds. The building's T-shaped layout, with its four-storey front building, connects to a three-storey building at the back of the site and to an underground car park. We understand that the Property is comprised of: Plot size: 3,254 sq m Lettable area: 3,400 sq m 69 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: HUK-Coburg – office/storage (2,030.53 sq m) expiring 28 February 2017. Passing rent is € 250,195.56 per annum. Indexed 100% VPI p.a. Bonn International C – office/storage (908.00 sq m) expiring 30 June 2017. Passing rent is € 85,784.76 per annum. Indexed 100% VPI p.a. Rae Neukirchen – office/storage (461.44 sq m) expiring 31 August 2015. Passing rent is € 47,661.25 per annum. Indexed 100% VPI p.a.	€ 388,250	€ 338,255	€ 4,840,000

Valuation Report Relating to the Mars Fixed II Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Mars Fixed II Portfolio (3 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF MARS FIXED II PORTFOLIO
(3 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE Germany in 2006 (date of valuation 1 December 2006) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q1 2013 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 3 freehold equivalent (*Eigentum*) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 96,410,000 (Ninety-six million four hundred ten thousand Euros) made up as follows:

Schedule	Investment Properties	€ 96,410,000
Total		€ 96,410,000
Total	Net Rent Receivable p.a.	€ 6,292,242
Total	Estimated Net Rental Value p.a.	€ 7,240,048

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

Accordingly the valuation reflects the physical, economical, legal & regulatory status of the portfolio on the basis of the information contained in these documents. Variations and amendments to these documents have been adopted as instructed specifically in writing by the Principal. CBRE accepts no liability for any errors or amendments which may have occurred after this date of which CBRE has not been expressly informed and instructed accordingly by the Principal. All conclusions made by CBRE regarding the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

For the initial valuation CBRE had access to the subject properties in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

According to our instruction letter, the assets will be inspected on site every 24 months. The properties were inspected in the 1st quarter 2013. Where changes in the physical composition and legal characteristics of the properties have been communicated to us, we have assumed without verification that these are valid and correct. In cases where we have not been informed of any material changes, and no changes were observable from our most recent on-site inspection, we have assumed that the properties have not materially changed.

8.3 Deleterious Material etc.

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We have assumed that there are no further building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for its purpose or the health of its occupiers and users.

Common examples of such materials include high alumina cement concrete, calcium chloride, asbestos and wood wool as ermanent shuttering.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the third party due diligence reports as stated above. Since none of the pollutants require immediate action and potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any such costs in our valuations.

8.4 Site Conditions

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

8.5 Environmental Contamination

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We have assumed that there are no further issues concerning the subject properties regarding contamination and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties.
As we had not been specifically instructed to do so, we have not undertaken any investigation into the past or present uses of either the properties or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.
Should it, however, be subsequently established that such contamination exists at the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

For the compilation of the initial valuation report, we have relied on the final legal report prepared by Freshfields. Accordingly all material issues included in the findings and conclusions included in this report have been reflected in our report and valuation. An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out by CBRE.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

We made only general enquiries of the local planning authorities and have relied on information provided to us in the legal due diligence report.

No formal searches were instigated. Except where stated to the contrary, there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the properties.
Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.10Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject properties, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.
Where there is high voltage electricity supply apparatus within close proximity to the properties, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenants. Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the properties are free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate other than those referred to in the respective valuation, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the properties.

<u>Important</u>

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Surface Areas

We have not measured the properties but have relied upon the schedules of area that were provided to us within the tenancy lists and the technical due diligence assessment. In undertaking our work, we have assumed that these floor areas are correct.

9.3 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.
We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of typical purchasers' likely perceptions of the financial status of tenants from a market perspective.

Specifically we have assumed that:

a. the title of the property is free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the property is not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates.

f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

g. all vacant accommodation is available to let, unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.5 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (§ 123 BauGB) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.6 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject property.

Land transfer tax: Under German tax law, transfer tax is between 3.5% and 5% (Hessen 3.5%, Hamburg 4.5% and Nord Rhine-Westphalia 5%) of the purchase. This is generally paid by the purchaser.

Notary and legal fees: We have reflected an allowance of 0.2% up to 1.0% for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges, depending on purchase volume. For further information please refer to Appendix E "Market Value Calculations".

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have therefore adopted a range of 1% up to 2%.

9.7 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called "cardinal duties", the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: mhb06540 Luisenstr. 12/12a/12c, 20; Schuchard-str. 5, 13; Ernst-Ludwig-Str. 3, 5; 64283 Darmstadt Date of Inspection: 20 February 2013	The subject property ‘Carree’ is located in the city centre of Darmstadt. The ‘Carree’ which is perfectly embedded in the pedestrian zone, forms the core of Darmstadt´s inner city. The main inner city shopping streets (Luisenstrasse, Schuchardstrasse and Ernst-Ludwig-Strasse) are connected via the inner courtyard of the ‘Carree’. The city centre is a mixed use area with several offices, retail stores, two department stores (Kaufhof and Karstadt) and a shopping centre (Luisencenter). Various major fashion companies, such as Zara and H & M in Luisencenter, have their fashion stores in Luisenstrasse / Schuchardstrasse. The A672 and A5/67 motorways are 3 km and 4 km away, respectively. Moreover, Frankfurt International Airport is within 28 km. A bus and a tram station are located some 200 m away from the ‘Carree’; the main train station is just 1.5 km away. The building complex is divided into three segments. Segment A comprises the buildings housing the food court and the hall for music events and theatre performances. Segment A was erected in 1880 and refurbished in 1996. It comprises two equally elongated components with two separate entrances. The building has an attractive design and appearance which is also reflected in the high standard of the entrances in the inner courtyard. On the other side there are entrances to Schuchardstrasse. Segments B and C are mainly office and retail. They were erected in 1970 and 1960, respectively. The ground floor comprises one large book store and one large retail store. In the upper floors there are mainly fitted out offices. The building complex provides approx. 325 parking spaces in the basement. Another major characteristic of the building complex is the inner courtyard, which is completely paved. In terms of security there is a closed circuit television system in place. The inner courtyard connects Luisenstrasse, Schuchardstrasse and Ernst-Ludwig-Strasse. The connecting passages between Luisenstrasse and	Freehold (Eigentum) and rented open area The Property is let to multiple tenants. The main tenants are however: Douglas Holding AG – retail/storage (1,445.65 sq m) expiring 31 January 2018. Passing rent is € 626,163.36 per annum. Indexed 10% hurdle/100%. Heinrich Hugendubel – retail/storage (1,982.96 sq m) expiring 31 December 2014. Passing rent is € 522,897.36 per annum. Indexation 100% VPI p.a. Q-Park GmbH & Co. KG – parking internal (325 units) expiring 16 April 2017. Passing rent is € 363,733.56 p.a.	€ 3,930,788	€ 4,593,416	€63,280,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Ernst-Ludwig-Strasse provide several retail stores and a continuous pedestrian flow. The saddleback roofed buildings have 12 elevators and two escalators. We understand that the Property is comprised of: Plot size: 8,255 sq m Lettable area: 18,662 sq m 325 car parking spaces				
Unit-ID: mhb06650 Weg beim Jäger 218-222; 22335 Hamburg Date of Inspection: 27 February 2013	The property is located in the immediate neighbourhood of Hamburg Airport in an area dominated by owner occupiers and airport related tenants. Good access by car and public transport (bus stop in front of building, connection to city centre via U-Bahn-Station "Alsterdorf" in approx. 30 minutes and to the airport in 5 minutes). It is close to the busy junction of "Alsterkrugchaussee". The surrounding areas comprise middle class residential, office and light industrial properties (Bentley, Philips, Desitin etc.) as well as hotels. There is good access to the A7 motorway, city centre and Hamburg ring roads. The large pentagonal site covers an area of approximately 3,104 sq m. The main entrance and underground parking are directly accessible from "Weg-beim-Jäger". It is a very visible location. The office building with up to 5 storeys was built in 1994 and is of a high quality, with a combination of brick and glass element facades as well as a bright spacious entrance hall with a glass roof. The building has an attractive central staircase and lifts under a glazed panorama roof. There are sufficient internal parking spaces available in the basement car park, which is accessible from the entrance hall. Other major characteristics of the building are: • Raised floors/cable conduits • Flexible room layout • Stone floor in the entrance hall	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Ulfried Fritsche – office (1,237.62 sq m) expiring 31 October 2013. Passing rent is € 164,924.52 per annum. Indexation 100% VPI p.a. ITG-GmbH – office (657.00 sq m) expiring 28 February 2015. Passing rent is € 82,433.76 per annum. Indexation 100% VPI p.a. Starkey Laboratories – office (739.53 sq m) expiring 31 August 2016. Passing rent is € 82,407.24 per annum. Indexation 100% VPI p.a.	€ 569,463	€ 642,773	€6,560,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	We understand that the Property is comprised of: Plot size: 3,104 sq m Lettable area: 6,040.40 sq m 111 car parking spaces				
Unit-ID: mhb06685 Salierring 47-53; 50677 Cologne Date of Inspection: 22 February 2013	The subject property is located in the south west of the city centre of Cologne, approx. 1 km from the main train station. Situated on one of the main ring streets in Cologne, the area is predominately used as a residential and office area. Motorways such as the A3, A4 or A559 are within a distance of approx. 6 km. The site is flat, irregular in shape and covers an area of 2,480 sq m. The building is very prominent and highly visible at the location since it adjoins a landmark: Barbarossaplatz. The main entrance is accessible from Salierring, the underground car park can be accessed from Trierer Strasse. The property was initially erected in 1972 and was completely refurbished between 2001 and 2002. It comprises an 18-storey office building and a 3 storey retail component with its own underground car park at the rear of the site. The office building is accessible by four elevators. It is dividable into small units of 100 sq m and is fitted out with a glazed/metal façade. The retail component, used by a DIY store, has a functional fit-out, an average appearance without special features and is accessed by an elevator from the underground car park. Other major characteristics of the office building are: • Suspended ceilings, cable trunks along outside walls • Glass/aluminium facade and windows with external sun protection • Axis dimensions and room depths allow for efficient use of the space • Flexible partition wall system • Partly air conditioning • Natural stone floor in the entrance hall	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Bauhaus AG – retail (1,677.04 sq m) expiring 31 October 2014. Passing rent is € 342,887.88 per annum. Indexed 10% hurdle/100%. Itzehoer Versicherung – office (2,182.00 sq m) expiring 30 June 2017. Passing rent is € 318,405.12 per annum. Indexation 100% VPI p.a. Unicepta Gesellschaft– office (1,876.42 sq m) expiring 31 May 2014. Passing rent is € 289,285.29 per annum. Indexation 100% VPI p.a.	€ 1,791,990	€ 2,003,859	€26,570,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	We understand that the Property is comprised of: Plot size: 2,480 sq m Lettable area: 13,572.50 sq m 176 car parking spaces				

Valuation Report Relating to the Mars FL Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Mars FL Portfolio (10 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF MARS FL PORTFOLIO
(10 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE Germany in 2006 (date of valuation 1 December 2006) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q1 2013 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 9 freehold equivalent (*Eigentum*) Properties and 1 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 128,965,000 One hundred twenty eight million nine hundred sixty five thousand Euros) made up as follows:

Schedule	Investment Properties	€ 128,965,000
Total		€ 128,965,000
Total	Net Rent Receivable p.a.	€ 9,657,100
Total	Estimated Net Rental Value p.a.	€ 14,298,868

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer”:

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

Accordingly the valuation reflects the physical, economical, legal & regulatory status of the portfolio on the basis of the information contained in these documents. Variations and amendments to these documents have been adopted as instructed specifically in writing by the Principal. CBRE accepts no liability for any errors or amendments which may have occurred after this date of which CBRE has not been expressly informed and instructed accordingly by the Principal. All conclusions made by CBRE regarding the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

For the initial valuation CBRE had access to the subject properties in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

According to our instruction letter, the assets will be inspected on site every 24 months. The properties were inspected in the 1st quarter 2013. Where changes in the physical composition and legal characteristics of the properties have been communicated to us, we have assumed without verification that these are valid and correct. In cases where we have not been informed of any material changes, and no changes were observable from our most recent on-site inspection, we have assumed that the properties have not materially changed.

8.3 Deleterious Material etc.

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We have assumed that there are no further building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for its purpose or the health of its occupiers and users.

Common examples of such materials include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

We have not been instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the third party due diligence reports as stated above. Since none of the pollutants require immediate action and potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any such costs in our valuations.

8.4 Site Conditions

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

8.5 Environmental Contamination

We have relied on the findings of the technical and environmental due diligence report carried out by THP for the individual properties in the course of the initial report. We have assumed that there are no further issues concerning the subject properties regarding contamination and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties.

As we had not been specifically instructed to do so, we have not undertaken any investigation into the past or present uses of either the properties or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Should it, however, be subsequently established that such contamination exists at the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

For the compilation of the initial valuation report, we have relied on the final legal report prepared by Freshfields. Accordingly all material issues included in the findings and conclusions included in this report have been reflected in our report and valuation. An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out by CBRE.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

We made only general enquiries of the local planning authorities and have relied on information provided to us in the legal due diligence report.

No formal searches were instigated. Except where stated to the contrary, there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the properties.

Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

Assumptions regarding the Future
For the purpose of determining the market value of the subject properties, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.
Where there is high voltage electricity supply apparatus within close proximity to the properties, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.11 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenants. Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.12 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the properties are free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate other than those referred to in the respective valuation, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.13 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the properties.

Important
Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Surface Areas

We have not measured the properties but have relied upon the schedules of area that were provided to us within the tenancy lists and the technical due diligence assessment. In undertaking our work, we have assumed that these floor areas are correct.

9.3 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of typical purchasers' likely perceptions of the financial status of tenants from a market perspective. Specifically we have assumed that:

a. the title of the property is free from any onerous or hampering restrictions or conditions;
b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;
c. the property is not adversely affected by town planning or road proposals;
d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;
e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates.
f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
g. all vacant accommodation is available to let, unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.
b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.5 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (§ 123 BauGB) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.6 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject property.

Land transfer tax**:** Under German tax law, transfer tax is between 3.5% and 5% of the purchase. This is generally paid by the purchaser.

Notary and legal fees: We have reflected an allowance of 0.3% up to 1.0% for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges, depending on purchase volume. For further information please refer to the respective market value calculations.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have therefore adopted a range of 1% up to 3%.

9.7 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called "cardinal duties", the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
ID:mfl06500_mfl 06780 Gradestraße 42 - 50, Tempelhofer Weg 60, 12347 Berlin Date of Inspection: 27 February 2013	The property is located in the south of Berlin in the district of Neukölln within a commercially used area. The property benefits from its close proximity to the A100 motorway, which is within 1 km. The Airport Berlin Brandenburg International (BBI) in Schönefeld is accessible in 15 minutes. The 170 bus line stops almost in front of the building and the next subway station, Blaschkoallee, is within 1 km. The irregular shaped site covers an area of approximately 10,999 sq m and is flat. The building is well visible from Gradestrasse. The entrance to the site as well as the underground parking is at the rear of the front building and is accessible from Gradestrasse. The subject property comprises 2 flat roofed buildings. The property was completed in 1998 and is occupied by various tenants from the IT and technical sector. The areas can be adapted to combine office and service functions. Other major characteristics of the building are: • Floor to ceiling height of 3 m; on the ground floor (service space) 3.60–4.45 m • Suspended ceilings with integrated lighting and window-sill cable trunking • Flexible partition wall system • Goods lift • Roller shutters with ground level loading and unloading facilities We understand that the Property is comprised of: Plot size: 14,768 sq m Lettable area: 17,533 sq m 245 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Versatel Ost GmbH – office/storage (1,854.71 sq m) expiring 30 November 2014. Passing rent is € 248,210.64 p.a. Indexation 10Pts. Hurdle/100%. Konica Mionlta – office (2,251.29 sq m) expiring 28 February 2014. Passing rent is € 232,904.04 p.a. Indexation 100% VPI p.a. Tyco Holding GmbH – office/storage (1,757.65 sq m) expiring 30 June 2014. Passing rent is € 183,191.39 p.a. Indexation 100% VPI p.a.	€ 1,226,468	€ 1,579,916	€ 19,510,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
ID:mfl06550 Erkrather Str. 343, 40231 Düsseldorf Date of Inspection: 2 February 2011	The property is located in the south-east part of Dusseldorf between a residential and a commercial used area, in the suburb of Lierenfeld. The property benefits from its close proximity to the A46 motorway, which is within 5.5 km. The very good local public transport system offers direct connections to the city centre and the train station. The large rectangular site is flat and covers an area of approximately 8,520 sq m. The building complex is easily accessible from Erkrather Strasse, which is one of the main radial motorways from the south. The main entrances to both building sections are accessible from Erkrather Strasse, while the underground parking at the rear can be reached via Lierenfelder Strasse. There is a paved parking area (external) next to the building. The subject property comprises two adjoining buildings with flat roofs. The property was completed in 1994 and is mainly occupied by McFit, Bundesanstalt für Immobilienangelegenheiten and Berufsbildungszentrum. A tyre dealer is situated at the back of the building. The office units are accessible through two entrances at the front of the building, while the fitness studio can be reached from the rear courtyard. On the basement floors of both buildings there are a total of 111 parking spaces with a further 262 external parking spaces. Other major characteristics of the building are: • Floor to ceiling height of 2.70 m in the office units • Raised floors/cable conduits • Flexible partition wall system • Sprinkler system, fire alarm system • 1 lift We understand that the Property is comprised of: Plot size: 8,520 sq m Lettable area: 8,261 sq m 373 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: McFit Fitness GmbH – retail (2,380.35 sq m) expiring 30 September 2020. Passing rent is € 240,888.24 p.a. Indexed 100% VPI p.a. Bundesanstalt für Immobilienangelegenheiten – office (1,471.80 sq m) expiring 31 August 2020. Passing rent is € 148,000.20 per annum. Indexed 100% VPI p.a. Berufsbildungszentrum GmbH – office (657.00 sq m) expiring 31 July 2013. Passing rent is € 58,530.60 per annum. Indexed 100% VPI p.a.	€ 619,970	€ 799,230	€ 5,760,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
ID:mfl06585 Berner Str. 23, 60437 Frankfurt am Main Date of Inspection: 3 March 2011	The property is located in the northern part of Frankfurt called "Frankfurt-Nieder-Eschbach" between a residential and a commercial area as well as the motorway junction of the "Bad Homburger Kreuz". The property benefits from its close proximity to the A661 and A5 motorways, both within 4-5 km distance and the preferred residential locations of the Taunus (mountain range in the federal state of Hesse). Several bus lines offer direct connection to the city centre and the main train station. The nearly rectangular site covers an area of approximately 7,071 sq m. It is a 3 storey building. The main entrance as well as the underground parking has direct access from Berner Strasse. The subject property comprises 3 flat roofed interconnected buildings. The property was completed in 1988 and was fully occupied by SAGE Software, a leading IT company, until 30 September 2007. At the date of valuation the property was 39.7% vacant.. Other major characteristics of the building are: • Flexible partition wall system • Conference rooms • Security system • Stone / brick façade We understand that the Property is comprised of: Plot size: 7,071 sq m Lettable area: 5,688 sq m 115 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Santander Bank – office/storage (1,155.47 sq m) expiring 31 December 2016. Passing rent is € 94,109.16 p.a. No indexation. Glidewell Europe – office/storage (912.71 sq m) expiring 14 September 2019. Passing rent is € 44,013.24 p.a. Stepping Rent. Sachverständigenbüro IMK – office (513.52 sq m) expiring 30 September 2016. Passing rent is € 43,654.56 p.a. Indexed 100% VPI p.a.	€ 200,128	€ 552,984	€ 3,120,000
ID:mfl06625	The property is centrally located in Fürth directly at the main train station, the bus station, subway station	Leasehold (Erbbau) expiring 07 July 2070, annual rent is	€ 1,073,879	€ 1,327,841	€ 9,500,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Fürther Freiheit 8-10, 90762 Fürth Date of Inspection: 18 February 2013	and the market place. The area is dominated by retail and office use. The pedestrian shopping zone is just 100 m away. The property benefits from its close proximity to the public transport system and the pedestrian area, which is highly frequented. The bus station as well as the train station offer direct connections to the inner city of Nuremberg. The large L- shaped site covers an area of approximately 6,570 sq m and is flat. The building can be easily seen from the train station and the market place and has a dominant location in Fürth. The underground car park provides 265 parking spaces and is accessible from Fürther Freiheit, which is an oneway road. The main entrances to the retail and office areas are on Bahnhofplatz and Maxstrasse. The subject property comprises one office and retail building as well as an underground car park. The buildings are connected on each floor. The property was renovated in 1998. The office entrance is situated on Maxstrasse and there are two retail entrances on Maxstrasse and Bahnhofsplatz. Other major characteristics of the building are: • Suspended Ceiling • Cable conduits • Flexible partition walls in the office units • Whole building with air conditioning • Basement as well as ground floor and first floor with retail use • Security system We understand that the Property is comprised of: Plot size: 6,270 sq m Lettable area: 18,184 sq m 265 car parking spaces	€ 38,135.65. The Property is let to multiple tenants. The main tenants are however: Rudolf Wöhrl GmbH & Co. KG – retail/storage (6,392.61 sq m) expiring 31 December 2019. Passing rent is € 477,992.88 p.a. Indexed 100% VPI p.a. Gemeinschaftspraxis Dr. Göller – office (902 sq m) expiring 31 December 2020. Passing rent is € 168,218.04 p.a. Indexed 5% hurdle/90%. Norisbank AG – bank hall (548.00 sq m) expiring 28 February 2014. Passing rent is € 131,472.60 p.a. Indexed 10 Pts. hurdle/100%.			
ID:mfl06635 Am Söldnermoos	The subject property is located in the business park of Hallbergmoos. This business park is situated north-east of Munich and next to Franz-Josef-Strauss	Freehold (Eigentum) The Property is let to multiple	€ 1,608,616	€ 3,663,091	€ 32,260,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
6,8,10,12, 85399 Hallberg-moos 19 February 2013	Airport. The office areas of Hallbergmoos almost border the airport. The inner city of Munich is some 35 km away; access to the A92 motorway is within a 2 minute drive. The buildings are highly visible from both streets. The main entrances and the access to the underground car parks are situated at the front; access is also available from the campus and the inner areas of the sites. Erected in 1994, the office campus consists of 11 single properties. The two larger ones (1+5) contain five floors divisible into four rental units per floor, whereas all other properties contain four floors divisible into three rental units per floor. The properties 1+5 are of modern and impressive architecture, they are easily recognisable. Each office can be designed according to the tenant's preferences due to the flexible partition wall system, allowing for a minimum size of some 250 sq m. Other major characteristics of the buildings are: • Axis dimension of 1.40 m, room depth of 5.90 m • Floor to ceiling height of 2.75 m in the offices, up to 3 m on the ground floor • Tinted glass windows and internal sun blinds • Ceilings with integrated cooling system • Raised floors, cable conduits • Flexible partition wall system We understand that the Property is comprised of: Plot size: 41,046 sq m Lettable area: 40,261 sq m 991 car parking spaces	tenants. The main tenants are however: Eurojet Turbo GmbH – office/storage (2767.32 sq m) expiring 30 November 2017. Passing rent is € 489,807.36 per annum. Indexed 100% VPI p.a. Merial GmbH – office/storage (2935.00 sq m) expiring 28 February 2014. Passing rent is € 316,497.36 p.a. Partly no indexation / 5 pts. hurdle/100% and 100% VPI p.a.. Stark Verlagsgesellschaft mbH – office (2401.70 sq m) expiring 30 April 2016. Passing rent is € 239,253.00 p.a. Individual rent.			
ID:mfl06670 Frauenhoferstr. 9-11,	The property is located in Ismaning, situated north-east of Munich, some 23 km from Munich's city centre and some 25 km from the Munich airport away.	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are	€ 173,644	€ 489,599	€ 4,270,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
85373 Ismaning Date of Inspection: 19 February 2013	From 1998 to 2001 Ismaning was one of the rising office sub-markets in terms of being a "new location for new companies"; there was no vacancy in 2001. Later Ismaning suffered a vacancy rate of more than 30% due to the rapid decline in trade in the area. The business park is well located to the A9 and A99 motorways (3 minutes´ drive). A commuter train station is within 10 minute's walk. The building is not easily visible at the location, next to the commuter train tracks. Completed in 1991 the subject property comprises an E-shaped, flat roofed 3-storey office building. All floors are divisible into 4 single rental units, smallest unit 320 sq m. Offices are accessed by two main entrances with 2 elevators each. The underground car park contains 51 internal parking spaces; the external car park has 48 spaces. Other major characteristics of the buildings are: • Floor to ceiling height of 3 m • Plaster facade and plastic windows with outside sun protection • Axis dimensions and room depths allow for efficient use of the space • Suspended ceilings • Cable conduits at outside walls • Flexible partition wall system • Natural stone floor in the entrance hall We understand that the Property is comprised of: Plot size: 4,700 sq m Lettable area: 5,243 sq m 100 car parking spaces	however: BVA Bielefelder Verlag – office/storage (767.62 sg m) expiring 31 March 2016. Indexed 100 % VPI p.a. Murata Electronic GmbH – office (381.86 sq m) expiring 14 June 2015. Passing rent is € 37,727.40 p.a. Indexed 5% hurdle/100%. Synergie CAD Germany GmbH – office (370.88 sq m) expiring 31 March 2013. Passing rent is € 32,127.48 p.a. Indexed 100% VPI p.a.			
ID:mfl06675 Ettore-Bugatti-	The subject property is located in the south-east part of Cologne within an office park. The property benefits from its strategic location between the junction of the	Freehold (Eigentum) The Property is let to multiple	€ 1,105,142	€ 1,464,373	€ 11,765,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Straße 1-33, 51149 Cologne Date of Inspection: 21 February 2013	A559, A4 and A3 motorways and is only 4 km away from Cologne/Bonn airport. The site is triangular, flat and covers an area of approximately 58,320 sq m. The property is divided into one office component in the front and one service/light logistic/warehouse component at the rear of the site; an undeveloped parcel of land is situated between both components. The property is prominently situated near the A559 motorway exit "Gremberghoven" inside the Airport-Businesspark of Cologne. The main entrances to the office components are situated on Ettore-Bugatti-Strasse, access to the logistic components from Von-der-Wettern-Strasse and Neuenhofstrasse. There are several external parking spaces surrounding the property. Completed in 1998, the subject property comprises one triangular, flat roofed 3-storey office building as well as a business park at the back. The office component has a brick facade which has windows with PVC frames, external sun protection, suspended ceilings, window cable conduits and a floor-to-ceiling height of 3 m. Access to the office areas is provided via 3 elevators. The axis dimensions are 1.25 m and room depths approx. between 5.20 - 5.50 m. The business park has windows with PVC frames, metal sectional doors and a floor-to-ceiling height of between 3.50 - 6 m. Access is from separate sides of the components. We understand that the Property is comprised of: Plot size: 58,320 sq m Lettable area: 18,792 sq m 212 car parking spaces	tenants. The main tenants are however: Deutsche Post Immobilien – office/storage (3,092.07 sq m) expiring 31 March 2014. Passing rent is € 338,089.08 p.a. Indexed 100% VPI p.a. KLS – Köln Logistik – office/storage (1,860.56 sq m) expiring 30 April 2020. Passing rent is € 127,891.20 p.a. Indexed 100% VPI pa. Motion Point Cologne – other (1,550.73 sq m) expiring 31 August 2018. Passing rent is € 117,946.80 p.a. Indexed 100% VPI p.a.			
ID:mfl06680 Innere Kanalstrasse 95,	Located in the east of Cologne´s city centre, the property is situated in a mixed use area with office, retail and residential units. It is easily accessible by car	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are	€ 671,094	€ 1,274,910	€ 7,840,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
50823 Cologne Date of Inspection: 22 February 2013	or public transport and benefits from its proximity to the residential area of Ehrenfeld and the A56 motorway which is only 1.9 km away. Other motorways such as the A3, A4 or A559 are within a distance of approx. 6 km. The rectangular, flat site covers an area of approximately 3,315 sq m. The building is highly visible at the location, being situated at the junction of Innere Kanalstrasse and Venloer Strasse. The main entrance is from this junction; access to the underground car park is via Venloer Strasse. Erected in 1991, the 7-storey office property comprises modern office units which can be put to efficient use and which can be accessed by 3 staircases and 5 elevators. There is a central reception desk on the ground floor and the office units are divisible, allowing for units with a minimum size of 250 sq m. Other major characteristics of the office building are: • Partly gabled and flat roof, natural stone/glass facade, windows with metal frames • Suspended ceilings, window cable conduits • Axis dimensions of 1.25 m and room depths of some 5.20 to 5.60 m • Flexible partition wall system • Natural stone floor in the entrance hall We understand that the Property is comprised of: Plot size: 3,315 sq m Lettable area: 11,031 sq m 177 car parking spaces	however: AXA Investment Management – office/storage (4,095.84 sq m) expiring 31 December 2013. Passing rent is € 491,710.14 p.a. Indexed 5% hurdle/100%. Mexad GmbH – office (418.81 sq m) expiring 28 February 2017. Passing rent is € 51,093.00 p.a. Indexed 5% hurdle/100%. Rainer Lörken – office (383.58 sq m) expiring 30 November 2016. Passing rent is € 47,938.92 p.a. Indexed 100% VPI p.a.			
ID:mfl06705 Hessenring 13a, 64546 Mörfelden	The property is located in Mörfelden, Hessenring 13 a, which is an office and industrial area in the southwest of Frankfurt am Main. The property benefits from its close proximity to the A5, A3, A661 motorways and	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are	€ 427,298	€ 723,470	€ 7,600,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Date of Inspection: 20 February 2013	the airport, which is accessible within a few minutes by car. The city centre of Mörfelden is only about 5 minutes away by car from the property. Bus stations are located in the surrounding area of the property and offer direct connections to the city of Mörfelden. An S-Bahn stop is only a few minutes away on foot and providing direct connections to the main train station in Frankfurt/Main, as well as to the airport. The triangular site covers an area of approximately 7,168 sq m and is flat. The building is highly visible from Hessenring. The property was completed in 2001 and is triangular with a flat roof. The property is part of the "Circom Business Park Mörfelden"; the main office entrance is at Hessenring. There are external parking spaces in front of the building at the Hessenring and at the rear of the building. The ground floor was partly converted into logistics and warehouse space with a ramp and roller shutter. Other major characteristics of the building are: • Floor to ceiling height of 3.25 m • Flexible wall system • Good fit-out standard • Cooling ceilings in parts of the building We understand that the Property is comprised of: Plot size: 4,591 sq m Lettable area: 7,564 sq m 80 car parking spaces	however: XL Logistics GmbH – office/storage (1,446.99 sq m) expiring 30 November 2016. Passing rent is € 169,167.54 p.a. Indexed 100% VPI p.a. Wital Air Cargo GmbH – office/storage (439.45 sq m) expiring 30 April 2014. Passing rent is € 53,410.80 p.a. Indexed 100% VPI p.a. Deutsche Post Immobilien GmbH – office (436.90 sq m) expiring 31 December 2013. Passing rent is € 53,393.04 p.a. Indexed 100% VPI p.a.			
ID:mfl06760 Otto-Volger-Strasse 1,1a,	Sulzbach is a mid-sized town in the Taunus region, ca. 15 km west of Frankfurt am Main. Located in a major business park in Sulzbach, the property benefits from its proximity to the A66 motorway which is only 1.5	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are	€ 2,550,861	€ 2,423,453	€ 27,340,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
65843 Sulzbach Date of Inspection: 20 February 2013	km away. It also provides access to the A5 and the A3. There is a bus station some 800 m away which provides connections to the local railway station. The building itself is situated at the edge of the business park. The square flat site covers an area of approximately 25,000 sq m. The buildings are visible from Otto-Vogler-Strasse as well as from Am Limes Park, they are accessible from various entrances on Otto-Vogler-Strasse. The complex comprises 3 buildings which were erected in 1990 and 1992. The 4-storey flat roofed buildings offer 2 and 3 glass lifts, respectively. The design of the complex can be described as modern and functional with aluminium-framed windows. The white facade of the building is plastered. All floors accommodate offices with high quality fit-out. All offices can be designed according to the tenant's preferences due to the flexible wall systems. The entrance areas are equipped with natural stone floors, glass and stainless steel. Other major characteristics of the building are: • Floor to ceiling height between 3 m and 3.20 m • Cable conduits • Fire alarm system We understand that the Property is comprised of: Plot size: 25,000 sq m Lettable area: 22,786 sq m 439 car parking spaces	however: NAVTEQ Europe B.V. – office (2,598.48 sq m) expiring 31 December 2012. Passing rent is € 383,858.40 p.a. Indexed 100% VPI p.a. AVEA GmbH – office (1440.00 sq m) expiring 31 May 2015. Passing rent is € 247,731.24 p.a. Indexed 10 Pts. hurdle/ 100%. CABB GmbH – office/storage (919.91 sq m) expiring 14 April 2017. Passing rent is € 138,725.16 p.a. Indexed 5% hurdle/100%. Mirka Schleifmittel – office/storage (877.52 sq m) expiring 30 April 2018. Passing rent is € 138,045.84 p.a. Indexed 100% VPI p.a.			

Valuation Report Relating to the Superstella Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors.

The Direct Investment Portfolio:
Superstella Portfolio (18 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF SUPERSTELLA PORTFOLIO (18 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE in 2007 (date of valuation 25 June 2007) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 and Q3 2011 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 18 freehold equivalents (*Eigentum*) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion.”

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 55,460,000 (Fifty five thousand four hundred sixty thousand Euros) made up as follows:

Schedule	Investment Properties	€ 55,460,000
Total		€ 55,460,000
Total	Net Rent Receivable p.a.	€ 4,357,000
Total	Estimated Net Rental Value p.a.	€ 4,208,800

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer”:

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on our latest inspection as well as on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to our report dated 11 October 2007. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

We have based our assessment of market data and comparable transactions on our in-house research, on publications from market participants, as well as on the publications of other institutes.

All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject property and on the documents and information provided.

In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspections

CBRE had access to the subject properties as members of the public in order to carry out the inspection. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject property for its purpose or the health of its occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of a property which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurring in the demolition and removal of any existing structure on the property.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

An investigation of the compliance of the property with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the property and the processes carried out at the property are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have generally assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject property.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the property is free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the property.

Important
Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Inspections

In accordance with our instructions, we have last re-inspected the subject properties between June and July 2011. As agreed and wherever possible the properties were inspected internally and externally, however only the publicly accessible areas. With regards to the building and internal structure of the subject properties, we have also made assumptions relying on information provided by the technical due diligence of the technical advisors for our initial valuation. In the event of these assumptions proving to be incorrect, we reserve the right to amend our valuation accordingly.

9.3 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 properties. We are unable, therefore, to give any assurance that the properties are free from defect.
In the absence of any information to the contrary, we have assumed that:

a. there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;

b. the properties are free from rot, infestation, structural or latent defect;

c. no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the properties; and

d. the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.4 Environmental Matters

In undertaking our work, we have assumed that the property is not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on it. Specifically we have assumed that:

a. the properties are not contaminated and not adversely affected by any existing or proposed environmental law;

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

We have therefore not undertaken, nor have we taken into account any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the property nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject properties and have therefore assumed that none exists.

We have otherwise considered the age and apparent general condition of the properties but comments made in the property details do not express an opinion about or advise us on the condition of parts not inspected and should not be taken as making an implied representation or statement about such parts.

9.5 Floor Areas

We have relied upon the schedules of area that were provided to us. In undertaking our work, we have assumed that these surface areas are correct. All measurements, areas and ages quoted in our report are approximate.

9.6 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

Details of title/tenure under which the properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. 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.

We have conducted credit enquiries on the financial status of the main tenants. In undertaking our valuations we have reflected our general understanding of a typical purchaser's likely perceptions of the financial status of tenants from a market perspective.

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

a. the properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the properties are not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates;

f. there are no user restrictions or other restrictive covenants in leases, which would adversely affect value;

g. all vacant accommodation is available to let and unencumbered.

9.7 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.8 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.9 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.10 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the size of the subject properties:

Land transfer tax: Under German tax law, a transfer tax based on the purchase price has to be paid on property purchase. This is generally paid by the purchaser. The tax rate is different in each of the German federal states and applies in 2012 as follows:

Federal State	Land Transfer Tax Rate
Baden-Württemberg	**5.0%**
Bavaria	**3.5%**
Hesse	**3.5%**
Mecklenburg-Vorpommern	**3.5% (As of 01.07.2012: 5.0%)**
North Rhine-Westphalia	**5.0%**
Rhineland-Palatinate	**5.0%**
Saxony	**3.5%**
Schleswig-Holstein	**5.0%**
Thuringia	**5.0%**
Saarland	**4.5%**
Berlin	**5.0%**
Bremen	**4.5%**
Hamburg	**4.5%**
Lower Saxony	**4.5%**
Saxony-Anhalt	**5.0%**
Brandenburg	**5.0%**

Notary and legal fees: Due to the size of the properties we have made assumptions of 0.75% to 1% for notary and legal fees, which is in line with average costs for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have adopted fees of a level of 1.75% to 2.50% which, in our experience, is in line with market conditions.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the

Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07201 In der Pfarrtanne 12 + 14; 64665 Alsbach-Hähnlein Date of Inspection: 16 August 2011	Alsbach-Hähnlein is a small town of approx. 9,300 inhabitants and is located in the district of Darmstadt-Dieburg, roughly 13 km south of Darmstadt and approx. 27 km north of Mannheim. The B3 (main road for Darmstadt-Heidelberg) runs through the town and the A5 motorway (Frankfurt-Basel) can be reached within ca. 6 km. The subject property is situated in a small industrial park called "In der Pfarrtanne" to the west, between the districts of Alsbach and Sandwiese on the B3 leading to Bickenbach. This is a location which is easily accessed by motorists; it offers a competitive number of specialist retail stores from the food and textile industries. The property, which was built in 2005, is a single-storey building comprising two rectangular building sections: an Edeka supermarket, incorporating storage and staff rooms and delivery area and a beverage store in a separate building next to it. All building sections are solid constructions (probably masonry) with a white rendered façade (partly with corrugated metal elements) and a flat roof. The exterior areas are landscaped and partly paved with interlocking concrete pavers. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the appearance of the age of the new building. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 9,005 sq m Lettable area: 2,284 sq m 147 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – supermarket (2,284 sq m) expiring 31 December 2022. Passing rent is € 295,000.00 per annum. Indexed 10% hurdle/60%.	€ 295,000	€ 287,784	€ 3,820,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07202 Edmund-Heusinger-Strasse 19; 65037 Bad Schwalbach Date of Inspection: 16 August 2011	Bad Schwalbach is a small town of approx. 10,700 inhabitants, located in the district of Rheingau-Taunus (nearly 183,100 inhabitants), about 19 km north-west of Wiesbaden and roughly 40 km west of Frankfurt/Main. Bad Schwalbach is an attractive rural area, although somewhat remote. The motorway connection to the A3 (Cologne-Frankfurt) lies ca. 20 km away; the B45 (main road) provides access to Wiesbaden. The subject property is situated in a small commercial park called "Emser Strasse", which is located at the western end of Bad Schwalbach. This is a new location which is easily accessed by motorists, and which offers a small number of specialist retail stores from the food and textile sectors. The property, which was built in 2006, is a small retail park comprising two building parts: building one comprises a large Edeka supermarket, partly with 2 storeys, incorporating storage and staff rooms as well as a delivery area located at the rear. The sales areas are located on the ground floor and include a bakery with a coffee shop and a beverage store. This is apparently a mixed construction with steel supports and reinforced concrete elements; the facade is of glazed elements and corrugated metal siding. Building two is a solid construction with a white rendered façade and large shop windows; it comprises three rental units: a Netto discount food store, a Deichmann shoe shop and Takko, another fashion retailer. The large car park between the two buildings provides easy access to the subject property. On inspection all building parts appeared to be in a very good condition: the sales areas are modern and attractive. The exterior areas are ""as new"" and are partly landscaped and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 25,131 sq m Lettable area: 6,459 sq m 270 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Edeka – supermarket (4,259.00 sq m) expiring 30 September 2022. Passing rent is € 501,450.00 per annum. Indexed 10% hurdle/60%. Netto Marken-Discount– food discounter (1,147.00 sq m) expiring 12 November 2021. Passing rent is € 172,050.00 per annum. Indexed 10% hurdle/70%. Takko Holding GmbH – textiles retail (603.09 sq m) expiring 11 October 2016. Passing rent is € 70,199.64 per annum. Indexed 10% hurdle/70%.	€ 795,000	€ 783,100	€ 10,470,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07203 Schneidergarten 2; 76467 Bietigheim Date of Inspection: 18 August 2011	Bietigheim, a small town of approx. 6,000 inhabitants, is situated in the district of Rastatt (circa 226,800 inhabitants) in Baden-Wuertemberg, roughly 4 km north of Rastatt and approx. 15 km south-west of Karlsruhe. Bietigheim is located directly along the B 36 (Rastatt and Karlsruhe); the A5 motorway (Basel-Frankfurt) is about 3 km away.The subject property has an excellent location on the B 36 at the city entrance and the southern edge of Bietigheim. This is a new highly visible location which provides easy access to motorists. The surrounding area is predominantly residential, with a large commercial area bordering the railway lines. The property, which was completed in 2007, is an one-storey Edeka supermarket, with a large sales area as well as storage and staff rooms. This is a solid construction (presumable masonry) with a white rendered facade and a saddleback roof covered with red roof tiles. The supermarket car-park is directly in front of the building. On inspection the property appeared to be in a very good condition. The sales areas are modern and pleasant. The exterior areas are in a very good condition as well; they are partly landscaped and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 7,414 sq m Lettable area: 2,312 sq m 118 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – supermarket (2,312.00 sq m) expiring 31 October 2022. Passing rent is € 237,000.00 per annum. Indexed 10% hurdle/60%.	€ 237,000	€ 235,824	€ 3,070,000
Unit-ID: sup07204 Lange Ruthe 3; 55294 Bodenheim Date of Inspection:	Bodenheim is a community of roughly 7,100 inhabitants in the district of Mainz-Bingen, approx. 8 km south of Mainz, about 23 km north-west of Darmstadt and roughly 27 km south-west of Frankfurt. Bodenheim is located close to the river Rhine; the nearest motorway access is the A60 (Bingen-Rüsselsheim) and is approx. 4 km away.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,436.00 sq m) expiring 31 August 2022. Passing rent is € 163,000.00 per annum. Indexed 10% hurdle/60%.	€ 163,000	€ 155,088	€ 2,030,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
16 August 2011	The property is situated in a small industrial park called "Am Kümmerling / Lange Ruthe" at the south-east border of Bodenheim, close to the L413 (main road leading to Nackenheim). This is a new location offering easy access to motorists. It provides a competitive number of specialist retail stores from the food sector. The property can be accessed from the slightly elevated L413 and is therefore highly visible. The property, which was built in 1998, comprises a single-storey building: an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building was apparently constructed with cast concrete elements (columns and walls). The façade is rendered and painted in Edeka's corporate colours. The building has a pitched roof and is covered with red roof tiles. The exterior areas are partly landscaped and partly covered with interlocking concrete pavers. There is a car-park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the building's age. The exterior areas are well-kept, although the tall trees limit visibility on the property. We understand that the property comprises the following: Plot size: 6,036 sq m Lettable area: 1,436 sq m 73 parking spaces				
Unit-ID: sup07205 Karlsruher Str. 27b; 76448 Durmersheim Date of Inspection: 18 August 2011	Durmersheim, a small town with roughly 12,300 inhabitants, is located in the district of Rastatt in Baden-Wuerttemberg, approx. 7 km north of Rastatt and about 12 km south-west of Karlsruhe. Durmersheim is located along the B36 (Rastatt and Karlsruhe); the A5 motorway (Basel-Frankfurt) can be accessed within roughly 7 km. The building complex offers excellent access for motorists and is highly visible from the B 36 at the entrance to the community, at the southern border of Bietigheim.	Part-Ownership 830/1.000 The Property is let to: Edeka – supermarket (2,066.00 sq m) expiring 31 August 2019. Passing rent is € 225,000.00 per annum. Indexed 10% hurdle/60%.	€ 225,000	€ 210,732	€ 2,750,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	This is a new location, with easy access for motorists. The surrounding areas are predominantly residential with a large commercial area running along the railway lines. The property is part of a 1 to 2-storey building complex in part ownership, comprising 3 rental units which were completed between 1990 and 2002. According to our information, the subject property (freehold) is a 1-storey Edeka supermarket consisting of approx. 1,000 sq m of sales area, as well as storage and staff rooms, a delivery area, a 1-storey Edeka beverage store (roughly 400 sq m of sales area) plus the jointly-owned circulation areas, ancillary areas and open spaces. Both building sections appear to be solid constructions and have saddleback roofs with tiles. The facades are white, rendered and have corrugated metal elements. The beverage store appears to be a pre-cast concrete construction and is a separate building. The building complex also contains a Lidl supermarket as well as retail units on the upper floor, however, these do not belong to the subject property. There is a car-park in front of the supermarket. On inspection the property appeared to be in good condition consistent with its age. The sales areas are modern and pleasant. The exterior areas are well-maintained; they are partly landscaped and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 5,953 sq m Lettable area: 2,066 sq m 84 parking spaces				
Unit-ID: sup07206 Herxheimerstr.58; 67251 Freinsheim Date of Inspection:	Freinsheim is a small community of approx 5,000 inhabitants and is located in the district of Bad Dürkheim (circa 132,800 inhabitants), roughly 17 km west of Mannheim and about 30 km east of Kaiserslautern. This area of Rhineland-Palatinate is well known for its vineyards. There is direct access to the L455 (main road in Freinsheim).	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,687.00 sq m) expiring 30 September 2022. Passing rent is € 223,000.00 per annum. Indexed 10% hurdle/65%.	€ 223,000	€ 202,440	€ 2,800,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
17 August 2011	The closest motorway, the A6 (Saarbrücken-Mannheim), can be accessed within about 6 km. The subject property is well situated at the north-west entrance to Freinsheim and easily accessible by car, with direct access to the L455 (Herxheimer Strasse). This is a location which is also highly visible. The subject property is the sole retail store in the area. The property, which was built in 2001, is a single-storey building comprising an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building is apparently a solid construction (apparently reinforced concrete supports and infill brickwork). The façade is rendered and painted in Edeka corporate colours.The building has a pitched roof covered with red tiles. The exterior areas are landscaped and are partly paved with interlocking concrete pavers. There is a car-park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the building's age. The sales areas are modern and attractive. The exterior areas are clean and well-kept. We understand that the property comprises the following: Plot size: 7,539 sq m Lettable area: 1,687 sq m 108 parking spaces				
Unit-ID: sup07207 Karlsruher Strasse 62-64; 76139 Karlsruhe Hagsfeld Date of Inspection: 18 August 2011	The city of Karlsruhe currently has approx. 294,800 inhabitants. It is located in the north of the state of Baden-Wuerttemberg, roughly 80 km north-east of Stuttgart and approx. 70 km south of Mannheim. Karlsruhe is connected to a number of motorways: A5 (Basel-Frankfurt), A8 (Karlsruhe-Stuttgart) and A65. The city's main railway station is connected to the ICE (high-speed) network; Karlsruhe also has an efficient public transport network. The subject property is located in the north-eastern suburb of Hagsfeld, directly at the junction leading into the city and an S-Bahn (commuter railway) stop. There is also a bus-stop and a taxi rank at the property.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,447.00 sq m) expiring 30 November 2019. Passing rent is € 175,000.00 per annum. Indexed 10% hurdle/60%.	€ 175,000	€ 164,958	€ 2,220,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The S-Bahn tracks separate the subject property from the western suburb of Hagsfeld. There are small shops along the railway tracks; the surrounding areas are predominantly residential. The property is a 1 to 2-storey building complex completed in 2000, comprising an Edeka supermarket with sales area, storage and delivery area on ground floor and staff rooms and/or offices on an upper level with a separate entrance. The buildings appear to be a solid construction and have flat or shed roofs with corrugated metal or tiles. The façades are rendered and white elements painted in Edeka corporate colours. The site is oblong and irregular. Parking spaces are distributed around the subject property and all over the site, as well as along the street. On inspection the property appeared to be in good condition consistent with the building's age. The sales areas are modern and pleasant. The exterior areas are well-maintained, are partly landscaped with large trees and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 2,776 sq m Lettable area: 1,447 sq m 40 parking spaces				
Unit-ID: sup07208 St. Illgener Strasse 60a; 69181 Leimen Date of Inspection: 18 August 2011	Leimen, a town of approx. 27,300 inhabitants, is situated in the district of Rhein-Neckar (roughly 537,600 inhabitants) in northern Baden-Wuerttemberg, roughly 6 km south of Heidelberg and about 45 km north-east of Karlsruhe. The A5 motorway junction (Mannheim-Karlsruhe) can be reached within about 6 km. The B3 (Heidelberg-Karlsruhe) runs through the town; Leimen is connected to the Rhein-Neckar public transport network. The subject property is located to the west of the town area in Leimen. Due to its location along the main road (St.-Ilgener-Strasse) and its proximity to the B3, the location can be regarded as being easily accessed by motorists and is highly	Freehold (Eigentum) The Property is let to: Edeka – supermarket (2,839.00 sq m) expiring 30 November 2022. Passing rent is € 355,000.00 per annum. Indexed 10% hurdle/60%.	€ 355,000	€ 340,680	€ 4,550,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	visible. The surrounding area is predominantly residential; with the exception of the neighbouring bargain shop there are no other retailers close by. There is a bus stop directly at the subject property on St.-Ilgener-Str. According to the information provided to us, the property was completed in 1990 and refurbished in 2001. It is a one-storey Edeka supermarket with a large sales area as well as storage and staff rooms and delivery area. The building is a solid construction (presumably pre-fabricated reinforced concrete), the façade is painted and partly covered with metal elements, all in Edeka corporate design. It has a pitched roof apparently covered with corrugated metal sheets. The car-park is situated in front of the building facing the road. On inspection the property appeared to be in a good condition, in line with the building's age. The sales areas are modern and pleasant. The exterior areas are clean and well-kept; apart from some bushes on the property boundaries they are almost entirely paved with asphalt. We understand that the property comprises the following: Plot size: 7,184 sq m Lettable area: 2,839 sq m 108 parking spaces				
Unit-ID: sup07209 Schweigener Strasse 4; 67067 Ludwigshafen Maudach Date of Inspection: 17 August 2011	The city of Ludwigshafen currently has roughly 164,400 inhabitants. It is located in the eastern part of the state of Rhineland-Palatinate, on the western shore of the river Rhine, next to Mannheim and approx. 80 km south of Frankfurt. Ludwigshafen is connected to the A65 motorway (Ludwigshafen-Karlsruhe). The city is also connected to the Rhein-Neckar public transport network. The subject property is situated on a secondary street in a residential neighbourhood in the western suburb of Maudach, about 1 km away from the junctions of both the A65 and the B3. Several bus lines operate between Ludwigshafen-Maudach and the city centre.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,110.00 sq m) expiring 30 November 2019. Passing rent is € 100,000.00 per annum. Indexed 10% hurdle/60%.	€ 100,000	€ 106,560	€ 1,250,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The property is a 1-storey building which was completed in 1997 and comprises an Edeka supermarket with sales area, storage and staff rooms and delivery area. The L-shaped building appears to be a solid construction of reinforced concrete and infill brickwork. The facade is rendered and painted in Edeka corporate colours; on the gable sides of the building the facades are covered with additional slabs.The roof is comprised of several interlocking saddleback roofs. On inspection the property appeared to be in good condition consistent with the building's age. The sales areas are pleasant, although somewhat small; the parking spaces are located in front of the building facing the street. The exterior areas are well-maintained, are partly landscaped with large trees and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 3,763 sq m Lettable area: 1,110 sq m 47 parking spaces				
Unit-ID: sup07210 Maxdorfer Strasse 35; 67071 Ludwigshafen-Ruchheim Date of Inspection: 17 August 2011	The city of Ludwigshafen currently has roughly 164,400 inhabitants. It is located in the eastern part of the state of Rhineland-Palatinate, on the western shore of the river Rhine, next to Mannheim and approx. 80 km south of Frankfurt. Ludwigshafen is connected to the A65 motorway (Ludwigshafen-Karlsruhe). The city is also connected to the Rhein-Neckar public transport network. The subject property is located in the Ruchheim, a small community (roughly 5,540 inhabitants) belonging to the city of Ludwigshafen and is located about 6 km west of the city centre. The nearest motorway junction (A61) is approx. 1.5 km from this location. The subject property is situated directly on Maxdorfer Strasse which is the main access road running from north to south in Ruchheim. There are several bus stops for the bus line which serves Maxdorfer Strasse. The neighbourhood is residential, the surrounding area is rural.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (990.00 sq m) expiring 30 November 2019. Passing rent is € 99,999.96 per annum. Indexed 10% hurdle/60%.	€ 100,000	€ 95,040	€ 1,220,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The subject property is a Treff supermarket a discounter of the Edeka group. It comprises a supermarket with sales area, storage and delivery area on the ground floor, as well as staff rooms/offices located on an upper level. The building faces the street; this is also where the entrance to the supermarket is. The building appears to be a solid construction (apparantly reinforced concrete supports and infill brickwork). The façade is rendered and painted white with some corporate markings. The roof is made up of several interconnecting shed and flat roofs; the covered entrance area has a canopy with red roof tiles. On inspection the property appeared to be in average to good condition consistent with the building's age. The sales areas are rather small and conform to the layout of a discounter. The parking spaces are located in front of the building facing the street. The exterior areas are well-maintained, the largest part being paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 2,846 sq m Lettable area: 990 sq m 50 parking spaces				
Unit-ID: sup07211 Marc-Chagall-Strasse 61; 55127 Mainz Drais Date of Inspection: 16 August 2011	The town of Mainz, state capital of Rhinleland-Palatinate currently has about 199,200 inhabitants. Mainz is located approx. 30 km south-west of Frankfurt. The subject property is situated in Mainz-Drais, a community roughly 6 km south-west of the inner city area of Mainz. Mainz-Drais is a community with about 3,100 inhabitants; the nearest motorway junction is the A60 (Bingen-Rüsselsheim) which is roughly 1.6 km away. The subject property is located in a small industrial park at the southern end of Drais, close to the L427 (main road) and only 1 km away from the ZDF broadcasting centre in Mainz-Lerchenberg.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,215.00 sq m) expiring 30 September 2019. Passing rent is € 157,000.00 per annum. Indexed 10% hurdle/60%.	€ 157,000	€ 138,510	€ 1,920,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The property is the sole supermarket at the location and is highly visible from the slightly elevated L427; the property can be accessed via the Marc-Chagall-Str. (a by-road). There is a bus stop on the residential estate about 50 m away from the property. The property, which was built in 1999, comprises a single-storey building: an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building is apparently a reinforced concrete construction with infill brickwork. The façade is rendered and painted in the Edeka corporate colours. Supports are attached to the façade and the walls for climbing vines. The roof consists of several interconnecting saddleback roofs covered with red roof tiles. The exterior areas are partly landscaped and partly covered with interlocking concrete pavers. The car park is situated at the rear of the building. On inspection all building parts appeared to be in good condition consistent with the building's age. The sales areas have a modern and pleasant appearance; the exterior areas are well-kept and pleasant in appearance. We understand that the property comprises the following: Plot size: 4,040 sq m Lettable area: 1,215 sq m 69 parking spaces				
Unit-ID: sup07212 Parkstrasse 38; 55130 Mainz Laubenheim Date of Inspection: 16 August 2011	The town of Mainz, state capital of Rhineland-Palatinate currently has roughly 199,300 inhabitants. Mainz is located approx. 30 km south-west of Frankfurt. The subject property is situated in Mainz-Laubenheim, a district lyingablout,. 5 km south-east of the inner city area of Mainz. Mainz-Laubenheim currently has roughly 8,700 inhabitants; the motorway junction at Mainz-Laubenheim (about 1 km away) connects to the A60 (Bingen-Rüsselsheim).	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,772.00 sq m) expiring 31 August 2019. Passing rent is € 220,000.00 per annum. Indexed 10% hurdle/60%.	€ 220,000	€ 202,008	€ 2,740,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The subject property is located directly at the southern end of Laubenheim, on the L431 through road (Parkstrasse) at a roundabout. The property is the sole local supermarket at the location; the surrounding areas are exclusively residential. The property is highly visible from the main road which provides direct access to it. The property was built in 2000 and comprises a single-storey building: an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building is apparently constructed of reinforced concrete and brick infill. The façade is rendered and painted in Edeka corporate identity colours. The roof consists of several interconnecting saddle back roofs which are covered with red roof tiles. The exterior areas are partly landscaped and partly covered with interlocking concrete pavers. The car park is situated at the rear of the building. On inspection all building parts appeared to be in good condition consistent with the building's age. The sales areas have a modern and pleasant appearance. The exterior areas are generally well-kept; however, there is grafitti on the facade and on other parts of the property. We understand that the property comprises the following: Plot size: 7,249 sq m Lettable area: 1,772 sq m 88 parking spaces				
Unit-ID: sup07213 Am Ulrichsberg 15; 68309 Mannheim Käfertal Date of Inspection: 17 August 2011	The city of Mannheim currently has roughly 313,200 inhabitants. It is located in the northern part of the state of Baden-Wuerttemberg, on the eastern bank of the river Rhine, next to Ludwigshafen and approx. 80 km south of Frankfurt. Mannheim is connected to the A6 motorway (Saarbrücken-Nürnberg) and other major roads. The city is also connected to the Rhein-Neckar public transport network. The subject property is located in the north-eastern suburb of Mannheim-Käfertal, which has roughly 23,800 inhabitants.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,613.00 sq m) expiring 31 December 2022. Passing rent is € 150,000.00 per annum. Indexed 10% hurdle/60%.	€ 150,000	€ 154,848	€ 1,930,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The location is about 2 km away from the junctions of both the A6 and the A659 and approx. 300 m away from the B38 main road. Several bus lines operate between Mannheim-Käfertal and the city centre. The property is situated on a secondary street in a commercial area. The property is a 1-storey building which was completed in 1998 and comprises an Edeka supermarket with sales area, storage and staff rooms and delivery area. The building appears to be a solid construction of reinforced concrete and infill brickwork. The facade is rendered and painted in Edeka corporate colours; on the gable sides of the building the facades are covered with wooden elements. The roof is comprised of several interconnecting saddleback roofs. On inspection the property appeared to be in good condition consistent with the building's age. The sales areas are pleasant and well laid-out. The parking spaces are located in front of the building facing the street. The exterior areas are well-maintained; they are partly landscaped with large trees, partly with an asphalt surface and partly paved with interlocking concrete pavers. We understand that the property comprises the following: Plot size: 4,218 sq m Lettable area: 1,613 sq m 63 parking spaces				
Unit-ID: sup07214 Seckenheimer Landstr. 246-250; 68163 Mannheim Neuostheim Date of Inspection: 17 August 2011	The city of Mannheim currently has approx. 313,200 inhabitants. It is located in the northern part of the state of Baden-Wuerttemberg, on the eastern bank of the river Rhine, next to Ludwigshafen and roughly 80 km south of Frankfurt. Mannheim is connected to the A6 motorway (Saarbrücken-Nürnberg) and other major roads.	Freehold (Eigentum) The Property is let to: Edeka – supermarket (3,952.00 sq m) expiring 31 December 2022. Passing rent is € 440,000.00 per annum. Indexed 10% hurdle/60%.	€ 440,000	€ 426,816	€ 5,640,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The city is also connected to the Rhein-Neckar public transport network. The subject property is located in the eastern suburb of Mannheim-Neuostheim, which has roughly 7,300 inhabitants. The location is only about 1 km away from the junctions of both the A6 and the A656 motorways. This is a busy traffic area in a commercial district. Several bus lines operate between Neuostheim and the city centre. The property is situated directly on Seckenheimer Landstrasse - a major through road. The property is a 1-storey building which was refurbished in 1999 (building age unknown). It comprises an Edeka supermarket with sales area, storage and staff rooms and delivery area, as well as an Edeka petrol station. The building appears to be a solid construction of reinforced concrete elements and has a flat roof. The facade is partly rendered, partly with an exposed concrete finish and painted white, with some Edeka corporate facade elements in the entrance area. The gable sides of the building have facades which are covered with wood. On inspection the property appeared to be in good condition consistent with the building's age. The large sales areas are pleasant and well laid-out. A large car park is located in front of the building facing the street. The exterior areas are well-maintained; they are mainly surfaced with asphalt and partly landscaped with trees and bushes. We understand that the property comprises the following: Plot size: 10,594 sq m Lettable area: 3,952 sq m 169 parking spaces				

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07215 Raumbacher-strasse 42; 55590 Meisenheim Date of Inspection: 17 August 2011	Meisenheim is a small community of approx. 2,800 inhabitants and is located in the district of Bad Kreuznach (circa 155,500), roughly 35 km north of Kaiserslautern and about 50 km southwest of Mainz. This is an attractive but remote rural area of Rhineland-Palatinate. Meisenheim does not provide direct access to major roads; the closest motorway is roughly 25 km away. The B420 is the main road in Meisenheim and can be accessed close to the subject property. The subject property is well situated in a small commercial area at the northern entrance to Meisenheim and easily accessible by car, with an access road leading to the slightly elevated B420 only 50 m away. This is also a highly visible location which benefits from the range of retailers in the area. There is a bus stop directly in front of the subject property on Raumbacher Strasse. The property, which was refurbished in 2005 - year of construction is unknown -, is a single-storey building comprising an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building is apparently of reinforced concrete slabs with a facade of washed concrete. The facade is partly made up of grey steel elements and partly of areas in the Edeka corporate colours.The building has a flat roof as well as projecting roof sections over the entrance areas. The exterior areas are largely surfaced with asphalt and with landscaped areas on the property boundaries. The car-park is in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the building's age. The exterior areas are clean and well-kept. We understand that the property comprises the following: Plot size: 9,432 sq m Lettable area: 2,253 sq m 130 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – supermarket (2,253.00 sq m) expiring 31 August 2022. Passing rent is € 200,000.00 per annum. Indexed 10% hurdle/60%.	€ 200,000	€ 202,770	€ 2,490,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07216 Schubertstrasse 31, 31a; 78054 Villingen-Schwenningen Date of Inspection: 18 August 2011	Villingen-Schwenningen, which consists of the combined suburbs of Villingen and Schwenningen, is located in the south of Baden-Württemberg in the Black Forest / Baar district, an attractive rural region. It currently has approx. 81,000 inhabitants and plays an important role as a provider of daily needs for the surrounding rural area. Villingen-Schwenningen is located roughly 60 km east of Freiburg and approx. 90 km south of Stuttgart. Villingen-Schwenningen is connected to the A81 motorway (Stuttgart-Singen) - about 5 km away. The subject property is located in the south-western section of Schwenningen in the heart of a mixed use area, roughly 2 km from the town centre. The B27 motorway connection towards Donaueschingen can be reached within about 1 km. The neighbourhood is predominantly residential, with some commercial uses located on the ground floors of mixed-use buildings. The subject property, a Treff supermarket (food discounter of the Edeka group) is part of a 3-storey building which is in part ownership. According to our information, the subject property is an Edeka supermarket located on the ground floor, consisting of sales area, storage and staff rooms and delivery area, plus the jointly-owned circulation areas, ancillary areas and open spaces. The two upper storeys are apparently used as apartments. The building was completed in 1992 and has been recently refurbished. It appears to be a solid construction (apparantly reinforced concrete supports and infill brickwork). The facade is rendered and painted white; some elements are painted in the Edeka corporate colours. The building has a saddleback roof with red tiles; the covered entrance areas have canopies with red tiles. On inspection the property appeared to be in good condition consistent with the building's age. The sales areas are rather small and conform to the layout of a discounter. The parking spaces are located next to the building. The exterior areas are well-maintained, are partly surfaced with asphalt and partly paved with interlocking concrete pavers. The green areas are landscaped with trees and bushes.	Part-Ownership 830/1.000 The Property is let to: Edeka – supermarket (1,236.00 sq m) expiring 31 October 2019. Passing rent is € 112,000.00 per annum. Indexed 10% hurdle/60%.	€ 112,000	€ 103,824	€ 1,370,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	We understand that the property comprises the following: Plot size: 2,851 sq m Lettable area: 1,236 sq m 46 parking spaces				
Unit-ID: sup07217 Borsigstrasse 5; 65205 Wiesbaden Nordenstadt Date of Inspection: 16 August 2011	The property is located in Wiesbaden-Nordenstadt, a suburb roughly 6 km east of the inner city of Wiesbaden. Wiesbaden is the state capital of the state of Hesse, currently has about 276,000 inhabitants and is located approx. 30 km west of Frankfurt. Nordenstadt is easily accessible by car via the A66 motorway (Wiesbaden-Frankfurt); the A3 motorway (Köln-Nürnberg) can be reached within 2.5 km at the Wallau intersection. The subject property is situated in "Gewerbegebiet West", a commercial park north of the A66 motorway. This is a location which is easily accessed by motorists via Borsigstrasse, one of the main roads in the commercial park.The location offers a competitive number of retail stores, some of them being large hypermarkets and cash-and-carry retail formats. The subject property is situated directly on the Borsigstrase, though slightly concealed from view. The property, which was built in 1998, is a single-storey building comprising an Edeka supermarket, incorporating storage and staff rooms and delivery area. The building is apparently a solid construction (probably masonry) with a rendered façade which is painted in Edeka corporate colours. The building has a saddleback roof with red tiles; the exterior areas are landscaped, partly paved and with interlocking concrete pavers. There is a car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the building's age. The sales areas are modern and attractive; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,950 sq m Lettable area: 1,540 sq m 67 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – supermarket (1,540.00 sq m) expiring 30 September 2019. Passing rent is € 165,000.00 per annum. Indexed 10% hurdle/60%.	€ 165,000	€ 166,320	€ 2,120,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: sup07218 Jakobstrasse 53; 67722 Winnweiler Date of Inspection: 17 August 2011	Winnweiler is a small community of approx. 4,600 inhabitants and is located in the district of Donnersberg (approx. 75,900 inhabitants), roughly 18 km north of Kaiserslautern and about 50 km west of Mannheim. The closest motorway A63 (Mainz-Kaiserslautern) is accessed about 2 km away from Winnweiler via the B48 federal road, which runs along the periphery of the community. The subject property is situated in a small commercial area at the southern entrance to Winnweiler. The L390 provides easy access to the property, although this is not the main through road in the town. The property is highly visible from this slightly elevated road. There is a Plus discounter directly opposite the subject property on the other side of the L390, which is sure to contribute to the attractiveness of the location for customers. The property, which was built in 2005, is a single-storey building comprising an Edeka supermarket, incorporating sales areas, storage and staff rooms and delivery area. The building appears to be a solid construction, presumably a reinforced concrete building with infill brickwork. The façade is rendered and painted white, partly with corrugated steel elements. The building has a saddleback roof with red tiles; additionally, there are canopies over the entrance areas. The exterior areas are partly surfaced with asphalt, partly landscaped and partly with interlocking concrete pavers. There is a large car-park in front of the building facing the access road. On inspection all building parts appeared to be in a very good condition consistent with the building's age. The exterior areas are clean and well-kept. We understand that the property comprises the following: Plot size: 11,081 sq m Lettable area: 2,144 sq m 130 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – supermarket (2,143.50 sq m) expiring 30 November 2022. Passing rent is € 245,000.00 per annum. Indexed 10% hurdle/60%.	€ 245,000	€ 231,498	€ 3,070,000

Valuation Report Relating to the Tannenberg Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Tannenberg Portfolio (27 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF TANNENBERG PORTFOLIO
(27 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE in 2007 (date of valuation 12 November 2007) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 and Q3 2011 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 22 freehold equivalent (*Eigentum*) Properties and 5 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 59,150,000 (Fifty nine million one hundred fifty thousand Euro) made up as follows:

Schedule	Investment Properties	€ 59,150,000
Total		€ 59,150,000
Total	Net Rent Receivable p.a.	€ 4,986,889
Total	Estimated Net Rental Value p.a.	€ 4,932,433

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on our latest inspection as well as on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to our report dated 12 November 2007. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

We have based our assessment of market data and comparable transactions on our in-house research, on publications from market participants, as well as on the publications of other institutes.

All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject property and on the documents and information provided.
In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspections

CBRE had access to the subject properties as members of the public in order to carry out the inspections. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject property for its purpose or the health of its occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of a property which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurring in the demolition and removal of any existing structure on the property.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

An investigation of the compliance of the property with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the property and the processes carried out at the property are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have generally assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject property.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the property is free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the property.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.2 The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.3 Inspections

In accordance with our instructions, we have last re-inspected the subject properties between June and July 2011. As agreed and wherever possible the properties were inspected internally and externally, however only the publicly accessible areas. With regards to the building and internal structure of the subject properties, we have also made assumptions relying on information provided by the technical due diligence of the technical advisors for our initial valuation. In the event of these assumptions proving to be incorrect, we reserve the right to amend our valuation accordingly.

9.4 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 properties. We are unable, therefore, to give any assurance that the properties are free from defect.

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

a. there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;

b. the properties are free from rot, infestation, structural or latent defect;

c. no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the properties; and

d. the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.5 Environmental Matters

In undertaking our work, we have assumed that the property is not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on it. Specifically we have assumed that:

a. the properties are not contaminated and not adversely affected by any existing or proposed environmental law;

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

We have therefore not undertaken, nor have we taken into account any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the property nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject properties and have therefore assumed that none exists.

We have otherwise considered the age and apparent general condition of the properties but comments made in the property details do not express an opinion about or advise us on the condition of parts not inspected and should not be taken as making an implied representation or statement about such parts.

9.6 Floor Areas

We have relied upon the schedules of area that were provided to us. In undertaking our work, we have assumed that these surface areas are correct. All measurements, areas and ages quoted in our report are approximate.

9.7 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

Details of title/tenure under which the properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. 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.

We have conducted credit enquiries on the financial status of the main tenants. In undertaking our valuations we have reflected our general understanding of a typical purchaser's likely perceptions of the financial status of tenants from a market perspective.

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

a. the properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the properties are not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates;

f. there are no user restrictions or other restrictive covenants in leases, which would adversely affect value;

g. all vacant accommodation is available to let and unencumbered.

9.8 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.9 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.10 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.11 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the size of the subject properties:

Land transfer tax: Under German tax law, a transfer tax based on the purchase price has to be paid on property purchase. This is generally paid by the purchaser. The tax rate is different in each of the German federal states and applies in 2012 as follows:

Federal State	Land Transfer Tax Rate
Baden-Württemberg	5.0%
Bavaria	3.5%
Hesse	3.5%
Mecklenburg-Vorpommern	3.5% (As of 01.07.2012: 5.0%)
North Rhine-Westphalia	5.0%
Rhineland-Palatinate	5.0%
Saxony	3.5%
Schleswig-Holstein	5.0%
Thuringia	5.0%
Saarland	4.5%
Berlin	5.0%
Bremen	4.5%
Hamburg	4.5%
Lower Saxony	4.5%
Saxony-Anhalt	5.0%
Brandenburg	5.0%

Notary and legal fees: Due to the size of the properties we have made assumptions of 0.75% to 1% for notary and legal fees, which is in line with average costs for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have adopted fees of a level of 1.75% to 3% which, in our experience, is in line with market conditions.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

THE SCHEDULE

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07002 Piepmühle 11, 31542 Bad Nenndorf Date of Inspection: 8 June 2011	Bad Nenndorf is a town of approx. 10,500 inhabitants and is located in the district of Schaumburg (circa 160,600), roughly 36 km west of Hanover and approx. 85 km northeast of Bielefeld. The B65 (Hanover-Minden), and B442 (Neustadt am Rübenberge - Bad Münder) run through the south and east fringes of the town, respectively. The A2 motorway (Hanover Dortmund) is 2 km away via the B65 and B442. The subject property is situated in the commercial area of "Bueckenthaler Landwehr" and is easily accessible from the federal roads and the motorway. This is a location that can serve a relatively large catchment area due to its regional road connections. The property, which was built in 2003, is comprised of 2 buildings, a single-story square-shaped structure and a two-storey rectangular-shaped building. Tenants include a hypermarket (Edeka), a discounter (Aldi), a bargain shop (Tedi) and a bicycle shop. An entertainment area (former discotheque) of approx. 2,000 sq m is currently vacant. The building is a reinforced concrete frame structure with a flat roof and rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent. The sales areas are in good to excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 21,350 sq m Lettable area: 9,110 sq m 300 parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: EDEKA – retail (4,510.00 sq m) expiring 31 March 2017. Passing rent is € 530,943.36 per annum. Indexation 10% hurdle/50%. ALDI Immobilienverwaltung – retail (1,165.00 sq m) expiring 25 November 2017. Passing rent is € 133,823.04 per annum. Indexation 10% hurdle/65%. Mario und André Hend – retail (690.00 sq m) expiring 28 February 2017. Passing rent is € 68,689.32 per annum. Indexation 10% hurdle/70%.	€ 805,993	€ 836,063	€ 10,270,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07013 Am Mühlengraben, 34497 Korbach Date of Inspection: 8 June 2011	Korbach is a small town of roughly 23,600 inhabitants and is located in the district of Waldeck-Frankenberg (circa 161,900 inhabitants), approx. 60 km west of Kassel and approx. 140 km north of Frankfurt. There is no direct access to the national motorway network; the A44 motorway is accessible via Diemelstadt or Zierenberg, 30 km and 35 km away, respectively. The B251 (Kassel-Brilon) and B252 (Bad Arolsen-Bad Frankenberg) federal roads connect the town to the road network. The subject property is only accessible by car and is located between a residential and commercial area in the northwest of the town. The property comprises two buildings: a single-storey L-shaped building housing an Aldi food discounter and integrated bakery, a butcher's counter and a rectangular-shaped building housing a beverage store. The building is a reinforced concrete frame structure with vertically perforated bricks. It has a pitched roof with roofing tiles and a rendered façade with metal elements. Taking into account the building's age, the property appears in an average condition. The parking lot is paved and in average condition. On inspection all building parts appeared to be in average condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 5,245 sq m Lettable area: 1,427 sq m 80 parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: ALDI Immobilienverwaltung – retail (863.00 sq m) expiring 30 June 2015. Passing rent is € 81,605.52 per annum. Indexation 10% hurdle/40%. Getränke Hahn – retail (423.92 sq m) 31 December 2013. Passing rent is € 27,600.00 per annum. Indexation 10% hurdle/100%. Bäckerei Schumann GmbH – retail (56.00 sq m) expiring 01 October 2013. Passing rent is €11,324.16 per annum. Indexation 100% VPI	€ 132,734	€ 125,898	€ 1,390,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07014 An der alten Brücke 3, 39261 Zerbst Date of Inspection: 19 May 2011	Zerbst is a city of about 23,200 inhabitants and is located in the east of the state of Saxony Anhalt, approx. 165 km east of Hannover and approx. 105 km west of Berlin. Zerbst has no direct access to the national motorway network. The A2 motorway (Berlin-Ruhr Region) and A9 (Berlin-Munich) are located between 20 and 30 km away. Further connections include access to the B 184 (to Magdeburg and Dresden) and B187a (to Coswig and Koethen) federal roads as well as to local bus routes and regional train connections. The property is situated directly in the city centre of Zerbst at the location "Alte Brücke". The building was constructed in 2006 as a reinforced concrete frame structure, is filled with precast elements and is made of reinforced concrete with a clinker facing. The flat roof supported by trapezoidal metal sheets on reinforced concrete frames is covered with a plastic membrane. The windows are double glazed aluminium framed windows. The buildings are equipped with district heating. There is parking for 227 cars. The property is generally in a very good condition. Only minor defects were identified during the on site inspection. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 15,000 sq m Lettable area: 4,799 sq m 227 parking spaces	Leasehold (heritable building right) until 31 July 2037. Ground rent is € 93,500 per annum. The Property is let to: Kaufland – retail (4,799.40 sq m) expiring 31 October 2025. Passing rent is € 547,131.60 per annum. Indexation 10% hurdle/60%.	€ 547,132	€ 489,539	€ 6,140,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07015 Neue Strasse, 30457 Hannover-Wettbergen Date of Inspection: 7 June 2011	Hannover is a city of roughly 522,700 inhabitants and is located in the southeastern part of the state of Lower Saxony, approx.150 km south of Hamburg and approx. 290 km west of Berlin. The A2 motorway (Berlin-Ruhr Region) and A7 (Flensburg-Munich), as well as the B3 (Celle-Goettingen), B6 (Nienburg/Weser - Hildesheim) and other federal roads all connect the city to the road network. The subject property is situated in the district of Hanover-Wettbergen, bordering the district of Oberricklingen, in the southwestern part of the city. This is an integrated location between the districts of Wettbergen and Oberricklingen. The property is situated directly on the main road. The property, which was built in 1995, is a single-storey rectangular-shaped building, housing a Penny supermarket with an integrated bakery at the entrance to the retail unit. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and a clinker façade (partly with metal elements). The exterior areas are landscaped and partly paved with asphalt. On inspection all building parts appeared to be in average to good condition consistent with the age of the building. However some parts of the facade have been disfigured with graffiti. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 2,170 sq m Lettable area: 840 sq m 26 parking spaces	Freehold (Eigentum) The Property is let to: REWE (Penny) – retail (840 sq m) expiring 31 May 2015. Passing rent is € 80,640.00 per annum. Indexation 10% hurdle/100%.	€ 80,640	€ 80,640	€ 910,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07016 Magdeburger Strasse 28E, 39326 Wolmirstedt Date of Inspection: 19 May 2011	Wolmirstedt is a town of approx. 12,000 inhabitants and is located in the district of Landkreis Börde in Saxony-Anhalt, approx. 15 km north of Magdeburg. The A2 motorway (Berlin-Ruhr Region) is accessible via a junction at Magdeburg, and the A14 is accessible via a junction at Dahlenwarsleben, both at a distance of 10 km. The B189 (Magdeburg - Stendal) connects the town to the road network. The subject property is situated in the south of the town, at a location on a main through road which is oriented to motorists. The property, which was built in 1997, is a two-storey L-shaped building. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a mixed roof (pitched and flat sections) with roofing tiles and a rendered façade. The exterior areas are landscaped and partly paved with asphalt and reinforced concrete in the loading area. On inspection all building parts appeared to be in average to good condition consistent with the age of the building. The sales areas are in excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 8,719 sq m Lettable area: 2,583 sq m 100 parking spaces	Freehold (Eigentum) The Property is let to: Nguyem ti huong Lan – retail (1,898 sq m) expiring 31 August 2017. Passing rent is € 59,901.00 per annum. Indexation 10% hurdle/60%. Kling Automaten – Entertainment (300 sq m) expiring 31 August 2017. Passing rent is € 59,901.00 per annum. Indexation 10% hurdle/60%. Lars Reglinski - Office (85 sq m) expiring 30 September 2013. Passing rent is € 5,870.76 per annum. No indexation.	€ 89,152	€ 159,090	€ 1,460,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07017 Wilhelm-Trautewein-Str. 81-82, 38820 Halberstadt Date of Inspection: 19 May 2011	Halberstadt is a city of approx. 43,600 inhabitants and is located in the district of Landkreis Harz, roughly 50 km southwest of Magdeburg. The A2 is 40 km away and the A14 is 45 km away via the Magdeburg-Sudenburg junction. The B81 connects to Magdeburg and Blankenburg, approx. 50 km and 15 km away, respectively. The B71 connects to Quendlinburg and Wolfenbüttel, about 15 km and 55 km away, respectively. The B245 connects to Haldensleben, roughly 65 km away. The subject property is situated in an integrated location in the centre of a residential district, on the high street. The property, which was built in 1996, is a partly single-storey and partly two-storey structure, housing a NP food discounter, integrated bakery and butcher's counter. The building is a reinforced concrete frame structure with vertically perforated bricks and has a pitched roof with roofing tiles, with a clinker façade. The exterior areas are landscaped and partly paved asphalt with reinforced concrete in the loading areas. On inspection all building parts appeared to be in good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 3,106 sq m Lettable area: 1,158 sq m 50 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – retail (1,084 sq m) expiring 31 December 2013. Passing rent is € 34,999.92 per annum. Indexation 10% hurdle/65%. Eheleute Karl-Heinz – residential (74 sq m) unlimited lease. Passing rent is € 3,374.52 per annum. No indexation.	€ 38,374	€ 88,104	€ 830,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07018 Willy-Brandt-Str. 21, 97877 Wertheim-Reinhardshof Date of Inspection: 18 May 2011	Wertheim is a city of approx. 23,600 inhabitants and is located in the district of Main-Tauber (circa 133,400), roughly 40 km southwest of Würzburg and ca. 50 km southest of Aschaffenburg. The A3 motorway (Frankfurt - Würzburg) with junctions to Wertheim and the A81 (to Heilbronn) connect the city to the motorway network. The subject property is situated directly at a road junction, at the edge of a mainly mixed residential-commercial area with a converted barracks development, in the west of the city. There is a senior citizen centre and a police academy close by. The property, which was built in 1999, is a single-storey rectangular-shaped building, housing a REWE beverage store and a REWE supermarket with an integrated bakery and butcher's counter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched timber truss roof with roofing tiles and has a rendered façade (partly with metal and wood elements). The exterior areas are landscaped and partly paved with asphalt and reinforced concrete in the loading areas. On inspection all building parts appeared to be in good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 6,317 sq m Lettable area: 1,800 sq m 77 parking spaces	Freehold (Eigentum) The Property is let to: REWE – retail (1,800 sq m) expiring 31 January 2015. Passing rent is € 234,514.44 per annum. Indexation 10% hurdle/65%.	€ 234,514	€ 194,400	€ 2,510,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07020 Steinerne Furt 34a, 86167 Augsburg Date of Inspection: 18 August 2011	Augsburg is a city of roughy 264,700 inhabitants and is located in southwest Bavaria, approx. 50 km northwest of Munich and approx. 65 km east of Ulm. The A8 motorway (Munich-Stuttgart) has two junctions located in the north of the city; the B2 (Donauwoerth-Munich), B10 (Ulm-Augsburg) and B300 (Memmingen-Schrobenhausen) also connect the city to the road network. The subject property is situated on the main access road to the industrial and commercial area of Augsburg-Ost (east) in the district of Augsburg-Lechhausen in the northeast of the city. This is a location on a minor road and is therefore not highly frequented. The property, which was built in 2006, is a single-storey rectangular-shaped building, housing a Penny supermarket with a fast-food kiosk/trailer on the property. The building is a reinforced concrete frame structure with masonry, covered with a pitched roof with roofing tiles, with a white rendered façade (partly with metal elements). The exterior areas are landscaped and partly paved with interlocking paving bricks and asphalt. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,357 sq m Lettable area: 1,060 sq m 77 parking spaces	Freehold (Eigentum) The Property is let to: REWE (Penny) – retail (1,030 sq m) expiring 26 April 2021. Passing rent is € 163,152.00 per annum. Indexation 10% hurdle/70%. Sedat Özdemir – retail (30 sq m) expiring 30 September 2016. Passing rent is € 9,475.20 per annum. Indexation 10% hurdle/100%.	€ 172,627	€ 163,500	€ 2,200,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07022 Am Binderfeld 10a, 84518 Garching/Alz Date of Inspection: 17 August 2011	Garching is a town of approx. 8,400 inhabitants and is located in the district of Landkreis Altötting (circa 107,700), roughly 14 km southwest of Altötting and approx 14 km north of Trostberg. The B299 (Altötting-Trostberg) runs through the town, and the A94 motorway is under construction and upon completion with have a junction ca. 15 km away. The subject property is situated in the Am Binderfeld area, which is primarily a commercial area focussing on the automotive industry. The property is easily accessible, however suffers from restricted visibility as it is set back from the road. The property, which was built in 1999, is a single-storey rectangular-shaped building, housing a KiK textile store and a beverage store. The building is a reinforced concrete frame structure with light concrete masonry, covered with a pitched roof with roofing tiles, with a rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. There is a large car park in front of the building facing the road. On inspection all building parts appeared to be in good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 3,000 sq m Lettable area: 892 sq m 40 parking spaces	Freehold (Eigentum) The Property is let to: KIK Textilien – retail (490.98 sq m) expiring 14 December 2013. Passing rent is € 38,312.88 per annum. Indexation 10% hurdle/60%. Getränke Winkler – retail (400 sq m) expiring 30 September 2013. Passing rent is € 24,000 per annum. Indexation 10% hurdle/60%.	€ 63,413	€ 61,751	€ 650,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07023 Eggenfeldener Strasse 26a, 84323 Massing Date of Inspection: 17 August 2011	Massing is a small town of approx 4,100 inhabitants and is located in the district of Rottal-Inn (around 118,000), roughly 13 km west of Eggenfelden. The A92 motorway is accessed via a junction roughly 35 km away, the B388 is accessible via Eggenfelden (13 km away) and Vilsbiburg (26 km away). The subject property can be accessed primarily by motorists, since it is situated on the outskirts of town, on a main thoroughfare. The property, which was built in 2001, is a single-storey L-shaped building, housing a Netto food discounter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and a rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. On inspection all building parts appeared to be in very good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,710 sq m Lettable area: 1,117 sq m 58 parking spaces	Freehold (Eigentum) The Property is let to: Netto – retail (1,117 sq m) expiring 18 April 2016. Passing rent is € 122,044.56 per annum. Indexation 10% hurdle/60%.	€ 122,045	€ 113,934	€ 1,370,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07024 Vor Geisenach 2, 56751 Polch Date of Inspection: 27 June 2011	Polch is a small town of approx. 6,500 inhabitants and is located in the district of Mayen-Koblenz with a population of 210,300, roughly 17 km west of Koblenz, approx. 70 km northwest of Wiesbaden and about 50 km south of Bonn. The A48 motorway (Koblenz - Mehrren) is approximately 2.5 km away. The B262 (Mayen - Mendig) and B258 (Aachen - Koblenz) are 5 km and 4 km away, respectively and connect the town to the road network. The subject property is a recent construction, completed in 2007. It is a stand alone building, well situated in a commercial area next to other chain retailers, on a main thoroughfare through the town. The property, which was completed in 2007, is a single-storey rectangular-shaped building, housing a Lidl food discounter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles. The facade as well as the interior fit-out is designed in the Lidl corporate colours and elements. Being a relatively new construction, the property features modern sales space of competitive size and layout, adequate and of high quality, with ample customer parking. It was noticed that extra sales area is being added to the building. We understand that the property comprises the following: Plot size: 7,259 sq m Lettable area: 1,364 sq m 116 parking spaces	Freehold (Eigentum) The Property is let to: Lidl – retail (1,364 sq m) expiring 31 May 2022. Passing rent is € 156,750 per annum. Indexation 10% hurdle/60%.	€ 156,750	€ 147,312	€ 1,970,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07025 Droote 46, 44238 Dortmund Date of Inspection: 9 June 2011	Dortmund, a city with a population of approx. 580,400, is located in the federal state of Rhineland-Westphalia. The A2 motorway and B236 federal road are accessible 5 km and 3 km away, respectively. The subject property is situated in the district of Scharnhorst, 8 km northeast of Dortmund city-centre, directly at the underground station "Droote". The situation of the subject property provides easy access, although visibility is limited to only the billboards as the property itself is not visible from the "Droote" (a local high street). The property, which was built in 2004, is a single-storey rectangular-shaped building, housing a Netto supermarket. The building is a reinforced concrete frame structure with masonry, covered with a pitched roof with roofing tiles, with a brick and metal panelled façade. There is a large paved car park in front of the building towards the road. On inspection all building parts appeared to be in good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 5,969 sq m Lettable area: 1,078 sq m 88 parking spaces	Leasehold (heritable building right) until 30 June 2064. Ground rent is € 10,313 per annum. The Property is let to: Netto – retail (1,026 sq m) expiring 01 November 2020. Passing rent is € 198,996 per annum. Indexation 10% hurdle/60%.	€ 198,996	€ 161,700	€ 2,300,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07027 Dieburger Straße 56, 64380 Rossdorf Date of Inspection: 16 May 2011	Rossdorf is a small town of approx. 12,000 inhabitants and is located in the district of Darmstadt-Dieburg (circa 289,200 inhabitants), roughly 10 km east of Darmstadt, about 30 km south of Frankfurt/Main and approx. 45 km northeast of Mannheim. The A5 (Frankfurt-Stuttgart) is approx. 12 km away; the B26 (Darmstadt-Aschaffenburg) and the B38 run along the outskirts of the town. The subject property is situated on a main arterial road connecting the town centre to the B38 federal road. This location is easily accessed by motorists and benefits from good visibility from the road. The property, which was built in 1987, is comprised of a single-storey rectangular building housing an Rewe supermarket with an integrated bakery and butcher's counter. The building is a concrete frame structure with vertically perforated bricks, with rendered facade, and a pitched roof covered with roofing tiles and bitumen. The exterior areas are landscaped and partly paved with asphalt and reinforced concrete in the loading areas. We understand that the property comprises the following: Plot size: 4,202 sq m Lettable area: 1,364 sq m 67 car parking spaces	Freehold (Eigentum) The Property is let to: REWE – retail (1,364 sq m) expiring 30 June 2017. Passing rent is € 144,000 per annum. Indexation 10% hurdle/60%.	€ 144,000	€ 147,312	€ 1,720,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07029 Gusenburgerstrasse 1, 54411 Hermeskeil Date of Inspection: 27 June 2011	Hermeskeil is a small town of roughly 5,600 inhabitants and is located in the district of Trier-Saarburg (around 141,600 inhabitants), approx. 35 km southeast of Trier, about 80 km west of Kaiserslautern and approx. 60 km north of Saarbrucken. The A1 motorway (Daun - Saarbrucken), the B52 (Hermeskeil-Ehrang), the B327 (Hermeskeil-Koblenz) and the B407 (Hermeskeil-Saarburg) all connect the town to the road network. The subject property is a stand-alone location, situated directly at the motorway junction on the western outskirts of the city. The property, which was built in 1995, is a single-storey L-shaped building, housing a Lidl food discounter and integrated bakery and butcher's counter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and a brick façade with metal elements. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. On inspection all building parts appeared to be in good to excellent condition consistent with the age of the building. The sales areas are in excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,821 sq m Lettable area: 1,346 sq m 103 parking spaces	Freehold (Eigentum) The Property is let to: Lidl – retail (1,346 sq m) expiring 30 November 2014. Passing rent is € 141,147.96 per annum. Indexation 10% hurdle/65%.	€ 141,148	€ 129,216	€ 1,560,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07030 In der Weierwies 1, 54536 Kröv an der Mosel Date of Inspection: 27 June 2011	Kroev is a small town of approx. 2,200 inhabitants and is located in the district of Bernkastel-Wittlich (nearly 111,000 inhabitants), roughly 50 km southeast of Trier and approx. 90 km west of Koblenz. The A1 motorway (Daun - Saarbrucken) is accessed via a junction ca. 16 km away, the B49 (Tries-Kaden - Koblenz) and the B421 (Kinderbeuren - Daun) are 9 km away; the B53 (Trier - Alf) connects the town to the road network. The subject property is situated on the connecting road between the B53 and the B49, as a stand alone location on the southwest outskirts of the town. The property, which was built in 2006, is a single-storey roughly rectangular-shaped building, housing a Norma food discounter and integrated bakery and cáfe. The building is a reinforced concrete frame structure filled with vertically perforated bricks, covered with a pitched roof with roofing tiles and a metal façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. On inspection all building parts appeared to be in excellent condition. The sales areas are in excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 4,821 sq m Lettable area: 1,104 sq m 95 parking spaces	Leasehold (heritable building right) until 01 January 2040. Ground rent is € 7,500 per annum. The Property is let to: Norma – retail (1,034 sq m) expiring 03 December 2016. Passing rent is € 85,980 per annum. Indexation 10% hurdle/65%. Bäckerei Ruf – retail (70 sq m) expiring 03 December 2016. Passing rent is € 21,600 per annum. Indexation 10% hurdle/60%.	€ 107,580	€ 107,016	€ 1,150,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07031 Poststrasse 1, 54424 Thalfang Date of Inspection: 27 June 2011	Thalfang is a small town of approx. 1,800 inhabitants and is located in the district of Bernkastel-Wittlich (nearly 111,000 inhabitants), approx. 35 km east of Trier, roughly 70 km north of Saarbrücken, about 100 km northeast of Kaiserslautern and 100 km southwest of Koblenz. The A1 motorway (Daun - Saarbrucken) is approx. 9 km away and the B327 (Hermeskeil - Koblenz) runs through the town, connecting it to the road network. The subject property is a stand alone property on a main thoroughfare, surrounded by mixed-use properties and residential. The property, which was built in 2003, is a single-storey rectangular-shaped building, housing a Norma food discounter. The building is a precast reinforced concrete structure, covered with a pitched roof with roofing tiles and a rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading areas. On inspection all building parts appeared to be in good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. A bakery unit is integrated into the entrance area of the store. We understand that the property comprises the following: Plot size: 4,000 sq m Lettable area: 1,016 sq m 70 parking spaces	Freehold (Eigentum) The Property is let to: Norma – retail (946 sq m) expiring 11 December 2013. Passing rent is € 84,900 per annum. Indexation 10% hurdle/65%. Bäckerei Dahlheim – retail (70 sq m) expiring 14 March 2014. Passing rent is € 21,600 per annum. Indexation 10% hurdle/60%.	€ 106,500	€ 106,140	€ 1,150,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07032 Holzheimer Strasse 92, 65549 Limburg Date of Inspection: 27 June 2011	Limburg is a town of approx. 33,400 inhabitants and is located in the district of Limburg-Weilburg (nearly 170,700 inhabitants), roughly 35 km east of Koblenz, approx. 40 km north of Wiesbaden and about 55 km northwest of Frankfurt. The A2 motorway (Bonn - Frankfurt) is 2 km away. The B417 (Nassau - Wiesbaden) and B54 (Rennerod - Bad Schwallbach) federal roads are 3.5 km and 5 km away, respectively. The subject property is located on the edge of the town centre, separated from the town centre by railway tracks, in a mixed use district. There is no direct access from Holzheimer Strasse, the main through road. The property, built in 2003, is a single-storey rectangular-shaped building housing a Penny food discounter and integrated bakery. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and has a rendered façade with metal elements. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. There is an access restriction for lorries (maximum height). On inspection all building parts appeared to be in average to good condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 3,857 sq m Lettable area: 887 sq m 80 parking spaces	Leasehold (heritable building right) until 31 March 2028. Ground rent is € 3,000 per annum. The Property is let to: Penny-Markt – retail (887 sq m) expiring 31 December 2020. Passing rent is € 119,724 per annum. Indexation 3% hurdle/60%.	€ 119,724	€ 111,762	€ 1,490,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07035 Teves-Espen-Str. 2b, 78176 Blumberg Date of Inspection: 17 June 2011	Blumberg is a small town of roughly 10,100 inhabitants and is located in the district of Schwarzwald-Baar-Kreis (approx. 206,500 inhabitants), about 75 km southeast of Freiburg and roughly 60 km northwest of Lake Constance. The A81 (Stuttgart - Singen - Schaffhausen) is approx. 20 km away. The B27 (main road for Donaueschingen-Singen) is accessible within 1 km from Blumberg, while the B314 (Waldshut-Tiengen - Singen) is roughly 2 km away. The subject property is situated in a small commercial park between Hauptstrasse, Espenstrasse and Tevesstrasse, only 300 m from the town's centre. This is a location which is easily accessed by motorists; it offers a competitive number of specialist retail stores offering food and non-food goods like drugs and textiles. The property, which was built in 1992, is comprised of a single-storey rectangular building housing an Edeka supermarket and a KiK textile store. The building is a steel structure with masonry sections, rendered and metal façade sections and a pitched roof covered with zinc sandwich panels. The exterior areas are landscaped, with parking spaces along the side of the building. We understand that the property comprises the following: Plot size: 5,882 sq m Lettable area: 2,108 sq m 146 car parking spaces	Freehold (Eigentum) The Property is let to: Edeka – retail (1,708.95 sq m) expiring 31 January 2022. Passing rent is € 146,000 per annum. Indexation 10% hurdle/55%. KIK Textil-Discount – retail (333 sq m) expiring 31 October 2013. Passing rent is € 32,700.48 per annum. Indexation 10% hurdle/55%.	€ 183,581	€ 198,781	€ 2,240,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07036 Sauerstr. 1-3, 24340 Eckernförde Date of Inspection: 19 May 2011	Eckernförde is a town of approx. 22,600 inhabitants and is located in the district of Rendsburg-Eckenförde (roughly 269,800 inhabitants), in the northeastern part of the state of Schleswig Holstein, roughly 50 km southeast of Flensburg and about 25 km northwest of Kiel. The B76 (Schleswig-Kiel) and B203 (Kappeln-Rendsburg) run through the town; the A7 motorway is accessible at a distance of 20 km via Rendsburg/Büdelsdorf and Schleswig/Jagel. The subject property is only accessible by car and is situated in a commercial area in the district of Rendsburg-Eckenförde in the south of the city. This location on a federal road makes it highly visible and easily accessible. The property, which was built in 1977 and extended in 1998, comprises two single-storey rectangular-shaped buildings, the main one housing a EDEKA supermarket and beverage store with the secondary smaller structure being a petrol station. The main building is a reinforced concrete frame structure with precast reinforced concrete elements, covered with a flat roof with roofing foil, with a metal façade. The exterior areas are landscaped and partly paved with asphalt. There is also a large car park. On inspection all building parts appeared to be in average to good condition, consistent with the age of the building. The interior areas are in average condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 10,833 sq m Lettable area: 2,160 sq m 120 parking spaces	Freehold (Eigentum) The Property is let to: Edeka – retail (2,160 sq m) expiring 31 December 2013. Passing rent is € 224,702.88 per annum. Indexation 10% hurdle/100%.	€ 224,753	€ 200,880	€ 2,270,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07042 Stauderstr. 213, 45327 Essen Date of Inspection: 9 June 2011	Essen is a city of approx. 574,600 inhabitants and is located in the state of North Rhine-Westphalia, in the Ruhr Region. The A42 motorway has a junction in Essen-Altenessen and the B224 is accessible via Vogelheimer Str. roughly 1 km from the city. The subject property is situated in the eastern part of the district of Altenessen-Nord on Stauderstr. with residential developments along both directions of Stauderstr. and commercial areas to the north. Due to its location it has good accessibility and visibility; pedestrian traffic also plays a role in its customer base given the proximity to the residential developments. The property consists of a Netto food discounter with a small bakery next to the main entrance. The building was completed in 2007. The construction is a reinforced concrete frame structure filled with vertically perforated bricks, covered with a pitched roof with roofing tiles. On the date of inspection the building as well as the external areas appeared to be well maintained. We understand that the plan for the property comprises the following: Plot size: 4,901 sq m Lettable area: 970 sq m 70 parking spaces	Freehold (Eigentum) The Property is let to: Netto – retail (930 sq m) expiring 14 June 2022. Passing rent is € 151,776 per annum. Indexation 10% hurdle/60%. Peter Backwaren – retail (40 sq m) expiring 31 May 2017. Passing rent is € 19,800 per annum. Indexation 10% hurdle/70%.	€ 171,576	€ 159,480	€ 2,170,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07043 Winhöringerstr. 19-23, 84513 Töging am Inn Date of Inspection: 17 August 2011	Töging is a small town of roughly 9,000 inhabitants and is located in the district of Altötting (approx. 107,700 inhabitants), about 6 km east of Mühldorf a. Inn, approx. 10 km west of Altötting and roughly 80 km east of Munich. The A94 (Mühldorf - Simbach) is approx. 2 km away, the B299 (Landshut - Altötting) and the B12 (Munich - Mühldorf - Passau) are about 1 km and 7 km away respectively. The subject property is situated in a new development, on a main access road at the entrance of the town, near the A94 junction. The property, which was built in 2006/2007, is comprised of a single-storey L-shaped building housing a Penny food discounter, Rossman drugstore, and a Kik textil discounter. The building is a reinforced concrete frame structure with vertically perforated bricks and has a rendered facade with metal elements, and has a pitched roof covered with roofing tiles. The exterior areas are landscaped, and partly paved with asphalt and concrete in the loading areas. On inspection all building parts appeared to be in very good condition, consistent with the age of the building. The sales areas are also in very good condition; the exterior areas are well-maintained. We understand that the property comprises the following: Plot size: 12,719 sq m Lettable area: 3,270 sq m 123 parking spaces	Leasehold (heritable building right) until 1 January 2072. Ground rent is € 27,980 per annum. The Property is let to multiple tenants. The main tenants are however: Penny – retail (1,121 sq m) expiring 22 November 2021. Passing rent is € 143,940 per annum. Indexation 10% hurdle/60%. KIK Textilien – retail (510 sq m) expiring 15 November 2016. Passing rent is € 45,838.80 per annum. Indexation 10% hurdle/65%. Rossmann – retail (506 sq m) expiring 15 November 2016. Passing rent is € 45,000 per annum. Indexation 10% hurdle/70%.	€ 295,379	€ 333,184	€ 3,820,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07046 Hauptstr. 57, 02791 Oderwitz Date of Inspection: 18 May 2011	Oderwitz is a small town of approx. 5,500 inhabitants and is located in the district of Landkreis-Görlitz (nearly 276,900 inhabitants), roughly 10 km northwest of Zittau, about 35 km northeast of Görlitz and about 80 km southeast of Dresden. The A4 motorway (Dresden - Bautzen - Görlitz) is approx. 50 km away; the B96 (Bautzen - Zittau) runs through the town connects it to the road network. The subject property is a stand-alone location, situated near adjoining residential developments, on a main thoroughfare. The property, which was built in 2007, is a single-storey rectangular-shaped building, housing a Netto food discounter and integrated bakery and butcher's counter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and has a rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. On inspection all building parts appeared to be in excellent condition consistent with the age of the building. The sales areas are in excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 5,231 sq m Lettable area: 1,126 sq m 65 parking spaces	Freehold (Eigentum) The Property is let to: Netto – retail (987 sq m) expiring 15 April 2020. Passing rent is € 94,752 per annum. Indexation 10% hurdle/60%. Bäckerei und Konditorei – retail (56 sq m) expiring 19 April 2015. Passing rent is € 9,600 per annum. Indexation 10% hurdle/65%. Fleischerei R. Richt – retail (83 sq m) expiring 30 September 2013. Passing rent is € 9,600 per annum. Indexation 10% hurdle/65%.	€ 113,952	€ 114,768	€ 1,390,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07047 Pulsnitzer Strasse / Johann-Sebastian-Bach-Strasse, 01900 Grossroehrsdorf Date of Inspection: 18 May 2011	Grossroehrsdorf is a town of approx. 6,800 inhabitants and is located in the district Landkreis-Bautzen, about 30 km west of Bautzen, roughly 35 km northeast of Dresden and about 55 km south of Hoyerswerda. The A4 (Dresden-Bautzen-Görlitz) and B6 (Dresden-Bautzen-Görlitz) are located 4 km and 7 km away, respectively. The subject property is situated at the intersection of Pulsnitzer Str., a main road that is highly frequented, and Johann-Sebastian-Bach-Str. The entrance is off Johann-Sebastian-Bach-Str. The property, which was built in 2007, is a single-storey rectangular-shaped building, housing a Lidl food discounter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles. The exterior areas are landscaped, partly with paving stones. We understand that the property comprises the following: Plot size: 7,447 sq m Lettable area: 1,144 sq m 103 parking spaces	Freehold (Eigentum) The Property is let to: Lidl – retail (1,144 sq m) expiring 31 August 2019. Passing rent is € 120,120 per annum. Indexation 10% hurdle/60%.	€ 120,120	€ 116,688	€ 1,500,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07048 Scheffelstr. 48, 68723 Schwetzingen Date of Inspection: 10 June 2011	Schwetzingen is a town of approx. 21,800 inhabitants and is located in the district of Rhine-Neckar-Kreis (nearly 537,600 inhabitants), roughly 10 km southwest of Heidelberg and about 15 km southeast of Mannheim. The A6 (Mannheim - Heilbronn) is approx. 4 km away and the A5 ((Frankfurt - Karlsruhe) is roughly 5 km away. The B36 (Mannheim - Karlsruhe) runs through the town; the B291 (Schwetzingen - Walldorf / Wiesloch / A5) runs along the outskirts of the town. The subject property is situated in a commercial area in Oftersheim, in the eastern urban area of Schwetzingen. In the surroundings are open developments and a variety of commercial operations. Directly opposite on the other side of the street is an electricity distribution centre. The property, which was built in 1985 and refurbished in 1999, is a single-storey structure, housing a Penny food discounter and beverage store, as well as an office unit. The building is a reinforced concrete frame structure filled with masonry, covered with a pitched roof with roofing tiles, with a rendered façade. The exterior areas are landscaped and partly paved asphalt and reinforced concrete in the loading areas. On inspection all building parts appeared to be in average condition consistent with the age of the building. The sales areas are in average condition; the exterior areas have been well maintained. We understand that the property comprises the following: Plot size: 6,177 sq m Lettable area: 2,399 sq m 109 parking spaces	Freehold (Eigentum) The Property is let to: Penny-Markt – retail (2,273.95 sq m) expiring 31 December 2015. Passing rent is € 252,152.52 per annum. Indexation 10% hurdle/50%. JCS Personaldienstleistung – office (124.72 sq m) expiring 31 December 2013. Passing rent is € 11,368.92 per annum. Indexation 5% hurdle/100%.	€ 263,521	€ 241,952	€ 2,870,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07049 Breslauer Straße 2-4, 31655 Stadthagen Date of Inspection: 8 June 2011	Stadthagen is a town of approx. 22,700 inhabitants and is located in the district of Schaumburg (approx. 160.600 inhabitants), roughly 45 km west of Hanover, and approx. 70 km northeast of Bielefeld. The A2 motorway is approx. 15 km away via junctions at Bad Nenndorf and Bad Eilsen, and the B65 (Bad Nenndorf - Minden) runs through the edge of the town and connects it to the road network. The subject property is situated in a retail centre, which also houses a pet store, clothing store, bed and small furniture store. In the adjoining building there is a shoe store. There is a residential area nearby, as well as a school. The property, which was built in 2003, is a single-storey rectangular-shaped building, housing a Lidl food discounter and integrated bakery and butcher's counter. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with roofing tiles and has a rendered façade. The exterior areas are landscaped and partly paved with asphalt and concrete in the loading area. On inspection all building parts appeared to be in excellent condition consistent with the age of the building. The sales areas are in excellent condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 3,590 sq m Lettable area: 1,189 sq m 170 parking spaces	Freehold (Eigentum) The Property is let to: Lidl – retail (1,189.23 sq m) expiring 31 December 2018. Passing rent is € 152,760 per annum. Indexation 10% hurdle/70%.	€ 152,760	€ 142,708	€ 1,850,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07050 Schmiedehäuser Str. 56, 07774 Camburg Date of Inspection: 20 May 2011	Camburg, a small town with a population of approx. 5,700, is located in the district of Saale-Holzland-Kreis (roughly 86,800 inhabitants) in Thuringia. It is about 15 km southwest of Naumburg, 16 km north of Jena, and 25 km northeast of Weimar. The subject property is situated in Camburg on Schmiedehäuser Str. in a commercial area on the western edge of the town. The subject property is easily accessible and well visible, being directly situated on the main through road at the town limits. The property, which was built in 2001, is comprised of two single-storey structures; one building housing a Norma supermarket and and a further was let to the drug store chain Schlecker but is vacant at present. In the checkout area of the supermarket, there is a bakery and butcher's counter. The buildings are reinforced concrete frame structures with rendered façades, both with hipped roofs. The exterior areas are landscaped, with asphalt covered circulation areas and paving brick covered parking spaces, and are in good condition. We understand that the property comprises the following: Plot size: 5,406 sqm Lettable area: 1,187 sqm 90 car parking spaces	Freehold (Eigentum) The Property is let to: Norma – retail (860 sq m) expiring 14 December 2015. Passing rent is € 65,649.96 per annum. Indexation 10% hurdle/70%. Butcher – retail (75 sq m) expiring 30 September 2013. Passing rent is € 14,001.96 per annum. Indexation 10% hurdle/75%. Bakery – retail (68 sq m) expiring 30 September 2013. Passing rent is € 9,954 per annum. Indexation 10% hurdle/75%.	€ 89,606	€ 110,616	€ 1,010,000

Property	Description, Age and Tenure	Terms of Existing Tenancies	Net Annual Rent 31/12/2012	Estimated net Annual Rent 31/12/2012	Market Value 31/12/2012
Unit-ID: tan07051 Berliner Straße 100, 14979 Großbeeren Date of Inspection: 19 May 2011	Grossbeeren is a town of approx. 7,500 inhabitants and is located in the district of Teltow-Fläming, roughly 9 km north of Ludwigsfelde, approx. 8 km southest of Potsdam, and about 10 km south of Berlin city centre. The B101 (Berlin-Aue) is 500 m away and A10 (Berlin Ring) is 5 km away. The subject property is situated in a commercial area on the northern edge of Grossbeeren, in a retail park with Penny and Netto discounters, KiK clothing retail warehouse and a bathroom retail warehouse. Easily accessible by regional and local vehicle traffic, it benefits from good visibility. The property, which was built in 2001, is a single-storey rectangular-shaped building, housing a Pfennigpfeiffer hardware shop. The building is a reinforced concrete frame structure with vertically perforated bricks, covered with a pitched roof with rofing tiles, with a white rendered façade (partly with metal elements). The exterior areas are landscaped and partly paved with asphalt and reinforced concrete in the loading areas. On inspection all building parts appeared to be in excellent condition consistent with the age of the building. The sales areas are in good condition; the exterior areas are well-kept. We understand that the property comprises the following: Plot size: 3,028 sq m Lettable area: 1,000 sq m 40 parking spaces	Freehold (Eigentum) The Property is let to: Pfennigpfeiffer – retail (1,000 sq m) expiring 31 March 2013. Passing rent is € 110,319.60 per annum. Indexation 10% hurdle/50%.	€ 110,320	€ 90,000	€ 960,000

Valuation Report Relating to the Truss Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Truss Portfolio (41 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF TRUSS PORTFOLIO
(41 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE London in 2005 (date of valuation 1 December 2005) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 and Q3 2011 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 37 freehold equivalent (*Eigentum*) Properties and 4 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 94,940,000 (Ninty four thousand nine hundred and fourty thousand Euros) made up as follows:

Schedule	Investment Properties	€ 94,940,000
Total		€ 94,940,000
Total	Net Rent Receivable p.a.	€ 8,136,537
Total	Estimated Net Rental Value p.a.	€ 7,999,701

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer":

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on our latest inspection as well as on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to the initial valuation report dated 12 August 2005. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

We have based our assessment of market data and comparable transactions on our in-house research, on publications from market participants, as well as on the publications of other institutes.

All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject property and on the documents and information provided.

In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspections

CBRE had access to the subject properties as members of the public in order to carry out the inspections. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for their purpose or the health of their occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of a property which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurring in the demolition and removal of any existing structure on the property.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists.

Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

An investigation of the compliance of the property with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the property and the processes carried out at the property are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have generally assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject property.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the property is free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the property.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Inspections

In accordance with our instructions, we have last re-inspected the subject properties between April and June 2011. As agreed and wherever possible the properties were inspected internally and externally, however only the publicly accessible areas. With regards to the building and internal structure of the subject properties, we have also made assumptions relying on information provided by the technical due diligence of the technical advisors for our initial valuation. In the event of these assumptions proving to be incorrect, we reserve the right to amend our valuation accordingly.

9.3 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 properties. We are unable, therefore, to give any assurance that the properties are free from defect.

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

a. there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;

b. the properties are free from rot, infestation, structural or latent defect;

c. no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the properties; and

d. the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.4 Environmental Matters

In undertaking our work, we have assumed that the property is not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on it. Specifically we have assumed that:

a. the properties are not contaminated and not adversely affected by any existing or proposed environmental law;

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

We have therefore not undertaken, nor have we taken into account any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the property nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject properties and have therefore assumed that none exists.

We have otherwise considered the age and apparent general condition of the properties but comments made in the property details do not express an opinion about or advise us on the condition of parts not inspected and should not be taken as making an implied representation or statement about such parts.

9.5 Floor Areas

We have relied upon the schedules of area that were provided to us. In undertaking our work, we have assumed that these surface areas are correct. All measurements, areas and ages quoted in our report are approximate.

9.6 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

Details of title/tenure under which the properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. 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.

We have conducted credit enquiries on the financial status of the main tenants. In undertaking our valuations we have reflected our general understanding of a typical purchaser's likely perceptions of the financial status of tenants from a market perspective.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

a. the properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the properties are not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates;

f. there are no user restrictions or other restrictive covenants in leases, which would adversely affect value;

g. all vacant accommodation is available to let and unencumbered.

9.7 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.8 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.9 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.10 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the size of the subject properties:

Land transfer tax: Under German tax law, a transfer tax based on the purchase price has to be paid on property purchase. This is generally paid by the purchaser. The tax rate is different in each of the German federal states and applies in 2012 as follows:

Federal State	Land Transfer Tax Rate
Baden-Württemberg	5.0%
Bavaria	3.5%
Hesse	3.5%
Mecklenburg-Vorpommern	3.5% (As of 01.07.2012: 5.0%)

North Rhine-Westphalia	5.0%
Rhineland-Palatinate	5.0%
Saxony	3.5%
Schleswig-Holstein	5.0%
Thuringia	5.0%
Saarland	4.5%
Berlin	5.0%
Bremen	4.5%
Hamburg	4.5%
Lower Saxony	4.5%
Saxony-Anhalt	5.0%
Brandenburg	5.0%

Notary and legal fees: Due to the size of the properties we have made the assumption of generally 1% for notary and legal fees, which is in line with average costs for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have adopted fees of generally 2% to 2.5% which, in our experience, is in line with market conditions.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. TOBIAS JERMIS
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

SCHEDULE OF PROPERTIES

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: tru05300 Grünberger Str. 82 36304 Alsfeld Date of Inspection: 7 June 2011	The town of Alsfeld has approximately 16,400 inhabitants (2011) and is located in Hesse, roughly 102 km to the north east of Frankfurt and 448 km to the south west of Berlin, within 2 km of junction 5 of the A5 motorway. The subject property is a small multi-let retail warehouse centre, built in 2006. It is an L-shaped reinforced concrete frame construction with brick facades which are rendered and painted. The building has a pitched and tiled roof. Each of the rental units has a separate entrance, storage, staff rooms and sales areas with their own specifications. There is ample car parking provided in front of the building facing the road. We understand that the Property comprises the following: Plot size: 6,085 sq m Lettable area: 1,573 sq m 100 car parking spaces	Freehold (Eigentum) The Property is let to: REWE Deutscher Supermarkt KGaA — supermarket (1,042.00 sq m) expiring 22 May 2021. Passing rent is €139,776.00 per annum. Indexed 0% hurdle/30%. KiK Textilien und Non-Food GmbH — discount fashion retailer (530.40 sq m) expiring 22 May 2016. Passing rent is €57,960.00 per annum. Indexed 10% hurdle/60%.	€ 197,736	€ 191,772	€ 2,510,000
Unit-ID: tru05305 Sieboldstrasse 1 97688 Bad Kissingen Date of Inspection: 17 May 2011	Bad Kissingen is a well-known spa town located approximately 150 km east of Frankfurt and 63 km south of Fulda in Hesse. The population of Bad Kissingen is roughly 20,800. The property is located towards the northern fringe of the town, on a new commercial estate being developed on the site of former US barracks. The site is prominently situated towards the entrance to this new development area. The property is a retail warehouse centre with six retail units, built in 2005. It is a single-storey, re-inforced concrete frame structure with concrete panel walls under a mainly flat roof. The building occupied by	Freehold (Eigentum) The Property is let to: Dänisches Bettenlager — furniture retailer (865.00 sq m) expiring 31 October 2015. Passing rent is €72,660.00 per annum. Indexed 10% hurdle/70%. Fressnapf — pet food (600.00 sq m) expiring 21 November 2015. Passing rent is €50,400.00 per annum. Indexed 10% hurdle/60%. K+K Shoe Market GmbH (440.89 sq m) for expiring 9 November 2015. Passing rent is €44,880.00 per annum.	€ 315,518	€ 308,716	€ 3,700,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	a beverage store has a shallow pitched roof. Windows appear to be metal-framed, with one unit having rear security grills, presumably at the tenant's request. The internal specifications of the sales areas vary among the tenants. The building is set at a right-angle to the main road Kasernenstrasse. It also faces Sieboldstrasse, a short no-through road with no natural traffic flow. While the unit nearest the main road (Dänisches Bettenlager) has good visibility, units further away are less prominent. Customer access is from Sieboldstrasse, while separate a delivery access is provided to the rear, from Columbiastrasse. There is a bus stop in the latter street, close to the property. We understand that the Property comprises the following: Plot size: 10,153 sq m Lettable area: 3,376 sq m 175 car parking spaces	Indexed 10% hurdle/60%. KIK — textile discounter (525.00 sq m) expiring 16 November 2015. Passing rent is €59,787.00 per annum. Indexed 10% hurdle/50%. Tedi — retailer (425.00 sq m) expiring 13 November 2015. Passing rent is €43,299.00 per annum. Indexed 10% hurdle/50%. Logo/Heurich — retailer (515.39 sq m) expiring November 2015. Passing rent is €44,496.16 per annum. Indexed 10% hurdle//60%.			
Unit-ID: tru05310 Up De Heuchte 5 / Grüner Weg 49196 Bad Laer Date of Inspection: 9 June 2011	Bad Laer, with a population of approx. 9,100, is located in the German state of North Rhine-Westphalia. Bad Laer is located roughly 25 km to the south of city Osnabrück. The subject property is located at the Up De Heuchte/Grüner Weg in a non pedestrian zone at the southeast side of Bad Laer. The surrounding area is characterised by agricultural land, retail and housing uses. It is easily accessible by car. Access by public transport is moderate. The subject property consists of two separate buildings, one let to Lidl (and Conny's stehcafé) and the other to Willy's, a beverage store, including a further unit which was let to the drug store chain Schlecker but is vacant at present. Both are concrete constructions, have a ground floor as well as an upper floor and a pitched roof with	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH — discounter (1,078.05 sq m) expiring 30 November 2016. Passing rent is €130.102.20 per annum. Indexed 10% hurdle/60%. Willi Oberhülsmann — beverage store (706.95 sq m) expiring 31 December 2020. Passing rent is €32,115.72 per annum. Indexed 10% hurdle/60%.	€ 162,218	€ 173,037	€ 1,940,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	tiles. The facades are of brick/plaster work and steel panels. The public areas (ground floor) can be accessed through sliding and manual doors. The loading area for the Lidl store is located at the rear of the subject property (along the no-through road Up De Heuchte). Sprinklers/smoke detectors are not available on the inspected ground floor. An external car park for around 158 cars is available. A common parking area is located in front of both buildings. We understand that the Property is comprised of the following: Site Area: 12,930 sq m Lettable Area: 2,010 sq m 158 car parking spaces				
Unit-ID: tru05315 Detmolder Str. 222 33175 Bad Lippspringe Date of Inspection: 8 June 2011	Bad Lippspringe, with a population of approximately 15,200 is located roughly 12 km from Paderborn, 20 km from Detmold and about 40 km from Bielefeld in North Rhine-Westphalia. The subject property is located on Detmolder Strasse (at the corner with Am Beispring road) in a non pedestrian zone on the northeast side of Bad Lippspringe. The surrounding area is principally characterised by residential and retail uses. The subject property is a concrete frame construction, distributed over a ground floor and one upper floor under pitched tiled roof. The facades are of brick. There is a lean-to above the entrance. The publicly accessible floor (ground floor) can be accessed by sliding doors. The loading area is located at the front (Penny supermarket) and side (Kik textile discounter) of the subject property. Sprinklers/smoke detectors are not available on the inspected floor.	Freehold (Eigentum) The Property is let to: REWE Dt. Supermarkt KG a.A. — supermarket (1,313.36 sq m) expiring 1 June 2015. Passing rent is €151,366.80 per annum. Indexed 10% hurdle/50%. KiK Textilien und Non-Food GmbH — clothes retailer (493.35 sq m) expiring 28 February 2015. Passing rent is €47,064.00 per annum. Indexed 10% hurdle/100%.	€ 185,064	€ 186,244	€ 2,150,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The upper floor was not publicly accessible during our inspection. It appears to be occupied and we assume it has an ancillary function. The subject property appears to be in an average condition concerning the building's age. We understand that the Property comprises the following: Plot size: 3,800 sq m Lettable area: 1,807 sq m 120 car parking spaces				
Unit-ID: tru05320 Hamburger Landstr./ Schwarzer Weg 46 21357 Bardowick Date of Inspection: 19 May 2011	Bardowick is located approximately 25 km south-east of Hamburg in the state of Schleswig-Holstein. Bardowick has a population of approx. 6,400 inhabitants. The subject property is located at the Hamburgerlandstrasse/Schwartzerweg in a fringe of Bardowick. The surrounding area is characterised mainly by residential uses. Accessibility by car and by public transport is good. The subject property is occupied supermarket built in 2005. It is a REWE supermarket format with relatively large sales areas and ample parking facilities. The building appears to be a reinforced concrete frame construction with masonry infill, is distributed over a ground floor and one upper floor under a pitched tiled roof. The facades are of brick and steel panels painted in the REWE corporate colours. The building includes sales areas, staff rooms, storage space, a beverage store with a separate entrance and a bakery in the entrance area of the supermarket. We understand that the Property comprises the following:	Freehold (Eigentum) The Property is let to: REWE KG a A, NL Norderstedt — (1,996.26 sq m) expiring 20 November 2020. Rent agreed € 243,863.16 per annum. Indexed 10% hurdle/65%.	€ 243,863	€ 227,574	€ 3,060,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Site Area: 8,000 sq m Lettable Area: 1,996 sq m 135 car parking spaces				
Unit-ID: tru05325 Ilmer Weg 2a 21357 Bardowick Date of Inspection: 19 May 2011	Bardowick is located approximately 25 km south-east of Hamburg in the state of Schleswig-Holstein. Bardowick has a population of approx. 6,400 inhabitants. The subject property is located at the Hamburgerlandstrasse/Schwartzerweg in a fringe of Bardowick. The surrounding area is characterised mainly by residential uses. Accessibility by car and by public transport is good. The subject property comprises a rectangular stand alone supermarket, built around 2004. The building is a steel frame construction, is distrbuted over a ground floor and one upper floor and has a pitched tiled roof. The facades are of brick and steel panels. Sliding doors lead to the publicly-accessible floors (ground floor). The loading area with a dock loader is located at the eastern side of the subject property. Sprinklers / smoke detectors are not available on all inspected floors. We understand that the Property comprises the following: Site Area: 2,811 sq m Lettable Area: 977 sq m 80 car parking spaces	Ground Lease (Erbbaurecht) Annual ground lease is € 10,000 until 1 April 2029. The Property is let to: Penny - supermarket — (977 sq m) expiring 12 September 2016. Rent agreed € 113,100 per annum. Indexed 10% hurdle/60%.	€ 113,100	€ 111,412	€ 1,190,000
Unit-ID: tru05330 Neusalzaer Strasse. 39a / Zeppelinstrasse 02625 Bautzen	Bautzen, located in Saxony, is a small town approximately 65 km east of Dresden. The district of Bautzen has a population of around 321,500 inhabitants. The property is situated on the B96 towards the	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH & Co KG — supermarket (1,276.83 sq m) expir-	€ 137,898	€ 122,576	€ 1,540,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Date of Inspection: 18 May 2011	southern fringe of the town. The property is a single-storey and is presumably a re-inforced concrete frame construction with rendered and painted walls. It has some profiled metal elements and a pitched and concrete roof with pantiles. Windows and doors are metal-framed with external blinds. The property has tiled floors, dry-lined walls and suspended ceilings with striplighting. There is a ventilation system and smoke alarms are installed. Part of the property by the entrance is occupied by a bakery, presumed to be a subtenant. We understand that the Property is comprised of the following: Site Area: 5,214 sq m Lettable Area: 1,277 sq m 85 car parking spaces	ing 1 October 2016. Passing rent is €137,897.64 per annum. Indexed 10% hurdle/60%.			
Unit-ID: tru05335 Maria-Hilf-Str. 3-5 92334 Berching Date of Inspection: 19 May 2011	Berching is a small town with approx. 8,500 inhabitants belonging to the district of Neumarkt (roughly 127,300 inhabitants). Berching is located about 118 km north of Munich and 58 km south east of Nuremberg. It is situated 21 km south east of junction 56 of the A9 motorway which links Munich with Nuremberg. Constructed in 2004, the shopping centre property comprises two single-storey stand-alone buildings arranged in an L-shape and a paved car park, on an approximately rectangular plot. The property is a reinforced concrete frame construction with plastered and painted breeze block infill facades and pitched tiled roofs. One of the buildings (A) is occupied by REWE,	Freehold (Eigentum) The Property is let to: REWE Zentral AG, NL Eching — supermarket (1,700 sq m) expiring 29 September 2019. Passing rent is €180,00.00 per annum. Indexed 10% hurdle/60%. Metzgerei Lindl — butcher (83 sq m) expiring 30 September 2019. Passing rent is €17,166.36 per annum. Indexed 10 Pts. hurdle/100%. Michael Popp — pharmacy (161 sq m) expiring 30 September 2019. Passing rent is €17,166.36 per annum. Indexed 10 Pts. hurdle/100%.	€ 257,263	€ 278,823	€ 3,510,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	a butcher's and a pharmacy, whilst the other building (B) is occupied by KiK and Tedi. The REWE unit benefits from a raised, canopied unloading dock accessed via a service road to the side of the property. Internally, the units appear to be fitted-out to individual tenant specification requirements. We were not able to inspect all of the units internally and nor were we able to access non-public areas. However, the REWE supermarket is characterised by suspended tile ceilings with hanging fluorescent strip lighting, tiled floors and an air cooling system. The KIK and Tedi stores are fitted out to a similar specification, though benefiting from superior ceiling-mounted air-conditioning systems. We understand that the Property comprises the following: Plot size: 9,000 sq m Lettable area: 2,755 sq m 120 car parking spaces	KiK Textilien und Non-Food GmbH — textiles retail (450 sq m) for 10 years expiring 14 October 2014. Passing rent is €42,930.00 per annum. Indexed 10% hurdle/60%.			
Unit-ID: tru05340 Treseburger Str. 29 13129 Berlin Date of Inspection: 18 May 2011	The property is located in Berlin-Blankenburg in the Eastern part of Berlin, 12 km north of the centre and towards the edge of the built-up area of the city. Blankenburg has a population of 6,536 (Dec. 2011). The property is situated among several other commercial/light industrial premises on the corner of Karower Damm and Treseburger Strasse; Treseburger Strasse itself is a narrow cobbled road leading to a low-density residential area. While this residential zone appears a quiet, well-maintained family district, the area immediately around the property is of rather poor appearance. The property consists of two single-storey	Freehold (Eigentum) The Property is let to: Netto Marken-Discount AG & Co. KG- (926.56 sq m) 7 April 2020. Passing rent is €144,000.00 per annum. Indexed 10% hurdle/60%. Backshop Feurich – bakery - (30.77 sq m) expiring 30 April 2021. Passing rent is €11,962.08 per annum. Indexed 100% VPI. Markgrafen-Getränke Vertieb GmbH – beverages store - (449.39 sq m) expiring 31 March 2015 at a passing rent of €46,731.72 per annum. Indexed	€ 202,694	€ 191,356	€ 2,490,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	buildings, a new (2005) supermarket and an older concrete shed building, recently refurbished and used as a beverage retail warehouse. The supermarket building is set back from the main road, Karower Damm. It apears to be a reinforced concrete frame construction with brick and profiled metal walls; it has a pitched and concrete pantiled roof. The double-glazed windows have metal frames and, to the rear, security grills. The property has tiled walls, plain painted walls, and suspended ceilings with striplights and an air-handling system. The delivery bay has a separate access from Treseburger Strasse. The very small bakery/café is located by the exit of the supermarket and is hardly visible from the car park. The beverage retailer is of a basic fit-out with rendered and painted walls; it does not have a very attractive appearance. It is this unit which is located on the busier Karower Damm. We understand that the Property is comprised of: Plot size: 5,265 sq m Lettable area: 1,407 sq m 88 car parking spaces	10% hurdle/60%.			
Unit-ID: tru05345 Bahnhofstrasse 35 92690 Pressath Date of Inspection: 19 May 2011	Pressath is a small rural Bavarian town with almost 4,400 inhabitants located approx. 90 km to the north east of Nuremberg and 40 km to the south east of Bayreuth. Pressath is situated on the B299 roughly 20 km to the north west of junction 23 of the A93 motorway and 40 km to the east of junction 44 of the A9 motorway. The property is located on a main thoroughfare leading from Pressath to Weiden and is well visible in this direc-	Freehold (Eigentum) The Property is let to: REWE Zentral AG Hungen — supermarket (total of 2,231.09 sq m), expiring 30 September 2016. Total passing rent is €187,889.16 per annum. Indexed 10% hurdle/60%. Bäckerei Brunner GmbH & Co.KG — bakery (61.61 sq m) expiring 1 January 2108. Passing rent is €13,063.20	€ 213,851	€ 202,087	€ 2,380,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	tion. From the opposite direction (to Pressath from Weiden), visibility is somewhat limited due to a bend in the street. Constructed in 1985 and subsequently extended in 1995, the property is arranged over a single storey. The property is a reinforced concrete frame structure, with facades in prefabricated reinforced concrete panels. The property has a pitched metal-sheet roof. Internally, the REWE supermarket has tiled floors and suspended tiled ceilings with hanging fluorescent strip lights. We understand that the Property comprises the following: Plot size: 2,440 sq m Lettable area: 2,380.00 sq m. 138 car parking spaces	per annum. Indexed 10% hurdle/50%. Hausner & Peugler Fleisch- u. Wurst — butchery (87.76 sq m) expiring 30 December 2016. Passing rent is €12,898.80 per annum. Indexed 10% hurdle/50%.			
Unit-ID: tru05350 Müggelseedamm 151-155 12587 Berlin Date of Inspection: 18 May 2011	The property, a supermarket, is located in the Friedrichshagen district on the eastern fringe of Berlin, approx. 20 km from the centre. This is a pleasant, medium-density residential district in an attractive location on the northern banks of Lake Müggelsee. Friedrichshagen has a population of 17,500. The property is on a busy road in the original centre of Friedrichshagen, which has a full range of retail and service facilities. The property is a single-storey construction, presumed to be re-inforced concrete framed, with brick walls, profiled metal gables and a pitched roof with tiles. Windows are metal-framed and double-glazed. The property has tiled walls, plain painted walls and suspended ceilings with striplights and an air-handling system. The small baker's unit is located in the entrance area of the supermarket. It also has its own separate entrance due to different	Freehold (Eigentum) The Property is let to: Netto — supermarket (858.00 sq m) expiring 1 October 2019. Passing rent is €142,800.00 per annum. Indexed 2/10/60. Steineckes Heidebrot Backstube GmbH & Co KG — bakery (37.50 sq m) for 5 years expiring 3 October 2014. Passing rent is €13,200.00 per annum. Indexed 10% hurdle/100%.	€ 156,000	€ 150,246	€ 1,970,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	trading hours. We understand that the Property is comprised of the following: Site Area: 3,946 sq m Lettable Area: 896 sq m 57 car parking spaces				
Unit-ID: tru05355 Alte Heerstrasse 4 28259 Bremen Huchting Date of Inspection: 19 May 2011	Bremen is one of three city states in Germany and has a population of almost 547,300. The property is located on the north side of Huchting in a non pedestrian zone. The surrounding area is characterised by residential and retail uses. Accessibility by car is good. Access to public transport is moderate. The subject property is a concrete frame construction distributed over a ground floor and a upper floor and has a flat roof. The facades are of plastered brickwork. All units on the first floor, accessible by a staircase, have manual doors, whereas all publicly-accessible floors at ground floor level have automatic sliding doors. The loading area for the Aldi supermarket is located to the side of the property. The upper floor was not accessible at the time of our inspection. We understand that the Property comprises the following: Plot size: 4,213 sq m Lettable area: 1,464 sq m 87 car parking spaces	Freehold (Eigentum) The Property is let to: Albrecht BGB Gesellschaft — Aldi supermarket (1,044.00 sq m) expiring 14 November 2015. Passing rent is €90,953.28 per annum. Indexed 10% hurdle/30%. Tenters — bakery (80 sq m) expiring 30 November 2013. Passing rent is €11,233.00 per annum. Indexed 10% hurdle/100%. Jochen Rubel — office tenant (120.00 sq m) expiring 31 December 2030. Passing rent is €15,001.80 per annum. Indexed 10% hurdle/100%. Li Chang Yang — restaurant (220 sq m) expiring 31 December 2015. Passing rent is €13,895.40 per annum. Indexed 5% hurdle/100%.	€ 131,073	€ 123,156	€ 1,380,000
Unit-ID: tru05360 Heinrich-Böll-Strasse 42-44 63486 Bruchköbel	Bruchköbel-Niederissigheim, with a population of approximately 20,600, is a rural town located roughly 22 km to the north east of Frankfurt am Main in the Vogelsberg region; about 30 minutes drive from	Freehold (Eigentum) The Property is let to:	€ 215,938	€ 215,034	€ 2,490,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Date of Inspection: 3 June 2011	the city centre via the A66 motorway. The property is located to the north of Bruchköbel, in the urban area of Niederissigheim, and is accessed from the L3195 which is the main road through Bruchköbel. The area is predominantly residential with the exception of the Eidmann sausage factory opposite the subject property. Constructed in 1998, the property comprises two single storey detached single bay retail warehouse style buildings, arranged in an L shape with concrete steps between the residential estates at the rear. Both buildings are timber framed and benefit from profile sheeting clad roofs and elevations. Skylights provide some natural lighting and entrances are fully glazed. The tenants have fitted the buildings out to their own requirements. They are both of a good standard with suspended ceilings incorporating air-cooling systems and a combination of pendant strip fluorescent and spot lighting. There is a hot-air blower just inside the entrance of the Tegut supermarket. A small partitioned office is located at the front on the west side in the Tegut building next to a raised docking area for goods deliveries. The property is bordered to the north and west by new residential developments, to the east by Wilhelm-Busch-Strasse and to the south by trees. We understand that the Property comprises the following: Plot size: 6,093 sq m Lettable area: 1,857 99 car parking spaces	Tegut Gutberlet Stiftung & Co — supermarket (1,640.75 sq m) expiring 30 November 2013. Passing rent is €215,938.08 per annum. Indexed 10% hurdle/65%. .			

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: tru05365 Binger Strasse 15 5257 Budenheim Date of Inspection: 28 June 2011	Budenheim is a small commuter town in the Federal state of Rhineland-Palatinate with a population of approximately 8,500. Budenheim is located within the district of Mainz-Bingen. Road infrastructure is excellent with the A66 motorway providing rapid access to Frankfurt, which is only a 45 minutes drive away. The A63 and A60/E42 motorways are also a 5 minute drive to the south of Budenheim providing easy access to the south towards Mannheim and north west to Koblenz, respectively. The subject property is located on the eastern edge of the town at the junction of the L423 (Bingerstrasse) which leads to Mainz and Kirchstrasse.The area is predominantly residential. Constructed in 2004, the property comprises a single storey retail warehouse style building. There may be a lower basement and mezzanine storage areas, however we were unable to gain access to the full property during our inspection. The property is a concrete frame construction with painted facades incorporating a glazed porch entrance with a double pitched tiled roof. The delivery area is to the side down a ramped entrance with a steel roller shutter door. Vehicle access to the property is off Bingerstrasse, however, there is also a separate pedestrian access off Haupstrasse which leads to the rear of the supermarket. The premises are fitted-out to the tenant's requirements including a cheese and meat counter to the rear of the store and a patisserie counter just inside the front entrance. There is also a small garden section located outside to the left of the entrance. The standard is good with a tiled floor and a suspended ceiling incorporating recessed fluorescent lighting and an air cooling system. There is a hot-air blower just inside the main entrance. The property is bor-	Leasehold (heritable building right) for 35 years expiring 2 May 2039. Ground rent is €48,000.00 per annum. The Property is let to: REWE Deutscher Supermarkt Kommanditges. — REWE supermarket (1,150.00 sq m) expiring June 2019. Passing rent is €176,400.00 per annum. Indexed 10% hurdle/60%.	€ 176,400	€ 165,600	€ 1,530,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	dered to the north and west by residential developments, to the east by Kirchstrasse and to the south by Bingerstrasse. We understand the Property comprises the following: Plot size: 4,910 sq m Lettable area: 1,150.00 sq m 85 car parking spaces				
Unit-ID: tru05370 Ostlandstr. 2a 29319 Hambühren Date of Inspection: 7 June 2011	Hambühren, with a population of almost 10,200, is located about 9 km from the city centre of Celle and 42 km from the old town centre of Hanover in Lower Saxony. The subject property is located on Ostlandstrasse (at the corner with the Breslauer Strasse) in a non pedestrian zone.The surrounding area is principally characterized by residential and retail uses. Access by car is good. The subject property is a steel frame construction, has a ground floor with a lettable area of approximately 1,400 sq m and a pitched tiled roof. The elevations are of bricks with steel panels on top. The ground floor is accessible through sliding doors. Beside the entrance there is another smaller rental unit (designated for a bakery/food store) which is separatly accessible from the outside. The loading platform for Lidl supermarket is located to the rear of the property (adjacent to the existing residential area and the vacant land). We understand that the Property comprises the following: Plot size: 5,026 sq m Lettable area: 1,388.00 sq m 120 car parking spaces	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH & Co KG — (1,286.00 sq m, 486 of which is storage space) expiring 31 October 2019. Passing rent is €151,366.80 per annum. Indexed 10% hurdle/70%.	€ 151,367	€ 151,492	€ 1,890,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: tru05375 Heidestr. 100 06842 Dessau Date of Inspection: 19 May 2011	The town of Dessau-Roßlau is located in Saxony-Anhalt and has around 86,900 inhabitants. The city is located approximately 130 km to the south west of Berlin and 45 km to the north of Leipzig. Dessau is close to the A9 motorway and has excellent transport links. Access to public transport is moderate. The property consists of two single-storey buildings, constructed in 2002: a discount store and a garage. They are both rectangular in shape as is the site. They appear to be reinforced concrete frame constructions with brick and profiled metal walls and a concrete pantiled roof. The double-glazed windows have metal frames and security grills at the rear. The property has tiled walls, plain, painted walls and suspended ceilings with strip-lights and a ventilation system. We were not able to inspect the garage building and therefore cannot comment on it. We understand that the Property comprises the following: Plot size: 9,189 sq m Lettable area: 1,261.10 sq m 140 car parking spaces	Freehold (Eigentum) The Property is let to: Netto — supermarket (936.10 sq m) expiring 17 October 2015. Passing rent is €110,871.72 per annum. Indexed 10% hurdle/60%. Pit Stop Autoservice GmbH — garage (325.00 sq m) expiring 30 September 2022. Passing rent is €39,840.00 per annum. Indexed 10% hurdle/70%.	€ 150,712	€ 138,149	€ 1,690,000
Unit-ID: tru05380 Forster Strasse 77 03159 Döbern Date of Inspection: 18 May 2011	Döbern, in the federal state of Brandenburg, is a small rural town approximately 28 km south-east of Cottbus. It has roughly 3,600 inhabitants. The property is located on the main road through the town, close to the centre. The property is a mainly single-storey construction with a smaller first floor of non-retail accommodation to the front. Walls	Freehold (Eigentum) The Property is let to: Michael Schels & Sohn GmbH & Co KG — Netto supermarket (1,037.00 sq m) expiring 1 November 2017. Passing rent is €111,460.92 per annum. Indexed 10% hurdle/60%.	€ 111,461	€ 93,330	€ 1,190,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	are rendered and painted; the roof is pitched and tiled. Windows and doors are metal-framed; rear windows have security grills. The property has tiled floors, plain painted walls, suspended ceilings with striplighting and some spotlighting, and perimeter ventilation units. There are storage and food preparation areas which appear to have tiled walls. We were unable to inspect the first floor accommodation. Part of the property by the entrance is occupied by a bakery, presumed to be a sub-tenant. We understand that the Property comprises the following: Site Area: 4,530 sq m Lettable Area: 1,037.00 sq m 60 car parking spaces				
Unit-ID: tru05385 An der Lohwiese 4 97500 Ebelsbach Date of Inspection: 18 May 2011	Ebelsbach is a small rural town with almost 3,800 inhabitants, located approximately 80 km to the north of Nuremberg on Bavaria. The property is situated on a mixed retail and commercial park on the edge of the town just off the B26 and is visible from this main road. The property is bounded by An der Lohwiese and Setzgraben Strasse. Other nearby uses includes a Norma food discounter, a REWE supermarket and residential uses. Constructed in 2004, the shopping centre property comprises two stand-alone buildings arranged in an L-shape and a surface car park, on a rectangular site. One of the buildings is occupied by a Netto supermarket unit. It consists of a reinforced concrete frame building with brick walls and profiled metal gables under a pitched and tiled roof. The subject property is accessed via two sets of inner and outer automatic doors for customers. Windows are metal framed and double-glazed. The	Freehold (Eigentum) The Property is let to: Netto — supermarket (987.00 sq m) expiring 30 December 2016. Passing rent is €105,600.00 per annum. Indexed 10% hurdle/50%. KiK Textilien und Non-Food GmbH — clothes retailer (438.47 sq m) expiring 21 November 2014. Passing rent is €44,418.00 per annum. Indexed 10% hurdle/70%. TEDI GmbH & Co. KG — retailer (578.70 sq m) expiring 30 June 2015. Passing rent is €32,422.00 per annum. Indexed 10% hurdle/80%. Hubert Stussak — grocer (177.00 sq m) expiring 31 December 2014. Passing rent is €31,176.00 per annum. Indexed 10% hurdle/60%. Büro & Design Georg Greb — shop	€ 236,187	€ 245,014	€ 2,960,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	other building is multi-let. Both buildings are similar in construct-ion, one apparently being a reinforced concrete framed structure with vertically perforated bricks and the other, and a re-inforced concrete framed structure with a flat roof for the hall. We understand that the Property comprises the following: Plot size: 8,718 sq m Lettable area: 2,620 sq m 120 car parking spaces	(230.00 sq m) expiring 31 August 2013. Passing rent is €22,591.64 per annum. Indexed 5% hurdle/100%.			
Unit-ID: tru05390 Oberes Tor 3 91320 Ebermannstadt Date of Inspection: 19 May 2011	Ebermannstadt is a small rural town of almost 6,800 inhabitants located approximately 50 km to the north of Nuremberg and 105 km to the east of Würzburg. It belongs to the district of Forchheim (roughly 113,000 inhabitants). The town is situated on the B470 roughly 14 km to the north east of junction 8 of the A73 motorway. Apparently constructed in 2004, the property comprises two stand-alone buildings arranged in an L-shape and a surface car park, on a rectangular site. The two buildings are joined by a canopy over a passageway between them. One of the buildings (A) has a single-storey and backs onto Ramstertal Strasse. This building is occupied by REWE Getränkemarkt (beverage store) and KIK. The REWE Getränkemarkt unit benefits from a raised and canopied unloading platform. The other building (B) has two-storeys and backs onto Breitenbacher Strasse (B470). This building is occupied at ground level by a hairdresser's, a tanning studio with a further unit which was let to the drug store chain Schlecker but is vacant at present. The first floor is occupied by a training	Leasehold (heritable building right) from 9 August 2002 until 31 December 2062. Ground rent is €27,850.44 per annum. The Property is let to: REWE Zentral AG, NL Hungen — beverage market (602.12 sq m) expiring 31 January 2020. Passing rent is €60,250.68 per annum. Indexed 0%/23%. KiK Textilien und Non-Food GmbH — clothes retailer (449.63 sq m) expiring 30 June 2014. Passing rent is €46,941.36 per annum. Indexed 10% hurdle/100%. Reinhold Keller (Tropic Sun) — tanning studio (83.52 sq m) expiring 31 March 2015. Passing rent is €10,236.84 per annum. Indexed 10% hurdle/75%. Complex Train Ltd — gym (158.88 sq m) expiring 31 November 2014. Passing rent is €13,638.24 per annum with stepped increases to €14,047.39 in December 2013.	€ 138,267	€ 199,036	€ 1,840,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	company and an insurance office. A vacant office/retail unit at second floor level is currently being marketed. Both buildings are similar in construction apparently consisting of reinforced concrete frames with either plastered or painted breeze block infill facades or corrugated metal facades; the corrugated roofs are slightly pitched. We understand that the Property comprises the following: Plot size: 6,632 sq m Lettable area: 2,041 sq m 62 car parking spaces	DOMOS Ltd. — (100.00 sq m) for 10 years expiring 15 December 2015 at €7,200 per annum. Indexed 10% hurdle/50%.			
Unit-ID: tru05395 Steiner Strasse 25-26 75239 Eisingen Date of Inspection: 10 June 2011	Eisingen is a small rural town with a population of approximately 4,500, located roughly 7.5 km north of Pforzheim in the state of Baden Württemberg. Road connections are good. The subject property is located on Steiner Strasse, the main road through the centre of the town. The immediate vicinity is predominantly residential with a petrol station opposite the main vehicle entrance. The property comprises a single storey supermarket currently occupied by Edeka. Constructed in 2003, the property is a concrete frame construction with rendered facades and a parapet roof. A separate delivery entrance is located at the west elevation, with a steel roller shutter door. A blockwork paved car park provides 70 parking spaces. The property is accessed directly off Steiner Strasse; however, it is set back from the road and not visible on approach. Pedestrian access is also possible from the path that runs to the south of the property, linking Bohrrainstrasse and Wesenstrasse, two residential roads. The	Freehold (Eigentum) The Property is let to: EDEKA Handels GmbH Südwest — SPAR supermarket (1,346.23 sq m) expiring 30 November 2018. Passing rent is €164,781.48 per annum. Indexed 10% hurdle/60%.	€ 164,781	€ 153,470	€ 2,000,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	property is fitted out to the tenant's specification. This incorporates a suspended ceiling supporting an air-cooling system, ceiling-mounted strip fluorescent lighting, a sprinkler system and CCTV. The floor covering is tiled. The building has a bakery and an integrated beverage store. We understand that the Property comprises the following: Plot size: 4,251 sq m Lettable area: 1,346 sq m 70 car parking spaces				
Unit-ID: tru05400 Wiebeke Kruse Strasse. 5 – 7 25348 Glückstadt Date of Inspection: 19 May 2011	The town of Glückstadt, with a population of approximately 11,500, is is located in Schleswig-Holstein, roughly 65 km from Hamburg. The subject property is located in a non pedestrian zone on the outskirts of Glückstadt. The surrounding area is characterised mainly by residential uses. Accessibility by car is good. The subject property has a ground floor, an upper floor and a pitched roof with tiles. The facades are of brick and steel panels. Sliding and manual doors lead to the publicly-accessible floor (ground floor). The loading area is located at the north side of the subject property. Sprinklers/smoke detectors are not available on the floors we inspected. We understand that the Property comprises the following: Plot size: 5,612 sq m Lettable area: 1,471 sq m 84 car parking spaces	Freehold (Eigentum) The Property is let to: Albrecht BGB Gesellschaft — Aldi supermarket (988.27 sq m) expiring 21 June 2015. Passing rent is €122,438.40 per annum. Indexed 10% hurdle/50%.	€ 122,438	€ 162,032	€ 1,690,000
Unit-ID: tru05405 Rosa-Luxemburg-	Gräfenhainichen is a small town in the	Freehold (Eigentum)	€ 140,010	€ 127,488	€ 1,590,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Strasse 68 a-b 06773 Gräfenhainichen Date of Inspection: 19 May 2011	federal state of Saxony-Anhalt, approximately 25 km south of Wittenberg, 60 km north of Leipzig and 140 km south-west of Berlin. The town has a population of roughly 13,301. The property is situated on one of the main routes into the town, about 1 km from the centre. It is located on a corner site propery at the corner of Parkstrasse, which provids access to the neighbouring discounter Netto and leads to a residential area and small church. The property, which was built in 2005, consists of two separate single-storey buildings. One is a retail warehouse is occupied by a beverage store while the second larger building is occupied by a Penny supermarket and bakery. Both buildings are apparently concrete frame constructions with brick curtain walls and concrete pitched pantiled roofs. The gable walls have metal cladding. There is ample parking at the front of the building facing the road. We understand that the Property comprises the following: Plot size: 8,265 sq m Lettable area: 1,379 sq m 112 car parking spaces	The Property is let to: Plus Warenhandelsgesellschaft mbH — supermarket (930.00 sq m) expiring 28 November 2018. Passing rent is €97,200.00 per annum. Indexed 10% hurdle/60%. WVG Getränkefachgrosshandel GmbH — beverage store (414.00 sq m) expiring 28 December 2015. Passing rent €33,780.00 per annum. Indexed 10% hurdle/65%. Feine Fleisch- und Wurstwaren – butcher (35 sq m) expiring 30. November 2018. Passing rent ist €9,030.00. Indexed 10% hurdle/65%.			
Unit-ID: tru05410 Meldorfer-Str. 151 25746 Heide Date of Inspection: 26 May 2011	The town of Heide, with a population of almost 20,900, is located in the state of Schelswig-Holstein. It is located approximately 105 km to the north west of Hamburg. The property is located to the south of Heide, roughly 2 km from the city centre. The subject property is located on the Meldorferstrasse in a non pedestrian zone on the southern edge of Heide. The sur-	Freehold (Eigentum) The Property is let to: Lidl Gmbh & Co KG — supermarket (1,106.42 sq m) expiring 31 December 2015. Passing rent is €159,557.64 per annum. Indexed 10% hurdle/60%. TAKKO Modemarkt GmbH & Co KG	€ 280,736	€ 261,998	€ 3,210,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	rounding area is characterised by residential use and car showrooms. The U149 provides direct access to the E 23 motorway junction 3 “Heide”. Public transport connections are good. The subject property comprises two stand-alone buildings which accommodate a supermarket, a shoe store and fashion store. The buildings were constructed in 2000 and are similar. The buildings have a ground floor and one upper floor; the pitched roof has tiles. The facades are of brick and steel panels. Automatic doors lead to the publicly-accessible floor (ground floor). The building accommodating the Lidl supermarket is equipped with a loading area including a dock loader at the north side of the building. Sprinklers/smoke detectors are not available on the inspected floors. We understand that the Property comprises the following: Plot size: 9,593 sq m Lettable area: 2,205 sq m 177 car parking spaces	— textiles retail (655.20 sq m) expiring 30 November 2015. Passing rent is €74,378.28 per annum. Indexed 10% hurdle/65%. K+K Shoe Market GmbH — (443.03 sq m) expiring 31 December 2014. Passing rent is €46,800.00 per annum. Indexed 10% hurdle/70%.			
Unit-ID: tru05415 Zum Brook 3 24143 Kiel Date of Inspection: 26 May 2011	The city of Kiel, with a population of approx. 239,500, is located Schleswig-Holstein. The property is located at the south east side of the city centre of Kiel in a non pedestrian zone in the suburb Gaarden Ost. The surrounding area is characterised by residential use. A small office building is located opposite the property. Accessibility by car is moderate and public transport conections are good. The subject property is located close to the harbour with ferry services to Sweden, Norway and Denmark. The subject property, constructed in 1997,	Freehold (Eigentum) The Property is let to: REWE KG aA, NL Norderstedt — supermarket (764.21 sq m) expiring 18 May 2013. Passing rent is €113,296.08 per annum. Indexed 10% hurdle/65%. Horst Knobloch — dancing school (678.68 sq m) expiring 31 August 2013. Passing rent is €33,939.36 per annum. Indexed 10% hurdle/100%.	€ 147,235	€ 127,924	€ 1,390,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	is a stand-alone building. The building is a concrete construction; it has a ground floor and 2 upper floors with a pitched roof of corrugated steel panels. The facades are of concrete plastering. A staircase leads to the publicly-accessible floors (ground floor and upper floors). The loading area is located at the front of the subject property. Sprinklers/smoke detectors are not available. We understand that the Property comprises the following: Plot size: 2,265 sq m Lettable area: 1,489 sq m 37 car parking spaces				
Unit-ID: tru05420 Otto-Hahn-Str. 18 68623 Lampertheim Date of Inspection: 10 June 2011	Lampertheim is a predominantly residential satellite to industrial Mannheim, with almost 31,300 inhabitants located approximately 71 km to the south of Frankfurt, 153 km to the north west of Stuttgart and 130 km to the north east of Saarbrucken. The property is situated on Otto Hahn Strasse, near the B44 which joins junction 24 of the A6 motorway roughly 7.5 km away. Otto Hahn Strasse is a mixed commercial/ industrial estate on the outskirts of Lampertheim. A number of chain retailers have settled in this location, forming a competitive retail warehouse centre, with a good product mix. The property comprises a single storey retail unit, with separate entrances for the REWE and REWE Getränkemarkt (beverage store) and ample parking facilities. The retail unit appears to be a reinforced concrete frame construction, with plastered and painted elevations and a slightly pitched corrugated metal roof. The supermarket benefits from a raised loading platform to its side. Both the supermarket and	Freehold (Eigentum) The Property is let to: REWE Handelsgesellschaft Leibbrand oHG — supermarket and beverage market (2,173.91 sq m) expiring 31 December 2013. Passing rent is €248,583.86 per annum. Indexed 10% hurdle/50%.	€ 248,584	€ 234,782	€ 2,840,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	beverage market are fitted out to a similar standard: tiled floors, suspended tiled ceilings, pendant fluorescent strip lighting and a ventilation system. The foodstore benefits from specialist delicatessen and bakery counters. We understand that the Property comprises the following: Plot size: 6,841 sq m Lettable area: 2,174 sq m 121 car parking spaces				
Unit-ID: tru05425 Leopoldstrasse 32657 Lemgo Date of Inspection: 8 June 2011	Lemgo is a historic town with approximately 41,400 inhabitants located roughly 115 km to the north east of Dortmund, 88 km to the north west of Kassel and 69 km to the south west of Hanover. The Property is situated on Leopoldstrasse, just off the B238, approximately 10 km from junction 28 of the A2 motorway. The Property occupies much of an island plot bounded by Leopoldstrasse to the west, Piderit-strasse to the north and Schützenwete to the south. The subject property is a food discounter with bakery, completed in 2006. The building is apparently a one-level reinforced steel frame construction with brick elevations and has a flat roof. Other than brick, parts of the facade are rendered and painted. The bakery is situated in the entrance area of the discounter. There is sufficient car parking provided in front of the building. We understand that the Property comprises the following: Plot size: 4,223 sq m Lettable area: 1,082 sq m 76 car parking spaces.	Part Freehold (Eigentum) and Part Leasehold under following agreement: Schützengesellschaft Lemgo von 1575 e.V. — Ground Rent for 15 years expiring 31 December 2020. Rent agreed €6,534.00 per annum. The Property is let to: Netto — supermarket (1,017.00 sq m) expiring 19 April 2021. Passing rent is €140,400.00 per annum. Indexed 10% hurdle/60%. Schäfer's Brot & Kuchen Spezialitäten GmbH — bakery (65.00 sq m) expiring 19 April 2016. Passing rent is €16,800.00 per annum. Indexed 10% hurdle/70%.	€ 157,200	€ 153,744	€ 1,950,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: tru05430 Marktplatz 2 57299 Burbach Date of Inspection: 9 June 2011	Burbach is a rural town with almost 14,400 inhabitants located in North Rhine Westphalia, approximately 32 km to the southeast of Siegen, 95 km to the southeast of Bonn, 73 km to the northeast of Koblenz and 158 km to the southeast of Düsseldorf. The Property is situated on Marktplatz within 50 m of Naussauische Strasse, the commercial town centre of Burbach. Other commercial occupiers in the vicinity of the subject Property include Tedi, a driving school, a bank, a pharmacy and a bar. The Property benefits from an excellent parking prossibilities combined with a town centre location and a immediate residential catchment area. Constructed in 2003, the property comprises a two storey building, the upper floor of which is excluded from our valuation, being held by the municipality under a heritable building right. Retail uses are located at ground floor level, and a gym and roof top parking (heritable building right) are located at first floor level. The property is of reinforced concrete frame construction with rendered façades under a pitched, tiled roof. The units appear to be fitted-out to a similar standard, characterised by suspended tile ceilings with hanging fluorescent strip lighting, tiled floors and a vantilation sysrtem. We were not able to access non-public areas of the property. The parking lot is floodlit with canopied trolley-parks. We understand that the Property comprises the following: Plot size: 4,223 sq m Lettable area: 3,410 sq m 76 car parking spaces.	Freehold (Eigentum) The Property is let to: KIK Textilien — discount fashion retailer (298.87 sq m), expiring 30 September 2013. Passing rent is €31,891.56 per annum. Indexed 10% hurdle/70%. Norma — discounter (885.19 sq m) expiring 31 October 2013. Passing rent is €78,000.00 per annum. Indexed 10% hurdle/60%. REWE — supermarket (2226.14 sq m) expiring 5 October 2018. Passing rent is €273,240.00 per annum. Indexed 10% hurdle/60%.	€ 383,132	€ 371,978	€ 4,670,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Unit-ID: tru05435 Wirsberger Strasse 95339 Neuenmarkt-Wirsberg Date of Inspection: 18 May 2011	Neuenmarkt is a small town of approx. 3,000 inhabitants located approx. 251 km to the north of Munich and 103 km to the north east of Nuremberg. The property is situated in an edge of town location at the junction of Wirsberger Strasse and Aus der Höh. Wirsberger Strasse is a main road which links Neuenmarkt with the B303. The immediate surroundings of the property are predominantly rural and agricultural. However, there is an Edeka E-Aktiv Markt and a small grocery on the adjacent plots. The subject property, completed in late 2005, is a small retail warehouse centre comprising a Norma food discounter and a Markgrafen beverage store, each accessed separately. It is apparently a reinforced concrete frame construction with infill walls (supposedly masonry). The facade is painted and partly cladded with metal elements in corporate colours. The sales areas are decorated to the individidual specifications of the respective tenant. This is a recent construction with apparently no visible defects. We understand that the Property comprises the following: Plot size: 6,546 sq m Lettable area: 1,525 sq m 90 car parking spaces.	Freehold (Eigentum) The Property is let to: Norma GmbH & Co KG — discounter (1,050.00 sq m) expiring 9 April 2016. Passing rent is €103,320.00 per annum. Indexed 10% hurdle/65%. Markgrafen Getränke GmbH — beverage store (475.00 sq m, including ca. 75 sq m of storage space) expiring 9 April 2016. Passing rent is €34,800.00 per annum. Indexed 10% hurdle/65%.	€ 138,120	€ 135,000	€ 1,610,000
Unit-ID: tru05440 Am Ostbahnhof 5 01904 Neukirch/Lausitz Date of Inspection:	Neukirch/Lausitz, in the federal state of Saxony, is a small rural town approx. 48 km east of Dresden and 15 km south-west of Bautzen. Neukirch/Lausitz has a population of around 5,200 inhabitants. The property is situated towards the south-east fringe of the town on a corner site on	Freehold (Eigentum) The Property is let to: Lidl Dienstleistungs GmbH & Co KG — supermarket (1,322.05 sq m) expiring 2 February 2017. Passing rent is €137,494.92 per annum. Indexed 10%	€ 137,495	€ 126,917	€ 1,560,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
18 May 2011	the B98, the main road through Neukirch and close to a railway station. The property is single-storey and of presumed re-inforced concrete frame construction with rendered and painted walls, with some profiled metal, beneath a pitched and tiled roof. Internally, the store is fitted-out to the usual Lidl specification, with tiled floors, dry-lined walls and suspended ceilings with striplighting. It also has a ventilation system and smoke alarms. Part of the property by the entrance is occupied by a bakery, presumed to be a subtenant. We understand that the Property is comprised of the following: Site Area: 5,624 sq m Lettable Area: 1,322 sq m 99 car parking spaces	hurdle/60%.			
Unit-ID: tru05445 Mühlweg 4 97720 Nüdlingen Date of Inspection: 17 May 2011	Nüdlingen is a small rural town with almost 4,200 inhabitants located approximately 155 km to the east of Frankfurt and 64 km to the north east of Würzburg. Nüdlingen is situated on the B287 roughly 20 km to the north east of junction 97 of the A7 motorway. The property, a single-let supermarket, is located on the Mühlweg commercial/industrial zone, situated on the edge of the town in close proximity to, though not visible from, highway 287. Constructed in 1999, the property comprises a single-storey wooden frame construction with part plastered and painted breeze block infill, part insulated plastic sheet elevations, and a slightly pitched insulated plastic sheet roof. The property is	Freehold (Eigentum) The Property is let to: Tegut Gutberlet Stiftung & Co — supermarket (814.29 sq m) expiring 31 May 2014. Passing rent is €89,304.00 per annum. Indexed 10% hurdle/65%.	€ 89,304	€ 83,058	€ 990,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	situated on a rectangular site. The building is situated to the rear of the plot as view from Mühlweg. The building benefits from a raised and canopied unloading platform its side. The building's wooden frame is exposed. It has suspended fluorescent strip lights and also benefits from some natural light through skylights in the roof. Floors are tiled and there are ceiling mounted air-conditioning units. We understand that the Property comprises the following: Plot size: 4,768 sq m Lettable area: 814 sq m 51 car parking spaces				
Unit-ID: tru05450 Oelder Tor 49 59302 Oelde-Stromberg Date of Inspection: 9 June 2011	Stromberg (Oelde) is located in North Rhine Westphalia and has a population of approx. 29,276. The subject property is located at the Oelder Tor in a non pedestrian zone at the border of Stromberg town. The surrounding area is predominantly residential. Accessibility by car is good. Public transport connections are also good: a bus stop is located just in front of the subject property. The subject property comprises a small retail warehouse centre arranged in a rectangular shape and recently constructed in 2006. The building is apparently a reinforced concrete frame construction. It has a ground floor, one upper floor under a pitched tiled roof. The facades are of brick and steel panels. The tenants are an Aldi food discounter, a beverage store and a bakery, each with a separate entrance to their respective sales areas. Sliding doors lead to the publicly-accessible floors (ground floor). There is a loading area with	Freehold (Eigentum) The Property is let to: Aldi Immobilienverwaltung GmbH & Co KG — Aldi supermarket (1,030.58 sq m) expiring 12 March 2016. Passing rent is €92,752.20 per annum. Indexed 10% hurdle/50%. Heinrich GmbH & Co. KG — beverage store (631.43 sq m) expiring 12 March 2016. Passing rent is €37,885.80 per annum. Indexed 4/10/70. Bäckerei Großerode GmbH — bakery (58.61 sq m) expiring 9 March 2016. Passing rent is €18,000.00 per annum. Indexed 10% hurdle/70%.	€ 148,638	€ 148,221	€ 1,660,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	a dock loader on one side of the subject property. Ample parking is provided in front of the building facing the road. The upper floor is not accessible to the public and we were therefore unable to inspect it. We understand that the Property comprises the following: Plot size: 8,590 sq m Lettable area: 1,721 sq m 140 car parking spaces				
Unit-ID: tru05455 Kaiserslauterer Straße 11 67806 Rockenhausen Date of Inspection: 28 June 2011	Rockenhausen is a small town with a population of approx. 5,300, located in Rhineland-Palatinate in the west of Germany. It belongs to the district of Donnersbergkreis (around 75,900 inhabitants). The district of Donnersberg has an unemployment rate of 5.3% and a purchasing power index of 98.4 (2011). The town lies roughly 31 km north of Kaiserslautern, the nearest large town, 47 km west of Worms and 69 km north west of Mannheim, the nearest city. Communications are good with the A63 motorway located about 12 km to the south east of Rockenhausen providing rapid access to Mainz and Frankfurt to the north and Kaiserslautern to the south. The B48 bypasses the town and provides easy access within a 30 minute drive north to Bad Kreuznach 29 km. The subject property, completed by November 2005, is a small retail warehouse centre with two rental units. This comprises a single-storey building, probably with a mezzanine storage level under the pitched roof. The building is of a concrete frame construction.The facade is partly with plastic profile sheeting, partly rendered. The rental units are fitted with the tenants' corporate fit-out specifications. The car park is being landscaped and will	Freehold (Eigentum) The Property is let to: REWE & Co oHG ZweigNL Wiesloch — Penny food discount (1,018.35 sq m) expiring 13 November 2020. Rent agreed €143,520 per annum. Indexed 10% hurdle/65%. KIK Textilien und Non-food GmbH — clothes retailer (600.00 sq m) expiring 13 November 2015. Rent agreed €64,080 per annum. Indexed 10% hurdle/67%.	€ 207,600	€ 187,002	€ 2,510,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	be landscaped with blockwork paving to provide approximately 100 spaces. We understand that the Property comprises the following: Plot size: 6,500 sq m Lettable area: 1,618 sq m 100 car parking spaces				
Unit-ID: tru05460 Hans Redlefsen Strasse 1a 24986 Satrup Date of Inspection: 26 May 2011	The town of Satrup, with a population of approximately 3,700, is located in Schleswig-Holstein. It is located about 75 km south east of Flensburg and belongs to the district of Schleswig-Flensburg. The property is located in the city centre of Satrup in a non pedestrian zone. The surrounding area is characterised by residential, retail and hotel uses. Raod accessibility is good, while public transport connections are moderate. The subject property, built in 2001, is comprised of two buildings. The first is a stand-alone building which accommodates supermarkets and a fashion store. The building has a ground floor, an upper floor set and a pitched roof with tiles. The facades are of brick and steel panels. Sliding and manual door lead to the publicly-accessible floors (ground floor) .The building has a loading area including a dock loader at the rear side of the subject property. Smoke detectors are available on all inspected floors. The second building is a stand-alone structure with several small retail shops on the ground floor and a flat roof. The building has a concrete frame with facades of concrete plastering. The ground floor is accessed through manual doors. We understand that the Property comprises the following:	Freehold (Eigentum) The Property is let to: Albrecht BGB Gesellschaft — Aldi supermarket (873.78 sq m) expiring 17 July 2016. Passing rent is €93,532.80 per annum. Indexed 10% hurdle/100%. SPAR Handels AG, Hamburg — (1,302.64 sq m) expiring 22 July 2013. Passing rent is €138,481.56 per annum. Indexed 10% hurdle/100%. Kloppenburg GmbH & Co. KG — (776.37 sq m) expiring 31 July 2016. Passing rent is €81,162.12 per annum. Indexed 10% hurdle/60%. Angeler Autohuus — (156.97 sq m) expiring 30 April 2017. Passing rent is €11,144.28 per annum. Indexed 10% hurdle/100%. Katja Gamst — (151.44) expiring 29 February 2020. Passing rent is €14,538.24 per annum. Indexed 10% hurdle/100%. Markus Beskidt — (132.92 sq m) expiring 31 July 2013. Passing rent is €14,334.60 per annum. Indexed 10% hurdle/100%.	€ 353,194	€ 333,188	€ 3,640,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	Plot size: 13,469 sq m Lettable area: 3,520 sq m 158 car parking spaces				
Unit-ID: tru05465 Neufelder Weg 1 27619 Schiffdorf-Spaden Date of Inspection: 27 May 2011	Schiffdorf-Spaden is located in Lower Saxony and is part of the town of Schiffdorf with approx.17,000 inhabitants. The property is located at the east of Bremerhaven and around 60 km from Bremen. The surrounding area is characterised by retail warehouses. The U47 provides direct access to the E27 motoreway (Bremen-Cuxhaven) junction 6 "Bremerhaven, Spaden" around 2 km away from subject property. Public transport connections are good. The subject property is part of a large retail warehouse centre, which was constructed in 1981 and renovated in 2002. The building is a concrete construction with a ground floor, two upper floors and a flat roof. The facades are corrugated steel panels. All public areas (ground floor and upper floors) can be accessed by staircase or lift. The loading area with three loading docks is located at the rear of the subject property. Sprinklers/smoke detectors are available on all floors which were inspected. We understand that the Property comprises the following: Plot size: 10,935 sq m Lettable area: 9,765 sq m 52 car parking spaces	Freehold (Eigentum) The Property is let to: Optimal GmbH — (9,142.81 sq m) expiring 31 May 2017. Passing rent is €473,344.65 per annum. Indexed 5%/80%. TEDI GmbH & Co. KG – (621,86 sq m) expiring 15.01.2013. Passing rent is €40,818.96 per annum. Indexed 10% hurdle/100%.	€ 531,003	€ 570,759	€ 6,330,000
Unit-ID: tru05470 Tükesleh 4 24887 Silberstedt	Silberstedt, with a population of approximately 2,200, is located in the state of Schleswig-Holstein. Silberstedt is located roughly 41 km to the south of Flensburg.	Freehold (Eigentum) The Property is let to: SPAR Handels AG, Hamburg — su-	€ 183,258	€ 162,987	€ 2,080,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
Date of Inspection: 26 May 2011	The property is located on the east side of the town. The subject property is located at the Tükeslih/Hauptstrasse (N201) in a non pedestrian zone at the east edge of the town. The surrounding area is characterised by some retail uses and a windmill energy complex. The N201 provides direct access to the E 7 motorway; junction 5 "Schuby" around 7 km from the subject property.Public transport connnections are poor. The subject property, built in 2003, comprises a stand-alone supermarket and is rectangular in shape. The building has a ground floor, one upper floor and a pitched roof with tiles. The facades are of brick and steel panels. All public areas (ground floor) can be accessed through sliding doors. The loading area with a dock loader is located at the rear side of the subject property. Sprinklers/smoke detectors are not available on all inspected floors. External parking is available for about 170 cars. We understand that the Property comprises the following: Plot size: 7,158 sq m Lettable area: 1,509 sq m 145 car parking spaces	permarket (1,509.14 sq m) expiring 25 September 2018. Passing rent is €183,257.76 per annum. Indexed 10% hurdle/65%.			
Unit-ID: tru05475 Vogelherd 1 72479 Strassberg-Winterlingen Date of Inspection: 17 June 2011	Strassberg and Winterlingen are small adjacent villages located in Baden-Württemberg, with a population of approx. 2,600 and 6,500 respectively. Strassberg is situated in a valley, with Winterlingen situated on the plateau above. Road connections are good. The property comprises a single storey supermarket, currently occupied by Netto. Constructed in 2000, the building is of a	Freehold (Eigentum) The Property is let to: Netto Marken Discount Gmbh & Co OHG — Netto supermarket (1,117.00 sq m) expiring 31 July 2015. Passing rent is €115,456.80 per annum. Indexed 10% hurdle/60%.	€ 115,457	€ 107,232	€ 1,250,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	concrete frame construction with rendered elevations under a pitched tiled roof. Part of the elevations is clad with plastic profile sheeting. There is a separate delivery entrance with a steel roller shutter door at the west elevation next to the main vehicle entrance. A blockwork paved and landscaped car park provides approximately 90 parking spaces, accessed both from Ebinger-strasse and the side road to the west. Internally, the property is fitted out to the tenant's specification including a bakery area just inside the front entrance and bottle recycling to the rear. Suspended ceilings support ceiling-mounted, strip fluorescent lighting and an air-cooling system. Floors are tiled. A CCTV system is also installed on the sales floor. We understand that the Property comprises the following: Plot size: 6,400 sq m Lettable area: 1,117.00 sq m 82 car parking spaces				
Unit-ID: tru05480 Von-Stolzenberg-Strasse 10 29664 Walsrode Date of Inspection: 31 May 2011	The town of Walsrode, with a population of almost 24,000, is located in the state of Lower Saxony. It is located approximately 55 km to the northwest of Hannover, 65 km southeast of Bremen and 85 km south of Hamburg. It belongs to the district Heidekreis. The property is situated around 800 metres to the southwest of the town centre. The subject property is located in a non pedestrian zone on the Von Stolzenberg Strasse. The surrounding area is mainly characterised by residential and retail uses. The subject property is a concrete frame construction, with a ground floor, one upper floor and a flat roof. The facades are of brick and steel panels. All public areas	Freehold (Eigentum) The Property is let to: REWE KG aA Norderstedt — (1,403.03 sq m) expiring 6 February 2017. Passing rent is €124,086.96 per annum. Indexed 10% hurdle/60%. Kloppenburg GmbH & Co — (750.44 sq m) expiring 28 October 2014. Passing rent is €85,910.40 per annum. Indexed 10% hurdle/60%.	€ 212,997	€ 193,812	€ 2,330,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	(ground floor) can be accessed through sliding and manual doors. The loading area is located at the rear of the property. Sprinklers/smoke detectors are not available on the ground floor. The upper floor of the existing part of the complex at the rear was not publicly accessible during our inspection. It appeared to be occupied and we assume it has an ancillary function. It has a lift with a load capacity for 10 persons or 1,500 kg. We understand that the Property comprises the following: Plot size: 7,115 sq m Lettable area: 2,153 sq m 153 car parking spaces				
Unit-ID: tru05485 Heinrich-Heine-Strasse 27a 03622 Waltershausen Date of Inspection: 20 May 2011	The town of Waltershausen is located in the state of Thuringia and has around 10,700 inhabitants. It is located approximately 230 km to the north east of Frankfurt and 40 km to the west of Erfurt. The city is close to the A4 motorway. The property is a small shopping centre situated in a residential area characterized by apartment buildings. It is located on the edge of Waltershausen, to the south of the city centre, bounded by roads on all sides. Direct supermarket competition was observed close to the property, including an Aldi, another REWE and a Tegut supermarket.Road accessibility is good. Public transport connections are moderate. The shopping centre property is an L-shaped building with a ground and first floor on a rectangular site. It is understood to have been constructed in 2001. The premises comprise eight units. The building presumably has reinforced concrete frames with plastered and painted breeze block infill facades.The roof is flat with	Freehold (Eigentum) The Property is let to: REWE Zentral AG, NL Hungen — supermarket (1,039.84 sq m) expiring 31 January 2016. Passing rent is €131,881.92 per annum. Indexed 10% hurdle/65%. REWE Zentral AG, NL Hungen — beverage market (331.97 sq m) expiring 31 January 2016. Passing rent is €30,446.76 per annum. Indexed 10% hurdle/95%. Winfried Dazert — pharmacy (125.38 sq m) expiring 31 December 2016. Passing rent is €16,642.44 per annum. Indexed 10% hurdle/100%. Matthias Hermann — physiotherapy I (126.61 sq m) 31 December 2016. Passing rent is €12,429.00 per annum. Indexed 10% hurdle/100%. Matthias Hermann — physiotherapy II	€ 223,216	€ 216,384	€ 2,610,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	what appears to be an asphalt covering. The units appear to be fitted-out to individual tenant specification requirements. The food supermarket and beverage store are fitted-out in the corporate style of the occupier REWE, including tiled floors and suspended ceilings with ribbed aluminum paneling. Lighting is provided by suspended strip fluorescent lights. The site can be accessed through an entrance from Heinrich-Heine Strasse. We understand that the Property comprises the following: Plot size: 6,300 sq m Lettable area: 2,161 sq m 90 car parking spaces	(120 sq m) expiring 15 September 2016. Passing rent is €8,835.12 per annum. Indexed 10% hurdle/100%. Doreen Pilz — hair dresser (82.15 sq m) expiring 31 December 2016. Passing rent is €9,119.76 per annum. Indexed 10% hurdle/100%. Dr. Alexander u. Dr. Beate König — surgery (128.51 sq m) expiring 31 December 2016. Passing rent is €13,861.20 per annum. Indexed 10% hurdle/100%.			
Unit-ID: tru05490 Leipziger Strasse 83 – 89 06776 Wolfen Date of Inspection: 19 May 2011	Wolfen (approx. 45,200 inhabitants) is located in Saxony-Anhalt and belongs to the town of Bitterfeld. Wolfen, situated approximately 140 km to the south west of Berlin and 30 km to the north of Leipzig, is close to the A9 motorway which provides it with excellent communication links.The Property is located in a mixed commercial and residential area. However no direct competition was observed close to the Property of reference. The property consists of three independent single-storey buildings and was built in 2003. The main building, a retail warehouse, of reinforced concrete structure, is occupied by a Lidl discount supermarket. Another one, leased to a bakery and a butcher's, is brick built and with a tiled roof. The third property is a fashion store with the same type of construction as the latter. The main building is fitted-out in the corporate style of the occupier Lidl. This in-	Freehold (Eigentum) The Property is let to: Lidl Vertriebs GmbH & Co KG — supermarket (1,241.32 sq m) expiring 2016. Passing rent is €135,060.00 per annum. Indexed 10% hurdle/60%. Erntebrot GmbH — bakery (83.84 sq m) expiring 30 November 2014. Passing rent is €12,710.40 per annum. Indexed 5% hurdle/80%. Reinsdorfer GmbH — butcher (98.30 sq m) 14 December 2013. Passing rent is €15,379.68 per annum. Indexed 5% hurdle/80%. KiK Supermarket — textile store (441.29 sq m) expiring 31 October 2013. Passing rent is €43,109.40 per annum. Indexed 10% hurdle/60%.	€ 206,259	€ 213,271	€ 2,410,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	cludes tiled floors, dry-lined walls and suspended ceilings with striplighting. It has a ventilation system and smoke alarms. Loading facilities are located at the back of the store. The property benefits from ample customer parking all around the property which is lit and includes covered trolley parks We understand that the Property comprises the following: Plot size: 7,398 sq m Lettable area: 2,069 sq m 100 car parking spaces				
Unit-ID: tru05495 Biedrichstrasse 3-9 61200 Wölfersheim Date of Inspection: 3 June 2011	Wölfersheim is a small town with a population of roughly 9,800, located approximately 11 km north east of Bad Nauheim. There are good road links in the area. The B455 runs straight through Wölfersheim linking the A45/E41 motorway to the A5/E451 motorway 19 km south west of the town. The A45/E41 motorway is within a 5 minute drive of Wölfersheim. The A5/E451 motorway provides rapid access to Frankfurt city centre roughly 44 km to the south west (a 45 minute drive away). Constructed in 2000/2001, the property comprises two detached buildings: one single storey (Tegut) and one which has a mezzanine level (Penny and office). Both buildings appear to be timber frame constructions. The Tegut building is clad with plastic sheeting and has a circular pitched roof with some roof glazing providing natural light. The tenant has fitted out the premises to its specifications incorporating a tiled floor and exposed timber rafters supporting pendant strip fluorescent lighting.	Freehold (Eigentum) The Property is let to: Tegut Gutberlet Stiftung & Co — supermarket (1,903.11 sq m) expiring 30 April 2015. Passing rent is €247,728.00 per annum. Indexed 10% hurdle/60%. REWE & Co oHG ZweigNL Wiesloch — Penny supermarket (900 sq m) expiring 31 December 2021August 2016. Passing rent is €102,156.12. Indexed 10% hurdle/60%.	€ 349,884	€ 343,579	€ 4,070,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	The Penny building has pebble-dashed rendered facade and a pitched tiled roof. The supermarket has been fitted out to the tenant's requirements with a small café area just inside the entrance. The standard is good with suspended ceilings supporting an air-cooling system and pendant strip fluorescent lighting. At the rear of the Penny building there is an entrance to what we understand is an office unit at mezzanine level. We were unable to access this area on our inspection and therefore cannot comment on the internal fit-out We understand the Property comprises the following: Plot size: 10,104 sq m Lettable area: 3,061 sq m 150 car parking spaces				
Unit-ID: tru 05500 Heinrich Heine Strasse 86 07937Zeulenroda Date of Inspection: 17 May 2011	Zeulenroda is an East German town of almost 16,100 inhabitants located approximately 276 km to the south west of Berlin, 344 km to the east of Frankfurt and 87 km to the south west of Chemnitz. The property is situated on Heinrich-Heine-Strasse, just off the B94, about 17 km from junction 28 of the A9 motorway, on the boundary between a residential neighbourhood and mixed commercial zone (office and industrial uses). The property itself is known as "Zeulenroda Einkaufspark". The property comprises a single building subdivided into three units, each with separate access. The Penny Markt, bakery and grocery share one access. The property appears to be a concrete frame construction with facades clad in profile sheeting and with a pitched tiled roof. There is a raised loading platform to the side of the	Freehold (Eigentum) The Property is let to: REWE & Co. oHG, NL Rüsseina, Standort Hof — Penny supermarket (800.00 sq m) expiring 31 December 2015. Passing rent is €54,000.00 per annum. Indexed 10% hurdle/60%. Das Wurzbacher Backhaus — bakery (43.52 sq m) expiring 31 December 2013. Passing rent is €9,725.52 per annum. Indexed 10% hurdle/60%. Fleischerei Ulrich Löffler — butcher (130.00 sq m) expiring 31 December 2015. Passing rent is €18,000.00 per annum. Indexed 10% hurdle/100%. Getränke Grüner KG — beverage market (279.08 sq m) expiring December 2015. Passing rent is	€ 99,376	€ 110,722	€ 1,140,000

Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
	property with access to the Penny Markt storage area. Each unit is fitted out to a similar standard with tiled floors and suspended tile ceilings. In the Penny store there are pendant fluorescent strip lights. The other units have recessed fluorescent strip lights in the suspended ceiling. Each unit is equipped with ventilation systems. We understand that the Property comprises the following: Plot size: 5,012 sq m Lettable area: 1,253 sq m 76 car parking spaces	€17,615.20 per annum. Indexed 10% hurdle/100%.			

Valuation Report Relating to the Turret Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Turret Portfolio (63 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Suite 6
Borough House
Rue du Pré
St Peter Port
Guernsey GY1 3RH

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF TURRET PORTFOLIO (63 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of a valuation carried out by CBRE in 2006 (date of valuation 8 December 2006) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q2 2012 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 59 freehold equivalent (*Eigentum*) Properties and 4 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Appraisal and Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule.

Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2013 is €169,295,000 (One hundred and sixty nine million two hundred and ninety five thousand Euros) made up as follows:

Schedule	Investment Properties	€ 169,295,000
Total		€ 169,295,000
Total	Net Rent Receivable	€ 14,902,626
Total	Estimated Net Rental Value	€ 14,089,017

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer”:

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.

The update valuation is also based on our latest inspection as well as on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to the initial valuation report dated 12 August 2005. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

We have based our assessment of market data and comparable transactions on our in-house research, on publications from market participants, as well as on the publications of other institutes.

All conclusions made by CBRE as regards the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject property and on the documents and information provided.

In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspections

CBRE had access to the subject properties as members of the public in order to carry out the inspections. We have not carried out any building surveys. The properties have not been measured as part of CBRE's inspection nor have the services or other installations been tested. All of CBRE's conclusions resulting from the inspection are based purely on visual investigations without any assertion as to their completeness.

Investigations that might cause damage to the subject properties have not been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions. In particular, structural surveys and technical investigations of any defects or damage of the properties, which may exist, have not been carried out.

8.3 Deleterious Material etc.

Since no information to the contrary has been brought to our attention, we have assumed that there are no building materials or structures and no characteristics of the site that could endanger or have a deleterious effect on either the fitness of the subject properties for their purpose or the health of their occupiers and users. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool as permanent shuttering.

8.4 Site Conditions

We did not carry out investigations on site in order to determine the suitability of ground conditions and services, nor did we undertake environmental, archaeological, or geotechnical surveys. Unless notified to the contrary, our valuations were carried out on the basis that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas, or other noxious substances.

In the case of a property which may have redevelopment potential, we have assumed that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems. Furthermore, we have assumed in such circumstances that no unusual costs will be incurring in the demolition and removal of any existing structure on the property.

8.5 Environmental Contamination

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are not contaminated and that no contaminative or potentially contaminative use is, or has ever been, carried out at the properties. Since no information to the contrary has been brought to our attention, we are not aware of any environmental audit or other environmental investigations or soil surveys which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

As we had not been specifically instructed, we have not undertaken any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported.

8.6 Legal Requirements / Consents and Authorisation for the Use of the Property

An investigation of the compliance of the property with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the property and the processes carried out at the property are in existence, will continue to subsist and are not subject to any onerous conditions.

8.7 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.8 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.9 Town Planning and Road Proposals

Since no information to the contrary has been brought to our attention, we have generally assumed that the properties are not adversely affected by town planning or road proposals.

8.10 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.11 Assumptions regarding the Future

For the purpose of determining the market value of the subject property, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject property.

Where there is high voltage electricity supply apparatus within close proximity to the property, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.12 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.13 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the property is free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.14 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the property.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9. The Properties

Where appropriate, we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building. Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Inspections

In accordance with our instructions, we have last re-inspected the subject properties between April and May 2012. As agreed and wherever possible the properties were inspected internally and externally, however only the publicly accessible areas. With regards to the building and internal structure of the subject properties, we have also made assumptions relying on information provided by the technical due diligence of the technical advisors for our initial valuation. In the event of these assumptions proving to be incorrect, we reserve the right to amend our valuation accordingly.

9.3 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 properties. We are unable, therefore, to give any assurance that the properties are free from defect.
In the absence of any information to the contrary, we have assumed that:

a. there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the properties;

b. the properties are free from rot, infestation, structural or latent defect;

c. no currently known deleterious or hazardous materials or suspect techniques, including but not limited to

Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the properties; and

d. the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.4 Environmental Matters

In undertaking our work, we have assumed that the property is not contaminated and that no contaminative or potentially contaminative uses have ever been carried out on it. Specifically we have assumed that:

a. the properties are not contaminated and not adversely affected by any existing or proposed environmental law;
b. any processes which are carried out on the properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.

We have therefore not undertaken, nor have we taken into account any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. We have not carried out any investigation into past or present uses of the property nor of any neighbouring land to establish whether there is any potential for contamination from these uses or sites adjacent to the subject properties and have therefore assumed that none exists.

We have otherwise considered the age and apparent general condition of the properties but comments made in the property details do not express an opinion about or advise us on the condition of parts not inspected and should not be taken as making an implied representation or statement about such parts.

9.5 Floor Areas

We have relied upon the schedules of area that were provided to us. In undertaking our work, we have assumed that these surface areas are correct. All measurements, areas and ages quoted in our report are approximate.

9.6 Title, Tenure, Planning and Lettings

With reference to the land register extracts supplied to us by the client, we have assumed that there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

Details of title/tenure under which the properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. 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.

We have conducted credit enquiries on the financial status of the main tenants. In undertaking our valuations we have reflected our general understanding of a typical purchaser's likely perceptions of the financial status of tenants from a market perspective.

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

a. the properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

c. the properties are not adversely affected by town planning or road proposals;

d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates;

f. there are no user restrictions or other restrictive covenants in leases, which would adversely affect value;

g. all vacant accommodation is available to let and unencumbered.

9.7 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (Baugesetzbuch § 123) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.8 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

9.9 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT (Mehrwertsteuer) on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.10 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the size of the subject properties:

Land transfer tax: Under German tax law, a transfer tax based on the purchase price has to be paid on property purchase. This is generally paid by the purchaser. The tax rate is different in each of the German federal states and applies in 2012 as follows:

Federal State	Land Transfer Tax Rate
Baden-Württemberg	5.0%
Bavaria	3.5%
Hesse	3.5%
Mecklenburg-Vorpommern	3.5% (As of 01.07.2012: 5.0%)
North Rhine-Westphalia	5.0%
Rhineland-Palatinate	5.0%
Saxony	3.5%
Schleswig-Holstein	5.0%
Thuringia	5.0%
Saarland	4.5%
Berlin	5.0%
Bremen	4.5%

Hamburg	4.5%
Lower Saxony	4.5%
Saxony-Anhalt	5.0%
Brandenburg	5.0%

Notary and legal fees: Due to the size of the properties we have made the assumption of generally 0.5% to 1% for notary and legal fees, which is in line with average costs for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have adopted fees of generally 1.75% to 2.5% which, in our experience, is in line with market conditions.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called “cardinal duties”, the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. **TOBIAS JERMIS**
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

SCHEDULE OF PROPERTIES

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
1	Unit-ID: tur05600 Siemensstrasse 11, 71546 Aspach-Grossaspach Date of Inspection: 19 April 2012	Aspach, a small town with a population of 8,200 is centrally located in the federal state of Baden-Wuerttemberg. The subject property is situated in the district of Grossaspach, in the small commercial area known as "Forstboden". The situation of the subject property provides easy access, although visibility is somewhat limited: It is not visible from the main thoroughfare in Grossaspach (Heilbronner Strasse). The property, which was built in 1993, is a single-storey L-shaped building comprising an Edeka supermarket and an ancillary building with storage and staff rooms. The building is a solid construction (probably masonry) with a white rendered façade and a hipped roof with red tiles. The exterior areas are landscaped, with parking spaces on the street side. There is also a timber drinks kiosk ("Imbiss Holzkiste") on the site as well as shop signs for businesses, which are presumed to be subtenants of Edeka. We understand that the property comprises the following: Plot size: 4,959 sq m Lettable area: 1,110 sq m 80 car parking spaces	Freehold (Eigentum) The Property is let to: Edeka Aktiv Markt supermarket - (1,110.00 sq m) expiring 31 July 2020. Passing rent is € 110,276.64 per annum. Indexed: 10 % hurdle/50 %.	€ 110,277	€ 106,560	€ 1,300,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
2	Unit-ID: tur05610 Gehrenbreite 6, 31542 Bad Nenndorf Date of Inspection: 9 May 2012	Bad Nenndorf, with a population of about 10,500 is a small town in the federal state of Lower Saxony. Hanover is about 25 km to the east. The subject property is situated in the south of the "Gehrenbreite" commercial area, in the north of the town, on the main road running through the commercial area. There is also a Lidl, a Hagebau, an NP, a gaming hall, a sports field, various small and medium-sized businesses, as well as a hotel. The property adjoins a discount store. Visibility is fairly good; accessibility via the B442 is good, although this is a peripheral location in a commercial area. The subject property, which was built in 2002, is a single-storey building housing a fashion store and a beverage shop. The property, which has two separate entrances, has a rendered façade and a pitched, tiled roof. The window and door frames are made of aluminium. The exterior facilities and the adequate car park appear to be well maintained. We understand that the Property comprises the following: Plot size: 3,400 sq m Lettable area: 956 sq m 40 car parking spaces	Freehold (*Eigentum*) The Property is let to: HOL'AB – beverage – (555.99 sq m) expiring 14 February 2016. Passing rent is € 51,393.60 per annum. Indexed 10% hurdle / 60%. KiK – clothing discounter (400 sq m) expiring 28 January 2018. Passing rent is € 40,319.88 per annum. Indexed 10% hurdle/60%. Netto – supermarket – (931 sq m) expiring 30 September 2016. Passing rent is € 120,139,196 per annum. Indexed 10% hurdle/60%.	€ 91,713	€ 91,775	€ 1,030,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
3	Unit-ID: tur05615 Neubeckumer Strasse 57a, 59269 Beckum Date of Inspection: 17 April 2012	Beckum, a medium-sized town with 36,700 inhabitants is located in North Rhine-Westphalia, approximately 45 km north-east of Dortmund and roughly 50 km south-west of Bielefeld. The subject property is situated in a mixed-use area and is surrounded by numerous businesses: car dealerships, a petrol station, car repair garages, McDonald's etc. This location on a busy arterial road (Neubeckumer Str.) guarantees high footfall. The subject property is accessed via a sidestreet.Visibility and accessibility is nevertheless good. The former Plus discounter which was built in 2003 is a solid one-storey construction, with a pitched roof covered with dark tiles. The facade is clad in red brick or corrugated metal siding. There are sufficient parking spaces in front of the property on the street side; the grounds are paved, partly landscaped with greenery. We understand that the Property comprises the following: Plot size: 8,666 sq m Lettable area: 981 sq m Car parking areas: 85	Freehold (Eigentum) The Property is let to: Netto – discounter - (931.00 sq m) for 13 years expiring 30 September 2016. Passing rent is €120,139.20 per annum. Indexed 10% hurdle/60%.	€ 120,139	€ 118,320	€ 1,370,000
4	Unit-ID: tur05625 Jägerhausstrasse 3, 31167 Bockenem Date of Inspection: 9 May 2012	Bockenem, with a population of 10,600 is situated in the federal state of Lower Saxony. The town lies directly on the A7 motorway and the B243 federal road. Hanover (to the north) and Brunswick (Braunschweig – to the northeast) are each only 50 km from Bockenem. The subject property is about 600 m northeast of the town centre, on the road leading north-eastwards out of the town.	Freehold (*Eigentum*) The Property is let to: Netto – supermarket – (821.08 sq m) expiring 5 August 2017. Passing rent is € 92,462.04 per annum. Indexed 10% hurdle/50%.	€ 106,941	€ 100,647	€ 1,280,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The direct surroundings are residential; there is a cemetery on the other side of the road. Visibility and accessibility can be assessed as fairly good. The single-storey supermarket, which was built in 2002, is a solidly-constructed building with a pitched, tiled roof and brick façade. The window and door frames are of aluminium. The exterior facilities appear to be well-maintained, with adequate parking facilities. We understand that the Property comprises the following: Plot size: 3,922 sq m Lettable area: 861 sq m 65 car parking spaces	Mierisch, Claus - bakery (32.04 sq m) expiring 6 August 2018. Passing rent is € 14,478.00 per annum. Indexed 10% hurdle/50%.			
5	Unit-ID: tur05630 Walsroder Strasse 42a, 29699 Bomlitz Date of Inspection: 10 May 2012	Bomlitz, with a population of nearly 7,000 is 70 km southeast of the Hanseatic city of Bremen and about 60 km north of der state capital Hanover, in the federal state of Lower Saxony. The subject property is on the southern edge of the town, leading towards Walsrode and situated near a roundabout. The adjoining development to the north comprises single-family houses. The town centre is about 600 m away. The subject property is a supermarket with a pitched, tiled roof. The façade is brick, the window frames and entrance doors are of aluminium. The property has two dropped kerbs (ramps) leading from the pavement to the street. The number of parking spaces appeared to be sufficient. There is also a small retail unit in the front which used to be occupied and is very likely to be used again by a bakery.	Freehold (*Eigentum*) The Property is let to: Plus – supermarket – (986,83 sq m) expiring 24 April 2021. Passing rent is € 108,000.00 per annum. Indexed 10 % hurdle /50 %.	€ 108,000	€ 118,578	€ 1,450,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is set back slightly from the road, but is easily visible due to its location on the edge of the town. Access is also deemed to be good. We understand that the Property comprises the following: Plot size: 4,623 sq m Lettable area: 1,037 sq m 75 car parking spaces				
6	Unit-ID: tur05635 Bültenweg 39, 38106 Brunswick Date of Inspection: 8 May 2012	Brunswick is a city in northern Germany, in the southeast of the federal state of Lower Saxony. With a population of about 248,900 it is the second-largest city (after Hanover) and one of the Oberzentren (higher-order centres) in Lower Saxony. Brunswick is about 67 km to the east of Hanover and about 37 km south of Wolfsburg. The subject property is in an inner-city location, directly to the north of the northern inner city ring. Opposite the property there is a petrol station. The surrounding development comprises both commercial estates and apartment buildings. Visibility of the property is fairly good; accessibility is good. The single-storey supermarket with a bakery store was built in 1997. The solidly-constructed building has a pitched, tiled roof and brick façade. The window and door frames are of aluminium We understand that the Property comprises the following: Plot size: 4,747 sq m Lettable area: 1,040 sq m 100 car parking spaces	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,000 sq m) expiring 30 April 2013. Passing rent is € 158,068.44 per annum. Indexed 10% hurdle/60%.	€ 158,068	€ 146,400	€ 1,720,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
7	Unit-ID: tur05650 Fuhrberger Strasse 139a, 29225 Celle Date of Inspection: 8 May 2012	Celle, with a population of approx 70,000 is situated in the federal state of Lower Saxony. The town is about 40 km northeast of Hanover, 60 km northwest of Brunswick (Braunschweig) and 120 km south of Hamburg. The subject property is situated in the district of Neustadt/Heese in a peripheral location. Fuhrenberger Strasse is a main road leading to the west and to the A7 motorway. There are no other local shops in the immediate surroundings apart from the nearby Lidl store. To the northeast of the property there is a residential property (terraces of single-family houses and apartment buildings); to the south there is a cemetery. The property is well visible and easily accessible. The single-storey beverage market was built in 2001 and is a solid construction with a pitched, tiled roof. The façade is rendered; the window frames and entrance doors are of aluminium. The exterior facilities appear to be well-maintained, with adequate parking facilities. We understand that the Property comprises the following: Plot size: 1,956 sq m Lettable area: 500 sq m 29 car parking spaces	Freehold (Eigentum) The Property is let to: HOL'AB – beverage – (500 sq m) expiring 31 July 2014. Passing rent is € 52,182.24 per annum. Indexed 10% hurdle/60%.	€ 52,182	€ 48,000	€ 490,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
8	Unit-ID: tur05655 Borkener Strasse 61, 48653 Coesfeld Date of Inspection: 16 April 2012	Coesfeld lies in the northwest of North-Rhine Westphalia, roughly 30 km west of Münster and approximately 60 km north of Dortmund. It is located only 25 km from the Dutch border. Coesfeld is a medium-sized town with a population of 36,400. The subject property is located on a busy main street (Borkener Strasse), at the entrance to Coesfeld and lies in a mixed-use area. There are single-family residences, apartment blocks and commercial offices in the immediate vicinity. It is well visible and easily accessible. The subject property was built in 2006 and comprises two one-storey building sections: a clay brick building (E-Center) with a steel flat roof, whose tenants are an Edeka-Supermarkt, an Edeka-Getränkemarkt (beverage store) and small rental units in the entrance area. The second building section with a flat roof houses the Aldi discounter. On the street side there is a large paved parking area with greenery. We understand that the property comprises the following: Plot size: 23,693 sq m Lettable area: 4,836 sq m Car parking spaces: 280	Freehold (Eigentum) The Property is let to: Edeka - L. Stroetmann Lebensmittel GmbH & Co. KG - (3,293.00 sq m) expiring 30 June 2027. Passing rent is €384,996.00 per annum. Indexed 10% hurdle/60%. Aldi group – Aldi discounter - (1,096.92 sq m) expiring 30 June 2018. Passing rent is €134,658.00 per annum. Indexed 10% hurdle/60%.	€ 519,654	€ 522,279	€ 6,850,000
9	Unit-ID: tur05660 Lange Wiese 4, 07613 Crossen Date of Inspection: 10 May 2012	The municipality of Crossen, with a population of 1,800 is situated in the east of the federal state of Thuringia, close to the state border with Saxony-Anhalt. The town is about 70 km east of Erfurt and about 40 km southwest of Leipzig.	Freehold (*Eigentum*) The Property is let to: Edeka – supermarket (1,080.30 sq m) expiring 30 November 2013. Passing rent is € 87,500.04 per annum. Indexed 10% hurdle / 60%.	€ 99,500	€ 96,143	€ 990,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject property is situated in a commercial area in the south of the town, on the federal road towards Hartmannsdorf. The adjoining property is another supermarket, which, however, is more easily reached from the federal road than the subject property. The other development in the surroundings comprises small firms of tradesmen. There is an industrial firm on the opposite side of the state road. The subject property was built in 1993. The load-bearing construction of the square sales space is of bonded wood beams, which are supported by a reinforced concrete column in the centre of the area. The external masonry walls are rendered. The pyramid roof dome is tiled and glazed. The storage area and staff rooms are in a separate wing of the building. The rendered masonry building has a pitched tiled roof. We understand that the Property comprises the following: Plot size: 7,756 sq m Lettable area: 1,125 sq m 73 car parking spaces	Stadtbäckerei Jena – bakery (45.00 sq m) expiring 30 September 2013. Passing rent is 12,000.00 per annum. Indexed 100% VPI per annum.			
10	Unit-ID: tur05670 Dr.-Jasper-Strasse 12, 31073 Delligsen Date of Inspection: 9 May 2012	Delligsen lies in the federal state of Lower Saxony, about 55 km south of Hanover and roughly 110 km north of Kassel. The town has a population of almost 8,200. Delligsen can be directly accessed from the B3 federal road; the A7 motorway is about 30 km away. The subject property is situated in Dr.-Jasper-Strasse, which branches from the B3 federal road, running east to west through the town. The subject property is about 1.5 km to the east of the town centre, is relatively visible and accessible.	Freehold (*Eigentum*) The Property is let to: REWE – supermarket – (2,350 sq m) expiring 1 April 2021. Passing rent is € 210,000 per annum. Indexed 10% hurdle/50%.	€ 254,287	€ 269,591	€ 3,220,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The single-storey building houses a supermarket (Rewe) and a fashion discounter (KiK). Other tenants include a fast food stand on the property, a gift store and a bakery in front of the checkouts (presumably sub-lettings of REWE). The single-storey building, which was built in 1998, has pitched and tiled roofs. The facade is clad with brick in the front sections and rendered in the rear section. The window frames are of PVC and metal; the entrance doors have metal frames. The exterior facilities appear to be well-maintained with adequate parking facilities. We understand that the Property comprises the following: Plot size: 8,243 sq m Lettable area: 2,865 sq m 120 car parking spaces	KiK – clothing discounter – (520 sq m) expiring 1 April 2016. Passing rent is € 44,287.44 per annum. Indexed 10% hurdle/50%.			
11	Unit-ID: tur05675 Ziegelei 13+15, 96487 Dörfles-Esbach Date of Inspection: 23 April 2012	Dörfles-Esbach is in the federal state of Bavaria, about 100 km north of Nuremberg. The municipality, with its population of approximately 2,700 directly adjoins the town of Coburg (population approx. 41,100). Dörfles-Esbach is located close to the A 73 (Erfurt-Nuremberg) motorway.The subject property is situated in the “Ziegelei” commercial area, adjoining a state road on the eastern outskirts of Dörfles-Esbach. The subject property comprises three separate one-storey buildings. One of the buildings is a timber-frame construction with masonry walls at the narrow ends. It has a pitched roof with profiled steel cladding.	Freehold (*Eigentum*) The Property is let to: Reichenbacher Hamuel (705.60 sq m) expiring 30 September 2013. Passing rent is € 21,144.00 per annum. Indexed 10% hurdle/ 65%. DM – drug store (700.00 sq m) expiring 31 December 2014. Passing rent is € 77,399.04 per annum. Indexed 10% hurdle /50%. Toom – beverage store (778.20 sq m) expiring 22 November 2014. Passing rent is € 77,333.88 per annum. Indexed 10% hurdle / 60%.	€ 186,278	€ 280,058	€ 3,060,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The second building is constructed of precast reinforced concrete elements and has a pitched roof clad in sheet metal. There is additional rentable accommodation in a lightweight sales pavilion in the car park. We understand that the Property comprises the following: Plot size: 6,958 sq m Lettable area: 2,782 sq m 99 car parking spaces	Bäckerei Konditorei – bakery (48.00 sq m) expiring 30 September 2015. Passing rent is € 9,600.00 per annum. Indexed 10% hurdle / 55%. Advertisement – expiring 18 October 2015. Passing rent is € 800.00 per annum. No indexation.			
12	Unit-ID: tur05680 Kupferhammer 39-41, 99817 Eisenach Date of Inspection: 10 May 2012	Eisenach is a middle-order centre in eastern Thuringia with a population of 42,800. It has good road access, being located on the A4 motorway, about 45 km to the west of Erfurt. The subject property is in a town-centre location with good access, being located near Mühlhauser Strasse. It is not an established retail location; the neighbourhood is mixed-use, with mainly old apartment buildings of moderate quality, as well as a car repair/motorbike dealer. The premises are almost new, highly visible and well suited for use as a supermarket. The property, built in 2005, appears to be of solid construction (probably masonry) with a pitched roof, covered in dark tiles. The façade is rendered and painted in the typical "Netto" corporate design. The condition of the property appears to be "as new". We understand that the Property comprises the following: Plot size: 6,703 sq m Lettable area: 1,083 sq m 76 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – discounter (931.00 sq m) expiring 8 June 2018. Passing rent is €110,602.80 per annum. Indexed 10% hurdle/50%. Grocery (97.00 sq m) expiring 30 June 2015. Passing rent is €19,200.00 per annum. Indexed 10% hurdle/60%. Bakery (55.00 sq m) expiring 30 June 2015. Passing rent is €16,800.00 per annum. Indexed 10% hurdle/60%.	€ 146,603	€ 145,680	€ 1,780,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
13	Unit-ID: tur05685 Bürgermeister-Wehrmann-Str. 1, 30826 Garbsen Date of Inspection: 9 May 2012	Garbsen is a larger town with a population of approximately 61,700 in Lower Saxony. Hanover is about 17 km away. The B6 federal road, the A2 motorway (roughly 7.5 km) and the A7 motorway (about 25 km) provide easy and fast access to the Ruhr region The subject property is in the district of Frielingen, about 7 km northwest of the town centre of Garbsen. The B6 federal road runs about 300 m away and the subject property is directly on a main road on the edge of town. The property is easily reached on foot from the adjoining residential development leading towards the centre of the town. We understand that the Property comprises the following: Total site area: 4,976 sq m Lettable area: 1,241 sq m Car parking spaces: 67	Ground leasehold (*Erbbaurecht*) to 01 January 2067 ground rent is 25,564.56 EUR per annum. Netto – supermarket (1,010.00 sq m) expiring 24 July 2017. Passing rent is € 109,139.04 per annum. Indexed 10% hurdle/50%. Dr. E. Kirs - surgery - (112 sq m) expiring 30 September 2013. Passing rent is € 12,000.00 per annum. Indexed 10% hurdle/50%. Hannoversche Volksbank eG – bank (100 sq m) expiring 31 December 2013. Passing rent is € 13,316.40 per annum. Indexed 10% hurdle/50%.	€ 134,455	€ 120,522	€ 1,110,000
14	Unit-ID: tur05690 Haller Strasse 11, 74582 Gerabronn Date of Inspection: 19 April 2012	Gerabronn, a small town with 4,300 inhabitants is located close to the A6 motorway, ca. 50 km east of Heilbronn and approximately 95 km west of Nuremberg. The subject property is situated at the entrance of Gerabronn, directly on a main road. Accessibility and visibility are good. There is a petrol station in the surrounding area, but otherwise, there are exclusively single-family residences and apartment buildings in the area. The Edeka supermarkt, which was built in 1999, is a one-storey solid construction (masonry) with a gabled roof of red clay brick. The façade is plastered in white or corrugated metal siding.	Freehold (Eigentum) The Property is let to: Edeka group – supermarket - (1,400.00 sq m) expiring 30 August 2014. Passing rent is €145,496.04 per annum. Indexed 10% hurdle/60%.	€ 145,496	€ 134,400	€ 1,550,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		There are sufficient parking spaces on the street in front of the property; the grounds are paved; partly landscaped with greenery. We understand that the Property comprises the following: Plot size: 4,659 sq m Lettable area: 1,400 sq m Car parking spaces: 76				
15	Unit-ID: tur05705 Lemkestrasse 10, 31787 Hameln Date of Inspection: 9 May 2012	Hameln, with a population about 57,800 is a small town in the federal state of Lower Saxony. Hanover is about 40 km to the northeast. The A2 (15km) and the A7 (40 km) motorways pass Hameln to the north and east, respectively. Other federal roads include the B1, B213 and B83. The subject property is situated at the northern end of Hameln on the main road. The area is mainly residential interspersed with a few commercial/military buildings. Visibility is fairly good; good accessibility via a side street. The property, which was built in 1991 and refurbished in 2001, is a single-storey building comprising a Marktkauf supermarket and an ancillary building with staff and office areas. The building is a solid construction with a white rendered façade and a flat roof. The window and door frames are of aluminium. There is a petrol station for Marktkauf's customers on the property. The exterior facilities and the adequate car park (free of charge) appear to be well maintained.	Freehold (*Eigentum*) The Property is let to: Edeka – supermarket (3,614.76 sq m) expiring 31 October 2026. Passing rent is € 377,406.00 per annum. Indexed 10% hurdle/66%.	€ 377,406	€ 379,550	€ 4,850,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 11,081 sq m Lettable area: 3,615 sq m 152 car parking spaces				
16	Unit-ID: tur05710 Marienberg Bahnhofstrasse 48, 32805 Horn-Bad Date of Inspection: 16 April 2012	Horn-Bad Meinberg, a small town with a population of 17,700 is located in the federal state of North Rhine-Westphalia and about 40 km east of Bielefeld. Bad Meinberg is located near the A2 motorway and the A33. The subject property is located in a mixed use area with some residential buildings, a petrol station and several retail discounters. The property, a former Lidl supermarket, is a single-storey rectangular building which was built in 1996. The building is a solid construction (probably masonry) with exterior walls with bricks and sheet metal in the gable area. The pitched roofs are tiled. We understand that the Property comprises the following: Plot size: 4,523 sq m Lettable area: 836 sq m 89 car parking spaces	Freehold (*Eigentum*) The Property is let to: Magowsky – retail (835.58 sq m) expiring 30 September 2013. Passing rent is € 63,000.00 per annum. Indexed 10% hurdle/60%	€ 63,000	€ 85,229	€ 920,000
17	Unit-ID: tur05715 Hermann-Bopp-Strasse 1, 55218 Ingelheim Date of Inspection: 20 April 2012	Ingelheim, a medium-sized town with a population of approximately 24,200. It is situated about 15 km west of Mainz and roughly 50 km west of Frankfurt. Ingelheim is conveniently located for access to the A60 motorway. The subject property lies somewhat hidden in a side street but is very well developed with road access and main services.	Freehold (Eigentum) The Property is let to: REWE group – supermarket - (1,050.00 sq m) expiring 31 October 2018. Passing rent is €148,967.04 per annum. Indexed 10% hurdle/60%.	€ 148,967	€ 132,300	€ 1,780,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		It is located in a new, small retail location and is enclosed by a residential area, which should guarantee it a stable customer base. Additionally, there are several car dealerships at the location. Some land reserve is currently being developed with apartment housing. There is no other food retailer in close proximity. The Rewe supermarket, built in 2001, is a one-storey solid construction (masonry) with a gabled roof in red clay brick. The facade is of white plaster or corrugated metal siding. The grounds and car park areas are paved, largely without greenery. We understand that the Property comprises the following: Plot size: 5,523 sq m Lettable area: 1,050 sq m Car parking spaces: 90				
18	Unit-ID: tur05720 Kallenfelser Strasse 14, 55606 Kirn Date of Inspection: 20 April 2012	Kirn, a small town with approximately 8,300 inhabitants, is centrally-located in Rhineland-Palatinate in the district of Bad Kreuznach (around 155,500 inhabitants), roughly 60 km north of Kaiserslauten and about 60 km east of Trier. The subject property is well developed, with road access and main services, is very well visible and is centrally-located. Kallenfelser Strasse is the main arterial road in Kirn. The one-storey subject property was built in 2005 and consists of 3 connected sections facing the street, with parking spaces in front of them. The building is a solid construction, (presumably prefabricated reinforced concrete and plastered) and has a gabled roof of slate.	Freehold (Eigentum) The Property is let to: Rossmann – drugstore - (486.77 sq m) expiring 31 March 2015. Passing rent is €52,263.60 per annum. Indexed 10% hurdle/ 50%. KiK – textile discounter - (406.25 sq m) expiring 28 February 2015. Passing rent is €43,387.44 per annum. Indexed 10% hurdle / 100%. Alldrink Getränkefachmarkt – beverages - (398.00 sq m) expiring 30 April 2015. Passing rent is €28,914.60 per annum. Indexed 10% hurdle / 50%.	€ 147,966	€ 149,108	€ 1,700,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		Temporary constructions have been set up on the plot (food kiosks, telephone poles etc.). We understand that the Property comprises the following: Plot size: 3,952 sq m Lettable area: 1,381 sq m Car parking spaces: 78	Braun – butchery - (67.45 sq m) expiring 31 August 2017. Passing rent is €9,000.00 per annum. Indexed 10% hurdle / 100%. Kohl Brot – bakery - (22.55 sq m) expiring 31 August 2017. Passing rent is €14,160.00 per annum. Indexed 10% hurdle / 50%. Deutsche Telekom – Telephone pole - 1 unit, expiring 30 September 2013. Passing rent is €240.00 per annum. No indexation.			
19	Unit-ID: tur05730 Nordhäuser Strasse 30-34, 37339 Leinefelde/ Worbis Date of Inspection: 9 May 2012	Leinefelde, with a population of about 19,700, is a medium-sized town on the edge of the Harz mountains, in northern Saxony-Anhalt. The town is relatively remote, about 60 km to the west of Kassel and 110 km southwest of Magdeburg. The subject property is in the district of Leinefelde-Worbis. This is characterised by apartment development of medium quality. An abandoned industrial site in the "Unterlache" commercial area is currently being developed. The neighbourhood consists of residential buildings, a petrol station and a few specialised shops. The Netto supermarket, which was built in 2006, is a one-storey solid construction (masonry) with a gabled roof of red clay brick.The façade is plastered and painted in white / yellow (corporate identity of Netto). There are sufficient parking spaces in front of the property on its south side	Freehold (*Eigentum*) The Property is let to: Edeka Nordbayern – "Kondi" supermarket (1,048.48 sq m) expiring 31 July 2020. Passing rent is €100,800.00 per annum. Indexed 10% hurdle/65%.	€ 100,800	€ 100,462	€ 1240,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 6,381 sq m Lettable area: 1,046 sq m 80 car parking spaces				
20	Unit-ID: tur05735 Tiefe Acker 3, 95336 Mainleus Date of Inspection: 23 April 2012	Mainleus, with a population of 6,500 is about 80 km north of Nuremberg in the federal state of Bavaria. The municipality is on the B 289 federal road. The nearest motorway is the A70 about 13 km away. The subject property is located in a newly completed commercial area slightly outside Mainleus. It is easily accessible on the approach to the local bypass. The subject property, which is L-shaped and on one storey, was constructed in 2003. It is built of masonry with rendered exterior walls; the pitched roof is tiled, the gable walls are clad in sheet steel panels. We understand that the Property comprises the following: Plot size: 3,245 sq m Lettable area: 1,275 sq m 29 car parking spaces	Freehold (*Eigentum*) The Property is let to: Pfennigpfeifer – discount shop (995.00 sq m) expiring 31 August 2013 Passing rent is € 102,904.56 per annum. Indexed 10% hurdle/70%. Markgrafen – beverage store (279.00 sq m) expiring 30 June 2015. Passing rent is € 28,278.12 per annum. Indexed 10% hurdle/65%.	€ 131,183	€ 121,560	€ 1,310,000
21	Unit-ID: tur05750 Im Roth 12, 97702 Münnerstadt Date of Inspection: 23 April 2012	Münnerstadt is in northwest Bavaria, about 55 km north of Würzburg. The town has a population of 7,700. The Münnerstadt junction provides access to the A71 motorway. The A3 motorway is about 22 km away via federal roads. The subject property is in a small commercial area outside existing development. The commercial area is on a plateau above the town and can only be reached on foot by a steep path.	Freehold (*Eigentum*) The Property is let to: Lidl GmbH & Co. KG – supermarket (971.00 sq m) expiring 30 September 2015. Passing rent is € 117,343.56 per annum. Indexed 10% hurdle/60%.	€ 117,344	€ 186,860	€ 1,990,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject property comprises two separate one-storey buildings. Both were constructed of reinforced concrete and masonry in 2000. The exterior walls are rendered and clad with sheet metal in the gable area. The pitched roofs are tiled. We understand that the Property comprises the following: Plot size: 16,595 sq m Lettable area: 1,979 sq m 148 car parking spaces				
22	Unit-ID: tur05755 Auf der Höh 1, 95339 Neuenmarkt Date of Inspection: 23 April 2012	Neuenmarkt is a small town of 3,000 inhabitants located approximately 100 km to the northeast of Nuremberg and about 20 km to the north of Bayreuth in the Franconia region of Bavaria. Neuenmarkt is situated roughly 10 km north of junction 39 of the A9 motorway, just off the B303. The property is situated in an edge of town location at the junction of Wirsberger Strasse and Aus der Höh. Adjacent to the property is a Norma supermarket; a REWE supermarket is situated approximately 1 km away. Behind the property there is a small commercial property. There is a reasonable residential catchment in the locality of the property. The single-storey building was constructed in 2003 of reinforced concrete and masonry. The external walls are rendered, the gable walls have profile steel cladding and the pitched roof is tiled.	Freehold (*Eigentum*) The Property is let to: Edeka – supermarket (1,305.00 sq m) expiring 23 July 2018. Passing rent is € 127,608.00 per annum. Indexed 10% hurdle/65%.	€ 127,608	€ 124,800	€ 1,590,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 5,830 sq m Lettable area: 1,300 sq m 85 car parking spaces				
23	Unit-ID: tur05760 Schweinauer Hauptstrasse 56, 90441 Nürnberg Date of Inspection: 25 April 2012	Nuremberg, with a population of 505,700, is the second-largest city in Bavaria. It is situated about 166 km from Munich and 224 km from Frankfurt am Main. The A3, A6, A9 and A73 motorways provide excellent connections to the city. The subject property is situated in the district of Nuremberg-Schweinau, about 3.5 km southwest of the city centre. It is well located for road access, being near to the intersection of Schweinauer Hauptstrasse with the B4R (ring road). Development in the surroundings is mixed in character. Along Schweinauer Hauptstrasse there are both older, small, detached commercial properties and perimeter block apartment developments. Behind the property there is a large area which is currently derelict. The single-storey building which was constructed in 2003 is of reinforced concrete elements and masonry. The exterior walls are rendered and clad with corrugated metal sheeting in the gable area. The pitched roofs are also covered with corrugated metal sheeting. We understand that the Property comprises the following: Plot size: 3,410 sq m Lettable area: 1,260 sq m 50 car parking spaces	Freehold (*Eigentum*) The Property is let to: Norma – supermarket and beverage store (1,260.00 sq m) expiring 30 June 2013. Passing rent is € 213,480 per annum. Indexed 10% hurdle/65%.	€ 213,480	€ 204,120	€ 2,560,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
24	Unit-ID: tur05770 Festungsstrasse 4, 91220 Schnaittach Date of Inspection: 23 April 2012	The municipality of Schnaittach, with its population of 7,900 is about 25 km northeast of Nuremberg. The town has very good road connections, being situated directly on the A9 motorway. The subject property is located on the border of the town centre. There are pedestrian areas between the other shops in the town centre. The adjoining development in the historic centre is residential. There is a restaurant in the neighbouring property. A river and ring road run along the eastern side of the property. The single-storey building which was constructed in 2001 is of reinforced concrete and masonry. The exterior walls are rendered and clad with sheet steel panels in the gable area. The pitched roofs are tiled. We understand that the Property comprises the following: Plot size: 4,372 sq m Lettable area: 1,591 sq m 62 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (1,212.14 sq m) expiring 18 October 2016. Passing rent is € 138,026.64 per annum. Indexed 10% hurdle/60%. NKD – clothing discount (378.50 sq m) expiring 31 October 2016. Passing rent is € 28,200.20 per annum. Indexed 10% hurdle/60%.	€ 166,227	€ 151,792	€ 1,910,000
25	Unit-ID: tur05775 Am Rässentälebach 1, 72355 Schömberg Date of Inspection: 19 April 2012	Schömberg is a small town with a population of 4,600, about 80 km south of Stuttgart and about 75 km northeast of Freiburg. The subject property, a Norma food discount store, is in the small, relatively new commercial area of Eichbühle, on the southern edge of the town. A residential area with single-family houses and apartments adjoins the commercial area. The surroundings are mainly agricultural. The property is accessed from a traffic roundabout and is visible from all directions.	Freehold (Eigentum) The Property is let to: Norma – discounter (970.00 sq m) expiring 31 October 2013. Passing rent is €87,000.00 per annum. Indexed 10% hurdle / 50%.	€ 99,000	€ 99,252	€ 1,070,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The discount store, which was built in 2003, is a single-storey rectangular building, apparently constructed of prefabricated elements. It has a pitched roof with red tiles. The sides of the building are painted white. The front facade is largely glazed. The gables are clad with corrugated metal sheeting. There is an adequate number of parking spaces in front of the property, facing the street; the exterior is partly surfaced and partly landscaped. There is a bakery shop in the entrance area. We understand that the Property comprises the following: Plot size: 5,373 sq m Lettable area: 1,020 sq m 81 car parking spaces	Bäcker Krachenfels – bakery (49.80 sq m) expiring 30 October 2013. Passing rent is €12,000.00 per annum. Indexed 10% hurdle /50%.			
26	Unit-ID: tur05780 Roermonder Strasse 3-7, 41366 Schwalmtal-Waldniel Date of Inspection: 16 April 2012	Schwalmtal-Waldniel is a small town with 19,000 inhabitants located in the most westerly section of North Rhine-Westphalia. Schwalmtal-Waldniel only lies approximately 15 km from the Dutch border. The Rhineland metropolis cities Düsseldorf (about 40 km away) and Cologne (about 80 km away) can be comfortably reached by car. The subject property is located directly at the entrance to the town. The subject property consists of two connected but visually different building sections. They were built between 1995 and 1999. Building 1 is a steel frame construction.The façade of the two-storey building is glazed on the side facing the street and is of metal elements at the rear. The roof is flat. Building 2 is a one-storey, solid construction, with a pitched roof and a brick façade.	Freehold (Eigentum) The Property is let to: Lidl – supermarket (882 sq m) expiring 31 December 2016. Passing rent is 151,145.76 EUR per annum. Indexed 10% hurdle/50%. Esser – butchery (111.68 sq m) for 15 years expiring 30 April 2016. Passing rent is 13,336.32 EUR per annum. Indexed 10% hurdle/50. Stinges – bakery (130 sq m) expiring 30 April 2016. Passing rent is 21,944.52 EUR per annum. Indexed 10% hurdle/50%.	€ 1862,427	€ 248,374	€ 2,875,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject property includes an additional site of 2,216 sq m which is planned to provide additional parking spaces for the subject property. We have reflected the site as additional land excluding costs for the demolition of currently existent old structures. The current GLV is at € 180 per sq m for a site of 500 sq m size. We have reflected a reduced value of € 150 per sq m due to the size of the additional plot and demolition costs of € 110,000 as provided by the principal. The total additional land value results at ca. € 225,000. We understand that the Property comprises the following: Plot size: 5,420 sq m Lettable area: 2,582 sq m Car parking spaces: 115				
27	Unit-ID: tur05785 Hannoversche Strasse 81a, 30926 Seelze Date of Inspection: 9 May 2012	The town of Seelze directly adjoins the west of Hanover, the capital of the federal state of Lower Saxony. The town comprises eleven districts, has a population of about 32,900. The A2 motorway is about 5 km north of Seelze. The property is in the new commercial area of Seelze-Süd. To the west, Hannoversche Strasse becomes the main shopping street; the market is about 1,000 m from the subject property. The subject property is on the eastern edge of the town next to a railway line. Aldi, Marktkauf and a petrol station are located in the surroundings, all with better locations than the subject property, which is set further back. Visibility is rather poor, although access is fairly good. The single-storey supermarket, which	Ground leasehold (*Erbbaurecht*) from 25 October 1999 until 25 October 2039. Ground rent is € 25,564.59 per annum. The Property is let to: Lidl GmbH & Co. KG – discounter- (1,250.00 sq m) expiring 31 December 2014. Passing rent is € 1456,050.64 per annum. Indexed 10% hurdle/70%.	€ 156,051	€ 142,500	€ 1,390,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		was built in 2000, is a solid construction with a pitched, tiled roof. The façade is rendered; the window frames and entrance doors are of aluminium. There is a large number of parking spaces in front of the Lidl supermarket; the exterior facilities are well cared for, with little landscaping. We understand that the Property comprises the following: Plot size: 10,700 sq m Lettable area: 1,250 sq m 110 car parking spaces				
28	Unit-ID: tur05790 Hesper Strasse 33, 31693 Stemmen Date of Inspection: 10 May 2012	Stemmen is a small rural town of almost 900 inhabitants in the federal state Lower Saxony. Stemmen is about 50 km to the west of Hannover and about 60 km northeast of Bielefeld. The subject property is situated on the main road through the town, which branches off as the L 446 beyond the property. Hesper Strasse leads north towards Hespe. Another retail warehouse building (formerly a beverage store) adjoins the supermarket. The surrounding development in the village is comprised of single-family houses. Accessibility and visibility are good. The subject property is a supermarket with a bakery store and was built in 1999. The building has a brick façade and a pitched, tiled roof. The window frames and entrance doors are of aluminium. The exterior facilities appear to be well-maintained, with adequate parking facilities	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,016.78 sq m) expiring 30 November 2015. Passing rent is € 113,642.28 per annum. Indexed 10% hurdle/60%. Bäckerei Bertemann GmbH - bakery (51.28 sq m) expiring 31 December 2015. Passing rent is € 13,543.92 per annum. Individual Rent.	€ 127,189	€ 109,918	€ 1,400,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 6,162 sq m Lettable area: 1,068 sq m 106 car parking spaces				
29	Unit-ID: tur05795 Dr.-Kurt-Schumacher-Str., 39576 Stendal Date of Inspection: 23 May 2012	Stendal, with a population of 42,400 is in the northernmost corner of the federal state of Saxony-Anhalt, about 50 km to the north of Magdeburg and about 90 km west of Berlin, on the B188 federal road. The property is situated in a Plattenbau (slab construction) estate to the west of the town centre of Stendal. The surrounding development comprises five to 11-storey slab-construction apartments, which to a large extent have not been refurbished. Nearby properties include an employment office, tax office, land registry, doctor's surgery and school, as well as the "Altmark Forum" shopping centre. As the property is situated on a fairly busy road, accessibility and visibility can be assessed as good. The property, which was built in 2006, comprises a single-storey Penny food discounter with inside bakery and adjoining fashion discount shop (Kik). The building is a solid construction with a brick facade and a pitched roof. The window frames and the entrance doors are metal. We understand that the Property comprises the following: Plot size: 5,780 sq m Lettable area: 1,555 sq m 89 car parking spaces	Freehold (*Eigentum*) The Property is let to: Penny Markt GmbH – supermarket – (1,035 sq m) expiring 8 April 2021. Passing rent is € 113,400.00 per annum. Indexed 10% hurdle/60%. Kik – clothing discounter – (472 sq m) expiring 9 April 2016. Passing rent is € 45,255.36 per annum. Indexed 10% hurdle/60%. Kerkow – bakery – (48 sq m) years, expiring 3 April 2017. Passing rent is € 15,213.96 per annum. Indexed 100% VPI per annum.	€ 173,869	€ 168,612	€ 2,070,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
30	Unit-ID: tur05800 Nienburger Strasse 62a, 27232 Sulingen Date of Inspection: 10 May 2012	Sulingen, with a population around 16,600 lies 50 km south of Bremen and 80 km northwest of Hanover, in the federal state of Lower Saxony. The town is accessible via the B214 federal road. The nearest motorways are as follows: A2 75 km away, A1, 40 km and A7, A27 approximately 65 km. The subject property is situated in a peripheral location, on the main road leading into the town from the east. The town centre, which is an extension of Nienburger Strasse, is about 1 km away. In the surroundings of the property there are single-family homes, a petrol station and a pizzeria. About 400 m to the east there is a large commercial area. The property has good visibility and accessibility. The supermarket, which was built between 1999 and 2000, has a brick façade and a pitched, tiled roof. The window frames and the automatic entrance doors are metal. The exterior facilities appear to be well-maintained, with adequate parking facilities. We understand that the Property comprises the following: Plot size: 5,811 sq m Lettable area: 1,000 sq m 104 car parking spaces	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,000 sq m) expiring 31 December 2014. Passing rent is € 158,559.36 per annum. Indexed 10% hurdle/60%.	€ 158,559	€ 114,000	€ 1,530,000
31	Unit-ID: tur05805 Berndorfer Strasse 18, 95349 Thurnau Date of Inspection: 23 April 2012	The municipality of Thurnau, with a population of 4,400 is in the federal state of Bavaria, about 70 km north of Nuremberg. Thurnau is directly on the A70 (Bayreuth-Schweinfurt) motorway. The subject property is on the southern outskirts of Thurnau, on a state road leading to the Thurnau-West motorway junction. Development in the surroundings is mainly of small	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (1,037.00 sq m) expiring 5 June 2017. Passing rent is € 111,424.92 per annum. Indexed 10% hurdle/60%.	€ 124,232	€ 116,616	€ 1,410,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		apartment buildings. There are a few commercial properties along Berndorfer Strasse. The one-storey subject property was built in 2002. Apart from the sales area there are also two doctor's surgeries. The section of the building housing the doctor's surgeries adjoins the neighbouring site. The property was built in masonry. The façade facing the street is rendered; the other external walls are painted white. The pitched roof and the gable walls are clad in steel sheet panels. We understand that the Property comprises the following: Plot size: 5,522 sq m Lettable area: 1,274 sq m 84 car parking spaces	Dr. Leclerc – surgery (120.00 sq m) expiring 20 August 2014. Passing rent is € 9,807.48 per annum. Indexed 10% hurdle/100%.			
32	Unit-ID: tur05810 Schaperskamp, 31311 Uetze Date of Inspection: 8 May 2012	Uetze, with a population of 20,100 is a municipality in the Hanover region of Lower Saxony. Uetze is about 37 km to the east of Hanover and about 45 km to the west of Wolfsburg. The A37 motorway is about 20 km away; the A2 about 15 km. The town is accessed via the B188 federal road. The subject property is situated on the western outskirts of the town, on the main east to west through road. It leads a short distance away from the property to the B 188 federal road, which runs to the northwest of Uetze. The surrounding development comprises mainly single-family and two-family houses. Fairly good visibility and accessibility. The property, which comprises a Lidl supermarket with bakery, was built in 2005.	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,324.82 sq m) expiring 31 October 2020. Passing rent is € 158,857.92 per annum. Indexed 10% hurdle/60%. Leifert – bakery - (36.58 sq m) expiring 23 November 2013. Passing rent is €11,365.68 per annum. Indexed 50% VPI per annum.	€ 170,224	€ 154,055	€ 2,060,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The single-storey building is solidly constructed with a pitched, tiled roof and rendered façade. The windows and entrance doors are glazed with aluminium frames. There is adequate parking provided. We understand that the Property comprises the following: Plot size: 6,326 sq m Lettable area: 1,361 sq m 124 car parking spaces				
33	Unit-ID: tur05815 Pestalozzistrasse 5, 03226 Vetschau Date of Inspection: 23 May 2012	Vetschau, a small town with a population of 8,800 is located in the federal state of Brandenburg. It is about 25 km west of Cottbus and 100 km north of Dresden. The closest motorway is approximately 3 km away. The property is located in the first building row and is easily visible from the through road. The L-shaped building with a total space of 1,654 sq m posseses a type of hip roof, the roofing of which is apparently in good condition. The building is plastered; however, heat insulation could not be detected. The exterior walls are partially covered with graffiti. Minor maintenance deficits are apparent on several parts of the projecting roof. The main tenant's interior finishing work (Pennymarkt with a lettable area of 1,015 sq m) is contemporary and modern. The ceilings in the sales area are suspended coffered ceilings; the floors are tiled. There is a bakery and a butcher's shop in the entrance area. The property has about 60 parking spaces.	Freehold (*Eigentum*) The Property is let to: Penny – supermarket (1,015.00 sq m) expiring 30 November 2014. Passing rent is € 147,111.00 per annum. Indexed 10%hurdle/50%. Gaststätte Buchan – retail (217.00 sq m) expiring 31 January 2013. Passing rent is € 13.020,00 per annum. Indexed 10%hurdle/50%. Vetschauer Wurstwaren – butcher (99.00 sq m) expiring 31 December 2014. Passing rent is € 7,128.00 per annum. Indexed 10% hurdle/50%. Birgit Stricker – retail (57.00 sq m) expiring 30 September 2013. Passing rent is € 4,104.00 per annum. Indexed 10% hurdle/50%. Gemüsemarkt Kubsch – Retail (92 sq m) expiring 30 November 2014. Passing rent is € 6,624.00 per annum. Indexed 10% hurdle/50%.	€ 177,987	€1628,078	€ 1,860,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 6,971 sq m Lettable area: 1,654 sq m 67 car parking spaces				
34	Unit-ID:tur05820 Wendelstrasse 81, 66787 Wadgassen Date of Inspection: 20 April 2012	Wadgassen is a in the federal state of Saarland, about 15 km west of Saarbrücken and only 20 km away from the French border. Wadgassen has approx. 18,200 inhabitants. The subject property is in a relatively poorly-travelled location at a through-road (Wendelstrasse) on the edge of Wadgassen. It is situated on a slope and is set back from the road on the edge of a residential area. The homes in the area are exclusively single-residence homes or apartment buildings. The subject property was built in 1996 and comprises three two-storey building sections, connected to each other at the front through the one-storey building located at the rear. On the ground floor there are retail units and on the upper floor, office units. The buildings are obvious prefabricated units of reinforced concrete. They have rotunda roofs or flat roofs and the facades are plastered, with continous windows in the entrance areas. At the rear there is a large delivery zone, which can accommodate heavy lorries. The centre is surrounded by a large paved parking area with greenery.	Freehold (Eigentum) The Property is let to: REWE – supermarket - (1,800.00 sq m) expiring 30 June 2016. Passing rent is €234,010.68 per annum. Indexed 10% hurdle/50%. REWE – beverage store - (852.00 sq m) expiring 30 June 2016. Passing rent is €51,564.60 per annum. Indexed 10%hurdle/50%. Kik – KiK textile discounter - (812.00 sq m) expiring 14 September 2013. Passing rent is €52,612.32 per annum. Indexed 10% hurdle/60%. Super Star Videothek – video store - (421.00 sq m) expiring 30 June 2015. Passing rent is €32,838.00 per annum. Indexed 10% hurdle/100%. Tax advisor – office - (265.00 sq m) expiring 31 January 2015. Passing rent is €18,406.44 per annum. Indexed 10%hurdle/70%. Romey Baustoffwerke GmbH – office - (320.00 sq m) expiring 30 November 2015. Passing rent is €18,270.72 per annum. Indexed 10% hurdle/100%.	€ 434,675	€ 401,676	€ 4,580,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 18,282 sq m Lettable area: 5,031 sq m Car parking spaces: 240	Contrast Friseur – shop - (143.00 sq m) expiring 31 August 2016. Passing rent is €18,392.76 per annum. Indexed 10% hurdle/100%. Gianonatti, Eric – office - (102.00 sq m) expiring 31 Januarx 2015. Passing rent is €5,140.80 per annum. Indexed 10% hurdle/100%. Postbank – ATM machine – expiring 30 September 2013. Passing rent is €3,439.08 per annum. No indexation.			
35	Unit-ID: tur05825 Hauptstrasse 107, 04736 Waldheim Date of Inspection: 10 May 2012	The town of Waldheim, with a population of 8,400 is situated in the federal state of Saxony, about half way between Dresden (approximately 52 km) and Leipzig about 55 km). The A4 motorway is about 15 km to the south. The subject property is situated on the western outskirts of Waldheim. It has good road access, being located at the junction of several federal roads. The single-storey building, which was built in 1994, is constructed of precast reinforced concrete elements and has a flat roof. The concrete exterior surfaces are painted in the tenant's corporate colours. Part of the façade is extensively glazed. The smaller sections of the building are metal-framed, with profiled steel cladding. We understand that the Property comprises the following: Plot size: 19,073 sq m Lettable area: 4,775 sq m 255 car parking spaces	Freehold (*Eigentum*) The Property is let to: Kaufland – supermarket (4,774.62 sq m) expiring 31 March 2014. Passing rent is € 730,161.12 per annum. Indexed 10% hurdle/75%.	€ 730,161	€ 515,659	€ 7,080,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
36	Unit-ID: tur05830 Nienhagener Strasse 1a, 29339 Wathlingen Date of Inspection: 8 May 2012	The small town of Wathlingen, with a population of approximately 6,100 is located directly on the L 311 state road, in the federal state of Lower Saxony and 30 km to the east of Hanover. The A37 motorway is about 20 km away. The subject property is situated on the busy east to west main road through the town. Visibility and accessibility of the supermarket are good. The Lidl store with a bakery, which was built in 2003, has a rendered façade and a pitched, tiled roof. The window and door frames are of aluminium. The exterior facilities appear to be well-maintained, with adequate parking facilities. We understand that the Property comprises the following: Plot size: 5,500 sq m Lettable area: 1,139 sq m 95 car parking spaces	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,092 sq m) expiring 9 July 2018. Passing rent is € 140,746.44 per annum. Indexed 10% hurdle/60%. Bakery (46.70 sq m) expiring 30 July 2013. Passing rent is € 14,845.08 per annum. Indexed 10% hurdle/70%.	€ 155,592	€ 129,144	€ 1,750,000
37	Unit-ID: tur05835 Dornumer Strasse 10, 26556 Westerholt Date of Inspection: 18 April 2012	Westerholt, with a population of approximately 2,300 is on the northern edge of the federal state of Lower Saxony. The nearest large towns are Wilhelmshafen, about 50 km to the east, and Oldenburg, about 90 km to the southeast. The subject property is situated in the north of Westerholt, directly on the L 7, which runs north to south through the town. The surrounding development comprises single-family and two-family houses. Aldi, Rewe, a bakery and a bank are all located within about 50 m; about 200 m away is the HEZ shopping centre with Edeka, Raiffeisenbank, a post office and several shops. Kik and Plus are about 300 m away. Visibility and accessibility are good.	Freehold (*Eigentum*) The Property is let to: Lidl – supermarket – (1,045 sq m) expiring 30 April 2015. Passing rent is € 109,200.00 per annum. Indexed 10% hurdle/60 %. AGRAVIS Ems-Jade GmbH (1,200 sq m) expiring 1 May 2015. Passing rent is € 44,734.92 per annum. Indexed 10% hurdle/60%.	€ 153,935	€ 150,720	€ 1,710,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject property comprises two buildings: The supermarket is at the front of the site; the Raiffeisenmarkt is set back somewhat. Both buildings are single-storey. The discount store, built in 2003, is a solid construction with a brick facade and a pitched, tiled roof. It is a steel frame building with profiled steel cladding. There is adequate parking. We understand that the Property comprises the following: Plot size: 4,000 sq m Lettable area: 2,245 sq m 92 car parking spaces				
38	Unit-ID: tur05840 Borsenstrasse 119, 26382 Wilhelms-haven Date of Inspection: 18 April 2012	Wilhelmshaven, with a population of 81,300 is a town in northern Germany. The town adjoins the North Sea to the east and south. The nearest large towns are Bremen (about 90 km) and Bremerhaven (about 60 km). Wilhelmshaven can be directly accessed from the B210 federal road. The A29 motorway is about 6 km away. The subject property is directly to the west of the town centre of Wilhelmshaven and south of the "Hansaviertel". The surrounding developments are unattractive; in the immediate vicinity there is a school and a church. The subject property is located in a side street: access and visibility are fairly good. The subject property was built in 2003. It is a single-storey supermarket with brick facades and a pitched, tiled roof. The window frames and the automatic entrance doors are aluminium. There is an adequate number of parking spaces in front and at the side of the building.	Freehold (*Eigentum*) The Property is let to: Netto – supermarket – (930 sq m) for 15 years expiring 31 August 2018. Passing rent is € 120,528.00 per annum. Indexed 10% hurdle/60%.	€ 120,528	€ 106,020	€ 1,430,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 4,676 sq m Lettable area: 930 sq m 75 car parking spaces				
39	Unit-ID: tur05845 Hauptstrasse 6/8, 19246 Zarrentin Date of Inspection: 18 April 2012	Zarrentin am Schaalsee is a small town with a population of about 4,700. Zarrentin is about 65 km east of Hamburg and approximately 45 km to the west of Schwerin. The subject property apparently provides local shopping facilities for the population of Zarrentin; since a shopping centre was opened (in Möllnsche Strasse, Zarrentin) its wider function outside the town has certainly been reduced. The property is not easily visible, because it stands somewhat set–back from the side street, giving the impression that it is a considerably smaller retail building than it actually is. According to the documentation provided, the property was built in 2003. It comprises one single-storey building, which houses a Rewe supermarket. The property is brick-built, clad with profiled steel at eaves height under a monopitch roof. The supermarket has hardly any windows, although it is extensively glazed in the entrance area. The car park appears to be shared with the neighbouring retail building. To the side there is a large delivery area, which can be accessed by heavy lorries. We understand that the Property comprises the following: Plot size: 5,768 sq m Lettable area: 1,588 sq m 90 car parking spaces	Freehold (Eigentum) The Property is let to: REWE – supermarket – (1,587.80 sq m) expiring 30 June 2027. Passing rent is €195,268.44 per annum. Indexed 10% hurdle/60%.	€ 195,268	€ 190,536	€ 2,410,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
40	Unit-ID: tur05850 Möllnsche Strasse 20, 19246 Zarrentin Date of Inspection: 18 April 2012	Zarrentin am Schaalsee is a small town with a population of about 4,700. Zarrentin is about 65 km east of Hamburg and approximately 45 km to the west of Schwerin. The town has direct access to the B 195 federal road and is only 7 km from the A24 motorway. The subject property is in the town of Zarrentin, on the western outskirts. Möllnsche Strasse is a quiet urban link road. The subject property apparently serves the inhabitants of Zarrentin and the surrounding villages with local shopping facilities, with its tenant mix of supermarket, clothing discounter, post office, tanning studio and bakery. Visibility from the road is good. According to the documentation provided, the property was built in 1993. It comprises three interconnected single-storey buildings, without basements. The property is a brickwork construction, with a pyramid roof covered in cement tiles. The hall areas above KiK and the supermarket have flat roofs. The property has extensive display windows facing the car park. There is a large car park between the access road and the property; deliveries are made to the western side. We understand that the Property comprises the following: Plot size: 7,901 sq m Lettable area: 1,641 sq m 152 car parking spaces	Freehold (Eigentum) The Property is let to: REWE – supermarket – (833 sq m) expiring 14 June 2014. Passing rent is € 90,920.04 per annum. Indexed 10% hurdle/60%. KIK - textile discounter – (422.48 sq m) expiring 9 December 2015. Passing rent is € 38,104.32 per annum. Indexed 10% hurdle/50%. Bäckerei Günter Boldt – bakery- (82 sq m) expiring 31 December 2016. Passing rent is € 10,800.00 per annum. Indexed 10% hurdle/100%. Flower Shop (113 sq m) expiring 28 February 2015. Passing rent is € 13,086.84 per annum. Indexed 10% hurdle/100%. Kirsten Liesener (78 sq m) expiring 31 October 2013. Passing rent is € 7,870.92 per annum. Indexed 10% hurdle/100%.	€ 160,782	€ 158,044	€ 1,680,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
41	Unit-ID: tur05855 Annaberger Strasse 32, 08297 Zwönitz Date of Inspection: 10 May 2012	The town of Zwönitz, with its population of 11,200 is situated about 25 km south of Chemnitz and about 82 km southwest of Dresden in the federal state of Saxony. The subject property is on the eastern edge of the town centre, on the state road towards Annaberg. Visibility is somewhat limited as it is in a slightly elevated position above the road. There is low-density residential development in the surrounding areas. The one-storey subject property was built in 2000. The exterior walls of the masonry structure are rendered and clad with sheet metal in the gable area. The pitched roof is tiled. We understand that the Property comprises the following: Plot size: 4,800 sq m Lettable area: 1,037 sq m 65 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (1,037.00 sq m) expiring 19 July 2015. Passing rent is € 107,908.32 per annum. Indexed 10% hurdle/60%.	€ 107,908	€ 93,330	€ 1,100,000
42	Unit-ID: tur05860 Am Binderfeld 12, 84518 Garching/Alz Date of Inspection: 24 April 2012	Garching, a small town with a population of 8,400 is located about 100 km east of Munich in the federal state of Bavaria. The subject property is located in a small industrial / retail area outside the city centre of Garching. The property, which was built in 1999, is a single-storey rectangular building comprising a Penny supermarket with two additional small retail units. The building is a solid construction, has a white rendered façade and a pitched roof with red tiles.	Freehold (*Eigentum*) The Property is let to: Penny – supermarket (925.00 sq m) expiring 27 October 2014. Passing rent is € 121,083.72 per annum. Indexed 10% hurdle/65%.	€ 121,084	€ 121,080	€ 1,380,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 6,856 sq m Lettable area: 1,045 sq m 100 car parking spaces				
43	Unit-ID: tur05865 Leipziger Strasse 29, 04468 Grimma Date of Inspection: 10 May 2012	Grimma, with a population of 18,700 lies about 20 km to the east of Leipzig and about 75 km west of Dresden. The subject property is located in the town-centre with good road access. The property which is set back from the main road (Leipziger Str.) behind a car dealership is accessed via a driveway and is therefore not easily visible. There are mainly historic residential buildings in the vicinity. The discount store, which was built in 2001, is a single-storey rectangular building, apparently constructed of masonry. It has a pitched, tiled roof. The façade is rendered, painted white and clad with corrugated metal sheeting on the end walls. The exterior areas are partly surfaced and partly landscaped. There is adequate parking. The delivery area is at the side. There is a two-storey residential building with garages at the rear of the property, which is accessed from Mainzmühlstrasse. The residential building appears to be relatively new and in good condition. We understand that the Property comprises the following: Plot size: 6,147 sq m Lettable area: 1,251 sq m 76 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto Marken-Discount GmbH – discounter (1,107.00 sq m) expiring 23 August 2016. Passing rent is € 129,591.36 per annum. Indexed 10% hurdle/60%. Residential tenant (72.24 sq m), unlimited duration. Passing rent is € 4,772.40 per annum. No indexation. Residential tenant – garage (1 unit), unlimited duration. Passing rent is € 460.20 per annum. No indexation. Urban – garage (1 unit), unlimited duration. Passing rent is € 360.00 per annum. No indexation. Rahmlow – garage (1 unit), unlimited duration. Passing rent is € 456.00 per annum. No indexation. Kurzbach – workshop (1 unit), unlimited duration. Passing rent is € 1,200.00 per annum. No indexation.	€ 136,840	€ 123,882	€ 1,510,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
44	Unit-ID: tur05870 Lelitzer Strasse, 06366 Köthen Date of Inspection: 9 May 2012	Köthen, with a population of about 28,200 is situated between Magdeburg, about 55 km to the north and Halle (Saale), around 35 km to the south, in the federal state of Saxony-Anhalt. Köthen provides direct access to the B183 and B185 federal roads. The A14 and A9 motorways are each about 20 km from Köthen. The subject property is situated on the western edge of Köthen, directly adjoining a Plattenbau (slab construction) apartment area. Bordering the property to the north is an Aldi discounter and a disused petrol station. One of the entrances to the property is directly opposite this petrol station. Fairly good visibility and accessibility. The property comprises a single building with a "Toom Bau-, Hobby- und Gartencenter" (DIY and garden centre) in the southern part and an "E-Center" (Edeka) with supermarket, beverage store, and various shops in the foyer sales area in the northern section. The whole property is let on a general lease to the Edeka group. The building, which was constructed in 1993, is mainly single-storey. In the northwest section there is a small upper storey that probably houses offices. The property is a reinforced concrete load bearing structure with aerated concrete infill and a flat roof. At the northwest corner there is a spacious entrance area (Edeka) in the form of a glazed metal structure with pyramidal roof. The garden centre is a glazed steel frame building. The window frames and the entrance doors are metal.	Freehold (*Eigentum*) The Property is let to: EDEKA-MIHA Immobilien Service GmbH – hypermarket - (6,479.03 sq m) expiring 30 September 2013. Passing rent is € 1,282,802.16 per annum. Indexed 10 hurdle/65%. EDEKA-MIHA Immobilien Service GmbH – hypermarket - (5,705.89 sq m) expiring 30 September 2013. Rent free	€1,282,802	€ 1,067,046	€ 13,030,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		There are a large number of parking spaces to the north and east of the building. The exterior facilities are well maintained. A glass-roofed metal structure points the way to the footpath to the new development area. We understand that the Property comprises the following: Plot size: 33,570 sq m Lettable area: 12,185 sq m 459 car parking spaces				
45	Unit-ID: tur05875 Am Frankengrund 9, 36093 Künzell Date of Inspection: 25 April 2012	Künzell, with a population of 16,400 is a small town situated close to Fulda and about 75 km northeast of Frankfurt on the A7 motorway. The subject property is situated in the commercial area between an arterial road and the A7 motorway, on the southern edge of the town. It borders residential properties (single-family houses and apartment buildings) to the northwest. There are numerous other retailers in the location, including competitors Aldi and Lidl. The subject property has relatively good access, although in comparison with its competitors it is somewhat hidden from view. It is accessed via a side road (Am Frankengrund). The single-storey REWE supermarket, which was built in 1993, is a solid rectangular building (probably masonry) with a pitched roof covered with corrugated metal sheeting. The façade is rendered, painted white and is partly fitted with metal elements in the REWE corporate design. The site is on a slight slope. The exterior areas are partly surfaced and partly landscaped.	Freehold (*Eigentum*) The Property is let to: REWE group – supermarket (1,000.00 sq m) expiring 31 December 2016. Passing rent is € 128,421.12 per annum. Indexed 10% hurdle/60%. REWE group – beverage store (600.00 sq m) expiring 31 December 2016. Passing rent is €57,600.00 per annum. Indexed 10% hurdle/60%.	€ 186,021	€ 171,600	€ 2,200,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		There is adequate parking in front of the building, facing the road. The delivery area is at the rear. It is possible to drive all the way round the building. We understand that the Property comprises the following: Plot size: 10,255 sq m Lettable area: 1,600 sq m 105 car parking spaces				
46	Unit-ID: tur05885 Königstrasse 345, 32427 Minden Date of Inspection: 10 May 2012	Minden, with its approximately 82,100 inhabitants is situated directly at the B65 and B61 A-roads. The A2 motorway is about 15 km away. Minden is located in the state of North Rhine-Westphalia. The nearest large cities are Osnabrück, roughly 70 km west of Minden and Hanover, about 80 km east of Minden. The property is situated on the edge of the town to the west of Minden just off highway L766 and is visible from this main road. The property is a solid construction built in 2000 with infill brickwork and houses a Netto food discounter. The outer walls are plastered in white; the entrance area is level and roofed. The one-storey building has a tiled gabled roof. We understand that the Property comprises the following: Plot size: 4,256 sq m Lettable area: 1,037 sq m 65 car parking spaces	Leasehold (heritable building right) from 8 June 2000 until 31 December 2099. Ground rent is € 26,137.20 per annum. Indexed 10% hurdle/65%. The Property is let to: Michael Schels & Sohn GmbH & Co KG (Netto) – discounter – (1,037 sq m) expiring 10 May 2015. Passing rent is € 119,424.36 per annum. Indexed 10% hurdle/65%.	€ 119,424	€ 111,996	€ 990,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
47	Unit-ID: tur05895 Schmiedeberger Strasse 17a, 06909 Pretzsch Date of Inspection: 9 May 2012	Pretzsch is a small, rural municipality, with a population of 1,600 in the federal state of Saxony-Anhalt. Leipzig is about 60 km to the southwest. The subject property is on a thoroughfare (Schmiedeberger Strasse) on the western edge of the town, leading to Bad Schmiedeberg. The property is well visible and easily accessible. The surroundings comprise almost entirely small-scale residential properties of a rural character. The property comprises a discount supermarket, built in 1993 and an adjoining building (local beverage market and drug store) which was completed in September 2006. Both the discounter building and the new building are rendered in white and are solid constructions (probably masonry) with a hipped roof covered in red tiles. A bakery and a butcher are located in front of the till area. The parking area at the rear of the building is functional but not ideal. We understand that the Property comprises the following: Plot size: 8,858 sq m Lettable area: 1,698 sq m 60 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – discounter (965.00 sq m) expiring 31 July 2013. Passing rent is € 77,467.56 per annum. Indexed 10% hurdle/50%. Bachmann – butcher (70.00 sq m) expiring 31 December 2013. Passing rent is €6,300.00 per annum. Indexed 10% hurdle/100%. Nietzelt – bakery (50.00 sq m) expiring 31 July 2013. Passing rent is €4,951.32 per annum. Indexed 10% hurdle/100%. Markgrafen – beverages store (330.00 sq m) expiring 30 September 2016. Passing rent is € 24,600.00 per annum. Indexed 10% hurdle/60%. Gaumenschmaus GmbH – snack bar (chicken stall, 1 unit) expiring 31 December 2014. Passing rent is €1,800.00 per annum. No indexation.	€ 115,119	€ 130,206	€ 1,320,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
48	Unit-ID: tur05900 Obere Strasse 32, 31553 Sachsenhagen Date of Inspection: 9 May 2012	Sachsenhagen is a small rural town of almost 2,000 inhabitants. The town belongs to the district of Schaumburg (roughly 160,600 inhabitants). Sachsenhagen lies approximately 40 km west of Hanover. The property is situated on the edge of the town to the south of Sachsenhagen just off highway L370 and is visible from this main road. The property was built in 2003 and is comprised of four connecting sections which house a Penny market, a beverage market, a bakery and a butcher's. The one-storey complex with its gabled roof is a solid construction, which is partly clad in plaster and partly in red brick. The entrance area to the discounter is roofed, as is the beverage store. We understand that the Property comprises the following: Plot size: 7,754 sq m Lettable area: 1,573 sq m Car parking spaces: 110	Freehold (Eigentum) The Property is let to: Netto – discounter – (964 sq m) expiring 7 September 2013. Passing rent is € 98,037.96 per annum. Indexed 10% hurdle/60%. HOL'AB!-Getränkemarkt GmbH – beverage – (498.97 sq m) expiring 30 September 2014. Passing rent is € 42,141.12 per annum. No indexation. Bertermann Vertriebs GmbH – bakery – (50 sq m) for 10 years expiring 14 September 2018. Passing rent is € 12,000.00 per annum. Indexed 10%hurdle/70%. Manfred Knuhr OHG – butcher - (60 sq m) expiring 14 September 2018. Passing rent is € 14,400.00 per annum. Indexed 10% hurdle/70%.	€ 166,579	€ 160,863	€ 1,840,000
49	Unit-ID: tur05910 Pillauerstrasse 10, 31655 Stadthagen Date of Inspection: 9 May 2012	Stadthagen, with a population of about 22,300 is a small town in the federal state of Lower Saxony. Hanover is about 35 km to the east. There are good national road connections via the A2 motorway (10 km) and the B65 federal road running through the town. The subject property is situated in a mixed use area in the west of the town, close to the main road (Enzer Strasse). There is a Lidl, a beverage store, a bowling center, several restaurants, as well as other small and medium commercial firms in the area.	Freehold (*Eigentum*) The Property is let to: Penny – supermarket (933.00 sq m) expiring 12 October 2015. Passing rent is € 119,400.00 per annum. Indexed 10% hurdle/60%.	€ 119,400	€ 111,960	€ 1,370,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property adjoins a bowling centre. Visibility is good; accessibility via the main street is also good. The subject property was built in 2003. The freestanding single-storey building houses a Penny supermarket. The building has a brick façade and a pitched, tiled roof. The window and door frames are of aluminium. The exterior facilities and the adequately sized (free) car park appear to be well maintained. We understand that the Property comprises the following: Plot size: 4,217 sq m Lettable area: 933 sq m 75 car parking spaces				
50	Unit-ID: tur05915 Industriestrasse 16-18, 39576 Stendal Date of Inspection: 23 May 2012	Stendal, with a population of 42,400 is in the northernmost corner of the federal state of Saxony-Anhalt, about 50 km to the north of Magdeburg and about 90 km west of Berlin, on the B188 federal road. The subject property is on the southern edge of Stendal in a commercial area. To the east there are a few Plattenbau (slab construction) buildings, while commercial properties in the Südost I commercial area are to be found further to the east. There are allotment gardens to the north of the property; immediately to the west is a retail furniture warehouse (Porta). To the west of Heerener Strasse there are more commercial buildings in the commercial area Südost II (car dealerships, transport and distribution firms, and a bakery). Heerener Strasse, which leads to the southern ring road (B188 federal road), provides good accessibility.	Freehold (*Eigentum*) The Property is let to: EDEKA-MIHA Immobilien Service GmbH – hypermarket - (24,796.00 sq m) expiring 31 March 2014. Passing rent is €2,553,996.60 per annum. Indexed 10% hurdle/65%.	€2,553,997	€ 2,306,028	€ 27,230,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property is reasonably well visible from the B188. The "Einkaufszentrum Altmark-Park" comprises a very large site with two buildings - a "Marktkauf Bau-, Hobby- und Gartencenter" (DIY and garden centre) in the southeast of the site and an E-Center (Edeka) with hypermarket, beverage store, various shops and foyer sales area in the northwest of the site. There is also a petrol station on the site. The whole property is let on a general lease to the Edeka group. Both buildings were erected in 1993 as a reinforced concrete loadbearing structure with aerated concrete infill and flat roofs. The garden centre is a glazed steel frame building. The window frames and the entrance doors are metal. The entrance area and those of the shops which are accessible from outside have a glazed canopy. The exterior facilities are reasonably well maintained. We understand that the Property comprises the following: Plot size: 60,345 sq m Lettable area: 24,796 sq m 1,130 car parking spaces				
51	Unit-ID: tur05920 Kallenfelser Strasse 30a, 55606 Kirn Date of Inspection: 20 April 2012	Kirn, a small town with approximately 8,300 inhabitants, is centrally-located in Rhineland-Palatinate in the district of Bad Kreuznach (around 155,500 inhabitants), roughly 60 km north of Kaiserslauten and about 60 km east of Trier. The subject property is well developed, with road access and main services, is very visible and is centrally-located. Kallenfelser Strasse is the main arterial road in Kirn.	Freehold (*Eigentum*) The Property is let to: EDEKA – supermarket (2,221.77 sq m) expiring 25 October 2021. Passing rent is € 225,600.00 EUR per annum. Indexed 10% hurdle/60%.	€ 368,598	€ 364,951	€ 4,700,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject building was constructed on Kallenfelser Strasse. It is somewhat set back from the main road. There is a large car park in front of the long building. Access by both road and by public transport is very good. There is a bus stop immediately in front of the property. Both the subject property and the adjoining retail warehouse centre with further retailers (food discounter, supermarket, bakery, butcher, clothing discounter and beverage store) are within easy reach for local residents on foot. The building is a reinforced concrete frame and was constructed in 2006. The exterior walls and the dividing walls between the units are in aerated concrete masonry. All the walls and facades are rendered. The roof is monopitch, with metal covering. There is a loading bay at the rear of the building. We understand that the Property comprises the following: Plot size: 11,800 sq m Lettable area: 3,407 sq m 175 car parking spaces	Deichmann – shoes (450.00 sq m) expiring 25 October 2016. Passing rent is € 53,730.00 per annum. Indexed 10% hurdle/60%. Takko – clothing discounter (600 sq m) expiring 31 October 2018. Passing rent is € 69,264.00 per annum. Indexed 10% hurdle/65%. Apotheke Zohdi – pharmacy (135.00 sq m) expiring 25 October 2021. Passing rent is € 20,004.00 per annum. Indexed 10% hurdle/75%.			
52	Unit-ID: tur05930 Neckarstrasse 1a, 38120 Braunschweig Date of Inspection: 8 May 2012	Brunswick (Braunschweig) is a city in northern Germany, in the southeast of the federal state of Lower Saxony. With a population of about 248,900 it is the second-largest city (after Hanover) and one of the Oberzentren (higher-order centres) in Lower Saxony. Brunswick is about 67 km to the east of Hanover and about 37 km south of Wolfsburg.The subject property is in the district of Timmerlah, about 3 km southeast of the Brunswick city centre. Access is via a side street in a residential area.	Ground leasehold (*Erbbaurecht*) - to 2052, ground rent is € 1,505.40 per annum. The Property is let to: Netto – supermarket (1,178 sq m) expiring 25 October 2015. Passing rent is € 120,000 per annum. Indexed 10% hurdle/65%.	€ 252,727	€ 245,285	€ 2,950,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The A391 runs to the east about 1 km away. The property can easily be reached on foot. There is a bus stop within about 100 m and a tram stop within about 300 m. The two buildings, constructed in 1991 and remodelled in 2006, adjoin each other at a right angle. They are directly accessible from the car park. The buildings have red brick exterior walls and sawtooth roofs. The buildings and exterior facilities appear to be in good condition. The retail unit for the new tenant, Netto, adjoins the main tenant, Aldi. The sales area of the existing tenant, KiK, in the side building, has been extended. We understand that the Property comprises the following: Plot size: n/a Lettable area: 2,585 sq m 95 car parking spaces	Aldi – supermarket (829.77 sq m) expiring 6 August 2015. Passing rent is € 73,891.08 per annum. Indexed 10% hurdle/50%. KiK – clothing discounter (577.38 sq m) expiring 24 September 2016. Passing rent is € 58,836.12 per annum. Indexed 10% hurdle/50%.			
53	Unit-ID: tur05935 Gleiwitzstrasse 100, 44328 Dortmund Date of Inspection: 16 April 2012	Dortmund, population 580,400 is situated in the west of Germany, in the state of North Rhine-Westphalia. Dusseldorf lies approximately 55 km to the southwest and Frankfurt am Main roughly 175 km to the south. The subject property is located in the suburb of Scharnhorst, in the east of Dortmund, directly at an U-Bahn (underground station) and a bus-stop (Gleiwitzstrasse); public transport connections, therefore, can be described as very good. The residential area in the immediate surroundings is mainly comprised of apartment buildings, some of which along Gleiwitzstrasse have retail units on the ground floors.	Freehold (*Eigentum*) The Property is let to: REWE – supermarket (1,500.00 sq m) expiring 30 September 2020. Passing rent is € 222,000.00) per annum. Indexed 10% hurdle/50%. Jennifer Franze – retail (136.00 sq m) expiring 30 April 2015. Passing rent is € 13,612.20 per annum. Indexed 10%hurde/100%.	€ 255,281	€ 260,550	€ 3,100,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The subject property, erected in 2005, consists of 2 adjacent buildings: a 2-storey multi-tenant office and retail building (building 1) and a 1-storey supermarkt (building 2). Building 1 is a solid construction (probably masonry) with a brick façade and a shed roof with metal cladding. Building 2 is a single-storey retail building comprising a REWE supermarket with sales areas, storage space and staff rooms. The buildings stand parallel to Gleiwitzstrasse, next to which are parking spaces. The external areas of the property are largely paved with interlocking concrete pavers and are partially landscaped. On the day of inspection a mobile fish kiosk was parked in the car park; presumably a subtenant of REWE. We understand that the Property comprises the following: Plot size: 5,400 sq m Lettable area: 2,025 sq m 67 car parking spaces	Bianca Grau – retail (72.64 sq m) expiring 30 April 2014. Passing rent is € 6,973.44 per annum. Indexed 5% hurdle/100%. Wilhelm Holtrup GmbH – retail (161.00 sq m) expiring 30 April 2015. Passing rent is € 12,695.04 per annum. Indexed 10% hurdle/60 %.			
54	Unit-ID: tur05955 Untergrünerstrasse 210+212, 58644 Iserlohn Date of Inspection: 16 April 2012	Iserlohn, with a population of 95,000, is centrally located in the federal state of North-Rhine Westphalia. The subject property is situated in the western urban area of Iserlohn, an area called Letmathe. The property is directly situated on a roundabout, providing high visibility and easy access from main through road Untergrüner Strasse. In the immediate surroundings there are mixed-use, multi-storey properties, some of which are historic buildings.	Freehold (*Eigentum*) The Property is let to: Aldi – supermarket (988.00 sq m) expiring 30 June 2015. Passing rent is € 113,506.80 per annum. Indexed 10% hurdle/50%. REWE – supermarket (1,550.00 sq m) expiring 30 September 2019. Passing rent is € 212,040.00 per annum. Indexed 10% hurdle/60%.	€ 325,547	€ 317,232	€ 3,980,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The property, which was built in 2004, consists of 2 separate buildings: a single-storey retail building housing a food discount shop (Aldi) and a Rewe supermarket, also a single-storey retail warehouse building. Both buildings are framed structures with reinforced concrete supports and walls. The facades of the buildings are decorated in the corporate colours; both buildings have covered flat roofs; the facades are partly clad with trapezoidal metal sheeting. Both the supermarkt and the discount store have ancillary space such has storage and staff rooms. The exterior areas are largely surfaced and partly landscaped; the parking spaces are located between the two buildings. We understand that the property comprises the following: Plot size: 7,561 sq m Lettable area: 2,538 sq m 115 car parking spaces				
55	Unit-ID: tur05960 Kronacher Strasse 40, 96215 Lichtenfels Date of Inspection: 23 April 2012	Lichtenfels is a small Kreisstadt (administrative centre) with a population of 20,500 located 120 km south of Erfurt and 90 km north of Nuremberg in the federal state of Bavaria. The subject property is located in a mixed use area with predominantly single-family houses. The Edeka-Supermarkt, which was built in 2005, is a one-storey solid construction (masonry) with a pitched roof clad with corrugated iron. The façade is rendered and partly plastered in corrugated metal siding. There are sufficient parking spaces on the street side in front of as well as on the side of the property; the grounds are paved, partly landscaped with greenery.	Freehold (*Eigentum*) The Property is let to: Edeka – supermarket (1,847.00 sq m) expiring 31 March 2015. Passing rent is € 179,197.80 per annum- Indexed 10% hurdle/60%.	€ 179,198	€ 188,394	€ 1,730,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the property comprises the following: Plot size: 3,688 sq m Lettable area: 1,847 sq m 90 car parking spaces				
56	Unit-ID: tur05965 Am Gleisdreieck 4 + 4a, 23566 Lübeck Date of Inspection: 18 April 2012	Luebeck, with a population of about 210,000 is a major town in the federal state of Schleswig Holstein. There are good national road connections via the A1 motorway (1 km away) and the B75, B104, B206 and B207 federal roads. The subject property is situated in a commercial area in the submarket of Wesloe, in the east of the town, on the main road running through the commercial area. Aldi and Famila as well as small and medium-sized businesses are also located here. The property adjoins a carpenter store. Visibility is good; accessibility via the main street in the commercial zone is also good. The subject property was built in 2003. The two freestanding single-storey buildings house a KiK fashion discount store and a Netto supermarket. The buildings have separate entrances, brick façades and pitched, tiled roofs. The window and door frames are of aluminium. The exterior facilities and the adequately sized (free) car park appear to be well maintained. We understand that the property comprises the following: Plot size: 6,075 sq m Lettable area: 1,330 sq m 80 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (930.00 sq m) expiring 3 August 2018. Passing rent is € 135,000.00 per annum. Indexed 10% hurdle/60%. KIK Textilien – retail (400.00 sq m) expiring 29 July 2013. Passing rent is € 40,581.84 per annum. Indexed 10% hurdle/60%.	€ 175,582	€ 172,320	€ 2,080,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
57	Unit-ID: tur05970 Moislinger Allee 156-158, 23558 Lübeck Date of Inspection: 18 April 2012	Luebeck, with a population of about 210,000 is a major town in the federal state of Schleswig Holstein. There are good national road connections via the A1 motorway (1 km away) and the B75, B104, B206 and B207 federal roads. The subject property is situated in the mixed use area of "Buntekuh", in the southwest of the town, on the main road (Moislinger Allee) which leads to the city centre. In the area there are mainly residential estates interspersed with very few small and medium-sized firms. The property adjoins railway tracks and a residential area. Visibility is good; accessibility via the main street and a side street is also good. The subject property was built in 2002. The single-storey building houses a Netto discount store and bakery. The building has a brick façade and a pitched, tiled roof. The window and door frames are of aluminium. The exterior facilities and the adequately sized (free) car park appear to be well maintained. We understand that the property comprises the following: Plot size: 4,484 sq m Lettable area: 990 sq m 84 car parking spaces	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (930.00 sq m) expiring 20 November 2017. Passing rent is € 139,200.00 per annum. Indexed 10% hurdle/60%. BackWerk Vertriebs GmbH – bakery (60.00 sq m) expiring 30 September 2014. Passing rent is € 12,000.00 per annum. Indexed 10% hurdle/60%.	€ 151,200	€ 144,720	€ 1,790,000
58	Unit-ID: tur05995 Bahnhofstrasse 17, 78564 Wehingen Date of Inspection: 19 April 2012	Wehingen is a small rural town with almost 3,600 inhabitants and lies in the south of Germany in the federal state of Baden-Wurttemberg. The major cities of Stuttgart and Freiburg are each about 100 km away, the Swiss border is only 70 km away. The A81 motorway runs about 25 km to the west of Wehingen.	Freehold (*Eigentum*) The Property is let to: Norma – discounter – (970 sq m) expiring 31 July 2013. Passing rent is € 88,200 per annum. Indexed 10% hurdle/50%.	€ 101,400	€ 99,492	€ 1,050,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The B27 federal road is about 9 km away. The subject property is situated at the end of a side street and is consequently not particularly visible to potential customers. The single-storey building - a solid construction with masonry infill - was built in 2003. The exterior walls are rendered and painted white; the pitched roof is tiled. We understand that the Property comprises the following: Plot size: 3,490 sq m Lettable area: 1,021sq m 76 car parking spaces	Albert Hengster – bakery - /50.8 sq m) expiring 7 July 2013. Passing rent is € 13,200.00 per annum. Indexed 10% hurdle/60%.			
59	Unit-ID: tur06000 Am Esch 16-18, 26655 Westerstede Date of Inspection: 18 April 2012	Westerstede, with a population of about 22,000 inhabitants is a small town in northwest Lower Saxony, approximately 40 km from the Dutch border. The A28 motorway, which runs though Westerstede, provides access to the major towns and cities in the region. The subject property is conveniently situated for transport facilities on a main road in the urban area of Westerstede. The A28 motorway runs about 400 m to the north. The property has good access both on foot from the surrounding residential area and by bus. Visibility from the main road is good and there are adequate parking facilities. The building, a standard discount store layout, was built in 2004. The facades are red brick under a pitched roof with dark purple tiles. The buildings and exterior facilities appear to be in very good condition.	Freehold (*Eigentum*) The Property is let to: Netto – supermarket (931 sq m) expiring 13 January 2020. Passing rent is € 114,960 per annum. Indexed 10% hurdle/50%	€ 114,960	€ 111,720	€ 1,440,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		We understand that the Property comprises the following: Plot size: 3,666 sq m Lettable area: 931sq m 65 car parking spaces				
60	Unit-ID: tur06005 Celler Strasse 29, 29378 Wittingen Date of Inspection: 8 May 2012	Wittingen, with a population of about 11,700 inhabitants is a small town in the federal state of Lower Saxony. Hanover is about 75 km to the southwest. The only national road connection is the B244 running through Wittingen. The subject property is situated at the western fringe of the town, along the only B244 federal road. There is also an Aldi, an Edeka, a Lidl and other small or medium-sized businesses in the area. The property adjoins a Jawoll store (home improvement). Visibility is good; accessibility via the main street is also good. The subject property, a freestanding single-storey building built in 2005, houses a Penny food discount store. The building has a white plastered façade and a pitched, tiled roof. The window and door frames are of aluminium. The property has two dropped kerbs (ramps). The exterior facilities and the adequately sized (free) car park appear to be well maintained. We understand that the property comprises the following: Plot size: 5,816 sq m Lettable area: 1,000 sq m 120 car parking spaces	Freehold (*Eigentum*) The Property is let to: REWE – supermarket (1,000.00 sq m) expiring 31 May 2020. Passing rent is € 120,000.00 per annum. Indexed 10% hurdle/65%.	€ 120,000	€ 114,000	€ 1,460,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
61	Unit-ID: tur06010 Brown-Boveri-Strasse 25, 63457 Hanau-Gross-Auheim Date of Inspection: 23 April 2012	Hanau, a town with approximately 88,600 inhabitants. Hanau is located roughly 20 km east of Frankfurt am Main and about 20 km north-west of Aschaffenburg. The subject property is well developed with road access and main services; it is highly visible. The property is located in a side street. The Lidl supermarket, built in 2006, is a one-storey solid construction with a pitched roof in red clay brick. The facade is of white plaster or corrugated metal siding. The grounds and car park areas are paved with little greenery. There is ample customer parking provided We understand that the property comprises the following: Plot size: 5,678 sq m Lettable area: 1,493 sq m 112 car parking spaces	Freehold (*Eigentum*) The Property is let to: Lidl - supermarket (1,200.00 sq m) expiring 30 November 2016. Passing rent is € 200,037.12 per annum. Lidl – supermarket (79.00 sq m) expiring 30 November 2016. Rent free. Lidl – storage (214 sq m) expiring 30 June 2024. Passing rent: rent free; Individual Rent, starting January 2013 is € 8400.00 per annum.	€ 200,037	€ 177,174	€ 2,310,000
62	Unit-ID: tur06015 Ruhrstrasse 8 Rheinstrasse 9, 71679 Asperg Date of Inspection: 19 April 2012	Asperg is a small town with a population of 13,000 and is centrally located in the federal state of Baden-Wuerttemberg. It about 20 km north of Stuttgart. The subject property is located in a mixed use area with smaller and medium industries and adjoins several residential apartment blocks. The subject property consists of a single-storey irregular shaped building comprising a Marktkauf supermarket, which was built in 1992, and an ancillary residential building, with three storeys, which was built in 1956.	Freehold (*Eigentum*) The Property is let to: Edeka – supermarket (3,180.00 sq m) expiring 30 June 2027. Passing rent is € 296,772.72 per annum. Indexed 10% hurdle/65%. Edeka – storage (1.328.00 sq m) expiring 30 June 2027. Rent free.	€ 296,773	€ 295,740	€ 4,000,000

Ref No.	Property Address	Description, Age and Floor Areas	Tenure and Tenancies	Net Annual Rents Receivable	Estimated Net Annual Rent	Net Market Value
		The supermarket is a steel frame structure with a masonry infill, a facade of trapezoidal sheets and a non-ventilated flat roof, while the residential building is of masonry structure with a pitched roof covered with roofing tiles. We understand that the property comprises the following: Plot size: 10,583 sq m Lettable area: 4,508 sq m 106 car parking spaces				
63	Unit-ID: tur06020 Dommitzscher Strasse 15, 04849 Bad Düben Date of Inspection: 9 May 2012	Bad Düben, a small town with a population of 8,200 is centrally located in the federal state of Saxony. It is about 20 km north of Leipzig. The subjected property is located on the main street in Bad Düben. The property, which was built in 1992, is a two-storey irregular shaped building comprising a Netto supermarket on the ground and residential area on the first floor. The building is a solid construction (probably masonry) with a white rendered façade and a pitched roof with red clay tiles. We understand that the property comprises the following: Plot size: 14,389 sq m Lettable area: 3,513 sq m 168 car parking spaces	Freehold (*Eigentum*) The Property is let to: REWE – supermarket /2,180.00 sq m) expiring 31 December 2015. Passing rent is € 168,000.00 per annum. Indexed 10% hurdle/50%. Penny – supermarket (766.00 sq m) expiring 30 September 2013. Passing rent is € 80,400.00 per annum. Indexed 10% hurdle/50%. Rossmann – drugstore (547.00 sq m) expiring 14 June 2016. Passing rent is € 48,000.00 per annum. Indexed 10% hurdle/50%. Ata Imbiss Döner – 1 unit – expiring 31 Dercember 2014. Passing rent is € 3,696.00 per annum. No indexation.	€ 300,096	€ 297,510	€ 3,380,000

Valuation Report Relating to the Wave Portfolio

Direct Dial 0049 69 1700 7718
Direct Fax 0049 69 1700 7773
Email Stefan.Gunkel@cbre.com

Our ref
Your ref

14 May 2013

Valuation Report

Estimate of Market Value in accordance with the definition and guidance as agreed by the Royal Institution of Chartered Surveyors

The Direct Investment Portfolio:
Wave Portfolio (56 Properties), Multiple Locations, Germany

Effective Dates of Appraisal

Valuation Date:	**31 December 2012**
Date of completion of this report:	**14 May 2013**

Clients:
The Directors
Eurocastle Investment Limited
Regency Court
Glategny Esplanade
St. Peter Port GY1 1 WW
Guernsey

Fortress Investment Group LLC
1345 Avenue of the Americas
47th Floor
New York, NY 10105

Prepared by

CBRE GmbH ("CBRE")
Bockenheimer Landstrasse 24
60323 Frankfurt am Main
Germany

CBRE is a limited company (Gesellschaft mit beschränkter Haftung) incorporated under laws of Germany with registered number 13347. CBRE was incorporated on 3 April 1973 and has its registered office at the address set out above. The telephone number of the registered office is +49 (0)69 170 077 0. CBRE is not regulated but employs RICS and HypZert qualified valuers in its valuation department.

Date of Issue
14 May 2013

Signed Copy No:

Ladies and Gentlemen,

VALUATION OF WAVE PORTFOLIO
(56 PROPERTIES, MULTIPLE LOCATIONS, GERMANY)

1. Instructions

In accordance with instructions received from Eurocastle Investment Limited (the "Company" or the "Principal") on 23 February 2013, we have made relevant enquiries in order to provide our opinion of Market Value for the investment Properties as described in the Schedule (the "Properties") as at 31 December 2012 (the "Valuation Date") of the freehold (*Eigentum*) and leasehold (*Erbbaurecht*) interests. We must point out that this comprises an update of the initial valuation carried out by CBRE in 2007 (date of valuation 31 March 2007) in the course of which all the Properties were inspected. The latest re-inspections for the purposes of this revaluation have been carried out by CBRE in Q3 2011 (please find the actual inspection dates of the properties in the schedule attached to this report).

This Valuation Report has been prepared for the purpose of inclusion in the prospectus to be published by the Company (the "Prospectus") in connection with the admission of additional shares (Kapitalerhöhung) of the Company to listing on Eurolist by Euronext Amsterdam and to trading on Euronext Amsterdam's market for listed securities ("Admission").

2. The Properties

The Properties we have valued are listed and briefly described in the Schedule attached to this Valuation Report (the "Schedule"). Each Property identified in the Schedule has been valued individually, and not as part of a portfolio.

The subject portfolio comprises 54 freehold (*Eigentum*) Properties and 2 leasehold equivalent (Erbbaurecht) Properties.

3. Basis of Valuation

Our valuations have been carried out in accordance with The Royal Institution of Chartered Surveyors' (RICS) Professional Valuation Standards (8th Edition), (the "Red Book") and in accordance with the relevant provisions of the current Prospectus Rules. They have been undertaken by External Valuers, as defined in 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(s) competently.

In accordance with the Financial Service Authority's current Prospectus Rules we have prepared our valuations in accordance with the Red Book on the basis of Market Value, which is defined in the Red Book, 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 where the parties had each acted knowledgeably, prudently and without compulsion."

4. Valuations

On the bases outlined in this Valuation Report, we are of the opinion that the Market Value of each individual freehold Property as at 31 December 2012, subject to and with the benefit of the various occupational leases or assumed occupational leases, as summarised in the Schedule, is as stated against that Property in the Schedule. Our valuations are exclusive of any VAT.

The aggregate of the said individual Market Values of the Properties as at 31 December 2012 is € 181,648,000 (one hundred eighty one thousand six hundred forty eight thousand) made up as follows:

Schedule	Investment Properties	€ 181,648,000
Total		€ 181,648,000
Total	Net Rent Receivable p.a.	€ 13,663,623
Total	Estimated Net Rental Value p.a.	€ 13,347,282

5. Transaction Costs

No allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of a Property. Our valuations are, however, net of acquisition costs.

6. Net Annual Rent Receivable

In the Schedule, we set out our estimates of the net annual rent currently receivable reflecting the sum of the contractually agreed rental payments receivable from the Properties as at 31 December 2012. In providing these estimates, we define "Net Annual Rent Receivable" as "the current income or income estimated by the valuer”:

(i) ignoring any special receipts or deductions arising from the Property;

(ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and

(iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the Property and allowances to maintain it in a condition to command its rent.

In accordance with German market conventions the Properties are not let on effective full repairing and insuring leases in accordance with UK market conventions and as such the Net Annual Rent receivable does not reflect any appropriate allowance for disbursements.

7. Estimated Net Annual Rent

The Schedule sets out our opinion of the current Estimated Net Annual Rent, which is our opinion of the best rent at which a letting of the Property would have been completed at the Valuation Date assuming:

(a) a willing landlord;

(b) that, prior to the Valuation Date, there was a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement of the rent and other letting terms and for the completion of the letting;

(c) that the state of the market, levels of values and other circumstances were, on any earlier assumed date of entering into an agreement for lease, the same as on the Valuation Date;

(d) that no account was taken of any additional bid by a prospective tenant with a special interest;

(e) that the length of term and principal conditions assumed to apply to the letting and the other lease terms were not exceptionally onerous or beneficial for a letting of the type and class of Property; and

(f) that both parties to the transaction acted knowledgeably, prudently and without compulsion.

In the Schedules, we have stated the current Estimated Net Annual Rent, ignoring the present rent passing and any contracted fixed rent increases. In all cases, we have considered the Properties in their current specification and assumed good repair and condition or have made such deductions in respect of necessary maintenance and refurbishment as assumed in the calculation.

8. Sources of Information

For the update valuation as at 31 December 2012 the Principal has provided us with a rent roll dated 31 October 2012.
The update valuation is also based on the data and information that was taken into account for the initial valuation (e.g. third party due diligence reports) and is also reflecting the updated data provided for previous regular revaluations. For the explicit list of data provided for the initial valuation please refer to the report dated 29 June 2007. We have assumed this information to be accurate and reliable and unless otherwise specifically stated within this report, this has not been checked or verified by CBRE.

Relevant data for the initial report was provided by the vendor of the portfolio and third party due diligence reports in respect of the specific legal, technical and environmental aspects of the portfolio (legal provided by Freshfields, technical by Dress & Sommer and environmental by Drees & Sommer). We have fully relied on the findings of the reports and have also included updated information that was provided. Apart from the updated information, we have compiled this report under the assumption that there is no material change of the physical and the legal conditions of the portfolio as well with regard to the findings of the third party due diligence reports.

The initial valuation was based on a technical survey by Dress & Sommer. The survey was a primary component of the ongoing due diligence programme which comprised the technical element of the process and the incorporation of key findings and recommendations within our own analyses and related reports and valuations. In this specific regard, budget figures supplied by the appointed technical adviser, Dress & Sommer, have been reflected within our own analyses and related calculations. These comprise specifically (where delivered and applicable):

- Ongoing maintenance estimates
- Projected capital expenditure (CAPEX)
- Tenants' improvements
- Deferred maintenance
- Building division / service separation & related costs.

For the update report for Q4 2012, we have been provided with updated figures for the position 'deferred maintenance' as well as for Capital Expenditures associated with leases that are already in place, and we have made market-based assumptions for future non-recoverable costs and capital expenditures which cover on-going maintenance and Tenant Improvements expenditures anticipated over the period covered by our DCF calculation.

Accordingly, the valuation reflects the physical, economical, legal & regulatory status of the portfolio on the basis of the information contained in these documents. Variations and amendments to these documents have been adopted as instructed specifically in writing by the Principal. CBRE accepts no liability for any errors or amendments which may have occurred after this date of which CBRE has not been expressly informed and instructed accordingly by the Principal. All conclusions made by CBRE regarding the condition and the actual characteristics of the land and buildings have been based exclusively on our inspection of the subject properties and on the documents and information provided.

In the event of open questions arising, we have made reasonable assumptions appropriate to customary valuation practice in the jurisdiction where the relevant property is based.

We do not accept any responsibility or liability associated with inaccurate information which has been provided by any third party.

8.1 Documents and Information provided

CBRE has assumed that it was provided with all information and documents that were relevant to CBRE in carrying out this update appraisal report. We have assumed that the information and documentation had unrestricted validity and relevance as at the date of valuation. We have not checked the relevant documents and information with respect to the above-mentioned issues.

8.2 Inspection

In accordance with the Instruction, CBRE has not carried out re-inspections for this update valuation. We have not carried out any building surveys. The properties have not been measured nor have the services or other installations been tested.

No invasive investigations have been carried out. Statements about parts of the structure or materials that are covered or otherwise inaccessible are based on the information or documents provided or on assumptions as stated for the initial report.

In the event that any of the information contained in the above mentioned documents, obtained from the above mentioned sources should indeed prove to be incorrect, the accuracy of our valuations could be affected. In such event we reserve the right to amend the valuations accordingly.

8.3 Deleterious Material etc.

We have not been specifically instructed to carry out a structural survey, to test service installations, to carry out site investigations or environmental surveys. Our valuation is based on the third party due diligence reports of Dress & Sommer (technical and environmental) as stated above. No pollutants present on the sites require immediate action and as potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any of those costs in our valuations.

8.4 Environmental Contamination

In preparing our valuation we have relied on the information in the environmental due diligence report of Dress & Sommer. None of the pollutants require immediate action and as potential risks in the long term perspective do not have a material impact on the overall value, we have not reflected any of those costs in our valuations.

Should it, however, be subsequently established that such contamination exits at any of the properties or on any adjoining land or that any premises have been or are being put to contaminative use, this may be found to have a detrimental effect on the value reported.

8.5 Legal Requirements / Consents and Authorization for the Use of the Property

For the compilation of the initial report, we have reflected the findings of the final legal report prepared by Freshfields. Accordingly all material issues have been reflected in our report and valuation. An investigation of the compliance of the properties with legal requirements (including (permanent) planning consent, building permit, acceptance, restrictions, building, fire, health and safety regulations etc.) or with any existing private-law provisions or agreements relating to the existence and use of the site and building has not been carried out by CBRE.

In preparing our valuations, we have assumed that all necessary consents and authorisations for the use of the properties and the processes carried out at the properties are in existence, will continue to subsist and are not subject to any onerous conditions. For detailed information please refer to the valuations.

8.6 Taxes, Contributions, Charges

Since no information to the contrary has been brought to our attention, we have assumed that all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.

8.7 Insurance Policy

Since no information to the contrary has been brought to our attention, we have assumed that the subject properties are covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered.

8.8 Town Planning and Road Proposals

We made only general enquiries of the local planning authorities and have relied on information provided to us in the legal due diligence report of Freshfields.
No formal searches were carried out. Except where stated to the contrary, it is assumed that there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the properties.

We further rely on the information that there are no outstanding obligations or liabilities arising out of the provisions regulating these issues.

Since no information to the contrary has been brought to our attention, we have assumed that the properties are not adversely affected by town planning or road proposals.

8.9 Statements by Public Officials

In accordance with established legal practice, we have not regarded statements by public officials, particularly regarding factual information, as binding. We do not assume any liability for the application of any such statements or information in the subject appraisal report.

8.10 Assumptions regarding the Future

For the purpose of determining the market value of the subject properties, we have assumed that the existing business will continue (as regards both manner and extent of usage of the subject property) for the remainder of the useful life determined for the buildings, or that comparable businesses would be available to take over the use of the subject properties.

Where there is high voltage electricity supply apparatus within close proximity to the properties, unless, otherwise stated, we have not taken into account any likely effect on future marketability and value due to any change in public perception of the health implications.

8.11 Tenants

No investigations have been carried out concerning either the status of payments of any contractually agreed rent or ground rent at the date of valuation, or of the creditworthiness of any tenant(s). Since no information to the contrary has been brought to our attention, we have assumed that there are no outstanding rental payments and that there are no reservations concerning the creditworthiness of any of the tenants.

8.12 Pending Litigation, Legal Restrictions (Easements on Real Estate, Rent Regulation etc.)

Since no information to the contrary has been brought to our attention, we have assumed that the properties are free from any pending litigation, that the ownership is unencumbered and that there are no other legal restrictions such as easements on real estate other than those referred to in the legal report provided by Freshfields, rent regulations, restrictive covenants in leases or other outgoings which might adversely affect value.

8.13 Subsidies

Since no information to the contrary has been brought to our attention, we have assumed that there are no circumstances related to subsidies or grants that might influence the value of the properties.

Important

Should any of the information or assumptions on which the valuation is based be subsequently found incorrect or incomplete, our calculations may need to be amended and the valuation figure may also be incorrect and should be re-evaluated. We therefore cannot accept any liability for the correctness of this assessment or for any loss or damage resulting there from.

9. General Assumptions

9.1 The Properties

Landlord’s fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations. Tenant-specific process plant and machinery, tenants’ fixtures and specialist trade fittings have been excluded from our valuations.

9.2 Surface Areas

We have not measured the properties but have relied upon the schedules of area that were provided to us within the tenancy lists and the technical due diligence assessment. In undertaking our work, we have assumed that these floor areas are correct.

9.3 Title, Tenure, Planning and Lettings

We were informed of the current ownership situation (Section I of the land register) by the representatives of the owner. We were not provided with current land register extracts, however we were provided with a vendor legal due diligence report by Freshfields, carried out in 2004, which deals with the land register situation of the properties. We have assumed that this information is correct and complete. We have assumed that, unless mentioned explicitly in our report, there are no entries, information or circumstances that could have an impact on market values (including any easements, restrictions, or similar restrictions and encumbrances). We reserve the right to amend our valuation should any such factors be found to exist.

The legal ownership situation in respect of those properties held on Erbbaurecht tenure (the German equivalent of a ground lease) has also been reflected in our report and valuations. Ground leases have been valued on the basis that they would continue at market conditions after their actual expiry, unless other provisions are already in place.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of typical purchasers' likely perceptions of the financial status of tenants from a market perspective.
Specifically we have assumed that:

a. the title of the property is free from any onerous or hampering restrictions or conditions;
b. all buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;
c. the property is not adversely affected by town planning or road proposals;
d. all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;
e. tenants will meet their obligations under their leases and where appropriate are responsible for insurance and payments of business rates.
f. there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
g. all vacant accommodation is available to let, unencumbered.

9.4 Taxes, Insurance

In undertaking our valuation, we have assumed that:

a. all public taxes, contributions, charges etc. which could have an effect on value will have been levied and paid as at the date of valuation.
b. the subject property is covered by a valid insurance policy that is adequate both in terms of the sum assured and the types of potential loss covered

9.5 Infrastructure and Services

It is assumed that all the sites are serviced within the meaning of paragraph 123 of the German statutory building code (§ 123 BauGB) i.e. that they are connected to the road system, service mains (water, electricity, gas and district heat) and sewers (for both waste and surface water) and that refuse collection was provided.

9.6 Purchaser's Costs

The following purchaser's costs have been assumed with regards to the dimension of the subject property.

Land transfer tax: Under German tax law, transfer tax of 3.5% - 5.0% (set by the individual Federal States) of the purchase price

must be paid on property purchase. This is generally paid by the purchaser.
Notary and legal fees: We have reflected an allowance of 0.5% for notarizing a purchase contract (compulsory under German law), land registry costs and miscellaneous legal charges.

Agent's fees: In the German market it is common for the purchaser to be responsible for paying all or at least part of the agent's fees. We have therefore adopted a level of 1% - 2%.

9.7 VAT

No allowance has been made in our valuation for the possible effect on value of non-recoverable VAT on purchase as a result of one or more of the tenants not being liable to pay VAT in addition to rent.

9.8 Special Purchaser Value

Unless otherwise stated, our valuations do not reflect any element of marriage value or special purchaser value which could possibly be realised by a merger of interests or by a sale to an owner or occupier of an adjoining property, other than in so far as this would be reflected in offers made in the open market by prospective purchasers apart from the purchaser with a special interest.

9.9 Cost of Realisation

No explicit allowance is made in our valuations for the costs of realisation or any tax liability. No allowance has been made for any mortgage or similar financial encumbrance on the property.

9.10 Hereditary Building Rights

2 properties within the portfolio are partially or fully subject to ground leases. The following table provides more detailed information regarding these leaseholds:

Hereditary Building Rights				
ID	City / Town	Street	Expiry	Current Ground Rent EUR p.a.
106	Gronau	Schulstrasse 8	2071	22,342
902	Bergisch-Gladbach	Hauptstrasse 177	2027	15,273
Total				37,615

With regard to ground leases, the yearly ground rent payments have been discounted as a negative cash-flow element.
The ground leaseholds have been valued on the assumption that they would be renewed at market conditions after their actual expiry, and that there are no clauses or conditions in the "Erbbaurecht" contract that could be considered outside of the industry norms that would adversely affect the valuation. This assumption is realistic subject to certain conditions, which are discussed at individual asset level below.

Erbbaurecht (ground leasehold) is an entirely conventional form of tenure in Germany. It frequently involves little or no limitation or disadvantage for either the ground landlord (freeholder) or the ground lessee. Nevertheless, compared with freeholds, we have increased the discount rate and exit cap rate by 0.25% in all cases, in order to take into account possible problems that may occur in the future and to reflect the terminable nature of the ground leasehold interests. Exceptions to this are the properties in Bergisch-Gladbach (see below).

Gronau is held entirely on a ground leasehold basis. At an assumed market return on the value of the land (German valuation methods differentiate between the rental income from the land and from the buildings) and a specified compensation payment at the end of the ground lease term in the amount of the building's market value, there is no difference in the result of the valuation between the assumption of a renewal of the lease at market conditions or termination of the leasing arrangement. We are of the opinion that the current ground rent for the property in Gronau is at market level. The ground lease contract allows for a compensation payment of the Market Value of the buildings. We have therefore assumed that the ground lease would be renewed. It is important to note, however, that the ground lease runs until 2071 and therefore the choice of assumptions has a negligible effect on the NPV.

Bergisch-Gladbach is held entirely on a ground leasehold basis. The ground lease contract runs to 2027. We are of the opinion that the current ground rent is at market level. However, the stipulated compensation payment for the building on termination of the ground lease is only 2/3 of market value. Nevertheless, we have assumed that the ground lease would be renewed at market conditions on expiry, as there is very little effect on NPV. However, in order to take this risk into account, we have increased the discount rate by 0.5% instead of 0.25% (see above).

9.11 Tenancies and Deutsche Bank Portfolio Lease

In 2004 Fortress Investment Group purchased 109 assets from Deutsche Bank (the original Wave portfolio). Since then 53 of the properties have been sold, resulting in a remaining portfolio (the subject portfolio) comprising only 56 assets .The Landlord and Deutsche Bank representatives of the assets remaining in the "Flex Portfolio Lease Agreement" have negotiated an extension to the lease agreement, eliminating the optional hand-back clauses available to Deutsche Bank. The renegotiated terms allows for a hand-back of a total of approximately 490 sq m in three properties. The amended terms of the Portfolio Lease Agreement for the remaining 18 assets are as follows:

3 Assets are now leased on a fixed 10 year term through to 31 December 2019.

swa01807, lwa00712 and swa00817

11 Assets are now leased on a 10 year term through to 31 December 2019 with a break option for the tenant after 5 years (31 December 2014) which if exercised triggers a penalty of 6 months rent payable by the tenant to the landlord.

lwa00106	lwa00317
swa01511	lwa01113
lwa00809	lwa01314
lwa00812	lwa00421
lwa00815	lwa01325
lwa00420	

3 Assets are now leased on a 10 year term through to 31 December 2019 with a break option for the tenant after 5 years (31 December 2014) which if exercised triggers a penalty of 12 months rent payable by the tenant to the landlord.

lwa00319
lwa00109
lwa01201

Through to 30 June 2012, Deutsche Bank has not exercised any significant portion of the break options afforded to them by the "Flex Portfolio Lease Agreement" and the areas occupied now by Deutsche Bank total led 84,206 sq m spread over 55 properties in Q2 2012.

10. Addressees / Reliance

In respect of the Offer, the Valuation Report with the valuation date 31 December 2012 and the Prospectus is addressed to the Directors of the Principal, the Principal and Fortress Investment Group LLC, as the Principal's duly appointed investment manager (the "Manager"). Beyond that no responsibility will be accepted to any third party for the whole or any part of the contents of the Valuation Report. The Valuation Report is only to be used for the specific purpose set out herein.

11. Disclosure

A copy of the Valuation Report may be disclosed on a non-reliance basis to the Principal's legal advisors as well as its auditors, listing agents, underwriters, investment banks and their legal advisors (actually or prospectively). Furthermore, in the case of syndication, the Valuation Report may be provided to banks on a non-reliance basis. The Principal is obliged to inform CBRE in writing of the name and full address of each of such parties prior to the respective disclosure of the Valuation Report.

In addition CBRE agrees to the disclosure of the Valuation Report for the purpose of approving and publishing of the Prospectus, including where submitted to the UK Listing Authority in draft form.

12. Publication

CBRE agrees that the Valuation Report and any letters related thereto can be integrated into the Prospectus in an unchanged form. Unless otherwise stated in this instruction, neither the whole nor any part of the Valuation Report or letters related thereto nor any references thereto may be included in any published document, circular statement nor published in any way without our prior written approval of the form and context in which it will appear.

CBRE also hereby consents to the inclusion in the Prospectus of a declaration, as required by paragraph PR5.5.8R of the Prospectus Rules and item 1.2 of Annex 1 to the Commission Regulation (EC) No. 809/2004 (as amended) as set out in Appendix 3 of the Prospectus Rules, that, having taken all reasonable care to ensure that such is the case, the information contained in those parts of the Prospectus for which we are responsible is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

13. Insurance and Liability

The liability of CBRE, of a legal representative or an agent is restricted to gross negligence and wilful intent.

The liability restriction referred to in the first paragraph shall not apply, if and as far as product liability claims are present, if the existence of a defect has been maliciously concealed, if a guarantee has been assumed and/or in case of a personal injury, death or damage to personal health.

The liability restriction referred to in the first paragraph shall not apply in cases of negligence, if and as far as the damage is covered by an insurance of CBRE. However, in this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

The liability restriction referred to in the first paragraph shall not be applicable in cases of negligence, if essential Contractual obligations (so-called "cardinal duties", the satisfaction of which enables the proper execution of the Contract at all and on which the Client relies and may as a rule rely on its compliance) have been violated. However, the liability for essential Contractual obligations is limited to the reimbursement of the foreseeable, typically occurring damages. In this case, the liability of CBRE shall not exceed 25% of the value of the property per claim; the maximum amount of such liability is limited to €50,000,000.

14. Assignation of Rights

The addressees of the agreement, based upon which this report has been prepared, shall not be entitled to assign their rights under the agreement – in total or in part – to any third party or parties, unless it was explicitly specified otherwise in the agreement.

15. Place of Performance and Jurisdiction

The agreement, on which the preparation of this report is based, is governed by and construed in accordance with the laws of the Federal Republic of Germany. In the event that there is any conflict between the English legal meaning and the German legal meaning of this Contract or any part hereof, the German legal meaning shall prevail. The place of performance and jurisdiction for disputes arising from this contractual relationship shall be Frankfurt am Main, Germany.

Yours faithfully

STEFAN GUNKEL
Ö.B.U.V. SV., CIS HYPZERT (F)
MANAGING DIRECTOR
HEAD OF VALUATION GERMANY

For and on behalf of
CBRE GmbH

ppa. **TOBIAS JERMIS**
MRICS, CIS HYPZERT (F)
DIRECTOR
TEAM LEADER OFFICE & LOGISTICS VALUATION

For and on behalf of
CBRE GmbH

APPENDIX 1

PROPERTY SCHEDULE

Market Valuation as at 31 December 2012

Property held for Investment

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00106 Schulstr. 8 48599 Gronau Date of Inspection: 27 July 2011	-Region: Western edge of North Rhine-Westphalia; rural -Quality: Rural area immediately adjoining the Netherlands (Enschede approx. 10 km away). -Infrastructure: Junction on the A31 towards Recklinghausen (approx. 45 minute drive); regional rail network. -Surrounding: Town centre zone -Position: Directly on the central marketplace -Connection: Access by car only fair, public transport good. -Visibility: Good. -Use: Office building with bank hall -Year of construction: 1974 -Construction: Framed construction with concrete panels, partly masonry -Concept: 2-storey office building, basement, structurally part of a large apartment block; structural division would be possible -State of repair: good; comprehensive renovation of the first floor has been carried out -Functionality: satisfactory to good -Exterior: None: site completely developed We understand that the Property is comprised of: Plot size: 317 sq m Lettable area: 1,180 sq m 3 car parking spaces	Ground Lease (Erbbaurecht) Annual ground lease is € 22,156.80, until 31 December 2071. The Property is let to multiple tenants. The main tenant is however: Deutsche Bank AG – bank hall/storage (657,08 sq m) expiring 31 December 2014. Passing rent is € 79,496.88 per annum. Indexed 5% hurdle/100%.	€ 79,497	€ 103,508	€ 730,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00109 Woldemei 17 / Königsau 7 59555 Lippstadt Date of Inspection: 27 July 2011	-Region: Situated between the Münsterland and the Sauerland, member of the Hanseatic league, the largest town in the District (administrative area) of Soest -Infrastructure: A 2 Cologne-Hanover-Berlin to the north and A 44 Dortmund-Kassel to the south. InterRegio rail connects to the ICE stations in Dortmund (60 min.), Hamm (30 min.) and Kassel (1 hour 45 min), 20 km to the international airport Paderborn/Lippst -Surrounding: In the immediate area there are a large number of doctors surgeries and chemists, some service providers and 3 amusement arcades -Position: Detached building on an arterial road to the town centre -Connection: Access by car good, by public transport fairly good -Visibility: Easily visible "solitaire" building -Use: Office building with bank accommodation -Year of construction: 1985 -Construction: Reinforced concrete structure, facade with stone slabs and lavish window design -Concept: Connected structure with two/three full storeys, plus basement and underground car park. Access to the offices is mainly via the rear entrance, adjacent to the access to the underground car park. -State of repair: Apparent maintenance backlog, some areas requiring major maintenance/refurbishment expenditures -Functionality: Apparently fairly good, individual access to the accommodation possible; some office areas are inefficiently laid out -Exterior: Access to the underground car park, surface parking spaces We understand that the Property is comprised of: Plot size: 1,687 sq m Lettable area: 3,172 sq m 26 car parking spaces	Freehold (Eigentum) The Property is let to multiple tenants. The main tenants are however: Deutsche Bank AG – bank hall/storage (1,152.77 sq m) expiring 31 December 2014. Passing rent is € 132,242.40 per annum. Indexed 5% hurdle/100%. MDK Westfalen-Lippe – office (717 sq m) expiring 30 June 2013. Passing rent is € 75,644.16. Indexed 5% hurdle/100%. Gmünder Ersatzkasse – office (151 sq m) expiring 31 January 2018. Passing rent is € 13,408.80 per annum. Indexed 10% hurdle/ 60%.	€ 232,402	€ 250,134	€ 2,790,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00110 Domstrasse 2 32423 Minden Date of Inspection: 13 July 2011	-Region: Administrative and business centre of the District (administrative district) of Minden-Lübbecke -Quality: Major employers are the producing industry, trade and commerce and the public sector. -Infrastructure: Adjoins the edge of the pedestrianised zone, opposite a theatre and tourist office, other banks in the vicinity -Surrounding: 15 km to the 3-lane motorway A2 and 15 km to the A30; ICE railway station and inland waterway junction, Hanover airport approx. 40 km -Position: On the edge of the shopping zone -Connection: Good access by road and by public transport -Visibility: Good -Use: Office and retail building with bank hall -Year of construction: 1984 -Construction: Reinforced concrete structure with pitched roof, façade glazed with hanging stone slabs -Concept: 2 connected buildings with two full storeys, one section has no GF – FF is supported on pillars. Basement and underground car park -State of repair: Apparently well maintained -Functionality: Modern office building with an appropriate proportion of office and bank accommodation and parking spaces -Exterior: Courtyard, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 3,188 sq m Lettable area: 3,273 sq m 20 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – bank hall/office/storage (992.90 sq m) expiring 31 December 2014. Passing rent is € 98,194.44 per annum. Indexed 5% hurdle/100%. Minden Marketing GmbH – office (161 sq m) expiring 31 December 2013. Passing rent is € 16,522.56 per annum. Indexed 5% hurdle/100%. Adecco – office (131.50 sq m) expiring 28 February 2014. Passing rent is € 12,972.84 per annum. No indexation.	€ 127,690	€ 206,579	€ 2,210,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00114 Bahnhofstr. 1-3 33102 Paderborn Date of Inspection: 28 July 2011	-Region: University and cathedral city, second-largest city in Ostwestfalen-Lippe. -Quality: Artisan firms, medium-sized companies, retailers, international firms, activities in the IT sector and the increase in "FuE" (research and development) workplaces -Infrastructure: Paderborn is on the A 33, which links the A 2 (Ruhr region -Hanover) with the A 44 (Dortmund-Kassel). From Paderborn/Lippstadt airport (approx. 15 km from Paderborn city centre) there are direct scheduled and charter flights -Surrounding: Offices, small-scale retail -Position: Near an intersection (multi-lane roads) close to the city centre (approx. 500 m to the east) and to the central station (to the west) -Connection: Access by car good, by public transport fairly good -Visibility: Easily visible "solitaire" building -Use: Office and bank accommodation -Year of Construction: 1987 -Construction: Reinforced concrete structure, pitched roof, stone facade -Concept: Four-storey building, above the GF is a non-accessible landscaped inner "courtyard", the accommodation is constructed as a quadrangle -State of repair: Apparently well maintained -Functionality: Partly poor layout of the office space -Exterior: Paved access to the underground car park, "courtyard" on FF landscaped We understand that the Property is comprised of: Plot size: 1,181 sq m Lettable area: 3,410 sq m 52 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,264.11 sq m) expiring 31 December 2014. Passing rent is € 155,979.48 per annum. Indexed 5% hurdle/100%. Persona Service AG & Co. KG – office (279.00 sq m) expiring 31 December 2018. Passing rent is € 31,212.36 per annum. Indexes 5% hurdle/100% Stefan Schindler – office/storage (216.46 sq m) expiring 31 December 2018. Passing rent is € 21,583.68 per annum. Individual rent.	€ 211,202	€ 254,238	€ 2,780,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00204 Schwachhauser Heerstr. 199 28211 Bremen Date of Inspection: 18 July 2011	-Region: Federal State (city) of Bremen -Quality: Recognised as an important transport and distribution centre, particularly through proximity to Bremerhaven (port) -Infrastructure: National and international known airport, very good rail and motorway connections (motorways A1, A27, A28, federal roads B75, B6) -Surrounding: Location on an arterial road immediately adjoining a residential area (very good residential location) little retail and office uses -Position: North of the city centre -Connection: Poor access: Busy, two-lane connecting road, divided by tram tracks -Visibility: Easily visible "solitaire" building -Use: Office building with bank hall -Year of Construction: 1992 -Construction: Reinforced concrete frame with concrete panels -Concept: 2-storey building (GF and FF); no basement -State of repair: New building, apparently good condition - some issues with roof leaking to be addressed -Exterior: Small amounts of landscaping We understand that the Property is comprised of: Plot size: 1,363 sq m Lettable area:799 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (671.78 sq m) expiring 31 December 2014. Passing rent is € 99,408.72 per annum. Indexed 5% hurdle/100%. Bremer Strassenbahn AG – office (127.00 sq m) expiring 31 March 2014. Passing rent is € 13,060.68 per annum. Indexed 2% hurdle/100%.	€ 112,469	€ 96,615	€ 1,370,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00311 Ostwall 131-135 47798 Krefeld Date of Inspection: 26 July 2011	-Region: North Rhine-Westphalia -Quality: Industry is still the city's strongest economic base. The chemicals, mechanical engineering, the textile and clothing trade and steel and vehicle building sectors are outstanding in the industrial area. -Infrastructure: Krefeld has connections to the A 57 and A 44 motorway. It is about 30 min from Düsseldorf airport and 20 minutes from Mönchengladbach airport. -Surrounding: Balanced proportions of offices, retail and city-centre residential; typical of city centre. -Position: Good position as Ostwall is the main road to the city centre; traditional location for many retail businesses; within sight of the pedestrianized zone. -Connection: Ostwall is the major arterial road; public transport (bus) available. -Visibility: Very good, at the head of a square -Use: Office building with bank hall -Year of Construction: Originally from the turn of the 20th century, extensively refurbished in 1969 and in the last 10-20 years -Construction: Masonry structure -Concept: Two-storey building (plus mezzanine floor and partly fitted-out attic storey) with offices and surgeries with underground car park. U-shaped building as part of a square, in 3 sections. -State of repair: Very good -Functionality: Good, despite various types of building with the old structure and new annex. -Exterior: Site almost completely developed, no landscaping, only a small paved courtyard in the new section for car parking spaces. We understand that the Property is comprised of: Plot size: 2,313 sq m Lettable area: 6,249 sq m 41 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (3,662.69 sq m) expiring 31 December 2014. Passing rent is € 487,326.96 per annum. Indexed 5% hurdle/100%. Dr. Waldhausen – surgery (735.50 sq m) expiring 29 February 2016. Passing rent is € 59,881.32 per annum. Indexed 10% hurdle/60%. Dr. med. Adrian Floh – surgery/storage (291.14 sq m) expiring 31 March 2014. Passing rent is € 34,357.69 per annum. Indexed 2% hurdle/60%.	€ 639,278	€ 549,918	€ 7,140,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00317 Düsseldorfer Str. 23 40878 Ratingen Date of Inspection: 25 July 2011	-Region: North Rhine-Westphalia; Ratingen is at the centre of the economic conurbation of North Rhine-Westphalia, in the "Rheinschiene" (region adjoining the Rhine). -Quality: Wide range of industries (computers, electronics, boiler making, sanitary ceramics), trade and commerce and service companies. -Infrastructure: Dense motorway network Connections for passenger and freight transport: Stations: Ratingen-Ost (S-Bahn S6 Cologne-Düsseldorf-Essen), Ratingen-Hösel (S-Bahn S6 Cologne-Düsseldorf-Essen), Düsseldorf airport (ICE-, IC-, EC- and local trains). -Surrounding: Typical city-centre location: Mixture of offices, residential and retail -Position: Terraced property in the pedestrianised zone -Connection: No direct road access, car parks in walking distance. Good public transport connections. -Visibility: Satisfactory -Use: Mixed commercial and residential building -Year of Construction: 1952 -Construction: Masonry structure, partly concrete panels -Concept: Office and retail building with GF and 2 upper floors; terraced -State of repair: Some signs of damage to facade, windows, and entrance -Functionality: Sizes relatively easily divisible, although there are access problems: Access to the upper floors is currently only possible using the lift, this is however located in the bank hall -Exterior: None – terraced format We understand that the Property is comprised of: Plot size: 748 sq m Lettable area: 1,659 sq m no car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,382.82 sq m) expiring 31 December 2014. Passing rent is € 189,933.60 per annum. Indexed 5% hurdle/100%. Newskontor Agentur für Kommunikation – office (276.23 sq m) expiring 31 March 2014. Passing rent is € 18,610.68 per annum. Indexed 10% hurdle/60%.	€ 208,544	€ 189,581	€ 2,590,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00319 Remigiusplatz 14-16 41747 Viersen Date of Inspection: 26 July 2011	-Region: North Rhine-Westphalia; Viersen is at the centre of the economic conurbation of North Rhine-Westphalia, in the "Rheinschiene" (region adjoining the Rhine). -Quality: Wide range of industries (computers, electronics, boiler making, sanitary ceramics), trade and commerce and service companies. -Infrastructure: Dense motorway network; good connections for passenger and freight transport: Viersen has a total of six motorway junctions to the following motorways: A61 (Ludwigshafen-Venlo/NL), A52 (Düsseldorf-Roermond/NL). -Surrounding: City centre area with typical development: Mainly terraced buildings with retail/offices on the GF and FF and residential on the upper floors. -Position: Situated on an open square, to the west of a church; the actual pedestrianized zone is however approx. 100 m to the east. -Connection: No direct road access, car parks in walking distance. Good public transport connections. -Visibility: Good -Use: Mixed commercial and residential building -Year of Construction: 1990 -Construction: Reinforced concrete frame with concrete panels -Concept: T-shaped office and retail building with GF, 2 upper floors and fitted-out attic storey; various retail units on the GF -State of repair: Very good -Functionality: Relatively easily divisible unit sizes, but rooms are very deep and therefore have poor natural lighting -Exterior: Paved rear courtyard with little landscaping We understand that the Property is comprised of: Plot size: 2,681 sq m Lettable area: 4,166 sq m 53 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,697.323 sq m) expiring 31 December 2014. Passing rent is € 227,677.92 per annum. Indexed 5% hurdle/100%. Steuerbüro Meies – office (485.00 sq m) expiring 31 May 23013. Passing rent is € 32,020.08 per annum. Indexed 2%hurdle/60%. Rend Medien Service – office/storage (460.03 sq m) expiring 31 August 2013. Passing rent is € 19,939.44 per annum. Indexed 0% hurdle/100%.	€ 346,640	€ 330,650	€ 4,200,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00418 Bahnhofstr. 5/7 59065 Hamm Date of Inspection: 27 July 2011	-Region: North Rhine-Westphalia -Quality: Northeast of Dortmund; still in the Dortmund radius of activity -Infrastructure: Connection to the A1 and A2 via dual-carriageway federal roads (approx. 10-20 km to the motorway); regional railways and IC stop -Surrounding: City centre; pedestrianized zone; immediate neighbours: Karstadt, Saturn-Hansa, kd Drogerie, Hotel Mercure, restaurants and small commercial and office units -Position: Western pedestrianized zone -Connection: Good access by road and by public transport -Visibility: Satisfactory -Use: Office building with bank hall -Year of Construction: 1983 -Construction: Reinforced concrete structure with flat roof, façade with natural stone panels -Concept: 4-storey office building with basement -State of repair: Poor condition -Functionality: Office building with a reasonable proportion of office and bank accommodation -Exterior: Courtyard (rear part of the property) We understand that the Property is comprised of: Plot size: 1,145 sq m Lettable area:1,980 sq m 24 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (937.75 sq m) expiring 31 December 2014. Passing rent is € 138,707.40 per annum. Indexed 5% hurdle/100%. Persona Service – office (270.96 sq m) expiring 30 June 2018. Passing rent is € 19,857.84 per annum. Indexed 10% hurdle/100%. Tirgil Click Trend – office/residential (270 sq m) expiring 30 June 2014. Passing rent is € 15,900.00 per annum. Indexed VPI yearly.	€ 174,879	€ 164,764	€ 1,790,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00420 Paul-Reusch- Strasse 43 46045 Oberhausen Date of Inspection: 26 July 2011	-Region: Rhine-Ruhr region -Quality: Oberhausen is an important business location in the Rhine-Ruhr region, conurbation, traditional industrial and production location -Infrastructure: Very good connections to the motorway network (A 43, A 44, A430), Essen-Mülheim regional airport, IC station -Surrounding: Side street leading to the pedestrianised zone; direct neighbours Volksbank and a multi-storey car park; the neighbourhood adjoining the older building is a complex of city-centre office buildings -Position: Adjoining the pedestrianized zone to the northwest -Connection: Good access by road and by public transport -Visibility: Only the older building is particularly well visible -Use: Mixed commercial and residential building -Year of Construction: 1914; refurbished in the 1960s/70s. -Construction: New building: Reinforced concrete structure with anodised façade panels; Old building: Masonry structure with sandstone facade -Concept: Building in two sections at the end of a residential terrace on an arterial road to the town centre; own underground car park -State of repair: Appears to be visually and technically good -Functionality: Reasonable proportions of office and bank accommodation and parking spaces -Exterior: None, site fully developed, terraced format We understand that the Property is comprised of: Plot size: 1,046 sq m Lettable area: 2,440 sq m 8 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (2,327.73 sq m) expiring 31 December 2022. Passing rent is € 281,037.36 per annum. Indexed 5% hurdle/100%. Hülskämper – residential (112 sq m) expiring 31 December 2017. Passing rent is € 17,006.52 per annum. No indexation.	€ 285,160	€ 233,877	€ 3,650,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00421 Königswall 24 45657 Recklinghausen Date of Inspection: 27 July 2011	-Region: Northern Rhine-Ruhr region -Quality: One of several areas in the Rhine-Ruhr region, traditional processing industry, conurbation, high population -Infrastructure: Motorways A43, A2, A42 etc. , ICE station, regional airport in the Rhine-Ruhr region -Surrounding: Extremely busy arterial road, terraced format, almost exclusively office and retail properties -Position: Outer area of the city centre, situated approx. 500 m from the city centre -Connection: Access by car is good, by public transport fairly good -Visibility: Relatively good -Use: Office building with bank hall -Year of Construction: 1899 -Construction: Masonry structure -Concept: Terraced property on the city ring -State of repair: Good condition, recently refurbished -Functionality: Expensively refurbished office building with reasonable proportions of office and bank accommodation but few parking spaces -Exterior: Not a complete development of the parcels of the property We understand that the Property is comprised of: Plot size: 865 sq m Lettable area: 1,478 sq m 4 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,160.08 sq m) expiring 31 December 2014. Passing rent is € 103,494.24 per annum. Indexed 5% hurdle/100%. Hartmann und Gigerl – office/storage (371.31 sq m). Passing rent is € 17,006.52 per annum. Indexed 10 Pts. hurdle/100%.	€ 120,501	€ 108,831	€ 1,410,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00503 Louisenstrasse 52 61348 Bad Homburg Date of Inspection: 1 August 2011	-Region: Rhine-Main region, Frankfurt approx. 15 km to the south, Wiesbaden approx. 30 km to the southwest, Mannheim approx. 45 km to the south -Quality: Bad Homburg is the northern end of the Rhine-Main region, economic centre, particularly sought-after as residential location -Infrastructure: Connections to the A5 (Basel-Karlsruhe-Frankfurt-Kassel) and A661 (Bad Homburg-Frankfurt-Darmstadt), ICE station, nearest international airport Frankfurt Rhine-Main -Surrounding: Central location with banks, office- and residential buildings and retail accommodation in the immediate neighbourhood -Position: In the centre, immediately adjoining the Kurhaus -Connection: Good access by road and by public transport -Visibility: Easily visible detached building, corner site -Use: Mixed commercial and residential building -Year of Construction: 1860 / 1997 -Construction: Solid masonry structure, annexe reinforced concrete, rendered facade -Concept: "L"-shaped building with 3-4 storeys and single storey annexe, basement -State of repair: Appears to be in good condition -Functionality: Residential and commercial building with bank, office and retail accommodation and parking spaces -Exterior: Courtyard area with parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 1,255 sq m Lettable area:2,007 sq m 10 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (844.04 sq m) expiring 31 December 2014. Passing rent is € 163,741.20 per annum. Indexed 5% hurdle/100%. Talanx Service AG – retail/storage (58.14 sq m) expiring 31 October 2013. Passing rent is € 47,081.64 per annum. Indexed 5% hurdle/100%. L´Art Sucre GmbH – retail (48.03sq m) expiring 30 June 2017. Passing rent is € 46,108.80 per annum. Indexed 10% hurdle/60%.	€ 334,713	€ 354,027	€ 6,180,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00509 Langstrasse 60 63450 Hanau Date of Inspection: 1 August 2011	-Region: Eastern Rhine-Main region, Frankfurt/Main approx. 20 km to the west, Hanau is the Districtstadt (administrative centre) of the Main-Kinzig District -Quality: In the economically strong Rhine-Main region but in the weaker eastern area -Infrastructure: Connection to several motorways (A66, A45 and A3) within 10km, ICE station, Rhine-Main airport approx. 25 km away -Surrounding: City centre, pedestrianized zone -Position: Central intersection -Connection: Fairly good access by road, good access by public transport -Visibility: Good because of size and architecture -Use: Mixed office and retail building -Year of Construction: 1990 -Construction: Reinforced concrete structure partly with flat roof and partly pitched roof, brick façade with glazed elements -Concept: 2 connected buildings, main building with 4 storeys, secondary complex with 3 storeys, basement -State of repair: Appears to be in good condition -Functionality: Modern office building with an appropriate proportion of office and bank accommodation and parking spaces -Exterior: City-centre, site almost completely developed We understand that the Property is comprised of: Plot size: 991 sq m Lettable area: 2,669 sq m 10 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (925.28 sq m) expiring 31 December 2014. Passing rent is € 163,304.88 per annum. Indexed 5% hurdle/100%. ZERO Franchise GmbH – retail/storage (155 sq m) expiring 31 December 2016. Passing rent is € 69,300.00 per annum. Indexed 5% hurdle/100%. Adecco Personaldienstleistung – office/storage (206.96 sq m) expiring 31 December 2014. Passing rent is € 25,599.48 per annum. Indexed 5% hurdle/100%.	€ 258,204	€ 331,046	€ 4,200,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00513 Mainzer Strasse 2 65428 Rüsselsheim Date of Inspection: 29 July 2011	-Region: Rhine-Main region, Frankfurt approx. 20 km to the northeast, Mainz approx. 10 km to the west, Darmstadt approx. 20 km to the southeast -Quality: Rüsselsheim is a centre in the Rhine-Main region, relatively central in the conurbation with concentration on the car industry -Infrastructure: Connections to the A60 (Bingen-Mainz-Rüsselsheim), A67 (Frankfurt/airport-Darmstadt-Mannheim), regional railway station, nearest international airport Frankfurt Rhine-Main -Surrounding: Central location with entrance from the pedestrianized area, retailers and smaller office in the immediate surroundings -Position: city centre location -Connection: Good access by road and by public transport -Visibility: Easily visible building -Use: Office building with bank hall -Year of Construction: 1951 -Construction: Solid masonry construction with half-hipped roof, rendered facade -Concept: 1 building with 3 storeys + roof storey, basement -State of repair: Apparently well maintained -Functionality: Office building with a reasonable proportion of office and bank accommodation and parking spaces -Exterior: none We understand that the Property is comprised of: Plot size: 340 sq m Lettable area: 1,047 sq m 7 car parking spaces	Part Ownership (2/3 co-ownership share) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (590.57 sq m) expiring 31 December 2014. Passing rent is € 67,555.68 per annum. Indexed 5% hurdle/100%. TWBI Südwest GmbH – office/storage (182.94 sq m) expiring 31 July 2013. Passing rent is € 15,437.04 per annum. Indexed 10% hurdle/60%. Geniefabrik GmbH – office (124.87 sq m) expiring 28 February 2013.Passing rent is € 11,875.92 per annum. Indexed 10% hurdle/60%.	€ 94,869	€ 83,285	€ 1,070,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00514 Marktplatz 1-2 65428 Rüsselsheim Date of Inspection: 29 July 2011	-Region: Rhine-Main region, Frankfurt approx. 20 km to the northeast, Mainz approx. 10 km to the west, Darmstadt approx. 20 km to the southeast -Quality: Rüsselsheim is a centre in the Rhine-Main region, relatively central in the conurbation with concentration on the car industry -Infrastructure: Connections to the A60 (Bingen-Mainz-Rüsselsheim), A67 (Frankfurt/airport-Darmstadt-Mannheim), regional railway station, nearest international airport Frankfurt Rhine-Main -Surrounding: Central location with entrance from the pedestrianized area, retailers and smaller offices in the immediate surroundings -Position: city centre location -Connection: Good access by road and by public transport -Visibility: Easily visible "solitaire" building -Use: Office and bank accommodation -Year of Construction: 1950 -Construction: Reinforced concrete structure with flat roof, façade a mixture of render and sandstone -Concept: Building with 3 storeys + roof storey, basement -State of repair: Apparently well maintained -Functionality: Office building with reasonable proportion of office and bank accommodation and parking spaces -Exterior: Surface parking spaces We understand that the Property is comprised of: Plot size: 315 sq m Lettable area: 311 sq m 3 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/storage (108.74 sq m) expiring 31 December 2014. Passing rent is € 12,499.92 per annum. Indexed 5% hurdle/100%. TWBI Südwest GmbH – office (72.83 sq m) expiring 31 July 2013. Passing rent is € 6,303.12 per annum. Indexed 10% hurdle/60%. Geniefabrik GmbH – office (72.13 sq m) expiring 28 February 2013. Passing rent is € 6,860.04 per annum. Indexed 10% hurdle/60%.	€ 25,663	€ 22,759	€ 280,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID:lwa00604 Rotteckring 3 79098 Freiburg Date of Inspection: 4 August 2011	-Region: In southern Baden-Wuerttemberg, on the edge of the southern Black Forest near to the "three-country triangle", Basel about 60 km to the south and Stuttgart approx. 180 km northeast of Freiburg -Quality: Region with a strong economy characterised by tourism, in southwest Germany, near to France. Freiburg is the centre of a small conurbation -Infrastructure: Direct connection to the A5 (Karlsruhe-Basel), ICE station, nearest international airport is Basel -Surrounding: Inner-city main road close to the university and theatre -Position: Situated between the city centre (approx. 200 m) and station (approx. 500 m) -Connection: Fairly good access by road and by public transport -Visibility: "Solitaire" property with good visibility -Use: Office building with bank accommodation -Year of Construction: 1957 -Construction: Reinforce d concrete structure with flat roof and stone facade -Concept: Building with 5 full storeys and one set-back upper storey, plus 2-storey annexe -State of repair: Apparently fairly good condition -Functionality: 1950s office building. Size of accommodation appears somewhat over-large for the location -Exterior: Courtyard, access drive, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 3,357 sq m Lettable area: 6,237 sq m 46 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/storage (5,180.48 sq m) expiring 31 December 2014. Passing rent is € 658,890.00 per annum. Indexed 5% hurdle/100%. Johannes Gröger – office (677.14 sq m) expiring 31 March 2017. Passing rent is € 80,748.00 per annum. No indexation. Hausnotruf Dienst GmbH – office (379.41 sq m) expiring 30 June 2018. Passing rent is € 44,804.52 per annum. Indexed 10% hurdle/100%.	€ 784,443	€ 739,445	€ 12,020,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: swa00610 Hauptstrasse 9 77652 Offenburg Date of Inspection: 5 August 2011	-Region: Situated in western Baden-Wuerttemberg between Freiburg (approx. 70 km to the south) and Karlsruhe (approx. 70 km to the north) on the edge of the central Black Forest, close to Strasbourg in France -Quality: Not a conurbation, despite the location not particularly a tourist area, we consider that Offenburg has a somewhat weaker economy in Baden-Wuerttemberg -Infrastructure: Connection to the A5 (Freiburg-Basel) in approx. 10 km, town station, nearest international airport is Stuttgart -Surrounding: Residential, retail and office use -Position: Town centre location near the station (approx. 200 m) -Connection: Fairly good access by road, good access by public transport -Visibility: Limited due to terraced format -Use: Mixed office and retail building -Year of Construction: 1957 -Construction: Reinforced concrete structure with pitched roof and brick facade -Concept: Building with 4 full storeys and fitted-out roof storey, plus 1-2 storey annexe extending to the rear of the property -State of repair: Fair condition; vacant areas require some refurbishment -Functionality: The property has adequate functionality for the needs of existing and potential tenants -Exterior: Courtyard limited through the addition of the annex - grounds appear neglected and not well kept We understand that the Property is comprised of: Plot size: 1,200 sq m Lettable area: 2,067 sq m 14 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Donner + Partner GmbH – office/storage (285.23 sq m) expiring 30 April 2013. Passing rent is € 23,726.76 per annum. Indexed 10% hurdle/60%. Pensum GmbH – office (175.82 sq m) expiring 30 November 2014. Passing rent is € 15,500.64 per annum. Indexed 10% hurdle/60%.	€ 39,227	€ 143,440	€ 1,330,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00712 Harburger Rathauss. 44/ Bremer S. 10 21073 Hamburg Date of Inspection: 18 July 2011	-Region: Hamburg (Harburg) -Quality: Important economic location for transport and distribution, media, production sector -Infrastructure: International airport, many motorways, very good rail connections, Hamburg port -Surrounding: Mixture of office, retail and city-centre residential -Position: Location on the edge of the pedestrianized zone -Connection: Good -Visibility: Good -Use: Office building with bank hall -Year of Construction: 1924, completely and comprehensively refurbished -Construction: Partly concrete, partly masonry -Concept: 3-storey detached building with 4 separate entrances -State of repair: Apparently very well maintained -Functionality: Floors can easily be let separately -Exterior: Extensive landscaping and 29 surface parking spaces in the courtyard (4 staircases) We understand that the Property is comprised of: Plot size: 2,386 sq m Lettable area: 2,787 sq m 29 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,833.23 sq m) expiring 31 December 2019. Passing rent is € 250,550.28 per annum. Indexed 5% hurdle/100%. Medicur – office/storage/residential (329.60 sq m) expiring 31 March 2019. Passing rent is € 32,271.00 per annum. Indexed 5% hurdle/100%. Residential (143.29 sq m) unlimited lease. Passing rent is € 8,640.00 per annum. Indexed 100% VPI p.a.	€ 310,909	€ 283,206	€ 4,420,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00714 Rathausplatz 1-2 24103 Kiel Date of Inspection: 20 July 2011	-Region: State capital of Schleswig-Holstein and with population around 240,000 the centre of the K.E.R.N. economic and cultural region, which also includes the neighbouring municipalities of Eckernförde, Rendsburg, Neumünster and Plön. -Quality: Kiel is a traditional shipbuilding and harbour city, growing service sector -Infrastructure: Motorway junction, ICE stop, Kiel-Holtenau airport, large harbour -Surrounding: Lawyers, service providers, small up-market retailers -Position: Quiet location near the shopping street, near the waterfront (approx. 150 m) -Connection: Good access by road and public transport, few parking spaces nearby -Visibility: Easily visible "solitaire" building -Use: Mixed office and residential building with bank hall -Year of Construction: 1928 -Construction: Solid masonry structure, natural stone façade, pitched roof -Concept: 4-storey building with basement, 4 staircase cores of which 2 have lifts, a further lift leads from the bank area to the first floor -State of repair: Apparently well maintained, although with dampness in the basement -Functionality: Good, with various possibilities of accessing the accommodation -Exterior: 4 parking spaces in the courtyard. We understand that the Property is comprised of: Plot size: 1,234 sq m Lettable area: 4,187 sq m 4 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (2,347.73 sq m) expiring 31 December 2018. Passing rent is € 302,389.80 per annum. Indexed 5% hurdle/100%. Tekko Informationssysteme – office (530.36 sq m) expiring 29 February 2016. Passing rent is € 50,828.28 per annum. Indexed 2% hurdle/60%. Harald Mohr – office/storage/residential (388.40 sq m) expiring 31 December 2014. Passing rent is € 88,566.36 per annum. Indexed 5% hurdle/100%.	€ 483,732	€ 396,425	€ 5,960,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00806 Zindelstrasse 3-5 37073 Gottingen Date of Inspection: 11 July 2011	-Region: Lower Saxony -Quality: The university city of Göttingen is an important location for research and further education institutions -Infrastructure: National airport Kassel-Calden approx. 60 km. Direct connection to the A7, good IC and ICE connections -Surrounding: Surroundings (pedestrianized zone) characterised by retailing (chain stores and traditional retailers), office uses and public institutions -Position: Secondary (1B) location in the pedestrianized zone, opposite a church (Sankt Johannis) and the town hall -Visibility: Easily visible "solitaire" building -Use: Office building with bank hall -Year of Construction: 1971 -Construction: Steel frame structure with concrete slabs, partly masonry -Concept: 4-storey, square office building with basement -State of repair: Apparently fairly good condition -Functionality: Open "office landscape" on the GF and FF (counter and adviser areas) that are connected (large opening in the floor between the GF and FF). Other accommodation on the various floors easily divisible due to various entrances and staircases -Exterior: City-centre office building in the pedestrianized zone, completely developed, immediately in the access to the main station of the city of Göttingen We understand that the Property is comprised of: Plot size: 1,270 sq m Lettable area: 3,482 sq m 15 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (2,004.19 sq m) expiring 31 December 2014. Passing rent is € 285,422.04 per annum. Indexed 5% hurdle/100%. Deutsche Paracelsus – office (301.34 sq m) expiring 31 December 2014. Passing rent is € 28,820.79 per annum. Indexed 5% hurdle/100%. Dr. Amke Finger – office/storage (212.98 sq m) expiring 31 December 2013. Passing rent is € 25,017.60 per annum. Indexed 5% hurdle/100%.	€ 416,220	€ 337,040	€ 4,780,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00809 Am Markt 2-3 31785 Hameln Date of Inspection: 12 July 2011	-Region: The Hameln (Hamelin) region is a development area under the "Joint Agreement for the Improvement of Regional Economic Structures" and headquarters of the district (administrative area) of Hameln-Pyrmont and the Kreishandwerkerschaft (craftsmen's guild). -Quality: Mid-order centre with weak economy -Infrastructure: Hameln is the intersection of the federal roads B 1, B 83 and B 217. The star-shaped network of federal roads centred on the town is further expanded by state and District (county) roads. -Surrounding: Town centre location in the pedestrianized zone -Position: Corner building, with good footfall -Connection: Fairly good access by road, good public transport connections -Visibility: Subject is in line with the surrounding development -Use: Mixed office and residential building with bank hall -Year of Construction: 1957, 1960 and 1976 -Construction: Reinforced concrete structure, curtain wall facade with stone slab elements -Concept: 3 connected buildings built at different dates, 2 or 3 storeys, various access cores -State of repair: Apparently fairly well maintained -Functionality: Partly very limited, e.g. due to shared sanitary facilities in the corridor areas; office space on the upper floor that is accessible only through the bank accommodation -Exterior: Well-maintained small courtyard with landscaping near the rear entrance We understand that the Property is comprised of: Plot size: 894 sq m Lettable area: 2,736 sq m no car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (841.87 sq m) expiring 31 December 2014. Passing rent is € 101,126.52 per annum. Indexed 5% hurdle/100%. First Reisebüro – office/retail/storage (341.83 sq m) expiring 31 March 2018. Passing rent is € 85,894.44 per annum. Indexed 5% hurdle/ 100%. Competenz Werksatt Beruf GmbH – office/storage (523.98 sq m) expiring 28 February 2014. Passing rent is € 26,408.59 per annum. No indexation.	€ 241,319	€ 215,257	€ 3,010,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00812 Kirchröder Str. 103 30625 Hanover Date of Inspection: 13 July 2011	-Region: Capital of the federal state of Lower Saxony -Quality: Above-average quality in terms of economic power and structure in comparison with Lower Saxony but below average quality by federal comparison -Infrastructure: Direct connections to the A7 (Hamburg-Kassel) and A2 (Dortmund-Berlin), ICE station, international airport in Hanover -Surrounding: Particularly residential and retail uses -Position: On the main road through Hanover-Kleefeld, about 5 km east of the city centre -Connection: Fairly good access by road, good access by public transport -Visibility: Limited -Use: Office and bank accommodation -Year of Construction: 1961 -Construction: Reinforced concrete structure, rendered facade -Concept: 2-storey building with basement -State of repair: Apparently fairly well maintained -Functionality: Access situation problematic -Exterior: Courtyard area with parking spaces, tarmac surface, landscaped on one side We understand that the Property is comprised of: Plot size: 376 sq m Lettable area: 319 sq m 5 car parking spaces	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – office/bank hall/storage (319.17 sq m) expiring 31 December 2014. Passing rent is € 31,952.16 per annum. Indexed 5% hurdle/100%.	€ 31,952	€ 26,426	€ 350,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00813 Kirchröder Str. 104 30625 Hanover Date of Inspection: 13 July 2011	-Region: Capital of the federal state of Lower Saxony -Quality: Above-average quality in terms of economic power and structure in comparison with Lower Saxony but below average quality by federal comparison -Infrastructure: Direct connections to the A7 (Hamburg-Kassel) and A2 (Dortmund-Berlin), ICE station, international airport in Hanover -Surrounding: Particularly residential and retail uses -Position: On the main road through Hanover-Kleefeld, about 5 km east of the city centre -Connection: Fairly good access by road, good access by public transport -Visibility: Limited -Use: Office and bank accommodation -Year of Construction: 1961 -Construction: Reinforced concrete structure, rendered facade -Concept: 2-storey building with basement -State of repair: Apparently fairly well maintained -Functionality: Access situation problematic -Exterior: Courtyard area with parking spaces, tarmac surface, landscaped on one side We understand that the Property is comprised of: Plot size: 376 sq m Lettable area:709 sq m no car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (127.55 sq m) expiring 31 December 2014. Passing rent is € 14,128.68 per annum. Indexed 5% hurdle/100%. Residential (56 sq m) unlimited lease. Passing rent is € 3,955.20 per annum. No indexation. Residential (50 sq m) unlimited lease. Passing rent is € 2,929.20 per annum. No indexation.	€ 25,422	€ 45,641	€ 490,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00814 Angoulemeplatz 1 31134 Hildesheim Date of Inspection: 12 July 2011	-Region: Lower Saxony -Quality: Recognised location for transport and distribution; university city -Infrastructure: Good motorway connections -Surrounding: Pedestrianized zone; small-scale retailers and offices, city-centre residential -Position: Location on the edge of the pedestrianized zone, approx. 200 m from the station -Connection: Good (road, pedestrian, public transport) -Visibility: Good -Use: Mixed office and residential building with bank hall -Year of Construction: 1922, thoroughly refurbished in the 1950s/60s -Construction: Masonry, concrete -Concept: Detached, 3-storey property, several entrances -State of repair: Apparently fairly good, although parts of the bank accommodation well renovated -Functionality: Flexibility allowed by 3 separate entrances and staircases -Exterior: Small amounts of landscaping We understand that the Property is comprised of: Plot size: 1,932 sq m Lettable area: 2,701 sq m 13 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,511.28 sq m) expiring 31 December 2014. Passing rent is € 152,395.68 per annum. Indexed 5% hurdle/100%. Schneider – office/storage (278.41 sq m) expiring 31 December 2013. Passing rent is € 12,774.01 per annum. Indexed 5% hurdle/100%. Power Personalservice – office/storage (104.15 sq m) expiring 31 December 2013. Passing rent is € 7,031.52 per annum. Indexed 2% hurdle/60%.	€ 172,201	€ 194,756	€ 2,340,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00815 Bardowicker Strasse 6 21335 Lüneburg Date of Inspection: 19 July 2011	-Region: Mid-order centre near to the city of Hamburg. -Quality: The location is increasingly becoming established as a centre for education and knowledge, as a total of approx. 10,000 students are now registered at the university of Lüneburg and the technical university of Nord-Ost-Niedersachsen. -Infrastructure: Long-distance connections: the motorway A 250 and the Hamburg-Hanover main line. Several north-south and east-west federal roads intersect here. Lüneburg has an inland harbour on the Elbe-Seite canal -Surrounding: The subject property is in the Lüneburg town centre, tourist-oriented retail, a large number of international chains -Position: Centrally situated, on the edge of the pedestrianized zone -Connection: Access by car good, by public transport fairly good -Visibility: Easily visible, not least due to the special design of the facade -Use: Office and bank accommodation -Year of Construction: 1976 -Construction: Masonry -Concept: 3-storey building with basement, lavish architectural façade, some interior walls of the offices have original facades -State of repair: Apparently fairly good to good condition -Functionality: Separate access to the office space possible -Exterior: None We understand that the Property is comprised of: Plot size: 633 sq m Lettable area:1,175 sq m no car parking spaces	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – office/bank hall/storage (862.61 sq m) expiring 31 December 2014. Passing rent is € 121,530.60 per annum. Indexed 5% hurdle/100%.	€ 121,531	€ 127,436	€ 1,690,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: swa00817 Schützenplatz 18 38259 Salzgitter Date of Inspection: 12 July 2011	-Region: Lower Saxony -Quality: Recognised location for transport and distribution; university city -Infrastructure: Good motorway connections -Surrounding: Central location, pedestrianized zone although on the fringe -Position: Location on the edge of the pedestrianized zone -Connection: Average, large public car park behind the subject property -Visibility: Good -Use: Office building -Year of Construction: 1954 -Construction: Concrete frame with concrete panels, partly masonry -Concept: 3-storey building (GF, 1st F, 2nd F) plus roof storey, with 2 entrances -State of repair: Apparently satisfactory: parts of the office accommodation are very out-of-date -Functionality: Very easily divisible into small units between approx. 45 and 80 sq m -Exterior: none We understand that the Property is comprised of: Plot size: 478 sq m Lettable area:1,400 sq m no car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (754.29 sq m) expiring 31 December 2019. Passing rent is € 60,558.25 per annum. Indexed 5% hurdle/100%. DVAG – office (164.07 sq m) expiring 31 December 2012. Passing rent is € 7,993.44 per annum. Indexed 10% hurdle/100%. Yogastudio Santosha GdR – office (164.07 sq m) expiring 31 October 2013. Passing rent is € 5,102.40 per annum. Indexed 10% hurdle/60%.	€ 82,942	€ 86,760	€ 1,030,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00902 Hauptstr. 177 51465 Bergisch – Gladbach Date of Inspection: 25 July 2011	-Region: North Rhine-Westphalia -Quality: The Ruhr region is traditionally characterised by the iron and steel industry, strong economic region both in processing industry and the services sector. Mainly small and medium-sized firms, but also a high rate of establishment of international firms -Infrastructure: The Ruhr region has an excellent motorway network, connections to IC / ICE trains and international airports within 1-2 hours travel time (e. g. Cologne-Bonn, Düsseldorf) -Surrounding: Central pedestrianized zone, main occupiers are retail, also retail chains and larger specialist stores -Position: Central position in the pedestrianized zone, directly adjoining “Grüne Arkadenstrasse” -Visibility: Very good -Use: Mixed office and retail building -Year of Construction : Mid-1960s -Construction: Frame structure with concrete panels, masonry -Concept: 3-storey office and retail building with residential units on the 2nd floor -State of repair: Apparently well maintained -Functionality: Easily divisible into individual units -Exterior: No landscaped areas We understand that the Property is comprised of: Plot size: 342 sq m Lettable area:845 sq m no car parking spaces	Ground lease (Erbbaurecht) The ground lease is € 15,145.56 per annum until 31 December 2027. The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (539.51 sq m) expiring 31 December 2014. Passing rent is € 64,360.08 per annum. Indexed 5% hurdle/100%. Residential (91.98 sq m) unlimited lease. Passing rent is € 3,779.52. No indexation.	€ 68,140	€ 74,484	€ 700,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa00921 Kaiserplatz 7-9 53113 Bonn Date of Inspection: 25 July 2011	-Region: Rhineland, Cologne-Bonn / Düsseldorf, Cologne approx. 20 km to the north, Düsseldorf approx. 80 km to the northwest -Quality: Bonn is an economic centre of the Rhineland, conurbation -Infrastructure: Connections to the A59, A555 and A61 (Koblenz-Mönchengladbach), ICE railway station, international airport Cologne/Bonn -Surrounding: City centre location with offices, banks, retail, restaurants, cafés and hotels in the immediate neighbourhood; central station in walking distance -Position: On the edge of the city centre, approx. 500 m from the central station -Connection: Good access by road and very good access by public transport -Visibility: Perimeter block development, normal visibility -Use: Office and bank accommodation -Year of Construction: 2001 -Construction: Reinforced concrete structure with flat roof, curtain wall façade with stone and metal elements -Concept: Building with 6 storeys, basement with underground garage -State of repair: Apparently very well maintained -Functionality: Modern office building with an appropriate proportion of office and bank accommodation and parking spaces -Exterior: none We understand that the Property is comprised of: Plot size: 1,190 sq m Lettable area: 3,952 sq m 30 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (2,397.62 sq m) expiring 31 December 2014. Passing rent is € 435,063.84 per annum. Indexed 5% hurdle/100%. Rheinische Universität – office (565,56 sq m) expiring 14 September 2020. Passing rent is € 81,440.64 per annum. Indexed 10% hurdle/60%. Schollmeyer – office/storage (412.95 sq m) expiring 31 March 2020. Passing rent is € 55,517.40 per annum. Indexed 5% hurdle/60%.	€ 655,449	€ 608,781	€ 10,100,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01004 Ludwigstrasse 8-10 55116 Mainz Date of Inspection: 29 July 2011	-Region: Located in the Rhine Main area; Frankfurt is approx. 35 km to the north-east; Wiesbaden approx. 5 km to the north, Darmstadt approx. 35 km to the south-east -Quality: Mainz is one of the economic centres of the Rhine Main area; forms the western border of the region, university town -Infrastructure: Access to the A60 (Bingen-Mainz-Rüsselsheim) and A63 (Mainz-Kaiserslautern) motorways; ICE railway station; nearest international airport is in Frankfurt -Surrounding: Central location with several banks, office buildings and pedestrian zone in immediate neighbourhood -Position: Town centre -Connection: Good access by car and public transport -Visibility: Well visible block development; corner building -Use: Office with bank accommodation -Year of Construction: 1953 -Construction: Reinforced concrete frame with a flat roof; facade with stone slabs; rendered at rear -Concept: Building with 4 upper floors, basement and 2-storey extension/ pavilion -State of repair: Apparently in good condition -Functionality: Modern office building with an appropriate proportion of office and bank accommodation -Exterior: Courtyard with parking spaces We understand that the Property is comprised of: Plot size: 1,576 sq m Lettable area: 4,806 sq m 5 car parking spaces	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – office/bank hall/storage (4,781.75 sq m) expiring 31 December 2014. Passing rent is € 620,229.00 per annum. Indexed 5% hurdle/100%.	€ 620,229	€ 506,810	€ 7,830,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01005 Weissliliengasse 14 55116 Mainz Date of Inspection: 29 July 2011	-Region: Rhine Main area; Frankfurt is approx. 35 km to the north-east; Wiesbaden approx. 5 km to the north, Darmstadt approx. 35 km to the south-east -Quality: Mainz is one of the economic centres of the Rhine Main area; forms the western border of the region, university town -Infrastructure: A60 (Bingen-Mainz-Rüsselsheim), A63 (Mainz-Kaiserslautern) motorways; ICE railway station; nearest international airport is in Frankfurt -Surrounding: Central location with several banks, office buildings and pedestrian zone in immediate neighbourhood -Position: Town centre -Connection: Good access by car and public transport -Visibility: Well visible block development, corner building -Use: Office building -Year of Construction: 1989 -Construction: Reinforced concrete frame with a hipped roof; facade with stone slabs -Concept: Building with 4 upper floors and basement, (no areas on the ground floor) -State of repair: Apparently in good condition -Functionality: Modern office building -Exterior: None We understand that the Property is comprised of: Plot size: 762 sq m Lettable area:1,959 sq m no car parking spaces	Freehold (Eigentum) The Property is let to: Bistum Mainz – office (1,159.83 sq m) expiring 31 March 2013. Passing rent is € 69,600.00 per annum. Indexed 10% hurdle%60%.	€ 69,600	€ 172,122	€ 1,810,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01111 Stiftsplatz 13 67655 Kaiserslautern Date of Inspection: 14 July 2011	-Region: Located in the Palatinate region; Saarbrücken approx. 60 km to the west, Mannheim approx. 60 km to the east, Mainz approx. 70 km to the north-east -Quality: Kaiserslautern is the economic centre of the western Palatinate region; not a conurbation, nevertheless, high centrality index; economically weak region; university town -Infrastructure: Connections to the A6 (Saarbrücken-Kaiserslautern-Mannheim-Nürnberg) and A63 (Kaiserslautern-Mainz) motorways; ICE railway station; nearest international airport is in Frankfurt -Surrounding: Central location with several banks in the immediate neighbourhood; market square and entrance to pedestrian zone -Position: Central -Connection: Good access by car and public transport -Visibility: Well visible "solitaire" corner building -Use: Office building with bank hall -Year of Construction: 1959 -Construction: Reinforced concrete construction with flat roof; rendered facade with hanging stone slabs -Concept: Building with 4 storeys; basement -State of repair: Apparently in good condition -Functionality: Office building with a reasonable mix of office and banking accommodation, as well as parking spaces -Exterior: Courtyard with parking spaces We understand that the Property is comprised of: Plot size: 1,200 sq m Lettable area: 2,240 sq m 23 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,475.81 sq m) expiring 31 December 2014. Passing rent is € 179,009.28 per annum. Indexed 5% hurdle/100%. Persona Service AG – office (360.00 sq m) expiring 13 December 2016. Passing rent is € 28,585.80 per annum. Indexed 5% hurdle/100%.	€ 209,275	€ 182,786	€ 2,560,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01113 Rheinstr. 44 76185 Karlsruhe Date of Inspection: 5 August 2011	-Region: In the Rhine-Neckar region; Mannheim lies approx. 50 km to the north, Stuttgart approx. 70 km to the south-east -Quality: Karlsruhe is one of the economic centres of the Rhine-Neckar region; retail represented by pharmaceutical companies, food retailers, car manufacturers, machine engineering and IT -Infrastructure: Connections to the A5 (Basel-Karlsruhe-Frankfurt), A65 (Karlsruhe-Landau) and A8 (Karlsruhe-Stuttgart-München) motorways; ICE railway station; nearest airport is in Söllingen (Baden airport); international airports in Frankfurt and Stuttgart -Surrounding: At the edge of the inner city area in a side street to a main access road (Rheinstrasse); relatively busy location with banks, retailers, facilities for daily needs and housing in the immediate neighbourhood -Position: At the edge of the inner city, approx. 200 m from the centre -Connection: Access by car and public transport is good to very good -Visibility: Easily visible corner building -Use: Office building with bank hall -Year of Construction: 1993 -Construction: Solid masonry structure with pitched roof, rendered facade with hanging stone slabs in the ground floor area -Concept: L-shaped building with 4 storeys, basement; ground floor (as annexe) is more spacious than the other floors; partial area of ground floor used as garage -State of repair: Apparently in good to very good condition -Functionality: Modern office building with a small banking area and parking spaces -Exterior: Small landscaped areas behind annexe on ground floor We understand that the Property is comprised of: Plot size: 653 sq m Lettable area:1,539 sq m 11 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (476.96 sq m) expiring 31 December 2014. Passing rent is € 64,791.72 per annum. Indexed 5% hurdle/100%. Susanne Weiler –office (371.06 sq m) expiring 30 September 2013. Passing rent is € 30,537.48 per annum. Indexed 10% hurdle/60%. Dietrich Schäfer – office/storage (395.76 sq m) expiring 23 February 2016. Passing rent is € 30,427.56 per annum. Indexed 10% hurdle/60%.	€ 157,058	€ 130,435	€ 1,800,000
Unit-ID: lwa01116 P7 10-15 68161 Mannheim Date of Inspection: 14 July 2011	-Region: Located in the Rhine-Neckar region, Mannheim is a conurbation of considerable economic significance; Ludwigshafen approx. 1 km to the west, Frankfurt approx. 70 km to the north, Karlsruhe approx. 50 km to the south -Quality: Mannheim is an economic submarket of the Rhine-Neckar region, conurbation -Infrastructure: Connections to A6 (Saarbrücken-Mannheim-	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (8,704.66 sq m) expiring 31 December 2014. Passing rent is € 1,173,168 66 per annum. Indexed 5% hurdle/100%.	€ 1,364,671	€ 1,160,979	€ 20,010,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Heilbronn-Nürnberg), A656 (Mannheim-Heidelberg), A659 (Mannheim-Weinheim) motorways; ICE railway station; nearest international airport is in Frankfurt -Surrounding: Central location with several office buildings, retail areas (main shopping area is Planken) in immediate neighbourhood -Position: In the centre of Mannheim -Connection: Access by car and public transport is good to very good -Visibility: Easily visible object, corner /head of the site, terraced development -Use: Office building with bank hall -Year of Construction: 1952 -Construction: Reinforced concrete construction with flat roof; facade with hanging stone slabs -Concept: U-shaped building with 5-6 storeys, basement -State of repair: Apparently in average to good condition -Functionality: Office building with bank hall on the ground floor -Exterior: Courtyard We understand that the Property is comprised of: Plot size: 3,122 sq m Lettable area: 10,765 sq m 11 car parking spaces	ARLT Computer GmbH – retail (309.00 sq m) expiring 31 December 2014. Passing rent is € 64,890.00 per annum. No indexation. Metecon GmbH – office/storage (598.00 sq m) expiring 31 October 2021. Passing rent is € 55,188 per annum. Indexed 10% hurdle/60%.			
Unit-ID: lwa01120 Friedrichstr. 30 67433 Neustadt a.d.W Date of Inspection: 14 July 2011	-Region: In the Palatinate /Rhine-Neckar region; Karlsruhe approx. 40 km to the south-east, Mannheim/Ludwigshafen approx. 30 km to the north-east, Kaiserslautern approx. 25 km to the north-west -Quality: Medium sized town in the Palatinate, branches of industry are mainly service sector, tourism and agriculture; not a conurbation but close to the Rhine-Neckar triangle; location of the district government -Infrastructure: Connections to A65 (Karlsruhe-Landau-Neustadt-Ludwigshafen) motorway; IC station; nearest international airport is in Frankfurt -Surrounding: Central location with residential, office and commercial use in immediate neighbourhood -Position: Furthest edge of the inner city, approx. 150 m from the centre -Connection: Average access by car and public transport -Visibility: Easily visible corner "solitaire" site	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (885.60 sq m) expiring 31 December 2014. Passing rent is € 128,309.28 per annum. Indexed 5% hurdle/100%. Zero Kooperations GmbH – office (624.00 sq m) expiring 31 December 2013. Passing rent is € 62,343.72 per annum. Indexed 10% hurdle/60%. Dr. Stephan Michel – office/storage (241.00 sq m) expiring 31 March 2017. Passing rent is € 33,792.00 per annum. Indexed 2% hurdle/60%.	€ 259,802	€ 249,777	€ 3,170,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	-Use: Office building with bank hall -Year of Construction: 1990 -Construction: Reinforced concrete construction with flat roof; facade with hanging stone slabs -Concept: L-shaped building with 4 upper floors, basement -State of repair: Apparently in average to good condition -Functionality: Office building with a reasonable mix of office and banking accommodation, as well as parking spaces -Exterior: Courtyard with parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 2,063 sq m Lettable area: 2,833 sq m 31 car parking spaces				
Unit-ID: lwa01121 Westl.-Karl-Friedrich-Str.76 75172 Pforzheim Date of Inspection: 5 August 2011	-Region: Northern Black Forest region, Karlsruhe is approx. 25 km to the north-west, Stuttgart approx. 35 km to the south-east -Quality: Pforzheim is one of the economic centres of the northern Black Forest between Karlsruhe and Stuttgart, not a conurbation; traditional industries are German jewellery and watchmaking industry -Infrastructure: Connections to the A8 (Karlsruhe-Stuttgart-München) motorway, IC station, nearest international airport is in Stuttgart -Surrounding: Central location with several banks in the immediate neighbourhood -Position: Central location -Connection: Good access by car and public transport -Visibility: Well visible object, corner site, terraced development -Use: Office, bank hall and residential -Year of Construction: 1951 -Construction: Reinforced concrete construction with flat roof; facade with hanging stone slabs -Concept: 1 building with 4 upper floors, basement -State of repair: Apparently in good condition -Functionality: Office building with a reasonable mix of office and banking accommodation; residential accommodation on the 4th floor, as well as parking spaces -Exterior: Courtyard areas / entrance and car garages We understand that the Property is comprised of: Plot size: 1,130 sq m	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,289.33 sq m) expiring 31 December 2014. Passing rent is € 119,294.88 per annum. Indexed 5% hurdle/100%. Dr. Kohler – office (575.00 sq m) expiring 31 December 2012. Passing rent is € 46,280.52 per annum. Indexed 5% hurdle/60%. Residential (70 sq m) unlimited lease. Passing rent is € 5,736.72 per annum. No indexation.	€ 177,192	€ 213,771	€ 2,510,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Lettable area: 2,952 sq m 8 car parking spaces				
Unit-ID: lwa01201 Fuggerstr. 1 86150 Augsburg Date of Inspection: 3 August 2011	-Region: Southern Bavarian region approx. 40 km north-west of Munich -Quality: In the region of Bavaria, of average quality; in terms of economic strength it lags behind Munich -Infrastructure: Direct connection to the A8 (München-Stuttgart) motorway; ICE railway station, nearest international airport is in Munich -Surrounding: Retail, office and residential uses -Position: Inner city location between the main train station and the pedestrian zone (approx. 100 m away) at a junction -Connection: Below average access by car, good access by public transport -Visibility: Good, due to location at a junction and to size -Use: Office building with bank hall -Year of Construction: 1864 -Construction: Solid masonry structure, hipped roof with a stone façade -Concept: 1 building with 5 storeys and fitted-out attic storey, basement -State of repair: Apparently in good condition; some water damage observed in 4th floor -Functionality: Modern building with a reasonable mix of office and banking accommodation; distinct disadvantage. no parking spaces -Exterior: Inner city location; site is almost completely developed We understand that the Property is comprised of: Plot size: 732 sq m	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (2,336.18 sq m) expiring 31 December 2014. Passing rent is € 322,416.48 per annum. Indexed 5% hurdle/100%. Klebau und Schaller – office/storage (497.11 sq m) expiring 31 March 2014. Passing rent is € 40,624.08 per annum. Indexed 2% hurdle/60%. Anfema GmbH – office (103.40 sq m) expiring 30 June 2014. Passing rent is € 8,065.20 per annum. Indexed 10% hurdle/60%.	€ 371,106	€ 390,142	€ 6,320,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Lettable area:3,181 sq m no car parking spaces				
Unit-ID: lwa01301 Schubartstr. 13 73430 Aalen Date of Inspection: 2 August 2011	-Region: Eastern region of Baden-Wuerttemberg, Ulm is approx. 80 km to the south, Stuttgart is approx. 100 km to the west -Quality: Aalen lies in eastern Baden-Wuerttemberg and is regarded as the economic centre of eastern Wurttemberg, it is not a conurbation and is in our opinion rather weak economically -Infrastructure: Connection to A7 (Würzburg-Ulm) motorway approx. 10 km away; main train station; nearest international airport is in Stuttgart -Surrounding: Quiet and green location with several banks in the immediate neighbourhood -Position: At outer edge of inner city approx. 500 m from town centre -Connection: Good access by car, average access by public transport -Visibility: Easily visible "solitaire" building -Use: Office and retail building with bank hall -Year of Construction: 1983 -Construction: Reinforced concrete frame with a flat roof, facade of plaster and sandstone -Concept: 2 connected buildings each with 4 floors, basement -State of repair: Good condition -Functionality: Modern building with reasonable mix of office and retail accommodation, parking spaces	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – office/bank hall/storage (1,490.73 sq m) expiring 31 December 2014. Passing rent is € 152,259.41 per annum. Indexed 5% hurdle/100%. Kiesel & Partner Gbr – office/storage (1,250.00 sq m) expiring 30 September 2014. Passing rent is € 104.926.20 per annum. Indexed 10% hurdle/60%.	€ 257,186	€ 227,841	€3,020,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	-Exterior: Courtyard, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 1,683 sq m Lettable area: 2,741 sq m 34 car parking spaces				
Unit-ID: lwa01302 Marktstr. 30 72458 Albstadt Date of Inspection: 3 August 2011	-Region: Located in Baden-Wuerttemberg at the foot of the Swabia Alps; Stuttgart approx. 100 km to the north and Freiburg approx. 100 km to the south -Quality: Remains a tourist area in view of proximity to the Swabia Alps; in general, an economically strong region, not a conurbation, no major cities in the immediate surroundings -Infrastructure: Connection to the A81 (Stuttgart-Freiburg) motorway approx. 30 km away; main train station; nearest international airport in Stuttgart -Surrounding: Inner city, pedestrian zone -Position: Inner city junction -Connection: Average access by car and public transport -Visibility: Good due to location at a junction and to size -Use: Mixed office and commercial building -Year of Construction: 1986 -Construction: Reinforced concrete frame with a hipped roof, rendered facade -Concept: Building with two wings, 3 full storeys and fitted-out attic storey, basement -State of repair: Apparently in good condition -Functionality: Modern property, appears to be disproportionately large for the location -Exterior: Courtyard, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 1,167 sq m	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,715.09 sq m) expiring 31 December 2014. Passing rent is € 193,074.60 per annum. Indexed 5% hurdle/100%. Deutsche Angestellten Akademie – office (500.00 sq m) expiring 31 August 2013. Passing rent is € 36,980.00 per annum. Indexed 5% hurdle/100%. ABA Ausbildung – office/storage (419.43 sq m) expiring 31 October 2013. Passing rent is € 26,031.68. 5 % hurdle/100%.	€ 278,329	€ 223,497	€ 2,800,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Lettable area: 3,303 sq m 37 car parking spaces				
Unit-ID: lwa01304 Milchstr. 2 / Strohstr. 9 73728 Esslingen Date of Inspection: 2 August 2011	-Region: Located in Baden-Wuerttemberg, Esslingen borders Stuttgart to the east -Quality: Economically strog region, however Esslingen falls short of Stuttgart -Infrastructure: Connection to the A8 (Stuttgart-Ulm) motorway approx. 10 km away, train station, nearest international airport is in Stuttgart -Surrounding: Residential, office or retail use close to the town centre -Position: Approx. 300 m from the pedestrian zone, quiet but public location with scattered retail or catering use -Connection: Average access by car and public transport -Visibility: Average since properties in the surroundings are at close quarters -Use: Office building with bank hall and retail -Year of Construction: Old building constructed in 1600, new building constructed in mid-1970s -Construction: Old building is a timbered house with a pitched roof; new building is a reinforced concrete skeleton construction with a flat roof; rendered facade with stone elements -Concept: 2 interconnected buildings; old building has 2 full storeys and 2 attic storeys; the new building has 3 full storeys but with significant differences in finish -State of repair: Old building in a good, new building in an average condition -Functionality: Conception difference between old and new buildings, new building appears disproportionate in size and not practical, old	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,696.89 sq m) expiring 31 December 2014. Passing rent is € 214,583.16 per annum. Indexed 5% hurdle/100%. Hollywood Bride – retail/office/storage (635.15 sq m) expiring 31 December 2013. Passing rent is € 70,027.03 per annum. Indexed 5% hurdle/100%. Gesellschaft Zwiebeli – office/storage (414.03 sq m) expiring 30 September 2016. Passing rent is € 18,000 per annum. Indexed 5Pts. Hurdle/60%.	€ 303,127	€ 232,490	€ 3,150,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	building offers an attractive mix of accommodation -Exterior: Courtyard, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 1,625 sq m Lettable area: 2,957 sq m 29 car parking spaces				
Unit-ID: lwa01310 Moltkestr. 6-8 74072 Heilbronn Date of Inspection: 2 August 2011	-Region: Located in Baden-Wuerttemberg in the Rhine/Neckar region, approx. 50 km to the north of Stuttgart and approx. 70 km to the west of Mannheim -Quality: Heilbronn is a conurbation with more than 200,000 inhabitants; average location within the economically strong area of Baden-Wurttemberg -Infrastructure: Direct connection to the A6 (Nurnberg-Mannheim) and A81 (Würzburg-Singen) motorways; ICE railway station; nearest international airport is in Stuttgart -Surrounding: Numerous banks, office buildings and residential buildings in the location, park area, tram stop directly in front of the property -Position: Approx. 1 km from town centre, quiet, green location -Connection: Good access by car and public transport -Visibility: Easily visible "solitaire" property -Use: Office building with a bank hall -Year of Construction: Old building in 1954 / new building in 1980s -Construction: New building: reinforced concrete frame with a flat roof, facade a mix of metal and glazed elements; old building: solid masonry construction with a hipped roof and rendered facade -Concept: 2 connected buildings; old building has 3 full storeys and a fitted-out attic; new building has 3 full storeys, basement	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,906.44 sq m) expiring 31 December 2014. Passing rent is € 240,886.92 per annum. Indexed 5% hurdle/100%. DIS AG – office (518.00 sq m) expiring 30 November 2015. Passing rent is € 42,204.00 per annum. Indexed 10% hurdle/60%. Dr. Stahl & Herold GmbH – office/storage (380.59 sq m) erxpiring 31 August 2018. Passing rent is € 28,776.00 per annum. Indexed 10% hurdle/100%.	€ 311,867	€ 280,752	€3,720,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	-State of repair: Good condition -Functionality: Property appears to be disproportionately large for the location, limited functionality due to differences between old and new buildings -Exterior: Courtyard, parking spaces and small landscaped areas We understand that the Property is comprised of: Plot size: 2,245 sq m Lettable area: 3,357 sq m 22 car parking spaces				
Unit-ID: lwa01314 Gartenstr. 33 88212 Ravensburg Date of Inspection: 3 August 2011	-Region: Located in southern Baden-Wuerttemberg; Lake Constance (Bodensee) is 20 km to the south, Ulm, approx. 80 km to the north -Quality: Recognised as a tourist area through proximity to Lake Constance (Bodensee) and the Allgu region; southern Baden-Wuerttemberg is economically strong, but not a conurbation, no major cities in the surrounding area -Infrastructure: Connection to the A96 (Lindau-Memmingen) motorway is approx. 25 km away, main train station, nearest international airport is in Munich (approx. 200 km to the east) -Surrounding: Mixed residential, office and retail -Position: Located on the main access road leading into the centre of Ravensburg -Connection: Good access by car, average access by public transport -Visibility: Easily visible "solitaire" object -Use: Mixed office and commercial building -Year of Construction: 1994 -Construction: Reinforced concrete frame, partly with a lean-to roof, partly with a flat roof; rendered facade with natural stone and glazed elements -Concept: 2 identical building segments with 4 storeys, connected by a middle section, basement -State of repair: Apparently in good condition -Functionality: Modern building but appears to be disproportionately large for the location, generous number of parking spaces -Exterior: External parking spaces and small landscaped areas	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Schwäbische Zeitung – office/storage (825.79 sq m) expiring 31 August 2013. Passing rent is € 78,628.32 per annum. Indexed 10% hurdle/ 100%. Deutsche Bank AG – officel/storage (298.02 sq m) expiring 31 December 2014. Passing rent is € 34,055 per annum. Indexed 5% hurdle/100%. Real-Time Systems – office (310.31 sq m) expiring 31 December 2013. Passing rent is € 30,603.12 per annum. Indexed 10% / 60%.	€ 173,490	€ 190,184	€ 2,130,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	We understand that the Property is comprised of: Plot size: 1,882 sq m Lettable area: 2,180 sq m 40 car parking spaces				
Unit-ID: lwa01317 Ledergasse 8 73525 Schwäbisch Gmünd Date of Inspection: 2 August 2011	-Region: Located in Ost-Wuerrtemberg; Ulm is approx. 80 km to the south, Stuttgart is approx. 60 km to the west -Quality: Not a conurbation. In our assessment Schwäbisch-Gmünd is relatively weak, economically -Infrastructure: Connection to A7 (Würzburg-Ulm) motorway is approx. 25 km away, main train station, nearest international airport is in Stuttgart -Surrounding: Residential, office and retail uses in central location -Position: Close to town centre, approx. 250 m from the pedestrian zone, at the rear of the main access road leading to the town centre at a busy public parking area -Connection: Good access by car, average access by public transport -Visibility: Limited visibility due to position -Use: Mixed office and commercial building -Year of Construction: 1971 -Construction: Reinforced concrete frame with a flat roof; rendered facade with natural stone -Concept: Building with 4 full storeys, basement -State of repair: Apparently in an average to good condition -Functionality: Rather outdated building with rental units which are proportionate in size for the location, reasonable mix of office and retail accommodation and a generous number of parking spaces -Exterior: Courtyard, parking spaces and small landscaped areas	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,097.91 sq m) expiring 27 December 2014. Passing rent is € 133,095.66 per annum. Indexed 5% hurdle/100%. Persona Service AG – office (350 sq m) expiring 30 June 2016. Passing rent is € 29,887.92 per annum. Indexed 10% hurdle/60%. Pedal/Bonnfi – office (247.44 sq m) expiring 31 may 2015. Passing rent is € 15,000.96 per annum. Indexed 2% hurdle/60%.	€ 190,282	€ 185,997	€ 2,100,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	We understand that the Property is comprised of: Plot size: 1,237sq m Lettable area: 2,173 sq m 24 car parking spaces				
Unit-ID: lwa01325 Bahnhofstr. 44 78532 Tuttlingen Date of Inspection: 4 August 2011	-Region: Located in southern Baden-Wuerttemberg between Freiburg (approx. 70 km to the east) and the Black Forest area at the edge of the Swabia Alb; Stuttgart is approx. 200 km to the north -Quality: Not a conurbation; despite location does not attract much tourism. In our assessment Tuttlingen is relatively weak, economically -Infrastructure: Connection to A81 (Singen-Stuttgart) motorway is approx. 25 km away, main train station, nearest international airports are in Stuttgart and Basel -Surrounding: Main access road through Tuttlingen with residences, offices and retailers -Position: Located at the junction of the main street and approx. 400 m from the town centre -Connection: Average access by car, good access by public transport -Visibility: Easily visible as it is located at a road junction -Use: Office building with bank hall -Year of Construction: 1990 -Construction: Reinforced concrete frame with a flat roof; rendered facade with natural stone -Concept: Building has 4 full storeys and a stepped storey, basement -State of repair: Apparently in a good condition -Functionality: Modern building with a reasonable mix of office and retail accommodation and parking spaces -Exterior: Inner city location, site is almost completely developed We understand that the Property is comprised of:	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,030.20 sq m) expiring 31 December 2014. Passing rent is € 120,713.88 per annum. Indexed 5% hurdle/100%. RA Schrade & Partner – office (275.48 sq m) expiring 31 October 2013. Passing rent is € 24,954.36 per annum. Indexed 10% hurdle/100%.	€ 145,668	€ 125,414	€ 1,700,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Plot size: 636 sq m Lettable area:1,306 sq m 10 car parking spaces				
Unit-ID: lwa01406 Hindenburgstr. 21-25 51643 Gummersbach Date of Inspection: 28 July 2011	-Region: Located in the "Bergisches Land" in North Rhine-Westphalia -Quality: Gummersbach is a significant location in the predominantly rural area of Bergisches Land (North Rhine-Westphalia); traditionally characterized by manufacturing industries and various production locations -Infrastructure: Connection to A4 (Cologne) and A45 (Hagen, Dortmund) motorways; regional railway service -Surrounding: Approx. 5 minutes from Gummersbach train station -Position: Southern end of the pedestrian zone -Connection: Good access by car and public transport -Visibility: Eye catching as object has 5 storeys -Use: Mixed office and commercial building -Year of Construction: 1983 -Construction: Reinforced concrete frame; rendered facade with natural stone slabs -Concept: 5-storey office building with access to underground car park at the rear of the property, at the edge of the pedestrian zone -State of repair: In fair condition; some outstanding works to be completed -Functionality: Good office fit-out -Exterior: Access to underground car park We understand that the Property is comprised of: Plot size: 1,210 sq m Lettable area: 2,976 sq m 32 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (1,751.89 sq m) expiring 31 December 2014. Passing rent is € 238,489.20 per annum. Indexed 5% hurdle/100%. Notar Ute Weyland – office (433.30 sq m) expiring 28 February 2013. Passing rent is € 41,764.08 per annum. Indexed 2% hurdle/60%. R & M Reichle & De-Massari GmbH – office (396.48 sq m) expiring 14 August 2013. Passing rent is € 29,150.76 per annum. Indexed 2% hurdle/60%.	€ 309,404	€ 259,316	€ 3,350,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01407 Am Windey 58095 Hagen Date of Inspection: 28 July 2011	-Region: Hagen is an "Oberzentrum" (higher order centre) in the Ennepe-Ruhr district -Quality: Traditional production location with a large catchment area; direct proximity to Dortmund (approx. 10-15 minute drive); Unna is approx. 10-15 km away -Infrastructure: 10.7 km to the A 1 (Hansalinie) HA-Nord motorway; 14.8 km to the A 45 (Sauerlandlinie) motorway junction; 7.2 km to the A 46 (HA-Brilon) Hohenlimburg, Hohenlimburg-Ost -Surrounding: Quiet area close to the river with various office users close by as well as nursery schools, direct connection to the main arterial road in Hagen -Position: Approx. 300 m to the new shopping area in Hagens, the "Volme-Galerie" on Friedrich-Ebert-Platz; theatre as well as other specialist shops and large retailers at the same distance from the property -Connection: Good access by car -Visibility: Not immediately visible due to the access road -Use: Car park -Year of Construction: Unknown -Construction: Paved/asphalted -Concept: n/a -State of repair: n/a -Functionality: n/a -Exterior: n/a We understand that the Property is comprised of: Plot size: 1,740 sq m	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Mark-E Aktiengesellschaft – parking internal (14 units) expiring 28 April 2014. Passing rent is € 5,880.00 per annum. Indexed 100% VPI. Klöckner – parking internal (1 unit) expiring 30 April 2013. Passing rent is € 600.00 per annum. Indexed 5% hurdle/100%.	€ 6,480	€ 5,400	€ 68,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	Lettable area: 0 sq m 15 car parking spaces				
Unit-ID: lwa01408 Bahnhofstr. 1-3 58095 Hagen Date of Inspection: 28 July 2011	-Region:Hagen is an "Oberzentrum" (higher order centre) in the Ennepe-Ruhr district -Quality: Traditional production location with a large catchment area; direct proximity to Dortmund (approx. 10-15 minutes drive); Unna is approx. 10-15 km away -Infrastructure: 10.7 km to the A 1 (Hansalinie) HA-Nord motorway; 14.8 km to the A 45 (Sauerlandlinie) motorway junction; 7.2 km to the A 46 (HA-Brilon) Hohenlimburg, Hohenlimburg-Ost -Surrounding: Central, in the traditional pedestrian zone of Hagen, approx. 10 minutes by foot to the main train station -Position: Located on the edge of the pedestrian area, opposite the train station -Connection: Very good access by car and by public transport -Visibility: Easily visible "solitaire" property -Use: Office building with bank hall -Year of Construction: 1992 -Construction: Reinforced concrete construction with a flat roof; curtain wall facade with natural stone slabs (granite) -Concept: 6 storey "solitaire" object with a curved side (main entrance area); offices on all floors, cafeteria area on the 6th floor has been refurbished; 2 additional retail units were constructed on the ground floor; underground car park -State of repair: Apparently in a very good condition -Functionality: Modern building with a reasonable mix of office and banking accommodation, as well as parking spaces; the respective areas can be subdivided; several units on the floors -Exterior: Small landscaped areas, large entrance area to bank hall,	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (3,079.04 sq m) expiring 31 December 2014. Passing rent is € 423,308,16 per annum. Indexed 5% hurdle/100%. Vaillant BKK – office/storage (659.00 sq m) expiring 31 May 2013. Passing rent is € 59,431.92 per annum. Indexed 10% hurdle/60%. Berufsmode Saeger – retail (94.00 sq m) expiring 31 July 2013. Passing rent is €10,716.00 per annum. Indexed 10% hurdle/60%.	€ 494,450	€ 509,725	€ 6,240,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	access to underground car park We understand that the Property is comprised of: Plot size: 2,231 sq m Lettable area: 5,706 sq m 48 car parking spaces				
Unit-ID: lwa01419 Rathausstrasse 14 42349 Wuppertal Date of Inspection: 25 July 2011	-Region: Located in the "Bergisches Land" in North Rhine-Westphalia; Wuppertal, Solingen and Remscheid are "Oberzentren" (higher order centres), where Wuppertal is a large city; Essen lies approx. 25 km to the north-west and Düsseldorf approx. 28 km to the west -Quality: Wuppertal is the economic centre of the Begischen Land and is a conurbation between the Rhine, Ruhr and Wupper rivers; good road connections -Infrastructure: Connected to the A1 (Cologne-Dortmund-Bremen) and A46 (Düsseldorf-Wuppertal) motorways; ICE train station; nearest international airport is in Düsseldorf -Surrounding: Central location in the suburb of Wuppertal-Cronenberg with several banks, supermarkets and residential buildings in the immediate neighbourhood -Position: In the centre of Cronenberg -Connection: Good access by car; average to poor access by public transport -Visibility: Easily visible "solitaire" property -Use: Office building with bank hall -Year of Construction: 1882 -Construction: Partly solid masonry construction, partly reinforced concrete construction with a saddleback roof, partly flat roof; rendered facade partly with slate cladding	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (561.54 sq m) expiring 31 December 2024. Passing rent is € 68,823.00 per annum. Indexed 5% hurdle/100%. Residential (147.00 sq m) unlimited lease. Passing rent is € 8,400.00 per annum. Indexed 100% VPI p.a. Residential (107.14 sq m) unlimited lease. Passing rent is € 3,129.12 per annum. No Indexation.	€ 80,352	€ 69,164	€ 980,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	-Concept: 3 connected buildings, with 2-3 floors, basement -State of repair: Apparently in an average to good condition -Functionality: Residential building with annexes, one with bank and office accommodation, as well as parking spaces in the courtyard -Exterior: Courtyard, parking spaces and garden areas in the rear of the property We understand that the Property is comprised of: Plot size: 1,568 sq m Lettable area: 991 sq m 20 car parking spaces				
Unit-ID: lwa01506 Spremberger Str. 18 3046 Cottbus Date of Inspection: 22 July 2011	-Region: Brandenburg -Quality: Location for technical companies and scientific research -Infrastructure: The Cottbus-Drewitz airport can be reached in 30 minutes, Berlin airport in 60-90 minutes; good road connections to the motorway network e.g. A15, A13, B97, B169, B115 and B97; public transport is available -Surrounding: Inner city location at the beginning of the pedestrian zone -Position: To the south-west of the town centre -Connection: Poor access by car, easily accessible on foot -Visibility: Very good visibility; easily recognisable since it is the first building on the pedestrian zone -Use: Office building with bank hall -Year of Construction: 1870 -Construction: Solid masonry construction -Concept: 4-storey office building with 2 entrance areas -State of repair: Appears to be in a good condition -Functionality: Upper floors can be divided up into two office areas with separate entrance areas and individual sanitary areas; the 2nd floor can be accessed by lift in the bank hall -Exterior: None	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – office/bank hall/storage (871.01 sq m) expiring 31 December 2019. Passing rent is € 69,691.08 per annum. Indexed 5% hurdle/100%	€ 69,691	€ 83,479	€ 900,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	We understand that the Property is comprised of: Plot size: 426 sq m Lettable area:1,366 sq m 6 car parking spaces				
Unit-ID: swa01511 Markt 21 18273 Güstrow Date of Inspection: 19 July 2011	-Region: Mecklenburg-Western Pomerania; 60 km away from Schwerin, approx. 200 km away from Hamburg and Berlin -Quality: Economically weak location; good road connections to Scandinavia and Eastern Europe -Infrastructure: Connection to A 19 (Berlin - Rostock) and A 20 (Hamburg- Stettin) motorways; train station; nearest national airport is in Rostock -Surrounding: Central location in Güstrow's inner city; not a retail location; office occupiers and local administrative authority are located opposite the object -Position: In inner city area -Connection: Average access by car and by public transport -Visibility: Easily visible due to eye-catching facade -Use: Mixed commercial and residential building -Year of Construction: Constructed in 1890, completely refurbished in 1997 -Construction: Solid masonry construction -Concept: 3-storey building; courtyard with 10 parking spaces -State of repair: Fair condition, some damage to roof and facade visible -Functionality: Commercial and residential building with separate accesses to the residential and office areas -Exterior: Courtyard, parking spaces and small green areas We understand that the Property is comprised of: Plot size: 1,537 sq m Lettable area: 1,418 sq m 10 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – office/bank hall/storage (424.57 sq m) expiring 31 December 2014. Passing rent is € 50,184.24 per annum. Indexed 5% hurdle/ 100%. Bohle&Bohle Sozietät – office (374.26 sq m) expiring 30. April 2013. Passing rent is € 20,690.04. No Indexation. Gieding – office (117.12 sq m) expiring 31 July 2013. Passing rent is € 7,147.20 per annum. Indexed 10% hurdle/ 60%.	€ 93,568	€ 94,290	€ 970,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: swa01513 Domplatz 11/Westendorf 37a 28820 Halberstadt Date of Inspection: 12 July 2011	-Region: Saxony-Anhalt -Quality: Traditionally location for manufacturing industries -Infrastructure: Motorway connections are not adequate -Surrounding: Predominantly residential (in the old courtyards); high office and retail vacancy; retailers (bakery, café) opposite object -Position: West of the town centre (approx. 10 minutes on foot) -Connection: Extremely quiet suburb -Visibility: Easily visible due to the architectural style -Use: Office, doctor's surgery -Year of Construction: approx. 1900; completely refurbished at the beginning of the 1990s -Construction: Reinforced steel skeleton construction with pre-cast concrete slabs -Concept: 3-storey building -State of repair: Recently refurbished old building, appears to be in a very good condition -Functionality: Flexibility of upper floors is limited -Exterior: Few green areas We understand that the Property is comprised of: Plot size: 1,570 sq m Lettable area: 1,722 sq m 15 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Witteborn – office (279 sq m) expiring 28 February 2014. Passing rent is € 20,803.09 per annum. Indexed 2% hurdle/ 60%. Dr. Weber – office/storage (643.58 sq m) expiring 31. July 2016. Passing rent is € 18,570.96. Indexed 2% hurdle/ 60%. Gröpler – office (90.45 sq m) expiring 31 March 2013. Passing rent is € 2,760 per annum. Indexed 10% hurdle/ 60%.	€ 43,615	€ 58,607	€ 560,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: lwa01531 Am Markt 16/17 Mecklenb. 3 23966 Wismar Date of Inspection: 19 July 2011	-Region: Hanseatic League town of Wismar; to the west of Rostock in Mecklenburg-Western Pomerania -Quality: Traditional location for shipbuilding and machine engineering, wood processing, scientific research and service industry. A modern technology, commercial and research centre has been constructed at the timber harbour of Wismar. -Infrastructure: Connection to harbour area available; motorway is only a few kilometres away -Surrounding: Central location in Wismar's inner city, located directly at the Market with adequate parking; predominantly catering businesses and traditional retailers in direct surroundings -Position: In the centre of a building complex at the Market -Connection: Good access by car and by public transport -Visibility: Object fits in well with the surrounding developments -Use: Mixed commercial and residential building -Year of Construction: Constructed in 1890, completely refurbished in 1997 -Construction: Solid masonry construction -Concept: 3-storey building; courtyard with 10 parking spaces -State of repair: Fair condition, some damage to roof and facade visible -Functionality: Commercial and residential building with separate accesses to the residential and office areas -Exterior: Courtyard, parking spaces and small green areas	Freehold (Eigentum) The Property is let to: Deutsche Bank AG – bank hall/office/storage (479.46 sq m) expiring 31 December 2014. Passing rent is € 54,428.52 per annum. Indexed 5% hurdle/100%.	€ 55,029	€ 70,959	€ 720,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	We understand that the Property is comprised of: Plot size: 754 sq m Lettable area:1,001 sq m 1 car parking space				
Unit-ID: swa01807 Falkeplatz 2 09112 Chemnitz Date of Inspection: 21 July 2011	-Region: Saxony -Quality: Well-known location for innovative services and scientific research; companies with offices in Chemnitz include Siemens, IBM & VW -Infrastructure: 40 km to the nearest airport, connections to the motorway network and railway network, good connections to public transport -Surrounding: Object is located at a major intersection; the inner city area starts at the rear of the intersection -Position: To the north-east of the inner city -Connection: Good connections by car and tram, problematic for pedestrians since it is located at a road junction -Visibility: Very good -Use: Office building with bank hall -Year of Construction: 1926 -Construction: Solid masonry construction -Concept: 5-storey building, full basement	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Deutsche Bank AG – bank hall/office/storage (2,646.28 sq m) expiring 31 December 2019. Passing rent is € 269,099.64 per annum. Indexed 5% hurdle/ 100%. Voith Engineering Se – office/storage (1,882.98 sq m) expiring 30. April 2016. Passing rent is € 91,161.84. Indexed 5% hurdle/ 60%. Persona-service AG – office (356.39 sq m) expiring 11 May 2013. Passing rent is € 28,329.96 per annum. Indexed 5% hurdle/ 60%.	€ 406,212	€ 449,957	€ 4,940,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
	-State of repair: Ground floor - 4th floor are apparently in a good condition; the basement is in a very poor condition due to past flooding -Functionality: 3 staircases (separate service cores) -Exterior: The parking spaces in the courtyard are only accessible via a barrier We understand that the Property is comprised of: Plot size: 3,033 sq m Lettable area: 6,608 sq m 32 car parking spaces				
Unit-ID: swa01810 Grosser Bruhl 2 07607 Eisenberg Date of Inspection: 21 July 2011	-Region: Eisenberg has been an administrative district since 1952. After the local government restructuring of 1994, it then became an administrative seat comprising three local government districts of the Saale-Holzland-District -Quality: Economically weak location the eastern German states -Infrastructure: A9 motorway and close to A4; no long distance railway services (e.g. ICE trains) -Surrounding: Residential buildings, retailers -Position: At the start of the pedestrian zone -Connection: Good access by car, average by public transport -Visibility: Easily visible "solitaire" object -Use: Office building with bank hall -Year of Construction: 1883 -Construction: Solid masonry construction -Concept: Corner house, 2-storey, full basement; one service core, the basement and upper floors can only be accessed through the bank hall -State of repair: Dampness in the cellar -Functionality: Functionality limited due to problematic access to the upper storeys and basement -Exterior: No We understand that the Property is comprised of: Plot size: 240 sq m Lettable area:570 sq m no11 car parking spaces	Freehold (Eigentum) The Property is let to one tenant: Deutsche Bank AG – storage/office/storage (569.51 sq m) expiring 31 December 2017. Passing rent is € 48,164.04 per annum. Indexed 5% hurdle/ 100%.	€ 48,164	€ 35,073	€ 460,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: swa01811 Bahnhofstrasse 7b 99084 Erfurt Date of Inspection: 21 July 2011	-Region: Erfurt is the state capital and the largest city in Thuringia -Quality: Primarily small and medium-sized companies in the traditional industries. Additionally it offers a mix of machine engineering, electro technology, telecommunications, food industry, construction industry, landscaping, retail trade, craft trades and commerce -Infrastructure: Point of intersection for the A 4 motorway and the B 4 and B 7 federal roads; connection to the ICE railway network and to the international airport -Surrounding: Approx. 300 m from the beginning of the pedestrian zone, in the immediate vicinity of the main train station -Position: Freestanding corner property at a tram /motorway junction; adjoining a church -Connection: Good connections to public transport; average to good access by car -Visibility: Easily visible "solitaire" object -Use: Office building with bank hall -Year of Construction: 1922 -Construction: Three full storeys, solid masonry construction, tiled roof with dormers, rendered facade -Concept: Three-storey building with full basement; inner courtyard area in 1st floor, accessed through the office corridors -State of repair: Apparently in a good condition -Functionality: Limited access to the attic storey, otherwise good functionality -Exterior: Courtyard and parking spaces in a good condition We understand that the Property is comprised of: Plot size: 2,677 sq m Lettable area: 5,096 sq m 14 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenant is however: Deutsche Bank – bank hall/office/storage (2,248.77 sq m) expiring 31 December 2015. Passing rent is € 225,447.72 per annum. Indexed 5% hurdle/ 100%.	€ 226,204	€ 375,419	€ 4,030,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID: swa01815 Berliner Str. 62 / Friedrichsstr 02826 Gorlitz Date of Inspection: 22 July 2011	-Region: Located in Saxony (south-east Germany) which borders Poland and the Czech Republic -Quality: The industrial sector plays a significant role in Görlitz; strong tourist industry -Infrastructure: There is a small local airport; motorways / federal roads include A4, B6, B115, B99, E40: good level of public transport available -Surrounding: Pedestrian zone -Position: To the south-east of the town centre -Connection: Average access: difficult by car, easy to reach on foot -Visibility: Very good -Use: Mixed commercial and residential building -Year of Construction: 1922 -Construction: Solid masonry construction -Concept: 5-storey building with two separate service cores -State of repair: Apparently in a good condition -Functionality: Good flexibility, separate service cores for the apartments -Exterior: None We understand that the Property is comprised of: Plot size: 1,225 sq m Lettablearea: 3,699 sq m no car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: NKD Vertriebs GmbH – retail (570 sq m) expiring 30 April 2015. Passing rent is € 54,000 per annum. No Indexation Freistaat Sachsen – office (720.36 sq m) expiring 30 June 2013. Passing rent is € 38,190.48. No Indexation. WBS Training AG – office (642.52 sq m) expiring 31 January 2018. Passing rent is € 37,703.04 per annum. Indexed 10% hurdle/ 60%.	€ 179,384	€ 204,645	€ 1,910,000

Entity ID: Property Address:	Brief Description: Age: Floor Areas:	Tenure: Tenancies:	Net Annual Rents Receivable:	Estimated Net Annual Rent:	Net Market Value:
Unit-ID:lwa04008 Mullerstrasse 55 A 13349 Berlin- Wedding Date of Inspection: 22 July 2011	-Region: Berlin (capital of Germany) -Quality: Public authorities, seat of government and logistics and service location -Infrastructure: Famous International airport, very good train and motorways connections (A10, A115, A2, A9, A111, A24, A11, A12); close to the border of Poland -Surrounding: Inner city location with a good level of retail, office and residential occupiers -Position: In Wedding -Connection: Good public transport connections -Visibility: Average -Use: Mixed commercial and residential building -Year of Construction: Late 1960s -Construction: Skeleton construction with concrete slabs -Concept: 5-storey building with basement; retail occupier (Video World) on the ground floor -State of repair: Appears to be in an average state of repair -Functionality: Office accommodation on the 1st floor only; ground floor is traditionally retail, upper floors are residential -Exterior: Few green areas, only in the courtyard area We understand that the Property is comprised of: Plot size: 1,429 sq m Lettable area: 1,308 sq m 21 car parking spaces	Freehold (Eigentum) The Property is let multiple tenants. The main tenants are however: Video World – retail/storage (337.15 sq m) expiring 31 August 2013. Passing rent is € 36,660.00 per annum. No Indexation. Rechtsanwaltskanzlei – office (75.00 sq m) expiring 28 February 2015. Passing rent is € 5,731.68 per annum. Indexed 2% hurdle/60%. Künzel/Christel – residential (97.98 sq m) expiring 31 December 2017. Passing rent is € 5,378.64 per annum. No Indexation.	€ 76,991	€ 99,342	€ 1,280,000

PART XIII:

DOCUMENTATION INCORPORATED BY REFERENCE

The Company's Annual Reports (containing the audited consolidated financial statements) for each of the financial years ended 31 December 2010, 31 December 2011 and 31 December 2012 are available for inspection in accordance with paragraph 14 of Part VI of this document and contain information which is relevant to the Offer Shares. These documents are also available on the Company's website at http://www.eurocastleinv.com.

No part of the Company's Annual Reports for the financial years ended 31 December 2010, 31 December 2011 and 31 December 2012 is incorporated by reference herein except as expressly stated below. Those parts of the documents which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors or the relevant information is found elsewhere in this Prospectus.

The table below sets out the various sections of such documents which are incorporated by reference into this document.

Document	Section	Page numbers in such document
Annual Report 2010	Independent Auditor's Report	32
	Consolidated Income Statement	33
	Consolidated Statement of Comprehensive Income	34
	Consolidated Balance Sheet	35
	Consolidated Cashflow Statement	36
	Consolidated Statement of Changes in Equity	37
	Notes to the Consolidated Financial Statements	38-84
Annual Report 2011	Independent Auditor's Report to the Members of Eurocastle Investment Limited and its Subsidiaries	8-9
	Consolidated Income Statement	10
	Consolidated Statement of Comprehensive Income	11
	Consolidated Balance Sheet	12
	Consolidated Cashflow Statement	13
	Consolidated Statement of Changes in Equity	14
	Notes to the Consolidated Financial Statements	15-62
Annual Report 2012	Report of the Directors	1-6
	Independent Auditor's Report to the Members of Eurocastle Investment Limited and its Subsidiaries	8
	Consolidated Income Statement	9
	Consolidated Statement of Comprehensive Income	10
	Consolidated Balance Sheet	11
	Consolidated Cash Flow Statement	12
	Consolidated Statement of Changes in Equity	13
	Notes to the Consolidated Financial Statements	14-56

PART XIV: DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise:

25 per cent. Threshold	Ownership by Benefit Plan Investors, in the aggregate, of 25 per cent. or more of the value of any class of capital or equity interest in the Company (calculated by excluding the value of any capital or other equity interest held by any Controlling Person)
ABS	Asset backed securities
Accredited Investor	Accredited investor as defined in Rule 501(a) under the Securities Act
Administration Agreement	The administration agreement between the Company and IAG dated 1 July 2009
Administrator or **IAG**	International Administration Group (Guernsey) Limited
Admission	Admission of the Offer Shares to listing and trading on NYSE Euronext Amsterdam, as the context so requires
Articles or Articles of Incorporation	The articles of incorporation of the Company in force from time to time
BaFin	The Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*)
Bastion Portfolio	The 13 properties the Company has acquired or agreed to acquire as referred to in the valuation report of CBRE contained in Part XII of this Prospectus
Belfry Portfolio	The 28 properties the Company has acquired or agreed to acquire as referred to in the valuation report of CBRE contained in Part XII of this Prospectus
Benefit Plan Investor	(i) an employee benefit plan (as defined by Section 3(3) of ERISA), whether or not it is subject to Title I of ERISA; (ii) a plan as described in Section 4975 of the Code, whether or not subject to Section 4975 of the Code; (iii) an entity whose underlying assets include the assets of any plan described in clause (i) or (ii) by reason of the plan's investment in such entity (including but not limited to an insurance company general account); or (iv) an entity that otherwise constitutes a benefit plan investor within the meaning of the Plan Asset Regulation
B Notes	The B Notes are as defined in Part II of this Prospectus "Overview of Current Portfolio and Financing Arrangements — European Real Estate Related Debt Portfolio"
Board of Directors or **Directors** or **Board**	The board of directors of the Company
Bridge Portfolio	The 6 properties the Company has acquired as referred to in the valuation report by CBRE contained in Part XII of this Prospectus
CBRE	CBRE GmbH
CDO	A collateralised debt obligation which is a debt obligation issued in multiple classes secured by an underlying portfolio of investments

CDO I Portfolio Management Agreement	The management and advisory agreement between Eurocastle CDO I plc and the Manager dated 8 June 2004
CDO II	Eurocastle CDO II PLC
CDO III	Eurocastle CDO III PLC
CDO IV Portfolio Management Agreement	The management and advisory agreement between Eurocastle CDO IV and the Manager dated 14 July 2005
CFC	Controlled Foreign Company
CMBS	Commercial mortgage backed securities, being interests in or obligations secured by a commercial mortgage loan or a pool of commercial mortgage loans
Code	The U.S. Internal Revenue Code of 1986, as amended
Company	Eurocastle Investment Limited
Companies (Guernsey) Law	Companies (Guernsey) Law, 2008
Controlling Person	Any person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person
Conversion	The mandatory conversion on 12 April 2013 of around £99,800 in aggregate principal amount of convertible securities issued by the Company into Shares at a conversion price of €0.05 per Share.
CRESTCo	CRESTCo Limited, the operator of the CREST UK system
CREST UK	The facilities and procedures for the time being of the relevant system of which CRESTCo has been approved as Operator pursuant to the Uncertificated Securities Regulations 2001
Directive	EU Savings Directive (2003/48/EC)
Directors	The directors of the Company from time to time
Disclosure Rules	The Disclosure Rules made by the Financial Conduct Authority under section 73A of the Financial Markets and Services Act 2000
Dresdner	Dresdner Bank AG
Dresdner Acquisition	The acquisition of all of the units in the Fund
Drive Portfolio	The portfolio of 162 commercial properties in Germany owned by the Fund
Duncannon	Duncannon CRE CDO I plc
ERISA	U.S. Employee Retirement Income Security Act of 1974, as amended
Euro or **€**	The currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992)
Eurocastle CDO IV	Eurocastle CDO IV plc
Eurocastle Funding	Eurocastle Funding Limited
Euroclear Netherlands	Centraal Instituut voor Giraal Effectenverkeer B.V.
Euronext Amsterdam	Euronext Amsterdam N.V.

Euronext Rules	The rules that apply to companies whose shares have been admitted to listing on NYSE Euronext Amsterdam
Exchange Act	U.S. Securities Exchange Act of 1934, as amended
FATCA	Foreign Account Tax Compliance Act
FFI	Foreign Financial Institution
Financial Conduct Authority or **FCA**	The Financial Conduct Authority acting in its capacity as the competent listing authority for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended
FIP	Fondo Pubblici Immobili, an Italian real estate investment fund
Fitch	Fitch Ratings Ltd.
Fortress	Fortress Investment Group LLC, a limited liability company incorporated in Delaware (with registered number 4246703) under the Delaware Limited Liability Company Act
Fortress Funds	Fortress Investment Fund III L.P., Fortress Investment Fund III (Fund B) L.P., Fortress Investment Fund III (Fund C) L.P., Fortress Investment Fund III (Fund D) L.P., Fortress Investment Fund III (Fund E) L.P., Fortress Investment Fund III (Coinvestment Fund A) L.P., Fortress Investment Fund III (Coinvestment Fund B) L.P., Fortress Investment Fund III (Coinvestment Fund C) L.P. and Fortress Investment Fund III (Coinvestment Fund D) L.P.
FSMA	Financial Services and Markets Act 2000
Fund	ECT GPROP1, a German public open ended real estate fund
Funding Management Agreement	The management agreement between the Company, the Manager and Eurocastle Funding dated 23 June 2004
Funds from Operations or **FFO**	Funds from operations representing the Company's net profit after taxation (computed in accordance with International Financial Reporting Standards) excluding (i) changes in fair value of investment properties net of attributable deferred taxation, (ii) changes in fair value of financial instruments that are taken to the income statement (including but not limited to interest rate swaps, total return swaps and fund units), and (iii) accounting losses on investments made with non-recourse financing to the extent they exceed the net amount invested, as amended from time to time in accordance with the Company's accounting policy, and as may be adjusted at the direction of the independent Directors based on changes in, or certain applications of, International Financial Reporting Standards
General Account Regulations	The regulations issued pursuant to Section 401(c) of ERISA
Group	The Company and its SPVs and subsidiaries from time to time
Guernsey	Island of Guernsey
HUK Portfolio	The portfolio of 8 office properties acquired through a sale/leaseback transaction with HUK in 2007
IFRS	International Financial Reporting Standards
Internal Revenue Code	U.S. Internal Revenue Code of 1986, as amended
IRS	U.S. Internal Revenue Service
Investment Advisers Act	U.S. Investment Advisers Act of 1940, as amended

Investment Company Act	U.S. Investment Company Act of 1940, as amended
ITA	Income Tax Act 2007
ICAEW	Institute of Chartered Accountants of England and Wales
Knowledgeable Employee	Knowledgeable employee as defined in Rule 3c-5(a)(4) under the Investment Company Act
Listing Agents	ABN AMRO Bank N.V.
London Stock Exchange	London Stock Exchange plc
Management Agreement	The amended and restated management and advisory agreement between the Company and the Manager dated 28 February 2013 and effective from 1 April 2013
Management Fee	The fee payable to the Manager pursuant to the Management Agreement
Manager	FIG LLC, a limited liability company incorporated in Delaware (with registered number 2854297) under the Delaware Limited Liability Company Act
Manager's Options	The options granted to the Manager by the Company as set out in "Manager's Fees and Incentive Compensation – Manager's Options" in Part IV of this Prospectus
Mars Floating Portfolio	The portfolio of multi-tenanted office properties acquired in 2007
Mars Fixed I Portfolio	The portfolio of multi-tenanted properties acquired in 2007 and sold over 2011 and 2012
Mars Fixed II Portfolio	The portfolio of 3 multi-tenanted properties acquired in 2007
Memorandum	The memorandum of incorporation of the Company in force from time to time
Moody's	Moody's Investors Services, Inc.
Newcastle	Newcastle Investment Corp.
NFFE	Non-financial foreign entity
NPLs	Non-performing loans
NYSE Euronext Amsterdam	NYSE Euronext in Amsterdam
Offer	The global offer of Offer Shares on the terms and subject to the conditions described in this Prospectus
Offer Price	The price at which each Offer Share is to be issued in connection with the Offer
Offer Shares	The Shares to be issued and offered pursuant to the Offer
Offshore Transaction	Offshore transaction as defined in Rule 902(h) under the Securities Act
Official List	Official List of the Financial Conduct Authority
Option Agreements	The agreements pursuant to which the Options are granted
Options	Options granted over Shares of the Company
Ordinance	The Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989
Paying Agent	ABN AMRO Bank N.V.

PFIC	Passive foreign investment company
Plan	Eurocastle Non-Qualified Share Option Plan
Plan Asset Regulation	Regulation 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA
Pricing Statement	The statement to be published by the Company and the Ordinary Shares prepared in accordance with the Prospectus Rules
Proposed New Articles of Incorporation	The revised set of Articles of Incorporation which it is proposed that the Company adopt at the Annual General Meeting scheduled to be held on 29 May 2013
Prospectus	This prospectus dated 15 May 2013
Prospectus Directive	Directive 2003/71 of the European Parliament and of the Council of 4 November 2003, as amended
Prospectus Rules	The Prospectus Rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000
QEF	Qualified Electing Fund
QEP	Qualified Eligible Persons
Qualified Institutional Buyer	Qualified institutional buyer as defined in Rule 144A(a)(i) under the Securities Act
Qualified Purchaser	Qualified purchaser as defined in Section 2(a)(51) of the Investment Company Act
Registrar	Anson Registrars Limited
Registrar Agreement	Registrar Agreement between the Company and Anson Registrars Limited dated 24 June 2004
Regulation S	Regulation S under the Securities Act
RMBS	Residential mortgage backed securities, being interests in or obligations secured by a pool of residential mortgage loans
Rule 144A	Rule 144A under the Securities Act
Securities Act	U.S. Securities Act of 1933, as amended
Shareholders	Holders of Shares
Shares	Shares of no par value in the capital of the Company
Sole Bookrunner	Credit Suisse Securities (Europe) Limited
Special Purpose Vehicles or **SPVs**	Special purpose vehicles established by the Company to hold investments and/or issue debt securities in the form of CDOs
S&P	Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies
Superstellar Portfolio	The portfolio of 18 retail properties acquired in a sale/leaseback transaction with Edeka Group
Takeovers Directive	Directive 2004/25/EC of the European Parliament and the Council of 21 April 2004 as amended
Tannenberg Portfolio	The portfolio of 27 retail properties acquired in 2007 from various unconnected sellers in various locations across Germany

Target Investments	Investments which meet the investment objectives and guidelines set out in this Prospectus
TIOPA	Taxation (International) and Other Provisions Act 2010
Truss Portfolio	The 41 properties the Company has as referred to in the valuation report by CBRE contained in Part XII of this Prospectus
Trustee	ABN AMRO Bank N.V. London Branch
Turret Portfolios	The 63 properties the Company has acquired as referred to in the valuation report by CBRE contained in Part XII of this Prospectus
UK Transfer Agent	Anson Administration (UK) Limited
UK Transfer Agent Agreement	UK transfer agent agreement between the Company, Anson Registrars Limited and Anson Administration (UK) Limited dated 20 November 2006
Underwriting Agreement	The underwriting agreement and various ancillary agreements dated the date of this Prospectus and entered into between the Company, the Directors and the Sole Bookrunner as described in Part VI: ''Additional Information – 11.1 Underwriting Agreement''
United States or **U.S.**	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
U.S. Person	U.S. person as defined in Rule 902(k) under the Securities Act
VAT	United Kingdom value added tax
Wave Portfolio	The properties purchased on sale and leaseback by the Company from Deutsche Bank in December 2004 referred to in the valuation report of CBRE contained in Part XII of this Prospectus

DIRECTORS, MANAGER AND ADVISERS

DIRECTORS OF THE COMPANY

Keith Dorrian
Randal A.Nardone
Udo Scheffel
Peter Smith
Simon Thornton

whose address is the registered office of the Company

REGISTERED OFFICE OF THE COMPANY

Regency Court
Glategny Esplanade
St Peter Port
Guernsey GY1 1WW
Telephone: +44 1481 723450

MANAGER

FIG LLC
1345 Avenue of the Americas
46th Floor
New York, NY 10105
Telephone: +1 212 798 6100

REGISTRAR

Anson Registrars Limited
P.O. Box 426,
Anson Place,
Mill Court,
La Charroterie,
St Peter Port,
Guernsey GY1 3WX

LISTING AGENT

ABN AMRO Bank N.V.
Gustav Mahlerlaan 10,
1082 PP Amsterdam
The Netherlands

ADMINISTRATOR AND SECRETARY OF THE COMPANY

International Administration Group (Guernsey) Limited
Regency Court
Glategny Esplanade
St Peter Port
Guernsey GY1 1WW

AUDITORS

Ernst & Young LLP
1 More London Place
London SE1 2AF

UNITED KINGDOM TRANSFER AGENT

Anson Administration (UK) Limited
Enterprise House
Ocean Village
Southampton
Hampshire
England SO14 3XB

ENGLISH AND DUTCH LEGAL ADVISERS TO COMPANY

Linklaters LLP
One Silk Street
London EC2Y 8HQ

U.S. LEGAL ADVISERS TO COMPANY

Dentons US LLP
1221 Avenue of the Americas
New York, NY 10020-1089

GUERNSEY LEGAL ADVISERS TO COMPANY

Carey Olsen
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

ENGLISH, DUTCH AND U.S. LEGAL ADVISERS TO THE SOLE BOOKRUNNER

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
EC4Y 1HS

Printed by Royle Financial Print RF65893